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Regulation and Best Practices in Public and Nonprofit Marketing

Editors:
Lucica Matei
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OVERVIEW

This Proceeding contains the papers and works in progress presented at the 9th International Congress of the International Association on Public and Nonprofit Marketing, organized by the National School of Political Studies and Public Administration (NSPSPA), in Bucharest, Romania, on 10–11 June 2010.

We highly appreciate the interest expressed by the international academic environment towards the issue of the public and nonprofit marketing. The fact that, at this year's Congress, there were represented 145 authors and coauthors from 40 universities or institutions of 16 different countries leads us to conclude that there is a constant development of the Congress of the International Association on Public and Nonprofit Marketing as well as of the organizers' effort.

Should you be interested in going in-depth of 2010 IAPNM Congress, please do visit our website http://www.admpubl.snspa.ro/iapnm_congress/

Objectives

1) to compile and edit the latest developments in the field of research in Public and Non Profit Marketing;
2) to gather in a discussion forum professionals and academics interested in this area of the marketing discipline.

Topics

1) Social marketing
2) Marketing in Public Administrations
3) Reviving and Reinventing Public Marketing
4) Marketing fits Local Development
5) Marketing and Health Institutions and Social Assistance
6) Transferring Public and Nonprofit Marketing Best Practices to South-Eastern Europe
7) The Path to Corporate Social Responsibility (CSR)
8) Marketing in Nonprofit Organizations
9) Marketing and Higher Education Institutions
10) Marketing Communication Decisions– Above (advertising) and Below-the-Line (promotion, PR) in Public and Nonprofit Fields

Paper submission

Submitted papers will be double-blind peer reviewed by the International Scientific Committee of the Congress.

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9th Congress President

Professor **Lucica Matei**, Dean of the Faculty of Public Administration, National School of Political Studies and Public Administration, Romania

International Association on Public and Nonprofit Marketing (IAPNM)

IAPNM aims at promoting, developing and applying the public and nonprofit marketing as a field of study within the marketing field and the specific area of scientific knowledge. At the same time, it aims at encouraging and promoting inter-university coordination between academics and researchers in this field of study or area of expertise. IAPNM conveys to the various bodies and entities, both from the public and private sector, as well as to the general public, the specialsts' thoughts and issues in this field of knowledge.

Within its corporate purpose, and under international treaties signed by its host country (Spain), some activities may be related to entities, agencies and programs of the European Union and other national or supranational bodies.

FOREWORD

Organizer, Professor Dr. **Lucica Matei**, Dean of the Faculty of Public Administration, President of the 9th International Congress of the International Association on Public and Nonprofit Marketing (IAPNM 2010)
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Dear participants in the Congress,
Dear guests,
Distinguished Audience,

In the very beginning I would like to express my great satisfaction to chair the opening of the 9th International Congress of the International Association on Public and Nonprofit Marketing and to wish you a friendly WELCOME at the National School of Political Studies and Public Administration in Bucharest.

Your presence here as representatives of prestigious European and international universities and of course national universities represents an additional reason of satisfaction, revealing the recognition of our university and faculty, its activities oriented to promote the inter-academic cooperation in modern and actual fields of social and economic sciences, such as that of public and nonprofit marketing.

Dear participants in the Congress,

I have carefully studied the Congress Agenda, its design and organisation as well as the programme. Being already the ninth edition, I assert that our organisation has developed.

In my view, that fact triggered the programme of this event, the interest and diversity of the topics in discussion.

The topics on agenda concerning social marketing or marketing in public administration, nonprofit organisations, higher education, local development or health systems represent topics of great interest for research in marketing. 70 papers will be presented in the Congress, with 145 authors, representing 40 universities from 16 countries.

The Congress programme meets a pressing need for developing the public marketing research in South-Eastern Europe. Both in Romania and in other states in the mentioned region, the practices of public and nonprofit marketing have not yet been established. In this context neither the regulations nor the rules are settled. Therefore, my assessment is becoming more consistent.

In other order of ideas, the Congress agenda inscribes into the practices of know how among the European Union Member States.

Herewith, I refer at the session concerning the transfer of the best practices towards the South-Eastern European states.

Fostered by the Congress organisation and participation in IAPNM activity, I have reflected recently on the significance of developing the programmes of research and education in the field of public and nonprofit marketing within the framework of our university.

My finding is that we have expertise and learning environment specific to develop successfully the above mentioned programmes. Thus our former goal will be achieved on strengthening the interdisciplinary size within the overall teaching and research activities of the university.

In this context I am convinced that we could benefit of a strong support of the International Association on Public and Nonprofit Marketing and we could also strengthen the inter-academic cooperation with the universities represented in this Congress.

Dear colleagues,

Last days I reviewed a series of arguments pro public marketing, stated by Kotler in his book „Marketing in the public sector". Some arguments sustain this event, as well as in my opinion, the reason of being of the International Association on Public and Nonprofit Marketing.

With your permission I will reveal some of them. Kotler, even in introduction, asserted: "marketing is one of the fields most ignored and misunderstood by the employees in the public sector".
We strongly agree with that attitude, even though the situation is continuously evolving, due to insufficient marketing knowledge of the public employees, its association with promotion, one of its instruments, its excesses in the private sector as well as ignorance towards its capacity to turn into account the opportunities to meet the citizens' needs.

Public marketing slogan "satisfaction and value for citizen" gains specific connotations for us, the trainers of public administration specialists.
Herewith I reveal important works of public management, speaking about "reinventing administration" or "how the entrepreneurial spirit changes the public sector".
Of course you recognised the famous authors Osborne and Gaebler, who in their proposals on „Customers' needs-based administration", „Market-oriented administration" etc. sustain our mission and efforts, as well as Kotler's ideas who is concluding a chapter with „Keep going".
That „Keep going" would mean the change of public administration from a traditional institution, having a low contact with the audience, into a modern institution, with a powerful contact with the audience, providing added value issues for the taxpayers' money.
To that ideal we dedicate the event we are opening today as well as many daily efforts.

Dear guests,

I am convinced that the Congress activities will develop in optimum conditions. Our National School has always been a very good host. The Congress will be a great opportunity to strengthen the networks and relationships of cooperation with the International Association on Public and Nonprofit Marketing as well as with the other universities represented in the Congress.

We express our kind thanks to all our collaborators, sponsors and my colleagues for the organisation of this edition of the International Congress as well as to all participants.
I also wish success to the International Association on Public and Nonprofit Marketing, its President, José Luis Vázquez Burguete, and I ensure him of our future availability for collaboration. I address each of you the same kind thoughts.

OPENING SESSION

Guest speaker, Dr. **Andrew I. E. Ewoh**, MPA Program Director and Professor of Public Administration, Master of Public Administration Program, Co-Director MBA-MPA Dual Degree Program, Department of Political Science and International Affairs, Kennesaw State University (USA)
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The Role of Public-Nonprofit Partnerships in the Delivery of Public Goods and Services

ABSTRACT

While collaboration between public and nonprofit sector has a long history in the United States, such partnerships around the world have proliferated with the emergence of new public management that dates back to the early 1990s about a few years after the Romanian citizens gained the right to form nongovernmental organizations. Most scholars see the evolution of the nonprofit sector as a response to the failure of government to provide public goods and services. The purpose of this discourse as it relates to the 9th International Congress theme is to explore the role of public-nonprofit partnerships (PNPs) in accomplishing public purpose. On the basis of lessons learned from best practices across the globe, I will begin with a discussion of the theoretical framework for nonprofit sector. This will be followed by an exploration of the role that nonprofit organizations played in handling the aftermath of Hurricane Katrina in 2005. I will conclude with recommendations on how to promote PNPs in the twenty-first century.

KEYWORDS

1. INTRODUCTION

Madam President, Professor Matei, Ladies, Gentlemen and Organizers,

Thank you very kindly for inviting me as the guest speaker of your 9th International Congress. The topic of my presentation today—the role of public-nonprofit partnerships in the delivery of public goods and services—synchronizes well with your conference theme "Regulation and best practices in public and nonprofit marketing."

While collaboration between public and nonprofit sector has a long history in the United States, such partnerships around the world have proliferated with the emergence of new public management that dates back to the early 1990s about a few years after the Romanian citizens gained the right to form nongovernmental organizations. Most scholars see the evolution of the nonprofit sector as a response to the failure of government to provide public goods and services. The literature of both business and public administration is replete with reasons why public-nonprofit partnerships exist, or are being deployed, as global phenomena in the provision of public goods and services. When Hurricane Katrina ripped through the United States Gulf Coast on August 29, 2005, nongovernmental actors such as private businesses and nonprofit organizations were the first responders in providing relief and recovery services to the stranded residents when emergency plans at all levels of government came up short. The same story is the case with the devastating flood that affected more than 500 Romanian villages in 2000 (CORA 2000), and the fierce quake that killed more than 250 thousand people and displaced over 3 million individuals in Haiti on January 12, 2010 (Humanity First 2010). In fact, most recent studies show that nonprofit organizations contributed successfully to the Hurricane Karina relief effort irrespective of government obstacles, and with no direction or support from government (Pipa 2006; Bolton 2006). Recent natural disasters and their aftermaths have revealed significant weaknesses of governments everywhere to deal with emergency planning and response without mutual cooperation and partnership with nonprofit organizations.

The purpose of this discourse as it relates to the 9th International Congress theme is to explore the role of public-nonprofit partnerships (PNPs) in accomplishing public purpose. On the basis of lessons learned from best practices across the globe, I will begin with a discussion of the theoretical framework for the existence of the nonprofit sector. This will be followed by an exploration of the role that nonprofit organizations played in handling the aftermath of Hurricane Katrina in 2005. I will conclude with recommendations on how to promote PNPs in the twenty-first century.

2. THEORETICAL FRAMEWORK

Various theories of the public sector contend that public partnership with nonprofit organizations is a unique form of division of labor in the provision of public goods that coordinates each sector's strengths and weaknesses. The relationship between government and the nonprofit sector is described as complementary and symbiotic in nature. According to the third party theory, the nonprofit sector is conceptualized as the preferred approach for the provision of collective goods (Salamon 1987). From this framework, solving new and expanding socioeconomic problems is mostly and effectively accomplished on a voluntary bottom-up approach (Lipsky and Smith 1989-1990). The failure of the voluntary sector, Salamon (1987) argues, is the reason for government involvement. Since the nonprofit sector cannot solve the free rider problems in the performance of various public sector functions, government steps in through its regulatory function to tax. Societal dependency on the nonprofit sector for performing public services allows the government to promote general welfare without stretching its administrative mechanism, thus achieving overall efficiency, however defined.

The logic of the third party theory is reversed by the public goods theory that posits that while government is responsible for the production of public goods, it fails to finance goods and services to satisfy the demand of a whole population of individuals with diverse needs. In this situation, the nonprofit sector steps in to meet the demands of collective goods and services not funded by the government (Weisbrod 1988). Whereas these two theories make different assumptions about the

mutual dependency of public and nonprofit sectors, they acknowledge that such relationship is optimal in contemporary industrialized economies and should be encouraged.

Most nonprofit scholars (Moulton and Anheier 2001) agree that nongovernmental or nonprofit organizations avail to the government a flexible, localized method to respond to "emerging or entrenched" socioeconomic problems. Government turn to these organizations to perform functions that require special services to either underserved groups or remote areas of the population because they are more responsive than government agencies in creating long-term, client-service relationships without bureaucratic red tape (Boris and Steuerle 2006; Halseth and Ryser 2007).

In United States, for example, the three levels of government provide grant monies to nonprofit organizations through public-nonprofit collaborations for performing public functions in a win-win policy situation. According to the National Center for Charitable Statistics, "Federal, state, and local government spending directed to nonprofits amounted to $207.8 billion in 1997, including Medicare, Medicaid, and government grants. Excluding health services, the total falls to $70.1 billion" (Urban Institute 2010a). Total revenue for all reporting public charities in the United States grew from $207.8 billion in 1997 to $1.1 trillion in 2005 of which 9 percent ($102.9 billion) came from government grants (Urban Institute 2010b).

3. THE POLITICAL ECONOMY OF PARTNERSHIPS

In their chronological analysis of the public-private partnerships in the United States, Moulton and Anheier (2001) contend that the Great Society programs of the 1960s and 1970s contributed to the foundation as well as the growth of nonprofit organizations in the decades that follow. For example, in 1989, nonprofit organizations received more than 50 percent of federal social services expenditures compared to their dismal funding figures in the 1960s. The importance of money to the sustainability of nonprofit organizations (NPOs) has prompted them to form coalitions, advocacy groups, among others, whose main or partial goal is to lobby government for more funding for various types of socioeconomic welfare programs (Moulton and Anheier 2001; Oliver 1999).

Despite the declining support for reducing socioeconomic programs and services in United States, for example, there are increased demand for such services and programs in other countries such as Canada, Hungary, and Romania, to mention but a few (Halseth and Ryser, 2007; Jenei and Kuti 2003; Osborne et al 2005; Bidu and Orhei 2008; Nistorescu 2008). While partnerships facilitate the provision of public goods and services that require different types of expertise, multiple services, coordination, and public support; some NPOs lack the institutional capacity to function under such condition due to devolution, government cutbacks, lack of government support, or declining human resources (Scott 2004; Halseth and Ryser 2007). What exactly is a partnership? Partnership is an agreement formed by two or more organizations with compatible goals to work together in a mutually beneficial way, to accomplish a mission that will not have been possible by one entity. Some scholars (e.g., Googins and Rochlin 2000) have argued that while financial contributions made by a donor may not be a sufficient condition for a partnership to materialize, partnership exists only when both the donor and the recipient benefit from their mutual relationship.

Accountability has been a major issue in public and nonprofit partnerships especially as it pertains to either the quality of collective goods produced or services rendered. The problem becomes even daunting when government provides the money as opposed to an individual or corporation. Meyer (1996) reminds us that nonprofit organizations can play crucial roles in the production as well as provision of public goods once transparency and accountability are maintained through a monitoring mechanism. Using a case study approach, Meyer (1996) showed how the Costa Rican National Biodiversity Institute collaborative through complex contracts with international parties provided partial solutions to public goods problems in the absence of private property rights over genetic resources.

Based on the Meyer's (1996) study of institutional alternatives to property rights, it is apparent that through partnerships, an organization may acquire new knowledge or skills, or even adopt new technologies as well as new management techniques. Partnerships come in different ways, such as in-kind services in the form of volunteer hours, or in building institutional capacity because it helps in the

development of leadership, information sharing, networking, expertise and acquisition of resources, however defined. In some situations, partnerships may lead to increased awareness of best practices elsewhere that can be deployed for mutual benefits of the actors and stakeholders.

Governments at all levels may partner with universities and other groups to formulate a mechanism for stable social interactions or even search for new approaches not only for economic development but on how to enhance the quality of education in the community as well as the best way to improve the well-being of the community through healthcare services, among others. Scott (2004), and Berman and West (1995) have suggested that local governments can facilitate partnership building and networks through dialogues by sponsoring public meetings, community forums, workshops, formation of local advisory board, and developing policy that encourages collaborative decision making.

The idea of resources acquisition in public-nonprofit partnership was echoed in Gazley and Brudney's (2007) study that examined the reasons why local governments and nonprofits choose to collaborate especially when the partnerships are not governed by formal contracts or grants. While the Georgia government leaders and nonprofit administrators surveyed in the study noted that legal requirements were the major reason for their partnerships, they disagreed on the usefulness of the collaborations. For example:

> Nonprofit executives place a greater emphasis than government managers on using partnerships to gain new resources and to build the relationships that presumably help them to gain resources … government respondents are substantially more likely to agree about other cost benefits of collaboration: to express interest in gaining professional expertise through partnerships and to view partnerships as a means for avoiding competition (Gazley and Brudney 2007: 393).

Caldwell (2003) summed up five arguments for public-private partnerships which equally apply to public-nonprofit collaborations as follows: failure of the public authority to meet expectations, securing higher levels of funding, a "third way" in the delivery of services, the building of social capital, and transformation of public sector in a knowledge society. While it is not necessary to discuss these arguments here, governments in developed and developing nations have various types of contracts with nonprofit organizations (NPOs) to help either in the implementation of public policies—such as education, economic development, and other social services—or in the delivery of services that would have been provided by the government (e.g., nursing homes, community centers as well as shelters, etc.). Let me turn to NPOs and their networks using the response to Hurricane Katrina of 2005 as a reference point.

4. NPOs AND THEIR NETWORKS: ALLIANCES OR COLLABORATIONS?

The chaotic response to Hurricane Katrina by government agencies at the three levels of government and the American Red Cross, the primary nonprofit organization charged by law with providing relief in national emergencies, has prompted researchers and concerned citizens alike to question the vital role that NPOs play in our contemporary society. When Hurricane Katrina loomed in late August of 2005, local media outlets carried information about the evacuation plan, and a number of public and nongovernmental organizations posted information on their websites to help spread the word about evacuation plans. During its meetings of August 21 and 22, 2005, respectively, the Louisiana Association of Nonprofit Organizations discussed the idea of creating a formal statewide network through which local NPOs can collaborate and function together but the idea did not flourish because of the differences among these agencies (about 1,000) as it pertains to their mission and institutional capacity to act (Pipa 2006).

On August 29, 2005, when the New Orleans' levees broke, the local NPOs had no choice but to find innovative ways to work together. For instance, the Baton Rouge Area Foundation (BRAF), through its special relief fund for the immediate human needs of evacuees and long-term rebuilding efforts in New Orleans, recruited the International Rescue Committee to assist it in assessing the area's shelters as well as to draft grant-making priorities and criteria. The BRAF also formed ad-hoc program teams comprising its foundation alumni, representatives from other area foundations, and their own

employees to visit local NPOs and identify urgent needs for funding, and set up a makeshift office for evacuated staff of the Greater New Orleans Foundation. The benefits from these arrangements support the importance of building social capital through networks and collaborations.

5.   COMPARATIVE ANALYSIS OF NPOs INSTITUTIONAL CAPACITY

The poor response to Hurricane Katrina by government agencies and nonprofit organizations (NPOs) has raised a serious question about the institutional capacity and funding abilities of these organizations, when confronted with a historic national disaster. Many public and nonprofit organizations either closed down or did not provide regular services to thousands of people because their infrastructure were inadequate or were too small to provide aid by themselves or in collaboration with the federal and state governments.

According to Smith (2006), Katrina severely exposed the fiscal weakness of the State of Louisiana and its local governments, a problem that had a corresponding effect on the capacity of NPOs in the area. Before the hurricane crisis, there was a steep decline in Louisiana's expenditure on non-health social services despite the rise in such expenditure in other states. Smith attributed New Orleans' lack of government support for NPOs to its low per capita expenditures, which is reflective of the deep-seated poverty in the crescent city in particular and the state in general (Urban Institute 2005). The obvious implication of a statewide poverty problem in Louisiana is that it affects not only the ability of local NPOs to attract charitable donations, but it also discourages the formation of new organizations. It is no surprise to most people why large national NPOs reported in Table 1 below, except for the Baton Rouge Area

TABLE 1
List of 18 Hurricane Katrina Fundraisers

Name	Location	Amount
1. American Red Cross	Washington, D.C.	$2.12 billion
2. Salvation Army	Alexandria, Virginia	$362 million
3. Catholic Charities, USA	Washington, D.C.	$154.46 million
4.Bush-Clinton K. Fund	Washington, D.C.	$130 million
5. Habitat for Humanity	Americus, Georgia	$124.4 million
6. United Methodist C.R.	New York, New York	$ 64.5 million
7. United Way of America	Alexandria, Virginia	$46.9 million
8. Baton Rouge Area	Baton Rouge, Louisiana	$41.5 million
9. Samaritan's Purse	Boone, North Carolina	$36.89 million
10.America's 2nd Harvest	Chicago, Illinois	$33.8 million
11. United Jewish Comm.	New York, New York	$28.5 million
12. Humane Society of U.S.	Washington, D.C.	$25 million
13. Evangelical Lutheran C.	Chicago, Illinois	$23 million
14. Southern Baptist C.D.R	Alpharetta, Georgia	$20.1 million
15.AmeriCares'sFoundation	Stamford, Connecticut	$15 million
16.FoundationforMid South	Jackson, Mississippi	$11.6 million
17.World Vision	Federal Way, Washington	$10.9 million
18. Mercy Corps	Portland, Oregon	$10 million

Source: Compiled from *Newsweek*'s July 3-10, 2006, p. 71 and materials from Foundation for Recovery at www.foundationforrecovery.org. Accessed August 8, 2006.

Foundation, tend to dominate local services with, of course, some supporting role coming from small community-based and local faith-based groups.

In times of disaster, citizens generally give money to NPOs that have national reputation. Seventeen out of the 18 NPOs listed in Table 1 used their national name recognition to raise substantial amount of private donations, much of which came through their respective websites.

These national NPOs usually distribute a significant percentage of their raised revenue to their local NPOs in Louisiana and the Gulf Coast region. For example, when thousands of people were forced to evacuate, more than 110 Catholic Charities USA (CCUSA) nationwide reached out to help and comfort those truly in need because of its knowledge of the most vulnerable population coupled with the presence of an affiliated local organization, the Catholic Charities of the Archdiocese of New

Orleans (CCANO). CCUSA and its member organizations have been outstanding stewards of America's trust and the very nature of its network enables it to use nearly half of more than $154 million in donations and other funding to provide over one million people with food, shelter, basic necessities, counseling, and other relief and recovery needs to move on with their lives (Catholic Charities USA 2006).

Unlike other NPOs reported in Table 1, the American Red Cross mobilized the largest relief effort in its 124-year history by raising 2.12 billion dollars to aid the victims of Katrina disaster, but received a significant amount of criticism from the public, media and the government for its slow response in distributing funds to hurricane victims, especially in minority communities in rural Louisiana and Mississippi. Other reasons for much of the American Red Cross's criticism come from its lack of collaboration with local NPOs, and its difficulty in providing basic aid and relief needs. The problem encountered by the American Red Cross stems from its lack of integration with local networks of social welfare organizations and public and private NPOs. Because of its focus on blood donations, temporary assistance after house fires, relief from smaller-scale natural disasters, and health and safety course, the American Red Cross does not work in concert with local NPOs. Conversely, however, other multiservice NPOs like CCUSA, the Salvation Army, and Habitat for Humanity are known for constant collaboration with various funding agencies and local NPOs. The New Orleans Habitat for Humanity, as an ecumenical Christian housing ministry, collaborated with local Baptist churches to build about 400 homes for dislocated Hurricane Katrina victims (Smith 2006).

The fact that over 56 percent of all donations for hurricane relief came from faith-based organizations is very impressive. However, a substantial number of these organizations do not have the institutional capacity and resources to provide long-term services, such as job training, mental health counseling, childcare, substance abuse, and after-school programs for at-risk students. Similarly, faith-based groups irrespective of their size are not in the most privileged position to coordinate case management for hurricane victims. As of March 7, 2007, over 1,100 local interfaith groups received grants for their own recovery and rebuilding efforts from the Bush-Clinton Katrina Fund (BCKF). The allocation of the $130 million raised by the BCKF is as follows:

- $30 million to 33 institutions of higher education, including universities, colleges, community colleges and technical training institutions;
- $40 million for recovery funds set up by the governors of Louisiana, Mississippi, and Alabama to fill unmet needs in their states;
- $25 million to religious organizations throughout the region, and
- $35 million for projects focused on health, housing, education, community and infrastructure needs (Bush-Clinton Katrina Fund 2007).

Resolving the problem of institutional capacity concern, as revealed here, calls for governments in all countries to create national coordinating organizations or multifaceted agencies to effectively connect citizens from different fields of human endeavors with appropriate services during periods of complex natural disasters such as Katrina and Rita hurricanes. The State of Louisiana has taken a lead role with the creation of the Louisiana Family Recovery Corps (LFRC), a public NPO with the mission to coordinate and mobilize a network of providers, and government agencies to deliver aid and services to displaced citizens in temporary housing throughout Louisiana. The LFRC has subcontracted much of its work to the Volunteer of America of North Louisiana, Catholic Community Services of Louisiana, and a consortium of well-organized NGOs in New Orleans for case management and long-term disaster relief and assistance (Louisiana Family Recovery Corps 2005). Also, the Baton Rouge Area Foundation, the Foundation for Mid South, and other regional foundations have given grants to local NPOs such as the Catholic Charities for case management. Similarly, the United Way of New Orleans funds various organizations for case management and coordination services, including the American Red Cross, Catholic Charities, the Salvation Army, and Jewish Family Services (Smith 2006; Foundation for the Mid South 2006).

The aftermath of Hurricane Katrina has shown that national and local NPOs can improve the effectiveness of national-level aid efforts through collaboration with grassroots organizers and new charities that incidentally emerged across Louisiana and elsewhere in response to specific relief and recovery needs of Katrina victims. Since 2005, there have been public dialogues to increase public

awareness and knowledge about the impact of Hurricane Katrina. One of such dialogues that I participated in was sponsored by both the Rutgers University and the University of South Alabama (USA) on March 15-16, 2007 on the campus of USA.

6. NPOs AND PUBLIC SERVICE DELIVERY IN THE TWENTY-FIRST CENTURY

The general consensus among scholars after Hurricane Katrina is that effective crisis response requires closer partnership between government, private sector, and nonprofit organizations; accomplishing that goal requires a new thinking about the relationship between these actors (Morrissey 2006; Moore 2006; Joseph 2006; Boris and Steuerle 2006). The quest to accomplishing the goal of closer cooperation among actors in emergency response compels scholars to rethink, more than ever before, how to conceptualize the role of NPOs in public service delivery in the twenty-first century and the public policy implication of this role on the future of NPOs in the United States of America, and elsewhere.

Pipa's (2006) report showed that neither the huge outpouring of charitable support nor supplies of federal government filtered down to the NPOs, leaving them vulnerable to closing or reducing services. The problem of delivering aid to those in need can come from several factors such as network coordination and information sharing, to mention but a few. The importance of NPOs in the U.S. economy became obvious with the relief efforts for Hurricane Katrina victims because all the three levels of government relied extremely on their services. However, many scholars, lawyers, and concerned citizens have questioned whether the proliferation of new charitable organizations immediately after Katrina and Rita disasters was really beneficial to the victims or merely a waste of time and resources, since people who have no experience in service delivery learn to operate new NPOs. These concerns emerge from the fact that crises usually bring out many con artists with the desire to help others (Morrissey 2006). In fact, many NPOs have been found to engage in financial improprieties. Some reputable NPOs like the United Way of America, the Nature Conservancy, and Adelphi University have wrongly diverted funds to insiders. Even the American Red Cross was criticized for diverting donations specified for victims and victims' families of the September 11, 2001, terrorist attacks to other uses. The implication here is that any unsavory behavior of one NPO may cause a decline in charitable giving to other NPOs (Kelley and Anderson 2006).

 Notwithstanding the aforesaid concern, the bright spot for NPOs is that they can come up with ideas that fill voids left by the other actors in emergency response, and without new NPOs, some victims may not get help with their basic human needs. Unlike government agencies, NPOs can most effectively request for more donations, both cash and in-kind contributions, from the private sector. The ability of NPOs to reach out to other agencies for help prompted international NPOs to respond. In fact, Katrina has been documented as the first time that international relief organizations such as International Rescue Committee, Mercy Corps, Oxfam America, AmeriCares, Christian Reformed World Relief Committee, UNICEF and International Medical Corps dispatched their own employees and resources to a domestic crisis (Pipa 2006).

While it is very important that NPOs must maintain the public's trust in order to raise funds to accomplish their missions, it is not generally clear to whom these organizations must be accountable. Usually society expects NPOs to be accountable to the donors, to clients and beneficiaries, and to the public at large. Being accountable to the public requires NPOs to establish and maintain workable collaborative relationship with government that safeguards both their ability and independence to function as legal entities. Similarly, NPO directors and staff are now required to adhere to three fiduciary duties under the law: the duty of care, loyalty, and obedience (Kelley and Anderson 2006).

Besides service delivery during natural disasters, the proliferation and dominance of NPO provision of public goods in the United States has been supported by supply-side subsidies in two forms: grants and guaranteed loans. For example, there are federal grants to higher education NPOs and loan guarantees supplied for institutionally targeted loan programs for the provision of education that dates back to the creation of federal Guaranteed Student Loan in 1965. In addition, demand-side subsidies such as GI Bill (for veterans) and Pell grants (for students from low-income families) were awarded to individuals, rather than schools, to help make the cost of higher education in both public supported institutions and private nonprofit schools affordable.

7. CONCLUDING REMARKS

It is now obvious that nonprofit organizations (NPOs) played a vital role in helping hurricane victims in all aspects of relief, recovery and rebuilding of the United States Gulf Coast region through the generous donations from individuals and corporations around the world. Based on the problems encountered by national responder groups and NPOs in the Hurricane Katrina, it is very imperative for governments everywhere to take the leading role not only in providing much needed revenue for relief and recovery efforts during natural disasters, but also in promoting collaboration among public, private, and NPOs in their jurisdictions. Governments anywhere in the world can do this by creating national coordinating agencies in their jurisdictions to assist, as an information clearing house for all the actors, in critical emergency response plan.

In sum, both the government and NPOs are required to partner more than ever before in developing and implementing effective relief, recovery and rebuilding programs for helping disaster victims. Recent examples of natural disasters in countries like Chile, China, and Haiti reveal the obvious demand for more public-nonprofit partnerships in the provision and delivery of public goods and services in the twenty-first century. While governments in developing and underdeveloped nations should create tax incentives to encourage charitable giving, local NPOs should strive to enhance their institutional capacity to meet their missions by partnering with reputable international NPOs. Despite their multifaceted roles in many jurisdictions, NPOs not only facilitate the relations between the citizens and their government, but they have the ability to create conditions by which government and market imperfections can be held accountable by the attentive public.

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SESSION 1
SOCIAL MARKETING

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The session aims at emphasizing the use of the marketing principles and techniques in order the influence a social behavior. As a central instrument for bringing to market certain mass-behavioral issues, the social marketing needs to be properly tackled in the framework of outlining the major influences affecting people behavior. Thus, the session explores the aspects of social marketing strategy and draws implications for our understanding of social marketing from different experiences, case studies.

EFECTIVENESS OF ANTI-DRUG CAMPAIGNS. AN EXPLORATORY ANALYSIS IN THE YOUNG SPANISH PEOPLE

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ABSTRACT

Models as the Protection Motivation Theory (PMT) aim to understand those data and variables considered by individuals when facing the challenge of a behavioural change, as well as the more or less important they are. It is a key issue for social marketing responsibles, as they need a better understanding of the reasons for compliance or not with a suggested new behaviour. Research was conducted on three TV spots aiming drug-fight sponsored by the Ministry on Health and Consumption in Spain. In spite of the limitations of the study –due to its exploratory character–, obtained results question the effectiveness of used arguments, perceived as one-sided and more focused on the threat coming from current behaviour than in the advantages of coping appraisal and behavioural change. Moreover, a requirement of self-conviction for a real behavioural change is stated, as well as the doubtful effectiveness of –even counterproductive– penalties or external pressures on individuals.

KEY WORDS

Social marketing, anti-drug campaigns, individual decision-making process

1. INTRODUCTION

Morbidity and mortality associated with drug dependence affect a sizeable number of European citizens and constitute major problems for public health in Europe. According to current estimates, the prevalence of problem drug use in the European Union Member States and Norway varies between 2 and 9 cases per 1 000 of the working population, indicating a large population at risk for serious health consequences. Risks related to injecting drug use are the transmission of blood-borne infections, in particular human immunodeficiency virus (HIV) and hepatitis B and C, fatal and non-fatal overdoses and other morbidity.

But this is not only a medical problem, drug use is a serious and complex problem. It impacts on individuals, families, communities and the economy. Each year drug use contributes to thousands of deaths, significant illness, disease and injury, social and family disruption, workplace concerns, violence, crime and community safety.

The UK Home Office estimated that the social and economic cost of drug abuse to the UK economy in terms of crime, absenteeism and sickness is in excess of £20 billion a year. In Spain we can find different data but García Altés *et al.* (2002) estimated more than 800 million only in drugs and Portella *et al.* 1998 determined more than 3,6 billion in alcohol, finally López Nicolás, 2001 calculated 3,6 billion in tobacco.

It does not however estimate what portion of those crimes are unintended consequences of drug prohibition (crimes to sustain expensive drug consumption, risky production and dangerous distribution), nor what is the cost of enforcement. Those aspects are necessary for a full analysis of the economics of prohibition.

Among the number of diverse questions under analysis in the social marketing arena, researchers are long intending to determine those factors influencing an individual's behavioural changes, not only from a Marketing view, but also from other related disciplines (e.g. Behavioural Psychology, or Labour Sciences, when issues are related to workers' performance). Thus, useful information could be provided in order to improve persuasive power and effectiveness of communication messages.

As stated by Cismaru and Lavack (2006), some contributions could be underlined in the literature, as the "Theory of Reasoned Action" developed by Fishben and Ajzen in 1975, the "Social Cognitive Theory" by Bandura in 1977, or the previous but more specialized "Health Belief Model" by Rosenstock in 1966. However, the "Protection Motivation Theory", or PMT, by Rogers and colleagues (1975, 1983, 1997, 2000) is undoubtedly one of most influential contributions, and not only in the academic sphere (as the basis for further developments), but also as starting point for research work and advertising campaigns design.

According to PMT model (see Figure 1), individuals are supposed to be influenced by either external (or environmental) and internal issues when making decisions on continuing, changing or intensifying a concrete behaviour according to their expectation about positive consequences and/or awareness of negative ones, either for themselves (direct consequences), related individuals (close) or other social groups – including the society as a whole – (generic).

What is more, key variables influencing on individuals' attitudinal and behavioural response could be grouped into the five categories of perceived vulnerability, severity, response efficacy, self-efficacy and costs of adopting a new behaviour (i.e. performing in a different way).

FIGURE 1
Changes in consumer's behaviour as explained by the model of Protection Motivation Theory
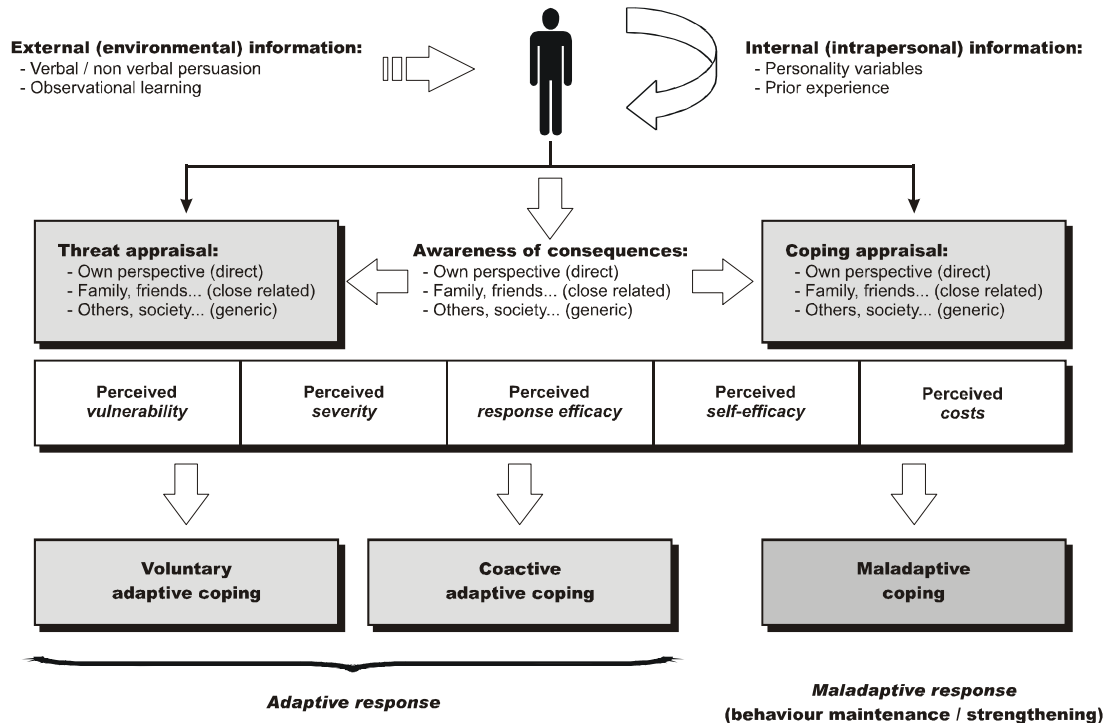
Source: Vázquez, Gutiérrez and García (2007), based on Floyd, Prentice-Dunn and Rogers (2000)

Summarily, perceived vulnerability variables are related to the individual's subjective perception on the risk of a negative event itself, meanwhile perceived severity issues refer to awareness on the seriousness of possible negative consequences. Thirdly, perceived response efficacy variables concern individual's belief on the effectiveness of a suggested behaviour in reducing or eliminating a concrete danger or an inadequate performance. In a similar way, perceived self-efficacy is related to the individual's belief on his/her ability/capability to perform in the "right" way. Finally, perceived costs are all those barriers that the individual expects to face when following the suggested behaviour (not only monetary ones, but also including other ones, as in terms of required time and/or effort, inconvenience...).

According to standard formulation of PMT, individuals' behaviour could result on adaptive or maladaptive coping (i.e. following or avoiding suggested patterns) as a direct result of their diverse assessments on adaptive alternatives responses and consequences. However, we suggest considering a set of three options, as follows: i) voluntary adaptive coping (i.e. following suggested behaviour due to the self-conviction on its goodness –a case of adaptive coping–); ii) coactive adaptive coping (as consequence of awareness to negative consequences, social repulse, punishment... –an adaptive but forced coping–); and iii) maladaptive coping (as considered in standard PMT formulation).

We could even go further by considering the chance of sustaining or intensifying the now "conscious" and "wrong" behaviour. This last and undesirable option could be due to diverse issues, as a "saturation" effect from the media campaign or a bad design of message contents (as risks in any communication campaign), an excessive "additional" social pressure (from family, friends...). Thus, an extra effort on avoiding this chance should be advisable.

There is an extended agreement in the literature on the real influence of either internal or external circumstances on individuals' performance, including variables from all these five categories

previously stated. However, there is little evidence on the concrete way of such influences. What is more, even when a real number of research works point to the absence of variables on all five categories in most situations, concrete effects of this lack of information in individuals' choice are not determined (Kivetz and Simonson 2000).

To be precise, a real number of social marketing anti-drug campaigns are mostly focused on awareness messages, the individual expected to fulfil gaps on other variables. In Spain, e.g. short messages as *"you are going to give it all"*, *"it's better don't take this train"*, or *"are you going to play?"* are usual in drug campaigns, just in other EU countries. These constitute a short sentences focus on perceived vulnerability and severity.

Taking in mind all this background, as well as considering the relevance of *"drugs trouble"* at present time, an exploratory questionnaire was designed in order to highlight some issues on effectiveness of anti-drug campaigns. Thus, three TV ads were presented to a total sample of 74 students from different groups in Faculty of Economics, University of Leon, in a range from 20 to 29 years old. Data were collected in December 2008.

TV ads were considered as expecting that elements of TV supported campaigns are more well-known than other in papers, radio, etc. messages. Moreover, these three ads were selected as they both were supported by the National Ministry on Health and Consumption (and so broadcasted at national level), as well as including concrete (more or less explicit) references to more than one PMT categories of variables, allowing individuals to access either external (including ads themselves) or internal (including own experience) data sources.

Specifically, the first one of the ads under analysis, what was identified with the slogan *"are you going to play?"*, was directly related to risk perception (that is, trying). On the other hand, the second ad, what was identified with the slogan *"it's better don't take this train"* aimed to show risks for a long time consumption. The third one, *"you are going to give it all"*, it's trying to get that people can think in friends and families when are alone after problems with drugs. This advertisements were 25 seconds long, and all of them are available at the web site of the Ministry [http://www.msc.es/], just as some other audiovisual materials from previous or later campaigns (in 2007).

Regarding to the research sessions, firstly a short and general questionnaire was presented to participants in order to know their opinion on the real likelihood of a change in individuals' performance, as well as the real possibility of a spontaneous (similar to a play or entertainment reaction) or a more reflective basis under the new behaviour.

Then, ads were presented to attendants from the Ministry website (then dependence of TV broadcast was avoided). In every case, a specific questionnaire was presented to the attendants in order to make a clear idea on their opinion about perceived importance of drug problem, perceived (expected) effectiveness and emotions raising from every ad, and suggested ways for an improved presentation of the problem and/or the message in future TV campaigns.

2. RESULTS AND DISCUSSION

Perception on the possibility of a change in individuals' performance:

The perception on the possibility of a change in individuals' performance was assessed by means of two groups of statements including 10 and 3 items, respectively. The first grouping consisted of several general ideas on change behaviour that were presented to respondents for their appraisal according to a five-point Likert scale ranging from *"1"* (*"total disagreement"*) to *"5"* (*"total agreement"*).

Obtained average values in all cases were located over the central *"3"* value. However, as shown in Table 1, more generic sentences scored clearly higher (the first sub-group of 6), meanwhile scored values were lower for statements related to motives for change (the remaining 4). Moreover,

dispersion in results (according to standard deviation values) was lower in case of those statements related to *"generic change"* that in case of those related to *"induced change"*.

The second group of 3 statements aimed first intuition on the perceived spontaneity or reflection required for change, as well as on the capacity of communication campaigns to induce a change in behaviour. As shown in Table 2, it seemed to be much more a reflective question that a consequence of communication campaign or a game.

Thus, results from the first and generic part of the study point up to the agreement of respondents on the possibility of change in individuals' performance, as well as on the likelihood of and induced change in behaviour, especially in case of a reflective thinking. The idea is trying to get new questions that are going to help us for developing a new scale but perhaps we are going to find some questions that we will have to change.

TABLE 1

Perception on the possibility of a change in individuals' performance

Statements	[1]	[2]	[3]	[4]	[5]	A.V.	S.D.
1. Individuals change during their life	1.4	2.7	2.7	50.0	43.2	4.31	0.78
2. Individuals change behaviour according to habits	0.0	5.4	4.1	71.6	18.9	4.04	0.67
3. Individuals change behaviour according to likings	1.4	2.7	12.2	68.9	14.9	3.93	0.71
4. Individuals change behaviour according to habits	0.0	1.4	5.4	67.6	25.7	4.18	0.58
5. Individuals change behaviour according to ideas	1.4	10.8	16.2	54.1	17.6	3.76	0.92
6. Individuals change behaviour according to circumstances	0.0	1.4	4.1	41.9	52.7	4.46	0.65
7. Others can induce a change in an individual's behaviour	2.7	18.9	17.6	44.6	16.2	3.53	1.06
8. Change requires own conviction	1.4	21.6	20.3	27.0	29.7	3.62	1.17
9. Other can beguile to act as they want	1,4	12,3	16.4	63.0	6.8	3.62	0.84
10. Public supported campaigns aim social welfare	2.7	9.5	35.1	41.9	10.8	3.49	0.91

Scale: [1] *Total disagreement*; [2] *Disagreement*; [3] *Indifferent*; [4] *Agreement*; [5] *Total agreement*. A.V.: *Av. Value*. S.D.: *St. Deviation*.

TABLE 2

Perception on the basis for the change in individuals' performance

Statements	[1]	[2]	[3]	[4]	[5]	A.V.	S.D.
1. Change is like playing or a natural ability of individuals	1.4	14.9	36.5	33.8	13.5	3.43	0.95
2. Communication campaigns can induce change	0.0	2.7	37.8	54.1	5.4	3.62	0.63
3. Reflection is required to solve a problem	0.0	2.7	4.1	37.8	55.4	4.46	0.71

Scale: [1] *Total disagreement*; [2] *Disagreement*; [3] *Indifferent*; [4] *Agreement*; [5] *Total agreement*. A.V.: *Av. Value*. S.D.: *St. Deviation*.

Perception on effectiveness and emotions induced by ads:

After some questions on the importance of the drug problem in which requirement of self-conviction was clearly stated and considered much more effective than communication campaigns or punishment to consumers (concrete details on results regarding these issues not being provided in this paper due to space specifications), participants were asked on their perception on effectiveness and emotions induced by TV ads.

As shown in Table 3, ads inside the same campaign *"you are going to give it all"*, *"it's better don't take this train"* and *"are you going to play?"*), what were devoted to shown risks for consumers themselves, were considered to be specially *"memorable"*, *"persuasive"*, *"convincing"* and *"emotive"*. Theirs capacities to induce or contribute to an anti-drug performance were perceived as questionable, as well as theirs effectiveness or *"dearly loved"* characters.

TABLE 3

Perception on effectiveness/emotions from ad (i) *"drug campaigns"*

The TV ad that I have just seen...	[1]	[2]	[3]	[4]	[5]	A.V.	S.D.
1. ... is persuasive	1.4	16.2	21.6	48.6	12.2	3.54	1.07
2. ... is convincing	1,4	12.2	20.3	50.0	16.2	3.68	1.18
3. ... is effective	1,4	14.9	55.4	27.0	0.0	3.09	0.97
4. ... is attractive	8,1	20.3	18.9	41.9	10.8	3.27	1.21
5. ... is memorable	1,4	5.4	5.4	50.0	37.8	4.17	1.02
6. ... is emotive	10,8	16.2	14.9	40.5	16.2	3.35	1.05
7. ... is dearly loved	39,2	24.3	24.3	6.8	1.4	2.02	0.93
8. ... is disagreeable	18,9	33.8	29.7	12.2	5.4	2.52	1.10
9. ... encourages me to not consume drug	4,1	12.2	24.3	40.5	18.9	3.58	1.11
10. ...contributes to an anti-drug behaviour	5,4	10.8	31.1	36.5	16.2	3.47	1.12
11. ... is not to influence my performance	18,9	20.3	32.4	16.2	10.8	2.79	1.32
12. ... is not related to me	23,0	12.2	20.3	17.6	27.0	3.13	1.61

Scale: [1] *Total disagreement*; [2] *Disagreement*; [3] *Indifferent*; [4] *Agreement*; [5] *Total agreement*. A.V.: *Av. Value*. S.D.: *St. Deviation*.

Additionally, and according to individuals' experience and perception, ads were said to be *"a good support to transmit the right message"* (2.82). Its content was perceived as *"easy to communicate"* (2.5), especially through *"this sort and style of ads"* (2.82). *"Difficulty to solve the drug problem"* was also mentioned (1.58), or to do it *"with TV ads"* (2.24). Difficulties to design creative and effective campaigns at this purpose were highlighted.

This is the beginning of a future research about this subject. We have a small sample but we will try to research the relation between some questions through Chi-square analysis.

3. CONCLUSIONS

As this was a prospective study, further research and more representative samples (in number and characteristics of respondents) should be required to make any definite conclusion. At any case, some preliminary ideas could be stated, and so:

a) It is possible to induce a change in individuals' behaviour through social marketing campaigns, even when it is not clear the nature and importance of the real number of external and internal factors beneath it. A reflective process is almost ever suggested as a requirement.

b) The drug problem is perceived as a very difficult to solve. Furthermore, consumers' self-conviction is stated as a clearly more effective way if compared to the doubtful effectiveness of –even counterproductive– punishment, penalties or external pressures.

c) On the other hand, the drug problem is perceived as more severe if considered from the families and friends point of view. In that case, social campaigns are perceived as more effective. However, the need of self-conviction is also pointed up.

d) Finally, some suggestions could be made for future anti-drug campaigns, as introducing more and more diverse stimulations in messages. To be precise, the ads under analysis were perceived as too much focused in threat arguments (vulnerability, severity), and a lack of facing issues was also mentioned (response efficacy, self-efficacy, low costs of the change), even when individuals' use to be more receptive to positive arguments, as part of the self-conviction process that is required for a effective and sustainable behavioural change.

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THE EFFECT OF FEAR APPEAL HIV/AIDS SOCIAL MARKETING ON BEHAVIOR: EVALUATING THE IMPORTANCE OF MARKET SEGMENTATION

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ABSTRACT

The increase in various social problems has caused practitioners to review fear appeals in order to influence behaviour. The Aids pandemic is a major concern and some advertising campaigns do not seem to be producing the expected results. This study used structural equation modelling to investigate whether the use of fear increases the likelihood of adopting appropriate behaviour pertaining to HIV/Aids prevention. Fear, attitude towards the advertisements, severity, susceptibility and efficacy were examined to ascertain the influence of fear appeals on a specific market segment. The findings of this paper indicate a relationship among susceptibility, fear, attitude and behavioural intent.

KEY WORDS

Social Marketing, HIV/AIDS, Fear Appeals, Segmentation

1. INTRODUCTION

Social marketing programmes address various pandemics and anti-social behaviour, where citizens are not acting in-line with accepted social conduct and regulations, to bring about social change. The proliferation of several social problems has caused a revisit to the effectiveness of fear appeals. Given the increase in social-issue related communication in South Africa, and a population characterised by a wide variety of different cultural groups, advertising in South Africa is often targeted at a heterogeneous audience with a standardised message. The HIV/Aids pandemic in South Africa is a major concern and the main advertising campaign loveLife, based on informational appeals, does not seem to be producing the expected results.

A number of previous fear appeal study models (Arthur and Quester 2004; Witte 1992, 1994) aimed to clarify the role of fear in establishing the effectiveness of advertising when using fear appeals, and also examined the moderating role of coping appraisal in determining consumers' response to fear appeals. Fear, attitude towards the advertisements, severity, susceptibility and efficacy were examined to ascertain the influence of fear appeals. This study used structural equation modelling to investigate whether the use of fear increases the likelihood of adopting appropriate behaviour pertaining to HIV/Aids marketing communication within a specific target segment. A model to measure fear appeal effectiveness within a specific target segment are discussed, and findings provide encouraging evidence for the persuasive power of fear appeals. Fear appeals can be a strong motivator if accompanied by high efficacy messages, to improve knowledge and to influence attitudes about HIV/Aids. Susceptibility to the disease among adolescents also influences behaviour.

2. THEORETICAL BACKGROUND

Fear appeal literature denote that fear can be described by mood adjectives, including feeling frightened, anxious, or nauseous, and also via ratings of concern or worry (LaTour and Tanner 2003; LaTour and Rotfeld 1997; Henthorne, LaTour and Nataraajan 1993; Rogers 1983). Fear thus motivates actions aimed at reducing these unpleasant emotions (LaTour and Zahra 1989; Tanner, Hunt and Eppright 1991), it also relates to risk-taking behaviour which is now often addressed by social marketing efforts (Tudor 2003). A number of approaches are used for advertising campaigns and promotional efforts to influence or change behaviour. These appeals range from humor to self-idealisation to the use of fear (Belch and Belch 2004).

The use of fear as an advertising appeal raises the question on the appropriate severity of the threat. As a result many marketing researchers, believing that it is too difficult to implement properly, have questioned the use of fear appeal advertising messages (Rotfeld 2000). However, the increase in various social problems and behaviours has forced many practitioners to reconsider the use of fear appeals in social advertising, because it seems that other types of advertising appeals are not having the intended behavioural effect. Different models to improve the effectiveness of fear appeal have been proposed. Tay, Ozanne and Santiono (2000) recommend the utilization of fear appeals should be segment specific as fear appeals have been found to influence various population segments differently (Quinn et al. 1992; Burnett and Wilkes 1980; Burnett and Oliver 1979 cited in Tay et al. 2000). Segmentation may be based on a variety of variables including age, sex and their involvement in the behaviour under investigation (such as smoking, drunk-driving or unprotected sexual contact).

Individuals need to be encouraged, reinforced, and supported to change their high-risk behaviour into healthy behaviour in order to prevent the spread of HIV/Aids (Fishbein 2000; Lee and Green 1991). Three variables in particular, namely attitude, norms and self-efficacy, are the function of underlying determinants. These determinants include beliefs about the outcome of behaviour, social and normative prescriptions within that population, and specific barriers to these actions. External influences should be included when evaluating these beliefs: cultural background, perceived vulnerability to infection and personality traits may have a mediating influence on attitudes, norms and self-efficacy beliefs (Fishbein 2000). Culturally sensitive interventions have been found to more

effectively create behaviour changes in high-risk populations such as adolescents. This finding implies that interventions which are based on sound theoretical knowledge of behaviour change (e.g. social learning theory, the health belief model, and self-efficacy theory) and which also take into account cultural beliefs and attitudes are more likely to succeed (Levinson, Sadigursky and Erchak 2004).

Based on Leventhal's danger control/fear control framework, the Extended Parallel Process Model (EPPM) is an expansion of previous fear appeal theoretical approaches (Janis 1967; Leventhal 1971; Rogers 1975; Rogers 1983; Witte 1992). According to the EPPM threat motivates action, and perceived efficacy determines whether the action taken controls the danger (protective behaviour) or controls the fear (inhibits protective behaviour). Individuals typically weigh their risk of actually experiencing the threat against actions they can take that would minimize or prevent the threat (Witte 1992, Witte 1994, Witte 1998). Efficacy is an environmental or message signal that may lead to perceived efficacy, which relates to an individual's cognitions about efficacy. Messages that portray efficacy focus on the effectiveness of the suggested response (i.e., response efficacy), and on the target audience's ability to carry out the suggested response (i.e., self-efficacy) (Rogers 1983). Similarly, perceived response efficacy refers to an individual's beliefs that a response effectively prevents the threat (i.e." I believe condoms prevent HIV contraction"), and perceived self-efficacy refers to an individual's belief in his or her ability to perform a recommended response (i.e. "I think that I can use condoms to prevent HIV contraction") (Rogers 1983).

If results indicated high threat and low efficacy, theory indicates that the intervention was failing, because it was promoting fear control responses. Conversely, if the results of a survey indicated high threat and high efficacy, then the intervention was producing the desired actions (Witte and Allen 2000). Individual differences however influence the assessment of threat and efficacy. Individuals evaluate the components of a message relative to their prior experiences, culture, and personality characteristics. Differing perceptions in different individuals influence consequent outcomes (Witte 1992). Marketing communication has to take into account the cultural and economic fabric of society, with different types of people from different races (Lane, King and Russell 2005). Research on race and marketing communication interventions suggest that race groups differ in responses to communication, advertising effectiveness and attitudes towards messages (Dines and Humez 1995).

A study by Arthur and Quester (2004) aimed to clarify the role of fear in establishing the effectiveness of advertising when using fear appeals. They also examined the moderating role of coping appraisal in determining consumers' response to fear appeals and whether these processes apply equally to different segments or individual differences of consumers. Witte's (1992) Extended Parallel Process Model assessed perceptions of severity, susceptibility, response efficacy (the degree to which the recommended response effectively inhibits the threat from occurring), and self-efficacy (the degree to which the audience perceive their ability to perform the recommended response to prevent the threat) (Witte 1992; Witte 1994; Witte 1998). Growing evidence suggests that well-designed, well-targeted, theory-based behaviour change interventions can be effective in reducing the spread of HIV/Aids (Fishbein 2000).

The Aids pandemic in South Africa is a major concern. According to Avert (2008) research shows that about 50 percent of HIV infections in South Africa are transmitted to people before the age of 20, with more than 5 million HIV positive people in a country with 48 million people. LoveLife is South Africa's major multi-million dollar HIV/Aids prevention campaign (US$12 million/annum), launched in 1999. It follows an informational appeal approach and is an educational campaign that emphasizes condom use and ''positive sexuality'' (Green 2004, cited in Green and Witte 2006). LoveLife does not seem to be producing the expected results, and became the world's first organisation to have its funding discontinued by the Global Fund to Fight Aids, Tuberculosis and Malaria, during December 2005. The cut reflects debate about the effectiveness of loveLife's HIV-prevention programme and the viability of behaviour-changing HIV/Aids education (Peng 2006).

3. RATIONALE OF THE STUDY

The main objective of this research study was to measure the influence of fear-based advertising appeals pertaining to HIV/Aids in terms of the impact on behavioural intent and whether the use of fear increases the likelihood of adopting appropriate behaviour within a specific target segment. Structural equation modelling was used to investigate fear, attitude towards the advertisements, severity, susceptibility, response efficacy, and self efficacy to ascertain the influence of fear appeals on behavioural intent.

4. RESEARCH METHODOLOGY

A qualitative study was utilised to explore in-depth responses via four focus groups. Following the focus groups a quantitative experimental study was conducted.

4.1. Sampling

The sample for the qualitative (40 respondents in total) and quantitave (360 respondents in total) studies included adolescents between the ages of 18 and 24 years, from the three main racial groups within South Africa. Mid-year estimates (2008) of the South African population (48,8m) indicate that the Black African race make up the majority of the country's population, 79%, followed by White 9.3%, Coloured 9.2 % and Indian or Asian 2.4% (Statistics South Africa 2008). The HIV prevalence in the adolescent population, aged 15-24 years, is 7.6% amongst males and 27.8 % amongst females (Avert 2008), thus a group representative of those affected strongly by HIV/Aids.

Respondents drawn represented educated, middle to upper income groups. The focus on this specific population group can be explained based on their similarity to South Africa's major HIV/Aids advertising campaign loveLife's target audience, as well as that this group is sexually active. They have income levels of R 6 880 to R 19 974 per month that enable them to acquire media like television and magazines, they are also educated and literate with a matric (completed high school) or higher education, which enables them to understand advertising messages aimed at them (Saarf 2007).

4.2. Methodology

Nine print advertisements and ten television commercials, tested for face validity by marketing research and advertising specialist, were used as experimental stimuli to be pre-tested in the focus groups. Each advertisement was rated according to the level of fear appeal perceived by means of a questionnaire based on a 5-point Likert scale (LaTour and Tanner 2003; Witte 1998). Three advertisements including low, medium and high fear appeals for print and television were selected based on the ratings from the qualitative research. A pre-test post-test, 3 X 2 between subjects, experimental design was used to collect data from 360 respondents. A convenient quota sampling method was employed. The presentation of various fear appeal advertisements was the experimental intervention while the likelihood of changing behaviour based on fear, attitude, susceptibility and efficacy was measured as the outcome. Respondents were given a self-completion questionnaire with questions based on a risk behaviour diagnosis Likert scale (Witte 1998) prior to any intervention and the same behaviour scale post-intervention. Fear arousal was measured post-intervention by having respondents rate mood adjectives. Attitude towards the various fear appeal advertisements were also measured post-intervention by using summed scales (LaTour and Tanner 2003; LaTour and Rotfeld 1997). Efficacy measurements included response efficacy (effectiveness of suggested response, i.e. "Using condoms is effective in preventing HIV infection") and self efficacy (ability to carry out the suggested response, i.e. "I am able to use condoms to prevent getting HIV infection").

Based on the results from the experimental study as well as evidence from the literature, a proposed model to measure the impact of fear appeal on behavioural intent was constructed. The new proposed model in this study focuses on the equivalence of the Proposed Revised Protection Motivation model (Arthur and Quester 2004) and the Extended Parallel Process Model (Witte 1992). It proposes that if a threatening stimulus (fear appeal) maximizes fear experienced by individuals, and the coping response

will be effective in eliminating the fear, whilst individuals is capable of undertaking it, the stimulus will be effective in changing their attitude towards the stimulus and behavioural intent. The threat-appraisal variables, susceptibility and severity, will therefore indirectly influence behavioural change through the mediating variable fear, whilst the coping appraisal variables, response efficacy and self-efficacy will have a moderating influence in determining individuals' response to fear appeals.

5. DATA ANALYSIS AND MAJOR FINDINGS

Structural Equation Modeling (SEM), a technique that measures a set of dependent relationships simultaneously was used for the proposed model to measure the behavioural effect of fear appeals in this study (Malhotra and Birks 2007; Hair, Black, Babin, Anderson and Tatham 2006). Structural equation modeling (SEM) and a path diagram were used to depict the relationships among the constructs of the proposed model. Multiple regression analysis was used to analyse the relationships between the dependent (behavioural intent) and the various independent variables (Hair et al. 2006:176). Structural Equation Modeling was done in LISREL to estimate the dependence relationships in the model. The combined model used data of all experimental groups to determine goodness-of-fit indices.

An estimated covariance matrix was calculated to assess the degree of fit to the observed covariance matrix. Goodness-of-fit was indicated as the degree to which the actual correlations (or the covariance matrix used as input) were predicted by the model. In this instance the model produced an estimated covariance matrix that was within sampling variation of the observed covariance matrix and therefore illustrates a good model that fitted well (Malhotra and Birks 2007; Hair et al. 2006). Table 1 illustrates the goodness-of-fit indices for the model.

The *p*-values for the Normal Theory Weighted Least Squares Chi-Square and the test of close fit of the RMSEA resulted in no statistically significant (p<0.01) differences indicating that the fit is good. The Root Mean Square Error of Approximation (RMSEA) was 0.057 which indicated good fit compared to the acceptable 0.05 to 0.08 range (Hair et al., 2006). The Normed Fit Index (NFI) and the Comparative Fit Index (CFI) is above the 0.9 level and indicate a good goodness-of-fit. The Goodness of Fit Index (GFI) and the Adjusted Goodness of Fit Index (AGFI) also resulted in values greater than the acceptable 0.9 level (Hair et al., 2006).

TABLE 1
Goodness-Of-Fit Indices for Model

Goodness-of-fit indices	Values
Normal Theory Weighted Least Squares Chi-Square	**19.31 (P = 0.023)**
Root Mean Square Error of Approximation (RMSEA)	**0.057**
P-Value for Test of Close Fit (RMSEA < 0.05)	**0.33**
Normed Fit Index (NFI)	**0.93**
Comparative Fit Index (CFI)	**0.96**
Goodness of Fit Index (GFI)	**0.98**
Adjusted Goodness of Fit Index (AGFI)	**0.95**

Figure 1 illustrates the results obtained from SEM analysis. Based on the SEM analysis interpretations were made of each relationship in the model. The probability that estimates were significant (i.e. not equal to zero) were used to make estimates of the values of constructs in the model (Malhotra and Birks 2007; Hair et al. 2006).

FIGURE 1

Structural Equation Model of Fear Appeal and Behavioural Intent

Chi-Square=19.31; Df=9, P-Value=0.2265; RMSEA=0.057
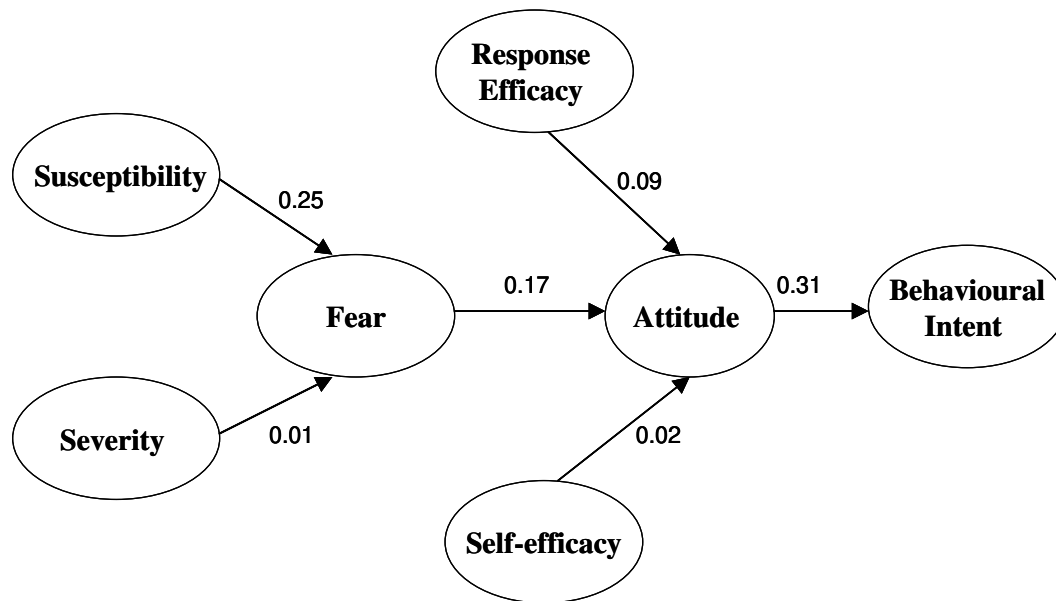
The estimated coefficients of the first two relationships, namely susceptibility (0.25) and severity (0.01) illustrated that susceptibility had the greatest impact on fear, and severity was insignificant. This was in-line with the findings of Arthur and Quester's (2004) study which also reported a causal relationship between susceptibility and fear, but not between severity and fear. They conclude that fear is an emotional response to a stimulus and many of the antecedents may be more affective than cognitive. This finding partially supports Witte's (1992; 1998) explanation that an individual evaluates the perceived threat of the danger, and if the appraisal of threat results in moderate to high perceived threat, then fear is caused. However, the findings of this study only indicate that the susceptibility construct of threat influences the relationship with fear and not the severity construct.

Both response efficacy and self efficacy indicated insignificant relationships with attitude. The study by Arthur and Quester (2004) illustrates similar results stating that response efficacy and self efficacy do not necessarily act as moderating variables in the fear-behavioural-intent relationship. They also confirm fear as the primary driver for change in behavioural intent. Witte (1998) on the contrary states that an individual that experiences a threat is motivated to begin a second appraisal, which is an assessment of the efficacy of the suggested response. Thus, when perceived threat and perceived efficacy are high it stimulates adaptive actions such as attitude, intention, or behaviour changes that control the danger, however no support for this was found in this study.

Other positive causal relationships included fear to attitude (0.17) and attitude to behavioural intent (0.31). This is in-line with theory indicating that the higher a fear appeal the more effectively it influences attitude and finally behaviour (LaTour and Tanner 2003; Snipes, LaTour and Bliss 1999; Donovan, Jalleh and Henley 1999; LaTour and Rotfeld 1997; LaTour, Snipes and Bliss 1996; Henthorne, LaTour and Nataraajan 1993). Arthur and Quester (2004) confirm this finding stating that susceptibility influences behavioural intent indirectly through the mediating variable fear.

6. CONCLUSIONS

Fear appeals can be a strong motivator if accompanied by high efficacy messages, to improve knowledge and to influence attitudes about HIV/Aids. Susceptibility to the disease among adolescents also influences behaviour.

The results of the SEM model confirmed a causal relationship between susceptibility and fear, showing that susceptibility had the greatest impact on fear. On the contrary severity was insignificant and had no effect as an antecedent to fear. This implies that respondents feel susceptible to the threat of contracting HIV/Aids and this influences their fear experienced, but although the disease is severe this aspect does not influence their fear experienced or ultimately their behaviour. Adolescents thus evaluate the perceived threat of the danger of HIV/Aids, and if this appraisal of their susceptibility results in moderate to high perceived threat, then fear is caused.

Response efficacy and self efficacy indicated insignificant relationships with attitude and it can be concluded that these constructs do not stimulate adaptive action such as attitude or behaviour change and do not necessarily act as moderating variables in the fear-behavioural-intent relationship.

Fear is the primary driver for change in attitude and behavioural intent, as per the classical fear appeal theory where outcomes relate to acceptance of a message's recommendations. When individuals are confronted with a threatening stimuli and experience fear, they try to eliminate the unpleasant feeling by intending to perform a certain coping response to reduce the threat. From this it seems that the higher a fear appeal the more effectively it influences attitude and finally behaviour, whilst susceptibility influences behavioural intent indirectly through the mediating variable fear.

From this study it is evident that fear appeals in HIV/Aids communication are effective to change behaviour, and that HIV/Aids marketing communication programmes are of central importance in slowing down the spread of the disease among a specific target segment, namely South African adolescents. In the development of future HIV/Aids advertising campaigns targeted at adolescents, social marketing communication practitioners must consider to communicate the target audiences' susceptibility to the disease. This will ensure that adolescents experience a relevant fear that will drive them to change the way they think about HIV/Aids and ultimately influence them to modify their sexual behaviour to safe sexual behaviour.

Limitations of this study include that SEM generally requires a larger sample relative to other multivariate approaches, since larger samples generally produce more stable solutions (Hair et al. 2007). Furthermore, processing and responses to advertising appeals do not always occur immediately after exposure to an advertisement intervention, referred to as the "delayed effect." This study was conducted in an experimental laboratory setting and therefore did measure this effect over time. Areas for future research include replication studies based on the proposed model to measure fear appeal effectiveness on other samples in different settings.

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TOWARDS A BETTER UNDERSTANDING OF ETHICAL CONSUMPTION

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ABSTRACT

Ethical and social responsible consumer behavior has been object of a number of researches in the last two decades. Actual consumer behavior has been a neglected topic when compared to a significant number of studies measuring consumers' ethical attitudes and beliefs. This investigation tries to go deeper in the understanding of ethical consumption, explaining why not always consumers behave according to their ethical and socially responsible beliefs and attitudes. Understanding these reasons will allow policy makers to develop effective marketing communication strategies that can enhance a more ethical and socially responsible consumer behavior. A qualitative approach, based on interviews with Portuguese consumers, will be undertaken, in order to attend the defined objectives.

KEY WORDS

Ethics, Social Responsibility, Consumption, Attitudes, Behaviour

1. INTRODUCTION

Discussion towards an understanding of social responsibility and ethics in marketing has dramatically increased over the past decades, revealing an increasing interest by both academics and practitioners in those issues. Frequently treated as similar concepts, social responsibility and ethics have different meanings, although related. The literature on ethics and social responsibility, regardless of burgeoning, still presents important gaps, which need to be filled for a better understanding of the topic and more effective marketing management policies. One of these gaps relates to the consumer side of the marketing exchange dyad, typically neglected in favor of the study of managerial attitudes and behaviors (Muncy and Vitell 1992, Murphy and Laczniak 1992).

To a better understanding of the social role of marketing it is important to take into account the holistic perspective of the expression. It is crucial to be aware that this involves understanding the role of a significant number of agents (e.g. government, firms, consumers, common citizens) in the development of higher ethical standards in business and in society, in general. Since social marketing is based on a process to develop social change programs (Andreasen 2002) it needs to fully understand the major influences affecting people behavior, in order to promote that behavioral change.

As a fundamental part of the marketing exchange process it is important to understand the role of consumers in the society and the way they can contribute to a more ethical and responsible way of life. This can be understood in a double perspective: first, regarding to the extent to which consumers tend to reward ethical organizations as well as punish unethical ones and, secondly, regarding the way consumers reflect their ethical and moral standards in their own behavior, which is the purpose of this research.

2. LITERATURE

Ethics and Social Responsibility are frequently treated as similar concepts in its relation with organizations. However, while ethics refers to rules of conduct and moral philosophies held by individuals and organizations, social responsibility is related to the social contract between the organization and the society in which it operates (Robin and Reidenbach 1987). Some researchers, however, found empirically that ethical and social responsible behaviour follow the same decision making process (Goolsby and Hunt 1992; Wood, Chonko and Hunt 1986). Additionally it is often assumed that socially responsible business decisions would be ethical decisions, in which the rules and philosophies related to the impact of the business in the society are considered.

From a consumer perspective the same analogy may be done. Webster (1975) provides one of the most comprehensive definition of the socially conscious consumer as "a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change" (p.188). Mohr, Webb and Harris (2001) adapted this definition to define socially responsible consumer behavior (SRCB) as "a person basing his or her acquisition, usage and disposition of products on a desire to minimize or eliminate any harmful effects and maximize long-run beneficial impact on society" (p.47). This definition requires the inclusion as CSR as one of the criteria influencing a person's consumption patterns. A socially responsible consumer would, therefore, avoid buying products from companies that harm society and actively seek out products from companies that help society.

Ethical consumer behavior can be broadly defined as "the decision making, purchases and other consumption experiences that are affected by the consumer's ethical concerns (Cooper-Martin and Hoolbrook 1993: 113). This field of research has grown substantially since the 1990's providing valuable insights into the ways how people respond to the moral challenges of living in contemporary consumption environments (e.g, Chatzidakis et al. 2004, Marks and Mayo 1991; Carrigan and Atalla 2001; Shaw and Shiu 2002). Curiously, the grounding field of research of ethical consumer behavior did not use the term "ethical" but instead was concerned with socially responsible consumption, emphasizing the environmental consumers' concerns and the way they affected their consumer behavior (Cooper-Martin and Hoolbrook 1993). Subsequent research focused in other aspects of social responsibility:

ethical issues, such as consumer boycotts (e.g., Friedman 1999), fair trade (e.g., DePelsmacker and Janssens 2007) or social aspects such as human rights (e.g., Belk, Devinney and Eckhardt 2005).

A critical look at the literature illustrates that consumers' ethical behavior can be divided into two groups: "consumer ethics" and "ethical consumerism". The first one refers to "the moral principles and standards that guide behavior of individuals or groups as they obtain, use and dispose of goods and services" (Muncy and Vitell 1992: 298; for a review on this topic see Vitell, 2003). Ethical consumerism incorporates concerns for the environment, business practices and social justice, and reflects therefore the consumer social consciousness.

Although several researches indicate a growing consumer concern about ethical issues there seems to be a significant difference between what consumers say about their ethical concerns and their actual behavior (e.g, Carrigan and Atalla 2001; Chatzidakis, Hibbert and Smith 2006; Astous and Legendre 2009). In fact, the greatest amount of research on ethical consumption is focused on understanding consumer ethical beliefs and intentions to act. These are constructs more easily obtained through standard survey instruments. However, these surveys say little about actual behavior and when it comes to revealed preferences and actual behavior there is considerably less information (Belk, Devinney and Eckhardt 2005).

3. RESEARCH OBJECTIVES

In spite this recent development, much has to be done in order to contribute to a better understanding of ethical and socially responsible consumer behavior (ESRCB), which is the main purpose of this research. Specifically it tries to deeper analyze the perceived gap between attitudes, intentions and behavior in what refers ethical consumption. Filling this gap and understanding the rationalizations used by consumers to justify their behaviors would be very useful to policy makers, in order to developing strategies to promote behavioral change.

Specifically, the following research objectives are defined:

a) Analyze the nature of the behaviors considered critical by consumers in what respects social and ethical concerns;
b) Analyze the nature of the consumers' justifications/rationalizations for not always behaving in an ethical and socially responsible way;
c) Understand which variables explain the gap between attitude – intention and behavior in ESRCB.

In order to better capture the underlining issues for the behavior this research will be developed using a qualitative approach. Qualitative and interpretive methods can add considerable depth to understanding how consumers not always behave in manners they consider more ethical and socially responsible. Interviews with Portuguese consumers will be undertaken, in order to attend the defined objectives.

4. CONCLUSIONS

Ethical and social responsible consumer behavior has been object of a number of research in the last two decades. Actual consumer behavior has been neglected in research when compared to a more significant number of studies measuring consumers' ethical attitudes and beliefs. This research fits on a social marketing approach in the way that, even though it is not about social changes policies, it has implications at this level. It will try to go deeper in the understanding of ethical consumption, explaining why not always consumers behave according to their ethical and socially responsible beliefs and attitudes. If the purpose of social marketing is to promote social behavioral change, in the case of ethical consumption it is crucial to know consumer reasons for not always translate those ethical beliefs into actual behavior. Understanding these reasons will allow policy makers to develop effective marketing communication strategies that can enhance a more ethical and social responsible consumer behavior.

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THINKING OUTSIDE THE BOX: DOES PACKAGING ON CIGARETTES WORK?

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ABSTRACT

Cigarette packages in almost all countries in the world carry health warnings to inform consumers about the risks of smoking. Health warnings on packages are appealing both because of their low cost to regulators and their unparalleled reach among smokers. They constitute the most cost-effective tool for educating smokers and non-smokers alike about the health risks of tobacco use. However the effectiveness of package warnings depends on their size, position and design: whereas obscure warnings have been shown to have relatively little impact, more comprehensive warnings, including picture-based warnings, have been associated with greater recall, increased motivation to quit smoking and greater attempts to quit. This paper will review the literature on packaging of cigarette boxes.

KEY WORDS

Packaging, Labelling, Social Marketing, Behavioural Change, Cigarettes, Pictorial and Text Health Warnings

1. INTRODUCTION

It is accepted that price is the most effective tobacco control intervention and increases in price can be achieved through a variety of interventions aimed at taxing tobacco appropriately (Chaloupka 1999). Nevertheless this instrument is used with varying intensity or not at all by different governments all over the world (Clancy 2009). Non-price methods of controlling tobacco include workplace restrictions, protection from exposure, and product regulation by various means including determination of content and disclosure of additives. It is realised that it is important that there is proper information available about the dangers of smoking and this needs to be delivered in an effective manner. Social marketing has taught us that it is very important that attention is paid to packaging and labelling and that advertising and promotion through any form of sponsorship be banned (Clancy 2009).

Other efforts at reduction of demand such as the regulation of the content of tobacco products and regulations on information (WHO Study Group 2007), disclosure on tobacco products' content (O' Connor et al. 2006), and emissions (Harris 2001) are being used to try to strengthen tobacco control but by and large they are likely to lead to tedious efforts to get conformity from the tobacco industry. Many feel that it is totally inappropriate to have such a dangerous product unregulated, however advances in labelling and increasing the size of the health warnings, the type of warning and particularly the introduction of graphic images has increased greatly in recent years (Clancy 2009). This has been spearheaded by Canada in 2001, where the impact has been shown to be very positive with regard to tobacco control (Hammond et al. 2007). It seems likely that there will be compulsory use of these graphics in the EU in the near future. For now in the EU, Belgium, Latvia, Romania and the UK have introduced these picture warnings and the EU watches with great interest to see what effect this will have on tobacco control. Health warnings are not new either and were introduced in the United States, where they played a role, but as always where there are multiple interventions in different contexts and in different societies the precise role of any single one needs to be very carefully evaluated (Clancy 2009).

Governments have required extensive areas of tobacco packs to be used for mandatory health warnings, including 14 nations (at July 2007) which require pictorial warnings (Physicians for a Smoke Free Canada 2007). The largest appropriations are in Australia and New Zealand, where warnings cover 30% of the front and 90% of the back of packs. No nation has compensated any company for the loss of brand identity in this process. These major incursions into pack design (often alleged by the industry to be inviolable commercial property), show that governments can override commercial concerns in the public interest with regard to packaging.

Packaging differentiates brands, being particularly important in homogeneous consumer goods categories such as cigarettes (Underwood 2003). Marketing literature highlights routinely the critical role played by pack design in the marketing mix, emphasising that the 'product package is the communication life-blood of the firm', the 'silent salesman' that reaches out to customers (Underwood 1998) and that packaging 'act(s) as a promotional tool in its own right' (Palmer 2000). Cigarette packaging conveys brand identity through brand logos, colours, fonts, pictures, packaging materials and pack shapes. The world's most popular cigarette brand, *Marlboro* (Lambat 2007), can be identified readily through its iconic red chevron. The *Marlboro* brand is estimated to be worth $US27 billion, making it the tenth most valuable (all product) brand in the world (Brand Finance 2007).

Unique among industries, the tobacco industry claims that it has no interest in attracting new customers but is interested only in stimulating brand-switching among smokers and in maintaining brand loyalty in current customers. Notwithstanding the commercial absurdity of any industry professing disinterest in attracting new recruits, this position has been undermined by revelations from industry documents acknowledging the importance of attracting new smokers (Krugman et al. 2005). It is therefore taken as read that in designing tobacco packs to appeal to potential purchasers, tobacco

companies count among these those already smoking their brand, those smoking competitors' brands and those who might be persuaded to start smoking (Freeman et al. 2008).

The Framework Convention on Tobacco Control (FCTC) is the most significant development in international tobacco control in the past 40 years (Hammond and Assunta 2003). The FCTC defines tobacco advertising and promotion as 'any form of commercial communication, recommendation or action with the aim, effect or likely effect of promoting a tobacco product or tobacco use either directly or indirectly', and requires that each ratifying country shall 'undertake a comprehensive ban on all tobacco advertising, promotion and sponsorship' (World Health Organisation 2005).

In recognition of the health and economic burden from tobacco use, more than 140 countries have ratified the FCTC, which is the first international treaty devoted to public health (World Health Organisation 2005). Countries that ratify the FCTC are required to implement health warnings on cigarette packages that cover at least 30% of the surface and are "large, clear, visible, and legible" (World Health Organisation 2005). Beyond these minimum requirements, the FCTC also recommends that warnings "should" cover 50% or more of a package's principal surfaces, and "may" be in the form of pictures (World Health Organisation 2005). Cigarette packages in most countries carry a health warning; however, the position, size and general strength of these warnings vary considerably across jurisdictions (Hammond 2009).

2. PICTORIAL HEALTH WARNINGS

Health warning labels on tobacco products constitute the most cost-effective tool for educating smokers and non-smokers alike about the health risks of tobacco use. In many countries, more smokers report getting information about the health risks of smoking from warning labels than any other source except television (FCTC 2009). Additionally, non-smokers, including children, report high awareness of warning labels (Hammond 2009).

Theories in social and health psychology, supported by empirical studies, have demonstrated the superiority of using pictures and imagery over text-only messages in health communication (Hammond 2009). Since the 1950s, many research studies have demonstrated that fear appeals are effective in motivating health behaviour change (e.g. quitting), especially if paired with information about how to avoid the fearful consequences (e.g. where to find help about quitting) (Hammond 2009).

Taken as a whole, the research on pictorial warnings shows that they are:

(i)   More likely to be noticed than text-only warning labels (Hammond et al. 2003).
(ii) More effective at educating smokers about the health risks of smoking and for increasing smokers' thoughts about the health risks (Li and Grigg 2009).
(iii) Associated with increased motivation to quit smoking (Borland et al. 2009a).

Pictorial warnings may be particularly important in communicating health information to populations with lower literacy rates (Hammond 2009). This is particularly important considering that, in most countries, smokers report lower levels of education than the rest of the population. Preliminary evidence also suggests that countries with pictorial warnings demonstrate fewer disparities in health knowledge across educational levels (Siahpush et al. 2006). It should be noted that particular care should be taken in the selection of pictures for use in low literacy populations: without supporting text, pictures of smoking could inadvertently suggest approval rather than warning of its harms. Although pictures may state a thousand words, it is critical to select those that state the correct thousand words.

Evidence from low and middle income countries also supports the effectiveness of large pictorial warnings over text-only warnings, and suggests that pictorial warnings may be even more effective in these countries because warning labels represent one of the few sources of information about the health risks of smoking. In some countries, warnings are the only systematic source of such

information (Fong 2007). In 2006, Thailand implemented new warning labels that included graphic pictures at the top 50% of the package. After implementation of these new warnings, the percentage of Thai smokers stating that the labels made them think about the health risks increased as did the percentage of those saying the labels made them more likely to quit. A similar survey conducted in Malaysia – where text-only warning labels and not pictorial warnings were in use – showed no such increases (Fong 2007). These findings have also been replicated among nationally representative samples of youth in Malaysia and Thailand (Parker et al. 2008). An experimental study among Chinese smokers, non-smokers and youth in four cities provides strong support for the use of pictorial warnings. Pictorial warnings were rated by all groups as being more effective than text-only warning labels for motivating smokers to quit, convincing youth not to start and informing the public of the dangers of smoking (Fong 2009).

The tobacco industry has suggested that the use of large pictures may reduce the effectiveness of health warnings and could actually lead to increases in smoking behaviour. This is captured in a quotation from the former CEO of British American Tobacco: "The growing use of graphic image health warnings … can offend and harass consumers – yet in fact give them no more information than print warnings". However, there is no evidence that pictorial warnings leads to boomerang effects (Hammond 2009). In fact, research shows that smokers want to see more health information on cigarette packages. Data from surveys of smokers from 10 countries in 2006 shows that the percentage of smokers who want to see more information on cigarette packages is greater than the percentage of smokers who want to see less information – even in countries where pictorial warning labels had already been introduced (FCTC 2009).

Several countries are exploring methods to enhance the effectiveness of pictorial warnings, including warnings that are directly informed by research on the neuropsychology of emotion to maximise negative emotional arousal (Brazil), testimonial warnings that depict real people (Chile), strategies to make cessation and supportive information more engaging e.g. through the inclusion of a "quitline" telephone number (New Zealand), (Borland et al. 2009b) and the addition of a mass media campaign that synergistically uses themes and images from the set of pictorial warnings to build strength across different tobacco control efforts (Australia).

3. PLAIN PACKAGING OF TOBACCO PRODUCTS

There is strong evidence that tobacco advertising and promotion influence adolescents' beliefs about tobacco in a way that increases their susceptibility to future tobacco use (Begg et al. 2003). Cigarette packaging is an important part of the overall tobacco marketing strategy (National Cancer Institute 2008). The aim of the cigarette pack has been to ''create a desire to purchase and try'' and to ''look new and different enough to attract the attention of the consumer'' (Miller 1963). The sophistication of today's packs is the culmination of decades of industry research into how colour, images, logos, fonts, and the three-dimensional pack can be manipulated to convey certain brand personalities and influence sensory and health perceptions of the cigarette (Freeman et al. 2008; Hammond 2007). It is expected that tobacco industry investment in pack design will increase further when bans on point-of-sale tobacco displays become legislated, as is already the case in some countries including Ireland (Freeman et al. 2008).

During the mid-1990s, calls for the introduction of plain cigarette packaging arose, whereby packs would be stripped of colours, brand imagery, corporate logos, and trademarks and only the brand name would be printed in a mandated size, font, and location, in addition to required health warnings and other legally mandated information (Cunningham and Kyle 2005). Descriptive studies of plain cigarette packaging suggested that compared with branded packs, plain cigarette packs were perceived as ''boring'' and ''unattractive'' (Bondy et al. 1994), detracted from brand imagery established by cigarette brands (Goldberg et al. 1995), and made health warnings more noticeable (Rootman and Flay 1995). Despite these studies providing evidence of the potential effect of plain cigarette packaging,

until recently, no research had examined the effects of plain packaging on smokers' perceptions of taste, strength, or quality of the product. In addition, little attention has so far been focused on the testing of different versions of plain packs against each other.

Germain et al. (2009) extend the results of Wakefield et al. (2008) on adult smokers, and show that cigarette pack branding also influences adolescents' perceptions. When a cigarette pack is progressively stripped of its colour, imagery, and branded fonts, adolescents perceive packs as less appealing. Progressively removing branding from a pack also resulted in less favourable perceived attributes of a typical smoker of the pack, and more negative expectations of cigarette taste (Germain et al. 2009). Their experimental findings support previous descriptive research (Bondy et al. 1994; Centre for Behavioural Research in Cancer 1992) indicating that among adolescents branded cigarette packs communicate stronger brand personality and convey more positive taste characteristics than the same pack devoid of colour, imagery, and branded fonts.

Germain et al. (2009) also demonstrate that larger front of pack graphic health warnings on the plainest pack reduced respondents' ratings of positive pack characteristics compared to a smaller warning. Research conducted for the Canadian Government found that warnings occupying 75% of a branded pack's face were more effective in eliciting negative perceptions and conveying information about the health risks of smoking to adult smokers as compared with warnings occupying 50% of a branded pack's face (Createc 2008a). It was found that to have the same effect among adolescents, warning sizes would need to be increased to 90% of the pack face (Createc 2008b). Germain et al. (2009) support the increased effect among adolescents of covering the majority of the pack face.

Germain et al. (2009) also found that larger pictorial warnings reduced perceptions of positive pack characteristics among established smokers, experimenters, and susceptible non-smokers. Non-susceptible non-smokers rated packs more negatively than adolescents who had smoked, and this did not differ with the size of the pictorial warning. These findings suggest that plain cigarette packs with graphic health warnings covering 80% of the pack face would elicit more negative perceptions among those who are at greater risk (Wakefield et al. 2004; Choi et al. 2001) of becoming addicted adult smokers, and would also sustain negative perceptions held by non-susceptible non-smokers.

Unlike earlier studies (Rootman and Flay 1995), Germain et al. (2009) did not demonstrate that graphic health warnings of smaller or larger size were recalled more often when placed on a pack devoid of branding as compared with a branded pack. Germain et al. (2009) instructed respondents to examine the pack closely and this resulted in higher recall of the warnings than would be expected from natural exposure. In addition, familiarity with a health warning dealing with gangrene was likely to have been high, as this warning had been on Australian cigarette packs for approximately 3 years at the time of the survey, and was also the subject of an Australian television advertising campaign. Using this familiar warning may have reduced the ability to detect differences in recall across conditions.

Because restrictions on tobacco promotion and advertising have become even more stringent across the world, it is expected that the tobacco industry's investment in developing innovative package designs will continue to increase (Freeman et al. 2008). The pack assumes unprecedented importance as a promotional vehicle for reaching potential and current smokers (Lambat 2007). British American Tobacco (BAT) and Philip Morris (PM) have predicted that pack design alone will drive brand imagery (Cummings et al. 2002). Packs can communicate the 'personality' of a brand to smokers, and smokers can project these characteristics by handling and displaying the package throughout their daily routines. Just as designer clothing, accessories and cars serve as social cues to style, status and character so too can cigarette packs signify a range of user attributes. As 'badge products', cigarettes can reinforce the characteristics conjured by the brand image (Pollay 2001).

4. THE EFFECTIVENESS OF HEALTH WARNINGS IN 4 COUNTRIES: A CASE STUDY

Hammond et al. (2007) evaluated the effectiveness of health warnings in four countries - the United States, Canada, the UK, and Australia - including the impact of new warnings implemented in the UK, which were enhanced in 2003 to meet the minimum FCTC standard. Surveys were conducted in each country approximately 2 months before the UK warnings were implemented, and at 6, 18, and 32 months after implementation. Figure 1 shows the health warnings in each of the four countries over the course of the survey waves.

FIGURE 1
Health Warnings in the International Tobacco Control Four Country Survey, 2002–2005

Hammond et al, (2007)

At baseline, Canadian packages featured 16 graphic warnings covering half of the outside of packages, as well as additional health and cessation information on the inside of packages. Australian packages featured six text warnings covering 25% and 35% of the front and back of the package, respectively, whereas the six text warnings on UK packages covered only 6% of the package face. In the United States, four warnings were printed on the side of packages. Thus, Hammond et al. (2007) evaluated warnings that were (1) well below the minimum FCTC standard (US and UK at baseline), (2) slightly below the FCTC minimum (Australian warnings), (3) enhanced to the FCTC standard (UK at follow-up), and (4) at the recommended FCTC standard (Canada).

Hammond et al. (2007) concludes that more prominent health warnings are associated with greater levels of awareness and perceived effectiveness among smokers. In particular, the findings provide strong support for the effectiveness of new health warnings implemented on UK packages that were enhanced to meet the minimum international standards. The new UK warnings were significantly more likely to be noticed and read than the previous set of UK warnings, as well as the US and Australian warnings, neither of which met the minimum international standards. UK smokers were also more likely to report that the new warnings had led them to think about quitting, to think about the health risks of smoking, and had deterred them from having a cigarette compared to Australian and US smokers (Hammond et al. 2007).

The findings highlight the "novelty" effect of health communications and the importance of periodically revising the warnings on cigarette packages (Health Canada 2005; Borland 1997). Indeed, the enhanced UK warnings were considerably more likely to be noticed than the Australian warnings, which are only slightly smaller, but had been in place for more than 8 years at the start of the survey. Not surprisingly, declines in salience and impact were also observed during the 2.5 years following the introduction of the new UK warnings. The declines were greatest for measures of salience ("noticing and reading the warnings"), whereas measures of perceived effectiveness were somewhat less likely to

decrease. This pattern suggests that the key downstream effects of warnings may persist for longer than the more immediate measures of salience. It is interesting to note, however, that measures of salience and impact remained high in Canada even four years after implementation. This is consistent with the principle that larger, more vivid warnings are more likely to retain their salience over time than less prominent warnings (Strahan et al. 2002).

While the results demonstrate the effectiveness of prominent text-based warnings, they also suggest that larger pictorial warnings may have an even greater impact. Data collected 2.5 years after the implementation of the Canadian pictorial warnings and 2.5 years after the implementation of the new UK warnings indicate that the Canadian warnings had impact levels above the UK warnings for each of the measures of "self-reported impact," as well as noticing antismoking information on packages. Although UK smokers were more likely to notice and read package warnings, Canadian smokers were significantly more likely to report thinking about the health risks of smoking, to stop from having a cigarette, and to think about quitting because of the health warnings. These findings may simply be due to the larger size of the Canadian warnings; however, they are consistent with a growing body of literature which suggests that graphic warnings typically evoke more of an emotional response, increase memory and awareness of health risks, and reinforce motivations to quit smoking to a greater extent than text warnings (Commonwealth of Australia 2003).

It should also be noted that, in contrast to noticing and reading the warnings, at no point were UK smokers more likely to report noticing antismoking/cessation information on packages than Canadian smokers. Although the new UK warnings include two specific messages on smoking cessation, they appear only on the "back" of packages approximately 5% of the time due to the rotating nature of the warnings. In contrast, every Canadian package includes cessation tips and messages of encouragement on the inside of packages. Although these interior messages are not as noticeable as the warnings on the exterior of the pack, previous research suggests that most Canadian smokers are nevertheless familiar with their content (Hammond et al. 2003). As the health risks depicted on packages become more explicit and direct, this type of supportive information may become increasingly important for helping smokers to change their behaviour. Adding website information and toll-free telephone "quitlines" on cigarette packages also represent very promising ways of helping smokers to access cessation services (Willemsen 2002). Indeed, the UK Department of Health (2007) estimates that the UK warnings have prompted an additional 2,000 to 4,000 calls to the National Health Services smoking helpline every month.

Overall, Hammond et al. (2007) indicate that larger, more comprehensive health warnings on cigarette packages are rated as more effective by smokers. The findings provide strong support for the effectiveness of prominent text warnings that meet the minimum international standards. However, the findings also suggest that larger pictorial warnings, such as those implemented in Canada, are the most effective means of communicating the full range and severity of health risks to smokers. Finally, the US warnings performed poorly compared to those in the other countries. The health warnings that appear on the side of US cigarette packages provide even less health information than many other, more benign consumer goods. The findings, along with previous research, (Hammond et al. 2006) suggest that US smokers might benefit from large graphic warnings on cigarette packages.

From March 2006 all new cigarette packs produced in Australia had to contain one of seven new graphic health warnings. Like the Canadian warning labels, the new warnings consisted of a written warning and a vivid colour image on both the front (taking up 30%) and back of the cigarette pack, with 90% of the back containing information on the health effects of smoking. These new warnings replaced a set introduced in 1995 that were text-based and covered the top 25% of the front and top third of the back of a pack. To promote the new warning labels, two television commercials were created to depict two of the new health warnings (*Smoking causes Mouth and Throat Cancer* and *Smoking causes Peripheral Vascular Disease*) used on cigarette packs. While the target audience for these commercials was adult smokers, previous research has shown that adolescents have a high awareness of these types of campaigns and can be influenced by them as well (White et al. 2003; Biener 2002).

5. CONCLUSION

Substantial evidence from a broad range of studies supports the inclusion of graphic pictorial images on tobacco warning labels, as called for under FCTC guidelines. Graphic pictures can significantly enhance the effectiveness of warning labels. In many countries, the warning label is the only sustained population level mechanism by which governments can inform their people about the harms of cigarette and other tobacco products and, in those countries, the evidence based inclusion of pictures could potentially lead to greater impact. For decades, the tobacco industry has taken advantage of the package as an avenue for creating positive associations for their product (Hammond 2009). The use of graphic pictures is an important means of replacing those positive associations with negative associations, which is far more appropriate given the devastating impact of tobacco products on global health.

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THE "GET YOUR LIFE IN GEAR" TRUC DRIVER SOCIAL MARKETING INTERVENTION ON THE ISLAND OF IRELAND

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ABSTRACT

The worldwide problem of obesity has been widely publicised as a major health issue (2004). The 'Get Your Life in Gear' pilot project is a workplace initiative that sought to play a strategic role in tackling male obesity on the island of Ireland. Truck drivers are known to be a high risk group, characterised by poor eating habits due to constant snacking, irregular meal patterns and live solitary lifestyles working in isolation. This initiative focused on facilitating healthy eating and physical activity by encompassing the overall lifestyle of male truck drivers. The results highlighted the need for strategic social marketing that incorporates a total market approach (individual, community and systems based change) to creating and sustaining healthy lifestyles for men. This knowledge should be used to further examine the upstream issues that impact on its long term success.

1. INTRODUCTION

Obesity has been widely published as a major health issue (World Health Organisation 2004) with global research identifying a dramatic increase in this lifestyle related disease (Epstein, Gordy et al. 2001; Swinburn, Caterson et al. 2004; World Health Organisation 2004; Wammes, Oenema et al. 2007). 300 million people worldwide were obese in the year 2000 and it is predicted that by 2025 half of the US population will be obese (World Health Organisation 2005). Obesity is listed as a risk factor for other major health problems such as cardiovascular disease, hypertension, type II diabetes, as well as aggravating other problems such as back pain and arthritis (Roberts and York 2000; De Souza and Ciclitiva 2005).

On the island of Ireland (IOI), 39% of adults were classified as overweight with 18% deemed obese; these levels are growing on an annual basis. Statistics indicate that more men are obese or overweight then women. In the Republic of Ireland, 43% of males were overweight in 2007 compared with 39.6% in 1998 (Morgan, Mc Gee et al. 2008). This is further compounded as men are also less concerned about their weight and use differing approaches to weight management and loss (De Souza and Ciclitiva 2005; Grey, Anderson et al. 2009; Richardson 2009) often failing to utilize weight loss services (White, Conrad et al. 2008). Male obesity is further exasperated as obese men are thought to be at greater risk of developing obesity related illness, due to their predisposition to store excess weight in their abdominal region (De Souza and Ciclitiva 2005).

2. PURPOSE

Despite men being a notoriously hard to reach target market (Wardle and Johnson 2002; Rumm 2005; Smith, Braunack - Mayer et al. 2006; Gough 2007) the workplace setting offers the potential to be an effective mechanism for reaching this priority group (World Health Organisation 1986; Flemming, Kelleher et al. 1997; World Health Organisation 1997; World Health Organisation 2005; Kwak, Kremers et al. 2006; Deacon 2007). Therefore it was chosen as the setting for this pilot initiative.

Truck drivers are known to be a high risk group, characterised by poor eating habits due to constant snacking, irregular meal patterns and eating when it is convenient to them. At times drivers find it difficult to bring a packed lunch to work (Jack, Piacentini et al. 1998) instead consuming the food which is available to them (White 2007). They are a hard to reach group (Jack, Piacentini et al. 1998; Gill and Wijk 2004; Whitefield Jacobson, Prawitz et al. 2007) who work irregular erratic shift patterns, exhibit sedentary behaviours with little opportunities to exercise (Krueger, Brewster et al. 2007). They also live solitary lifestyles and work in isolation. Targeting this cohort is difficult as they do not have a static work station open to regular health promotion communication activities (Korelitz, Fernandez et al. 1993; Olsen, Anger et al. 2008).

International research such as that carried out in the United States show that truck drivers have 10 - 15% higher overweight and obese rates then other members of the population (Olsen, Anger et al. 2008). Separate research reported by Korelitz (1993) highlighted that half of drivers surveyed never participated in aerobic exercise, with less than 10% exercising regularly. There are no comparable statistics available for an IOI context.

Get Your Life in Gear was a pilot workplace initiative that sought to play a strategic and more creative role in targeting men; focusing on the issue of male obesity on IOI (Richardson 2009). Following an extensive segmentation process, this initiative targeted professional truck drivers as a male dominated workforce that has been largely neglected in the past in terms of healthy eating and physical activity interventions. It was developed to address some of the lifestyle related issues that may lead to obesity in male truck drivers.

This programme sought to assist drivers to make small manageable behavioural changes to their lifestyle focusing around food choices and physical activity. It also recognised the multitude and complexity of uncontrollable factors impacting on their lifestyle, such as limited road side facilities available to them, pressure to meet deadlines and route restrictions. The changes proposed were designed to be flexible so they could be implemented in the diverse situations the drivers experienced by the drivers on a daily basis. Operationally *Get Your Life in Gear* aimed to:

1. Increase truck driver's physical activity levels to at least 30 minutes per day 5 days per week by the end of the 12 weeks.

2. Reduce truck driver's consumption of fatty and sugary foods (and drinks) by 10% over the course of the 12 weeks.

3. Increase truck driver's fruit and vegetable consumption by at least one portion per day over the 12 weeks.

4. Maintain a healthy weight in truck drivers and/or reduce weight by 10% in truck drivers with a BMI over 25.

3. METHOD

Social marketing was chosen as the conceptual framework to guide and inform the development of the *Get Your Life in Gear* pilot project. This framework assists in fostering voluntary behavioural change (Smith 2000; Domegan 2008) facilitated by the co - creation as well as co - delivery of value to priority audiences (Zainuddin, Russell-Bennett et al. 2008). This co-creation of value exchanges moves targets forward from intending to change their behaviour to making a voluntary behavioural change. Social marketing increases behavioural change success when constructs of current behaviours such as 'self – interest' that are used to determine choices made for example, quick and convenient food, are assessed so that effective value propositions can be created to facilitate behavioural change (Rothschild 1999). This approach uses its potential audience to deduce the solutions it presents through strategically planned formative research (Cheng, Kotler et al. 2010).

3.1. *Social marketing approach*

Social marketing not only examines the individual but also acknowledges the impact the external environment has on behaviours. It adapts a holistic approach focusing on downstream, midstream and upstream change agents when presenting solutions to problems such as unhealthy food choices (Andreasen 2006; Bentz, Dorfman et al. 2009; Cheng, Kotler et al. 2010). To address these issues effectively, social marketers should adopt a networked and partnership approach to build upon resource capacity (Legarde, Doner et al. 2005; Cheng, Kotler et al. 2010; French, Blair - Stevens et al. 2010) and leverage resources to develop a total market approach to change (Bentz, Dorfman et al. 2009). This type of collaborative partnership approach has become increasingly popular with both non-government and governmental agencies alike to address common behavioural change objectives to tackle complex issues such as a reduction in obesity (Legarde, Doner et al. 2005). It is now widely acknowledged that one individual or agency will not be able to solve problems of this nature (Cheng, Kotler et al. 2010). Social marketing creates synergies between those investing in facilitating behavioural change whilst assisting in the co-ordinating any solutions presented.

The fundamental principles of social marketing; an over-arching customer orientation, customer co-creation of the value proposition, research, segmentation, targeting and positioning, systematic planning, intervention marketing mix, competition, partnerships and evaluation, synthesized from Andreasen 2000; Kotler and Lee 2008; Hastings 2007; and National Social Marketing Centre 2006, were used to guide and develop this male obesity truck driver intervention. Social marketing was also used to coordinate and synergise campaign development regarding the behavioural goals,

segmentation, collection of comparable data on major diseases, including obesity nationally and locally. The pilot used this approach to develop a programme that worked directly with key stakeholders at community level and the results of which could be used to influence decision makers at population level.

3.2. Formative Research

From the outset of this project the numbers of external factors or barriers impacting on the food choices and physical activity levels of truck drivers were varied, complex and multiple in nature; with issues ranging from an individual, community to policy level. These barriers to change were identified through qualitative formative research including 14 in-depth interviews and six focus groups (6 x8 respondents). For the purpose of this research truck drivers were defined as short haul or long haul professional drivers in paid employment driving a minimum of 20 hours per week. This definition included owner operators or employees.

Interviews took place between 30th April - 1st of May 2009 in a distribution depot in NI with the management team and driver trainer facilitating recruitment. Interviews were scheduled during the driver's shifts on a drop in basis to account for the unpredictability of their work. This characteristic was experienced by the researchers on the second day of interviews. Due to operational issues only one driver was available for an interview, bad weather and delays at other depots had impacted on driver schedules. For this reason an extra day of interviews was arranged on the 22nd of May.

Focus groups were conducted with drivers across the IOI. The group schedule and recruitment criteria are shown in Table 1.

TABLE 1
Focus group composition

Group	Location	Occupation	Gender	Age	Date + Time
1	Belfast	**Short haul truck drivers** (but some with long haul experience)	Male	Age to fall out naturally	Thursday May 21st 2009 6.00pm
2	Belfast	**Short haul truck drivers** (but some with long haul experience)	Male	Age to fall out naturally	Thursday May 21st 2009 7.30pm
3	Cork	**Short haul drivers** (but some with long haul experience)	Male	Age to fall out naturally	Wednesday May 27th 2009 6.30pm
4	Sligo	**Short haul drivers** (but some with long haul experience)	Male	Age to fall out naturally	Tuesday June 9th 2009 4.30pm
5	Dublin	**Short haul drivers** (but some with long haul experience)	Male	Age to fall out naturally	Wednesday June 10th 2009 4pm
6	Dublin	**Short haul drivers** (but some with long haul experience)	Male	Age to fall out naturally	Wednesday June 10th 2009 6pm

The drivers were given cash incentives to take part. Due to problems with recruitment, the incentives were increased to ensure attendance at the groups. This was testimony of the problems that could be experienced when trying to engage with male truck drivers in relation to obesity. Drivers were also unable to confirm their availability more than 24 hours in advance of the sessions as their driver schedule was tentative and subject to change.

Topics discussed during the formative research were synthesised from background research in the area of men's health, driver health and well being, men's weight loss and issues that were experienced when developing male targeted campaigns. Some examples of sources included: the PITSTOP campaign, Bradfords Men's health services and Preston Council 'Men's Health Evaluation' (Mc Evoy and Richardson 2004; White and Cash 2005; Mc Cullagh 2008; O' Brien and Forrest 2008).

Major themes emerging from this research related to barriers and precursors to a healthy lifestyle. These included lack of time, lack of routine/structure in the job, lack of roadside facilities and adequate food choices, a stressful current economic climate, regulation, penalties, need for convenience and access to services and perceived norm of weight gain in the industry. Drivers did not necessarily use weighing scales to manage their weight, instead used indicators such as the tightness of their clothes as motivators.

"When you can't get into the jeans and the shirt is getting tight, you'd go and do some exercise, you'd say I'm not going up the next size." Cork

This research was also used to inform the development of the initiative. Drivers were asked unprompted for ideas on how to engage with a trucking audience. They were then shown flash cards outlining examples of elements that could be incorporated into this programme. Cards included a sample page from the 'Tommy the Trucker'[1] and 'Gutbusters'[2] leaflets as well as imagery of other supporting tools such as a pedometer. Ideas such as team sports and weekly 'weigh ins' were rejected due to scheduling difficulties. Using a pedometer and walking were highlighted as something that was easy and could be achieved anywhere by everyone. The drivers valued spending quality time with their families rather than weight loss focused activities such as going to the gym.

"It's just a time issue and energy, and when you have kids you come home at night, you can't walk in and then go to the gym it doesn't work like that." Belfast

In relation to the theme and tone of the initiative, drivers felt that the serious messages should have a humorous undertone that would catch their attention. The focus group participants also highlighted a truck stop in ROI that had a reputation for catering for drivers with adequate facilities (parking and showers) and quality food. This truck stop was later approached as the third site to participate in the pilot site.

This formative research concluded that drivers did not perceive that they could make drastic changes to their lifestyles due to the aforementioned issues. They also did not have the 'know - how' to make the desired changes. They believed that small, realistic, manageable changes were possible and with guidance they could adopt a healthier lifestyle.

3.3. *Get Your Life in Gear project planning*

Due to the wide ranging factors that directly and indirectly impacted on the behavioural goals of the initiative it was concluded that the extensive formative research phase may not capture every issue that impacted on the success of this campaign. To manage this realisation, the project was developed as a pilot to identify and control for any additional unexpected factors that may impinge on its success in the future. A steering committee was also consulted to advise on how to manage any arising difficulties. It consisted of representatives from non-government agencies, academia and a logistical firm who had an interest in men's health, obesity prevention and driver well-fair.

Prochaska, DiClemente and Norcross Transtheoretical model was used to further segment the target audience (Nutbeam 2004). Drivers who were in the contemplation stage were thought to be more likely to participate and using the tools given within the programme move towards action and maintenance stages.

The *Get Your Life in Gear* campaign was launched in 3 pilot sites that were known to have access to truck drivers – two in Northern Ireland (NI) launched in October 2009 and one in the Republic of Ireland (ROI) launched in November 2009. Table 2 identifies the main characteristics of the pilot sites.

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[1] Tommy the Trucker was an information booklet developed for truck drivers by Sefton Health Improvement Support Team. It was distributed to truck drivers at Liverpool port.
[2] Gut Busters was a 8 week initiative developed by Dublin Bus to encourage their drivers to adopt a healthier lifestyle.

TABLE 2
Characteristics of pilot sites

Pilot Site	Type of site and location	Key Characteristics
Pilot Site 1	Logistical distribution centre, docklands area of Belfast, NI	Access to approximately 100 drivers through direct and indirect employees **Health checks:** Took place in two on - site boardrooms
Pilot Site 2	Service station, docklands area of Belfast, NI	Parking for up to 20 trucks, located in the docklands therefore was popular with drivers travelling to and from the ferries. Also part of an industrial estate therefore popular with 'local' drivers who worked in the area **Health Checks:** Mobile units were rented and placed within 100 yards of the truck park due to space restrictions inside the service station and to improve visibility on site
Pilot Site 3	Service station and restaurant, outside of Dublin, ROI	Parking for up to 50 trucks, showering facilities for drivers, large variety of food. Hot meals offered in the restaurant and service station and an extensive range within deli counter range **Health Checks:** One large function room within the restaurant was rented and two 'rooms' were created using rented partitions

Managers in all three sites were contacted on numerous occasions by telephone, email and face to face meetings prior to the launch of the initiative and consented to participating in the campaign. Each partner had differing degrees of input in the project depending on their level of commitment. All sites agreed to facilitate 30 minute health checks and recruitment on their premises. One site donated free water for the participants, one sold bottled water at cost price to the coordinator of the project, whereas one site agreed to supply water however, did not provide it. One site also consented to a nutritional assessment which examined the food sold on the premises and made recommendations to make 'the healthier choice become the easier choice'. **Figure 1** outlines the major components of the initiative, some elements varied depending on the pilot site.

FIGURE 1
Get Your Life in Gear Project Map

The duration and time of the pilot was assessed by access to drivers. The first phase ran for 2 days in Pilot Site 1 (6am - 12 noon) and a further 3 days in Pilot Site 2 (6am and 3pm). The pilot lasted three evenings in Site 3 (5pm and 10pm). These times were determined through consultation with the pilot site managers. After 12 weeks follow up checks were offered across two days in Pilot Site 2 (6am - 3pm) with drivers from Pilot Site 1 invited to attend. Due to low uptake by drivers from Pilot Site 1, clinics were scheduled for this site three weeks later (6am -12 noon). Follow up checks were held in Pilot Site 3 (5pm - 10pm) for two evenings.

3.4. Promotional Activities

To promote the initiative, each site displayed a series of posters/leaflets. One week prior to the launch posters and driver information leaflets were erected and disseminated. To build awareness of the campaign, recruiters were available to speak to the drivers and encourage them to participate. Large posters promoting the health checks were also positioned outside the premises to attract attention. Some drivers attended due to positive word of mouth communication from participants sharing their experiences.

Posters outlining food and physical activity tips were also displayed in all pilot sites across the 12 weeks. These posters used the same theme as previous promotional activities. After 12 weeks drivers were invited back to the same location where they would receive a follow up health check to track their progress. Invitations were distributed through multiple formats including letter, text message and telephone calls. **Figure 2** highlights a sample of posters used within the initiative. Cartoon figures were used to lighten the tone of the serious message and the yellow background was consistently used throughout all promotional activities.

FIGURE 2
Sample of promotional material

Source: *safe*food

3.5. Lifestyle questionnaire development

Prior to undertaking a health check, drivers were asked to complete a lifestyle questionnaire. The purpose of which was to generate a baseline understanding of the driver's attitudes, behaviours and knowledge in relation to general health, healthy eating, physical activity and weight management. It would also act as a comparable measure pre and post intervention. Where possible the questions were adapted from validated sources such as the 'Food and nutrition survey' or mirrored questions used in other truck driver focused research.

3.6. Programme implementation

On completing the questionnaire drivers were offered a free health check where they received tailored lifestyle advice from professional nurses based on their results. As health checks took place across two jurisdictions (NI and ROI) two different NPO's were commission to facilitate them, resulting in a slight variation in the measures used. Essentially all the drivers received a cholesterol check, blood pressure, blood sugar, weight and height. In NI body composition was used as opposed to BMI in ROI. The co-ordinators tried to source body composition equipment for the ROI nurses however, it proved expensive and additional training was required for its usage.

During the health checks participants were given a free toolkit developed especially for professional drivers which included:

1. A booklet - The main topics featured were adapted from the insights outlined during the formative phase and included: 'Be Well', 'Be Active', 'Beat Stress', 'Fight Fatigue' and 'Re - think the Drink'. It also included supporting material such as a goal chart and food diary.
2. A pedometer so drivers could measure their activity levels. Using the pedometer, drivers were encouraged to partake in a walking challenge which asked them to record their progress. This aspect was incentivised.
3. A cool bag containing a tape measure and a bottle of water to assist drivers to store healthy snacks on the road.

Drivers in NI were given the option to sign up for free supportive motivational texts. These messages were designed using the transtheoretical model of behavioural change to assist drivers to take action to sustain changes made. After the initial launch in NI the text mechanic was reviewed due to poor registration rates. With consent, drivers in ROI were signed up automatically with the option to unsubscribe. No driver opted out over the 12 weeks.

4. RESULTS

Although the pilot lasted for 12 weeks it was accepted at the outset that the health related outcomes for this project would not be achieved during this relatively short space of time. Such results would not be visible until at least six months – two years after adopting and maintaining the changes. There was however, evidence that pre – behavioural change indicators relating to the overall health outcomes can be used to assess the progress of the programmes candidates. These early indicators include health related outcomes such as attitude, engagement and changes to eating and physical activity practices. At a target audience level there is evidence of these early indicators such as changes in walking patterns, suggesting that long term change is possible through taking part in the intervention. An overview of the main findings from the pre intervention lifestyle questionnaires are outlined below as well as the pre and post analysis of the returning drivers.

In total 81 drivers participated; 65 in NI and 15 in ROI. Four lifestyle questionnaires were omitted from results as they were incomplete; therefore, 77 IOI driver surveys were used in this analysis. As the numbers of participants in ROI were proportionately smaller than NI an overview of IOI results for the pre intervention will be discussed.

The post intervention evaluation is still ongoing, however; this section also includes preliminary results from the drivers who returned for their follow up health check. 10.4% of IOI participants returned equating to thirteen NI drivers and one ROI driver. The one ROI returnee was omitted from further analysis due communication difficulties. The pre/post results are presented as frequencies as opposed to percentages as it is a more meaningful measure given the sample size.

4.1. Driver Demographics

The majority of IOI participants (n=77) were aged between 24 - 44 years (49%) with 46% aged between 45 -64 years. 79% of IOI participants were married/living with partner. 74% of drivers worked over 40 hours per week with the majority driving local short haul (67%) and were employed as a company driver (66%). The number of years the drivers held their licence varied between more than 20 years (39%), 11- 20 years (34%), 1 - 5 years (14%) and 6 - 10 years (13%).

The majority of drivers who returned (n=13) were aged between 45 – 64 years old (eight participants), with four aged between 25 – 44 years. One driver was aged between 18 – 24 years old. Ten returnees were married/living with partner, two were single and one was separated or divorced. Ten returning drivers worked 40 plus hours per week with three working less than 20 hours. The majority of returning drivers worked local short haul (eight participants) and four were long haul IOI drivers. Nine returning participants were company drivers; two were owner operator and two drove overseas.

4.2. Health

Half of pre - intervention participants (n = 77) rated their general health as good with nearly a third indicating that it was neither good nor bad. However, the mean scores for the health checks in NI showed that risk factors such as HDL, LDL and Triglycerides were not at desired levels. In ROI, the mean BMI was 30.84 and all other tests produced undesirable results, every participant in ROI was referred to their GP.

Of returning drivers (n =13) the same number of drivers (11) rated their health as good. One participant indicated that he had previously been diagnosed with high cholesterol a decrease from two pre intervention. The frequency of drivers who stated they had been diagnosed with blood pressure increased from one to two. In relation to the mean scores for returnees, the health check results showed positive changes in total cholesterol, HDL, LDL, triglycerides and blood sugar readings.

4.3. Health Eating

The drivers knowledge of recommended guidelines for fruit and vegetables intake was high (68%), however, the mean score for actual intake was 3.15 portions ranging between 1 and 6. The awareness level of government guidelines decreased post intervention from 12 drivers to ten; however, the mean score for actual portions consumed increased to 3.69 with a range between 2 and 8.

Half of the pre intervention participants (n =77) indicated that healthy eating is something they did frequently. Approximately 48% either agree/disagreed that healthy eating was something they found hard to do, while 38% stated the contrary. 57% disagreed or strongly disagreed that it was something they did automatically.

Of the returning drivers those who strongly agreed or agreed that healthy eating was something they did frequently decreased from nine to three. Those who strongly disagreed increased from one pre campaign to five post. 10 out of 13 drivers post campaign agreed or strongly agreed that healthy eating was hard to do and increase from 6 pre. Those who disagreed decreased from seven drivers pre to one driver post. Eight of the returning drivers agreed or strongly agree that healthy eating was part of their normal routine one more then pre campaign. Those who agreed or strongly agreed with that it was something they did automatically also increased from eight drivers to eleven.

The reasons why the drivers found it difficult to eat healthily pre intervention are shown in **Table 3.**

TABLE 3
Reasons why drivers found it difficult to eat healthy

Reason	*% [n=40]*
I can't find healthy options where I eat	40
Don't know what to eat	30
Healthy food lacks taste	25
Healthy food is too expensive	17.5
No interest	17.5
Other	14.3

The number of returning participants (n=13), who stated that they 'don't know what to eat' increased from one to two. However, there was a decrease in those who indicated they couldn't find healthy options (from four to three) and those who felt 'it lacked taste' and/or had 'no interest' dropped to zero.

The majority of pre interventions drivers indicated they snacked (i.e. ate between meals) twice a day (32%), slightly higher than drivers who snacked once (26%) or three times a day (24%). 9% stated they never snacked, while a further 9% stated they had other frequencies (greater than three times a day). [Note n=76]

The frequency of self-reported snacking during a typical day decreased amongst post intervention drivers. One returning driver snacked 3 times a day a decrease from five driver's pre intervention. The numbers who snacked twice a day increased from two drivers to six within the 12 weeks, the frequency of drivers who snacked once a day stayed consistently at four drivers. Those who never snacked also increased to two drivers from one pre programme.

4.4. Physical Activity

One in five drivers knew the recommended daily amount of physical activity was 30 minutes five days a week. However, when asked to recall their actual activity level only 10% of participants reached recommended level. Walking for pleasure, DIY and mowing the lawn were the most frequently stated types of activity.

On return, there were indicators of changes to the drivers awareness of the recommended physical activity guidelines. Two drivers stated the correct levels pre campaign; however, this decreased to zero post campaign. Seven pre initiative participants stated that the recommended levels of physical activity were 30 minutes each day. This decreased to zero post campaign. The frequency of participants who stated that they should be active for 60 minutes at least 5 days a week increased from three drivers' pre intervention to 11 post. This is the recommended level for weight loss. It is suggested that the participants acquired this knowledge through information provided in the booklet and/or the nurse facilitating the health check.

No returning drivers had reached the recommended level physical activity however; two drivers stated they were active four to five times a week. Those who were active 2 - 3 times a week increased from six drivers to nine post initiative. The most frequently stated types of activity post initiative included walking for pleasure, cycling for pleasure, DIY and mowing the lawn.

Using the Transtheoretical model for analysis of attitudes and self reported behaviours in relation to current physical activity patterns, it was determined that over half of participants (n=77) were in the contemplation stage with 37% in action. On return, the frequency of drivers (n= 13) in the contemplation stage had decreased from three drivers to one. Those in the action phase remained the same. Those in the maintenance phase doubled from two to four.

Three quarters of drivers felt that it was difficult for a truck driver to be physically active due to lack of time (78.2%), tiredness (39%) and lack of facilities. There was a change in attitude in relation to driver's ability to be physically active post intervention; seven returning participants indicated it was difficult for drivers to be active decreasing from nine pre intervention. Time and lack of facilities remained as reasons, with a decrease in those stating tiredness.

4.5. Weight

97.4% believed that being overweight impacted on a person's health; all of returning drivers felt that it had an impact. As with physical activity, the drivers were asked to choose a statement which best described them in terms of their weight. 47% were in the contemplative stage (believing they should lose weight but not making it a priority) with 32% in action. Those returning drivers in the contemplation stage pre intervention (five) decreased to zero post with a significant number of drivers moving towards the action stage; from four pre to 10 12 weeks later. Those who never thought about their weight pre intervention decreased to zero.

72% of all participants (n = 77) pre intervention felt they were too heavy for their age and height with approximately half indicating that they had tried to lose weight. The same frequency of pre/post participants (n = 13) felt that they were too heavy. Those who stated they had tried to lose weight in the past increased from seven pre initiative to 10 post.

5. CONCLUSION

The preliminary findings confirm that the fundamentals of social marketing can help to tackle male obesity for truck drivers in a work setting, resulting in behavioural change around food choices and physical activity. Revisiting the aims of 'Get Your Life in Gear'; a number of observations can be made. Although the drivers had not reached desired physical activity levels, the results show a positive increase in activity levels which is further compounded as four drivers indicated they were trying to maintain these levels. The level of snacking had also decreased with less drivers eating snacks 3 times a day, more drivers never eating them and the same proportion consuming them once a day. The findings also show an intension to continue to lose weight as there was an increase of those actively trying to do so.

These preliminary findings highlight that penetration of change needs further testing at a total systems level. Throughout development and implementation it emerged that the behaviours of the individual are greatly impacted by the community (driving firms and industry) and systems levels (policy and regulation). This pilot showed some progress in facilitating community level behavioural change although it was not consistent among all sites who participated in the pilot. For example, only one site was in a position to undertake a nutritional assessment of the foods sold on their premises and implement changes on a trial basis.

Throughout the implementation of the programme there was evidence of significant barriers to system and organisation level change. Project planners experienced some resistance and conflict arose with industry members to changes in relation to the provision of healthy foods. They also had difficulty engaging with industry representatives and road planners in IOI. The environmental changes needed are not possible unless a greater total market approach is undertaken. In the future, advocacy should play a greater role in facilitating environmental change.

To be truly customer driven, when dealing with a target audience, such as truck drivers, health interventions need to consider the "holistic" person – mental, physical, emotional and psychological, at all stages of developing an intervention from scoping out, to formative research to design of the mix and evaluation. This pilot project highlighted the need for a total market approach (individual, community and systems based change) to create and sustain healthy lifestyle and physical activity for men. The results of the pilot should be used to further examine the upstream issues that impact on its long term success. This use of a total market approach to develop the *Get Your Life in Gear* campaign has helped to reframe the issue reflecting a citizen driven model of behavioural change. It has contributed to the identification of various leverage points to tackle this social issue; service station choice and availability of food, management input in employee health and truck driver ownership of food choices and physical activity. These issues will help to move this campaign to the next phase advocating and focusing on changing the service station industry on the island of Ireland. Moving the target to service station planning agencies, owners and policy makers would attempt to improve service station facilities and food choice availability to drivers as well as the opportunities they have to be physically active.

Recently, the IOI infrastructure has improved through the redevelopment of its roads network; however, there is a distinct absence of service stations along these major routes. Lack of adequate services has a domino effect on the behaviours of the drivers. They can only choose from what is available to them. Campaign designers should continue to lobby for the development of these service stations and work with owners to offer healthy food choices on a day to day basis. Whilst this task is undertaken campaign planners should continue to improve existing services and build relationships with these managers.

This pilot also highlighted implications for workplace designed programmes. It reasserted the importance of support from partners and key stakeholders throughout the entirety of the project. It also raised issues in terms of partnerships versus stakeholders. Did the pilot sites see this project as a

partnership and actively take part in campaign delivery or did they prefer to act as stakeholders supporting the endeavour by passive participation? The issue of organisation politics and motivations of partners also need to be carefully examined. When working to develop public private partnerships the concept of creating customer value may be dissimilar for each member. Motivations are very different when dealing with profit driven enterprises that need to balance co- creation of value, service delivery and financial gain. Communication amongst all partners at every level in the organisation is vital for campaign success, when this breaks down tension and friction can arise between partners which impact on campaign delivery. These arising issues can be addressed with careful management.

To ensure that value is co-created within the priority audience specific measurable goals need to be developed to evaluate change; without these it is difficult to assess the campaigns impact. To help build this value proposition during each stage of the campaign all of the 4 P's of the marketing mix need to be utilised to create tangible and intangible benefits for the audience. Through careful implementation of the marketing mix, value will be co - created and programme planners will be able to manage any factors that were not uncovered during formative research.

Acknowledgements

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SYSTEMATIC REVIEWS: THEIR EMERGING ROLE IN THE CO-CREATION OF SOCIAL MARKETING VALUE

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ABSTRACT

The exponential decline in economic growth and competitiveness, coupled with a growing number of complex social problems are creating challenging times for policy makers. Complex and multifaceted issues cannot be solved by government alone and therefore, social marketers need a more sophisticated and comprehensive understanding of ways to inform policy and shape strategies. Systematic reviews offer an evidence-base to close the strategic gap between theory and practice. This paper will illustrate through a strategic social marketing perspective, how systematic reviews can actively facilitate partnerships between social marketers, researchers and policy makers, at both upstream and downstream levels through an innovative co-created networked approach.

KEY WORDS

Systematic Review, Social Marketing, Value Co-Creation, Knowledge Transfer

1. INTRODUCTION

Changes in the economic environment have placed immense pressure on policy co-ordination processes across Europe and especially in Ireland. In recent times, Ireland's growth has stagnated and the myriad of wealth creating opportunities available to the Irish population have substantially decreased. A new dawn has transcended on Irish society as its economic stability has become unhinged and the country's economic position has become embedded in a whirlwind of uncertainty and disruption. The lingering shadow of the formidable Celtic Tiger has become a distant memory as Ireland comes to terms with the current economic downturn. The country is now embracing a dramatic shift from soaring rates of employment to disheartening levels of unemployment, as well as the demise of our governmental and financial institutions. The exponential decline in economic growth and competitiveness, coupled with a growing number of complex social problems, such as obesity and global warming, are creating challenging times for Irish policy makers.

Consequently, it is imperative for Irish policy to break away from the potential of a cyclical process of lapsing back into a dismally inadequate and underperforming economy. Ireland must accelerate and deepen its creative capacity, in order to shape pioneering policies embracing the strategic co-creation of skills, ideas and innovations, in the drive towards a knowledge economy. It is quite apparent that the complex multifaceted issues facing Irish society cannot be solved by government alone, highlighting the explicit need for innovative partnership frameworks and solutions. Social marketers and policy makers alike, need a more sophisticated and comprehensive understanding of ways to shape and formulate strategies to inform policy.

Systematic reviews offer an evidence-base to close the strategic gap between theory and practice. In the drive towards a smart economy, systematic reviews "efficiently integrate existing information and provide data for rational decision making by researchers and policy makers" (Van Teijlingen and Bruce 1999:77). As well as knowledge transfer, systematic reviews can assist knowledge co-creation downstream, where the focus is individual behaviour change, or upstream, at the macro environmental level between the public, the media and policy makers (Hastings 2007). Furthermore, systematic reviews can aid inter-system learning through the co-ordination, integration and co-operation between upstream and downstream levels in a total market approach, to ensure social change (Hastings and Saren 2003; Lusch and Vargo 2006; and Gronroos 2008).

This paper aims to portray the effectiveness of systematic reviews in managing the increasing complexity of a knowledge society. Specifically, the paper will explore the effectiveness of two social marketing systematic reviews: the Systematic Review of the Effectiveness of Social Marketing Nutrition and Food Safety Intervention (2004 – 2005), commissioned by Safefood Ireland and the Systematic Review of the Extent, Nature and Effects of Food Promotion to Children: A Review of the Evidence to December 2008, which was prepared for the World Health Organisation in 2009. Additionally, the paper will illustrate through a strategic social marketing perspective (or more commonly referred to as a total market approach), how systematic reviews can actively facilitate partnerships between social marketers, researchers and policy makers, at both upstream and downstream levels through an innovative co-created networked approach, thus, illustrating the appropriateness of systematic reviews to policy making.

2. HISTORICAL EVOLUTION OF SYSTEMATIC REVIEWS

Systematic reviews are not a new phenomenon. In fact, systematic reviews were "conceived as early as the seventeenth century, when astronomers began to see the value of combining data sets instead of choosing between one and the other" (Campbell and Schryer-Roy 2008:2). However, these premature conceptions of systematic reviews exhibited striking resemblances to narrative reviews, in that they incorporated high degrees of personal preference and selectivity (Bennett et al. 2005). Philosophers

and researchers continued to synthesise large quantities of evidence in a narrative style throughout the seventeenth and eighteenth centuries. Nonetheless, these narrative reviews or qualitative summaries of evidence were often subjective and predisposed to bias, creating a need for reviews that were reliable and objective (Campbell and Schryer-Roy 2008). Consequently, systematic reviews have "grown out of the nineteenth and twentieth century efforts in the social sciences, particularly psychology and education" (Campbell and Schryer-Roy 2008:2). Theoretically, systematic reviews were conceptualised under the generic term 'meta analysis' which first emerged in 1975 during the evidence movement, where data was organised and collated in useable and reliable formats (EPPI Centre 2007). Originally, systematic reviews were applied to health related disciplines and medicine. The Cochrane Collaboration was formally established in 1992, which explicitly delved into the area of evidence-based medicine. However, systematic reviews are not limited to supporting health related areas alone. The Campbell Collaboration used the systematic review method employed by the Cochrane Collaboration "to bring the same quality of systematic evidence to issues of broader public policy" (EPPI Centre 2007). Furthermore, the EPPI-Centre adapted the process of systematic reviews in the fields of social welfare and education. The increasing importance of systematic reviews in "forging closer links between research, policy and practice" (Bennett et al. 2005: 389) in the last century requires a clear understanding of the systematic review definition.

Systematic reviews have infused several areas of research and public policy. Theoretically, there is no one pioneering definition of systematic reviews. Several definitions exist throughout each stream of literature. Kitchenham (2004:1) delineates a systematic review as a "means of identifying, evaluating and interpreting all available research relevant to a particular research question, or topic area, or phenomenon of interest". Similarly, Green (2005:270) defines a systematic review as "a scientific tool that can be used to appraise, summarise and communicate the results of otherwise unmanageable quantities of research". Finally but not indefinitely, the Centre for Reviews and Dissemination (2008:7) state "systematic reviews aim to identify, evaluate and summarise findings of all relevant individual studies, thereby making the available evidence more accessible to decision makers.

In spite of the varying definitions common themes emerge from each of the definitions, reinforcing the appropriateness of systematic reviews to policy co-ordination processes. Systematic reviews focus on specific research questions which follow a sequential process of stages, eliminating bias and simultaneously eradicating the influences of external parties. Systematic reviews challenge conventional narrative research by following rigorous and transparent methods. Systematic reviews embrace double-loop learning (Payne, Storbacha and Frow 2008) requiring the research group to critically reflect upon the multitudes of information under evaluation. Critical reflection throughout the systematic process transcends into credible, replicable and revisable research which is advantageous to future systematic research as it can build upon and strengthen existing reviews. The key features of systematic reviews have important bearings upon policy formulation, as there is a stringent need for evidence based policy making and practice. "As a result, systematic reviews are frequently seen as concerned with providing research-based answers to specific questions. They are treated as a bridge between research on the one hand, and policy making or practice, on the other" (Hammersley 2001:544). In order to understand the bridging effect of systematic reviews, it is necessary to analyse the process of conducting a systematic review.

3. SYSTEMATIC REVIEW METHODS

Systematic reviews offer an evidence base to close the strategic gap between theory and practice. Systematic reviews follow rigorous methodologies and are comprehensive in nature (Petticrew 2001). Systematic reviews can accommodate the demands for rigour and relevance in research performance through the formation of diverse, collaborative review groups which is significant for policy, as policymakers now look for evidence as a basis for new program interventions to make sure that scarce resources are directed towards resolving real, identified problems and delivering intended outcomes

for the betterment of society (Howard 2008). As previously eluded to, systematic reviews have no one pioneering definition. Likewise, there is no one dominant model for systematic reviews. Systematic reviews incorporate several discrete activities (Kitchenham 2004), which are demonstrated on the next page in figure one.

FIGURE 1

The Review Process

Stage 1	**Planning the Review**	Identification of the need for a review
		Development of a review protocol
		↓
Stage 2	**Conducting the Review**	Preliminary Search
		Development of research questions
		Development of main search strategy
		Study selection criteria
		Data extraction and monitoring
		Rating of study quality
		Data synthesis
		↓
Stage 3	**Reporting the Review**	Communication
		Interpretation and application
		Updating the Review

Adapted from Kitchenham (2004); EPPI Centre (2007) and Safefood (2008).

Systematic reviews follow three rigorous stages: planning, conducting and reporting the review (Kitchenham 2004). Although the process appears to be fluidly sequential, in practice, the systematic review stages are interactive and iterative. The decisions made in the protocol development stage have a cascading effect on the entire process, as the majority of the research ideas and activities are formulated at the planning stage. As a review team moves through the systematic process, changes can be made to the protocol but the amendments must be noted in the "reviews final report and the rationale for making changes made clear" (EPPI Centre 2007)

An intrinsic feature of the systematic review is the review group (Bennett et al. 2005). Review groups consist of a wide range of stakeholders including policy makers, advisory groups, academics and those directly influenced by the particular research objectives. The incorporation of multiple stakeholders within and across the whole system enhances the systematic review process by ensuring that the research is relevant and independent of bias. The involvement of policy makers throughout the review process compounds how appropriate systematic reviews are to policy co-ordination.

The objectives being investigated by the review group determines the method of review and the studies that are considered by the review. In most types of systematic review, explicit inclusion and

exclusion criteria are developed for specifying which studies will be included in the review (EPPI Centre 2007). It is imperative to the systematic process that realisable and achievable objectives are set by the review group. Stakeholders from up, mid, and downstream levels co-integrate in order to co-define clear concise objectives. Concise objectives eliminate nebulous articles and materials during the systematic process, whilst retaining significant literature. The exploration and in-depth analysis of a multitude of studies allows for greater accuracy and improved reliability. Additionally, systematic processes can unveil areas where research is lacking, guiding subsequent reviews into areas for further investigation.

The process and objectives of systematic reviews can impact the direction of future policies. As a result, it is vital to dedicate time and devotion to the planning stage. A well documented and researched systematic review can "provide the best evidence of the effectiveness of different strategies for promoting behaviour change" (Bero et al. 1998:465). Systematic reviews are not always entrenched in positive processes and outcomes. The systematic review process can frequently encounter difficulties concerning objectivity and utility. Nonetheless, if the review group abide by the stringent, sequential stages in the review process, concerns of objectivity and utility can be significantly lowered or completely eliminated. The evidence-enriched approach to systematic reviews can extensively contribute to policy and practice by thoroughly informing policy makers on important societal issues. The next section will now explore the emerging roles of systematic reviews, as well as analysing two specific systematic reviews and the impact of their emerging interventions on individual behaviour change and governing policies.

4. THE EMERGING ROLES OF SYSTEMATIC REVIEWS

The current turmoil of the global economic downturn has embedded Ireland's economic position in a whirlwind of uncertainty and disruption, creating challenging times for Irish policy makers. The unfavourable economic, social, political and environmental issues confronting Irish society cannot be solved by government alone in a smart economy. Presently, the process of policy co-ordination adopts a top-down approach, whereby policies are devised by formal bodies at upstream macro environmental levels and implemented downstream. This unilateral style to policy formulation has worked adequately in the past due to the abundance of funding and infrastructure available to support such processes. Irish policy now demands a more sophisticated and comprehensive understanding of ways to formulate and shape strategies. Consequently, systematic reviews offer an evidence-base to close the strategic gap between theory and policy, particularly in the area of public health intervention.

Public health has become an area of urgent priority for many nations. Public health is a "broadly defined set of activities that aim to protect, promote and restore the health of all people" (Centre for Reviews and Dissemination 2008:159). The area of public health has become a rather sensitive topic, as it affects people in physical and emotional ways. Health interventions are often complex and extremely multifaceted, as they aim to address behaviour change at individual, group and societal levels. Subsequently, the evaluation and formulation of public health interventions is exceptionally complicated, as it embraces numerous stakeholders, participants, contexts and outcomes. The recent advocacy for more stringent health policies necessitates a review of the effectiveness of past interventions and strategies, thus, illustrating the need for systematic research. Systematic reviews provide a rigorous evidence base in analysing large quantities of information published in the public health domain. Furthermore, "the complexity of public health research may dictate a process that is far more iterative than in most other types of systematic review" (Centre for Reviews and Dissemination 2008:159). Food promotion and food safety are topics which have been brought to the attention of policy makers and governing bodies across the UK and Ireland. More specifically, the nature, extent and effects of food promotion to children have been extensively reviewed in the UK, and food safety interventions have been analysed in Ireland. The next section will exclusively analyse the systematic reviews commissioned by Safefood Ireland and the World Health Organisation.

4.1. Systematic Review of the Effectiveness of Social Marketing Nutrition and Food Safety Interventions (2004-2005)

Dietary patterns have shifted enormously across the globe over the past several decades (Popkin et al. 2005). Changing socio-economic, cultural and environmental trends have exerted cascading influences on "the foods we eat, the location of eating, the number of eating events and even the composition of the persons at each eating event have changed" (Popkin et al. 2005: 604). Consequently, obesity has become a serious public health concern, as well as the increased risks of chronic disease, cholesterol problems and heart conditions (Williams and Kumanyika 2002), due to the expanding distance between consumers and suppliers and the ever increasing information complexity in relation to food.. Alongside the need to improve dietary health, there is a growing demand to reduce the risk of food borne illnesses and food poisoning. Subsequently, the public health community is confronted with the monumental task of intervening on matters relating to nutrition and food safety (Walter and Agron 2002).

Safefood, the Food Safety Promotion Board for Ireland commissioned the Institute of Social Marketing in the UK, to evaluate the effectiveness of social marketing interventions designed to influence people's knowledge, perceptions and behaviour in relation to nutrition and food safety (McDermott 2005). The theoretical underpinning of this systematic review is embedded in the discipline of social marketing. Social marketing is the application of marketing concepts to programmes that are designed to influence voluntary behaviour change to improve health and society (Domegan 2007 and Stead, Gordon, Angus and McDermott 2007). Social marketing is not a theory in itself; rather it is a transtheoretical framework that borrows from several other bodies of knowledge such as psychology, sociology and commercial marketing, in order to understand how to influence voluntary behavioural outcomes. Social marketing is extremely compatible and beneficial to the research of systematic reviews and public health interventions, as it embraces social change within and across different levels of society.

In relation to nutrition and food safety, social marketing has the capacity to influence individual behaviour and lifestyle changes by raising people's awareness in relation to food handling and preparation, labelling, diet and diet-related health. At the midstream level of society, social marketing influences the behaviour of retailers, regulatory and advertising bodies, as well as the media by highlighting the need for more efficient labelling and the reduction of salt and sugar in the diets of the general public. Furthermore, social marketing has the ability to influence policy makers and legislators at the upstream macro environmental level, by advising them to improve food labelling legislation or restricting advertising to children. Social marketing lends itself to a synergistic approach to health intervention, by actively facilitating knowledge co-creation and partnerships at both upstream and downstream levels, thus, reinforcing the appropriateness of systematic reviews to policy making.

The process of conducting the systematic review on behalf of Safefood was both rigorous and transparent. The precise methods of the search and evaluation process were laid down in a detailed protocol, so that other researchers could replicate the review and check the conclusions it reached (Hastings 2003). Three paramount methods were executed to search the existing literature relevant to the topics of nutrition and food safety:

— Searches of electronic databases;
— Personal contact with key people in the field;
— Reference chasing.

Initially, the search produced thousands of articles. A detailed funnel approach was employed to eliminate the irrelevant publications, ensuring the remaining material satisfied the hallmarks of social marketing campaigns. Overall, the systematic review process exhibited credible, replicable and revisable methods. Additionally, the review concluded that social marketing interventions can improve diet and to a lesser extent food safety. Furthermore, the review established how social marketing could

produce multi-component interventions targeting several domains at once, giving rise to a total market approach or strategic social marketing. Consequently, the combination of social marketing theory with systematic reviews reinforces their compatibility, as systematic theory also claims that "multifaceted interventions are more effective than single interventions" (Bero et al. 1998:466). The process of conducting a systematic review in the area of nutrition and food safety provided the opportunity for social marketers, researchers and policy makers to collaborate. The systematic review commissioned by Safefood Ireland has acted as a central vehicle in creating public debate on issues concerning health and food safety. The review has also opened up the channels of communication and interaction between upstream and downstream stakeholders; ensuring policies are formulated on the opinions of a society as a whole rather than a secular division attempting to assume full control over the direction and co-ordination of health policies and interventions. Additionally, the review has also paved the way for the application of social marketing to public policy. The pertinent topic of public health and the evaluation of interventions provide a bridging mechanism between research and policy, as illustrated in this systematic review commissioned by Safefood Ireland and the following systematic review.

4.2. Systematic Review of the Extent, Nature and Effect of Food Promotion to Children: A Review of the Evidence to December 2008

The World Health Organisation commissioned the Institute of Social Marketing to investigate the extent of food promotion to children. There is considerable evidence to support the notion that children are aware of, and enjoy, food promotion. However, as obesity levels and health related problems continue to increase in society, it is necessary to explain the cause and effect relationship between food promotion and children. The specific aim of the systematic review was to examine what, if any, research evidence there is that food promotion can influence the food-related knowledge, attitudes and behaviour of children (Cairnes et al. 2009). The review updates three previous systematic reviews of the nature, extent and effects of food promotion to children, which were the first reviews to apply the systematic methodology to the social phenomenon of food promotion.

Children are heavily influenced by what they see in the media, especially the television. Subsequently, advertisers increasingly use the television as the main distribution channel for food promotion. In particular, pre-sugared breakfast cereals, confectionary, savoury snacks, soft drinks and most recently fast-food outlets dominate the area of media advertising to children. Advertisers manipulate the children's market by exploiting hedonic, experiential themes in their advertisements with fun, fantasy, feelings and taste, rather than a consumer processing model based on pure reason, in terms of health and nutrition (Shimp 2003). The study focused on children between the ages of two and fifteen years, because the majority of children consume more than the recommended amount of saturated fat, sugar and salt (Hastings 2003). Stakeholders involved in the review process ranged from policy makers at upstream macro environmental levels to children and families at downstream micro environmental levels. Additionally, retailers, advertising bodies and branded companies were involved at the midstream level. The stakeholders involved or affected by the process illustrate how complex the area of health promotion is.

Food promotion to children is an "extremely contentious issue and as a consequence great care is taken to adopt rigorous, objective and replicable procedures. Specifically, for the key review questions a systematic process was adopted" (Hastings 2003). The process followed a thorough and transparent protocol, examining each outlet of research on the area since 1970. This seminal systematic review exposes how food promotion does have an effect on children's diet, knowledge and food preferences. It is imperative for policy makers to take action in relation to advertising guidelines and product placement in retail outlets based on the undertaken reviews. Policy makers and researchers can co-create value in society by opening up the dialogue process and collaborating for long lasting social change. The systematic reviews commissioned by the World Health Organisation have acted as catalysts to Irish, British and European policy debate on the importance of public health interventions.

The systematic reviews commissioned by both Safefood Ireland and the World Health Organisation fulfil the hallmarks of good quality systematic research. Both reviews employed rigorous and explicit methodologies in order to eliminate bias and subjectivity. Additionally, clear, concise and achievable objectives were set in the planning stages of the review processes. Each of the reviews demonstrated transparency allowing for credible, replicable and revisable reviews, whilst ensuring future researchers can learn from these exceptional systematic review processes. Furthermore, both reviews have acted as catalysts to policy debate on the importance of public health interventions on national and global scales, clearly reinforcing the strategic role of systematic reviews in connecting theory and policy. In addition to public health reform, systematic reviews can aid national economies in improving all aspects of policy formulation across multiple sectors, through the co-creation and sharing of knowledge between up, mid, and downstream stakeholders in society.

In the drive towards a smart economy, systematic reviews "efficiently integrate existing information and provide data for rational decision making by researchers and policy makers" (Van Teijlingen and Bruce 1999:77). Systematic reviews have the ability to transfer knowledge across and between all relevant stakeholders. The transference of knowledge requires the total market system to embrace openness. Openness allows the review group to move away from the goods dominant logic of value-in-exchange to the service dominant logic of value-in-use (Gronroos 2008; Payne, Storbacha and Frow 2008; Spohrer and Maglio 2008; Vargo and Lusch 2008; and Vargo, Maglio and Archpru-Akaka 2008). Openness encourages stakeholders to detach themselves from their habitual routines and processes of generating individual silos of knowledge. Systematic reviews revolve around a process of integration, whereby the sharing and transfer of complex knowledge, alongside the creation of value are reliant upon the formation of interactive relationships. Inherently, the interactive process of knowledge transfer depends on exchange and dialogical interaction (Ballantyne 2004). Dialogical interaction facilitates the collaborative configuration of knowledge within and across the whole system. Dialogical interaction is crucial to the systematic process as it helps develop trust between members of the review group, focusing on equal collaboration instead of hierarchical ownership. The elimination of hierarchical boundaries from a strategic perspective allows stakeholders from macro, meso and micro environmental levels to co-operate simultaneously. The premise of knowledge transfer requires communicative interaction which is often taken for granted at the end of the systematic review process. Review groups devote a huge proportion of their time to the lengthy and complex methods of data collection, extraction and synthesis. As the reviews reach their concluding stages awaiting acceptance and publication, researchers often detach themselves from the subsequent implementation of intervention strategies. However, the passive dissemination of information from the review team to upstream policy makers is generally ineffective and at best, results only in small changes in practice (Bero et al. 1998:467). Therefore, the integration of systematic review findings with policy is dependent upon the establishment of linkages between upstream policy makers and downstream resource integrators for knowledge transfer. The transference of knowledge can empower society when greater levels of actor collaboration are embraced, to build upon existing knowledge bases through democrative processes.

As well as knowledge transfer, the strategic configuration of collective hubs of knowledge is dependent on value co-creation. Systematic reviews necessitate that review teams go beyond creating value-in-exchange which is subsumed with self-interest to value co-creation, where the participants become subjects of the collaborative and interactive value process in order to satisfy mutual interests, resulting in win-win situations for all the exchange actors (Sheth and Uslay 2007). The total market approach to value co-creation is complex and multi-dimensional, as it changes the roles of the stakeholders from being isolated, passive and unaware to strategically connected, active and informed (Prahalad and Venkat 2004). Systematic reviews absorb high levels of knowledge intensity which compels stakeholders to co-define, co-create and co-deliver value within and across the whole system, to ensure social change. The contemporary style of relational and dialogical interactivity allows for reciprocal dialogue between stakeholders involved in the exchange process. The collaborative

empowerment of stakeholders at macro, meso and micro environmental levels results in an integrative process of co-intelligence and co-learning for systematic reviews. The facilitation of inter-system connectedness, trust and learning in knowledge transfer and value co-creation emanate into the critical building blocks for knowledge co-creation.

Knowledge co-creation in systematic reviews occurs at downstream micro environmental levels where the focus is individual behaviour change, or at upstream macro environmental levels between the public, the media and policy makers (Hastings 2007). "The behaviour change agenda has increasingly been taken up across government. Policy making for behaviour change recognises that individuals need to change their own behaviour in order for government's wider goals for society to be achieved" (Darnton 2008). The recent infusion of policies to include behaviour change interventions lends the process of policy formulation exquisitely to systematic reviews. Systematic reviews for public health interventions rigorously determine the effectiveness of different strategies for promoting behaviour change. One could align the objectives of systematic reviews with the theory of ecological models. Ecological models are "comprehensive health promotion models that are multifaceted concerned with environmental change, behaviour and policy that help individuals make healthy choices in their daily lives" (Miller 2003:15). Likewise, systematic reviews of public health interventions are concerned with protecting and promoting the health of all people. The central concept emerging from these interlinked theories of ecology and systematic reviews is behaviour. Systematic reviews have the capacity to analyse which behavioural interventions have incurred long lasting change and which interventions have faltered at the first hurdle. Systematic reviews inform policy decisions in accurate, reliable and methodical ways. The co-creation of knowledge from up, mid and downstream stakeholders at macro, meso and micro levels of society is a valuable asset to the systematic process as it facilitates co-integration, co-intelligence and co-learning. Stakeholders involved in the systematic review group evolve from different streams and disciplines in society, encapsulating a total market approach to the evidence-based evaluation process. Systematic reviews engage in total market approaches by effectively co-ordinating the practices of macro, meso and micro environmental partners, which proves more desirable than other review methods, as it compels participation from every level in society. Macro, meso and micro environmental levels are explicitly represented in the systematic review groups by up, mid and downstream stakeholders to ensure that research is independent of political power and dictatorship, as well as guaranteeing its relevance to the interested stakeholders.

In the present climate, the isolated creation of knowledge between policy makers and legislators from single evaluation studies leads to poorly structured interventions. Unfortunately, top-down tunnel vision approaches to public health can create interventions which quickly lose momentum and subsequently uncover more issues pertaining to public health policies. It is imperative for stakeholders to understand that behaviour does not occur within a vacuum. Behaviours manifest themselves in a multitude of forms at varying levels, such as individual, interpersonal, institutional, community and/or societal and public policy (McLeroy et al. 1988 and Morgan and Hunt 1994). Furthermore, environments directly influence behaviours which increasingly complicate the process of creating valuable intervention strategies for policies. It is necessary for upstream policy makers to establish collaborative relationships with researchers to co-create knowledge and value in society. Researchers have the ability to thrust themselves whole-heartedly into systematic review research, which rigorously and transparently evaluates huge quantities of data relating to behaviour change and health policies. Systematic reviews move beyond single interventions, establishing multi-level or multi-component interventions to tackle behaviour change at macro, meso and micro environmental levels simultaneously, which further compounds the appropriateness of systematic reviews to policy co-ordination as multifaceted interventions seem to be more effective than single interventions (Bero et al. 1998). Consequently, the process of policy implementation is not limited to one level of society alone. Instead, everyone is involved in the co-creational process of long lasting change for the betterment of society.

Long lasting change requires a total partnership approach led by government, and includes a wide range of stakeholders and organisations as well as individuals themselves (Darnton 2008). Systematic reviews open up this opportunity for synergistic partnerships to co-create value and social change. Systematic reviews can connect theory and policy through the establishment of inter-system relationships. The development of meaningful relationships plays a pivotal role in policy co-ordination. Flittering dialogue processes between researchers and policy makers bear no substance on policies, evaporating the potential for social change. A networked policy approach integrates every stakeholder in a holistic collaborative system, whereby each actor shifts from being passive to active in the communication process. Systematic reviews necessitate meaningful interaction processes during the protocol stage of a review. A total market or networked approach to protocol and policy co-ordination "moves away from the centralised top down model and pays much more attention to dialogue" (Inzelt 2008:83). As stakeholders reason with one another determining the objectives of the review, they engage in co-operative dialogue modes establishing a common vision, trust, reciprocity and interdependence between partners, whilst explicitly determining the outcome objectives for both research and policy. Dialogue is critical to the success and longevity of systematic review relationships as it opens up the possibility of co-created win-win situations for the co-operating partners. Policy and research substantially benefit from dialogue and interaction as it shifts the focus of stakeholders beyond their individual needs to the collective requirements of society. Furthermore, systematic reviews can aid inter-system learning through the co-ordination and co-operation between upstream and downstream partners. As a result, policy will benefit from the collective learning of open and networked relationships in systematic reviews, as research questions and methods will incorporate the perspectives of multiple disciplines.

Evidently, systematic reviews play a fundamental role in connecting theory and policy. Davies (2000:365) exposes how "educational research has been criticised for serving the interests of researchers, rather than those of policy makers, providers and users of educational services". Clearly, a collaborative forum between research and policy is lacking. However, if policy makers do not engage and interact with researchers, then research is oblivious to the needs of policy and vice versa. Systematic reviews offer an evidence base to close the strategic gap between research and policy. Systematic reviews have the ability to fuel a total market approach by actively facilitating knowledge transfer and co-creation between all relevant stakeholders at macro, meso and micro levels of society. Furthermore, systematic reviews create synergistic rather than additive partnerships between policy and research, enabling inter-system learning and the co-creation of innovative policies for lasting social change.

5. IMPLICATIONS AND LIMITATIONS OF SYSTEMATIC REVIEWS FOR RESEARCH AND POLICY

The proposed evidence-based systematic review can play a pivotal role in bridging the divide between research and policy, as it has a distinguished record in medicine and health care, criminal justice and social work (Davies 2000). Systematic reviews exhibit numerous positive implications as well as providing an extraordinary theoretical framework for enhanced policy formulation. Firstly, systematic reviews offer an evidence base to connect theory and policy in the drive towards a smart economy. Secondly, the framework provides a bridging mechanism in creating synergistic partnerships between stakeholders at upstream and downstream levels in society. Thirdly, systematic reviews facilitate inter-system learning and the co-creation of credible, evidence-based intervention strategies. Finally but not indefinitely, systematic reviews can aid researchers and policy makers in creating lasting behavioural change for the betterment of society. Overall, the application of systematic reviews in providing a rigorous evidence base, fuels a total market approach to the policy co-ordination process, by actively facilitating knowledge co-creation and partnerships at up, mid and downstream levels.

There are limitations to the execution of systematic reviews. The use of systematic reviews in connecting theory and policy would necessitate substantial financial resources. Additionally, issues relating to the objectivity of researchers can limit the potential of systematic reviews. It is extremely difficult for review groups to remain unbiased as they are predisposed to judgements rooted in their professional experience. Alternatively, the grouping of multiple stakeholders from varying disciplines and backgrounds can reduce the possibility of subjective reviews. Lastly, another factor impinging the use of systematic reviews is the dissemination of review outcomes. Frequently, the "potential danger of systematic reviews is that they are seen as an end in themselves, rather than a means to other ends" (Bennett et al. 2005:401).

Aside from financial backing, the residual limitations can be easily rectified through explicit and stringent procedures, illustrating how the benefits of conducting systematic reviews far outweigh its limitations.

6. CONCLUSION

In conclusion, systematic reviews have a distinguished record in medicine and health care. Systematic reviews synthesise existing research in a manner which is fair and evidence based. Systematic reviews have the capacity to integrate up, mid and downstream stakeholders from macro, meso and micro environmental levels, in a total market approach to ensure social change. If the Irish government wishes to achieve the wider goals of society in the drive to becoming a smart economy, then the strategic social marketing role of systematic reviews in co-creating value between research and policy must be adopted for the stabilisation, progression and advancement of the Irish economy.

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THE GIFT OF LIFE: THE ROLE OF SOCIAL MARKETING IN ORGAN DONATION

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ABSTRACT

The success of organ transplantation has led to the primary problem facing transplantation today: lack of sufficient organ donors. In the US, the number of individuals awaiting organ transplantation has been growing by 15% per year but the number of donors has only increased by approximately 5%. Donation can be from two sources – living donors and deceased donors. However, the success of transplantation relies on the willingness of the public to donate their organs or those of recently deceased relatives. UK research shows that 70% of the population are willing to donate but only 27 - 32% carry an organ donor card. This study seeks to ascertain what social marketing, with its aim of promoting pro-social behaviour can do to increase the number of living and deceased donors. Also investigated will be the potential for financially rewarding people for gifting an organ.

KEY WORDS

Social Marketing, Organ donation, Altruism, Incentivisation, Behavioural Change

1. INTRODUCTION

The transplantation of human organs and tissue is currently regarded as one of the great achievements of 20th Century medicine (O' Neill 2006). Until about 1980 however, successful organ transplants were rare. Although reliable surgical techniques to transplant most major organs were available by the 1970s, preventing patients' immune systems from rejecting the new organs proved difficult. Most patients died of complications arising from rejection. In the early 1980s, a new generation of immunosuppressive therapies was introduced. These therapies reduced the chances that a recipient's immune system would reject the transplanted organ. Thus over the past thirty years organ transplantation has been transformed from an experimental therapy of last resort into a common medical procedure. The original groundbreaking transplantation of a single kidney from one identical twin to another has since been developed into a complex yet highly successful practice which allows eight organs to be transplanted from one deceased donor to as many as nine other individuals thus potentially saving nine lives (Siegel 2010).

The aforementioned success of the new immunosuppressive drugs led to a rapid increase in the number of transplants. In the US alone, there are now more than 27,000 organ transplants performed every year. The majority of these (16,000) are kidney transplants, with livers (5,800), hearts (2,000) and lungs and pancreases (about 1,000 each) making up most of the rest of the total (Healy 2006). A good portion of the increase in the number of transplants is attributable to improvements in the efficiency of transplant surgery and the greater variety of transplants that can be routinely carried out (Howard 1999). At present, organs come almost entirely from two sources. The first type are cadaveric donors who are brain-dead individuals whose bodies are kept functioning artificially. Their families or next of kin consent to organ harvesting. The second type of donor is living donors who are usually related by blood or marriage to the transplant recipient. Truog (2005) refers to the fact that organ donation by non-cadaveric donors presents a unique ethical dilemma, in that surgeons must risk the life of a healthy person to save or improve the life of a person in need of an organ.

However as transplants became more successful, transplant organs have rapidly become scarcer. Demand for organs now greatly outruns their supply. In the US, although the number of transplants doubled between 1988 and 2004, the number of donors rose at a slower rate. Over the time period of the past thirty years, demand for human organs has increased sharply and now exceeds the number of available organs by a factor of about ten (Healy 2006). The number of individuals awaiting organ transplantation in the US has been growing by 15% per year but the number of donors has only increased by approximately 5%. There were more than 60,000 individuals on waiting lists awaiting organ transplants in the US in 1999 alone (Howard 1999).

The success of transplantation thus relies on the willingness of the public to donate their organs or those of recently deceased relatives. In the US, the majority of transplanted kidneys now come from living donors (Healy 2006). UK research shows that while 70% of the population of the UK are willing to donate that only 27 – 32% carries an organ donor card (New et al. 1994). It is therefore logical to assume that 38% of the population are willing to become organ donors yet for various reasons have failed to become so. Steinberg (2004) states that despite the proven efficiency of kidney transplantation, there still exists a severe shortage of available organs in the US.

The sample frame for this research is intended to be Irish third level students in the age category of 18+ sourced from universities and third level colleges in the South West of Ireland. Third level students are being targeted in a convenient random sample. It is anticipated that these students will assess various advertisements encouraging organ donation and reactions will be gauged under numerous criteria. It is anticipated that 6 focus groups each containing 10 participants will be conducted. These will consist of three focus groups each for donor card carriers and non donor card carriers. Interviews will also be conducted with members of the organ donation promotion and medical community including the Health Services Executive of Ireland, Transplant Coordinators in

leading transplant hospitals, the Irish Kidney Association, Transplant Ireland, the National Health Service of Great Britain and the National Health Service of Northern Ireland. Motivations for donation and non-donation as well as the possibility of a financial incentive for donation of organs will be investigated.

2. MOTIVATIONS FOR DONATION

The purpose of this investigation is to ascertain how social marketing strategies could be implemented in order to increase the supply of organs among non-donor card holders. Secondary information currently being researched are motivations for donation among living donors, cadaveric donors and donor card carriers; the barriers to donation; as well as the feasibility of a financial incentive for the donation of organs. Numerous studies (Lennerling et al. 2004; Lennerling et al. 2003; Simmons and Marine 2002; Jacobs et al. 1998; Russell and Jacob 1993; Schumann 1974) have been conducted into a person's motivation for donating their organ/organs. The following outline motivations for donation in some detail.

Altruism

Healy (2004), refers to altruism as an act which is motivated by concern or regard for others rather than oneself. Healy cites Simmons, (1991) who states that although scholars' definitions differ, most would agree that altruism: (1) seeks to increase another's welfare, not one's own; (2) is voluntary; (3) is intentional and meant to help someone else; and (4) expects no external reward. Altruism at its core is helping behaviour and this desire to help a fellow human being has been put forward as one of the strongest motivational factors for donating one's organs (Lennerling et al. 2003). Lennerling et al., (2004) interviewed 12 potential donors between December 2000 and April 2001 and found that the desire to help was a strong motivational factor expressed by the majority of respondents. Interestingly, Lennerling et al. (2003) state that self benefit can be a motivating factor in the decision to donate. They discuss how a self benefit accrued to spouses who donated to their partner in the form of the relative's improved health. The donors believed that donation would increase both individuals' quality of life in numerous ways.

A feeling of moral duty was supported by a number of respondents as being separate from a desire to help. Lennerling et al. (2003) noted that these respondents viewed donation as an obligation or something that is expected. One interviewee stated that "one wants to help; I've been brought up that way." Healy (2000) also discussed organ donation as a means to cope with bereavement. Healy references a 1999 quote from a *United Network for Organ Sharing* brochure which stated – "carrying out your wish to save other lives can provide your family with great comfort in their time of grief". Healy further suggests that organ donation can sometimes bring some meaning to an otherwise unexpected and meaningless tragedy.

Increased Self Esteem

Jacobs et al. (1998) found that of the 524 donors they surveyed between 1985 and 1996 an overwhelming 96% would donate again if they could. The survey showed that donors experienced an increased self-worth and positive self-esteem post the donation procedure. Jacobs et al. (1998) also stated that donors have a higher quality of life than the general population. Lennerling et al. (2003) also found that organ donation increases one's self esteem with a number of respondents to their 2000/2001 survey stating that donation made them feel like better human beings. Spital (2000) who undertook a survey involving 208 US renal transplant centres found that all donors who responded to the survey experienced an increased level of self esteem post donation. These findings are also echoed by Biller-Andorno (2002); Phadke and Anandh (2002); and Kärrfelt et al. (1998).

Identification with the Recipient/ Empathy

Truog (2005) categorises this type of donation as direct donation i.e. donation to a loved one or friend and makes the distinction between this type of donation and two other types. These are firstly non-directed donation, which is where the donor gives an organ to the general pool to be transplanted into the recipient at the top of the waiting list and secondly direct donation to a stranger whereby the donor makes the decision to donate to a specific person with whom they have no prior emotional connection. Religion is one medium through which organ donation awareness can be increased according to Jotkowitz (2004) who argues that religion has a role to play in increasing donor awareness and cites a basic fundamental of Judaism which is not to stand idly by while thy neighbour's life is in danger. Jotkowitz (2004) also makes reference to Christian theology which espouses a universal fellowship of man.

Increased Awareness

Paez et al. (2009) suggest that advanced education is a possible solution to combat low donation rates arguing that by training health care students and professionals, organ donation awareness should increase thereby positively influencing organ donation rates. The knowledge and awareness that one can live a normal life with a single kidney was espoused as a motivating factor in the donation process by potential donors. One interviewee noted that she would find difficulty in imagining what kind of reasons one would have for not wanting to donate while another said "I feel that if I can live with one kidney and I'm healthy, there is no reason for me not to donate a kidney" (Lennerling et al. 2003). In relation to blood donation external factors can be used to increase awareness such as social pressure from friends or family and incentives such as gifts and rewards have also been described as being important early motivators (Gardner and Cacioppo 1995; Piliavin 1990; Ferrari et al. 1985).

The media can also be used to increase awareness of the need for organ donation. Ireland's most successful organ donor campaign to date came about accidentally. More than 5,000 people applied for organ donor cards after an Irish radio presenter - Joe Duffy highlighted on his show the plight of Frank Deasy, an award winning Irish TV scriptwriter whose liver was failing. As well as Mr. Deasy, who made an impassioned plea for organ donation on the show, Mr. Duffy listened to people who had received a transplant or who desperately needed one (Ring 2009). Frank Deasy subsequently died on the 18th of September 2009 while undergoing transplant surgery (Carroll 2009). In relation to blood donation, Sojka and Sojka (2008) indicate that the second most common reason (accounting for 23.5% of the sample) for donating blood initially was an appeal in the media about the need for blood.

3. BARRIERS TO DONATION

There are a wide ranging and diverse number of reasons why individuals do not donate. These include commoditisation. Healy (2006) refers to the rapid growth in the exchange of human goods over the past thirty years. He introduces the concept of the commoditisation of the human body and refers to a recent survey which documents the expansion of markets for human body products such as hair, leukaemia cells, eggs, placentas and brains. He subsequently refers to the horror individuals can feel at the prospect of wholly commoditised bodies and says of organ donation that it introduces a utilitarian calculation at the time of death and threatens to place a cash value on human life.

Another barrier is flawed psychological schemas. Steinberg (2003) evidences the occurrence of flawed psychological schemas and attempts to uncover the reasons why an individual would choose to donate a kidney to a complete stranger. He firstly assumes that the donor is in search of publicity and fame, then assumes that the donor was a member of a cult and thereby possessing a lower than normal level of sanity before finally realising that the act was indeed one of pure altruism. Healy (2006) also refers to flawed psychological schemas or preconceptions which in essence are one of the foremost barriers to donation. Up until recently, transplant coordinators would not consider donations from strangers for this reason. He also emphasises the fact that medical practitioners have not only been reluctant to

encourage such donations, but that their initial reaction has been to suspect that the would-be donors are mentally ill (Healy 2006).

Frutos et al. (2005) suggest that a high percentage loss of potential donors occurs due to refusal by family members to donate their loved one's organs, stating that at the time of writing (2005) the mean frequency of losses was 20% to 24%. They also refer to the finding that families who were more accepting of organ donation were cognisant of the wishes of the deceased family member prior to their death. This finding matches the view held by Jones et al. (2009) who refer to further studies by Martinez et al. (2001); Radecki and Jaccard (1997); and Thompson et al. (2003). Cosse et al. (1997) also agree that there is evidence to suggest that families are more likely to give their consent to organ donation if the wish of the deceased relative is known prior to the death of that individual.

Other barriers to donation yet to be researched by this researcher are medical restrictions, fear and anxiety including the excessive fear of hospitals or "nosocomephobia", ill health post the donation, fear that one will be in need of one's organs in the after-life (especially the eyes and heart) as well as fear of mutilation during a cadaveric organ donation operation and a decline in altruism which (Ferriman 1998) argued was a prominent cause of diminishing blood supplies.

4. A FINANCIAL INCENTIVE FOR ORGAN DONATION?

The feasibility of a financial incentive for the donation of organs including the possible forms or facets of such an incentive is the third area of research being undertaken. The possible forms of incentive include, hard cash, tax credits, a financial contribution towards burial costs or a donation to a charity in the name of the donor. Interestingly Healy (2006) refers to Titmuss (1971) who argued that if a blood supply was run on purely cash incentives, then altruistic suppliers would be driven out of the supply line and be replaced by selfish donors. Healy (2006) also puts forward a case by Frey et al. (1996) who found that the rate of consent to a waste disposal plant dropped by 50% when a substantial monetary compensation was offered to the residents in the area. Frey et al. (1996) argues that the offer of monetary compensation drowned out other more altruistic motives like civic virtue.

5. SOCIAL MARKETING

A form of marketing which is rapidly growing, and has considerable potential to contribute to increased organ donation is social marketing. Social marketing seeks to utilise tools, techniques and concepts derived from commercial marketing in pursuit of social goals (Andreasen 1995). Kotler and Zaltman (1971) describe it as the use of marketing principles and techniques to advance a social idea, cause or behaviour. It superseded social communication as a policy approach to achieving social change by integrating into campaigns commercially-derived concepts such as market research, product development, and the provision of incentives (Fox and Kotler 1980). Kotler et al. (2002) define social marketing as "the use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify, or abandon behaviour for the benefit of individuals, groups, or society as a whole".

Social marketing campaigns typically attempt to discourage harmful behaviour or encourage positive behaviour (Andreasen 1995). Past efforts have been directed at smoking prevention and cessation, drinking, drugs, obesity, AIDS, use of seat belts, sunscreen for skin cancer prevention, and medical screening tests (Keller et al. 2002). However, the effectiveness of social marketing campaigns is sometimes less positive than hoped for. Rotfeld (2001) notes that social marketing campaigns have the very difficult task of persuading large numbers of people to change their behaviour despite the fact that they are fully aware of the consequences of their behaviour and have already decided to ignore the risks. Furthermore, Rotfeld (2001) notes that the basic question of whether advertising can bring about behaviour change often goes unasked. It is the intention of this research to ascertain what social marketing can achieve in increasing organ donation.

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A PHENOMENOGRAPHIC ANALYSIS OF THE SOCIAL MARKETING CONCEPT

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ABSTRACT

Social marketing has experienced substantial growth over the last three decades and its utilisation has spread into various domains of social and public life. However, certain barriers to its expansion do still remain. The proliferation of various definitions and the lack of consensus on what these definitions should contain have prevented its consolidation as an area of study. Since current students will be the upcoming marketers, it is important to analyse their understanding about the social marketing concept. In this sense this research aims to understand the importance of social marketing as perceived by marketing students and to compare the perceptions of what is social marketing among undergraduate and master's degree marketing students.

KEY WORDS

Social marketing, phenomenography, marketing students

1. INTRODUCTION

Several decades on from its conception, social marketing in now deemed to be in the growth phase of its product life cycle (Andreasen 2002). An indication of this expansion has been the publication of several generalist books, such as those by Andreasen (1995) and Kotler and Roberto (1989), the staging of several conferences dedicated to this theme (e.g. the Social Marketing Conference), the emergence of journals entirely devoted to the area (e.g. Social Marketing Quarterly) and the increasing popularity of its application to various societal related problems such as health, nutrition, drugs and the environment as the beginning of any list.

According to Andreasen (2002), social marketing faces several barriers that have prevented its sustainable development, in particular, the lack of appreciation of social marketing by senior organisational management and the lack of any generally accepted definition of social marketing.

Since current students are the managers of tomorrow, it is important to study the perception that these students hold on the concept and scope of social marketing. Correspondingly, the objective of this article is to analyse, through phenomenographic analysis, how marketing students (undergraduate and postgraduate) perceive and evaluate the concept and scope of social marketing.

After a thorough search of the available databases, only one study of a similar nature was found: research carried out by Shanahan and Gerber (2004) on the concept of quality in higher education institutions. This served as the foundation for the research set out below. The other phenomenographic studies encountered, in the majority, looked at pedagogic methodologies in teaching and, to a lesser extent, consumer behaviour. In the field of social marketing, this approach represents an innovation and may be deemed a new research alternative.

2. EVOLUTION OF THE SOCIAL MARKETING CONCEPT

In theoretical terms, social marketing began to emerge as a differentiated field of marketing in the early 1970s when Kotler and Zaltman (1971) and Kotler and Levy (1969) recognised that marketing techniques and tools, commonly applied to products and services were also susceptible to application for the marketing of ideas. However, its practice dates back somewhat earlier with utilisation traceable to family planning programs taking place in the United States in the 1960s (Andreasen 2002).

According to Kotler and Zaltman (1971), social marketing is the design, implementation and control of marketing programs that involve considerations as to product, planning, price, communication, distribution and market research within the scope of efforts to influence the acceptance of social ideas across a specific target market. The work of these authors played a critical role in the introductory phase of social marketing as they not only defined the actual concept of social marketing but also set out the planning process for such initiatives.

However, this definition also resulted in social marketing frequently being confused with social propaganda and social communication (Andreasen 1993). This distinction has since been fully resolved (O'Shaughnessy 1996). Social propaganda deals only with the strengthening of beliefs and is entirely didactic in nature while social marketing is based upon studies of the needs of the respective target audiences (O'Shaughnessy 1996). Indeed, social marketing involves all the 4 P's and not just one (Fox and Kotler 1980).

Debate over these differences has resulted in the emergence of a new definition: "Social marketing is the adaptation of commercial marketing technologies to the analysis, planning, execution and evaluation of programs designed to influence the behavior of target audiences in order to improve their physical and mental wellbeing and/or that of the society of which they are a part" (Andreasen 1993:1). As may be seen, this definition clearly differs from that of Kotler and Zaltman (1971) in which social marketing is seen only as a means for generating the acceptance of ideas (Andreasen 1993, 2002). Furthermore, in 1995, in his book Marketing Social Change, Andreasen added the voluntary character of the change in behaviour to his definition.

In accordance with Andreasen (2002), social marketing essentially differs as its objective is a change in behaviour, it is totally customer driven and strongly emphasises the benefits while reducing perceived costs and hence encouraging a change in behaviour. Additionally, it is possible to identify other distinctive characteristics or processes such as: how social marketing involves deploying the 4 P's of marketing, the fundamental need for market research for the design, pre-testing and evaluation of intervention programs, the careful segmentation of markets and the constant recognition and attention paid to the competition (Andreasen 1995).

Given this adoption of commercial marketing tools and techniques by social marketing, there was also a lack of conceptual clarity differentiating between social marketing and societal marketing (Andreasen 1993). Andreasen (1993) suggests that the distinction between the two concepts can be drawn from the different characteristics inherent to the concepts. Social marketing contains a proactive dimension while societal marketing is defined by its protective nature.

Almost two decades on from the first definition of social marketing, Kotler and Roberto (1989) carried out a review of the original Kotler and Zaltman (1971) definition and categorised social marketing as a process of social change. Nevertheless, this new definition did take on the acceptance of ideas dimension (Andreasen 2002).

Currently, whether among researchers or marketers, there is consensus around the idea that social marketing is not about the promotion of ideas but rather about influencing behaviours and may be applied to behaviours that do not involve products (Andreasen 2002).

According to the National Social Marketing Centre (2006), the introductory phase of marketing (the first twenty years) may now be considered the "Tell and Sell" phase. Correspondingly, in this phase, social marketing was above all deployed when members of a particular population engaged in behaviours of an uncertain or resistant type and where change would improve both their personal wellbeing and society as a whole (Andreasen 1995) and hence the early literature focused predominantly on products associated with changing behaviours (Andreasen 2002).

According to Andreasen (2002), the most significant development in social marketing was moving on from marketing products involved in social change to a broad understanding and awareness of the potential for such application. More recently, the field has featured best practice case studies, analysis of the utilisation of tools as well as ongoing conceptual debates (Benett and Sargeant 2005).

With this progress, social marketing is today in a phase of growth even though there are still obstacles to its further expansion, specifically: a) the low level of awareness and understanding at senior management levels, b) poor positioning, c) its confused image, d) the lack of differentiation from competing concepts, e) being perceived by some sectors of society as manipulative in nature, f) weak documentation and promotion of cases of success, and g) a persisting lack of academic prestige (Andreasen 2002).

Thus, it would seem that many of the problems and challenges commented on by Bloom and Novelli (1981) in their article entitled "Problems and Challenges in Social Marketing" have yet to be resolved. According to Andreasen (2002), the solution for resolving these difficulties involves making recourse to branding in social marketing.

Recently, efforts to accompany ongoing developments in the more general field of marketing have led several specialists in the field to update their definitions as well as broadening the scope of the concept. Thus, Kotler et al. (2002) set out their social marketing definition as the use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify or abandon a behaviour for the benefit of individuals, groups or society as a whole.

According to Dann (2008), the modernisation of the marketing definition undertaken by the American Marketing Association (AMA) in 2007 broadened the bases of marketing and bringing benefits both in terms of the theory and the practice of social marketing. The 2007 AMA marketing definition incorporated the concepts of exchange, value, clients, customers and other stakeholders to establish the scope of social marketing as: "the marketing approach of creating, communicating, delivering, and exchanging offerings of value with our client marketers, partner organizations, and the broader society to improve the welfare of the individual and of society (Dann 2008:99)", thereby recognising the existence

of a client as a receptor of social marketing campaigns and the co-creation of value among the various parties involved.

Domegan (2008) went to the extent of stating that while social marketing places the change of individual behaviour at the centre of the process and coordinates a vast network of relationships and partnerships across society so as to attain the objectives set, this may then equally be associated with concepts from relationship marketing, e-marketing, network marketing, among others.

According to Hastings (2003) and Raval et al. (2007), there is a clear fit between social marketing and the relational paradigm of marketing as social marketing strategies focus upon relationships that may turn in long lasting and sustainable results.

Another perspective extending the conceptual range of marketing is that put forward by Wymer (2009) who holds that social marketing should also target the social context of the individual as a means of boosting social marketing process effectiveness.

3. SOCIAL MARKETING DEFINITIONS

As detailed in the preceding section, there have been various definitions of social marketing and stressing different facets (propaganda, communication, behaviour). According to Dann (2009), in forty years of social marketing, there have been over forty five peer reviewed academic definitions of social marketing.

Correspondingly, we would take this opportunity to analyse the shared and different characteristics of such definitions. Table 1 details some of the definitions of social marketing. Given the impossibility of including each and every existing definition, we present here only the most often quoted authors in conjunction with some of the more recent definitions of this concept.

TABLE 1
Definitions of social marketing

Authors	Definitions
Kotler and Zaltman (1971:5)	"Social marketing is the application of the ideas, processes and practices of the marketing discipline to improve conditions that determine and sustain personal, social and environmental health and well-being".
Lazer and Kelly (1973:4)	"Social marketing is concerned with the application of marketing knowledge, concepts, and techniques to enhance social as well as economic ends. It is also concerned with the analysis of the social consequences of marketing policies, decisions and activities."
Kotler and Roberto (1989:24)	Social marketing is "a social change management technology involving the design, implementation and control of programs aimed at increasing the acceptability of a social idea or practice in one or more groups of target adopters''
Andreasen (1993:1)	"Social marketing is the adaptation of commercial marketing technologies to the analysis, planning, execution and evaluation of programs designed to influence the behavior of target audiences in order to improve their physical and mental wellbeing and/or that of the society of which they are a part."
Andreasen (1995:7)	Social marketing is "the application of commercial marketing technologies to the analysis, planning, execution, and evaluation of programs designed to influence the voluntary behaviour of target audiences in order to improve their personal welfare and that of their society."
Maibach, Rothschild and Novelli (2002: 341)	Social marketing is ''a means for creating voluntary exchange between a marketing organization and members of a target market based on the mutual fulfillment of self interest''
Andreasen (2002:296)	Social marketing is "the application of commercial marketing technologies to the analysis, planning, execution and evaluation of programs designed to influence the voluntary behaviour of target audiences in order to improve their personal welfare and that of their society."
Kotler, Roberto and Lee (2002:5)	Social marketing is "the use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify, or abandon a behaviour for the benefit of individuals, groups or society as a whole".
Donovan and Henley (2003:11)	"Social marketing is the application of commercial marketing technologies to the analysis, executions and evaluation of programs designed to influence the voluntary or involuntary behaviour of target audiences in order to improve the welfare of individuals and society."

Authors	Definitions
Hastings (2003:12)	"Social Marketing's most fundamental feature is that it takes learning from commerce . . . such as consumer orientation, mutually beneficial exchange, the need to focus on behaviour change and address the context as well as the individual."
Dann (2009:5)	Social marketing is "the adaptation and adoption of commercial marketing activities, institutions and processes as a means to induce behavioral change in a targeted audience on a temporary or permanent basis to achieve a social goal."
Social Marketing Institute	"Social marketing is the planning and implementation of programs designed to bring about social change using concepts from commercial marketing".
National social marketing centre	Social marketing is "the systematic application of marketing, alongside other concepts and techniques, to achieve specific behavioural goals, for a social good"

Source: Self produced.

Analysis reveals overlapping facets of the definitions set out in Table 1, in particular:

- Changes in behaviour (Kotler and Roberto 1989; Andreasen 1993, 1995; Donovan and Henley 2003; Hastings 2003; Dann 2009; Social Marketing Institute; National social marketing centre).
- Application of marketing programs (Kotler and Zaltman 1971; Lazer and Kelly 1973; Kotler and Roberto1989; Andreasen 1993; Andreasen 1995; Donovan and Henley 2003; Hastings 2003; Dann 2009; Social Marketing Institute; National social marketing centre).
 -Individual benefits (Andreasen 1993; Rothschild and Novelli 2002; Donovan and Henley 2003; Hastings 2003; Dann 2009).
- Collective benefits (Andreasen 1993; Donovan and Henley 2003; Dann 2009; Social Marketing Institute; National social marketing centre).
- Exchanges (Rothschild and Novelli 2002; Hastings 2003).
- Influence (Kotler and Roberto 1989; Andreasen 1993; Andreasen 1995; Dann 2009).

It should also be noted that some definitions are more restricted in scope (for example, Andreasen 1993, 1995, 2002) than others (for example, Lazer and Kelly 1973). Hence, while the more limited approaches focus only on change in social behaviours, the broader definitions extend the scope of social marketing into other fields such as the correction of current marketing activities.

According to Dann (2009), the content of social marketing definitions may be broadened to such an extent that it is seen as a generic term for any marketing activity that seeks to bring about social and behavioural change. Correspondingly, the various definitions may be considered as extensions or variations of products seeking to meet the different needs across a vast range of markets.

4. METHODOLOGY

4.1. Research Design

In order to achieve our research objectives, we adopted a phenomenographic approach (the methodology put forward by Ference Marton for the collective analysis of individual experiences) (Marton 1981, Svensson 1997 and Akerlind 2002). The main characteristic of this research methodology is the description of a phenomenon as it is actually experienced emphasising the collective meaning of the object under study and should in no way be confused with phenomenological studies. Phenomenology is far more interested in the individual experience of those involved than with the phenomena studied (Barnard, McCosker and Gerber 1999; Akerlind 2002). Hence, this methodology enables an understanding of individual perceptions of a specific concept. It is characterised by its qualitative and exploratory nature and the transversal cross section (Hair Jr. et al. 2003) resulting from the data collection process carried out through personal interviews with structured questionnaires (Barnard, McCosker and Gerber 1999). All methodological decisions (the research universe and sample, data collection and analysis) were adapted from the study of Shanahan and Gerber (2004).

4.2. Defining the sample

The questionnaire was applied to students of marketing (degree and master's degree) at a Portuguese state university, one of the few institutions providing this subject in the country and which represents a

case study (Yin 2003). The choice of this university was particularly due to the fact that it attracts students from various locations across Portugal. The diversified character of the students questioned ensures that the results thereby obtained represent a general vision of a set of future Portuguese marketing professionals in contrast to other universities where the students are drawn in the majority from the immediate surroundings of the university itself (the respective major urban centre).

The sample chosen is made up of those students present in class on the days the research was carried out and had necessarily already studied social marketing. This type of sample is thus non-probabilistic, intentional, by judgement (Hair Jr. et al. 2003). It should be highlighted that the results set out here represent only one sample of marketing students whether in Portugal or in the university itself.

4.3. Data collection

For data collection, a questionnaire was deployed in which section one first identified the student by age, gender, level of study (degree or master's degree) and year of study. This was followed by four open questions designed to elicit the perceptions of the interviewees as regards their own definitions and level of importance attributed to social marketing. This questionnaire was the result of an adaptation of the data collection instrument put into practice by Shanahan and Gerber (2004). The final questionnaire was made up as follows:
- Based on your own personal understanding, what does social marketing mean?
- In your own words, what is your definition of social marketing?
- What importance do you attribute to social marketing within the prevailing context? Please explain.
- Do you consider social marketing to be important? Why/why not?

It must be emphasised that each area subject to analysis is linked to the two questionnaire questions (the definition and importance of social marketing). This is the key characteristic of the phenomenographic methodology and seeks to ensure the interviewee considers with greater exactitude what his/her real perception actually is as regards the issue under study (Barnard, McCosker and Gerber 1999; Akerlind 2002).

The collection of data took place in January 2010. A total of twenty-one questionnaires were completed by undergraduate degree students and thirteen were filled in by master's degree students. All thirty-four questionnaires were passed as valid. The next step was to transfer the data collected to the analytical software.

4.4. Data analysis

With all answers converted into a digital format, content analysis was undertaken with the objective of identifying the definitions and perceived importance of social marketing through means of codification (Denscombe 2003), with recourse to Atlas/ti software (Muhr 1995). This type of analysis seeks out regularities and variations based on repetition (or otherwise) in the observations and statements with the objective of quantifying qualitative data (Denscombe 2003). In this particular case, the codes were first established by those words with the greatest incidence in the social marketing definitions as well as in the explanations provided as to the importance of social marketing within the prevailing context. With the data inputted into the Atlas/ti software, the codes were also then submitted to the system. This then grouped the interviewee responses by regularity and similarity in accordance with the established code. Thus, it proved possible to collectively analyse all the interviews in order to provide a ranking of the codes present in the data collected ranging from the most present to the least present.

5. ANALYSIS AND DISCUSSION OF THE RESULTS

The first section to the questionnaire served to characterise the respondents. Correspondingly, the twenty-one respondents taking their degree in marketing were between nineteen and twenty-six years of age, with the majority (thirteen students) aged between nineteen and twenty, that is, rather young and hence with little or no professional experience. Despite this, responses from younger and more mature students did not differ significantly in content. As regards gender, there was a balance with ten males and eleven females again without any relevant differentiation in their opinions and perceptions.

As regards the thirteen students attending the master's degree in marketing, a majority (seven students) had already graduated in marketing and were continuing in the same field in the second study cycle. However, of the other six students, four were management graduates, one in sociology as well as one in media studies. Such diversity might be expected to generate distinctly diverse visions on the same phenomenon (social marketing), given their different academic backgrounds, nevertheless, analysis of the answers given did not produce this result. In terms of gender, females predominated (nine against four males) even if there were no particular differences in the responses given. In relation to age, the range of this latter sample ran from twenty-one to thirty-three with a majority aged between twenty-one and twenty-two (seven students). Once again, the age of respondents did not reflect any disparity in response and demonstrating that both younger and elder students held similar perceptions as regards the research theme.

On the concept of social marketing, the main objective of this research, the results obtained were:

(a) Social marketing is directed towards society and targets human relationships and social awareness (eighteen citations).

This finding demonstrates how students relate social marketing to the benefits for society, with a focus on the relationships between individuals (Exchange) and on citizen awareness (influence) as regards the problems that society faces. This perception was to the fore among undergraduate degree students (twelve citations), with Master's degree students also on various occasions mentioning (six citations, the second most frequent response) social marketing as something that prioritises human beings and awareness about living in society (individual and collective benefits). It became clear from interviewee responses that they often considered social marketing across only one facet, communication, or merely as one of the marketing P's (Fox and Kotler 1980).

(b) Social marketing is concerned about social causes and the surrounding environment, promoting social actions and drawing public attention to a particular problem or situation (fifteen citations).

This latter vision, the second most common in respondent answers, approaches social marketing as a means of warning society about social or even environmental problems. It was master's degree students who mostly conceived of social marketing in this fashion (nine citations). It should be highlighted that the majority of interviewees related social marketing to social propaganda in presenting examples of advertising campaigns that targeted social or environmental problems, as already emphasised by Andreasen (1993) who holds that there is frequently confusion between the concepts of social propaganda, social communication and social marketing.

(c) Social marketing is marketing by non-profit organisations (thirteen citations).

This definition of social marketing, among the most commonly reported, especially among undergraduate degree students (10 citations by this student group), reveals some confusion between social marketing and the marketing carried out by non-profit organisations. Despite the respondents perceiving these as synonymous, social marketing is not exclusive to this group of organisations. Such conceptual misunderstanding was previously identified by Andreasen (2002) on observing how social marketing was not accurately perceived with a lack of comprehension as to the extent of its applicability.

(d) Social marketing is connected to charity and helping our fellow citizens (10 citations).

Also commonly referred to by undergraduate degree students (7 citations), social marketing was related to social welfare and support. Campaigns to raise charitable donations or social promotion were examples of what they considered social marketing as connected to social solidarity and assistance to fellow citizens. Once again, confusion appears between social communication, social propaganda and social marketing (O'Shaughnessy 1996), in addition to relating social marketing to social welfare, hence revealing difficulties in grasping the meaning as to what social marketing stands for (Jones and Putten 2008).

(e) Social marketing fosters changes in behaviours and attitudes (6 citations).

This definition, most present in master's degree student answers (5 citations) than in undergraduate degree students, was the closest to the definition set out by Kotler et al. (2002) and that defined social marketing as the utilisation of marketing principles and techniques so as to influence a specific target audience in order to voluntarily accept, reject, modify or quit a specific behaviour type for the benefit whether of the individual, group or society as a whole. The definition presented by these students significantly resembles the concept established by Kotler et al. (2002).

(f) Social marketing is a resource for constructing a positive company image among its consumers (4 citations).

A fairly uncommon response provided to the questionnaire raised by only four students (two degree and two master's degree students) related social marketing to the constructing of a good company image among its consumers, implying some sort of confusion between the social image of the company and social marketing.

In summary, there was a certain difficulty, particularly among undergraduate degree students, in distinguishing between social marketing and other types of social action, such as social propaganda, social communication, social assistance and societal marketing. This confusion, already highlighted by Andreasen (2002), shows how the concept of social marketing still needs to be worked on and refined both by the academic community and by marketing professionals. For social marketing to prove of worth to organisations, to individuals and to society in general, it needs to be understood by professionals in the area. However, the results attained here show that there is still much work to be carried out by academics specialising in social marketing.

On the perceived importance of social marketing attributed by interviewees within the prevailing context, the following results were returned:

(a) Social marketing is important for helping people in general and for the resolution of social problems (twenty-two citations).

Once again, the answers relate social marketing to social welfare. The most common response given by interviewees, especially by undergraduate degree students (fifteen citations) expresses the importance of social marketing for leveraging social welfare. Considering the definitions of social marketing present in the literature, it is clear that respondents understand social marketing as a mechanism to be deployed to generate individual and collective benefits.

(b) Social marketing proves relevant as a means of warning society about current social problems (15 citations).

Another example of confusion found in answers was in considering social marketing to be synonymous with social propaganda. This response was the most common among master's degree students (eight citations) and the second most frequent among undergraduate degree students (seven citations). In terming the importance of social marketing as a means of conveying social propaganda to warn society as to current social problems, the concept is perceived as merely one of the four marketing P's, the P of promotion, necessary to render social marketing instrumental. However, the students do not consider the other P's that also make up part of social marketing (Fox and Kotler 1980).

(c) Social marketing is important for helping companies to survive and grow in demonstrating their social responsibility to the public in general (14 citations).

Once again, this shows how the concept and implementation of social marketing is not clearly perceived by professionals in the field (Brennan and Binney 2008). In this case, both master's degree (seven citations) and undergraduate degree students (7 citations) related social marketing to corporate social responsibility thereby highlighting its importance to the survival and growth of organisations. This is another typical confusion: social marketing and corporate social responsibility. Despite many confusing one with the other, these are different and not even necessarily interrelated. While social marketing focuses on the behavioural change of a specific target public for the benefit of the individual, group or society as a whole (Kotler et al. 2002), corporate social responsibility fosters the construction of strong, credible and reliable relationships based on ethical and moral values and the good reputation of the company with all third parties with the objective of perpetuating its own success (Friedman and Miles 2006). The difference between these two concepts does not seem to have been grasped by students participating in this project.

(d) Social marketing is important for stimulating consumption among company clients (eight citations).

In this case, the importance attributed to social marketing derives from a supposed capacity to boost consumption among company clients. Such importance was awarded both by master's degree (4 citations) and by undergraduate degree students (4 citations). Hence, to these respondents, social marketing is nothing more than a tool for boosting the sales of a specific company and thus closer to the traditional core of marketing, which has always had as a key goal stimulating a rising level of consumption by clients of an organisation (Kotler 2005). However, looking at more recent definitions of social marketing (Dann 2008), we may see that social marketing may often be deployed to reduce certain forms of consumption that prove harmful to either individuals or even the environment. Respondents lacked this perception.

(e) Social marketing is of fundamental importance in demonstrating the human and social character of companies to society (6 citations).

Once again, we encounter a mixture of social image, social propaganda, social communication and social marketing. These are four different concepts that seem able to cause significant confusion. In this case, the importance attributed to social marketing by master's and by undergraduate degree students (three citations apiece) is related to the image that the organisation wishes to convey to the market, a facet that is not attributed to the fundamental concept of social marketing (Andreasen 2002), as previously discussed.

In summary, this approach demonstrated that difficulties in defining social marketing are directly related with its sheer importance to the prevailing context. Where a marketing professional does not understand the essence of social marketing, then it is hardly to be expected that the individual will attribute the necessary importance to the practice of this branch of marketing, as has already been emphasised by Andreasen (2002) in identifying the barriers existing to the growth and maturing of social marketing within the current organisational context.

6. CONCLUSIONS

The objective of this project was to research and explore the level of understanding that future marketing managers hold as to the concept of social marketing in conjunction with the level of importance they attribute to its application in current society.
Correspondingly, we seek to contribute towards the management of knowledge within organisations in clarifying what is the real understanding of this concept among marketing students, the future professionals in this field. The purpose also extends to making a contribution towards higher education institutions identifying the actual level of understanding of marketing students on this theme. There are also ramifications for the academic field deriving from the description as to how the concept of social marketing is perceived by future marketing professionals.
Hence, it was found that marketing students, despite having studied content on social marketing within the scope of their course programs, hold fairly different perceptions on this concept. Sometimes it is

associated with central concepts found in the definitions of various researchers in this field, such as changing behaviours, social and individual benefits, marketing programs and influence. However, it is also frequently confused with other concepts especially those relating to social propaganda, societal marketing, corporate social responsibility and even social action. Indeed, this may result from the confusion present in the literature itself.

Correspondingly, it would seem important for academics in this field to progress with their efforts to clearly delineate the content of social marketing and its applicable scope in the field.

Furthermore, the fact that students associate the importance of social marketing in many situations with a means of "cleaning up the organisational image" or even turning over a profit reawakens the debate on the ethical facet of social marketing, already raised by Laczniak et al. in 1979, in association with the teaching of ethics on marketing study programs.

7. LIMITATIONS AND FUTURE RESEARCH LINES

The methodology chosen and the sample selected enabled some form of understanding as to how marketing students perceive the concept of social marketing. However, it should be taken into consideration that the sample size was small enough to potentially condition any generalisation of the results obtained. Hence, it would be highly relevant to replicate not only this study at other universities providing marketing programs but also to carry out this study within the framework of specific social marketing programs so as to be able to make a comparison with students undertaking general marketing programs.

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BREASTFEEDING MOTHERS: TYPOLOGIES AND PROFILES

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ABSTRACT

The author conducted an empirical study with the goal of demonstrating that there are different types of breastfeeding nursing mothers depending on their knowledge, attitudes and behaviours. In addition results showed that each type of mother fits a different emotional profile, moreover each type of mother fits a different socio-demographic profile. This research leads to recommendations that may improve breastfeeding campaigns, for instances, it has been shown that there are four different segments of mothers that should receive not only different emotional treatments but also different knowledge about health and breastfeeding.

KEYWORDS

Social Marketing, breastfeeding, emotion, segmentation

1. INTRODUCTION

The correct identification of the segments of the breastfeeding mothers constitutes a basic condition for the application of successful strategies and treatments in social marketing (Andreasen 2008) and in the provision of appropriate services to the target and the hospital unit (Gerdtham and Sundberg 1998; Nakamba et al. 2002, Collins 2003; Pavlova et al. 2003). On that basis, the first research objective of this work is identifying the homogeneous groups or segments of breastfeeding whose reality could improve the representation and planning with regard to breastfeeding.

Moreover, it is often forgotten that breastfeeding is an instinct not only for the baby but also for the mother since this desired behaviour is similar to that performed by other mammals. However, that similarity of the breastfeeding response in humans and other animals does not seem to be due to common intellectual characteristics since there are clear differences in the cognitive capacities of humans and other animals: it is more likely that the reasons lie in the emotional and affective layer that is embedded throughout the animal kingdom (Guttman and Zimmerman 2000; Flacking et al. 2006). Moreover, in order to develop efficient health care strategies it is necessary to analyze customers' behaviour and study their emotions (Mark et al. 2000). Perhaps that is why the scientific literature has paid great attention to the emotions aroused by breastfeeding (Depue and Morrone-Strupinsky 2005; Klaus 1998; Bryant 2002). However, there are works that have addressed the study of each type of nursing mother; therefore, the second research objective is to understand each type of breastfeeding mother from an emotional perspective.

Finally, the scientific literature recognizes that sociodemographic characteristics have a descriptive role in the pattern of breastfeeding adoption (Callen and Pinelli 2004; Scout et al. 2001; Kruse et al. 2005), which permits the target to be identified in a visible and tangible way (Andreasen 2008). Therefore, it is logical to wonder whether the possible differentiating role that those basic characteristics displayed by women could recognize the diversity of the typologies of breastfeeding. On that basis, the third research objective is to study the association between sociodemographic features and the types of breastfeeding patterns.

This article is structured in four sections to address those objectives: (1) the review of the literature, (2) methodological aspects, (3) the analysis of results and (4) the conclusions.

2. REVIEW OF THE LITERATURE

The diversity that breastfeeding entails is more complex than could be established by considering only the different degrees of performance of this desired behaviour. On the one hand, breastfeeding behaviour may be conceived not only from a quantitative perspective, which refers to the volume and frequency of feeding, but also from a qualitative perspective, which refers to the method or correctness with which the breastfeeding is performed. Thus, there are two types of nursing mother depending on two different behavioural variables: qualitative behaviour and quantitative behaviour.

In addition, that diversity of typologies is rooted not only in conative variables but also in cognitive and evaluative variables, since mothers display differences in their ways of breastfeeding, in their knowledge and in their attitudes toward breastfeeding. In that respect, the literature highlights two cognitive and two evaluative variables.

The first cognitive variable refers to the how, when and where of breastfeeding and constitutes the mother's objective preparation for breastfeeding while the second is related to general knowledge about health and how to look after oneself (Graffy and Taylor 2005). In addition to those cognitive variables, there are two evaluative variables, namely, (1) attitude toward breastfeeding, which is defined as an opinion either in favour of it or against it (McKinley and Hyde 2004) and (2) involvement with breastfeeding, which entails an evaluation in terms of the importance, relevance, incumbency and significance of breastfeeding to the mother (Zaichkowsky 1985).

Given that diversity of cognitive, evaluative and conative variables, breastfeeding should be expected to follow more than just type or pattern of adoption and may involve the existence of different profiles with much more richness than the traditionally that recognized in the scientific literature. On that basis, the first research hypothesis is proposed:

H1: *There are different types of breastfeeding nursing mothers depending on their knowledge, attitudes and behaviours.*

This research work states that the process of breastfeeding adoption involves an experience that is not only cognitive but also emotional. In fact, this thesis regarding the importance of the affective component is supported by institutional assertions and certain scientific bases. In that respect, both the American Academy of Pediatrics (1982) and the American Public Health Association (1981) consider that breastfeeding is beneficial not only to the baby's health but also to the emotional wellbeing of the family unit as a whole. Moreover, various scientific research works have identified an emotional component in the breastfeeding environment. For example, it has been shown that the feeling of the father being involved facilitates the mother's breastfeeding behaviour (Earle 2002) as well as the infant's expressive temperament (Wojnar 2004), the mother's perception of the treatment in the maternal care unity (Ingram et al. 1994) and, of course, the mother's emotional status after the birth (Jones et al. 2004). In addition, and specifically regarding the mother, some works show that breastfeeding in itself is a phenomenon of a basically emotional character that occurs in the mother (Depue and Morrone-Strupinsky 2005) since it is inherent to motherhood and the affective bond that develops between mother and child (Klaus 1998; Bryant 2002). This is a bonding that occurs physically from the start of pregnancy since it has been shown that breastfeeding is favoured if the mother has a strong feeling of support and bonding with the foetus (Huang et al. 2004).

In addition, it is important to demonstrate the complexity of the emotional character of breastfeeding. In fact, breastfeeding arouses in the mother a great variety of emotions that may even be somewhat contradictory. For example, on the basis of the work of Schmied and Lupton (2001), while the mother may feel stronger ties, harmony and intimacy with her baby, she also experiences some loss of identity, autonomy and control over her life. According to that study, that affective dichotomy leads to emotional tension and conflict. More specifically, the many dimensions mentioned in the literature on breastfeeding refer to feelings that include guilt for not being able to breastfeed (Guttman and Salman 2004), shame for breastfeeding in public (Mitra et al. 2004), joy or pleasure of the intimacy that stems from bonds with the infant (Cowdery and Knudson-Martin, 2005), sadness and guilt associated to weaning (Chabrol et al. 2004), and pride for feeding the baby healthily (Schmied et al. 2001). Moreover, another aspect that should be added is the complexity that stems from the condition of sadness and post-natal depression (Mckee and Zayas 2004), where the logical emotion of stress and anxiety about wishing to breastfeed is one of the facets of that emotional decline (Cronin 2003).

On that basis, the importance of an evaluative variable should be recognized: this variable can be called breastfeeding emotions. This makes it necessary not only to explain that breastfeeding is, above all, an emotional response but also to recognize that mothers follow an emotional and not so rational pattern in the performance of this desirable behaviour. Thus, on the basis of the fundamental role that emotions and feelings play in the breastfeeding adoption process, the third hypothesis is proposed:

H2: *Each type of mother fits a different emotional profile.*

One of the sociodemographic variables that permits the breastfeeding pattern of some mothers to be distinguished from that of others is age, in that the older the mother is, the more probable the desired behaviour is (Humphreys et al. 1998; Leung et al. 2003). Moreover, it seems clear that income and education display some association with breastfeeding, although the predictions are contradictory. Firstly, according to some works the relationship between income and breastfeeding is positive (Humphreys et al. 1998; Mitra et al. 2004), particularly when the research took place in highly developed countries, while in other works the relationship is negative (Pechlivani et al. 2005). Secondly, the results obtained for educational level show that breastfeeding is more likely in the case of mothers with high levels of education (Leung et al. 2003, Huang et al. 2004) although there is no lack of works that state exactly the opposite (Lee et al 2005). The confusion in the literature may be due to the interaction between those and other variables, such as area of residence, the country's level of development, the number of children and marital status. Moreover, breastfeeding is more frequent in urban areas of developed or developing countries (Shirima et al. 2001, Jain and Bongaarts 1987, Huffmann 1984), when the mother has fewer children (Mitra et al. 2004) and when the mother is married (Peters et al. 2005). Finally, other variables display significant relationships with breastfeeding, depending on the cultural context of each country, for example, race (Griffiths 2005)

and occupation (Pechlivani et al. 2005). In view of relationship between sociodemographic variables and breastfeeding, the fifth research hypothesis is put forward:

H3: *Each type of mother fits a different sociodemographic profile*.

3. METHODOLOGICAL ASPECTS

The field work of this research was completed thanks to the work of two research interns and three nurses at the Maternity Hospital, as well as that of volunteers from the Association of Breastfeeding Mothers. That fieldwork took place in a Spanish Maternity Hospital and five of the city's Family Medical Centres.

The first phase of the methodology comprised in-depth interviews and group dynamics whose end objective was the construction of the scales to be included on the questionnaire. That qualitative phase was followed by a quantitative phase to draw up the questionnaire, which was pre-tested on a sample of 50 nursing mothers belonging to the breastfeeding support groups that normally form part of the pre-natal preparation program. After that pre-test and the preparation of the final questionnaire, the fieldwork for this research was carried out between 24 and 72 hours after the births.

This work used a sample of 311 breastfeeding mothers and the error is above 5% (reliability interval 95.5%). The sample was selected at random from the maternal hospital of a Spanish city, with proportional stratification according to the size of each stratum in terms of social class and age. In line with the consulted literature, three social classes were distinguished. The fieldwork took place in the autumn of 2008.

The questionnaire was used to gather information about cognitive and emotional aspects and involvement with breastfeeding. Breastfeeding behaviour was also measured using this questionnaire. This questionnaire was self-administered and the individuals chosen at random. The characteristics of the measuring instrument in terms of questions on the following variables of the study are:

Knowledge of health and knowledge about breastfeeding: a 5+5-item, 5-point Likert type scale based on that proposed by Graffy and Taylor (2005), Avoa and Fisher (1990), Fridinger et al. (2003) and Holman and Grimes (2003). It refers not only to information about health and how to take care of oneself but also to practical information about how to breastfeed and why do so. To be specific, the respondent was asked to indicate her level of agreement with those 10 item statements on the scale, with 1 indicating the lowest level of agreement and 5 the highest.

Involvement with breastfeeding: a 4 item, 5-point semantic differential question based on Zaichkowsky (1985) and defined as involvement and responsibility regarding breastfeeding; with 1 on the scale indicating low involvement and 5 high involvement.

Attitude toward breastfeeding: a 4 item, 5-point Likert type scale based on Fridinger et al (2003) to measure the positive or negative evaluations toward breastfeeding.

Breastfeeding conduct: four Likert type questions, each with one item and five points, referring to the respondent's level of breastfeeding, with 1 on the scale indicating low response and 5 high response (Callen and Pinelli 2004; Cattaneo et al. 2005; CDCP 2004).

Sentiments and emotions related to breastfeeding: a 43-item, 5-point Likert type scale based not only on Depue and Morrone-Strupinsky (2005), Schmied and Lupton (2001), Guttman and Salman (2004), Mitra et al. (2004), Cowdery and Knudson-Martin (2005) and Chabrol et al. (2004) from the medical literature, but also on Westbrook and Oliver (1991) from the marketing literature on emotions. It gathers information not only about the respondent's disquiet about breastfeeding but also to answer the positive emotions related to breastfeeding. In this way, the respondent had to express her level of agreement with those 43 statements on the scale, with 1 indicating the lowest level of agreement and 5 the highest.

Knowledge of health and knowledge about breastfeeding: a 5+5-item, 5-point Likert type scale based on that proposed by Graffy and Taylor (2005), Avoa, A. and Fisher, P. (1990), Fridinger, F. et al.

(2003) and Holman, D. and Grimes, M. (2003). It refers not only to information about health and how to take care of oneself but also to practical information about how to breastfeed and why do so. To be specific, the respondent was asked to indicate her level of agreement with those 10 item statements on the scale, with 1 indicating the lowest level of agreement and 5 the highest.

Sociodemographic: questions on an ordinal 5-point scale for age and educational level, an ordinal 6-point scale for income and dichotomous and nominal for gender and place of residence, respectively.

4. ANALYSIS OF RESULTS

Preliminary analyses

Prior to testing the hypotheses, a factor analysis with varimax rotation was carried out on the scales used to measure the breastfeeding behaviour as well as the cognitions and evaluations related to breastfeeding. The reliability of the scales was also tested by means of Cronbach's alphas and the values obtained indicate the reliability of the dimensions under consideration.

With respect to the breastfeeding behaviour scale, the factor analysis extracts two factors with a total explained variance of 85.364%. Regarding the dimensions represented by the two factors describing the breastfeeding conduct, it should be pointed out that the first factor (cond1), which this paper labels "quality conduct", is explained by attributes mainly related to behaviours concerning what the mother eats so that her milk can be much better for baby. The second factor (cond2) defines "quality conduct" since it understands breastfeeding behaviour as a question of maintaining this desired conduct in the long term instead of giving other sources of food such as formula milk or jars of baby food.

Since two kinds of knowledge are identified, two different factor analyses were conducted. In the case of the knowledge about health scale, we found one dimension to refer to the mothers' degree of awareness of illness and wellbeing. In the case of knowledge about breastfeeding, another cognitive dimension is extracted, which not covers some operative information related to how to breastfeed but also some positive reasons for performing the desired conduct.

With regard to the factor analysis conducted on the attitude scale, we found one dimension which has been called attitude toward breastfeeding. From the scale of involvement with breastfeeding", one factor has been extracted. In this work, this factor is labelled "involvement with breastfeeding" since it comprises variables linked to how important and relevant the mother feels that the breastfeeding behaviour is (see Table 1).

TABLE 1
Exploratory Factor Analysis on cognitions, evaluations and conation

I: KNOWLEDGE ABOUT HEALTH	
I know what today's most serious illnesses are.	,893
I understand what is said about health on media	,827
In know how to look after myself.	,725
I know the principal health problems of today's society.	,700
Cronbach's alpha: 0.79; KMO: ,745, Square Chi: 415,157; gl: 6; sig. 0.000; Explained variance: 62, 408.	
I: KNOWLEDGE ABOUT BREASTFEEDING	
I know what breastfeeding consists of.	,864
I have read or seen information about breastfeeding.	,849
I know how to breastfeed a baby.	,758
I know the properties of mother's milk.	,738
Cronbach's alpha: 0.814; KMO: ,788, Square Chi: 433,015; gl: 6; sig. 0.000; Explained variance: 64, 644.	

I: ATTITUDE TOWARD BREASTFEEDING	
Negative/positive	,493
Destructive/contributive	,484
Ridiculous/Proud	,609
Imbecilic/intelligent	,704
Cronbach's alpha: 0.75; KMO: ,750, Square Chi: 284.287; gl: 6; sig. 0.000; Explained variance: 57.271	
I: INVOLVEMENT WITH BREASTFEEDING	
Means nothing to me/Means a lot to me	,419
Boring/Pleasant	,789
It is not relevant/It is very relevant	,740
It does not interest me/It interests me.	,617
Cronbach's alpha: 0.80; KMO: ,765, Square Chi: 462.637; gl: 6; sig. 0.000; Explained variance: 64.120	
I: BREASTFEEDING BEHAVIOURS	
I hold the infant in the correct position for breastfeeding.	,734
I follow a suitable diet for breastfeeding.	,736
All my baby's food consists of mother's milk.	,704
I breastfeed my baby as many times as necessary.	,807
Cronbach's alpha: 0.65; KMO: ,717, Square Chi: 246.836; gl: 6; sig. 0.000; Explained variance: 74.528	

K analysis measures for segmentation and to test Hypothesis 1

Based on the use of the factors extracted from the cognitive, evaluative and conative scales, a K means segmentation analysis was conducted to distinguish the different types of mother according to their knowledge, attitudes and behaviours regarding breastfeeding. In order to select the optimum classification and distinguish the best division of mothers, the validity of each group was tested by means of variance analysis and discriminant analysis. A four segment solution was chosen on the basis of those analyses.

TABLE 2
K means segmentation analysis

ANOVA				Error		F	Sig.	Segments			
	Square means	Df		Square means	Df			1	2	3	4
Involvement	46.547	3		.555	307	83.880	.000	-.3130	.2962	.3204	-2.3684
Attitude	51.522	3		.506	307	101.763	.000	.0734	.3157	.0383	-2.6451
K.breastfeeding	56.944	3		.453	307	125.616	.000	.2816	.5787	-1.1972	-.1438
K. health	30.199	3		.715	307	42.257	.000	-.1981	.5566	-.5832	-.8966
Behav.quality	16.992	3		.844	307	20.140	.000	-.6433	.2101	.3209	-.6529
Behav. quantity	50.739	3		.514	307	98.725	.000	-1.3074	.4540	.3136	-.1298
Segments					1						67.000
					2						142.000
					3						82.000
					4						20.000
Valid											311.000
Missing											.000
Well-classified Percentage 97.7% according to the discriminant analysis											

As shown in Table 2, the largest segment comprises almost half of the mothers (45.65%). That segment has been given the name "involved and informed" since it comprises mothers with more information about health and breastfeeding, and with a more favourable attitude to breastfeeding and performing the desired behaviour at the highest level. The second largest segment contains "involved and uninformed" mothers, represents more that a quarter of the population (26.36%) and is characterized by a very low level of knowledge about breastfeeding and general health. However, the mothers in this group are highly committed and attempt to perform breastfeeding behaviour in the best possible way. The third segment is made up of mothers who are "uninvolved" with breastfeeding and represents 21.54% of the population. The mothers in this segment have sufficient knowledge about breastfeeding but display low commitment and a negative performance of breastfeeding behaviour. The final segment comprises 6.43% of the population and these mothers are reluctant to breastfeed or opposed to breastfeeding; their profile is characterized by lack of knowledge, unfavourable attitudes and having no immediate intention to continue breastfeeding.

Krusk Wallis Analysis to test Hypothesis 2
Prior to testing the second hypothesis, a factor analysis with varimax rotation was conducted on the scale used to measure the emotions related to breastfeeding. The reliability of the scale was also tested by means of Cronbach's alpha and the scale displayed a value (0.808) that indicates the reliability of the dimension under consideration.

With regard to the factor analysis conducted on the emotional scale, nine dimensions were obtained (see Table3). The first factor (emo1), "shame and guilt", defines sentiments linked to the sense of guilt and shame of breastfeeding in public that a mother might feel. The second factor (emo2) refers to the sense of pride that a mother feels for doing her duty. The third factor (emo3) describes variables regarding "anger" after a mother performs breastfeeding behaviour because of problems and difficulties associated with breastfeeding. The fourth factor (emo4) shows a content of "empathy and bond", since it regards the mother's feeling of closeness to the baby because she is breastfeeding. The fifth factor (emo5) explains items related to feelings of tedium associated to breastfeeding, such as "boring". The sixth factor (emo6) is to do with "confidence" since the mother feels confident not only when she is breastfeeding but also because she thinks she will be successful in maintaining this desired response. The seventh factor (emo7) is called "happiness" since mothers express some sentiments of joy and pleasure since they enjoy breastfeeding. The eighth factor (emo8) refers to "disgust" since it refers to emotions that reject breastfeeding and its positive consequences. Lastly, "phobia" is the factor oriented to express the feeling of refusing to breastfeed because of fear.

TABLE 3
Exploratory Factor Analysis on emotions

	Components								
	1	2	3	4	5	6	7	8	9
I feel embarrassed to breastfeed in public.	,69	,42	,01	-,18	-,08	-,06	,04	,24	,15
I go into my shell if I breastfeed in front of other people.	-,69	,28	,28	-,07	,06	-,12	,31	-,11	,07
I am shy of breastfeeding in front of other people.	-,69	,20	,28	,09	-,08	-,10	,21	-,23	,15
Breastfeeding in public is very daring for me.	,69	,45	,02	-,23	-,08	-,01	,00	,26	,14
I feel ashamed to breastfeed in public.	,67	,29	,13	-,00	-,23	-,09	,11	,34	,21
In consider it bad taste to breastfeed in public.	,66	,12	,06	,06	,46	,11	-,05	-,05	,19
I have more self-respect since I have been breastfeeding my baby.	-,65	,17	,27	,03	,00	-,16	,32	-,25	,12
I feel a certain self-admiration for breastfeeding.	,64	,49	,03	-,20	-,20	-,02	-,04	,04	,13
I boast, or could boast, about breastfeeding.	-,63	,23	,22	-,09	,14	-,14	,30	,06	,10
I am the best at breastfeeding.	,63	,34	,04	-,12	-,16	,00	,01	,39	,17

I feel proud of breastfeeding.	,61	,11	,17	,15	,35	,01	-,00	-,13	,35
Breastfeeding is a pleasure for me.	,61	,52	,15	-,22	-,11	-,02	,01	-,19	-,20
I get angry with myself when I breastfeed.	-,60	,29	,24	-,14	,12	,08	,24	,04	,04
I feel angry if I breastfeed.	,59	,14	,09	-,05	,52	-,13	-,05	-,17	,11
Breastfeeding is something that irritates me.	-,57	,35	,45	,12	,09	-,06	-,29	-,01	,01
Just thinking about having to breastfeed puts me in a bad mood.	,56	,17	-,07	-,13	,45	,22	-,16	-,12	,15
Having to breastfeed annoys me.	,55	,51	,03	-,08	-,04	-,25	,09	-,09	-,17
Breastfeeding is an experience that brings me and my baby closer	-,55	,34	-,45	,20	,20	-,05	,09	,20	-,05
I can feel better when breastfeeding my baby.	,55	,52	,03	-,25	,01	,02	,05	-,13	-,37
When I breastfeed my baby. I can feel maternal love.	-,54	,35	,42	,26	-,03	,02	-,32	,02	-,01
Breastfeeding is an affective bond between me and my baby.	-,54	,27	,15	-,01	-,26	,52	,16	-,05	,14
Breastfeeding your baby is like building an affective bond.	-,53	,32	,49	,27	,04	-,01	-,33	,14	-,12
I feel physically and emotionally bored when I breastfeed.	,52	,49	,10	-,33	,05	,03	,08	-,12	-,28
Breastfeeding is becoming a great sacrifice for me.	,52	-,02	,09	,52	-,09	,23	,04	-,18	-,18
I admire mothers who stop breastfeeding their babies.	,52	,03	,14	,49	,03	-,47	,04	-,05	-,09
I am tired of breastfeeding.	-,46	,28	,26	-,08	-,00	,10	,39	-,25	,08
Breastfeeding is really tedious.	,54	,57	,01	-,29	-,03	,09	,00	-,10	-,27
I get depressed thinking about breastfeeding.	-,41	,51	-,64	,20	-,00	-,06	-,09	-,08	,05
I feel prepared to breastfeed.	-,46	,47	-,63	,24	-,02	-,08	-,06	-,04	,08
I feel that I have accomplished the task of breastfeeding.	-,50	,43	-,60	,21	,09	-,10	-,05	-,01	-,00
I feel that I will be able to breastfeed for the correct period of time.	-,46	,52	-,57	,25	-,05	-,10	-,04	-,09	,05
I feel confident when breastfeeding.	-,55	,34	,57	,18	,11	-,08	-,28	,08	,00
I believe in my ability to breastfeed.	-,54	,33	,56	,17	,02	-,00	-,32	,12	-,08
I feel content when breastfeeding.	-,41	,50	-,55	,11	-,09	,18	-,11	-,00	,04
I have a feeling of triumph when breastfeeding.	,49	,01	,08	,66	-,02	,22	,19	-,01	-,11
I experience emotions of joy and pleasure when breastfeeding.	,58	,10	,10	,63	-,14	,13	,11	,03	,02
It is a delight to be able to breastfeed.	,59	,04	,06	,61	-,07	,20	,16	,01	,00
I experience anxiety when breastfeeding.	,56	,06	,08	,61	-,06	,25	,12	,00	-,08
I feel very close to my baby when breastfeeding.	,55	,10	-,06	,04	,56	,22	-,11	-,15	,18
I would sometimes like to stop breastfeeding.	-,33	,04	-,07	,00	,46	,01	,24	,25	-,24
I feel happy when breastfeeding.	-,38	,24	,08	-,20	-,13	,72	,01	,11	,13
The truth is that breastfeeding is giving me a phobia.	,49	,09	,12	,24	-,22	-,54	,10	,00	,26
Breastfeeding makes me apprehensive.	-,31	,02	-,00	,15	,51	-,01	,37	,51	-,21

A Kruskas Wallis test was then conducted in order to measure the degree of association between the segment to which mothers belong and their emotions (see Table 4). That test reveals that the feelings of pride, anger, confidence and happiness display the most significant relationships. More specifically, the proudest mothers are those most committed to breastfeeding, while anger characterizes the group of uncommitted nursing mothers. Similarly, confidence is a characteristic of committed, informed mothers while happiness is typical of mothers, especially the less informed, belonging to the committed groups. Thus, Hypothesis 2, which states that "*each type of mother fits a different emotional profile*", is confirmed.

TABLE 4
Kruskas Wallis Test among emotion factor and segment

	Initial number of cases	N	Mean level	Chi-square	Gl	Sig
emo1	1	67	170.45			
	2	142	147.81	3.144	3	0.370
	3	82	156.05			
	4	20	165.55			
	Total	311				
emo2	1	67	103.45			
	2	142	170.10	47.188	3	0.000
	3	82	189.48			
	4	20	94.70			
	Total	311				
emo3	1	67	108.54			
	2	142	166.04	24.469	3	0.000
	3	82	171.15			
	4	20	181.65			
	Total	311				
emo4	1	67	161.37			
	2	142	166.19	6.782	3	0.079
	3	82	142.06			
	4	20	122.80			
	Total	311				
emo5	1	67	157.18			
	2	142	160.99	1.882	3	0.597
	3	82	151.90			
	4	20	133.45			
	Total	311				
emo6	1	67	125.88			
	2	142	175.29	15.733	3	0.001
	3	82	153.33			
	4	20	130.90			
	Total	311				
emo7	1	67	116.21			
	2	142	159.73	25.818	3	0.000
	3	82	188.44			
	4	20	129.80			
	Total	311				
emo8	1	67	158.07			
	2	142	145.89	4.664	3	0.198
	3	82	172.60			
	4	20	152.75			
	Total	311				
emo9	1	67	151.10			
	2	142	164.47	2.693	3	0.441
	3	82	149.82			
	4	20	137.60			
	Total	311				

Analysis of contingency tables to test Hypothesis 3

In order to complete the description of the segments, an analysis of contingency tables was conducted between the sociodemographic characteristics and the segment to which mothers belong (see Tables 5, 6 and 7). In light of the results obtained, it can be affirmed that each of the identified segments, except that of "committed and informed" mothers, displays a specific sociodemographic profile in terms of age, place of residence and working life. To be more specific, it is clear that the "committed and uniformed" segment comprises mothers living in rural areas. Moreover, the "uncommitted and informed" segment is characterized by mothers between 26 and 30 years of age, working mothers living in rural areas, and the absence of mothers between 31 and 40. Finally, the "reluctant" segment comprises younger mothers who are 17 or 18 years of age and without gainful employment.

TABLE 5
Analysis of the contingency coefficient between age and segment

		Age							Total
		17-18	19-25	26-30	31-35	36-40	41-45	>46	
Segment 1	Recount	1	12	27	15	9	2	1	67
	% total	.3%	3.9%	8.7%	4.8%	2.9%	.6%	.3%	21.5%
	Corrected residuals	-1.0	1.5	2.4	-2.3	-1.2	.7	1.9	
Segment 2	Recount	5	15	39	52	28	3	0	142
	% total	1.6%	4.8%	12.5%	16.7%	9.0%	1.0%	.0%	45.7%
	Corrected residuals	.0	-1.0	-.4	.8	.4	.2	-.9	
Segment 3	Recount	2	8	19	32	20	1	0	82
	% total	.6%	2.6%	6.1%	10.3%	6.4%	.3%	.0%	26.4%
	Corrected residuals	-.6	-.9	-1.3	1.0	1.6	-.5	-.6	
Segment 4	Recount	3	4	4	8	1	0	0	20
	%total	1.0%	1.3%	1.3%	2.6%	.3%	.0%	.0%	6.4%
	Corrected residuals	2.9	1.0	.9	.5	-1.6	-.6	-.3	
	Recount	11	39	89	107	58	6	1	311
	% total	3.5%	12.5%	28.6%	34.4%	18.6%	1.9%	.3%	100.0%
	Value of contingency coefficient: 0.294; Approximate significance: 0.044								

TABLE 6
Analysis of the contingency coefficient between area of residence and segment

		Area of residence		
		Urban	**Rural**	**Total**
Segment 1	Recount	66	1	67
	% del total	21.2%	.3%	21.5%
	Corrected residuals	3.2	-3.2	
Segment 2	Recount	122	20	142
	% del total	39.2%	6.4%	45.7%
	Corrected residuals	-.4	.4	
Segment 3	Recount	63	19	82
	% del total	20.3%	6.1%	26.4%
	Corrected residuals	-3.1	3.1	
Segment 4	Recount	19	1	20
	% del total	6.1%	.3%	6.4%
	Corrected residuals	1.1	-1.1	
	Recount	270	41	311
	% del total	86.8%	13.2%	100.0%
	Value of contingency coefficient: 0.224; Approximate significance: 0.001			

TABLE 7
Analysis of the contingency coefficient between whether the mother has gainful employment and the segment to which she belongs

		Do you have gainful employment?		
		Yes	**No**	
Segment 1	Recount	54	13	67
	% del total	17.4%	4.2%	21.5%
	Corrected residuals	2.7	-2.7	
Segment 2	Recount	89	53	142
	% del total	28.6%	17.0%	45.7%
	Corrected residuals	-1.4	1.4	

		Do you have gainful employment?		
		Yes	**No**	
Segment 3	Recount	57	25	82
	% del total	18.3%	8.0%	26.4%
	Corrected residuals	.6	-.6	
Segment 4	Recount	8	12	20
	% del total	2.6%	3.9%	6.4%
	Corrected residuals	-2.6	2.6	
Recount		208	103	311
% del total		66.9%	33.1%	100.0%
Value of contingency coefficient: 0.205; Approximate significance: 0.003				

However, the characteristics of age and income are not associated with any particular segment, which is consistent with the classic or educational model not being the model most representative of breastfeeding mothers. Moreover, on the basis of the above, there is no reason not to state that *"each type of mother fits a different sociodemographic profile"*, which confirms Hypothesis 3.

5. CONCLUSIONS

We should change our minds about breastfeeding in three senses. Firstly, there is no single model of the breastfeeding response but a range of segments whose typology is explained according to the cognitive, evaluative and behavioural characteristics of breastfeeding by the mothers. Secondly, emotions acquire a certain importance, which confirms the instinctive, non-intellectual nature of breastfeeding. Finally, each segment has a sociodemographic profile providing significant evidence that the educational level does not influence the breastfeeding pattern, which is consistent with the classic or educational model not being the most representative of the desired behaviour. Thus, from a theoretical point of view, it is necessary to understand the breastfeeding phenomenon as an issue of multiple and varied choice whose new paradigm recognizes the importance of emotional or instinctive aspects of this natural response as well as its traditional influence from custom.

From an implicative point of view, it has been shown that there are four different segments of mothers that not only are represented by four different models of breastfeeding adoption but should also receive different treatments. Thus, it seems logical to recommend that greater effort be devoted to informative campaigns about how to breastfeed and about health in rural areas than in urban zones, since most of the mothers in the committed and uninformed segment live in the country. That lack of knowledge in the rural world might be due to the fact that the hierarchy of effect through which information is processed has an emotional character while the hierarchies of effect selected for this group of mothers are those of impulsiveness and dissonance. Therefore, persuasion strategies should take advantage of the channels in the breastfeeding mother's normal surroundings, for example her family environment and custom, and place special emphasis on eliminating the contradictions and incoherencies that lead these mothers to experience dissonance and impulsiveness.

Moreover, a different emotional treatment is recommended for each of the identified segments since it has been shown that each group of nursing mothers displays a distinct affectivity. More specifically, in order to favour the mothers' wellbeing, the objective of a promotion should be the mothers' commitment to breastfeeding since the positive emotions of pride, confidence and happiness are aroused in the groups of more involved and committed mothers. However, since the levels of the negative emotion of anger or rage are lower in the more informed groups, it is logical to infer that, while the provision of information is a suitable antidote to that negative emotion, it is not the most effective tool to favour commitment since a significant segment of mothers displays commitment but lacks information. Hence, it has been shown that information is not the key to success in achieving a model of high-commitment to breastfeeding; it is only an emotional barrier against unease and the feeling of annoyance or anger.

In addition, a problem of lack of commitment was detected in mothers aged between 18 and 26 who are in gainful employment and live in rural environments. The policy to be applied to this group of mothers should be designed according to the inverse learning model, which places great importance on practical experience as a source of knowledge. For example, the aim would be to induce the adoption of breastfeeding by means of the "foot in the door" technique, which consists of facilitating a short-term trial of the desired behaviour that would serve to gradually initiate greater commitment. In parallel, since the attitude of this group of mothers displays a certain indifference, it is necessary to enhance their evaluation of breastfeeding by means of reward, such as a draw or raffle among breastfeeding mothers: lastly, it would be interesting to provide basic information about health since the mothers in this group lack this cognitive resource that is so necessary for them to perform the breastfeeding behaviour with clearly favourable attitudes.

Finally, it has been shown that the profile of mothers who are reluctant to breastfeed is strongly defined as very young mothers of 17 or 18 years of age with no gainful employment. Therefore, it could be said that reluctance to breastfeed is part of a much larger problem of unwanted pregnancies and difficulties associated with too much responsibility for women who are so young. Hence, there is no doubt that the recommendations go beyond the field of breastfeeding to include much broader policies such as sex education and the prevention of unwanted pregnancies.

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THE ROLE OF SOCIAL MARKETING IN THE DEVELOPMENT OF ASSOCIATIONS AND FOUNDATIONS

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ABSTRACT

The organizations of the non-profit sector are sometimes considered pillars of the (re)construction of „ civil society", other times, components of „ social economy" and, every time, organizations of the non-governmental sector that answer the needs of free association of citizens or individual persons.
In this paper, we shall analyze the role of social marketing in the development of associations and foundations that supply social security and social care services.

KEY WORDS
Social marketing, associations, foundations, local public administration, public policy

1. INTRODUCTION

Located between the private and the public sector, the third sector includes non-governmental, charitable, volunteer associations, associative or informal, of a puzzling variety: clubs (sportive, cultural, social, press, recreational etc), societies (literary, historical, artistic, humanistic), health care centers, units offering social security and social care services, community development centers (economic, social, cultural), associations (philanthropic, political, professional, ethnic, business etc.), foundations.

The current level of living of which the developed countries benefit is the result of the marketing system that they created and incorporated, at the beginning in the activity of economic organizations, and then in nonprofit organizations.

The unprecedented development of the field of non-lucrative marketing, which reflects, in fact, the high level of economic-social development, of civilization of industrialized countries, has lead to the emergence of special problems that the non-profit organizations attempt to solve by exploring the benefits of marketing.

The marketing of non-profit organizations aims to ensure the rational management of social action, the increase of the demands of a certain nature, from the social environment, by applying the marketing concepts and techniques in the activities performed by individuals or organizations, others than the profit-related ones.

Its mission consists in the informing, persuasion and motivation of people for the support of social causes and the encouragement of active participants, by promoting the idea that their actions are beneficial both for individuals, and for society in its entirety.

Generally speaking, non-profit marketing must be seen as a process that aids in the exchange of something valuable for something necessary. It includes all efforts made by organizations that are not business enterprises, in the direction of selling their products, of increasing the number of members, of gaining support, of raising funds or of reaching any other marketing objective (Nikels 1994: 444).

2. ORGANIZATION AND FUNCTIONING OF THE NON-PROFIT SECTOR IN ROMANIA

2.1. Typology of the non-profit sector

The specialty literature demonstrates that there is no single criterion for differentiating and grouping non-profit organizations.

In general, the classification of non-profit organizations is performed on categories, depending on the main type of activity performed.

From this perspective, the existence of three large types of non-profit organizations is allowed (Douglas 1987: 75). The distinction between the three categories of non-profit organizations starts from the hypothesis that the organizations included in the last two categories do not aim to answer the interests of society, but only of the members of a particular group.

     a) philanthropic non-profit organizations or those oriented towards the „public benefit"; In this category there are, mainly, religious, education and research, health care, arts and culture, social services, international assistance programs and legal services organizations[1].

     b) non-profit organizations organized on the principle of „mutual benefit" of their members; In this category are included social clubs, professional organizations, leagues or trading

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[1] It is considered that, in some countries, this type of organizations makes up the vast majority of non-profit organizations, being also considered the most interesting from the theoretical point of view, as long as, through the private supply of „public goods"', it constitutes a true alternative to the governmental sector.

companies, trade unions and, in general, all companies, associations or foundations organized such as to give their members mutual benefits.

c) nonprofit organizations focused not on the supply of services, as such, but on political actions meant to convince the government to provide them. This category comprises the political parties, the pressure groups, organizations of social movements etc, respectively those political organizations established on voluntary and non-profit basis and which aim at the „public interest" outside the political sphere.

2.2. Regulations of the non-profit sector in the Romanian legislation

In Romania, the Constitution establishes in art.37 para.1 that „Citizens may freely associate in political parties, in trade unions and in other forms of association".

On this basis, the Government adopts Government Ordinance no. 26/2000 regarding associations and foundations, defining the non-profit association as being „a type of legal entity established on the grounds of the right to association, legally regulated completely distinct of the regulation of political parties, trade unions and religious cults".

From this definition, the following distinctions derive:

a) the non-profit association is not an enterprise – the enterprise being defined in the Civil Code as being established for the purpose to share benefits;

b) the non-profit association is not a foundation: through G.O. no. 26/2000, the distinction also present in the previous law that regulated these forms of organizing (Law no. 21 of 1924) is emphasized. The association is the subject of law established by three or more persons who, on the basis of an agreement, put in common and without right to restitution, their material contribution, knowledge or contribution in work, for the achievement of activities of general, communitarian or, as the case may be, their own personal, non-patrimonial interest. The foundation is the subject of law established by one or several persons who, on the basis of a legal document between the living or for cause of death, establish a patrimony assigned, permanently and irrevocably, to the achievement of a general or, as the case may be, communitarian interest.

A non-profit association is, therefore, characterized by the **purpose** of performing common activities through the **participation of the members,** and the foundation is characterized by the **patrimonial element.**

The fields in which non-profit associations can be established can be divided into three important categories (Rentrop and Straton 1998: 107):

I. Associations established in the personal non-patrimonial interest of their own members. In this category there are: associations of owners and associations of tenant, and associations sportive.

II. Associations established in the interest of a social category to which the members belong. In this category there are: associations of disabled persons, professional associations, industrial owners' associations, consumers' associations, women's associations, associations of youngsters, pensioners, minorities of ethnic, religious or sexual nature, religious associations, or associations established for the settling of a legal or social problem.

III. Associations established in general or communitarian interest. This category of associations is related the closest, as object of activity, with foundations. Therefore, there are fields of the civic, social, humanitarian, ecological, cultural or philanthropic activity in which associations, as well as foundations, can be established.

However, a difference continues to exist: while the foundations aim at the financial support of the respective field by using substantial funds, the activity of associations is based on the volunteer spirit and the enthusiasm of their members to a larger extent than on their patrimony.

To this category belong associations with humanitarian character, associations established through the launching of an advocacy campaign, associations with philanthropic character, associations with social and scientific character, associations with political character.

Special attention is given to those organizations considered of public use.

"Public use" means that the organization requesting recognition by the Government, it is position of provider of services circumscribed to the sphere of „public interest" wishes to contract certain services of the same nature as those for which it is requesting recognition, at the same time, making the proof of having fulfilled the objective criteria stipulated in the text of the ordinance. Possible, it wishes to have access to governmental subsidies, in view of covering the operational costs related to these activities.

On the grounds of the development of civil society, it was necessary to adapt the regulations regarding associations and foundation subsidized or related to state by conventions to the new legislative context. Thus, a special chapter of the ordinance was created, chapter IV, regarding the associations and foundation recognized as being of public use. Both a change of terminology and a change of procedure were achieved in Ordinance no. 26/2000[2].

An association or foundation can be recognized by the Government of Romania as being of public use if the following conditions are fulfilled cumulatively:

> a) its activity is performed in general or communitarian interest, as the case may be;
> b) it has been functioning for at least 3 years and it has achieved part of the objectives set;
> c) it presents a report from which to derive the performing of significant prior activity, by
running certain programs or projects specific to its purpose, accompanied by the balance sheets and the budgets of incomes and expenditure for the last 3 years;
> d) the value of the patrimonial assets for each separate year is at least equal to the value of
the initial patrimony.

The Government of Romania can, at the proposal of the competent administrative authority, to grant a exemption from the fulfillment of the conditions indicated at letters a) and b), if:

> a) the applicant association or foundation resulted from the merger of two or more pre-existing associations or foundations; and
> b) each of the pre-existing associations or foundations would have fulfilled the two
> conditions, if the application would have been formulated independently.

The recognition of a public use association or foundation is done through Government Decision. For this purpose, the interested association or foundation addresses an application to the ministry or the specialty organism of the public central administration in whose area of competence it performs its activity.

The conflicts of competence occurred between the public authorities regarding the application registration are settled, at the notification of either party, by the General Secretariat of the Government, within 5 days from the date of registering the notification.

In view of settling the conflict, the public authorities must make available to the General Secretariat of the Government all information necessary for the settlement. The Order of the General Secretary of the Government is final.

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[2] Law no. 21/1924 regulated a strict control of the state on associations and foundation subsidized or related to the state by conventions, through delegates of the ministry or county or communal delegates, who were appointed attached to the direction and administration organs, as the case may be, and who had, on the one hand, consultative vote in the meetings of these organs, and, on the other hand, had the possibility to suspend the execution of the decisions of the direction and administration organs, which were contrary to the establishing documents, the interior regulations, the agreements with the ministry, county or commune, the law, the good manners, public order and state security.

Ordinance no. 26/2000 maintains the idea of state control through the competent administrative authority, but the execution manner is fundamentally modified, namely: the obligation to communicate to the competent administrative authority any modifications of the constitutive act and statute, as well as the activity reports and the annual balance sheets and, in addition, the recognition of the quality of public use is performed through Government Decision.

Within 90 days, at most, from the date of submitting the application, the Government of Romania decides on the proposal for recognition. If the proposal is rejected, the solution will be communicated to the association or foundation by the administrative authority where the recognition application was registered.

The recognition of public use confers the association or foundation the following rights and obligations:

a) the right to be assigned public services without commercial character, in the conditions of the law;

b) the preferential right to resources coming from the state budget and from the local budgets;

c) the right to mention in all documents drafted that the association or foundation is recognized as being of public use;

d) the obligation to preserve at least the level of activity and the performances that determined recognition;

e) the obligation to communicate to the competent administrative authority any modifications of the constitutive act and statute, as well as the activity reports and annual balance sheets; the administrative authority has the obligation to ensure the consultation of these documents by any interested person;

The recognition of public use is done for undetermined time.

In case the association or foundation no longer fulfills one or several conditions that were at the basis of the recognition of its public use, the Government, upon the proposal of the competent administrative authority or of the Ministry of Justice, will withdraw the recognition deed. The withdrawal will also occur in case of not fulfilling the obligations.

3. SOCIAL MARKETING IN NON-PROFIT ORGANIZATIONS

In a market economy, non-profit organizations cannot ignore the market demands. Therefore, they are as much dependant on the market mechanisms as profit organizations, if not more dependent.

The main concern of marketing of non-profit organizations is to identify what these organizations have to offer in exchange for their requests.

The entry and expansion of marketing in the non-profit sector emphasizes its multiple valences, the recognition of its main purpose, to efficiently satisfy the consumer's needs. The reaching of this goal presupposes the deeper knowledge of the behavior of the consumer of goods and services.

Therefore, it is noticed a tendency to increase the study of consumer behavior, because it has already been understood that marketing means the satisfying of people's needs and, therefore, the reactions they have towards the goods and services offered must be understood.

For this purpose, one must know: how do consumers perceive the good or service, what do they think of it, what behavior they adopt, as well as which are the factors influencing the adopting of certain behavior.

Since this behavior is different from one person to the other and it modifies in time and space, because people have different preferences, antipathies, beliefs, attitudes, values, its analysis must be a constant preoccupation of those who aim to create and further maintain customers.

Therefore, it is required that managers notice everything from the consumer's point of view, see the company and its products through the consumer's perspective, and take into account his/her needs and aspirations (Blythe 1998: 10).

Because the exchange object of non-profit organizations cannot be specified in economic terms, the exchanges of this kind are performed through negotiations or persuasion, having as goal the awareness regarding the importance of the respective activity, the analysis of the exchange itself remaining secondary.

Social marketing, is characteristic to non-lucrative fields, which do not presuppose trading and profit, or, differently said, non-profit activities (Kotler and Andreasen 1991).

Social marketing uses market segmentation, market studies, the valuing of the concepts of communication, facilities, stimuli, theory of changes, in order to obtain maximum of reaction from the groups targeted (Kotler 1976).

This complex process contains five steps (Kotler 1998):

1. Establishing the purposes of action and image;
2. Positioning the organization in order to establish its role and place in the community, made through the analysis of the mission, clients' needs and prospective competitors so to define the 'niche' of action;
3. Developing a marketing-type inventory through which, based on the efforts' analysis, the modifications necessary to reach the goals are being established and the marketing mix is done based on the 6 Ps: product, public, price, place, production and promotion;
4. Developing the marketing plans aiming at both their priority and their implementation;
5. Developing a promotional message.

Everything is completed by designing and applying the social services that ensure the optimum satisfaction of the clients' social needs.

For the beginning of this millennium, confronted, on the one hand, with serious problems residing in the world economic crisis and the strengthening of « tensions » between the limited resources and increasing needs determined also by the unprecedented increase of the population, and, on the other hand, with the considerable development of the non-lucrative sector, which reflect the high degree of civilization and progress, the rational management of the social actions appears as a stringent need, to which social marketing struggles to find a solution.

It aims to ensure the knowledge of demands of a certain nature in the social environment, in order to find the best solutions.

We consider that social marketing comprises the design, implementation and control of the marketing activity, which has the goal of promoting the causes or social ideas of a target group of a society, a form of non-profit marketing.

At the same time, it is considered that the development of efficient social marketing strategies would create the possibility to harmonize or integrate the organization mission with the persons or groups served, to achieve in a more efficient manner the programmatic goals and to obtain financial stability.

Social marketing has an heterogeneous area, targeting very different fields, represented by public or private institutions of: education, culture, art, sport, religion, public health, free time, politics (the most important component being electoral marketing), ecology etc., or charitable organizations involving the development of programs destined to support and impose social causes or ideas, such as: donations for persons in need (philanthropy), fight against pollution, alcoholism, discrimination etc., causes generally supported by humanitarian, civic, ecologic, human rights protection a.s.o. non-governmental organizations (NGOs).

The importance that such fields of the human activity have in the modern society has lead to marketing diversification and specialization depending on the conditions specific to each field, on the experience accumulated and on the own problems that must be solved in order to experience natural development.

Thus, in the field of associations and foundations that activate in the sphere of social care, the objectives, methods and market investigation and action techniques were differentiated, being able to speak of a type of marketing specific to this field.

Any non-profit organization in the field of social security clearly defines its action purposes, thus conferring, on the one hand, the possibility to set specific objectives, measurable for the organization and, on the other hand, the goals of image through which it becomes known by the public, mass media, beneficiaries.

The associations and foundations in the field of social security in Romania must ensure a certain position within the community, which depends on the ability to create impact, especially through the clarification of their missions.

For this purpose, the organization must identify the needs of the community where it wishes to perform its activity, to find solutions for solving them, to know the competitors, to elaborate the message by means of which to clearly express its position, which then to test, in order to find out if it will be supported.

The objectives of non-profit organizations are complex, given the wide variety of the activity fields, which target places, people, ideas, organizations.

Reaching the objectives of associations and foundations in the field of social security cannot be strictly measured in financial terms, since they materialize in: popularization of social causes, improvement of public attitude, encouragement of donations and contributions, highlighting and consolidation of social attitudes, distribution of ideas or information, communication of points of view, the attempt to change behavior, modification of beliefs, actions for changing convictions etc.

In order to achieve the purpose of the social marketing activity, the objectives must be clearly defined from the beginning, in order to be correctly received by all categories of public involved: government, local public authorities, beneficiaries, donors, community, volunteers etc.

The associations and foundations existing in the field of social care, through the programs they run, identify with the organizations providing services in the benefit of the community. That is why there must be considered the four attributes that differentiate services of products and that impose service marketing a series of particularities, which are also found in social marketing: intangibility, variability, inseparability, perishability.

Specific to non-profit marketing is the fact that it addresses the two categories of persons: beneficiaries (organization's customers) and financers. This involves, on the one hand, the identification and evaluation of the consumers' needs, of the public in the community, in order to define the unique « niche » of the organization, and the interested target group, in view of defining, in the end, the generic objective of the organization, by establishing the services that best satisfy the customers' needs, which contributes to the increase of social welfare within the community.

On the other hand, non-profit marketing aims at identifying the potential financers, at knowing their problems and intentions, at preserving special relations between the donors and non-profit organizations.

Associations and foundations in the field of social care are, more than any other type of association, in permanent contact with the mass-media, the community and the persons tied to the organization, such as: members of the boards of directors, of the executive committees, volunteers etc.

The correlation of the supply of social services of associations and foundations with the obtaining of the financial resources necessary to perform their activity imposes the use of specific means and instruments in order to raise funds and find sponsors, which non-profit marketing can identify in the person of interested individuals or groups (ex. economic organizations, religious groups, foundations, government).

The basis principle of elaborating the funds development strategies of a non-profit organization is that of complementarity of services, communitarian and/or individual needs and of resources, seen from a permanently constitutive dynamics.

Fund-raising initiated from the perspective of the idea that a set of services corresponds to pressing needs that must be satisfies is based on a rather simplistic conception with respect to the functioning manner of non-profit organizations. The implicit hypothesis of this simplistic approach is that, although the needs are pressing and the services supplied have the attributes of quality, the donors are fluctuant in their generosity. As a consequence, it is to be assumed that the appeals bearing the emotionality of solidarity would diminish the donors' fluctuations, increasing, at the same time, the chances of preservation, even of strengthening and expansion, of the service-supplying organization. The multiplication of the emotional stimuli and/or the increase of their intensity reach a saturation threshold that immediately has effects contrary to those intended. A more profitable approach seems to be to focus the organization on the service-needs relation, concomitantly with the identification and expansion of a circle of donors and buyers who appreciate the quality of the respective relation. The fund-raising is subordinated to the broader fund-development strategy, which also includes the permanent innovation of the needs-services relation.

In order to support social programs, it is very important that the public opinion to be informed on the respective social problems, on the consequences of ignoring them as well as with respect to the modalities through which one can contribute to the solving.

The essential objective of non-profit organizations marketing is constituted by the solving or improving the need of customers, who are used as justification for obtaining resources, these representing the reason to be non-profit organizations.

Because the success of the activities in these organizations cannot be appreciated by means of the profit obtained, the role of marketing consists of highlighting those characteristics, properties, qualities, which are representative for the organization, whose activity must be targeted towards the customer (beneficiary), because, in the competition for donations and scholarships, only the organizations that satisfy customers' demands have chances of survival. As a consequence, marketing of non-profit organizations becomes increasingly sophisticated, more complex, since every market segment must be approached in specific terms.

Experience has demonstrated that, in the long-run, only organizations that adopted decisions depending on the customers' desires and needs were successful.

4. CONCLUSION

Marketing, and especially the social marketing, is a concept more and more used by the nonprofit organizations in Romania. Therefore, we consider important the fact that these organizations must understand the market-entry more in-depth than its older meaning, namely that of selling or raising a donation.

The social marketing aims at influencing the social behavior in a benefic way both for the target group and for the society in general.

Reaching the goal of the social marketing creates benefits both for the nonprofit organization, and for the local public administration, which is relieved from the fulfillment of the social need provided by association and foundations.

The cooperation between the public administration and the nonprofit organizations represents the best way to develop the private-public partnership. In the social field, this type of partnership led to solving certain social needs very important for the Romanian society.

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BINGE DRINKING: THE CURSE OF THE FEMALE COLLEGE STUDENT

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ABSTRACT

Ireland has one of the highest rates of binge drinking among college students in the world. Binge drinking has been identified as the number one substance abuse problem in college life. Women are at an increased risk from alcohol use because they need less alcohol per kilogram of body weight than men to attain the same peak blood alcohol level and level of impairment. The focus of this study is to assess if social marketing messages are effective in reducing binge drinking among third level female students. The study analyses the use of physical and social threat appeals to ascertain the most effective way to reduce this problem behaviour. Harm reduction as opposed to a total abstinence approach was also analysed.

KEY WORDS

Social Marketing, Binge Drinking, Female College Students, Fear Appeals, Harm reduction

1. INTRODUCTION

Ireland has one of the highest levels of alcohol consumption in the EU, consuming 10.6 litres of pure alcohol per person in 2003, increasing to 13.4 litres in 2006 (Figure 1). This rise in consumption has led to increases in alcohol-related harm and disease, and has resulted in more than 1,775 deaths according to the Health Research Board (Mongan et al. 2007). In general, increases in overall consumption are accompanied by a greater incidence of health and social problems. In addition to the high volume of alcohol consumed by people in Ireland, drinking occasions appear to be strongly related to heavy episodic or "binge" drinking patterns. Binge drinking is defined as drinking five or more drinks in a row for men and four or more drinks in a row for women, at least once in the previous two weeks.

FIGURE 1
Alcohol consumption per capita in the European Union, 2003
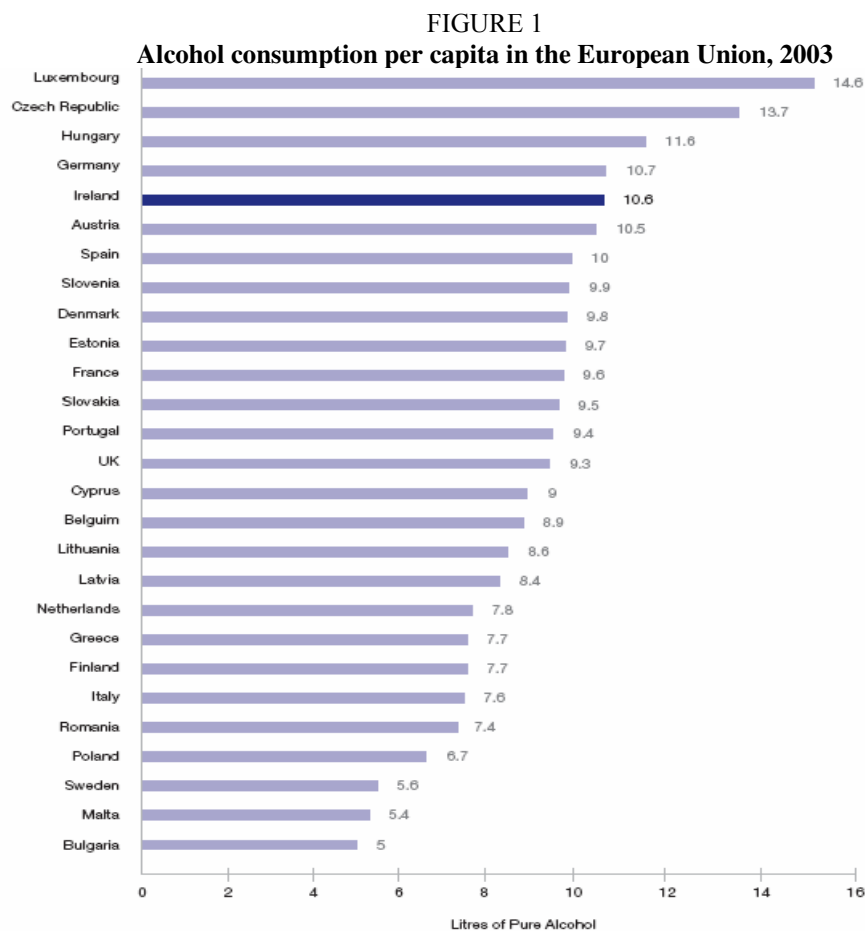
Source: World Health Organisation, Health for all Database (2003).

The prevalence of alcohol use and associated problems is higher in college populations than in the general public (Evans and Dunn 1995). In fact, binge drinking has been identified as the number one substance abuse problem in university life (Syre et al. 1997). In large scale studies of US universities, approximately 44% of students were classified as binge drinkers. As can be observed in Figure 2, a recent international study of drinking among university students in 21 countries found that Ireland had the highest proportions of male and female heavy or binge drinkers (Dantzer et al. 2006). Only Ireland and England showed more university females binge drinking than males.

FIGURE 2
Heavy drinking among University Students in Europe (>5 drinks in past 30 days)
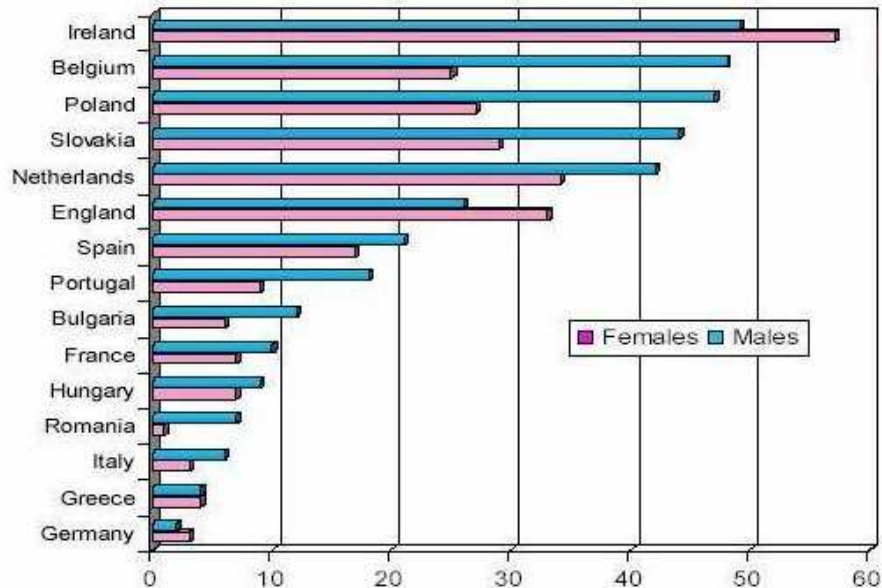
Source - Dantzer et al. (2006).

Binge drinking is associated with serious injury especially as a result of vehicle accidents, unplanned and unsafe sex, assault and aggressive behaviour and various social and psychological problems (Weschler et al. 1998). In addition, binge drinking has been associated with interpersonal problems, physical or cognitive impairment and poor academic performance (Weschler et al. 1994). Students not engaging in excessive drinking report second-hand problems, such as vandalism, interrupted sleep, having to take care of a drunk student, and experiencing unwanted sexual advances (Weschler et al. 1995). This level of binge drinking has been evident for some time. Weschler et al. (2002) reported little overall change in drinking behaviour and harms between 1993 and 2001 in the US.

Sarigiani, et al. (1999) found that adolescent women are almost equally likely to smoke, drink and engage in other substance abuse as their male counterparts, but with increased health risks. Women are at an increased risk from alcohol use because they need less alcohol per kilogram of body weight than men to attain the same peak blood alcohol level and level of impairment (Rohsenow 1998). Alcohol lowers secretions of certain sex hormones, impairs coordination, reaction time and sensory perception. The cumulative effects of alcohol abuse generally result in more medical problems for women than for men (e.g. liver disease, stroke, breast cancer, and osteoporosis). In their recent report, The Health Research Board (2007) in Ireland state that "if current trends continue, we will see significantly higher numbers of middle-aged women experiencing alcohol-related morbidity or greater premature mortality".

2. CAUSES OF BINGE DRINKING AMONG FEMALE COLLEGE STUDENTS

Studies of motivation for drinking in student samples have identified drinking for social reasons, drinking to cope, and drinking to enhance mood as the key determinants of alcohol consumption (Stewart et al. 1996; Sher et al. 1996). A number of different motivations have been identified as important predictors of binge drinking including coping, conforming, enhancement and drinking for social reasons (Cooper 1994). These motives are related to some form of positive or negative reinforcement gained by using alcohol. Furthermore, research indicates that different drinking motives lead to unique patterns of drinking and consequences of use.

Research focusing on the reasons for drinking and binge drinking, point to the importance of culture in establishing norms and expectancies around alcohol consumption and particularly in influencing the drinking behaviour of young people. In a review of research on student drinking, Baer (2002) concluded that alcohol is consumed for several different purposes, for different psychological effects, and in different contexts.

Young people use alcohol not only to get intoxicated, but also they believe that it will help them relax, feel more confident, and boost their mood (Boys et al. 2001). Liu and Kaplan (1996) found that young women are more likely than young men to binge drink to help alleviate distress, whereas young men are more likely to report binge drinking for social and appearance purposes.

Research indicates that children learn about consumption stereotypes from four major socialisation agents: peers, media, family and schools (John 1999; Belk et al. 1982; Churchill and Moschis 1979). Once consumption stereotypes are formed, they tend to remain relatively stable (Belk et al. 1982). During college, peers serve as a major means of support and guidance for most college students (Borsari and Carey 2001). Peers are perhaps the most important social reference group in the college environment (Perkins 2002). This can influence alcohol use both directly (i.e. pressurising a person to drink; offering them a drink) and indirectly (i.e. perceived norms). Indirect influences include both descriptive (what people actually do; behaviour) and injunctive (what people feel is correct; attitudes). These social influences have been found to be among the strongest and most consistent predictors of heavy drinking in the college environment (Borsari and Carey 2003).

Families initially shape the attitudes and behaviours of children. At approximately the same time as young people seek integration in the peer group, they are inclined to distance themselves from social control of parents and other authorities. Parents are role models to their children from infancy, throughout childhood and into adulthood, as the family is the primary source of socialisation. Parental behaviour and attitudes toward alcohol consumption (as with any social behaviour) is an influential factor that may determine adolescent drinking behaviour and indeed future adult drinking behaviour (Pandina and Johnson 1989). Alcohol use tends to increase as adolescents become more independent from their parents (Baer and Bray 1999) and as parental monitoring tends to lessen.

Alcohol advertising fashions the beliefs, attitudes and behaviours of young people through role modelling (Slater et al. 1996). Adolescents and young adults learn to behave by imitating public figures they identify with for their physical attractiveness and age. Humour and music are especially appealing to adolescents and most advertisements for alcoholic beverages try to demonstrate both these traits (Grube et al. 1996). Children with firm plans to drink as an adult, see more beer commercials, recognise them, recall the brands and have strong attitudes about the social role of beer, regardless of how their parents drink, or their gender or age (Wallack and Grube 1990). For many, adolescence is a vulnerable stage, where independence from family and acceptance by peers, especially same-sex peers, is important. Advertising that reinforces the link between drinking and being accepted by peers is likely to have a strong appeal (Wyllie et al. 1998).

According to Schulenberg and Maggs (2002), most people view late adolescence and early adulthood as a time when drinking is common and accepted. Among those who drink, the large majority perceive social and coping benefits accruing from alcohol use and even occasional heavy drinking. They tend to limit their drinking such that it interferes little with work and school responsibilities and they will diminish their heavy drinking as they move into adult roles.

Although many experience negative consequences, most make it through their 'prime drinking years' with, in general, more positive experiences with alcohol than negative ones (Schulenberg and Maggs 2002). In the transition to college, individuals begin as adolescents and end as young adults; they change from second level to third level education; sibling to roommate; child in a family to adult in an apartment. When multiple transitions overwhelm coping capabilities, well-being may suffer. As Maggs (1997) reported, alcohol use during the transition to college may help to achieve valued social goals, such as making new friends, yet may threaten safety and short/long term health and well-being.

3. SOCIAL MARKETING

Social marketing is a framework or structure that draws from many other bodies of knowledge such as psychology, sociology, anthropology, and communications theory to understand how to influence people's behaviour (Kotler and Zaltman 1971). The unique feature of social marketing is that it takes learning from the commercial sector and applies it to the resolution of social and health problems. Social marketing campaigns are popular interventions in reducing binge drinking in US universities and seem to have some effectiveness in influencing students' beliefs and behaviour (Vicary and Karshin 2002).

Social norms marketing campaigns target college students who tend to overestimate how many of their peers engage in dangerous alcohol consumption. The disparity between actual and perceived drinking norms can be very large. If students believe that most other students drink heavily and seek to conform to that perceived norm, then collective rates of high-risk drinking will be sustained or even increase (Perkins 1997). However, if students more accurately perceive how much drinking is really going on, then this should change the perception of the norm, which in turn should lead to reductions in high-risk drinking. The effort to get this message out using publicity events, student newspapers, posters, email messages, and other campus based media is called a social norms marketing campaign (Perkins 1997).

Messages aimed at curtailing drinking are among the most common public service announcements (PSAs) produced, but generally are created for an "undifferentiated general audience" rather than those who are at greatest risk. Young people in their teens and twenties are an especially difficult audience to reach (DeJong and Atkins 1995). The use of fear appeals is perhaps the most common tactic for PSAs, with threats of physical harm including injury and death used more frequently than social threats (Reid and King 1986). Tay (2002) found that high threat appeals are the most effective fear appeals in inducing adaptive behaviour change among audience members who initially had not perceived the problem behaviour as being related to them. One problem associated with the use of fear appeals aimed at college students is that the target audience underestimates or minimises the risk associated with drinking. The Institute of Health Policy (1993) reported that 18 to 25 year olds are the least likely of any age group to believe that heavy alcohol use is risky.

The lack of change in binge drinking rates may be due to the focus on the dichotomous category of binge versus non-binge, as opposed to the interaction of duration and quantity of alcohol consumed or specific positive and negative consequences (Alexander and Bowen 2004). Assessment of different styles of drinking and related outcomes could provide information about differences between problem drinking and drinking that increases social interactions (Weschler et al. 2000). Perhaps it is the definition of excessive use or binge drinking that hinders prevention efforts (Weschler and Isaacs 1992). The term binge may encapsulate such a broad array of drinking behaviours and outcomes that students fail to identify specific behaviours to change. As predicted by Alexander and Bowen (2004), different types of nights were distinguishable by the number of drinks consumed, time spent in the drinking environment, final approximate blood alcohol levels, frequency of engaging in each of the three types of drinking occasions (light, typical and heavy) and the associated outcomes. Alexander and Bowen (2004) suggest that interventions that focus on increased awareness of positive outcomes may improve expectations for light drinking.

In a harm reduction model, abstinence is conceptualised as the "ultimate risk-reduction goal" (Marlatt et al. 1995). However, the main principle of a harm reduction approach is a pragmatic and compassionate view that some use of alcohol is a common feature of human experience and that the amelioration of use may be a more realistic option than insistence on abstinence (Riley et al. 1999). There is also evidence to suggest that low risk, moderate drinking is achievable for excessive drinkers (Sobell et al. 2000), and may be associated with lower levels of disease risk compared to abstinence and heavy use (Marlatt et al. 1995). Individuals that may benefit the most from a harm reduction approach to alcohol use are late adolescents and young adults (Marlatt and Witkiewitz 2002). It is this generation who are either deemed heavy episodic drinkers or binge drinkers. Learning about how to

drink more safely rather than enforcing abstinence is consistent with findings that most adolescents see drinking as normative (Baker 2000; Blackman 1996).

4. METHODOLOGY

This study focuses on Irish female college students and their attitudes towards binge drinking, public service announcements and a harm reduction approach. Its main question is:

What should social marketing messages contain in order to reduce the amount of binge drinking among female college students in third level colleges?

The research objectives are as follows:

- What is the extent of binge drinking among the third level female student population?
- What are their motivations/beliefs/expectancies about binge drinking?
- What are their coping strategies in relation to binge drinking?
- Are social threat appeals more powerful than physical threat appeals in preventing binge drinking among female third level students?

Five focus groups were conducted between March and April 2009. The focus groups were held in the conference room of the library in Cork Institute of Technology, Cork, Ireland. This location facilitated the use of a large projector system which was used to screen the public service announcements shown in this study. The focus groups were recorded on audio tape to facilitate data collection and analysis. The focus groups typically lasted between 1.5 - 2 hours. All participants were young female college students aged between 18 and 24 years of age (the target profile of the study). Focus group participants were full time students taking classes in the Department of Management and Marketing at Cork Institute of Technology.

Participants were firstly briefed on the purpose and research objectives of the study. From the outset participants were assured of their anonymity and encouraged to contribute their opinions without prejudice. Having introduced the topic, a 25 - 30 minute preliminary discussion was conducted to gather data on the drinking history and drinking behaviours of the participants. Having completed this discussion, participants were shown six physical fear advertisements and five social fear advertisements. Reactions to each advertisement were gauged after they were shown. A general discussion was then held when all advertisements had been shown to focus group participants. This discussion was to ascertain which advertisements the participants felt were the most effective and why.

As well as using focus groups to obtain data on the topic under consideration, semi-structured interviews were also conducted. For the purposes of eliciting extensive data from two leading public health experts, these interviews were felt to be one of the most appropriate research methods. Two interviews were conducted for the purposes of this research in April and May 2009. The interviews were held with two leading public health experts in Ireland, in the area of alcohol related harm. Both individuals were chosen on the basis that they had extensive knowledge of the health effects that binge drinking was causing on the Irish public and also on the basis that their own personal opinions and views would be very insightful in gaining an overall view of how serious the public health community viewed binge drinking, especially amongst females.

5. RESULTS

The extent of binge drinking among female college students in this study is quite high. Of the 45 female students who participated in the focus group discussions, it was determined that at least 90% of them would now classify themselves as binge drinkers after clarifying what a binge drinker is. At the very outset of each focus group, participants were asked to define what they thought was meant by the term binge drinking. The majority of the participants did not know the official definition for binge drinking but did make attempts at it.

I don't think it's a number. I think it is if you are drinking a lot in a short space of time.

Binge drinking - it is where you have 9 drinks on a night out.

When participants were told what the official definition of binge drinking involved, the vast majority were very dismissive of this definition and felt it was unrealistic. By having a more realistic definition of excessive drinking, it should be easier to educate people and reduce overall alcohol consumption. This highlights the need to educate people in Ireland, as to what constitutes excessive drinking. This was also the view of the two health professionals interviewed:

I think that the definition should be broadened as I think the word binge and the public's understanding of it is a problem. If something isn't credible, then it is hard to relate to and follow.

I think generally speaking, people don't know what is meant by the term binge. Everyone will have a different perception of what is meant by it and that is an issue that needs to be addressed. For instance, I would not classify myself as a binge drinker although I have drank more than 5 drinks on many an occasion.

For the majority of the participants, they all drink alcohol in a house with friends before they go to bars or nightclubs and the reasons given for this include "it's cheaper" and "it's a good laugh". The alcohol of choice for most of the participants was vodka, wine and beer but it is the consumption levels of these types of alcohol that is most startling. Most students freely admitted that they would drink a naggin of vodka (250ml or the equivalent of 8 standard shots) or a bottle of wine on their own, before leaving a house to go to a pub or nightclub. This was mainly due to the price of alcoholic beverages in the bars and clubs as opposed to the relatively cheap price of alcohol products in the off-trade sector. One respondent stated:

You drink as much as you possibly can before you go out.

When participants were asked about the health consequences of consuming large quantities of alcohol, their knowledge of such was poor and dismissive. Participants were informed of the potential health consequences of consuming excessive amounts of alcohol, for example increasing the potential risk of getting breast cancer but were unfazed and were only interested in the short term effects such as a hangover or bad skin for a few days as opposed to the longer term health effects:

Well we know there are health effects, but we do not think of them. There are health effects with everything - you worry about that when you are old.

Both health professionals agreed with this delay in the realisation of the adverse health effects of excessive drinking:

This particular target audience do not think long term. They only worry about the short term effects of their drinking, such as the hangover or maybe getting sick. Some people are just risk lovers and so are willing to risk their health in the longer term by continuing to drink at excessive levels on a regular basis.

There was general acceptance among focus group participants that binge drinking was seen as "normative behaviour" during their college years. It became very apparent while conducting the focus groups that participants consumed a lot of alcohol on a regular basis and that they felt that it was "not such a big deal" and "that everyone was doing it". From the focus groups, it was very evident that the majority of participants use alcohol to enhance their mood and help them enjoy the college experience by having a good time:

It is just a laugh when you go out drinking with all the class.

The reason you drink is because it helps you have a good time when you are out.

When you are at home, you are not going to go into your parents at 7.30pm ready to go out for the night. Whereas when you are in college, you would definitely start drinking around then.

It became clear while conducting the focus groups with the female college students that there was a distinct disregard for the possibility that they could themselves become a victim of excessive alcohol consumption. One of the main coping strategies for this particular group is the constant reference to the role that friends play in ensuring that nothing too extreme or potentially dangerous will occur to them while in a state of intoxication or when they are binge drinking.

No, it would not happen to me, my friends would take care of me.

But we all stay together. We all stay in the same place and we all mind each others' drinks when we go to the bathroom.

My friends would never leave me.

When questioned further, there was an acknowledgement by the majority of focus group participants that maybe they were not in as much control as they think they are after consuming a substantial quantity of alcohol. This certainly had an impact on participants during the discussion with many of them openly admitting that it was something that they never really thought about before and that being in control is something they take for granted. After viewing the physical threat appeals in particular, this realisation was observed and it made them think more about the levels of alcohol they were consuming and the potential impact this could have on them if they continued to drink at these excessive levels.

After viewing some of those advertisements, I can relate to them and it does make me realise that you do take your safety for granted on nights out a lot of the time.

You probably think you are in more control than you actually are. That is what the alcohol does anyway. It gives you a false sense of security.

Honestly, I have never really thought much about the implications of drinking before, as nothing serious has happened to me or my friends on nights out.

Having assessed both social and physical threat appeals through the use of various Public Service Announcements (PSAs) from Ireland, the UK, Australia and the US, it became evident from conducting the focus groups that physical threat appeals are more powerful than social threat appeals. When asked to choose which type of PSA was the more effective, every participant agreed that the physical threat appeals proved more effective than the social threat appeals. Observations from the focus groups showed that the female students experienced increases in knowledge, perceived risk and responsibility, and a decrease in perceived acceptability of binge drinking after viewing the various physical threat appeals as opposed to the social threat appeals. One of the main reasons behind these observations related to fear itself, of which they perceived more from the physical appeals rather than the social appeals - the latter the participants found ineffective at reducing binge drinking, particularly among their age group. The physical appeals which had the most effect on this target group were the advertising appeals which dealt with the issue of potential sexual assault and rape as a result of binge drinking:

You get a shock. You do not think that is going to happen to you, whereas in fact, it could.

Everybody knows that it could happen but when you see a situation like that, it frightens you.

I could see it happening to people because you do see people who are absolutely demented when they are out and they do not know what they are doing. That type of appeal would frighten people who get into that state when they are out and make them conscious that it could happen to them.

The majority of rapes happen when the person is intoxicated like that girl in that advertisement, and also when the girl is left on her own.

The effects that the social threat appeal advertisements (dealing with female drinkers being embarrassed due to their drinking) had on the participants are also very interesting to note. While these appeals were being shown, it was observed by the moderators that there was a lot of laughing and scoffing during them, suggesting that the participants were very dismissive of these types of appeal and generally did not find them realistic or in any way effective.

We laughed at the last two advertisements there now, so they need to be more shocking than that. They are just wasting their money with those types of advertisements.

They are not shocking at all and I really do not think they are taken seriously by people our own age. It is always this type of advertisement they show on Irish TV and they are not effective at all.

This general dismissive reaction would suggest that social fear appeals are not effective for college students as they are not relatable, shocking or realistic enough to make them change their patterns of drinking. When participants were asked for their reactions after viewing these appeals some of the words and phrases used were "weird"; "only alright"; "the advertisements won't really make much of a difference"; and "no one would ever get that bad really".

The views expressed by the participants after viewing both physical and social fear appeals clearly demonstrate that physical fear appeals work in terms of potentially changing a person's behaviour and ultimately could work at reducing the level of binge drinking among female college students. Thus, the results from the focus groups suggest that female college students felt that fear is a necessary emotion in reducing binge drinking and that physical threat appeals are the most effective intervention in invoking this fear.

6. CONCLUSIONS

Ireland has a culture that is immersed and revolves around the consumption of alcohol and this has led to a substantial increase in alcohol related harm in our society. While attending college, this normative behaviour of consuming substantial or excessive amounts of alcohol becomes more regular and sustained. The majority of the participants in this study stated that they drink alcohol on a regular basis and see it as normative behaviour while attending college. They also view their current alcohol consumption as a rite of passage to adulthood and that their alcohol consumption will lessen once they attain more responsibilities in adult life.

Social marketing messages need to contain images and statistics that will result in shock and awe amongst the target group - female college students. The advertisements which proved most effective amongst the participants in this study proved to be physical threat appeals which dealt with the serious issues of sexual assault and rape. Every advertisement shown to the participants dealing with these issues resulted in the necessary emotion needed to change a person's behaviour - fear. It would therefore seem apparent that these types of physical threat appeals should be shown on Irish TV to highlight the potentially serious consequences of binge drinking as opposed to the current appeals

which focus group participants admitted were "laughable" rather than being taken seriously. Indeed, participants were so strong in their views on this, that they said that the advertisements were currently a "waste of money and time". College students often view such messages as hypocritical, especially when they conflict with common cultural behaviours. As a result, programmes and messages targeted at college students need to be realistic about the ineffectiveness of prohibition approaches and social threat appeals. Therefore, raising awareness about how to drink more safely rather than insisting on abstinence may be a better strategy for health promotion bodies to adopt.

The findings revealed the contradictory role of the alcohol industry's involvement in alcohol awareness campaigns in Ireland, in particular Diageo and Heineken, necessitating that this issue needs to be re-evaluated if the Irish Department of Health and Children wishes to reach its aim of trying to reduce alcohol consumption in this country down to the current EU average. While the Mature Enjoyment of Alcohol in Society (MEAS) body conduct very effective work at informing people to drink within safe limits, they are however funded by the alcohol industry and so have to abide by certain guidelines as set out by the industry. Therefore, it is clear that these campaigns will never raise the awareness of public health issues or recommend people to reduce their alcohol consumption as effectively as an independent body.

Policy makers should also take note of the role of the off-trade sector, specifically off-licences and supermarkets in supplying cheap alcohol and offering deals on alcohol. Respondents in the focus groups drank most of their alcohol in their own homes before they went out for the night. Recent figures released by the National Off-Licence Association in Ireland show that the number of general drink sales outlets has increased three-fold in the past seven years with an increase of 14% in the number of off-licences opened in Ireland between 2005 and 2007 (CSO 2008).

The area of harm reduction rather than abstinence was seen as an area that warrants further research. By adopting a harm reduction approach, it acknowledges that most adolescents and young adults will drink alcohol. Therefore, supporting less harmful drinking behaviour may be a means for providing education on how to drink more safely thus preventing heavy consumption without provoking a rebellious response from the target group.

Overall, according to the findings and extensive literature review conducted for the purposes of this research, this study concludes that the use of physical threat appeals is the most feasible and realistic option in reducing binge drinking among female college students. Physical fear was consistently found to be an effective approach amongst this target group for potentially changing their behaviour and reducing their alcohol consumption and propensity to binge drink regularly. The use of issues such as sexual assault and rape should be considered in these appeals as they proved very effective at initiating potential behaviour change among female college students who participated in this research.

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CREATIVITY IN SOCIAL ADVERTISING: DEVELOPING A CONCEPTUAL FRAMEWORK

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ABSTRACT

Creativity constitutes a significant element in advertising because it is related to competitive advantage, to advertising effectiveness and to the development of strong brands. Social advertising is a special case of advertising conveying social messages sent by non profit organizations. The aim of the present study is to examine the concept of creativity in social advertising and develop a conceptual framework. Using focus group methodology, we gathered data from 60 consumers. The findings of the study indicate that creativity is a sense-making process that develops positive consumer attitudes. Moreover, the emotional appeal found in social advertising represents a necessary element of creativity in this type of advertising.

KEY WORDS

Advertising; Creativity; Social Advertising; Non-Profit Organizations

1. INTRODUCTION

Creativity is probably one of the most important aspects of the advertising process. It is correctly described as bridging the gap between "what an advertiser wishes to propose and what a customer wishes to listen to" (White 1972: 2). Viewed in this light, creativity has been approached as the cornerstone for the development of competitive advantage in the business arena (Johar et al. 2001; Amabile 1996; Shalley 1995; Devanna and Tichy 1990). The extant literature considers creativity as a prerequisite of advertising effectiveness and as a facilitator to the development of strong brands in the marketplace (White and Smith 2001). Despite the importance attributed to creativity, it is a relatively under-investigated notion in relevant academic literature (El-Murad and West 2004; Reid et al. 1998; Otnes et al. 1995; Cummings 1984; White 1972).

Resulting from a research editorial in the Journal of Advertising (Zinkhan 1992), the majority of those who referring to creativity articles which were published in the journal during the period 1973-1979 were written by advertising companies' staff. Consequently, academics were kept out from the research of the particular issue. One year later, Zinkhan (1993) stressed again the need for studying creativity in advertising, defining the violation of the commonly accepted presentation rules of the messages to be advertised as a typical success of many advertising campaigns.

According to the statistics cited by Zinkhan (1993) in the main article of the Journal of Advertising, there was a clear interest decrease in research in terms of the advertising creativity. Despite the fact that the first five years of the journal's circulation the relevant articles were claiming the 9% of the published articles in total, the next fifteen years the demonstration of researches of similar content was dramatically decreased (1.4% of the total) having as a result the justifiable search for a possible explanation of the phenomenon (Zinkhan 1993).

Similarly, Reid and his partners (1998) agreed with Zinkhan on the decreased research interest in advertising creativity stressing that: "Creativity is one topic that has received insufficient empirical attention in advertising research…only a handful of empirical studies of advertising creativity appears in the research literature" (p. 2).

Kerrie Unsworth (2001), 8 years after Zinkhan's recommendation, continues to point out the need for studying creativity in marketing and advertising, whereas Smith and Yang (2004) point out that the lack of systematic theory development in advertising creativity has produced a vacuum in the literature, adding that even the researchers of creativity do not contribute significantly to bridging the gap in the relevant literature, since there are bare references to the advertising creativity.

Interestingly, advertising trade outlets including Advertising Age, Ad Week and Creativity (published by Advertising Age) have concentrated their attention in the notion of creativity. Indeed, few advertising executives question the centrality of a good creative execution (Martin 1995). Limited academic research has attempted to investigate the notion of advertising creativity and its association with advertising effectiveness (e.g. Till and Baack 2005; Hoon and Low 2000; Stone et al. 2000, Stapel 1998; Kover et al. 1995). Central to these studies is the premise that an advertising product is creative to the extent that appropriate observers agree that it is creative (Amabile 1983). Typically, "appropriate" observers for evaluating advertising creativity have been considered specialized stakeholders such as marketing academics or advertising professionals, namely copywriters and art directors who shape the advertising product and vote to bestow industry recognition (e.g. advertising awards) (White and Smith 2001). To the best of our knowledge, there seems to be a void in the literature as far as the study of consumers' perceptions of creativity is concerned.

It is essential to understand how consumers perceive advertising creativity since they are the primary targets of advertising efforts of firms and the ones who engage in a sense-making process in order to interpret advertising messages. Indeed, creativity in advertising is used as a means for catching consumers' attention and differentiating product offerings of firms (Hoon and Low 2000). It follows that consumers perceptions of whether an advertisement is creative or not may play a key role in shaping their buying behavior, including consumer attitudes towards the product (Heiser et al. 2008; Hoon and Low 2000; Kover et al. 1995); 2) several studies have mentioned that there may be a

divergence between advertising professionals' and general public's assessment of advertising creativity (Kover et al. 1995); and, 3) its investigation through the consumers' lens may require the use of different methodological approaches that provide deep insights on how consumers feel and think about advertising messages (cf. Fournier 1998).

As a result, the *purpose* of the present study is to develop a conceptual framework regarding advertising creativity by investigating consumers' perceptions of advertising creativity in social advertising. We chose to study the advertisements of non-profit organizations as the context of this study because their success is often based on the effectiveness of their communication through innovative and imaginative advertising executions (Bloom and Novelli 1981; Lefebvre 2007). Usually, non profit organizations search for alliances with multiple advertising agencies allowing for simultaneous collaboration of these specialists in an attempt to enhance creativity of the advertising product.

In other words, we seek to provide an answer to the question *"how do consumers perceive creativity in advertising?"* Given the fact that the extant literature primarily reflects the views of marketing academics and advertising experts on advertising creativity, the current study provides a missing perspective towards the conceptualization of advertising creativity, from the consumers' point of view. The paper is organized as follows. The first section provides a literature review on the key concept of the study, notably advertising creativity. The third section offers insights into the methodology followed in this research. The fourth section presents and discusses the qualitative evidence from consumer focus groups. It offers a definition of advertising creativity as a process and provides a framework illustrating antecedents and consequences of consumers' perceptions on advertising creativity. The chapter concludes with theoretical and managerial implications as well as directions for further research.

2. LITERATURE REVIEW

2.1. Examining the Notion of Advertising Creativity

To date, there has been little consensus on what creativity means, that leading to numerous of definitions in the literature. Despite the differing approaches to capturing creativity, it is common ground to the extant literature (e.g. Smith and Yang 2004; Hoon and Low 2000; Reid et al. 1998; Jewler and Drewniany 1998; White 1972; Burnett 1968) that advertising creativity as a product incorporates notions "creative thinking", "innovation", "ability", "imagination", "originality", "newness", or "problem solving" (El-Murad and West 2004). Table 1 provides a compilation of definitions on advertising creativity.

There has been a fruitful debate on what makes an advertisement creative. On the one hand, specialized researchers tend to approach creativity as a problem-solving process. To illustrate, Reid et al. (1998) define as "original and imaginative thought designed to produce goal-directed and problem-solving advertisements and commercials" (p. 3). Similarly, Hoon and Low (2000) suggest that creativity involves divergent thinking, humor, and departure from "traditional" advertising norms. However, this stream of literature seems to be devoid of studies that offer a comprehensive approach to the process of advertising creativity by illuminating antecedents and consequences that shape the process.

On the other hand, practitioners (e.g. advertising or marketing experts) view creativity in terms of establishing meaningful and innovative relationships between different advertising executional elements. For instance, Leo Burnett (1968) described creativity as "the art of establishing new and meaningful relationships between previously unrelated things in a manner that is relevant, believable, and in good taste, but which somehow presents the product in a fresh new light".

TABLE 1
Definitions of Advertising Creativity

Defining Creativity	*Key References*
*"A **creative ad** is both divergent (i.e. novel or unusual) and relevant."*	Smith, and Yang, 2004
*"**Creativity in advertising** is gaining importance as a means for overcoming consumers' perceptual barrier to gain their attention." "**Creativity** is the key for delivering the message."*	Hoon and Low, 2000
*"We define **advertising creativity** as original and imaginative thought designed to produce goal-directed and problem-solving advertisements and commercials."*	Reid, Whitehill-King, and DeLorme, 1998
*"A **creative ad** is one that involves newness, risk, divergent thinking, and a sense of humor."*	Jewler and Drewniany, 1998
*"The **creative spark** bridges the gap between what an advertiser wishes to propose and what a customer wishes to listen to."*	White, 1972
*"This nebulous thing called "**creativity**" is the art of establishing new and meaningful relationships between previously unrelated things in a manner that is relevant, believable, and in good taste, but which somehow presents the product in a fresh new light."*	Burnett, 1968

Relevant scholars have attempted to explore the notion of advertising creativity using primarily quantitative methods (e.g. White and Smith 2001; Hoon and Low 2000; Kover et al. 1995). The majority of the quantitative studies have attempted to link creativity with other advertising concepts, such as recall (Till and Baack 2005; Stone et al. 2000; Stapel 1998), attitude (Hoon and Low 2000), liking (Stone et al. 2000; Stapel 1998), recognition (Stapel 1998), or purchase intention (Hoon and Low 2000; Kover et al. 1995). However, no attempt has been recorded in exploring in depth consumers' perception of advertising creativity.

2.2. Social Advertising

According to Bloom and Novelli (1981), succeeding in social marketing requires more *intelligence* and *imagination, as well as originality* (Lefebvre 2007) in relation to the conventional commercial marketing. According to the review done in literature, the last two success factors determine the advertising creativity. Especially, as far as the originality in social marketing is concerned, there is a certain emphasis put by the scientific community regarding it as a main ingredient for the success of a social marketing's campaign through the use of new ways of communication or new approaches of the target audience (Lefebvre 2007).

Firstly, the notion of social marketing needs to be defined so as to be understood its connection to the advertisements of the non-profit organizations. As a consequence, according to Andreasen (1995):

*"**Social marketing** is defined as the application of commercial marketing technologies to the analysis, planning, execution, and evaluation of programs designed to influence the voluntary behavior of target audiences in order to improve their personal welfare and that of their society" (p. 7).*

However, it needs to be mentioned that Kotler and Zaltman (1971) were the first researchers who referred to the notion of *"social marketing"*. The pioneers and whoever supported the new notion (e.g. Swinyard and Ray 1977; Luck 1974) contributed to its incorporation into the wider field of marketing. The interference of marketing, and especially of advertising, in social issues led to the coinage of the term "social marketing" and the attracting of many researchers aiming at the study of the particular aspect of the science. Marketing's contribution to the solution of social problems, such as the dealing with racism or the increased support of the education, constitutes a historical phenomenon and a policy

of numerous social organizations (Takas 1974). Aim of the "social marketers" – term used to define the professionals who are involved with social marketing - is the change of deeply established opinions and attitudes of the audience which may be harmful to the audience in a short-term or a long-term period of time (Hassan et al. 2007; Kotler and Andreasen 1996), and to a greater extent to the society.

A typical policy of the social marketers for the achievement of their advertising targets is the arousal of intense emotions to the audience through the demonstration of advertisements appealing to the emotions, such as the fear – a medium of motivation used in a great extent in social advertisements and has been characterized as the predominant tool of social marketing (Hastings et al. 2004). In this point it needs to be mentioned that there is no ideal empathy policy of the target audience, since people's opinions are influenced by advertisements appealing to negative or positive emotions in connection to aspects of their character, as it has been proved via relevant researches (Menasco 1982). For instance, the advertisements which concern positive consequences, like promises, and not negative ones, like threats, influence significantly the audience that is vulnerable to the social fear, whereas advertisements of negative consequences are more effective on people who show low percentages of social fear (Menasco 1982).

In parallel, it needs to be stressed that there is a segregation of advertisements into the emotional and the informative ones (Chan 1996). In a research conducted by Kara Chan (1996), according to the opinions of 160 people having watched sixty advertisements of both types, emotional advertisements were characterized mainly as "original". To a greater extent, as long as the majority of social advertisements belong to the category of the emotional advertisements, originality constitutes a major feature of social advertising. Considering the high correlation of the originality to the creativity, according to the review done prior in the literature, *there is a strong possibility that creativity defines the advertisements of the non-profit organizations.*

3. METHODOLOGY

Marketing and, especially, advertising studies often use qualitative methodologies in order to investigate and gain an understanding of their topic of interest. A qualitative approach has been adopted in this study, focus groups, in order to examine consumers' perceptions of creativity in social advertising. Focus groups are maybe the most significant qualitative method in practice (Bartos 1986) constituting a vital part of marketing research (Moran 1986) justified by its wide use by marketing researchers (Hall and Rist 1999).

In order to conduct the proposed study, focus groups standard procedures were followed. Specifically, we employed the focus group process proposed by Stewart et al. (2007) which includes the following: 1) defining the role of the moderator(s), 2) the recruitment of participants, 3) the development of the interview guide, 4) the coordination of focus groups, and 5) the analysis of qualitative data.

A total of 60 participants from Greece constituted the convenient sample for this study. Sixty percent of the respondents were female and forty percent were male. The age of the respondents ranged from 18 to 60 years old. The interview guide employed included probes that explored the notion of creativity in non-profit organizations and invited respondents to share their perceptions of creativity using examples of advertisements that were described by a creative spark in each one. The authors conducted 10 focus groups over a two-month period, a practice that fits with recommendations of Krueger and Casey (2000) and Calder (1977) for the optimal number of focus groups. The duration of each focus group ranged from two hours to two hours and a half. All focus groups were tape recorded. The addition of new focus groups stopped when theoretical saturation was reached, i.e. when repeated patterns started to emerge from data. The analysis of qualitative focus group data unfolded into four interlaced phases, notably categorization, abstraction, comparison and integration (Spiggle 1994). This process facilitated data reduction and generation of the framework presented in the following section of the chapter.

TABLE 2
Statistical Data of Study Participants

Gender	Number of Participants	Percentage	Average Age	Average Years of Education
Female	36	60%	27.9	15.6
Male	24	40%	26.6	16.4
Total	60	100%	27.4	15.9

4. PRESENTATION OF FOCUS GROUP EVIDENCE

4.1. The Meaning of Creativity

Main aim of the discussions in the framework of the conduction of the focus groups is the semantic approach of the creativity in advertising by the consumers' side. Firstly, it is pursued the approach of the creativity as a generalized notion with the aim of being specialized later in the scientific field of the advertising. The smashing majority of the people who were asked identify the creativity with the innovation, the otherness and the originality. It supports that whatever is characterized as creative, it includes pioneering, whether it constitutes an improved recall of innovative ideas or it refers to the implementation of already existing ideas with a different method. Consequently, most of the people consider the presence of an innovation necessary when it refers to a creative work, expressing the same point of view with many researchers of creativity (e.g. Hoon and Low 2003; Sternberg and Lubart 1999; Andrews and Smith 1996; Mumford and Gustafson 1988), as already mentioned in the literature review. A participant's point of view is characteristically referred:

> *"Creative presupposes something new. I do a work in a different way or I materialise something completely new. The new one is a brush stroke to the notion of creative….there is always the need to exist something innovative so as to be considered creative."* (Electrical engineering, 24 years old)

In parallel, the majority of the participants claim that if a person needs to be creative, it needs to have imagination and talent to use all the available means in the best way so as to be led to the desirable result. A reference to the imagination, as a feature of creativity, was made by El-Murad and West (2004) making an attempt to describe the notion.

4.2. Advertising Creativity

Focusing on the main research objective, the researchers attempted to understand deeply consumers' perception of advertising creativity focusing on the non-profit sector. The majority of the participants consider as creative the advertisements that contain new demonstrated features or present a product in a new way. Their differentiation from any other advertisement constitutes the main creativity factor:

> *"Creative advertising is the original advertising….the advertising features may be on their own well-worn, but their combination is original."* (Psychologist, 24 years old)

The majority of the sample thinks that originality originates from ingenious people with developed imagination. Consumers expect something smart, unusual and impressive that will induce them to focus on the content of an advertisement rather than to just identify the advertised product.

> *"Creative advertising is that which is characterized original and has a feature of intelligence succeeding at last its aim, namely mainly, according to my personal opinion, to manage to collect the interest of bigger consuming audience."* (Philologist, 34 years old)

"Creativity in advertising is to make an advertisement as the consumers want it and not as the company which wants to be advertised. Creative advertising is the one that attracts the consumers' attention and remains to their memory." (Department store manager, 29 years old)

Features, like originality and imagination, have been referred to prior by researchers of the advertising creativity (e.g. Smith and Yang 2004; Reid et al. 1998). The evidence generated from consumer focus groups led to a definition of advertising creativity as a process:

"*Advertising creativity from the consumers' perspective to advertising execution is a sense-making process that gives meaning to innovative, imaginative, intelligent and emotional appealing advertising execution that produce positive consumer attitudes. It relates to the ability of individuals to elaborate message and market related factors in order to produced responses based on these elements.*"

TABLE 3
Consumer Quotations on Advertising Creativity

Consumer Perceptions
"Intelligent and emotional appealing messages gives a creative perspective on advertising. A creative message speaks in my heart and mind"
"Advertising creativity is the communication of a message in a different and persuasive way. Creative messages stands out from competition"
"A novel idea that is expressed in an imaginative way is what I consider creative in an advertisement."
"An advertisement that I can remember for a long time is creative!"
"Advertising creativity requires original thinking to approach consumers. … Creativity of Greenpeace advertisements encourages consumers to donate. I do not think that with this example I am speaking only for myself…"

4.3. Social Advertising of Non-profit Organizations

Focusing the discussion with each focus group on the creativity of the non-profit organizations' advertisements, interesting points of view have been expressed by the participants of the study.

Participants continue to refer to the originality, the imagination and the smart ideas as some of the most basic ingredients of a creative advertisement of non-profit organizations adding, in parallel, one more feature: the appeal to emotions. As we have already identified in the related literature, the emotional appeals dominate social advertisements (Hastings et al. 2004) because the emotional element is considered a necessary "ingredient" in order for these ads to be effective (Mehta and Purvis 2006; Chan 1996). Consequently, the participants of the present study support that it is necessary for a social advertisement to elicit and target emotional responses in order to be characterized creative. The literature supports the notion of a correlation between creativity and the emotional aspects of advertisements justified by the relation between originality and emotional advertisements (Chan 1996). As a consequence, through the audience's empathetic responses, and according to the participants' point of view, its motivation is caused and a benefit is provided to the advertised, non-profit organization and to a greater extent to the man, the society and the wider environment. In this point it is found out the social marketing's contribution to the progress of the society through the influence of the men's points of view for well-timed issues which are relevant to their daily routine, as well as through the configuration of the social attitudes towards to relevant issues, as it is mentioned in the correspondent unit in the literature review (Takas 1974).

The participants of the study indicated that an advertisement conveying a social message is necessary to appeal to people's emotions in order to be considered creative. This particular point of view expressed by the majority of the participants adds one more feature which is coated prerequisite for

achieving advertising creativity. Therefore, in the exceptional case of testing the creativity in advertisements of non-profit organizations, the appeal to emotion as a strategy for the advertising development constitutes a fundamental creativity feature in combination with all the factors which characterize the advertising creativity (see Figure 1).

As far as the participants' motivation is concerned, a major prerequisite constitutes its guidance with information relevant to the possibility of its contribution to the solution of social problems:

„I remember an Action Aid's advertisement which I consider creative, because it had all the necessary features to generate feelings of compassion and care. At the same time, it urged me to take action, guiding me on what exactly I should do... I was told what I could do exactly - telephone number and address were provided, etc." (Sociologist, 27 years old)

At this point, it is worth mentioning that most of the study participants supported that creativity is largely associated with emotional appeals inducing feeling to the consumers. This was achieved by promoting realistic images that aimed at communicating the context/situation of the advertisements. The theoretical approach of a social problem does not challenge the audience's interest, whereas the realistic image contributes to the better comprehension of the issue, emerging the need of social activation. Few people who were asked consider that the exaggeration in the image with the aim of provoking inordinate negative feelings (e.g. fear) is not the ideal method. However, they are not few who claim that in cases of attempting the solutions of social problems, each way of the audience activation is accepted.

"When a social organization's advertisement appeals to emotion, and particularly the fear, its aim is to awake. Even if the medium of awakening is the particular one, I do not consider it blameworthy, especially in advertisements of that type." (Philologist, 34 years old)

5. DISCUSSION OF FINDINGS

In this paper, we developed a definition of creativity in advertising based on consumers' perceptions. According to our findings, creativity may generate various consumer responses linked to aspects of advertising effectiveness. Consumers perceived advertising creativity as a dynamic process shaped by environmental factors, such as new technology and business competition. As far as non-profit organizations' advertising is concerned, emotional appeals are considered as a necessary prerequisite for an advertisement to be creative. This is a significant finding for non profit organizations and advertising agencies specializing in social advertising. Thus, when they develop social ads, they need to incorporate emotional elements in order for these advertisements to be considered creative and therefore, effective. Moreover, our findings support previous studies in social advertising (Kara Chan 1996) indicating that emotional advertisements are perceived as "original" and creativity constitutes a major feature of social advertising.

Moreover, our findings guided us in the creations of a conceptual framework in which creativity is represented as a sense-making process influenced by endogenous (message) and exogenous factors (market-related) (Figure 1). Participants described in detail elements of advertising creativity as a process. These elements are integrated in a framework of advertising creativity. Figure 1 presents the antecedents and consequences of advertising creativity. Consumers discussed notions linked to message-related and market-related factors that reflected on the sense-making process of advertising creativity. Message-related factors include advertising executions described as innovative, imaginative, intelligent and emotional appeal. Moreover, exogenous factors related to the business environment such as new technology and market competition influenced advertising creativity. Viewed in this light, consumers' evaluations of advertising creativity are relative to competition, i.e. an advertising execution is considered creative if it stands out from competitive messages and the implementation of new technologies in communicating the message of the advertisement. The proposed framework might serve as a useful tool to fully understand the advertising creativity process by taking a consumers' perspective and examining in depth each element included.

FIGURE 1
The Advertising Creativity Process: A Conceptual Framework

INPUT		OUTPUT
Message-Related Factors		**Behavioral Responses**
Innovation		Actual purchase behaviors
Imagination	Advertising	Purchase intentions
Intelligence	Creativity	**Cognitive Responses**
Emotional appeals		Advertising recall
Environmental Factors		Brand recall
New technology		Advertising recognition
Competition		Brand recognition
		Affective Responses
		Positive association with the advertisement
		Positive association with the brand
		Liking
		Entertainment

Relevant literature has discussed the notions of innovation and imagination as creative factors (Smith and Yang 2004; Reid et al. 1998; Jewler and Drewniany 1998). The focus group data suggested that consumers approached creativity in terms of novel combinations of advertising executional elements. Accordingly, emotional appeals generating positive or negative feelings or emotions about the issue of the advertisement were emphasized by consumers as key elements of creative executions. The emphasis that consumers placed on emotional components of advertisements may be attributed to context of the study, namely non-profit organizations. As far as consumers are concerned, creative executions may generate cognitive, affective and behavioral responses outlined in figure 1. These responses relate to advertising and brand recall and recognition; purchase intention manifested in the behavior of individuals to contribute to the work of non-profit organizations; positive associations with the advertisement and brand; brand liking, as well as entertainment provided by creative advertising executions.

The findings of the present study support Zinkhan's (1993: 3) prompt for marketing researchers to "think more about the creative spark which drives much of advertising". Moreover, the study indicates that in social advertising, emotional appeals represent a significant indicator of advertising creativity.

6. FUTURE RESEARCH AND STUDY LIMITATIONS

The present study indicates promising directions for further investigations. The field of advertising creativity is essentially under-explored, highlighting future research necessary so as to develop a systematic view of this major advertising factor. To illustrate, further research on consumers' evaluations of creativity is required in order to understand factors shaping advertising creativity from the consumers' perspective. The contribution of advertising creativity to advertising effectiveness, and especially in the field of social marketing, may encourage future studies in the area (White and Smith 2001). A replication of this research in other types of advertisements (services vs. consumer goods) is most recommended to expand the proposed conceptualization of creativity and the conceptual framework proposed. Moreover, testing the proposed model using empirical quantitative data and the relationships between the proposed antecedents, advertising creativity, and its outcomes constitute a future research avenue.

This study has certain limitations that qualify its findings and provide directions for further research. First, the findings and implications (theoretical and practical) of this study should be read in the context of the specific sample. Results may not be generalized but they are probably useful as a qualified exploratory approach to analyze the relationship among the constructs under investigation. Second, the context of the study (a small Southeast European country) is also a concern constraining generalizations of the results to other countries.

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JUST ONE PINT SAVES LIFE: THE ROLE OF SOCIAL MARKETING IN BLOOD DONATION

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ABSTRACT

In Ireland, blood donation and supply is dependent on the enthusiasm of individuals to voluntarily donate blood without payment. Only 3.6% of the eligible population in the Republic of Ireland donate blood. The need for blood is steadily increasing and it takes more and more effort to persuade people to become blood donors. An appeal to altruism alone is not sufficient, and blood donor recruitment strategies should incorporate detailed information on how active blood donors perceive blood donation, as apprehension over health risks associated with donating blood may thus be decreased. The way forward to achieve growth in blood donor numbers lies with a market-type approach with targeted marketing campaigns to profiled young people. The focus of this paper will be on how social marketing can be effective in increasing blood supply.

KEY WORDS

Social Marketing; Blood donation; Fear appeals; Altruism; Theory of Planned Behaviour

1. INTRODUCTION

In Europe, almost 20 million whole-blood donations are made on an annual basis and it is estimated that between 13 and 15 million Europeans are whole-blood donors. Yet, internationally, there is a continuous need for new blood donors, because the demand for donor blood is increasing, whereas the supply of blood is declining (Lemmens et al. 2005). Simon (2003), in his reflection on the volunteer blood donor programme in America describes a system in crisis. Putnam (2000), related declines in blood donation in the United States to perceived declines in social capital.

Although fewer eligible donors exist, demand continues to grow. Hupfer et al. (2005) state for example that Canada projects an 8% annual increase in hospital demand and that whether in Canada or elsewhere, recruitment interventions aimed at forestalling impending supply shortfalls are an urgent necessity. Such interventions require a thorough understanding of the factors that promote and deter donation.

In Ireland, blood donation and supply is dependent on the enthusiasm of individuals to voluntarily donate blood without payment. Three thousand blood donations are needed in Ireland every week. In 2008 the number of whole blood donations made by the Irish Blood Transfusion Service (IBTS) was 155,082 units and this was received from a total of 95,551 donors. The average age of the donors who gave blood in 2008 was 28 years and 41.8% of these donors were between the ages of 18 and 35 years (IBTS 2008).

Maintaining an adequate supply is the biggest challenge and the Irish Blood Transfusion Service has initiated a donation process review. Mandatory regulations, introduced in the Republic of Ireland in 2004, to reduce the threat of transmission of vCJD through blood transfusion have resulted in the loss of 4,000 (4%) regular donors in the Republic of Ireland. To maintain an adequate and safe blood supply, it is vital that these losses to the blood donor pool be replaced. Only 3.6% of the eligible population in the Republic of Ireland donate blood. This leaves an enormous potential blood donor base, which if tapped into and maintained could lead to an adequate reserve of donations to meet the transfusion needs of this country (Harrington et al. 2007).

2. RESEARCH OBJECTIVES

The purpose of this investigation is to ascertain what social marketing advertising messages should contain in order to increase the supply of blood among young donors and non-donors.

The target group will be students at third level education in Cork, Ireland in the age category of 18-22. These students will come from universities in the Cork area. Students are being targeted due to their lifetime value potential. It is anticipated that these students will assess various advertisements encouraging blood donation and reactions will be gauged. These blood donation campaigns will have been run both nationally and internationally. It is anticipated that ten focus groups will be conducted. These will consist of five focus groups each for donors and non donors. Participants will be chosen from a convenient random sample, whereby lecturers in universities will be asked to volunteer groups of students for the study. Participation will be voluntary. Interviews will also be conducted with people who work in both the blood donation sector in organisations such as the IBTS, the Northern Ireland Blood Transfusion Service as well as academics and practitioners involved in social marketing.

The research objectives for this study are as follows:

- What is the extent of blood donation/non-donation/lapsed donation among the university student population in Cork?
- What are the motivations/beliefs/expectancies of each group?
- What are their coping strategies when faced with advertisements to donate blood?
- What barriers exist to prevent them giving blood?
- Are social threat appeals more powerful than physical threat appeals in encouraging them to donate blood?
- What level of social fear and physical fear is effective to encourage them to donate blood?

3. STRATEGIES TO IMPROVE BLOOD DONATION

The need for blood is steadily increasing and it takes more and more effort to persuade people to become blood donors (Sojka and Sojka 2003). An appeal to altruism is not sufficient, and blood donor recruitment strategies should incorporate detailed information on how active blood donors perceive blood donation, as apprehension over health risks associated with donating blood may thus be decreased (Andaleeb and Basu 1995). Kolins and Herron (2003) propose that the way forward to achieve growth in blood donor numbers lies with a market-type approach with incentives of compensation and with targeted marketing campaigns to profiled young people.

The first step in planning the target marketing strategy is to segment the market and develop profiles of the resulting market segments. The usefulness of market segmentation hinges upon accurate profiling. Relatively low accuracy in forecasting segment membership will result in ineffective marketing programmes and potential negative impact due to targeting unintended segment members. Results show the segments of potential blood donors and non-donors to be reasonably distinct and different in terms of identifiable characteristics and behaviour patterns, and suggest targeting specific strategies to particular blood donor segments (Mostafa 2008).

Strategies to increase blood donation can be characterised into three categories:
- Operational;
- Marketing;
- Altruistic.

Operational strategies that could be incorporated to improve and increase blood donation are water and caffeine loading prior to donation; applied muscle tension techniques during and after donation; distraction techniques during the extraction process; the use of incentives including health screening; the possibility of payment; making the donation process easier in terms of shorter waiting times, more fixed sites and more convenient times and more venues for donation. Marketing strategies that could be focused on include targeting repeat donors; using current donors to recruit new donors; the use of reminder-advertising campaigns as well as providing information brochures at donation centres. Altruistic motives focus around trying to make the donor feel self-fulfilled and also trying to make a donor feel a moral obligation to donate. This is done through creating a feeling of empathy and benevolence in the donor towards his fellow man.

The challenge facing blood drive organisers everywhere can be summarised as the "3 R's" - *Recruitment, Retention and Reward.* Regarding recruitment, one of the major problems that has emerged is the low level of awareness among students about general facts concerning blood donation (Leigh et al. 2007). Many non donors experience anxiety as to the procedures involved. Some of these concerns might be addressed, for example by inclusion of more information in recruitment campaigns. Concerns over perceived risks and the fear experienced by other non donors are, however, more difficult to allay. In these respects, their wishes appear more tenuous than the unrealised intentions of others. To what extent, these wishes can be transformed into intentions and subsequent donation is an open question (McVittie et al. 2006).

Hupfer (2006) indicates that groundless fears are stronger among students who had never given blood. This result suggests the need for education programmes targeted at young prospective donors in high schools and postsecondary institutions. In addition, educational communication can build awareness of need and further convince prospective donors of the safety of both collection practices and supply. McMahon and Byrne (2008) revealed that campaigns targeting donors should appeal to their sense of moral norm and donor identity.

Moreover, most students acknowledge the value and importance of blood donation and a safe blood supply but feel uninformed about blood donation. This implies that there is considerable potential for

campaigns to inform students about blood donation and to raise the question of personal blood donation more successfully in this population (Lemmens et al. 2008). Results by Lemmens et al., (2008) suggest that advertising campaigns should not highlight the role of needles and blood in donation. Thus, images of blood bags on red backgrounds, which have been featured in some recruitment campaigns, could potentially be counterproductive. In addition, campaigns could seek to reassure potential donors that current donors do not feel nervous and tense before donation. In addition, reassuring non donors that donation is not painful or costly and unrewarding but, by contrast, can make donors feel happy about having made a worthwhile contribution could help strengthen donation intentions.

To recruit new donors and retain active donors, transfusion services have used media based campaigns that emphasise donation as an altruistic act i.e. benefiting society. However, donors also report that donating blood is personally beneficial i.e., donation makes them feel good about themselves (Ferguson et al. 2008). This pattern, in which both donor and recipient benefit, is known as benevolence (Andreoni 1990; Nunney 1985; Baumann et al. 1981). Such beliefs may be important for understanding blood donor recruitment and retention and developing interventions (Ferguson et al. 2008).

Blood may be collected by national health systems, blood banks or the Red Cross. Blood collection systems vary from country to country and even from one facility to the other. For instance, the Red Cross may have a monopoly on collection or control a majority of it (with a minority held by hospital or community blood banks). Blood banks may also have a monopoly on collection or control a majority of it (with a minority held by the Red Cross) (Healy 2000). The approaches to blood collection may differ, but there are basic tasks to be performed by the members of the collection teams that are essential for the efficiency of blood collection and the quality of donor care. Efficiency and quality can be assured by establishing tasks and standards for the delivery and implementation of the various procedures to be conducted by well trained staff.

4. SOCIAL MARKETING

Social marketing is the use of marketing to design and implement programmes to promote socially beneficial behaviour change. It has grown in popularity and usage within the public health community (Grier and Bryant 2004). Internationally social marketing has been used to improve access to portable water, eliminate leprosy in Sri Lanka, increase tuberculosis screening and promote immunisations and universal iodisation legislation among other applications (Grier and Bryant 2004). The objective of social marketing is to convert a non-belief into a belief, a belief into an attitude or an attitude into a value (Kotler and Roberto 1991). The defining features of social marketing emanate from marketing's conceptual framework and include exchange theory, audience segmentation, competition, the marketing mix, consumer orientation, and continuous monitoring. Social marketing shares many features with other related public health planning processes. It is distinguished by the systematic emphasis marketers place on the strategic integration of the elements in the marketing conceptual framework (Grier and Bryant 2004).

Social marketing campaigns differ from traditional health education approaches in that messages in social marketing campaigns are designed not only to inform but to persuade people to change their behaviours (Egger et al. 1993). A widespread approach in such campaigns is the fear appeal being commonly used in for instance anti drinking and road safety campaigns (Donovan et al. 1995; France et al. 1991; King and Reid 1990; Job 1988). Social marketing enthusiasts have regularly adopted scare or fear appeals to persuade people to cease undesired behaviours and adopt desired alternatives. The term threat appeal generates a variety of cognitive and emotional responses, not just fear. Fear appeals comprise stimulus factors such as message content, and response factors which analyse how a person reacts to the fear (Donovan and Henley 1997).

One theory of social marketing tested in the area of blood donation, is the Health Belief Model (HBM). This model revolves around an individual's fear of not having a blood supply when they need it themselves. This study will focus on younger adults as Hupfer (2006) states that young, prospective

first time donors, with their long-term donation potential, are especially attractive targets for blood collection agencies. Alessandrini (2007) states that blood donors are represented in greater numbers as having volunteered during their school years, highlighting the importance of targeting youth. Hupfer (2006) states that youth often are underrepresented in donor pools. However, persuading them to give blood may require specifically tailored marketing communication. She states that collection agencies should consider appealing to young non donors by suggesting that they give blood to make it available for themselves if required. The HBM will therefore be used in this research.

Similarly the Theory of Reasoned Action (Fishbein and Ajzen, 1975) and its most recent formulation, the Theory of Planned Behaviour (TPB), (Ajzen 1991) have been identified as two of the most promising theories for studying blood donations. Among the first studies that used the Theory of Reasoned Action, Bagozzi (1981) showed that blood donation was mainly predicted by intention, although the importance of intention decreased as past frequency of blood donation increased.

The TPB operates on the premise that the best way to predict behaviour is to measure behavioural intention, which in turn is seen to be a function of three independent variables, i.e. attitude, subjective norm and perceived behavioural control (Ajzen 1988, 1985). Attitude, i.e. an individual's positive or negative evaluation of behaviour, is seen to reflect beliefs about the likely consequences of performing a behaviour, while subjective norm is an individual's perception of social pressure and thus reflects the beliefs about the normative expectations of others (Ajzen 2002; Ajzen and Fishbein 1980). Perceived behavioural control, a more recent addition to the model (Ajzen 1985), is intended to accommodate situations in which people may lack complete volitional control and as such is seen as a reflection of the perceived ease or difficulty involved in performing a behaviour (Giles et al. 2004). Within the context of blood donation, the TPB model has successfully explained between 31 and 72 percent of the variance in blood donation intentions and between 54 and 56 percent in blood donation behaviour (Robinson et al. 2008).

Another model that may be used with regard to blood donation research is social cognitive theory, which states that two major factors influence the likelihood that one will take preventive action. First, similar to the Health Belief Model, a person believes that the benefits of performing the behaviour outweigh the costs. Second, the person must have a sense of personal agency or self-efficacy with respect to performing the preventive behaviour (Kotler and Lee 2007). The theory posits a multifaceted causal structure in which self-efficacy beliefs operate in concert with cognised goals, outcome expectations, and perceived environmental impediments and facilitators in the regulation of human motivation, action, and well-being. This approach addresses the socio structural determinants of health as well as personal determinants (Bandura 1998). Unless people believe they can produce desired effects by their actions, they have little incentive to act or to persevere in the face of difficulties and setbacks. Whatever else may serve as motivators, they must be founded on the belief that one has the power to produce desired changes by one's actions (Bandura 1998).

The future of social marketing faces many challenges, as Andreasen (2003) has argued social marketing is now moving into a period of early maturity with growing popularity among public health professionals. These models and their application will increase knowledge in the area of the recruitment, retention and reward of donors, non donors and lapsed donors.

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NHS BARNSLEY: INCREASING THE UPTAKE OF SEXUAL HEALTH SERVICES

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ABSTRACT

Barnsley is a relatively poor area in the Northern England and has high levels of teenage pregnancy. NHS Barnsley is the main commissioner of NHS services. The Campaign Company, a social marketing and community engagement consultancy, were commissioned to utilise social marketing principles to gather insight into the communities as well as operate an intervention to improve awareness of services in order to improve those accessing them as a longer-term contribution to achieving in teenage pregnancy reduction targets. As a result of the campaign awareness of the service increased significantly.

KEY WORDS

social marketing, behaviour change, segmentation, sexual health, health, young people, methodology

1. OBJECTIVES

Barnsley is recognised as having high levels of teenage conception, with a rate of 49.7 per 1000 girls aged 15-17 years. While this figure is below the national average it is still considerably higher than the majority of our international comparators.

The brief was non-specific on actual behaviour change. The initial objective had been: "to improve the sexual health of the people of Barnsley". TCC were to evaluate and denote a more specific objective as part of the initial scoping phase.

2. METHODOLOGY

Our approach to social marketing is creative, yet methodological. The TCC framework for social marketing is based around National Social Marketing Centre (NSMC)[1] Total Process Planning but expands upon this solid foundation by including our innovative Values Modes values based segmentation and by intertwining evaluation with each stage. Values based segmentation seeks to understand why people behave through their motivations and segments them depending on whether they are primarily driven by intrinsic, extrinsic and sustenance driven motivations.

- **Intrinsically motivated or Inner directed (Pioneers):** comfortable in own skin, networked, do their own thing
- **Extrinsically motivated or Outer directed: (Prospectors):** striving, care about opinion of others, tangible results
- **Sustenance driven (Settlers):** core needs, safety, security belonging

We work closely with our partners in Cultural Dynamics to refine this segmentation.[2] Their work draws from the work of the World Values Survey that has been developed by a global network of social scientists since 1981.[3]

Evidence from social marketing tells us that not everyone is the same and that different people will respond to different approaches. By understanding the attitudes and values of individuals we can develop a social marketing programme that goes beyond the standard social advertising campaigns to engage individuals on their own terms.

As a result the TCC Methodology works on the following assumptions:

- How people behave is determined by the values that drive them - not simply by information;
- People may act in the same way but for different reasons;
- We need to understand people, not just the issue we are tackling.

We know a lot about how people behave. Through the segmentation system we use we can now understand why people behave as they do – what is driving them or perhaps demotivating them

Having segmented we then require insight research to understand what interventions can change or reinforce behaviour. This requires us to break down behavioural change into a four elements, which are rooted in behaviour change theory.[4] This includes Stages of Change and Social Cognitive Theory as well as Needs Opportunities and Ability Model which are drawn from the expanding field of social psychology and behavioural economics.[5] Those four elements are:

- Clear objectives;
- Vital behaviours;
- Drivers for change;
- Factors of influence.

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[1] http://nsmcentre.org.uk/

[2] http://www.cultdyn.co.uk/

[3] http://www.worldvaluessurvey.org/

[4] http://www.civilservice.gov.uk/news/2010/march/mindspace.aspx

[5] http://www.civilservice.gov.uk/my-civil-service/networks/professional/gsr/publications/GSRU-publications.aspx

Firstly, using this actual case study as the example, we need to identify and clarify the objective including:

- Outcomes: eg reducing the teenage STDs;
- Client targeting: eg targeting under 16's on the Progress Estate in NW Barnsley;
- Specific behaviour requiring change: eg wear a condom.

Secondly we identify vital behaviours that have the most impact on the desired objective: eg "put a condom in your pocket when you go out for a drink with friends". Such behaviours should be recognisable and repeatable. However it might be indirectly rather than directly related to the desired objective.

Thirdly we assume two main drivers for change:

- Ability: "Do I have the ability, or is there anything stopping me"? e.g. awareness of service, condoms readily available;
- Motivation: "What's in it for me of for people like me"? e.g. How does any new or reinforced behaviour fulfil the needs that are driven by my values?

Fourthly, we will use a range of influence techniques expressed at two main levels:

Personal and social factors

- We 'go with the flow' or pre-set options
- Our attention is drawn to what is novel and seems relevant to us
- Our emotional associations can powerfully shape our actions
- We act in ways that make us feel better about ourselves
- We are heavily influenced by who communicates information
- We are strong influenced by what others do
- We seek to be consistent with our public promises and reciprocate acts

Key influences: habits, salience, emotions, ego, peer messengers (those liked or with authority) social norms, social proof, commitments, reciprocation,

Structural and design factors – which the NSMC defines as upstream or strategic social marketing

- Our responses to incentives are shaped by predictable mental shortcuts such as strongly avoiding losses
- Our acts are often influenced by sub-conscious cues
- Having a 'product' to offer

Key influences: incentives, scarcity, framing, priming.

Social marketing campaigns across a range of public issues have demonstrated that message carriers are crucial: in many cases local people will trust messages from people they already know far more than what local health providers tell them. Peer-to-peer and word-of-mouth communications through the creation of local networks are crucial to effective and permanent behaviour change. They also significantly assist in building uptake with hard to reach and hard to engage groups. Research on social marketing projects around the world has also demonstrated that people need to either value something in order to take action or for it to be very easy for them to do, ideally involving no effort, ie default systems. Whatever system is developed it needs to make it easy for people to do the right thing.

2.1. Scoping Phase

As with all our social marketing projects, we began at the desk scoping secondary data. The key finding was that underneath the apparently high average level of teen conception was a much greater problem. The average hid the critical rates of teenage conception that were found in certain geographical areas of Barnsley. The wealthiest wards, with low rates of pregnancy were masking the real problem. Rates of teenage pregnancy were shown to correlate with levels of deprivation and the index of multiple deprivation. TCC's research demonstrated in the poorest areas the rate of conception almost doubled to

89.4 per 1000, a rate that dwarfed the national average of 49.9 (for 2006). Our Values Modes methodology informed us that a large portion of the group in the relatively deprived areas were what TCC call "Settlers" with sustenance driven motivations. This gave us an immediate insight into what their value set might look like. Alongside the issue of teenage conception was the worrying rise in STI rates amongst the youth population.

Next, we sought to develop clear behavioural change goals. This required TCC's research team to establish a baseline of current behaviours. Our initial research for the PCT showed that people who use sexual health services tend to be happy with them. Those who did not use the services generally did not know what they could access or how. Key conclusions were:

- Targeting higher risk groups should be a priority;
- NHS Studies show more one is more likely to achieve success with under 25's – thus focus on young people;
- Understanding the detailed geographical concentrations that underlay the average;
- Increase awareness of services. This provided an opportunity to create a clear measurable indicator. A target of 70% awareness within the target group was to be achieved by the end of the campaign;
- Overall the aim was to make the use of sexual health services the local social norm to improve sexual health.

2.2. Insight Phase

As a result of the research, the PCT decided to commission us to carry out a social marketing campaign to change young people's behaviour in order to increase awareness, and use, of sexual health services.

We agreed a values based approach with focus predominantly on Settlers and some Prospectors, ensuring there are messages relevant to each of these groups e.g. safety and peer group perceptions

The intended behavioural change was to make accessing services the social norm. Reasons for the current social norm of not using the services on offer ranged from the fatalistic - a desire to stay blissfully ignorant 'I'd rather not know', to having a lack of access due to not knowing when, where, or how, services could be used.

Our insight phase contacted over 300 young people, which enabled us to both generate audience driven insights and engage with our audience to promote conversations about sexual health. We identified primary and secondary target groups, levels of awareness, barriers to access, sources of information and key influencers.

Prevailing attitudes of Settler Group were:

> *"If it happens, it happens, I would prefer to not know. In any case I don't really know where to go and even if I did it would be really embarrassing. Also I wouldn't want my parents to know."*

As part of the insight phase we tested a possible message:

> *"What do you know about this? There is free information, free condoms and it is completely safe and confidential. Your friends are already using it, but if you do use it yourself no-one else will know"*

The biggest barrier to take up was lack of awareness of NHS provided sexual health services within the locality.

As a result we agreed to encourage three vital behaviours that would be easy ways to remind people to access services:

1. Vital behaviour 1: access the "what do you know?" website[6]
2. Vital behaviour 2: interact with a Peer Champion to normalise the issue
3. Vital behaviour 3: join the "C-Card" free condom scheme

Stakeholders were identified and categorised, but we saw this as a fluid process. This meant that we constantly added and moved around our power-interest stakeholder matrix. The TCC approach also evaluates stakeholders with the intention of actively moving their position on the matrix through relationship management and our interventions. Throughout all stages of the campaign all stakeholders were consulted and engaged to develop strong and trusted relationships. These relationships provided access to certain target groups, exclusive insight and 'bought in' delivery platforms for our interventions.

2.3. Intervention Phase

Being insight driven, our interventions were value, need and desire based. Our Values Modes segmentation expertise added to the planning and intervention of our multi-faceted approach.

A promotional campaign was used as an umbrella to solidify and support the engaging elements of our initiatives. The delivery channels for, and content of, the promotional activity took lead from the interests and values of each target group. Various targeted messages were distributed on a local radio station, popular with nearly all our groups, to advertise and participate by hosting events. The radio station's DJ with the most credibility with the target audience was brought on board as a champion of the project.

Utilising the power of word of mouth messaging, we created a network of community communicators named peer champions – young people who are able to work within their social networks to influence their use of sexual health services. We provided training to build their confidence to act in their community. Their recruitment was part of the marketing for the campaign as it created a public story so it was easier for friends to talk about it to normalise the issue

The advantage of using a network of organised peers was that it allowed us to create a controlled message and a trusted source. Additionally, this group championed activities and were involved in almost all engagement exercises and played parts in the highly successful virtual tour of the services. This video, produced in collaboration with our associate producer director of More4 News, is now shown to all pupils in the area through schools and is available online.

Further interventions included interaction with youth clubs, which were ideal to enter the less affluent communities. The schools and youth club intervention also allowed young people to see that their peers were being engaged with. Also, interventions included: engagement events supported by peer champions, awareness events, training sessions, interactive website, social networking, on the ground partnership with Terrence Higgins Trust, pharmacy collaboration and participation with the Healthy Schools Team. The Health Schools Team provided training to parents and professionals with support from our initiatives. Information provided focused on the risks if one stays ignorant. This was heavily marketed through posters. The "what do you know?" website was also promoted in all literature and through a wristband.[7]

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[6] http://www.whatdoyouknow.org.uk/
[7] http://www.whatdoyouknow.org.uk/

Awareness raising included events and leafleting in the town centre and other places that showed the issue was an important one. Crucial to the campaign was the promotion of the local C-Card free condom scheme as part of wider range of options available

2.4. Evaluation Phase

We used proxy measures to gauge the impact of the campaign. An outstanding measure was the 'awareness level of knowing where services are located' was at 100% when questioning several hundred young people in the town centre over a 2 day period. Other proxies included numbers of young people who saw the video. This benefited from a policy adaptation which meant that it was viewed by every student attending PSHE classes.

In terms of learning outcomes, we gained greater knowledge over how to recruit and inspire peer champions. A crucial point was that it was important for peer champions to feel they could provide feedback to those in a senior position within NHS Barnsley.

We are awaiting data from clinical services regarding the number of people accessing services. Initial reports show a high penetration of the promotional credit cards, every school child is given one during induction, and high levels of awareness of the locations and services on offer.

3. CONCLUSIONS

In terms of learning outcomes, we gained greater knowledge over how to recruit and inspire peer champions. A crucial point was that it was important for peer champions to feel they could provide feedback to those in a senior position within NHS Barnsley.

We are awaiting data from clinical services regarding the number of people accessing services. Initial reports show a high penetration of the promotional credit cards, every school child is given one during induction, and high levels of awareness of the locations and services on offer.

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SESSION 2
MARKETING IN PUBLIC ADMINISTRATIONS

Chaired by:

Lucica Matei, *National School of Political Studies and Public Administration, Faculty of Public Administration, Romania*
Marlize Terblanche-Smit, *Stellenbosch University, South Africa*

The session gains an appreciation of how marketing fits into the administrations. An important objective of the session is to draw implications from the administrations on marketing practice. In this session's framework, certain marketing concerns should be emphasized, with regard to citizens' wants and satisfaction, as well as to the administrations' objectives.

IMAGE, SATISFACTION AND IDENTIFICATION AS ANTECEDENTS OF GRADUATE LOYALTY[1]

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ABSTRACT

In recent years, Spanish university institutions, as other institutions in their immediate surroundings, have had to face an increasingly competitive environment. In this context, university image, satisfaction, identification and loyalty have become topics of increasing relevance for higher education institutions and universities in particular. The general objective: to analyse the influence of university image, satisfaction and graduated-university identification on graduate loyalty. After reviewing specific literature, three hypotheses are proposed, linking these constructs with loyalty. Structural equation modelling with latent variables is used to test the proposed model. The model allows to confirm the three hypotheses and the results show that relationship management and constructs such as satisfaction, university image, graduate loyalty and identification with the university are key variables influencing the university performance.

KEYWORDS

Loyalty, satisfaction, Corporate Image, Customer-Company identification, Higher Education, Relationship Marketing

1. INTRODUCTION

The university environment is experiencing important changes that have to be managed in order to ensure the universities' competitiveness. In recent years, institutions have had to face an increasingly competitive environment (Elliot and Healy 2001) as well as an evolution of their stakeholders' needs (Nguyen et al. 2004).

Organizational image, satisfaction, the identification of the graduates with their university and loyalty are constructs of increasingly relevance for higher education institutions and universities in particular. In this context, this paper has a general objective: analyse the influence of: university image, satisfaction and graduated-university identification on graduate loyalty. To a large extent, and given the characteristics of the current university environment which shows a reduction of the potential number of customers, the need to guarantee the survival of university institutions justifies the importance of analysing these constructs in this context. Thus, we suggest that this perspective provides and innovative look at how university managers can do a better job creating and adding value through enhance graduate loyalty.

Moreover, this study draws on theories of social identity (Tajfel and Turner 1986) and organizational identification (Bergami and Bagozzi 2000; Dutton et al. 1994; Mael and Ashforth 1992) to provide a comprehensive articulation of both the conditions in which consumers are likely to identify, or feel a sense of belonging (Mael and Ashforth 1992) with an organization, and the bases and consequences of such identification in the context of higher education.

2. CONCEPTUAL FRAMEWORK AND HYPHOTESES

2.1. University Image

Corporate image is described as the overall impression made on the minds of the public about a firm (Nguyen and LeBlanc 2001; Barich and Kotler 1991). Kotler and Fox (1995) define image as the sum of beliefs, ideas, and impressions that a person has of an object). It is related to the various physical and behavioural attributes of the firm, such as business name, architecture, variety of products/services, tradition, ideology, and to the impression of quality communicated by each person interacting with the organization's clients.

As a rule, people are exposed to realities created by the organization and may consciously or unconsciously select facts which are compatible with their configuration of attitudes and beliefs. These facts are retained and thereafter retrieved from memory to reconstruct an image when the organization brought to mind (Nguyen and Le Blanc 2001).
The various publics of universities draw conclusions about an institution's overall image from impressions they have about the strengths and weaknesses of the institution's offerings. These images are formed from word of mouth, past experience and marketing activities of the institution. This study will only consider/focus the graduate's perception.

The image portrayed by the institutions of higher education plays a critical role in the attitudes of the institution's publics towards it (Landrum et al. 1998; Ivy 2001). Although organizational image has been studied frequently with regard to the profit sector, it has not often been examined in the non-profit organizations (Kazoleas et al. 2001; Beerli et al. 2002; Arpan et al. 2003; Cervera et al. 2008).

In order to operationalize the notion of image, authors tend to regard it as an attitude or a set of attitudes based on measured attributes (Engel and Blackwell 1990; Capriotti 2006). Thus, in line with academic research on attitudes, consideration of cognitive and affective components of the image takes on a greater role of doctrine, as empirical work whose object of study focused on attitudes exceeded the unidimensional model proposed by Fishbein and Ajzen (1975). In this sense, the results provided by Bagozzi and Burnkrant (1985) and Beerli et al. (2002) conclude that the separate

treatment of cognitive and affective responses leads to a better representation of the attitudinal structure as well as the prediction of behaviors.

2.2. *Student Satisfaction*

Customer satisfaction has been widely debated in the literature, but a review of specialized literature shows the absence of a consensus about the definition of the concept of satisfaction with the service and, therefore, the lack of a measurement scale that is generally accepted. This characteristic can be extended to the case of higher education (Hartman and Schmidt 1995). Most existing definitions have been reviewed and compared by Giese and Cote (2000), identifying three basic components: 1. The type of response, that is, whether it is a cognitive, affective or conative response, as well as the intensity of the response; 2. The center of attention of this response, which may be based on an evaluation of the standards related to the product, on the experiences of the consumption of the product, or on the attributes associated with the purchase, such as the sales staff; and 3. The time or moment at which the evaluation is made, which may be expressed as before or after making the choice, after consumption, after accumulated experiences, or at any other time.

For example, Halstead et al. (1994) consider that satisfaction is an affective response, centered on comparing the result of the product with some standard set prior to the purchase and measured during or after consumption. On the other hand, Fornell (1992) defines satisfaction as a general evaluation based on the result of the product perceived after the purchase and compared with expectations prior to the purchase. Lastly, Giese and Cote (2000), having carried out an empirical study by means of personal interviews and meeting with consumer groups, concludes that satisfaction comprises three essential elements: 1. A general affective response that varies in its intensity; 2. A focus on the choice of product, purchase and/or consumption and 3. The moment of determination, which varies according to the different situations and its duration in time, which is generally limited.

Therefore, an adaptation of the definition of satisfaction regarding students is the one proposed by Elliot and Healy (2001), who indicate that student satisfaction is a short-term attitude that results from the evaluation of their experience with the education service received. For the means of this study, satisfaction has been considered an affective response in a time, resulting from the evaluation of the teaching services and study support offered to the student by the university (Oliver 1993; Beerli et al. 2002, Nguyen and Leblanc 2002).

2.3. *Graduate-University (G-U) Identification*

With regard to *identification*, as Bhattacharya and Sen (2003) and Dutton et al. (1994) point out, student-university identification is conceptualized as the degree to which organizational members (the graduates, in this case) perceive themselves and the university as sharing the same defining attributes and values, in an attempt to satisfy one or more personal definition needs. In the nonprofit field, only a few studies exist (Bhattacharya *et al*. 1995; Mael and Ashforth 1992).

The relationship between training organizations and their *alumni* may be viewed through the construct of organizational identification (Caboni and Eiseman 2003; Mael and Ashroth 1992). Through this identification, individuals perceive themselves as being linked with the organization. They see the organization's successes and failures as their own successes and failures. This identification has been recognized as an important factor in the wellbeing of organizational members (Brown 1969; O'Reilly and Chatman 1986).

2.4. *Graduate Loyalty*

Loyalty is perceived and defined in various ways (Reichheld and Sasser 1990; Dick and Basu 1994; Oliver 1997; Helgesen and Nesset 2007). Regarding loyalty, this can be defined as the consumer's relationship over time toward one specific object (a vendor, brand, service supplier) (Söderlund 2006). Thus, loyalty implies a certain level of continuity in how a customer is related to an object. Student

loyalty has become essential for the survival of higher education institutions (Henning-Thurau et al. 2001; Helgesen and Nesset 2007).

In current competitive environments, repeated purchases by customers - which means customer retention- are necessary in order to guarantee the survival of the organisations. This situation affects most sectors, and higher education is certainly not beyond being (Athiayaman 2000; Marzo-Navarro et al. 2005; Helgesen and Nesset 2007).

Maintaining long lasting relationships with students and graduates creates a competitive advantage for universities (Henning-Thurau et al. 2001). Given their current situation, the falling number of incoming students, the increasing number of those that leave their studies, and the requirements of the Bologna Declaration (1999), among others, the importance of analyzing loyalty in this context is a critical topic (Helgesen and Nesset 2007).

During a study program, students often have the opportunity to switch to other educational institutions at least for some of the courses. However, student loyalty is not only related to short-term effects. Probably they may become good advocates, recommending the institution to others. Besides, a growing number of graduates are returning to higher educational institutions in order to update their knowledge (Marzo-Navarro et al. 2005; Helgensen and Nesset 2007).

In this sense, the advantages for an educational institution of having loyal customers are not restricted to the period when these customers are formally registered as students; the loyalty of former students can also be important for the institution's success. Therefore, in this study, the term «graduate loyalty» refers to the loyalty of a student after his or her time at the university when he/she obtain a degree. Such an extended interpretation of the term makes intrinsic sense, because a former student's loyalty can be expected to be predominantly based on his or her experiences at the university.

Graduate loyalty is becoming one of the key objectives of university institutions. Thus, prominent among the main motivations that lead universities to analyse the loyalty of their students and graduates are the advantages that this loyalty provides to universities, which include (Henning-Thurau et al. 2001) the following:

1. Students constitute one of the main sources of university financing through enrolments. In spite of the fact that Spanish universities are public, and therefore they should be financed through public resources[2], self-financing by these organisations is increasingly encouraged. In view of this situation, the retention of students as well as the attraction of other, new students means the input of economic resources.

2. The theory of services marketing sets forth that a loyal student positively influences teaching quality through active participation and a committed behaviour (Rodie and Kleine, 2000). It is therefore an input of the service production process, and it conditions the quality management of the same.

3. After leaving the university, graduates can continue to maintain a relationship with the institution through donations, through positive interpersonal communication and through co-operation, thereby offering internships to students, co-operating in research projects, etc.

2.5. *Proposed model and hypotheses*

On the basis of the literature, we propose a model whose main objectives are explaining those variables affecting graduate loyalty.

From the perspective of marketing, the impact of corporate image and reputation on consumer behaviour is well recognized in spite of the lack of empirical evidence. Several authors assert that a good corporate image helps to increase the firm's sales and its market share (Shapiro 1982), and to

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[2] Most of the resources of Spanish universities come from public funds (OECD, 2008). In the academic period 2005/2006, 69% of Spanish universities were financed by public funds. This situation is repeated/similar in most European countries (OECD, 2008; CRUE 2008).

establish and maintain a loyal relationship with customers (Selnes 1993; Andreassen and Lindestad 1998; Johnson et al. 2001; Nguyen and Leblanc 2001).

In accordance with the arguments above, the following hypothesis is stated:

H1: The university image perceived by graduated has a positively and significantly influence on graduate loyalty.

In the services context in general, satisfaction and loyalty are closely related, and satisfaction is an antecedent of loyalty (Dick and Basu 1994). Similarly, in the higher education sector the concepts of loyalty and satisfaction are also closely related to each other, whereby the same causal relationship between them both can become established (Martensen et al. 1999; Alves and Raposo 2004; Marzo-Navarro et al. 2005; Söderlund 2006; Helgensen and Nesset 2007). Thus, satisfaction is an antecedent of graduate loyalty. A student who is therefore satisfied with the service received may develop various attitudes and behaviours that are indicative of loyalty, among which a positive interpersonal communication can be developed (Guolla 1999; Marzo-Navarro et al. 2005). Moreover, graduates may show the intention to return to participate in other courses offered by the same university (Patterson et al. 1997).
Therefore, based on our review of the above literature, the following hypothesis is proposed:

H2: There is a positive and significant relationship between graduate satisfaction and graduate loyalty.

Literature about Customer-Company identification shows that such identification is not only related to the buying intention of products (Bigné et al. 2008), but also that individuals are motivated to promote (Bhattacharya and Sen 2003) and to recommend products, or recruit other customers as "extra-role behaviors" (Bhattacharya and Sen 2003; Ahearne _et al_. 2005; Henning _et al_. 2001; Söderlund 2006; Helgesen and Nesset 2007). Therefore:

H3: Graduate-University identification has a positive and significant influence on loyalty towards the institution where they obtained their grade.

After reviewing the concepts, we proceed to present the theoretical model in Figure 1.

FIGURE 1
Proposed Model
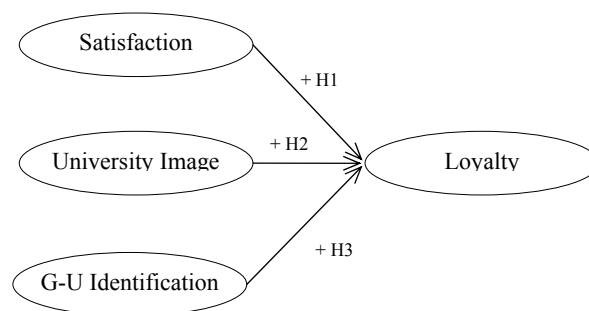
3. RESEARCH METHOD AND RESULTS

In order to contrast the hypotheses, an empirical research was carried out to obtain data through a computer assisted telephone interview (CATI). A sample of 500 graduates (2005 and 2006) from a Spanish university in all degrees (3 and 5 year) except postgraduates degrees was obtained. Student satisfaction was measured using Fornell (1992) and Beerli et al. (2002) scales. Perceived university image was measured based on the multidimensional scale validated by Cervera et al. (2009) from the

proposal by Beerli et al. (2002). The image scale is composed of sixteen items and four dimensions: three cognitive dimensions and one affective. The cognitive dimensions were measured through items grouped into orientation and training at the university (7 items), reputation (4 items), accesibility (2 items) and the aesthetic-affective dimension (3 items). The graduate-university identification measurement instrument was adapted from Mael and Ashforth (1992) and Bhattacharya *et al*. (1995). Lastly, loyalty was measured using five behavioural-intention items, namely the graduate's intention to consider the university as his first choice for continues his education, the graduate's intention to encourage friends to study at the university, his intention to recommend it and to say positive things about it. These five items are similar to those used by Söderlund (2006), Henning-Thurau et al. (2001), and Zeithaml et al. (1996).

All constructs were measured through an 11-item Likert-type scale (0 =*completely disagree* to 10=*completely agree*).

Previous to applying more rigorous confirmatory procedures to verify the psychometric properties of the scales, expert opinions were considered and and two pilot tests were developed. Then, we used Structural Equation Modelling with EQS 6.1. in order to assess the measurement properties of the scales and verify the hypothesized relationships. Table 1 shows the high internal consistency of the constructs. Reliability was calculated with Cronbach's Alpha (higher than .9 for all measures), Bagozzi and Yi's (1988) composite reliability index (all values are higher than .8), and Fornell and Larcker's (1981) average variance extracted index (higher than .7 for the three measures) also provided good results. The overall fit indices provide support for the fit of the proposed structural model (S-B χ^2 (322) = 698.287 p< .000; BBNFI= .896; BBNNFI= .930; IFI= .941; CFI= .941; RMSEA= .048). All items load on their hypothesized factors, and the estimates are positive and significant. The results of the CFA are reported also in Table 1.

TABLE 1
CFA. Measurement psychometric properties

Factor	Item	Convergent validity		Reliability		
		Factor loading	Loading average	Cronbach's α	CR	AVE
ORIENTATION AND TRAINING	Or2	0,756 *				
	Or3	0,764 *				
	Or4	0,710 *				
	Or5	0,820 *	0,67	0,84	0,90	0,58
	Or6	0,517*				
	Or7	0,507*				
	Or8	0,611*				
REPUTATION AND INNOVATION	R 2	0,467*				
	R 3	0,919*	0,77	0,86	0,91	0,74
	R 4	0,871*				
	R 6	0,842*				
ACCESIBILITY	Acc1	0,787*	0,88	0,87	0,93	0,86
	Acc2	0,970*				
AESTHETIC-AFFECTIVE	Est1	0,937*	0,88	0,91	0,95	0,87
	Est4	0,886*				
	Edad1	0,829*				
SATISFACTION	S1	.890*				
	S2	.953 *	.92	.835	.97	.91
	S3	.911*				
G-U IDENTIFICATION	ID1	.771*				
	ID2	.812 *				
	ID3	.788*	.85	.929	.97	.69
	ID4	.916*				
	ID5	.928*				
	ID6	.867*				

LOYALTY	L2	.831 *				
	L3	.946 *	.924	.902	.98	.89
	L4	.941 *				
	L5	.978*				
Goodness of fit indexes						
S-B χ^2 (322)=698.2879	**BBNFI**	**BBNNFI**	**CFI**	**IFI**	**RMSEA**	
(p=0.000)	.896	.930	.941	.941	.048	
Note: CR=Composite Reliability; AVE=Average Variance Extracted						

* p < .01

Evidence for discriminant validity of the measures was provided for pair of factors (orientation and training -loyalty) who has high correlation, the S-B χ^2 value of the baseline measurement model was compared to that value for a measurement model constraining their correlation to equal one (Fornell and Larcker 1981); the χ^2-difference test was significant between identification and loyalty. The global support of this test suggests that the measurement model achieves discriminant validity.

The results of an appropriate structural equation model[3], confirm the importance of the relationship between these variables. Table 3 shows the standardized coefficients for the structural relations compared to their associated *t*-value and the verification of the corresponding hypotheses.

<center>TABLE 3</center>
<center>**Structural Equation Modeling: causal relations analysis**</center>

Hypotheses	Structural relation	Standardized coefficient (β)	Robust t value	Results
H1	University Image ⇨ Loyalty	.810	8.940*	Accepted
H2	Satisfaction ⇨ Loyalty	.430	9.889*	Accepted
H3	G-U Identification ⇨ Loyalty	.280	3.407*	Accepted

* = *p*< .01

Goodness of fit indexes				
S-B χ^2 (343)=955.1296	**BBNNFI**	**CFI**	**IFI**	**RMSEA**
(p=0.000)	.930	.900	.900	.060

Firstly, three hypotheses stated that university image, satisfaction and G-U identification should positively direct influence on loyalty; the results show that those hypotheses can be accepted (β=.810; (β=.430, β=.280; *p*<.01). The acceptance of H1 confirms the results of previous research in loyalty (Nguyen and Leblanc 1998; Bloemer et al. 1998, Andreassen and Lindestad 1998) showing that image directly and positively influences relational variables that lead graduates to have a more permanent and enduring relationship with the university, and also willing to very highly recommend it. With regard to H2, its acceptance proves that student satisfaction obtained during the service experience is relevant in the future as graduates hold positive intentions to return to the institution and/or recommend it. Lastly, H3 proposed that there is a positive influence of graduate-university identification on.

To sum up, results show that the proposed variables are intervening in behavioural responses in the specific context of higher education.

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[3] University image was analysed as a higher order factor (2nd order construct using confirmatory factor analysis) For more detail see Cervera et al. (2009).

4. CONCLUSIONS

Based on existing literature and applying it to the higher education context, a theoretical model whose main objective is to explain the influence of three variables on loyalty has been proposed. Data fits the proposed model and the findings enable to better understand the role played by these variables on graduate behaviour.

This work attempts to provide a better understanding for the management of graduate-university relationships, as well as to identify potential antecedents of loyalty in this field. Results confirm previous findings, showing that university image, satisfaction and graduate identification with the institution affects loyalty, noting that the image is exerting a greater influence when compared to the other two.

However, results must be considered in the context of the limitations which are present in this work and, at the same time they provide lines for further research. Firstly, the model has been compared in only one research context (Spanish university); this undoubtedly has produced a bias in the results which means that any generalisation is limited to the underlying circumstances of the research context. It would therefore be useful to replicate this study in other sectors, to other higher education institutions to generalize the results. In addition, more research with other stakeholders may contribute to a general, overall understanding of the impact of university image and other antecedents of loyalty.

As managerial implications for university managers, this research shows that, satisfaction and G-U identification are two key factors in creating loyal students. Identification leads graduates to a cognitive state of connection and proximity to the higher education institution. This fact should encourage universities to make higher efforts and invest resources in reinforcing the link with one of its main stakeholders: students, and improve the service experience and thus, succeed in obtaining a higher identification and retention.

Findings provide promising conclusions for universities and non profit organizations and have significant academic and managerial implications. They show that creating and maintaining the link or closeness between student and university (identification) constitutes an attractive relationship for users with a great potential for generating behavioural and affective positive responses to the organization. These results provide the basis for managers in higher education institutions to respond to any initiative that may help their institutions to become vehicles through which its customers can meet their personal needs.

Other managerial implications of this research stem from the evidence that university perceived image is extremely relevant to one of its key publics: graduates, whose loyalty depends on the perceived image, as other authors predicted (Nguyen and Leblanc 2001). University image can be managed and it should be able to project a corporate identity in which the benefits relevant to that public are provided in a unique and distinctive manner. University managers should pay more attention to developing policies, both of communication and management, which have a bearing on those attributes that exert most influence on overall images of the university and on loyalty. Moreover, it would be advisable to further research university image forming process among other stakeholders groups, such as the teaching and research staff, companies and society in general.

Other options for further research could be in line of analyzing the influence of satisfaction on image and image and satisfaction on G-U identification.

To conclude, constructs such as university image, satisfaction, G-U identification and graduate loyalty towards the university are key variables influencing university performance. The generic model and associated measurement instruments can reliably and consistently be applied to different studies and institutions, and they will provide useful information for comparisons between study programmes and

institutions against continuous quality improvement. The appropriate management of the determinants of satisfaction is critical to the strategic planning in higher education institutions.

This study contributes to the body of knowledge of relationship marketing and corporate image by empirically testing the nature of the relationship between corporate image and their effects on the customers' satisfaction and loyalty, and it shows that these three topics are of real importance also in the higher education sphere. By treating those variables as the key success factors regarding student loyalty, student retention may be obtained, thus ensuring public funds in future.

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ANALYSIS OF THE VALUE CREATION IN HIGHER INSTITUTIONS: A RELATIONAL PERSPECTIVE

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ABSTRACT

Despite the growing interest in value creation, a review of the relevant educational literature reveals that there is no generally accepted and empirically confirmed relational model of the student value creation process. This paper contributes in this way, analyzing several antecedents and consequences in the value creation process between graduates and their universities. We therefore study the effects of the quality of the student-professor interaction, trust, and university image on student perceived value. Moreover, we analyze the impact of perceived value on student satisfaction and loyalty. An empirical study was carried out in order to test the proposed theoretical model. The findings provide relevant academic and managerial implications for strategic decision-making at universities.

KEY WORDS

perceived value, quality of the student-professor interaction, trust, image, satisfaction, loyalty, higher education

1. INTRODUCTION

In a world where knowledge has become a key resource, governments have realised the importance of developing the intellectual capital of their citizens. In this context, the topic of value creation has become of great importance in the policies and practices of a lot of institutions in recent years (Sakthivel and Raju 2006). Approaching higher education institutions as service providers to the very complex net of social agents to whom they must offer effective solutions and added value, determines the base for the application of the Relationship Marketing Theory. The concept of relationship marketing is at "the forefront of marketing practice and academic research" (Berry 1995: 23; Verhoef 2003). This is especially true in the field of services marketing (Henning-Thurau *et al.* 2001). Higher education institutions can be considered service organizations (Cave *et al.* 1997). However, a relational approach has only recently been applied to the specific field of services marketing (Helgesen and Nesset 2007; Henning-Thurau *et al.* 2001).

Relationship marketing literature relates to variables such as trust, value, communication or loyalty (Bryce 2007; Gwinner *et al.* 1998; Morgan and Hunt 1994; Parvatiyar and Sheth 1994; Webster 1994). These variables are necessary to develop and maintain long-term relationships with stakeholders. However, as Fournier (1998) point out, such relationships are likely to remain elusive for most marketers without a more precise understanding of when and why consumers respond favourably.

This paper applies the precepts of the relationship marketing in an analysis of management education as a service encounter between the professor and the students. Moreover, this study wants to extend previous efforts in the analysis of value creation in education by examining this construct under a relational perspective, delving into its relationship with variables such us quality of the interaction, trust, image, satisfaction and loyalty. It attempts to contribute to the growing research on customer-company (specifically *graduate-university*) relationships (Bergami and Bagozzi 2000; Bhattacharya and Sen 2003) by analyzing the value creation process (Baker *et al.* 2003). Following Sakthivel and Raju (2006), for education to become excellent, perceived value should have the greatest impact on students' knowledge and personal development. But the growing body of knowledge of value is fragmented. Different points of view are advocated with no widely accepted way of pulling views together, especially in its relationship with other variables. There are only a few studies on value creation in the educational context (e.g. Baker *et al.* 2002; Sakthivel and Raju 2006; Unni 2005). We suggest that this relational perspective provides a fresh and innovative view about how a higher education institution can improve its performance creating and adding value for an important stakeholder group: the students.

2. CONCEPTUAL FRAMEWORK AND HYPOTHESES

The examination of perceived value determination and value delivery has recently become a focal point in the marketing literature (Lee and Overby 2004). Perceived value has gained considerable research interest as a stable construct to predict buying behaviour (Chen and Dubinsky 2003; Pura 2005). However, despite this growing interest in value creation, a review of the relevant educational literature reveals that there is a lack of analysis about this construct and, in particular, about its relationships with other variables. The value concept is multi-faceted and complicated by numerous interpretations, biases, and emphases (Hu *et al.* 2009; Huber *et al.* 2001). Zeithaml (1988) defined value as the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given. Regarding Sakthivel and Raju (2006: 557), in engineering education, perceived value is not merely transmission of technical knowledge or the degree that the student is pursuing, but something more: a value for the money that he or she has paid; he or she wants to hone leadership, communication, and interpersonal skills to acquire knowledge of the latest trends in technology, to have exposure to industrial climate, and to face challenges in life.

In order to delve into the value creation process in the educational context, we propose an integrative model of student perceived value that considers several antecedents and consequences of this construct (Figure 1). This integrative approach takes into account relationship marketing theory to include various aspects of educational research, thereby accounting for the special characteristics of educational institutions and their relationships with students as customers.

FIGURE 1
Proposed model
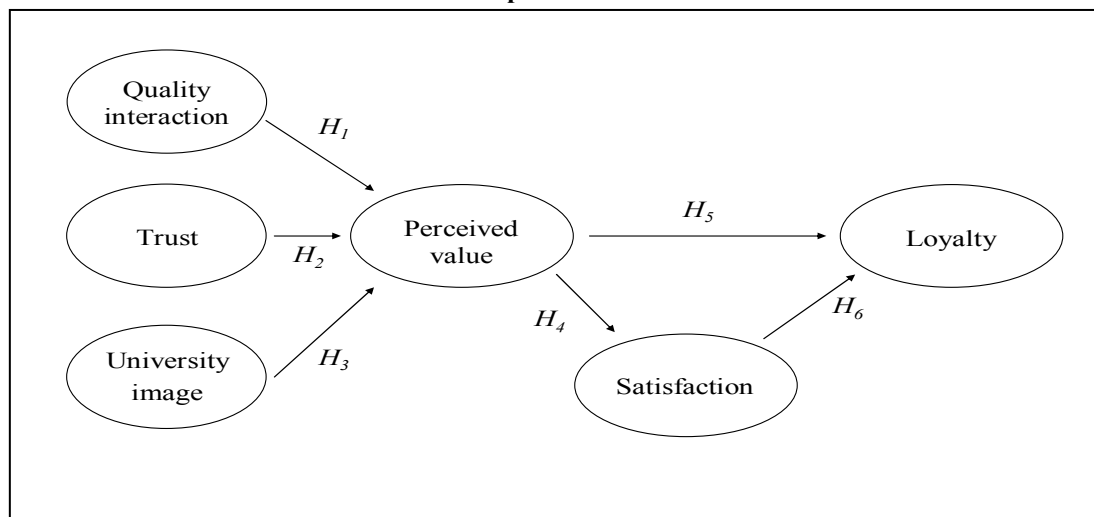
Quality of the student-professor interaction in the service encounter

A service encounter has been defined as the dynamic interaction between a service operation and its customers (Surprenant and Solomon 1987). The importance of understanding the customer-contact employee service encounter has been discussed in marketing literature (Gil *et al.* 2008; Wong 2004) though less frequently in the education context (e.g. Chung and McLarney 2000; Venkatesh and Meamber 2006). The service encounter between student-professor is analyzed like a specific and particular type of service, where an extended encounters and provision of extras and special attentions can be a significant factor in explaining service satisfaction and also positive feelings (Price *et al.* 1995).

Accordingly Chung and McLearny (2000: 485), "teaching is a service encounter", where reforms to the education process require that the student be treated as the consumer of a service (Krehbiel *et al.* 1997). In this way, is important that the professor recognize the student as an active participant in the service encounter (Chung and McLarney 2000). Accepting that there is an important impact of service encounter on perceived value (Keng *et al.* 2007), and considering the lack of study of this relationship in an educational context, we hypothesize:

H1: The quality of the student-professor interaction has a positive and significant influence on student perceived value.

Trust

Trust has traditionally been considered as a key variable for long-lasting relationships. Moorman *et al.* (1992: 315) define this concept as "a willingness to rely on an exchange partner in whom one has confidence". In the educational context, and following the definition by Morgan and Hunt (1994), the students' trust in an educational institution can be understood as their confidence in its integrity and

reliability, and it is based on the personal experiences of students with faculty members (Henning-Thurau *et al.* 2001).

Service literature shows evidence of the relationship between trust and perceived value (Lentz *et al.* 2004; Nijssen *et al.* 2003; Sirdeshmukh *et al.* 2002). Sirdeshmukh et al. (2002) affirm that trust creates value because it provides relational benefits derived from the interaction between the firm and the consumer, and it reduces uncertainty in consumers (Morgan and Hunt 1994), but no studies exist where this relationship has been tested in the educational context. In this sense, we propose the following:

H2: The students' trust on the educational institution has a positive and significant influence on student perceived value.

University image

Kotler and Fox (1995) define image as the sum of beliefs, ideas, and impressions that a person has of an object. Corporate image is described as the overall impression made on the minds of the public about a firm (Barich and Kotler 1991; Nguyen and LeBlanc 2001). A Higher Education Institution (HEI) image is not absolute, but relative to the images conveyed by other HEIs. HEIs must understand the image that they portray, and make sure that the image is both an accurate and favorable reflection of the institution (Beerli *et al.* 2002). The various publics of universities draw conclusions about an institution's overall image from impressions they have about the strengths and weaknesses of the institution's offerings. These images are formed from word of mouth, past experience and marketing activities of the institution. This study will only consider the graduate's perception.

From the perspective of marketing, the impact of corporate image on consumer behaviour is well recognized in spite of the lack of empirical evidence. The relationship between corporate image and perceived value has not been the object of much attention in the educational literature. However, in other fields, corporate image has been studied as an antecedent or as a mediator of constructs regarding the evaluations of organizations, products or services –perceived quality, perceived value, loyalty– individually or together with satisfaction (Beerli *et al.* 2002; Nguyen and LeBlanc 2001; Pina *et al.* 2006). In particular, the image-value relationship has been validated in the service literature (Barich and Kotler 1991; Nguyen and LeBlanc 2001). In accordance with the arguments above, we hypothesize:

H3: The university image by students has a positive and significant influence on student perceived value.

Student satisfaction and loyalty

The importance of measuring the satisfaction variable stems from its relationship to customer loyalty (Galloway 1998). In current competitive environments, repeated purchases by customers are necessary in order to guarantee the survival of the organisations, which means customer retention. This situation affects most sectors, and higher education is certainly not beyond being (Helgesen and Nesset 2007).

Customer satisfaction has been widely debated in the literature, but there is no consensus about the definition of the concept of satisfaction with the service, specially in higher education (Hartman and Schmidt 1995). An adaptation of the definition of student satisfaction is the one proposed by Elliot and Healy (2001), who indicate that it is a short-term attitude that results from the evaluation of their experience with the education service received.

The connection between perceived value and customer satisfaction has been debated. Apparently, there is a growing recognition that satisfaction is positively influenced by perceived value (Chen and Dubinsky 2003; Sakthivel and Raju 2006; Yang and Peterson 2004). However, some researchers

propose an opposite relationship (Bolton and Drew 1991; Petrick *et al.* 2001). Based on the above discussions, the following hypothesis is proposed:

H4: The student perceived value has a positive and significant influence on student satisfaction.

Regarding loyalty, this can be defined as the consumer's relationship over time toward one specific object (a vendor, brand, service supplier) (Söderlund 2006). Student loyalty has become essential for the survival of higher education institutions (Helgesen and Nesset 2007). Maintaining long lasting relationships with students creates a competitive advantage for universities (Henning-Thurau *et al.* 2001). Given their current situation, the falling number of incoming students, the increasing number of those that leave their studies, and the requirements of the Bologna Declaration (1999), among others, justify the importance of analyzing loyalty in this context (Helgesen and Nesset 2007). In this study, the term «student loyalty» refers to the loyalty of a student after his or her time at the university.

In the value literature, empirical findings have denoted the indirect influence of perceived value on loyalty through the consumer satisfaction (Yang and Peterson 2004), though some authors do not validate this relationship (Andreassen and Lindestad 1998). Further, some studies show the direct effect of perceived value on loyalty (Cronin *et al.* 2000; Sirdeshmukh *et al.* 2002; Yang and Peterson 2004), but others do not validate this relationship (Varki and Colgate 2001; Wang *et al.* 2004).

In the services context in general, satisfaction and loyalty are closely related, and satisfaction is an antecedent variable of loyalty (Dick and Basu 1994). Similarly, in the higher education sector, the concepts of loyalty and satisfaction are also closely related to each other, whereby the same causal relationship between them can become established (Helgesen and Nesset 2007; Söderlund 2006). A student who is therefore satisfied with the service received may develop various attitudes and behaviours that are indicative of loyalty, among which is positive interpersonal communication with other potential customers about the university (Guolla 1999), and/or students may show the intention to return to participate in other courses offered by the same university (Patterson *et al.* 1997).

Consequently, the following hypotheses are set forth:

H5: There is a positive and significant relationship between student perceived value and loyalty.

H6: There is a positive and significant relationship between student satisfaction and loyalty.

3. RESEARCH METHOD AND RESULTS

A field study was conducted in two Spanish universities, collecting the data from a random sample of 1000 graduates. This exploratory analysis was developed in order to test the validity of the measurement scales and the relationships hypothesized. The scale of the quality of the student-professor interaction was adapted from Peiró et al. (2005). Trust to the institution was measured adapting the one proposed by Morgan and Hunt (1994), and image was measured through the scale of Nguyen and LeBlanc (2001). For the measurement of perceived value we adapted the scale of Dodds et al. (1991), and for satisfaction the one used by Fornell (1992). Finally, loyalty was measured through the intention to return to the university and through the positive interpersonal communication that students may provide, adapting the scales of Martensen et al. (1999) and Henning-Thurau et al. (2001). For all constructs, a 11-item Likert-type scale (*completely disagree* to *completely agree*) was employed.

We used structural equation modelling with LISREL 8.80 to assess the measurement properties of the scales and test the hypothesized relationships. Reliability was calculated with Cronbach's Alpha (higher than .9 for all measures), Bagozzi and Yi's (1988) composite reliability index (all values were

higher than .8), and Fornell and Larcker's (1981) average variance extracted index (higher than .7 for all the measures). The overall fit indices provide support for the fit of the proposed conceptual model (χ^2 (194)=1321.46; p=.00; GFI=.89; CFI=.98; RMSEA=.07; NNFI=.98; IFI=.98). All items loaded on their hypothesized factors, and the estimates were positive and significant. The results demonstrated the convergent and discriminant validity of the scales.

Results of the structural equation model (χ^2 (161)=1102.39; p=.00; GFI=.90; CFI=.98; RMSEA=.07; NNFI=.98; IFI=.98) lend support for all the hypotheses. Quality of the student-professor interaction has a significant influence on perceive value (.49, p<.01) and also trust and image influence value (.56, p<.01; .59, p<.01). Moreover, the results suggest that perceived value is an antecedent of consumer satisfaction (.47, p<.01) and loyalty (.14, p<.01), and that satisfaction also mediates the impact of perceived value on loyalty. The results of an appropriate structural equation model confirm the importance of the relationship among all these variables in the educational context.

4. CONCLUSIONS AND IMPLICATIONS

This work attempts to provide a better understanding of the management of the student-university relationship, delving into the value creation process through the identification of possible antecedents and consequences of students' perceived value. Results confirm previous findings in this field and others beyond the educational context, showing that perceptions of value in the educational service encounter are influenced by the quality of the student-professor interaction, the student trust, and the university image. Findings also reveal that perceived value contributes to students' satisfaction and loyalty. Therefore, the proposed model and associated measurement instruments can reliably and consistently be applied for higher educational institutions, providing useful information for strategic decisions of universities.

These results have significant academic and managerial implications for universities and non profit organizations. Thus, quality of the student-university interaction, university image and students' trust are three of the key factors in creating satisfied and loyal students, through a value creation process. The findings show that creating and maintaining the link or closeness between student and university constitutes an attractive relationship for users with a great potential for generating behavioural and affective positive responses to the organization. Improving interaction between students and professors could be useful to generate user identification with the organization, perceived value and loyalty. These conclusions should encourage universities to dedicate effort and invest resources to reinforce the link with one of its main stakeholders: students, and thus, succeed in obtaining a higher identification with the educational institution and in their retention.

In light of the results, it would be interesting to replicate and extend this study to other contexts, including other related variables such as commitment or student-university identification. Moreover, further research would be necessary to consider the multidimensional nature of perceived value in the educational context, following the suggestions of Sakthivel and Raju (2006).

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PUBLIC ADMINISTRATION AND CUSTOMER SATISFACTION IN ROMANIA

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ABSTRACT

Marketing in public administration imposes employees a new way of behavior that involves also interest towards citizens' requests, high capacity of coping to the evolution of requests and society's expectations, innovate spirit, transparence, availability to reduce bureaucracy, flexibility in the functioning mechanism of public institutions, unitary vision towards activities that are carried out as a result of effective orientation of activities to the real needs of citizens. The concept (orientation) of marketing in public administration aims to identify, touch and quantify the needs and wishes of citizens and the fulfillment of those by the state institutions.

KEY WORDS

Marketing, citizen's needs, social life, public administration, public officials, efficiency, public institutions, methods of research

1. INTRODUCTION

Marketing government aims concepts, principles, methods and techniques for understanding and improving marketing activities and performance in public institutions, and to conduct marketing for Civil Servants, staff and / or elected public sector (Florescu et al. 2003: 415).

Content government as practical activity, have investigated the complex process of socio-economic life, from his mission to satisfy the rational and efficient, increasingly demands older citizens. Government marketing research is a systematic process that leads ultimately to advance knowledge of the market. Marketing in public administration is a systemic process of research which finally brings you to a better knowledge of the market. For any government institution, to analyze market means to know all the factors relating to the needs and preferences of citizens, to how to meet them, the factors that accelerate and those who hinder the process of government.

In the literature, marketing in public administration is defined as a set of marketing processes and relationships, well defined between components of the administrative system by which power under public law shall be fulfilled and / or planning, to organize, coordinates, manages and controls the activities involved in delivery of services that meet public interest (Florescu et al. 2003: 415).

Marketing officials in public administration requires a new way of conduct which requires both, responsiveness to citizens' demands, high capacity to adapt to changing requirements and demands of society, a spirit of innovation, transparency, availability to reduce bureaucracy, flexibility of institutions operating mechanism public activities and unitary vision of maximum efficiency, obtained as a result of effective targeting of activities to the real needs of citizens. Concept (orientation) Marketing in Public Administration aims to identify, reach and quantify the needs and desires and meet their citizens by public institutions.

2. PRINCIPALS OF MARKETING IN PUBLIC ADMINISTRATION

We identify, analyzing specific reference range, some marketing principles that can be applied in public administration:

- Public administration is serving the citizen. Mission is to serve the institutions of state and therefore all system resources and administration methods are subordinated to that purpose.
- Flexibility principle: that public institutions need to be adapted to the environment in which they operate. Administrative apparatus at all times be prepared to cope in changing circumstances. Flexibility principle aims to adapt quickly to change standing government of social life. The constant changes that occur in society requires the institutions of state administration, ability to adapt as quickly to social change, in order to meet their requirements and therefore society (Androniceanu 1999: 35).

Dynamism of social life determines:

- active promotion of territorial development strategies, targeting not only the institution adapt to the environment, but his influence;
- increase the capacity of public institution leaders to adapt quickly to social change;
- accurate knowledge of the situation by the administration of social environment operating.

Modern economy, Romania European Union member country shall require that all public authorities to adapt quickly to change the market place. Connected to a dynamic environment, public institutions are obliged to receive its signals and respond as quickly and efficiently.

Public authorities will have regard to knowledge about social trends and future provision. It is recommended that state institutions are duly organized to meet needs of citizens. Therefore, deep knowledge is required by civil service requirements of each community. Based on statistical study and other research methods, administrative bodies which seek to provide areas where there are large

mutations, where requirements will increase more in the proper orientation and intensify their efforts (Filip and Onofrei 2004: 74).

The necessity of adaptation imposes, for the public administration, an exact knowledge in any moment of the situation in social environment in which it develops its activity. Adaptation represents one of the basis features of a good administration.

Need to adapt requires the government, a precise knowledge of the situation and at any time in the social environment in which they operate. Continuous adaptation is one of the basic features of good and step up their appropriate orientation.

Marketing orientation of administrative institutions is fundamental objective research citizens' needs - clients to align supply public disadvantages (volume, structure, quality level) - the requirements expressed in the market. Oriented marketing administrations, the priority order of business began to be regarded as meeting the general interests of citizens - customers.

A broad approach, government marketing is concerned with studying the attitudes of beneficiaries uncertain scattered vast territories (where the central government) in terms of imperfect information, hardly controllable, which means taking risk in formulating marketing program objectives public administration. Conduct research of an efficient marketing environment of public administration may lead to minimizing the risk involved with any initiative to renew and reform public administration.

Actual orientation meets citizens where state institutions are concerned to find out the needs of the citizens of their constituency / jurisdiction. In many cases, officials enter into a routine that leads to bureaucracy. This makes them less sensitive to the needs, wishes that people tread the threshold. Often, public officials fail to notice that the population needs have changed and that activities / procedures do not match those of their conventional needs. It is necessary that all staff of the mentality of the public to rely on a "marketing culture" whose purpose is to satisfy citizens. Each official is able to positively or negatively influence people's perceptions about the image of the public..

In the case of public institutions should exist the following code of behavior:

- The citizen is the most important person for the public servant in any of the following: Contact / communication by telephone, mail or directly (face to face).
- The citizen does not depend on us (civil servants), we are the ones who depend on it.
- The citizen is not that we pause from work; he is even to this work. Not us do it for him to serve, it makes us a favor by giving us the opportunity to serve.
- Citizen is outside our business, it is a part of it.
- Citizen is a statistical figure empty; he is a human being with feelings and emotions like ours, with prejudices and preferences.
- The citizen is not someone we need to argue or try our strength. Nobody ever won anything in dispute with a citizen.
- The citizen is the person we communicate his wishes. Our mission is to treat them in a manner mutually agreed.

Citizens who reach government institution are not interested and not bored with the problems it has that organization. Administrative problems and lack of staff or damage arising in the computer system of the public body it should not affect the citizen. It showed that state institutions to find out the exact benefits that citizens expected.

Public bodies which use oriented approach create the possibility of confidence in the administration system. This trust provides a basis for citizens and state authorities for working together to solve local problems. After obtaining information from the public, an administration official responsible are required to listen to what people say and take their views into account. An idea came from a citizen may be accepted or rejected, but if it is rejected, administration representatives are required to explain why that idea can not or should not be implemented. Suggestion or complaint came from a citizen should never be ignored.

The target audience of public institutions is very varied. State institutions can reach the following audiences:

- public organization's internal audience: heads of offices or departments, officials, public managers;

- organization's external audiences: press, government, local community (ie the categories that are not directly connected to the public organization);

- primary, secondary and marginal public, are representative only for specific categories of public institutions such as ministries, government agencies etc. Primarily public can support a lot (or on the contrary) the efforts of the organization. The other two categories are less or not at all involved in supporting public institution;

- mainstream and future audiences: current employees and citizens are mainstream audiences, however, younger generations are the future audience, both may be particularly important in the success of the organization;

- opponent, not involved and supporter public: an organization (and especially the government) comes in contact with representatives of the three categories above.

3. CASE STUDY

The public opinion surveys in Romania indicate a lack of confidence to the government population. One of the most obvious explanations is the low credibility of the administrative system in Romania. Thus, we conducted a survey entitled "Perceptions of public officials from Department of Labor and Social Protection Constanta by citizens." The study was conducted, from June 8 to 28, 2009, on a sample of 200 adults. Regarding subjects' satisfaction with relations with public officials, it was found that 35% of citizens were satisfied with the way they were treated in the public institutions and 65% dissatisfied.

FIGURE 1
Customer satisfaction
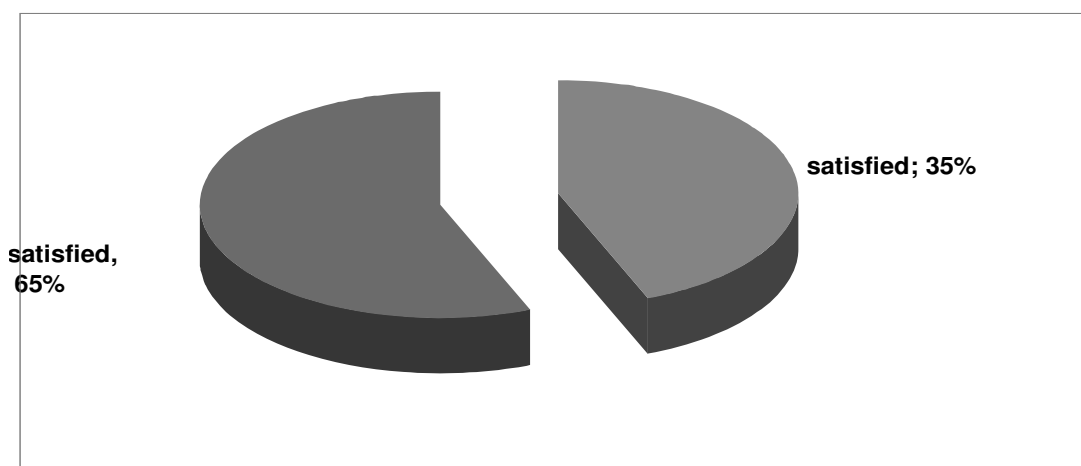
46% of respondents considered that the public servant is appointed on political criteria, that is 49% corrupt, 44% that is involved in business, 44% that function for personal use.

FIGURE 2
Citizen perception
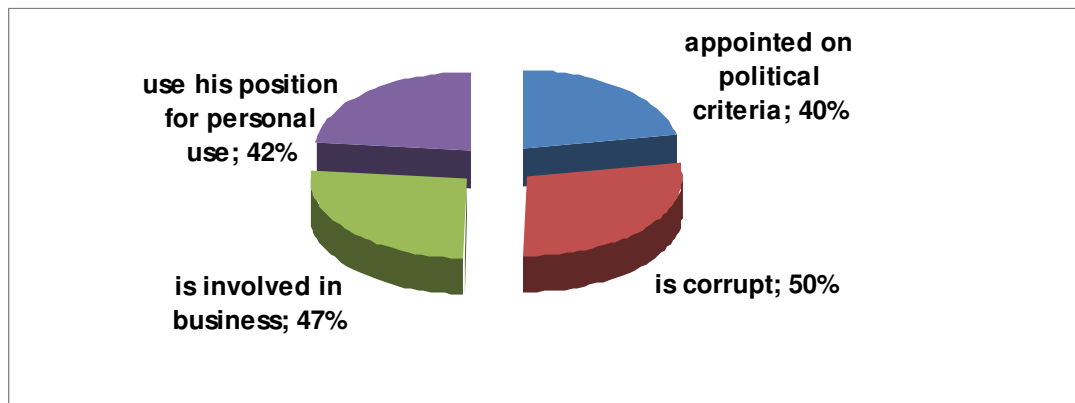
78% of subject surveyed agree with the depoliticization of public function, 20% said they disagree with the depoliticization of public function.

FIGURE 3
Citizen attitude about the depoliticization of public function
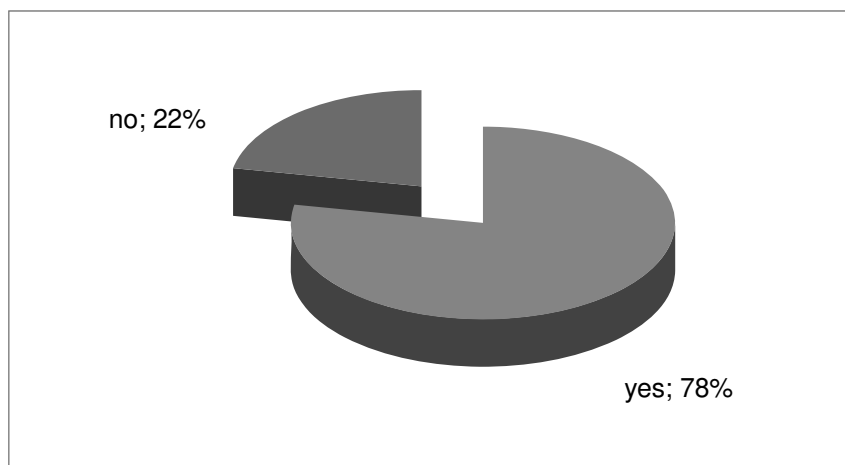
Satisfaction with the way citizens are treated in public institutions is relatively low. The main issues are related to generating an atmosphere of discontent in public institutions, the way work is organized and inefficient public officials.

In our country there is someone who has not got in touch with the public and not be felt directly or indirectly, benefits or exaggerations them (through oversize bureaucracy and formalism).

Media and civil society, as image format, send a series of messages on civil servants negative connotations, which generate a negative perception of public opinion on the civil service. In addition, unfortunately, this picture is taken, treated and agency officials default. Public servant in Romania is often seen through the press or image transmitted direct perception, as incompetent, poorly reasoned, bureaucrat, obedient, politicized, lacking initiative, corrupt and arrogant. All these deficiencies are associated with public administration as a whole. The public appears to be radically different from the private sector, based on professionalism, open competition, objectivity and merit. A revival of public official in Romania's image would be wise to just go away, the state sector to change attitudes towards a specific type of private sector mentality. A solution for this is to implement a marketing program with the full range of services to best meet customer needs. Government, whose purpose is to satisfy

people by providing quality services, will be oriented towards this kind of thinking to increase productivity and closer to citizens.

4. CONCLUSIONS

Open and honest orientation to solve problems that citizen marketing is the key government institution in the country I take to open the door to success in society it is part. A state institution that adopts the marketing concept that sees philosophy major national landmark, considering that the organization is justified only if it manages to satisfy the needs of citizens.

A policy to rebuild confidence in the government of Romania may eventually lead to increased efficiency and effectiveness of both public servants and increased satisfaction of citizens, civil society and media services to the public. Real reform in public administration in Romania involves not only replacing, removing or creating institutions to adapt to new conditions of management and marketing them, but changing the mentality of civil servants.

Marketing orientation to work it must be adopted as the underlying principle, to be acquired as leaders of government institutions in our country and all officials involved in serving citizens.

I think one way of solving the state "conflict" between some officials and citizens of Romania is the application of marketing principles in government institutions. Future this can be redefined in the current starting companies improve the image of the public institution.

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MARKETING AND PUBLIC SECTOR PERFORMANCE. THE CASE OF NATIONAL INSTITUTE OF ADMINISTRATION (NIA) IN ROMANIA

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ABSTRACT

The National Institute of Administration was established to handle issues of personnel training within the system of public administration in Romania. After a stage of progress (2002-2005), the existing conflict between top management leaders questioned the institute's existence, such as a reconstruction process has started, based on three strategies: development, human resources and marketing. The achievement of the last strategy was necessary mainly due to the competitive environment in which the institute is forced to exist. As a result, the application of those strategies led to enhanced performance and gaining the institute capacity to achieve the objectives it was created for. The NIA was the only central public institution in Romania that developed and implemented in 2006 a public marketing strategy.

1. CONTEXT

At the beginning of the 2000s, public administration reform in Romania gained new directions, generated by the development of the Public Administration Reform Strategy. In order to support the process of transforming public administration, in accordance with the requirements of the reform process from this area, a coherent set of measures was considered necessary to be taken, in a very well determined time period, in the field of public function, with the purpose of creating a professional body of permanent and politically not involved civil servants, in the field of local public administration, by continuing the process of decentralization/ devolution of public services and of the system of central public administration, through improving the process of public policy development.

In this context, considering the ambitious reform objectives regarding civil service and its professionalization, similar to the European experience in the field, in the year 2001 was founded the National Institute of Administration, designed as a major player in the public administration reform in Romania, responsible with the development and implementation of the strategy concerning the lifelong learning training programs of civil servants.

Therefore, in accordance with Government Ordinance no. 81/2002, the Institute was established as a public institution under the Ministry of Administration and Interior and under the patronage of the Prime Minister, having as main responsibilities specialized training and improving professional training in administration, for civil servants and staff employed through individual employment contract within the authorities and public institutions, for persons appointed or elected in office of public dignity or similar to those, from central and local administration.

Also, the institute can carry out studies, projects and publications in the field of public administration, and coordinate the work of 8 regional centers of continuing education for local public administration. As a way of financing, the main resources of the institute were taken from their own activity.

The role of main actor of administrative reform was shared with the Ministry of Interior, the National Agency of Civil Servants, and the Central Unit for Public Administration Reform and Public Policy Unit within the General Secretariat of the Romanian Government.

In an assessment (Profiroiu et al. 2005) regarding the activity of the main actors involved in public administration reform, made at the beginning of 2005, civil servants have awarded the highest score to the National Institute of Administration (50% estimated its work as being good, 45.5% - very good).

Therefore, during 2002-2005, the institute progressed, improving its presence both domestically and abroad, being appreciated in the administrative environment. The main criticisms were concerning the position of monopoly held on the training market for civil servants in Romania and the questionable quality of some training programs, mainly the absence of filters concerning the selection of trainers.

Year 2005 marked a strong setback for the institute, both in the field of public image and at the organizational level, in the sense of diminishing the capacity to provide quantitative and especially qualitative training programs.

For a year, the existing conflict at the top management level and the frequent changes of leadership, suspicions of corruption, frequent disputes at all levels of the organization, led to the emergence of a negative organizational culture and the loss of any concerns for a qualitative activity.

From the image point of view, NIA appears in the mass-media as an organization with a less performant management, who suffers from lack of credibility and who, at the beginning of 2005, was involved in political scandals. (NIA 2005-2006)

Based on this decline capacity to fulfill its role, the European Commission's 2005 report was very hard on the training scheme coordinated by the NIA and the European Commission report in early 2006 tackled the issue of training civil servants in Romania, adding that "the general level of training is weak".

In this context, rebooting the NIA activities was necessary, in order to respond to its founding objectives and targets set out in the Government Program, the Updated Strategy for Public Administration Reform (2004) or in the Continuing Education Strategy of Civil Servants in Romania (2004).

2. RELAUNCHING THROUGH CAF (THE COMMON ASSESSMENT FRAMEWORK)

In 2006, we started from the following theoretical conclusion: for a long time, marketing research and research on quality were inspired by one other. Common or similar fields of investigation were brought to attention (buyer behavior, mechanisms of consumer satisfaction). If we analyze the quality criteria that Malcolm Baldrige National Quality Award (National Institute of Standards and Technology) takes into consideration for awarding its best companies, five of them are wholly or partially covered by the classical marketing functions. Thus, a strategic approach designed to restore the customer clerk as the focus of the institute's concerns had to begin with CAF[1].

Following the application of this instrument a number of shortcomings have been identified:

Poor quality of internal communication
Lack of organizational strategies
Poorly shaped organizational culture
Low quality of external communication, of public relations and marketing activities - low visibility for the Institute before the public
Lack of a clear and well defined career development and human resources plan
Limited training capacity
Insufficient logistical capacity
Low quality and expertise of trainers and experts recruited
Lack of a national network of training institutions and training schools
Increasing competition on the training market
Wrong perception of the public about the mission and role of NIA
Legislative changes regarding lifelong learning programs training

3. STRATEGIC APPROACH

The use of the CAF instrument represented the starting point for developing a set of instruments that were meant to revitalize the work of the institute. We have started from the sustainable elements of the environment in which the Institute acts, reducing the variables as much as we could, and, implicitly, the irrelevance risks. We took into consideration at the same time the identified constraints and conditions.

We used both the "top-down approach", thought which general objectives related to public administration reform and EU integration were taken into account, and the "bottom-up approach", which started from "the need for training of the beneficiaries" and not from the "services offered by NIA".

In this context, the strategic approach of NIA followed the objectives and priorities defined in the above documents, in accordance with other programmatic documents (Partnership for Romania's Accession to the European Union, the National Plan for Romania's Integration in the EU, Single Action Plan for Improving the Management of EU funds in Romania, etc.).

A set of documents, elaborated with the support of the technical assistance team from the Phare project no. RO 0106.022, and the evaluation report on the National Institute of Administration prepared by SIGMA experts, have also been consulted and analyzed.

The strategic approach was the result of an extensive consultation process of various stakeholders that where interested in the issue of training civil servants, decision factors within public administration and NIA employees.

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[1] The Common Assessment Framework (CAF) is a total quality management tool inspired by the Excellence Model of the European Foundation for Quality Management (EFQM) and the model of the German University of Administrative Sciences in Speyer. It is based on the premise that excellent results in organizations performance, citizens/costumers, people and society are achieved through leadership driving strategy and planning, people, partnerships and resources and processes. It looks at the organization from different angles at the same time, the holistic approach of organization performance analysis- CAF2006_brochure_10July06_V08.doc, p.2, Ministry of Administration and Interior, Romania.

Three major strategies were developed:
   a) The National Institute of Administration's Development Strategy, 2006-2009;
   b) The National Institute of Administration's Human Resources Strategy;
   c) The National Institute of Administration's Marketing Strategy.

FIGURE 1
NIA's Strategic approach

3.1. Development Strategy of the National Institute of Administration, 2006-2009

The strategy presents the NIA vision, values, as well as its strategic directions and action plan. The presented vision was as follows: NIA will be a nationally and internationally recognized leader in continuing training programs for public administration, which will contribute to the development of a competent public administration, dedicated to providing efficient and effective public services for the citizens (NIA Strategy).
The values promoted by the NIA, as it appears in strategy, are performance, leadership and openness to collaboration.

FIGURE 2
NIA's Values
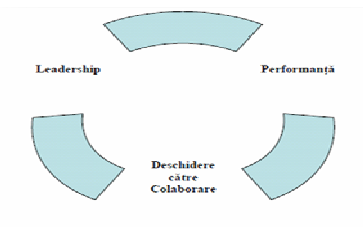
Source – Development Strategy of the National Institute of Administration, 2006-2009

The strategic directions that have been formulated were:
   1. Transforming NIA into a training Institute oriented towards beneficiaries;
   2. Assertion of NIA on the training market, by means of the quality programs and services provided;
   3. Improving the NIA public image and visibility.

3.2. The National Institute of Administration's Human Resources Strategy

The human resources strategy started from the premise that the most important resource for the organization are people, the development capacity of the individual creative potential being important. The strategy focused on three major components: balanced distribution of responsibilities, human resources motivation and professional training.

The next objectives and actions have been formulated:

a) redistribution of responsibilities and tasks within the institute: redesign of the organizational structure, restoration of internal regulations (Rules of Organization and Functioning, Rules of Procedures), job analysis, job description and developing job descriptions;

b) evaluating and motivating employees: conducting an analysis regarding employee satisfaction at work and the motivation factors, developing an integration guide for young employees, evaluating the existing system for motivating employees to remain within the institution and for the development of efficiency and performance at work (salary, promotion, awards), integrating human resources procedures inside NIA's internal procedures, organizing informal meetings, team-building, objective using of the professional performance evaluation system, creating a friendly physical environment work, generating professional competition between employees;

c)   professional training: assessment of the individual and organizational training needs, organization of multiple training forms, concerning there owns employees, initiation of exchanges of experience by identifying potential partners.

3.3. Marketing Strategy

13.3.1. Principles, objectives, message, brand

The National Institute of Administration's marketing strategy took into consideration the exploitation and development of the existing competitive advantage, with the purpose of understanding and satisfying the need of knowledge and lifelong learning programs training in public administration.

The Institute's brand values, promoted both by the employees and the collaborators, formulated by the strategy, were: PROFESSIONALISM, QUALITY, and DYNAMISM.

The strategy started from the premise that the product value of the National Institute of Administration is given by the importance of satisfying the need for lifelong learning training programs, expressed at the individual level, for career development in line with institutional requirements for increased quality of public services.

The competitive advantage is not enough to obtain good results and a good position on the training market must not be endangered by poor performance; the creation, exploitation and preservation of this advantage represent a continuous process. The desire to succeed, communicated from the management level throughout the entire organization and further development of operational capability represent the key to this achievement.

From a financial perspective, an opinion has been formulated that the training programs are organized in terms of economic efficiency, while profit is not an institutional objective. NIA intends to keep the constantly ascending trend of the proportion of their income in the total annual budget of the Institute.

Marketing objectives formulated were:

1. Permanent knowledge regarding the demand for continuing training, by using tools designed to facilitate the extraction of the information necessary for developing quality lifelong learning training programs;
2. Development of quality lifelong learning training programs, adequate for satisfying the existing need on the market;
3. Promotion of endogenous programs and development of a strong brand of the National Institute of Administration - as a reference point for lifelong learning programs in public administration.

In terms of marketing message, it has been found that the quality of the training programs offered is the main carrier of the message, and the trainers and organizers of the programs are able to provide the best service of its kind. The message is addressed to the public administration personnel, who is the center of high concern for NIA programs, given the statutory powers and responsibilities.

The NIA brand represents a construction based on customer satisfaction. Every opportunity should be used to promote the brand's visual elements, as defined in NIA's visual identity manual because NIA intends to become a reference point in terms of quality standard of professional training for public administration.

3.3.2. *Lifelong learning marketing training programs. Marketing Mix (NIA Marketing Strategy, 2006)*

By means of the marketing strategy, the following opinions have been formulated:

Product
The lifelong learning training programs, as a product of the Institute, represent the key component used by the marketing mix and the product quality represents the best advertising. The quality standard proposed is always improved, in order to preserve the value of the product offered.
Price (rates)
The price of the lifelong learning training programs is not an important element of the marketing strategy, economic efficiency representing the only criterion for determining its level, adapted to market conditions.

Promotion
Promoting the NIA product is centered on successful management relationships with customers and partners. Special events represent opportunities for promoting the Institute and its offer. Starting from the fact that a strategy based on advertising is not adequate in relation to the nature of the product offered by the Institute and the specific legal framework, this tool can be a complementary promoting option. In addition to developing quality programs and providing them in an optimal environment, NIA must constantly notify its customers regarding its offer and activity.

Advertising
Advertising is not designed to be an important part of the marketing strategy with regard to NIA's position as a public institution. However, the Institute's offers are submitted directly to potential customers, and the portal is designed to provide useful information in this regard.

Public Relations
Public relations represent the main marketing tool for promoting lifelong learning training programs on institutional or individual plateau. Within the promotion strategy, special attention is given to the relationship with customers and partners and to the transmission of information to the media.
Through the communication and public relations plan, specific communication tools and messages for each target group are been identified, including a component dedicated to internal communication.

4. PERFORMANCE OR THE RESULTS OF THE MARKETING STRATEGY

Once the strategies have been developed and adopted, implementing the action plans attached to them represented a priority. The results were spectacular, such as in less than two years NIA was capable to respond to customer's expectations and to its founding purpose.

On a quantitative level, is remarkable (Figure 3) a constant increase of the number of participants in short-term training programs, although during the reported period we have witnessed a reduction of the training budgets of public institutions.[2] In terms of quality, there is a noticeable increase in the number of programs organized, due to the course topics diversification approach, result of internal activity analysis of training needs at the administrative system level of (Fig. no. 4). In this context, the average number of trainees on a program decreased, approaching the ideal in 2008: in average, 24 students in a training program lasting 5 days.

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[2] Moreover, in the last three months of year 2008, by order of the Minister of Finance, it was forbidden to participate in training programs outside the employer's city of residence.

FIGURE 3
The number of participants in short-term training programs of NIA
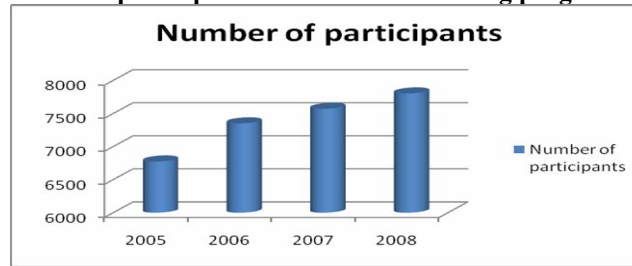
FIGURE 4
The number of short-term programs organized by NIA
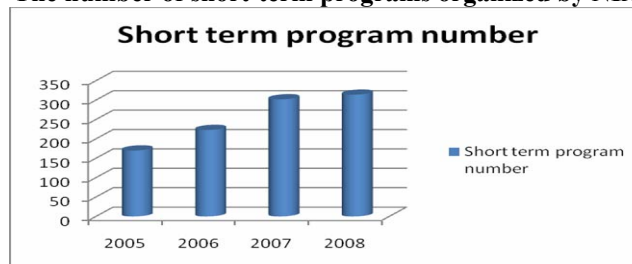
Source: Development Strategy of the National Institute of Administration, 2006-2009.

A special remark must be made concerning The Program for Specialized Training for Senior Civil Servants. This was a unique program, NIA brand, considered the main INTRUMENT to promote quality in training and generating clients for other types of programs. Although the completion of this program was mandatory for entry into the body of senior civil servants, in year 2006, the program didn't received special attention, bringing together less than one candidate on a place (85 candidates admitted for the 100 places allocated). The promotion of the program, especially by the alumni, led, in the context of raising the number of places and of substantially increasing the fee, to nearly 3 candidates on a place in 2008.

In the field of public image, during the analyzed period we witnessed a substantial increase of the number of appearances in the newspapers and audio-visual, as a result of the organization of events of interest, from the festivities honoring students, trainers, to volunteer campaign or open doors day. To be noted that these appearances were overwhelmingly favorable to NIA.

Referring strictly to the marketing strategy, some of the results obtained must be presented, as mentioned in the annual activity reports and operational plans.

Marketing Objective 1 – KNOWING THE DEMAND FOR LIFELONG LEARNING PROGRAMS	
Operational objective	**Results**

1.1. Market research preparation	- a research team was created
	- research directions were identified
	- individual research projects were elaborated and partnerships with public institutions were concluded
	- research tools were defined
	- a planning of the research activities was performed, focusing on three directions:
	  Research of the professional training needs in the public administration system
	  Research of the professional training needs of individual public institutions
	  Impact analysis of training programs on public servants and public institutions

1.2. Market research. Recommendations	- a new product brand NIA was defined - training needs analysis for public institutions, provided free to potential customers - formalized procedures were established for performing research and for integrating the results into the current activity

Marketing Objective 2 - DEVELOPMENT OF LIFELONG LEARNING PROGRAMS	
Operational objective	**Results**
2.1. Improving the content and the form of lifelong learning training programs	- training needs identified through research were translated into training programs, which led to the increasing number of topics and programs offered - objectives, topics and target groups were defined, for each training program - a standard format and content were defined for the training programs - quarterly and annual calendars of the training programs were developed
2.2. Optimizing the lifelong learning training programs	- a course localization selection procedure was elaborated and implemented, which aimed at ensuring the best conditions at reasonable prices - the database concerning trainers and human resourses became operational - the database concerning the institutions, persons and potential clients for the future programs was ready - standard documents used in the process of organizing training programs were elaborated - procedures for organizing the programs were developed, from the guest program to support materials
2.3. Implementing lifelong learning training programs	- procedures for programs implementation, trainees reception and custumer relationship offices, were developed - standard documents were elaborated
2.4. Evaluating lifelong learning training programs	- reports elaborated by the training manager, trainers, became widespread - analysis of evaluation questionnaires was completed by trainees - analysis of the training impact
Marketing Objective 3 – PROMOTION OF LIFELONG LEARNING PROGRAMS AND NIA BRAND	
Operational objective	**Results**
3.1. Optimizing public relations and communication	- evaluations were conducted concerning the effectiveness of the internal and external communication process; - the communication and public relations plan was reviewed; - messages were developed and means of NIA message transmission were identified (for ex. the presentation video run at all major events and the message "A dynamic trainer for a modern and efficient public administration); - tools for public relations and communication were developed: - database of potential clients, journalists, etc; - marketing materials - NIA - info - monthly newsletter dedicated to the customers; - promotional materials - brochures, leaflets, bags, CDs, etc; - web page revised and SEO optimized; - special events were organized - starting and completion ceremonies of major courses, presentations of the institution and its programs, book launchings, conferences; - participation to important events from the public administration field generalized, both in Romania and abroad – member of specific networks, organizer of national and international events etc.
3.2. Advertising the NIA programs	- an advertising concept was defined

5. CONCLUSIONS

The chaos from 2005 led to the appearance, at the time, of the idea of closing down the institute. However, we can claim that the strategic approach of 2006 and the results obtained were those who not only contributed to the changing of the above idea, but also brought NIA in the centre of attention of the Romanian administrative system. Strategies saved NIA in 2005-2006.

But all this construction and the entire effort that took place between 2006 and 2009, the work of dozens of people who reached a very high level of professionalism, comparable to the staff from similar institutions in Europe, were in vain.

Although NIA's strategic objectives for the year 2009 were to develop online training systems, using e-learning platforms (being about to obtain financing of 3.5 million Euros), which would have significantly reduced the training budgets, and to "internationalize" its services (participation in technical assistance consortia in Macedonia, Serbia and Ukraine), at the and of 2009, the institute was closed down as a result of the reorganization process of the Romanian central public administration.

The only central public institution in Romania that has developed and implemented a public marketing strategy, no longer exists.

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PUBLIC PRICING DECISION ON COVERING SOCIAL COSTS

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ABSTRACT

In the public sector, the pricing decisions come down to social welfare maximization, unlike the pricing decisions in the private sector that aim at profit maximization. Nevertheless, both sectors use similar instruments in their struggle to substantiate the pricing decisions. This paper seeks to identify certain steps taken when identifying solutions for covering the social costs triggered by the excessive sale of a private good, chosen for the paper's argument as the excessive sale of cars. The manuscript tackles both the need for applying different analysis and marketing tools in order to better link the delivered public good or service with the charged price, taking the form of the tax system. For a proper understanding, the paper concludes with the example of such a pricing strategy applied in the case of the eco-duty and Jalopy Program in Romania.

KEY WORDS

Public decision, price, public service, public marketing, social costs

1. BETWEEN PROFIT MAXIMISATION AND SOCIAL WELFARE MAXIMISATION – SUBSTANTIATING A PRICING DECISION

In the eye of the producer, the main pricing objectives would definitely refer to profit maximization. Of course, the same producer would also stress other pricing objectives like achieving a target return on investment, maintaining or improving market position, stabilizing price and market, meeting or following competition, or pricing related to product differentiation (Kaplan et al. 1958). But, on the top of his list would be profit maximizing. For the producer, price is the main tool through which he covers the spending and ensures the profit, thus creating the setting for a continuous economic activity.

On the other hand, for the consumer, price would refer to the amount of money he is willing and able to give the producer as means of exchange for a certain product or service. In fact, the two apparently different views actually belong to the same issue and have been up for debate from the very beginning of the price theory. The classical theory sets the price around the level of the economic value perceived through the unit or full cost. The neoclassical theory supports the idea according to which the price reflects the economic value determined by the marginal utility and scarcity of a certain product. Therefore, in the classics' view, the one handling the price is the producer, as he is the one combining and consuming the factors of production; and, in the neoclassical view, price is set by the consumers as the market conditions are demanding. In the end, the two theories were combined and their separate visions were united. The contemporary theory shows that the relations between the producer's interests and those of the consumer, expressed by the supply – demand relation, set the price's level and dynamics (Angelescu et al. 2009: 103).

On the public sector's side, the governments' objective when setting the price for the public services should always aim at maximizing social welfare. The economic activities can be particularly influenced by the public decisions on pricing public services. All these decision primarily take into account the basic functions of price, namely: to measure the economic activity, to signal the resource – needs ratio, to cover costs or even redistribute the state's income in certain fields of activity. Both the consumer's and the producer's decisions depend on the information that the price is holding. Any change of that information triggers reallocations of the production factors and new structures for the supply and demand.

The producer, be it public or private, uses the price as the main tool for cost covering as costs determine the minimum price level. The costs associated with a good or service are variable costs – which depend on the level of service provided – and fixed costs – which remain the same no matter the output and are to be incurred even if no services were provided. These fixed costs, also known as institutional overheads, can be assigned in different ways. The different decisions on how to assign the overheads may yield a completely different cost result. An important step in deciding upon the pricing strategy is applying a break-even analysis.

1.1. Break-even Analysis

The value of break-even analysis is that it relates the demand characteristics of the market to the cost characteristics of the organization. It is a particularly useful tool for deciding whether or not to make an addition to the organization's product line and, if so, what price to charge (Lovelock and Weinberg 1984: 261).

| REVENUE | = | COSTS | | (1.1) |

| REVENUE = | | COSTS = | | (1.2) |
| P x Q | | F + vQ | | |

| PQ | = | F + vQ | | (1.3) |

| Q(P-v) | = | F | | (1.4) |

| BREAKEVEN | = | <u>FIXED COSTS</u> | | |
| VOLUME | | PRICE - VARIABLE COST | | (1.5) |

Where   P = Price
Q = Quantity (break even volume)
F = Fixed costs
V = Variable costs

The question that must receive an answer at the end of the above analysis is whether that volume is likely to be attained at that price. In order to do that, the volume must be related to the price sensitivity and go in-depth of that issue.

Going further with this argument, on the consumers' side, the demand level on the market is reflecting the actual interest of the citizens in receiving the service. Perceived-value pricing has been established in the literature as a demand-oriented method which assumes that people's willingness to pay for a product and its various forms can be determined (Cannon and Morgan 1990: 22). What needs to be assessed is whether the product is price sensitive, namely when the demand is elastic implying that a price variation entails a stronger negative variation of the demanded quantity; or whether it is not sensitive to price, namely the demanded quantity does not vary more than the price variation and so the demand is inelastic (Lipsey and Chrystal 2002: 87).
The concept of elasticity is used to describe how sensitive demand for a service changes its price. Namely, an elasticity coefficient equal to 1 (unit elasticity) implies the same variation in both sales and price; a coefficient greater than 1 appears when a small change in price has a big impact on sales, making the demand price elastic; a price inelastic demand is characterized by a change in price with little effect on sales.

Once these are completed, there is one other matter to be taken into account before formulating a monetary pricing decision. Traditional financial measures ignore the causes of cost performance. Financial cost measures use figures and ratios from the balance sheet, income statement, budget, and variance reports. They show the results of past actions (lag indicators) like the actual price found by the accounting practices (Matei 2006: 397). None of these measures drive future costs (cost drivers, lead indicators – quality and social drivers, time-based and service measures). If the service measures should consider the percentage of the delivery commitments met, the customer retention rates or linearity, the social drivers should consider the **social costs**, also referred to in the literature as the social price (time, effort, modification of one's lifestyle or psyche – forfeit of self-esteem, pride, identity, self-assertion, privacy, control, freedom from fear or risk, or other such losses affecting a person's peace of mind) (Fine, 1992: 331-333).

1.2. Covering Social Costs

The present paper tackles the social costs - together with monetary price that is not the only sacrifice perceived by consumers (Zeithaml 1994: 483) - which are associated with a growing number of private goods which demand prospective new or enhanced public services. When these private goods are sold excessively, they entail certain social costs mentioned above. The state must somehow find solutions to balance these two categories of goods and cover the social costs, which even if they are

non-monetary they can sometimes have a greater impact upon the monetary price. These solutions could aim both at the producers of these private goods and at the consumers. The measures can take the form of duties/taxes or financial – different fines as tactics used to determine citizens not to do something – and non-financial means of discouragement (Kotler and Lee 2008: 77-87).

The price must always be considered in terms of its two-folded meaning. On one hand, it is the sum of all values that the consumers are considering as means of exchange for the advantages brought by possessing or using the good or service. On the other hand, the price is the amount of money demanded for a certain good or service delivered (Kotler and Armstrong 2008: 417). Therefore, the price becomes a game of bargaining between the buyers and the sellers, and the pricing decisions for the public services, which need to be provided so that they balance the private goods' demand, take into account both the monetary demand established by the producer, and the value perceived by the consumer.

FIGURE 1
The Pricing Possibility Slope as a bargaining game
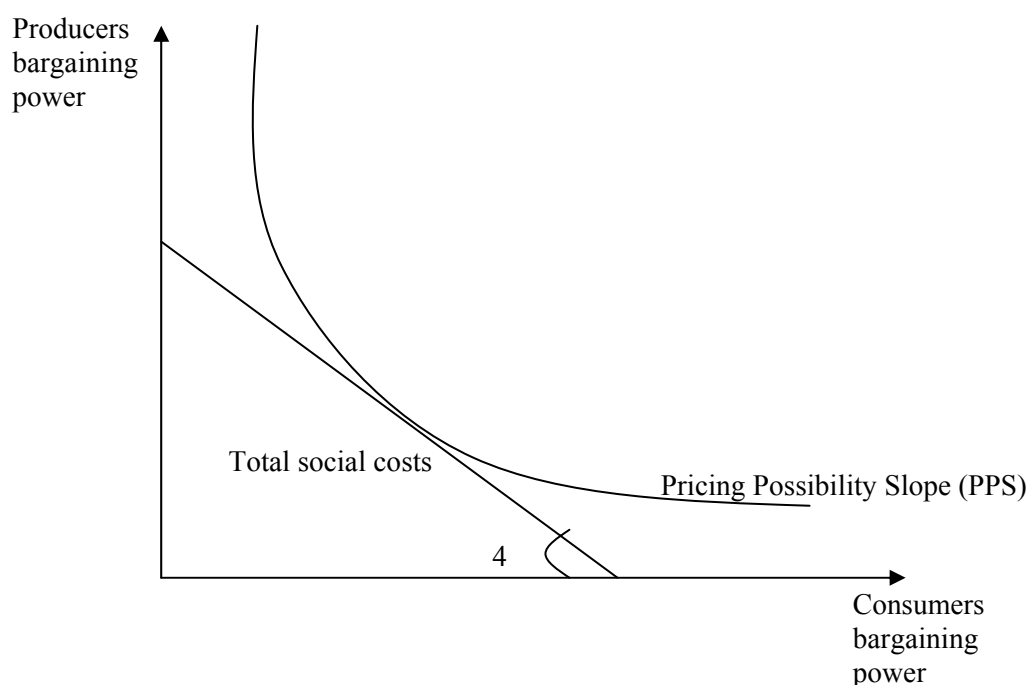
The above figure imagines the Pricing Possibility Slope with regards to the public decisions on pricing for the public services that must be created in order to answer the needs of a growing number of private goods. The pricing strategies can be either more producer-oriented or consumer-oriented. Thus, the values on the y-axis depict the producers' bargaining power, while on the x-axis there is the consumers' bargaining power. The PPS depicts the pricing strategy possibilities that the public administrations implement for its stakeholders. The slope is assumed to be convex to the origin in accordance with the neoclassical view described in the beginning of the paper according to which the marginal increase in consumers' bargaining power produces progressively smaller reductions in producers' bargaining power.

The downward sloping 45 degrees line holds constant the total social costs triggered by a growing number of private goods, in demand for newly created or differently oriented public services. Its point of tangency with the PPS is the efficient price-setting strategy established by the public administration in a certain field[1].

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[1] For a similar model see Djankov et al., *The New Comparative Economics*

FIGURE 2
The Price-setting strategies
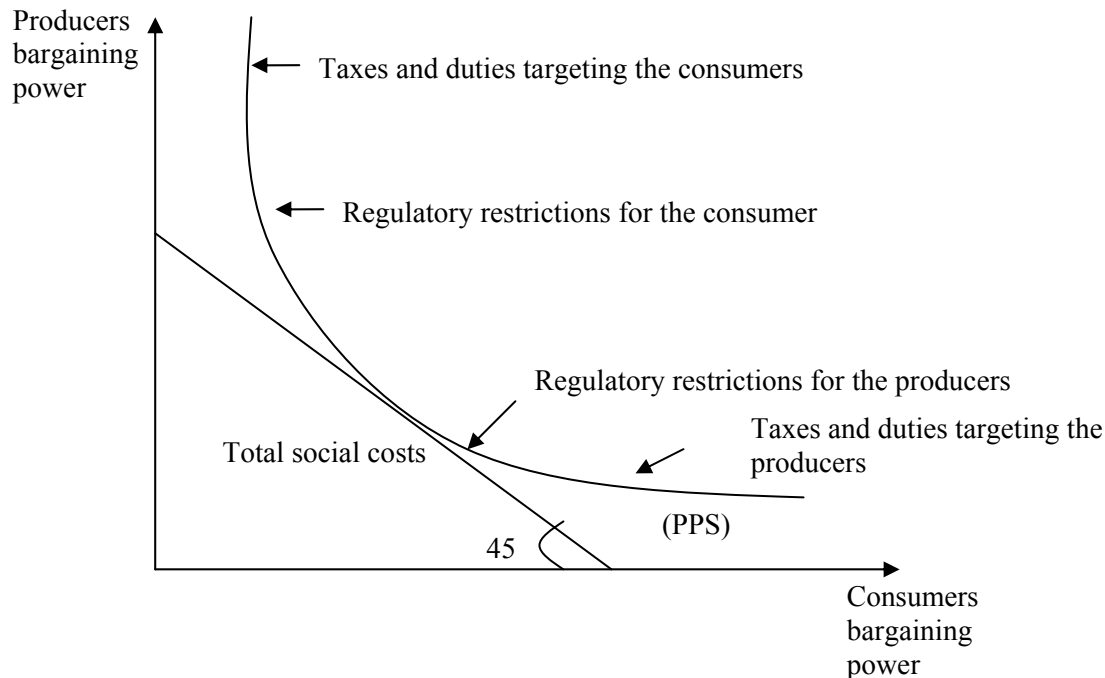
Producers can exert bargaining power if their products fall under the greatly sold goods' category in need of a public service to answer certain requirements, and they are unique or at least differentiated, or if they have built up switching costs. Contrarily, the consumers' group is powerful if it is concentrated and purchases in large volumes so that their contributions are a significant part of the market economy (Porter 1994: 292-293).

2. USING PRICE AS A MARKETING MIX TOOL

In the public sector, price is not an issue emphasized by the public marketer, even though it quantifies the value of what is exchanged. Nevertheless, price remains the only value in the marketing mix that the public marketer can adjust quickly in response to a change in demand. Therefore, the pricing policy in the public sector resembles the non price competition policy of the private sector, mainly due to the unique product or service features and the difficulty to imitate feature. In terms of the budget, the price continues to be among the main elements directly related to the generation of total revenues. In terms of costs covering, price must sustain the overall costs and must be viewed as a "floor" below which the product or service cannot be priced.

An important stage for establishing prices is the analysis of demand and cost presented in the first part of the manuscript. For the paper's argument, the needed analysis is the break even analysis, and the restriction that must be set refers to the fact that the break even point will be the point where the costs of delivering the prospective public service equal the revenue made by selling that service and, further more, the social costs that are generated by the private output are fully covered by the profits made from selling the connected public services (the present analysis includes here duties, taxes, fines or other state regulations).

FIGURE 3
Break even and covering social costs
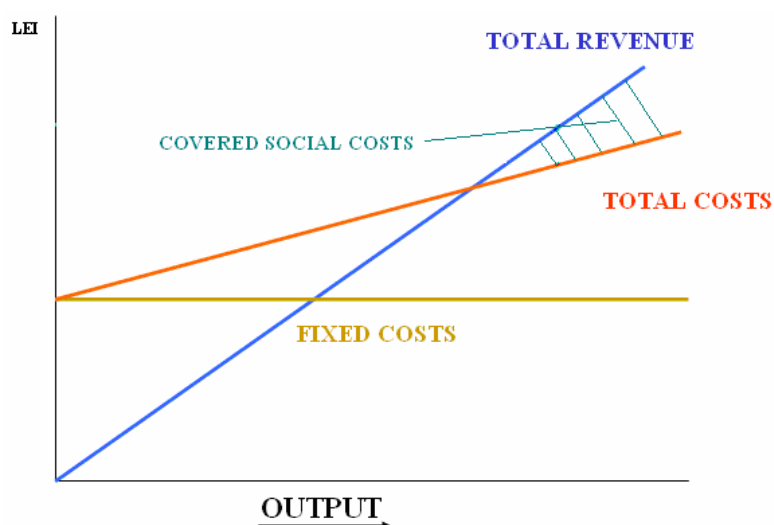
Besides the cost covering aspect, pricing decision-makers must also consider a guiding pricing course of action meant to influence and determine the pricing decisions. In this regard, the field literature reveals a number of used pricing strategies, ranging from high price strategies to low price strategies (Proctor 2007: 158):

   Market penetration. This pricing strategy sets a low price with the aim of securing a large market share and a solid customer base. There is a number of factors favoring this strategy:
   o   high price elasticity of demand;
   o   available production capacity;
   o   absence of high price segment;
   o   large savings in production cost with high sales volume.
   Market skimming. This pricing strategy sets the highest possible price for the service in order to capture the high willingness to pay of innovators and early adopters, and it lowers the price as it evolves in the product life cycle. This strategy presents the following features:
   o   recovery of development cost quickly;
   o   controls demand;
   o   embodies segments with different price elasticity of demand;
   o   little experience of products and markets.
In the terminal stages, the public decision maker must develop a pricing method in order to fix and assign a price to specific products or services:
          cost oriented pricing, when the chosen procedure simply adds a monetary amount to the production cost;
          competitive pricing, which is rarely suitable for the public services, as they are mainly non price competitive;
          demand oriented pricing – or differential pricing strategy when more than one price is used in marketing a specific product or service, and which arises primarily because of consumer heterogeneity (Tellis 1986: 147). Segmented pricing is the policy of pricing differently to different groups of receivers. It may involve price discrimination: the offering of different prices for the same product or service, usually in the form of discounts to more price-sensitive receivers. More often it involves offering the same prices to all receivers, but with a structure of prices for different points in time, places of

purchase, or product type that results in some receivers' paying more relative to marginal cost than do other receivers who are more price sensitive (Nagle 1984: S14-S15);

marketing oriented pricing – if there are certain factors taken into account, like marketing strategy, value for the customer, product line pricing and so on.

3. THE CASE OF THE DUTY ON POLLUTION FOR VEHICLES AND THE JALOPY PROGRAM IN ROMANIA

The price-setting strategies for public services born due to the excessive sales of private goods can be illustrated through the growing number of cars that Romania is facing nowadays. The increase in the number of these particular private goods raises a difficult problem for the state due to both the public goods needed to balance them and to the social costs they entail. The balancing public goods refer to parking spaces and traffic control and shall not be included in the present analysis.

This manuscript aimed, in its theoretical part, at presenting the pricing strategy of the public services the state needs to provide so that the nonmonetary costs associated with the excessive number of private goods are covered. In the case mentioned above, these costs refer to traffic jams, air pollution, or car accidents.

The state finds itself in the position of searching for ways to restore the balance between the private goods and the prospective public services. The graphic (*Figure 2*) shows that the social costs could be deducted either from the producers or from the consumers. The above framework established that the way the state decides on this matter depends greatly on the bargaining powers of the two.

In the case of Romania, the number of cars increased both because of the large number of vehicles bought directly from the producers on first hand, and on second-hand. Moreover, due to the current economic crisis, the car industry was badly hit and the consumers started moving more towards the second-hand cars. This crisis situation somehow strengthen the producers' bargaining power and discouraged the state to deduct the social costs by using stricter regulating methods that would force the producers to increase the price of their final goods. But, the method used still targeted them indirectly.

Thus, the state's second option is to deduct the social costs from the consumer, whose bargaining power diminished once an in-depth connection to the social costs was established. The main social cost identified by the government was related to air pollution. The government established a duty on pollution for cars[2] aiming at ensuring the environmental protection by developing some programs and projects for improving the air quality and for not breaching the limit values set by the community law in this field. The details on the new car duty were made public in August 2008 on the website of the Ministry of the Environment and Forests[3]. It was underlined that the principle on which it is founded is the "polluter pays" principle.

This eco-duty was meant to create a balance between the social policies and the environmental policies. The government stated at that time that the duty would be in the end established as a tax on pollution and designed in such a way that everyone will pay in terms of how much he/she pollutes.

After a thorough analysis of the budget results for the first 10 months of the year 2008 and after acknowledging the deepening of the financial and economic crisis which triggered a slowdown of the car industry and supply industry, the government searched for ways to support the car sector and ensure the jobs' keeping in the Romanian economy, as a job in the assembling industry involves four jobs in the supply industry. In this regard, the Government decided[4] to suspend the car duty for new cars with pollution regime euro 4 and engine displacement of less than 2,000 cc, for a one year period,

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[2] Through the Emergency Ordinance no. 50 of 21 April 2008, published in the Official Gazette no. 327 of 25 April 2008
[3] www.mmediu.ro
[4] Through the Emergency Ordinance no. 208/2008, published in the Official Gazette no. 825 of 8 December 2008

between 15 December 2008 and 31 December 2009, but, at the same time, the EO established a triple duty for the other cars registered for the first time in Romania.

The car producers, importers and tax-payers were consulted with regard to the eco-duty and the method of computing it. As a result of their bargaining power and of the negotiations with the European Commission – who feared that the present legislation was protecting the national car industry, a number of changes were made, so that on 11 December 2008 the government abrogated the previous ordinance and postponed the payment of the triple duty until 15 December 2008[5]. The EO 218/2008 had a social negative impact, thus increasing the consumers' bargaining power and the Government had to repair the damage done by discriminating the persons who had acquires cars before 15 December and took into consideration a certain level of the car duty, and therefore reduced the duty to two thirds of its value[6].

Later on, the already modified Emergency Ordinance 50/2008 was modified by Law no. 329/2009 and 335/2009 and finally by Emergency Ordinance no.117/2009[7]. The latest ordinance was a single-article one and was meant to harmonize the national legislation with the article 110 of the Treaty on the Functioning of the European Union, due to the entering into force of the Treaty of Lisbon on 1 December 2009, thus ensuring a slot of 45 days for the registration of vehicles from the EU Member States entering Romania before 31 December 2009.

The present legal act stipulates that the collected duties will be financing programs and projects for environmental protection, thus establishing the type of the social cost identified by the authorities. In that sense, art. 5 paragraph (4) of that above mentioned EO clearly establishes the beneficiary of the duties paid by the taxpayers in the account of the State's Treasury on the name of the Administration of the Environmental Fund.

For the initial price-setting[8], the following elements were considered, in line with the principles of equity and non-discrimination:

> A = the combined value of CO2 emissions, expressed in grams / km;
>
> B = specific duty, expressed in euro / 1 gram CO2, provided in column 3 of Annex. 1 of EO 50/2008 – the better the pollution regime, the smaller the duty charge per gram of CO2;
>
> C = engine displacement (cubic);
>
> D = specific duty on the engine displacement, referred to in column 3 of Annex. 2 – the newer and smaller the car, the lesser the charge per engine displacement;
>
> E = rate of duty reduction provided in column 2 of Annex. 4 – ranges between 0 and 95%, the newer the car, the smaller the discount.

$$\left[\left(A \times B \times 30\% \right) + \left(C \times D \times 70\% \right) \times \frac{100 - E}{100} \right] \qquad (1.6)$$

Therefore, the Government chose to cover the social costs created by an excessive sale of cars through a duty paid by the consumers but also affecting the producers' financial interests. The duty revenue was part of the budget of the Environmental Fund administered by the Environmental Fund Administration and was used, among others, for the Program to boost the national car fleet renewal and for projects on renewable energies or to build bicycles' lanes (according to the initial ordinance no.50/2008). In the end, the collected revenue received a more general destination and it was established that the sums will be used on programs and projects for environmental protection (as provided by the Law no. 329/2009).

In the theoretical framework of the paper it was emphasized that the elasticity analysis of the demand for that certain product or service needs to be taken into account when choosing a price-setting

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[5] Emergency Ordinance no. 218/2008, published in the Official Gazette no. 836 of 11 December 2008

[6] Emergency Ordinance no. 7 of 18 February 2009, published in the Official Gazette no. 103 of 19 February 2009

[7] published in the Official Gazette no. 926 of 30 December 2009

[8] Stipulated by the Emergency Ordinance no. 50 of 21 April 2008, published in the Official Gazette no. 327 of 25 April 2008

strategy. For that analysis, we must take into account the change in demanded quantity for a certain type of good during a chosen period. For a deeper understanding we chose a type of car considered polluter due to the high engine displacement (3,000 cc and 150 grams CO_2/km, polluting regime Euro 4) and number of polluting period (the chosen category is that of new cars registered)[9].

FIGURE 4
**Number of cars (one type chosen for this analysis) registered each month
from January 2008 to February 2010**
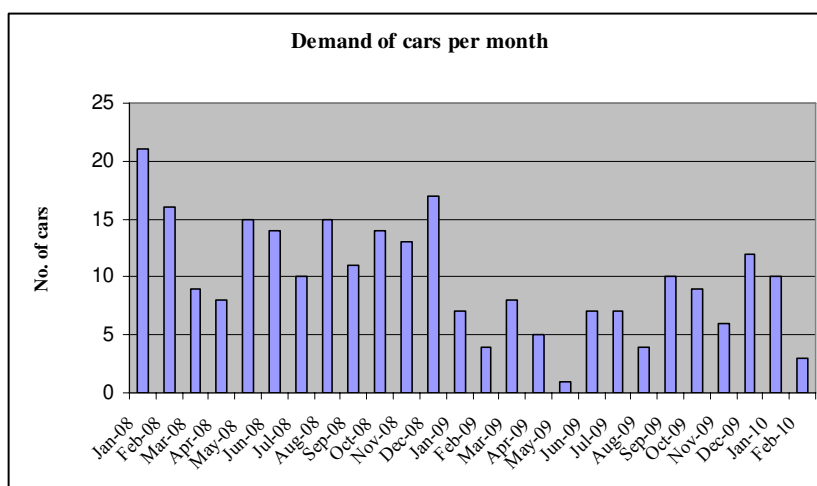
By using (1.6) we compute three specific levels for the car duty. The car duty regulation entered into force for the first time in July 2008, and had the following levels:

- July 2008 – December 2008 == 1,702.5;
- January 2009 – February 2009 == 5,102.5;
- March 2009 – February 2010 == 3,405.

Figure 5 shows how the demand schedule looks for the chosen type of car at three different levels of duties computed after the formula established by law.

FIGURE 5
Demand schedule for one selected type of car

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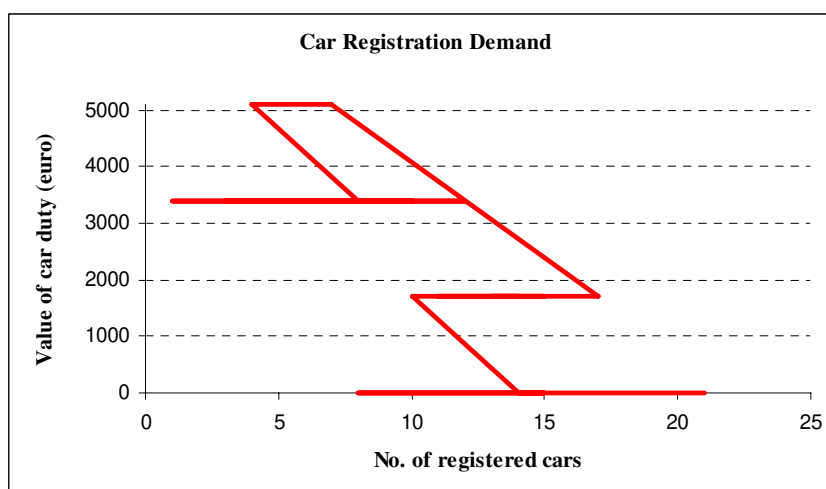
[9] The data are collected from the statistics of the Office for Driving Licences and Vehicles' Registration, available at http://www.drpciv.ro/info-portal/displayStatistics.do?resetForm=true

There are two important moments that need to be analyzed: January 2009 when the car duty registered an increase of 200% and the number of cars dropped by 59% reflecting a price inelastic demand, and March 2009 when the value of the car duty decreased by 33% while the demand for the registered cars doubled (+100%), thus showing a price elastic demand. For the remaining time periods the demand continuously fluctuated at a null variation of the price, showing a perfect price elastic demand.

One of the programs developed due to the funds raised through the car duties is the so-called Jalopy Program. This program aimed at renewing the national car fleet. On the PPS, the Government's price-setting strategy covering the social costs leans more toward the consumers' interests as this programs aims at a non-reimbursable financing for the acquisition of new cars, less pollutant, in exchange of a ticket obtained after the cassation of the owners' used cars. This financing is awarded through the Authority of the Environmental Fund, the same one receiving the car duties previously analyzed. The cassation premium is established by order of the head of the Authority. In view of the paper's argument, the design of this programs shows a particular interests due to the manner it tries to balance the social costs' covering between several stakeholders.
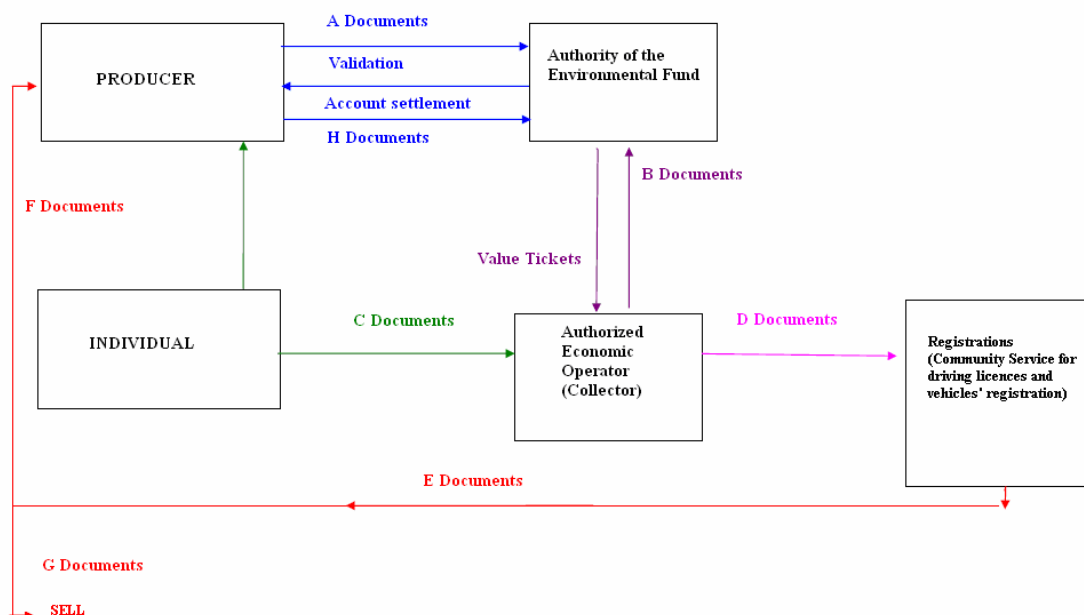
Source: Ministry of the Environment and Forests, Authority of the Environmental Fund http://www.afm.ro/parc_auto.php

The social costs are covered is in a spread manner. The stakeholders are[10]:
- Individuals – persons who meet the criteria of eligibility;
- Collectors – economic operators authorized to conduct the collection of scrapped vehicles;
- Car Producers – authorized economic vehicle manufacturer or importer of new vehicles or their authorized representatives;
- Authority of the Environmental Fund – public institution;
- Registrations – issuer of the certificates of removal from usage.

The procedure involves a series of documents[11], as it follows:
- A Documents – part of the file presented by the producers in order to be validated for the Jalopy Program;

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[10] Order of Minister of Environment no. 1648/02.12.2009 published in Official Gazette no. 843/07.12.2009 for amending and supplementing the methodology for calculating contributions and taxes for the Environmental Fund, approved by the Order of the Minister of Environment and Water Management no. 578/2006

[11] Available at http://www.afm.ro/main/info_stuf/parc_auto/2010/schema_logica_persoane_fizice.pdf

- B Documents – documents sent by the authorized economic operators (collectors) to the Authority of the Environmental Fund;
- C Documents – documents confirming the individual meets the eligibility criteria;
- D Documents – documents released by the authorized economic operators (value tickets and certificate of destruction);
- E Documents –documents held before going to the Community Service for driving licenses and vehicle registration;
- F Documents – registering to the validated producer;
- G Documents – sale of the value ticket;
- H Documents – Account settlement of the value ticket.

This program for renewing the national car fleet closes the circle on projects for diminishing pollution as social costs, in the sense that it gives back to the consumers the car-duty collected as a form of incentive to become aware of the social costs they create through their actions. Also, the producers and collectors involved in the program must label any promotional attempt as part of the Program to stimulate the renewal of the national car fleet, so that the public awareness of the fact that there are measures aiming at diminishing pollution is increased.

More specifically, the Government has budgeted[12] for 2010 revenues of 1.658.502.000 LEI from the duty on pollution for vehicles (which counts for 87% of the total revenue), out of which 5.3% will go to overall cost covering. All the remaining revenue is dedicated to programs that aim at covering social costs, as the present paper has shown. For example, the Jalopy Program presented above will be receiving this year 14% of the collected revenue. There are also other programs meant to cover the social costs raised by the excessive sale of private goods chosen for this analysis, from which we mention: program for pollution prevention 1.5%, program on reducing the impact upon the atmosphere, water and soil 6%, program on waste management including hazardous waste 14.4%, program on education and public awareness on environmental protection 0.1%. The Government fails to allocate money for other programs that would bring it closer to the tangency point on the PPS, like program on reducing noise levels, program on using clean technologies, program on reducing emissions of greenhouse gases, or projects on bicycle lanes, even though these projects are part of the 2010 budget planning of the Environmental Fund.

This failure could be considered a weakness of the current price-setting strategy for covering the social costs triggered by the excessive car sales, as the revenue from the duty on car pollution do not fully cover the costs of all the prospective environmental programs related to car pollution. The reasons behind go back to our initial considerations about the bargaining powers. So, on one hand, the Government gave in to producers of other goods and failed to find sources of revenues for programs that aim at covering the social costs generated by their particular activities. And, on the other hand, the consumers weakened their bargaining power when they accepted to pay this eco-duty and therefore provide revenue that was later used for programs covering social costs of which they were not directly responsible.

4. CONCLUSIONS

The price-setting strategy chosen for covering the social costs can be considered a balance of producers' bargaining power and consumers' bargaining power and a significant manner to move toward efficiency. It can be argued that one or the other influential part can have a benign or a malign effect upon the states' decision on how to cover the social costs, but, in fact, both of the influences help to find a balanced strategy, one that does not only efficiently cover costs but also creates a flow of

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[12] Through Government's Decision no. 82 of 5 February 2010 on approving the budget of revenues and expenditures on 2010 of the Environmental Fund and of the Administration of the Environmental Fund, as well as of the List of programs financed from the Environmental Fund in 2010

benefits for the stakeholders. The above presented strategy is practically a tradeoff between the two bargaining powers and its results can be easily observed in the above shown legal implications. PPS should serve as a framework for always adopting price-setting strategies that aim at both social costs' covering and the fulfillment of the stakeholders' expectations.

The paper has provided some conclusive findings. When the public decision maker is facing a price-setting problem, he must take into account several pricing objectives. First of all, there is the issue of survival, namely the price must be adjusted so that the revenue matches the expenses. In this regards, the manuscript suggested both a thorough demand analysis and a cost analysis, completed by a break even analysis. Secondly, considering the overall objective of the public service is social welfare maximization, as opposed to the profit maximization of the private sector, the issue of the generated social costs must be addressed. These two represent the overall goals that a public service must achieve through pricing and must be consistent with the public institution's overall mission and purpose.

The paper later raised an important issue on the implication of two important stakeholders in the price-setting public decision making. The boundaries set by the analysis pushed the reasoning towards considering the bargaining power of the producers of a private good excessively sold, against the bargaining power of the public services' receiver, namely that public service created to cover the social costs generated by the exceeding usage of that particular good. The analysis showed how important is the assessment of the two-folded bargaining power when choosing an efficient price-setting strategy, described in our graph by the point of tangency with the PPS. Through the examples provided by the study case the paper emphasized how easy it is to slip downward or upward on the PPS and run from higher price strategies to lower price strategies when failing to balance these two influential actors of the public services' market.

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BEHAVIOUR AND ACTION:
CITIZENS VS. PUBLIC SERVICES

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ABSTRACT

The paper presents the relation between citizens and public service providers from the view of the applicability of the theory of consumers' interests and operation of the market mechanisms in the public sector.

The roles between the provider and consumer/ user of the service are continuously subject to transformations, determined by the change of systems and mechanisms of public administration. The relations citizen-administration provide the means in order to build the typology for strengthening the position of customers related to the providers concerning the classic concept of organic ensemble of influence, „information – consultation – partnership – delegation – control".

The contemporary public service development awards multiple roles to the citizen, interacting with the activities of design, decision-making, production, delivery or assessment, specific for various stages of the life cycle of the public services. The roles of citizens/users described in the paper are those of co-designer, co-decision-maker, co-producer and co-evaluator.

Structured in five chapters, the paper presents relevant aspects concerning the influence of the economic and political environment on the capacity to deliver public services, the interaction between citizens and public services and the roles in service delivery and use. A systemic model of the public service based on systems of expectation is developed, as fundamental issue of an integrated approach of the subject proposed in the paper.

1. CHALLENGING THE CAPACITY OF PUBLIC SERVICE DELIVERY

On the background of the current economic and financial crisis, the world economy and implicitly the public sector are facing several challenges and pressures.

Globalization, Europeanization of economy (Matei and Matei, 2007) and technology represent the main drivers leading to significant reforms (Pollitt and Bouckaert, 2000) in the past decades, building "a synchronized fragility" (Kotler and Caslione, 2009) in the world economy, thus encountering today the same problems that characterised "a large part of the economic activity in the 1930s", as stated by the well known American economist Paul R. Krugman (2009).

The world has encountered multiple and different changes.

The macro-economic unbalances and the issues of competitiveness have been at the origin of the economic crisis (European Commission, 2010). It is well known the fact that today, there are relations of interdependence between the national economies, powerfully interconnected, economies marked by a certain degree of risk and uncertainty for producers and consumers and "market turbulence".

The political context of the actual crisis is marked by a high turbulence, uncertainty and an accelerated pace of changes (OECD, 1995, OECD 2000) and reorganizations.

The European Commission (2009) appreciated the intervention of the collective action to save the financial system, to boost demand and to render confidence through public intervention, drawing up a new generation of public policies, marking at the same time "the shift to a new sustainable social market economy, a smarter and greener economy".

The economic and financial crisis has important consequences on public finances, enterprises, jobs and families.

The impact of the economic crisis in Europe, as well as in other parts of the world has revealed at the European economies level the GDP reduction by 4% in 2009, unemployment increasing to 10%, public finances with deficits reaching 7% of GDP, debt levels increasing by 20 percentage points over two years (European Commission, 2010).

Since the deficit in the public sector is under control, the public expenditures should be reorganized and the fiscal unbalances should restrict the margin of action for governments.

In fact, the public expenditures reflect the governments' political choices, representing costs of the economic policy elements, aimed at delivering public goods. Those costs are incurred by goods delivery through the public sector budget (Matei, 2008).

The intervention in the government's economic policy aims at creating the legal, functional, steady framework for economy, as guarantee for the economic growth and social security (Lafontaine and Müller, 1998), enjoying the confidence of the economy and citizens.

Accountable of meeting the society's needs and requirements, the governments focus for the time being, on one hand, on the fast changes of the action policies, budgetary reduction at national and local administration level, leading to consequences on the economic actors, and on the other hand on the "new normality", challenging a better understanding, in view "to accept it totally" and to develop strategies, thus changing the behaviour and attitude of governors and those governed.

It is increasingly obvious that the higher expectations of the citizens from the public sector become factors of change. The transformation of the administration into "a service" subjected to the requirements of the market and of the public into the actor of the market, "the customer", has represented the concern of the governments and executive powers, in view to meet the public interest, to size realistically the public need.

Today we assist at a change of behaviour of the "governmental authority responsible for public service delivery", determined fundamentally by financial constraints, pressures exercised by "market turbulence", accelerated and intense competitiveness leading to consumers' fragmentation, by the new wave of "green movement" inviting the citizens to consume more responsible or by the citizens'/consumer's need for information; in the last decade the consumer was identified as an active "partner" of the marketing process, playing a role of catalyst.

A new relation between administration and society has been developed, involving greater transparency and citizen participation.

The traditional administrative structures should develop the capacity to adapt continuously to the changing conditions in order "to protect" the governance action and public service delivery.

2. THE THEORY OF PROMOTING THE CONSUMER`S INTEREST

 "Promoting the consumer's interest" has become an officially acknowledged fashion. In hospitals, schools, consulting and information services, managers are urged to pay more attention to the consumer's desires, to present the consumer with wider options and to develop techniques for the "marketing" of their services. We wonder if the basic principles of promoting the consumer's interest have been successfully adopted by the public sector managers.

Is the promotion of the consumer's interest used in the public sector?

In order to answer these questions, we have to examine in the first place the relevance of the fundamental principles of promoting the consumer's interest and then to see how they are put in practice.

The primary role of the public institutions is firstly to deliver a service to a consumer or beneficiary, as opposed to that of offering workplaces for public servants, for instance.

The logic followed by public enterprises in carrying out public services is defined by the practical application of the public policy, by the delivery of free services, by redistribution, by the delivery of services which are paid by the user when he actually benefits of them etc.

„The services" provided by the public sector comprise a series of transactions between consumer and provider, covering very diversified areas, services and products and developing a specific relational typology.

The consumers' involvement and their freedom to decide may achieve an organic ensemble related to the following five aspects:

1. *information* – it provides to the customers only information concerning the types of services that will be delivered;
2. *consultation* – it introduces the consumer in the area of decision-making and it provides the possibility of a dialogue with the provider, but the decisions are however taken by administration or the service provider;
3. *partnership* – the consumer is invited to participate in decision-making;
4. *delegation* – the consumer may make alone decisions, but in a certain established context, at least partially determined by administration or provider;
5. *control* – it provides to consumer the possibility to make alone all the decisions, as it would happen in the case of a market with genuine competition.

There is a wide acknowledgement of the consumer's *increasing power* to the detriment of making important decisions by the service personnel without consulting the consumers.

The consumer may be from outside, for instance, a member of the public or a private company, or from the inside, a ministry, another public sector organization or another department of the same organization, as, for example, an accounting or human resource service.

The delivered service may be *front office* (specialized with primary functions) or *back office* (assistance, consulting or information). A service may be delivered in a market regime, i.e. it has to be paid by its beneficiary, or it can be subsidized from the budget.

Theoreticians assert there is a power gap between those who deliver public goods and services and those for whom they deliver those public goods and services. The former have all the advantages of power and organization, resources and political influence.

The latter have at most the option of buying or not buying public goods or services on the market and – where there are competitive markets – to choose according to their own preferences. They have weight only as a sum of individual options.

In order to indicate the power balance in favour of the consumers, those who represent their interests have identified five key factors defined as principles, which offer a structural support for promoting the consumer's interest: *access, choice, information, adjustment* and *representation*.

First of all, people have to have *access* to the benefits offered by public goods or services (with no access, they cannot get to it). Their *choice* of public goods and services has to be as wide as possible, in order to establish measures for the consumer sovereignty, and they need as much *information* as possible, both to allow them to make rational choices, and to make the best use of them. Also, they need means to submit their complaints and dissatisfactions when things go wrong and to receive the appropriate *adjustments*.

Finally, they need certain means to make sure that their interests are appropriately *represented* before those who make decisions which influence their welfare.

Consumer option has a key role to play. People have different needs and preferences, different possibilities to pay.

The existence of the competition through its forces triggers the specificity of the enterprise, which tends to work in favour of the consumers by keeping the prices low and at the same time by offering a good quality for each public good/service mix.

3. LOCALIZATION OF THE PUBLIC SERVICE

People "buy" the "experience", the "ownership" of the service, not the service which is meeting their need, thus feeling that their expectations have been achieved.

The initiative to place the citizen in the center of government's attention (Pollitt and Bouckaert, 1995; Shand 1999; Doherty and Horne, 2002) is expressed visible in Western European countries and reticent in the new EU Member States. The initiative is dominated by the special relation between the citizen and the public sector, the public being more circumspect regarding the public governmental services, even avoiding the interaction.

The political leaders establish what services will be provided, the conditions and for whom will be provided; "the bureaucrats and professionals organize and provide public services" (EIPA, 2008).

The citizen represents the most important governments' priority; the governments are concerned to enlarge the area of choice for citizen, being more sensitive to the needs and requirements of society, more "understandable" versus the citizens.

Their behaviour (Lunde,1996) related to public service providers may be characterised by the two fundamental dimensions:

A.Level and type of influence of consumers/users

1. renouncing: it allows the direct influence of the consumers / users; they have the possibility to choose one of the alternative organizations that provide a service (for example, public or private organization).

2. options: they enable the direct influence of consumers / users; they have the possibility to opt for one of the alternative organizations providing a service (for example, public or private organization).

B. private-public dichotomy

1. decentralization: it allows the indirect influence by:
   ✓ organization on a large scale;
   ✓ geographic proximity;
   ✓ responsibility (for example, by political representation at local level).

2. participation: this allows the direct influence of the consumers / users by contributing to services or by its own coordination.

B. Internal markets and access on the market

Considering the existence of typologies of markets (governmental, domestic, of users / consumers, producers and resources) and of the relational system established at their level, Kotler considers that the relationship between the government and the other markets is characterized by the following elements:
   ✓ the government represents a market;
   ✓ the government buys goods from the market of resources, producers and pays them;
   ✓ the government taxes the markets (i.e. domestic, of producers, resources, users/consumers);
   ✓ the government provides public services and/or public interest services.

The citizens require more responsive services, larger options in the limit of the actual budget, insisting on a better value for money.

The public services should be provided in a large variety towards community, based on the evaluation of its needs and interests, the latter representing starting points for the public sector organizations as providers of public services.

But, what do we understand by public service?

The public service is a social entity comprising activities and structures placed under "the dependence of public communities", relevant for the "public sphere" (Chevallier, 2003), aimed at meeting a public need.

The public service is the activity or ensemble of activities of general and/or individual interest provided by a public institution or bodies belonging to an administrative ensemble in view to meet the public needs. It is a useful activity provided to a user [the user has no alternatives to obtain services (Shand & Arnberg, 1996)] / customer [a customer has the right to choose the service provider, either a public or private organization] / consumer/ beneficiary [the customer/ user is the beneficiary of a service under the form of a payment or fee and the provider has the market monopoly].

The public service represents an outcome of a process, "an activity organized or authorized by a public administration authority" (Iorgovan, 1994), an activity that "the governors are obliged to provide for the interest of those governed" (Duguit, 1913), characterized by the following fundamental features:

1) it resorts to a socio-political reality, determined in time, representing activities, bodies, agencies holding a certain place in social life;
2) the state is involved in service delivery;
3) the vision on the public service in light of its key elements: the organic element (public person), the functional element (general interest) and the material element (specific legal regime of public law).

FIGURE 1
Premises of the public service
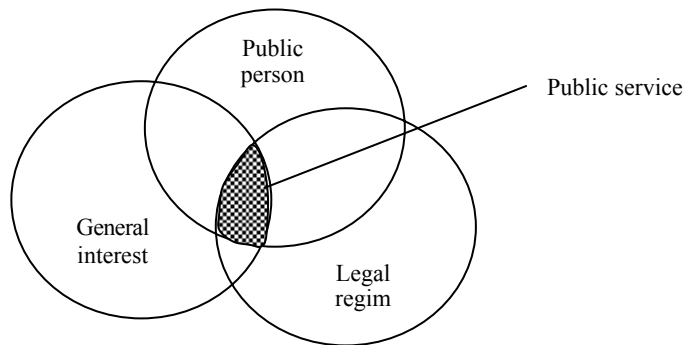
Source: The authors.

The public services bear characteristics that make them special (Ross, 1999) and we individualize them through intangibility, inseparability, variability, perishability, heterogeneity (Zeithaml, 1992; Hoffman and Bateson, 1997; Matei, 2001, Kotler and Armstrong, 2006).The system of delivering a public service is influenced on one hand, by the market system and on the other hand, by the public sector system (Figure 2).

FIGURE 2
Subsystem of public service delivery
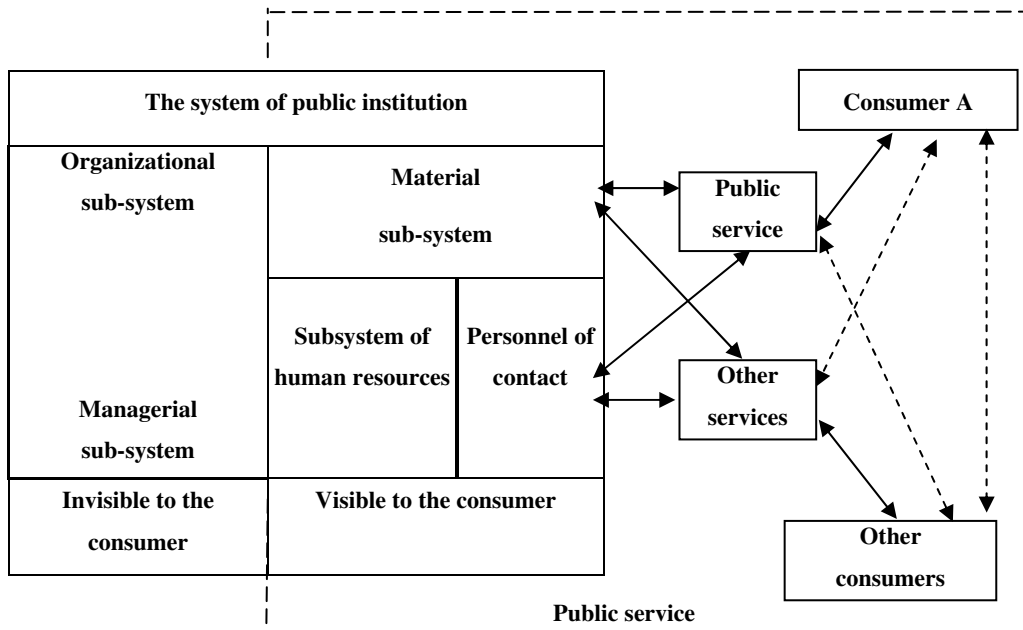
Source: Matei, 2004.

4. PUBLIC SERVICE MODEL

In light of the systemic approach, the public services represent subsystems of the public administration system, whose aims are defined in relation to meeting social needs.
We developed a public service model representing the *model of the system of expectation* (Figure 3), bearing the following characteristics:

- the model turns into account the probabilistic modelling of the administrative-social facts, specific for the operation of the public services;
- cybernetic characteristics of the public service system are defined and highlighted;
- the model achieves the systemic substantiation of decision in the public services;
- it uses also modelling of the consumers' expectation levels.

FIGURE 3
Model of the system of expectation
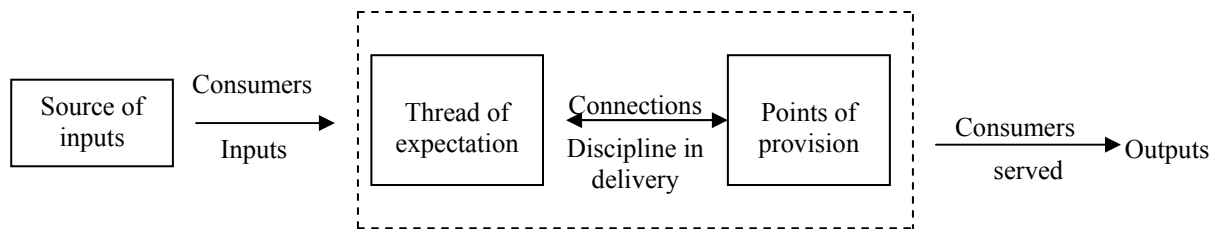
Source: The authors.

1) The inputs in the system will be modelled by a random variable X, whose law of distribution is even Poisson distribution, with parameter (Jaba, 1998).

$$P_n(t) = \frac{(\lambda t)^n}{n!} e^{-\lambda t} \ , \ \lambda \rangle 0, \ n \in N$$

$$P_n(1) = \frac{\lambda^n}{n!} e^{-\lambda} \ , t = 1$$

t – interval of time, t > 0

n – number of inputs in the system

 = coefficient of proportionality, constant > 0
P_n is the probability that in the interval of time (0, t), *n* inputs will be in the system.

2) The outputs are modelled by a random variable Y, whose law of distribution is Poisson law, with parameter. The time between two consecutive inputs is also variable, and it may be described as an exponential random variable T, with parameter. Similar, the random variable of time between two consecutive outputs, U, has also an exponential distribution with parameter.

In the description about the citizen's relation with the public sector organizations as providers of public services, traditionally, the citizen plays a passive role, being less involved in the decision-making process concerning the public service (which takes into account the entire process related to conceiving, developing the public service, providing, monitoring and assessing).
That direction of the public organization turns into account the property of the close dynamic system (Matei, 2006) or even "black boxes", as the entire process related to the public services belongs to the internal relations of the public organization, the offer dominating the service market.

That feature is justified also by the legal framework (fundamental law and specific laws), fundamental principles of public services - Rolland's laws: equality, continuity, mutability, adaptability (Matei, 2004), emphasizing the equal, impartial treatment of citizens concerning the access to the public services.

Today, the evolution of the needs for public services is emphasized by the transformation of organizations from a close, dynamic system into an open, dynamic system (Matei, 2000); in that system, the organizations are exterior-oriented and they are concerned to achieve a functional, optimum ratio between the demand and offer related to the public service, creating new types of interactions and relations with citizens.

The public sector organizations provide the services, without the possibility to "make the segmentation" of the favourite customers or most advantageous customers. For many public services, "the customers" considered important for the government are those customers revealing no interest for most commercial service providers.

Any person in the public organization may play several roles, such as: *provider, processor and customer*. That quality of the organization enables better understanding of the customer's perceptions, transforming them in a competitive advantage for the organization.

Acquiring knowledge about the needs represents a complex, difficult process as the customer declares the needs according to the way he/she considers them, in an own language, bearing in mind that there are always differences between the customer's wish and benefit of his/her needs, which may also include non-specified aspects.

A series of investigations can lead to "n" versions of answers, depending on respondents. For example:

> *Why do you want that service?*
> *What are your expectations after taking advantage of that service?*
> *Have the expectations been met?*
> *How do you use the service?*
> *What would be your complaints after using the service?*
> *Which will be the real use of the service?*
> *Are any associated costs in order to use the service?*
> *Do you believe that the service provider is well chosen?*

The needs are in a continuous change. Discovering the needs and understanding with accuracy the customer's expected benefit represent "an art and science".

The collection of marketing instruments in view to check frequently the customers' needs and monitor the public service market is hard to be achieved and at the same time it is expensive for the public sector.

The most frequent are as follows: inquiries addressed to the customers; analyses, periodical reports on the public service; emphasizing the system of complaints and the responses; employing specialized staff for service delivery; organizing the special department for service promotion and dialogue with the customers; tests carried out by provider concerning customer's behaviour and proposals in order to improve the access and public service delivery; conformance rules for the public service.

5. THE CITIZEN AS CUSTOMER – A DUAL ROLE

The citizen inside the relations with the public service providers may "play" the role of customer, co-designer, co-decision-maker, co-producer and co-evaluator in different stages of the "life cycle" of the public service (Figure 4).

The beneficiary of the public service, the citizen is the customer of the services provided by public sector organizations.

A complex relation is developed between the beneficiary and the organization; we may characterize that relation as a relation with the customers – when the services are provided directly by the public sector organization or a relation with the citizens, when the organization is involved in determining and creating the environment for the economic and social life.

The relation is determined by diverse and complex needs.

FIGURE 4
Image of the citizens' role versus public service provider
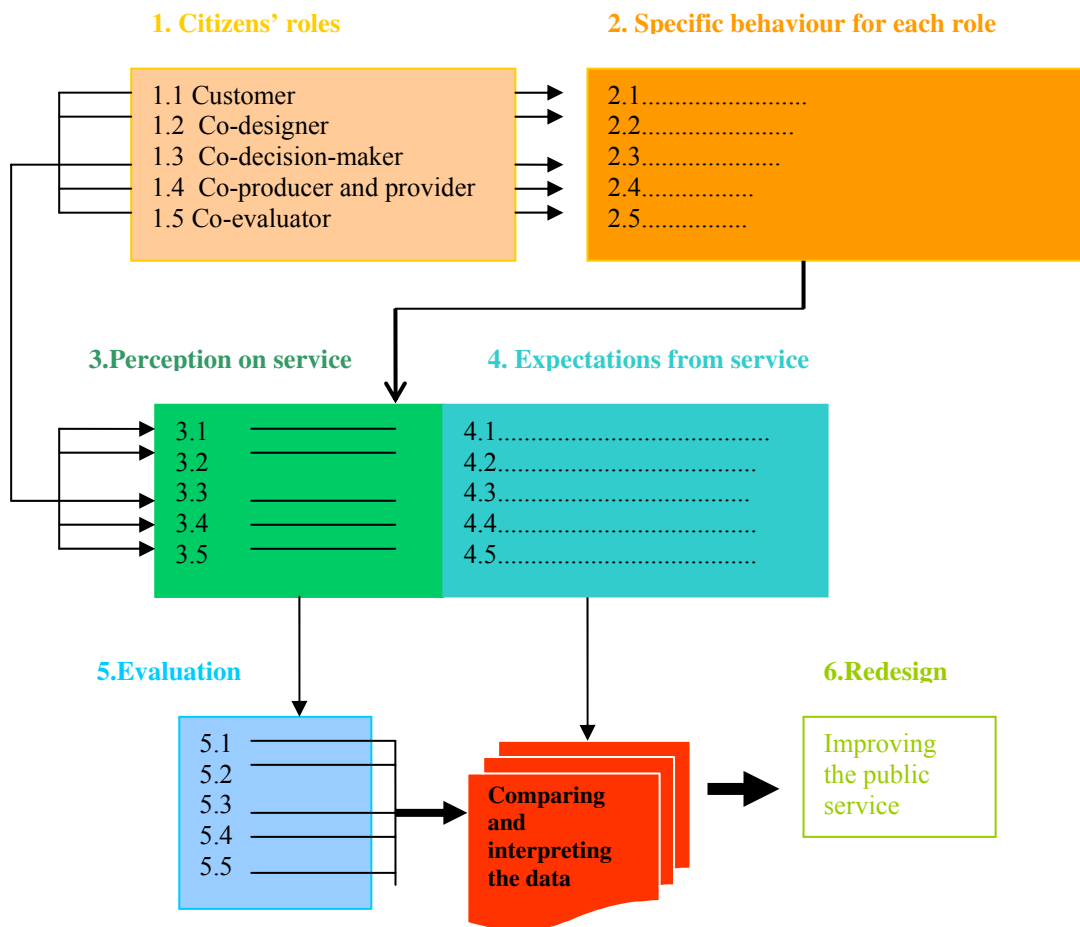
Source: The authors.

The customer's role is different in the public sector, the citizen has the right to be treated as customer according to the provisions of the public sector stipulating equity for everybody.
Every citizen expects that his/her needs are respected at individual level according to the status of citizen and taxpayer; those *needs are genuine* (transport, safety, comfort, education, health, culture etc.).

Usually those needs are known as the "benefits" they consider that they will receive. For example, the customer decides to go by underground, to buy the card so the benefit of the customer's needs may include transport, comfort, safety, quick access to other transportation means.

5.1. The Citizen as Co-Designer

The public administration is a public service. Its evolution has been decisively influenced by the society development, the evolution of the citizen's behaviour and needs in different historical stages.
At the end of the 20th century and beginning of the 21st century, we identify easily the amplification of the citizen's role in designing, re-designing the public services, the citizen playing the role of co-designer.
Thus, the architecture for public service delivery is complex, involving both internal and external factors within the process related to creating, using, re-creating the public service (Figure 5).

FIGURE 5
Architecture of public service delivery
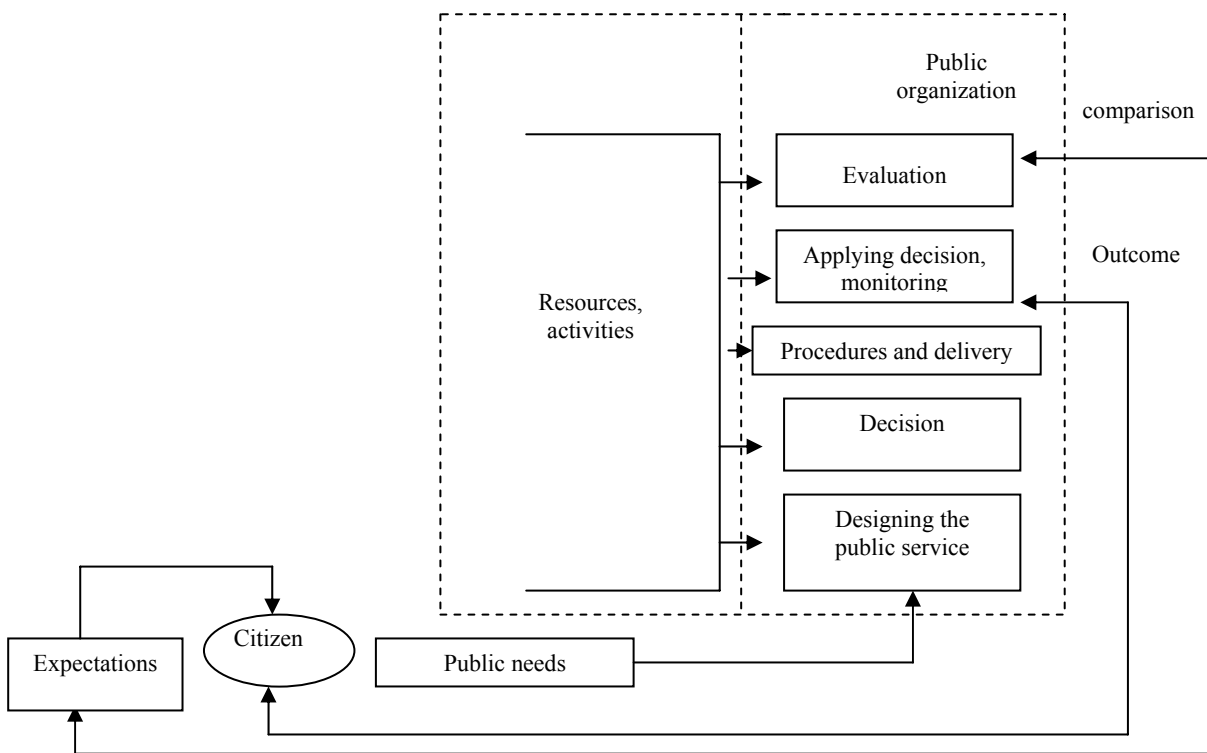
Source: The authors.

Taking into consideration the characteristic of the public service, namely to use it in the moment of its production (emphasizing the inter-relation between the public service provider and customer), the citizen's intervention is possible in the moment of turning into account the effects and achieving the comparison with the citizen/customer's expectations. The intervention may come as suggestion aimed at improving, developing various components of the public service delivery process (from design to achievement, delivery, evaluation).

The citizen's intervention may be expressed not only at the service level, but also at the level of the legislative, normative framework, regulating the respective service.

In this respect, we provide examples of stakeholders' intervention in approving the draft on "Law on National Education". The draft was subject to public debate, evaluation by the citizen-customer in an information campaign concerning the "Law on National Education":

  a) creating a website specific for debating the draft law "A Step Forward". Debate the Law on National Education on www.unpasinainte.edu.ro
  b) public debates with stakeholders (parents, student organizations, teaching staff, trade unions, NGOs etc., specialized commissions), organized by the Ministry of Education, Research, Youth and Sport
  c) debates on the educational forum, created for that purpose.

5.2. The Citizen as Co-Decision-Maker

The decision-making process for a public service is substantiated on complex, specific information.

Citizen participation together with other stakeholders (Freeman, 1994) in the decision-making process concerning the public service may be achieved at local level through citizen representation in local councils and their participation to the decision-making process, citizen consultation on issues specific for the public services, involvement of citizen advisory committees, thus creating a high level of responsibility and transparency for governance.

In Romania, citizen participation in the decision –making process is regulated in the laws on public administration, starting with Law no. 69/1991 of local public administration, abrogated in 2001,

current law on public administration, Law no. 215/2001 on local public administration, Law no. 52/ 2003 on decisional transparency in public administration.

Citizen consultation is considered a double fold relation (OECD, 2001), where the public organizations and authorities are discussing with the citizens and the citizens are providing "responses concerning the respective public service". It is an instrument for introducing citizens' option.

Citizen involvement in the decision-making process, as co-decision-maker, individual or "group" belonging to a social, economic entity may be represented for example taking into consideration a decision concerning social assistance at the council level of a local community (Table 1) – matrix of stakeholders.

The analysis of stakeholders enables to identify and evaluate the citizens or groups of citizens, the legal persons that may influence the public service in various stages of its life cycle.

TABLE 1
Matrix of stakeholders

	Groups of stakeholders	Representation	Service impact on groups of stakeholders	Influence of groups of stakeholders on the public service
1	Executive of city hall of Municipality/ town	Local Government	5	5
2	Local Council, Social Commission	Local Government	3	5
3	Public service of social assistance	Local Government	4	4
4	Beneficiaries of the social services - citizens - NGO		4 4	4 4
5	Providers of social services: - public - private - NGO		5 3 3 - 4	3 - 4 2 4

Source: The authors.

Legend: N – unknown; 1 = without importance, 2 = low importance; 3 = relative important; 4 = very important; 5 = critical.

At the level of many local authorities all over the world, an example is the citizen participation in the decision-making process concerning the participative drafting of the local budget; thus within the information stage the citizens may be better informed through public debates, that stage preceding the decision on passing the local budget (Pollitt, Bouckaert and Löffler, 2006; Matei et al. 2002).

In this respect, it is worth to mention the case of participative drafting of the local budget in the city of Porto Alegre, Brasil (Pollitt, Bouckaert and Löffler, 2006). The community (16 community associations and 5 groups of stakeholders) organised meetings in order to make the planning and establish the budgetary priorities of the year. The city hall made the budget on the basis of those priorities, working with a committee (Chetwynd and Chetwynd, 2001).

Consulting the citizens offers a major alternative, completing the market forces providing them the possibility to influence decision-making on a conventional market.

We should consider the direction of consultation in light of modelling the public service, progressively, related to the evolution of citizens' needs.

5.3. The Citizen as Co-Producer and Provider

We understand co-production (EIPA, 2008) as the action to involve the stakeholders in different phases of the cycle related to production and delivery of the respective public service. Bovaird (2007) considers 'a revolutionary concept in public services … because it locates users and communities more centrally in the decision-making process'; it is a phase of the service cycle presupposing the citizens/consumers' involvement in service delivery, as it is achieved only in the citizen/user's presence in various phases (Lovelock, Wirtz, Lapert and Munos, 2009) or " a *condition sine qua non* for a sustainable public sector in general, and for specific service deliveries in particular" (Pollitt, Bouckaert and Löffler, 2006).

The experience emphasises the forms of co-participant in service production, in public-private partnerships, service sub-contracting; the partners are legal persons and individuals, citizens who may be involved either individually or collectively. Giddens (2003) asserted: "co-production of the public goods" as a central component for ensuring public governance, involving the citizens as co-participants or co-partners (Ostrom, 1996), ensures to get closer to the citizen/consumer, to the genuine needs of community, and the outcomes (public goods and services) would be the expected ones. Examples of co-participation: services for the benefit of the community, social assistance, education, e-services etc.

The citizen involvement may be active or passive, permanent or temporary. The citizen may be involved in direct service production in a structural way, i.e. e-governance, or in supporting the service delivery. The citizen involvement may range from the "back-office" (back of the desk-office, accessible only to staff) or "front office" (visible part, the public relations department – services at desk-office).

The citizen's role of co-producer is "shaded" many times taking into consideration the fact that the relation of public service production or delivery comprises "professionals" on one hand and "volunteers" on the other hand; it requires a compromise between professionalism and citizen representation in the organization, a clear establishment of citizen responsibilities and accountability.

In the relation with the organization providing services, the citizen may play the role of provider for the organization, i.e. provider of information about the service.

The information provided by the citizens as user or consumer of that service is less pleasant for the organization, taking the form of complaints and reflecting the consumer's dissatisfaction within the "consumption" relation.

5.4. The Citizen as Co-Evaluator

The evolution of the relation between citizen and public administration, in our case the public organization as public service provider, demonstrates the shift of the organization from a close, dynamic system to an open, dynamic system, the public services being subsystems of the public administration system (Matei, 2003).

FIGURE 6
Adaptation of Servqual model to public services
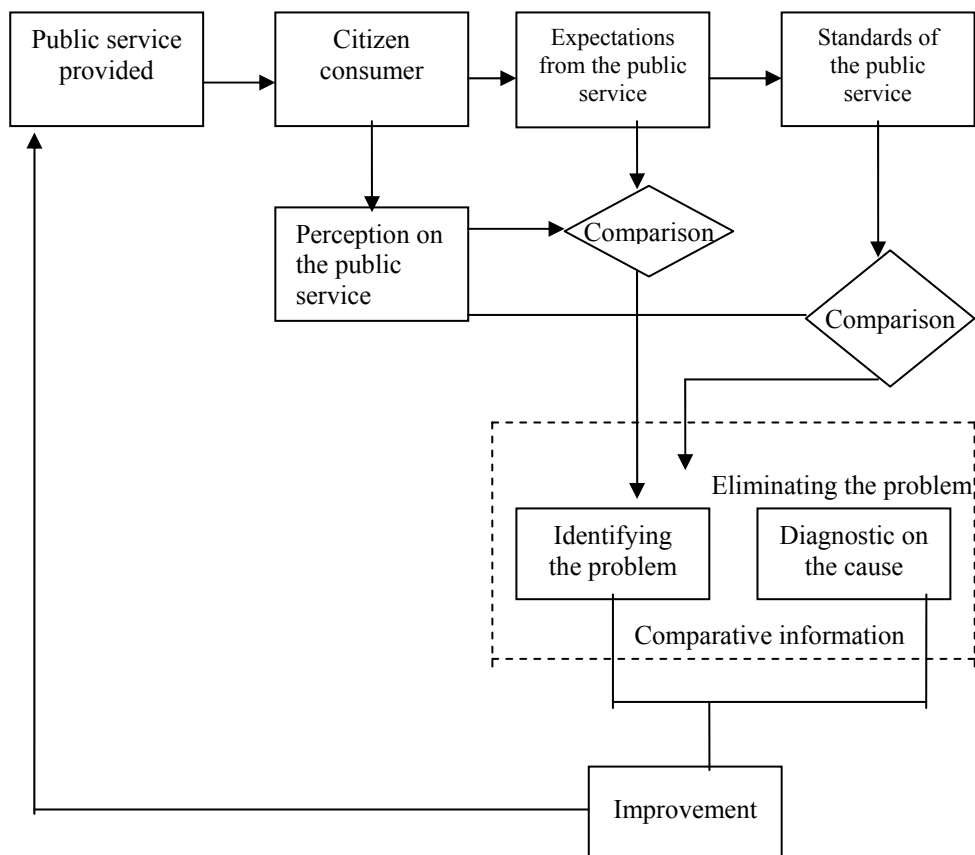
Source: adaptation after Parasuraman, Zeithaml and Berry, 1988.

A key feature of that system consists in the variability of demands in quantitative and qualitative terms. As shown, the public service system is similar to the model of the system of expectation, which has the main role to ensure adjustment in the public service system in order:
- to achieve the consumers' satisfaction;
- to use completely the public service capacity.

Whenever the citizen as evaluator of the public service "bought" is acting, the feedback should provide information about the decisions concerning the capacity and quality of the public service delivery.

In the specialised literature concerning service quality (Juran and Godfrey, 1999), the perceptions on service delivery and the customers' expectations are measured distinctly and the difference between perceptions and expectations provides the measure for service quality, determining the satisfaction level (Parasuraman, Zeithaml and Berry, 1988).

Servqual model (Parasuraman, et. al., 1985, 1988; Zeithaml et al., 2006; Veljković, 2006), measuring both the citizen perceptions and expectations concerning a series of public service characteristics is used by the public organizations providing public services in order to argument a better orientation of the management team in defining the priorities for improving the public services, thus offering a useful structure for the aspects influencing the quality.

The model starts with the core difference between perceptions and expectations, being known as „gap model" in the specialised literature (i.e. Parasuraman et al., 1985, 1988). Analysis on the five core differences („Customers expectations versus management perceptions", „Management perceptions versus service specifications", „Service specifications versus service delivery", „Service delivery versus external communication" and „The discrepancy between customer expectations and their perceptions of the service delivered").

The mathematical representation of the model is as follows:

$$SQ = \sum_{j=1}^{k} \left(P_{ij} - E_{ij} \right)$$

where:
SQ = Service Quality
P_{ij} = Performance perception of stimulus i with respect to attribute j
E_{ij} = Expectations of the organisation for item *i* in dimension.

The attributes of the public service at the level of citizens perceptions, respectively the technical, functional, financial, relational and institutional level and their importance in defining the citizens expectations are scored on Lickert scale, ranging from 1 to 5 (Figure 7).

FIGURE 7
Scoring the citizen expectations related to the essential elements of the public service
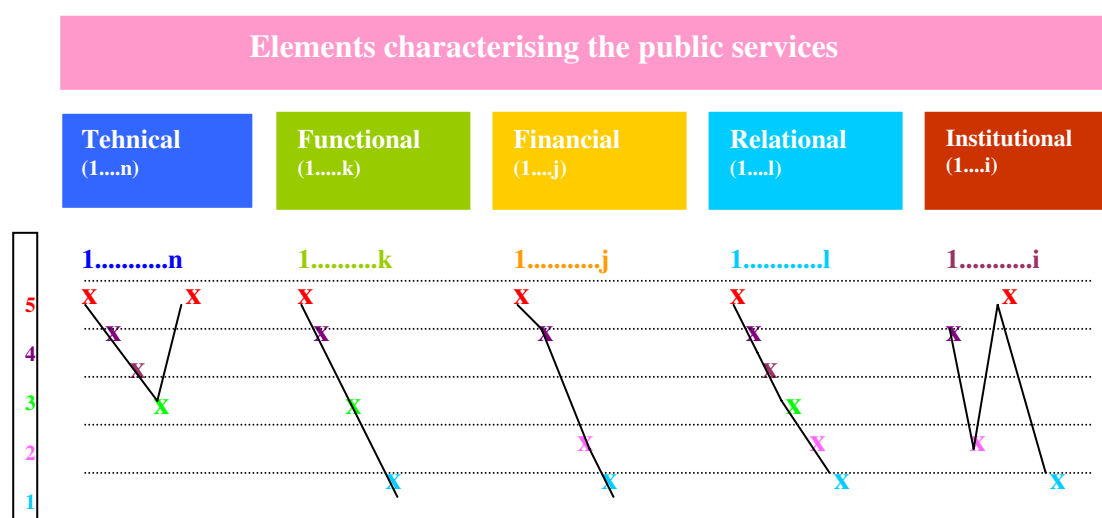
Source: The authors.

The availability of useful information, derived from the feedback on public service performance can not improve its quality but it may contribute to designing a new system (service), or to redesigning an improved system.

The information resulted further the comparison of various measures of the system with values of reference belongs to the set of formal processes of the organization, supporting the improvement and continuous service adaptation to customers' needs.

CONCLUSIONS

The public services have a key role in the economic and social development.

They exist as long as there is a public need for service, the citizen's choice in the provision of a certain service sizing the relation by getting closer the public administration to the citizen.

As shown, there is a typology of answers to the public need, ranging from the education programmes, where the customer is the pupil (probably represented by the parents) or the labour market (represented by employees), or „society" (public interest) or perhaps all the governmental programmes of regulation, where the customer is „the public interest" (which of course represents a distinct, identifiable voice only by means of the government) or the organisations and the individuals that should obey   the rules, being also customers with certain rights on how they should be treated within the framework of the programme.

The increasing attention awarded to the effects of the world economic and financial crisis has highlighted the risks of economies, uncertainty of producers and consumers, consequences on public finances, enterprises, jobs and families.

The increased degree of transparency required today from the governors, high accountability for meeting the public needs in terms of budgetary reduction represent only some key factors for changing the "governmental authority's" behaviour and attitude versus public service delivery. The political leaders establish what services will be provided, the conditions and for whom will be provided. The professionals and civil servants organize and deliver public services and the citizens "buy" " the "ownership" of the service, not the service which is meeting the need. Discovering the needs and understanding with accuracy the customer's expected benefit represent "an art and science".

In the relation provider-customer, we distinguish two categories of functional mechanisms: the first category refers to access, namely whether the services are available to those who need and are entitled to them and whether the services are used, and the second category refers to what we broadly describe as quality of the services, namely everything that it is relevant for those using the services – needs, preferences, satisfaction about the service as well as economic aspects, such as the financial benefits or the price charged.

The paper emphasises the citizens' possible roles related to public service providers, roles revealed through the active dimension of citizen participation in different stages of the life cycle of the public services in the past decades. Thus the citizens become co-designers, co-decision-makers, co-producers, co-providers or co-evaluators. Those roles are highlighted in the systemic approach of the public service model.

The specific dynamics determines the efforts to involve the citizens in the public services, acknowledging their status of customers and the differences between public service delivery in the public sector and service delivery in the private sector.

The public services were created by public communities in view to achieve objectives for their development. For the time being the need to combine the economic efficiency with the social size represents a genuine reality.

Public services cannot be designed without involving all stakeholders, mainly the citizens. The citizens become active and competent users of public services and taking into consideration the continuous increase of the aspiration levels, the public service finality is updating permanently.

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THE ROLE OF MARKETING IN THE DEVELOPMENT OF PUBLIC SERVICES

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ABSTRACT

Citizens' perception and the satisfaction extent/degree that they have in their relationship with the public institutions are brought about by the manner how these respond to their requests and by the attitude that the civil servants have. The estimation of the three status vectors: the satisfaction degree, the administration response and the civil servants attitude in the case of GDPF-Ph, the application of χ^2 test and the calculation of Pearson contingency coefficient "C" in the framework of an experiment, will corroborate the hypothesis that a correlation exists between the studied variables. The obtained results allow preliminary remarks on the intensity of the correlation and its effects in time, hypotheses that will be examined later on. Knowing the factors that contribute to the shaping of the citizens opinion, the direction and trend of the induced changes, represents the necessary base to establish the methods to improve the public services.

KEY WORDS

Public marketing, citizens' satisfaction, data analyses, correlation, quality improvement

1. INTRODUCTION

The services field has got ever larger dimensions in the socio-economic life of the country, the emergence and growth of services being activated by the social need. The social need can be defined as an assembly of wishes whose meeting is considered, by the members of a community, as essential to the assurance of a certain level and style of life in accordance with the development level and statute of the group (Plumb et al. 2000: 76).

The public services and those of public importance comprise more fields of activities, such as: public administration, territorial planning, water (distribution and collection), army, social assistance, domestic waste (its management), electric power (electric power distribution), natural gas (natural gas distribution), firefighters, consumer protection, national radio, health, telecommunication, national TV, public transport.

The marketing has been one of the most ignored and misunderstood fields of activity by the employees of the public sector. This has had a negative image because of its reduction, in the general perception and knowledge, to the only element of promotion, respectively communication, justified by the endless flow of advertisements and promotion campaigns in the private sector.

Drucker said (Drucker 1989: 18): „Twenty years ago, management was a dirty word for those involved in non-profit organizations. It reminded them of business and the non-profit ones were proud that they do not „tarnish" themselves with commercialism and that any considerations linked to profits or money are beneath their dignity. Now, the most part of these persons have understood the fact that the non-profits need management even in a greater measure than the common business, precisely as they lack the discipline imposed by the need to produce profit. The non-profits are, of course, destined to „good actions". But, it also understands that the good intentions are not substitute to organization and leadership, for responsibility, performance and results. This needs management, which in its turn, is defined mainly, by the organization's role".

The attractivity of the market mechanisms that succeeded in the private sector, determined the wish to „import" them into the public sector, developing the theory and practice of the public management, public affairs and public marketing.

The conception towards the clients was introduced by Benjamin Franklin (Kotler 2008: 25) when he became minister of mail services in 1775 and began to organize this service strengthening the selection of new, shorter lines, approving that those delivering the mail on horse to travel also at night, to accelerate the transmission of mail between Philadelphia and New York and thus to meet the desire of the clients to have a faster and cheaper communication.
Nonetheless, for about 200 years, the public marketing existed only in practice, namely through the initiatives of different public managers that felt the need to apply various concepts taken from the private sector and that in their opinion allowed the improvement of their performances through a better meeting of the citizens needs and expectations.
Those that, for the first time, debated on implementing the marketing in the public sector, were Kotler and Levy (1969) and defined the marketing as „the one serving and meeting responsively the human needs" (Sargeant 1999: 15). After long debates regarding this matter, the marketing has developed, extending then to the non-profit sectors, such as the administrative, social, political, public etc., growing mature during the 1980 years. During the years 1990, a separate trend is standing out, named the social marketing or the public marketing, at the same time, having a larger development the international dimension of the non-profit marketing. All these lead to the growth of the marketing activities also in other sectors than the commercial one. There is a fundamental difference between the marketing of the private sector and that of the public one: in the private institutions, the marketing focuses on the goods and services produced for sale, for profit, while in the public institutions, this centres on the meeting of people needs through the offered intangibles (services).

2. THEORETICAL-METHODOLOGIC EVOLUTION

During the last decade, marketing has known a special extension and became more and more important in different sectors of activity, including the field of public services. At the beginning, this was used in the sphere of business, and was a subject of debate for many years, if it can be applied in the management of the public enterprises or not.

The marketing proves itself to be the best ground for planning in a public institution wanting to meet the citizens' needs and to have an actual contribution (Kotler 2008: 19). The main objective is to lead to obtain the results that are respected by the consumers and that place the public institution or the public service provider on a trustworthy and reasonable satisfaction stand. We use the term reasonable satisfaction as the concept of ensuring the client satisfaction in a grater degree, valid in the private sector, but it changes its coordinates in the public sector. Thus, the level of satisfaction that the public services have to reach is limited to the assurance of the satisfaction of the most citizens and mainly it has to ensure the accessibility to services for the majority, a good level of quality, without pointing out to higher (*de luxe*) exigencies and expectations. The motto "our client – our master" becomes in the public sector „satisfaction and value for citizen".

Using the marketing, the administration can transform itself from a traditional institution that has a weak link with the citizens, in a modern institution, with a strong relationship with the citizens, that for the money paid by the tax-payers, offers value added services (Plumb et al. 2000: 22).

Having good results in the public field and as certain public services have been given to private companies, the role of marketing has gained an ever grater significance in this field. Another argument is that of the set up and development of the private sector in the field of the public services (health, education, security, media, social assistance etc.) that create alternatives and comparison elements, as well as the emergence of an incipient competitive milieu in the place of the public monopolist one. At the same time, more and more public institutions are concerned to relate to the citizen, with the image that they have in the citizen's perception and not at least to obtain election advantages/benefits through working out the administrative matters.

The public marketing is influenced by a number of factors: social, political and economic ones that has as an aim bringing about and meeting the needs of citizens, in correlation with the national strategy of socio-economic development on medium and long term and implicitly with the sectorial policies. For this reason, the relationship between the suppliers and users of the public services has an important role, helping to the identification of the citizens' needs and desires.

Thanks to the public services role, more and more pregnant, in the increase of the quality of life, an implementation and development of the marketing in the public sector is needed. Through this implementation it is pursued that the public administration to be adapted permanently to the actual and future requirements of citizens, meeting their needs with the most efficiency, the methods and techniques used by the public administration, have to be directed to the study of the beneficiaries and meeting their exigencies.

Through marketing, the public institution analyses and plans all its actions, with the aim of optimizing the outcome, this being a managerial process responsible for the identification and valuation/measuring of citizens requirements, their anticipation and meeting.

The public marketing has in view the change of the way the important matters of society and citizens are approached by those meant to solve them. Another objective is the placement of the public institutions in the citizens' perception as key elements in solving, at local and central level, their problems. The changes in the public sector, from the tax-payers and public services beneficiaries' point of view, in accordance with the marketing principles, will allow the institutions to better approach the citizen, to improve communication between the authority and beneficiary, to set up a climate of trust and civic attitude/sense.

Both components implied in the carrying on public or public importance services, from the prospect of the marketing principles, will have to change the way of approaching the problems. A first step is the understanding of the rights and obligations that exist for each part in its turn, simultaneously with the understanding of communication as the single form of harmonizing the interests[1] in the large sense of the term.

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[1] INTEREST, interests, n. Sing. 1. The concern to obtain a success, an advantage; the diligence put in an action for meeting certain needs; 2. Active and sustainable orientation, desire to learn and hear more, to understand someone or something ;

The set up of the objectives of a public institution is not easy to achieve as, so as Drucker said „The results of a non-profit institution are always outside the organization, not within it", so that these are very difficult to evaluate/measure. „The non-profit institutions cover a vast row of interests and behaviors and this shows the large diversity of the objective that they have". (Sargeant 1999: 18)

Through the public marketing, the public institution is better and more easily placed in the structures meant to ensure the society functioning and the solving of the community matters, at local or central level (Grigorescu et al. 2007: 49).

Similar to the general concept of marketing, the term of public marketing can be approached from more prospects: economic, business, client, social, all correlating the public organizations direction, carried out in an assembly of planned, programmed and developed activities, using specific methods and techniques, with the aim to meet the tax-payers needs and/or to promote some expected behaviors within the communities that represent the target market.

Given all the above mentioned, we consider that, in Romania, the concept of marketing has to be assimilated by the manager of the administrative structures and his team and adopted as the basic principle in the practical activity of the civil servants and implies that the process of public administration be adjusted permanently to the actual and future requirements of the citizens, as well as their meeting with maximum efficiency. For the Romanian public administration, the implementation of marketing programs depend on what the executive authorities consider, these one being able to direct the marketing towards the social environment or the quality of the public services, related to the individuals requirements.

The practical knowledge proves that, in our country, the public institutions have as main objective the meeting of the people need for public services, but not all aim at, on the whole, the achievement of this objective. As a result, when the market does not succeed in meeting the people needs, the Romanian public institutions have to act on this direction, to guarantee the general interest through the preservation of the public goods and to watch the good functioning of the public services market, to promote quality services, in accordance with the European standards of the European Union countries.

The above mentioned theoretical-methodological arguments show the necessity of utilization the public marketing in the public institutions, in general, and especially those in Romania as, its development is really fast. Under the conditions where a large number of civil servants have no minimum knowledge of marketing and are not familiar with the fundamental concepts it is difficult to change a mentality only with theoretical arguing. The results of certain marketing activities are nevertheless eloquent and allow even the winning of the most skeptical persons in the group of the promoters or those destined to form the critical mass needed to implement the new concepts.

3. RESEARCH HYPOTHESES

The marketing research in the public sector has the same aim as the private sector marketing that is taking decisions. A series of data categories necessary in the public sector are (Chapman and Cowdell 1998: 264):
-    The usage of services/goods;
-    Consumers perception of services/goods;
-    Consumers attitude towards services/goods;
-    Services/goods employment motivation;
-    Consumer categories;
-    Competition (when it exists).

Steve Kelman from Harvard University points out the significant aspects that has to be understood in the managerial research of the public sector: „There is an important thing that I believe that all the researchers of the public management have to induce to the main organizations: legitimacy of prospective research – which is, the research having precise aims of theorizing and collecting empiric proofs about the effective practice." (Kelman 2005: 968)

3.Understanding and empathy for someone or something; concern, sympathy; 4.Quality to wake up attention, curiosity through the importance, beauty, variety of a good, problem, action etc.; appeal; from the definitions of DEX, Academiei PH, 1998.

The final aim of the marketing research is the supply of data to decision makers in view of substantiating and working out their decision better. This aim is achieved as far as two important aspects are carried out:
- Contribution of the research to the sift from intuition to scientific decisions;
- The way the marketing research is materialized in studies that influence the marketing decision.

This thing is achieved depending on the research way of approach, with results found out in three kinds of studies (Pride and Ferrel 1991: 206):
- *investigation studies* when more information about the searched issue are got or an already approached issue is further examined ;
- *descriptive studies* when it is necessary to understand the characteristics of certain phenomena or to work out a particular issue ;
- *causal studies* when it is supposed that a variable (x) is the cause of another one(y).

This research is a causal study, worked out by the General Department of the Public Finance of Prahova county (GDPF-Ph), which tries to substantiate, based on the previous arguments, that:
- marketing offers the necessary tools for knowing the citizens needs and perception about the public services;
- data obtained from citizens allow the improvement of services;
- communication between authorities and citizens is an essential element for the development and consolidation of a correct relationship.

The causality is represented by the measurement of the citizens' degree of satisfaction when in relation with GDPF-Ph against the response to their requests. The improvement of services based on the remarks and suggestions, leads to the change of the perception and the increase of the degree of citizens satisfaction.

A first working hypothesis is that the citizens' expectations can be determined with a 95% probability degree, by questioning a sample representative both for size and structure.

Thus, the experiment by the selection of a sample built up of 400 citizens[2] (873.000 inhabitants), calculated on the basis of Taro Jamane relation[3]:

$$n = \frac{N}{(1 + N * e^2)}$$

where: n – the sample size

N – dimension of the target population

e – 5% acceptable error limit, a probability degree of 95%.

From the view of the structure, one of the three citizens that had access to the services of GDPF-Ph was questioned, in all centres of the organization (urban and rural ones[4]).

The second working hypothesis (I_2) sets out three variables that are studied within the research:

V_1 – the citizen perception, expressed in the satisfaction (content) degree towards the studied public institution;

V_2 – the public institution response to the citizens' requests; essentially, the aspects related to the management of the received response that includes two status sub-parameters: response time and its content, that refers to the extent of clarifying the matter and not to its solving;

V_3 – the civil servant attitude towards the citizen, in his position of a public service applicant or petitioner.

A third working hypothesis (I_3) is that the citizen perception and implicitly the extent of his satisfaction are influenced by the way the authority responds to his requests, irrespective if these are applications for services or information or complaints, claims etc. A better administration of the citizens' requests and an efficient management of the responses will lead implicitly, in our opinion, to the improvement of the image that the institution has in the citizens' perception. Thus, a conditioning relation is

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[2] The sample dimension, in accordance with the calculations is of 399 individuals, but another individual was added to facilitate the subsequent calculations when applying the χ^2 test.

[3] The relation Taro Jamane provides the possibility of sizing the sample through a simple computation that leads to under-sized samples when a relative large error is accepted, but generally accepted for large communities. Other sampling methods, more rigorous, under the same probability parameters (95%) lead to larger samples, hard to manage and expensive.

[4] Prahova district has 104 territorial administrative units, of which 14 urban (2 cities and 12 towns) and 90 villages, www.cjph.ro, August 2009.

established between V_1 and V_2.   A similar relation will be also born between V_1 and V_3, namely the citizens' satisfaction depend also on the civil servants attitude.

The fourth hypothesis (I_4) aims at the selection of certain measures of improving the public services that will improve the citizens' perception when implemented. This assumes that a new questioning of the selected sample, after a period of time of maximum a year will point out a superior status.

4. WORKING METHODOLOGY

The research tries to select a sample of 400 individuals, based on the above mentioned methodology, to be put to an experiment that has the following stages (E_i) and steps (S_i):

Stage 1 (E_1) that comprises:

1. S_1 – consists in the collection of a database (BDI_1), with the help of a questionnaire Q_1 that aims at getting status information of the three vectors V_1, V_2 şi V_3. Also with the help of the questionnaire opinions, suggestions, proposals for the improvement of the public services are collected.

2. S_2 – processing the information to determine the status values of the three vectors for the t_0 moment and the calculation of the correlation between V_1 - V_2 and respectively V_1 - V_3.

Stage 2 (E_2):

3. S_3 – collection, selection and sistematization of opinions, suggestions, proposals for the improvement of the public services with the view to establish a set of measures of activity re-organization and improvement of the public services.

4. S_4 – implementation of the proposed measures and the use of new mechanisms in relation with the citizens.

Stage 3 (E_3):

5. S_5 – collection of a database (BDI_2) with the help of a questionnaire Q_2 (partly identical with Q_1) aiming at getting the status information of the three vectors V_1, V_2 şi V_3 at t_1 moment. Collection of some data of interest for the institution.

6. S_6 – data processing for the calculation of the status information of the three vectors at t_1 moment, the calculation of the correlation between V_1 - V_2 and respectively V_1 - V_3 and the setting up the recorded progress in the citizens perception.

Data collection in the S_1 and S_5 steps will be achieved with the help of the Q_1 and Q_2 questionnaires that have a number of 10 questions. The questionnaires were worked out with each the third citizen that have applied for the GDPF-Ph services. A number of 583 filled in questionnaires were collected, out of which those with incomplete answers or personal data were eliminated. A number of 400 individuals were selected and asked the permission to be questioned again on a second stage.

The information processing in S_2 and S_6 steps is achieved using the analysing method - χ^2 *test for a single variable* and the more complex variant in the case of analysing two variables and the calculation of the association degree by computing *Pearson's"C" contingency coefficient.* χ^2 *test for a single variable* (Danciu and Grigorescu 2000: 58-61) is a method used to calculate the differences of opinion regarding a feature of an examined product or service, found as a result of questioning a certain sample, using a Likert 5 and respectively 7 scales. Starting from a zero hypothesis, having thus in mind that there are no differences of opinions among the examined individuals, through the calculation of $\chi^2_{practical}$ test and its comparison with the value corresponding to the liberty degrees and the significance level $\chi^2_{theoretic}$ from the pre-calculated tables, two possibilities emerge. If $\chi^2_{practical}$ $\chi^2_{theoretic}$ then the zero hypothesis cannot be accepted, and if $\chi^2_{practical}$ $\chi^2_{theoretic}$ then the zero hypothesis can be accepted.

The calculation formula for $\chi^2_{practical}$ coefficient is:

$$\chi^2_{practic} = \sum_{i=1}^{n} \frac{\left(F_{pi} - F_{ti}\right)^2}{F_{ti}}$$

where:

F_{pi} – frequency obtained by research;

F_{ti} - theoretical frequency corresponding to zero hypothesis.

Pearson's „C" contingency coefficient is a method helping to calculate the dependency /subordination or association degree between two variables that influence themselves mutually. This coefficient is calculated by this formula:

$$C = \sqrt{\frac{\chi^2_{practic}}{\chi^2_{practic} + N}}$$

where:

χ^2 practical − is the coefficient base on the data obtained in a case where two attributes (variables) were analysed;

N − is the number of individuals that formed the studied sample.

The calculation formula for χ^2 practical for two variables is worked out with the help of the formula (Spircu 2005: 34-37):

$$\chi^2_{practic} = \sum_{i=1}^{r} \sum_{j=1}^{c} \frac{\left(F_{pij} - F_{tij}\right)^2}{F_{tij}}$$

where:

F_{pij} = actual frequency in the i-th row, j-th column
F_{tij} = expected frequency in the i-th row, j-th column
r = number of rows
c = number of columns.

The obtained value is compared with the maximum value of „C" that is thus calculated:

$$C_{max} = \sqrt{\frac{c-1}{c}}$$

where:

c − represents the number of columns of the table of contingency (the table of contingency represents the synthesizing of data on columns based on the degrees used for an attribute/symbol and on rows based on the degrees of the second attribute).

Values that „C" can have, as well as "C_{max}" , are placed between zero and one. If the value of C is much smaller than C_{max}, then the correlation degree between the studied variable is very weak.

S_3 and S_4 steps will be worked out by a working group built up of the research team and the representatives of GDPF-Ph. A packet of measures will be fixed based on the debates within the working groups and will be implemented. A period of one year will be given for the use of the new formulas of managing the citizens' applications, the response management, communication techniques, and change of the civil servants attitude in order to be able to work out the second collection of data (S_5) and their processing (S_6). This period of time is necessary to identify the possible changes and their signification.

The graph of the research activities schedule is shown in Figure 1.

Figure no.1
Research schedule

		Jan.09	Mar.09	Jun.09	Sep.09	Jan.10	Mar.10	Jun.10	Sep.10
E1	S1	done							
	S2		done						
E2	S3		done						
	S4			done	done	done	in progress		
E3	S5							waiting	
	S6								waiting

done   in progress   waiting

Working hypotheses of research I_1, I_2 şi I_3 can be verified on the basis of the processing data collected in S_1, namely, after the end of the stage E_1. The I_4 hypothesis can be checked up only after getting over E_2 and E_3. One can see that the first stage of the research (E_1) is finished and the second stage (E_2) is going on, doing possible, at present, the display of the partial results of the research.

5. RESULTS REPORT

A last aspect that has to be pointed out on the basis of the collected data with the help of the questionnaire Q_1 is that of the kind/type of interactions that the citizens had during the last year[5] with the structures of GDPF-Ph. One can notice that 91% of the citizens interact through their applications for information, services or both types of applications. Only 7% of the citizens interact through the submission of complaints, while 2% submit applications and petitions/complaints.

Figure no.2
INTERACTION TYPES BETWEEN CITIZENS AND ADMINISTRATION

- request information
- request services
- request both
- complaint
- request & complaint
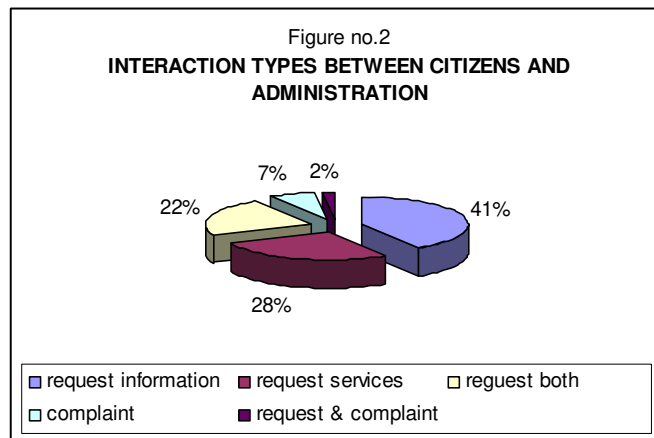
The share of the complaints is, however, low in relation with the number of citizens that claim themselves dissatisfied by the public services and the attitude of the civil servants. The reasons they do not submit complaints are various: a great lack of trust in public authorities, ignorance of the procedure to submit a notice, lack of time, red-tape, and the issue was solved before the submission of the notice etc.

The calculation of the status values for the variable V_1 – *the citizen perception expressed by the citizen satisfaction extent regarding the studied public institution* is worked out using a Likert 5 scale. For the question „ To what extent is you content with the services offered by GDPF-Ph?" a distribution of the opinion frequencies F_{pi} was obtained, according to the Table 1. The theoretical distribution of the opinions frequency, according to the zero hypotheses, is equal for the 5 steps of the scale.

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[5] The one year period that refers to the interaction between the citizens and the administration structures, in our case GDPF-Ph, was fixed on the reasons of symmetry with the period which will be put between t_0 şi t_1, the moments of collecting information.

TABLE 1
Frequence distribution for V₁

Opinion	F_{pi}	F_{ti}	$F_{pi} - F_{ti}$	$(F_{pi} - F_{ti})^2$	$\dfrac{(F_{pi} - F_{ti})^2}{F_{ti}}$
very satisfied	20	80	-60	3600	45
satisfied	180	80	100	10000	125
neutral	8	80	-72	5184	64,8
dissatisfied	148	80	68	4624	57,8
very dissatisfied	44	80	-36	1296	16,2

Based on the calculation we have:

$\chi^2_{practical}\,(V_1) = 308{,}8$

$\chi^2_{theoretic}\,(V_1) = 9{,}49$

$\chi^2_{theoretic}$ was taken from the table for a liberty degree n = 4, calculated as the relation n = k – 1, where k is the number of the used categories, and the significance level was considered of 0.05, corresponding to a probability of 95%.

Since

$\chi^2_{practical}\,(V_1) \qquad \chi^2_{theoretic}\,(V_1)$

then the zero hypothesis cannot be considered.

We can consider that the I₁ hypothesis was verified in the case of V₁ variable, namely on the basis of the citizens answers one can determine the citizens perception regarding the GDPF-Ph services, at one moment of time, according to Figure 3.

Figure no.3
CITIZENS SATISFACTION AT t_0
11%   5%
37%
2%
45%
very satisfied   satisfied   neutral   dissatisfied   very dissatisfied
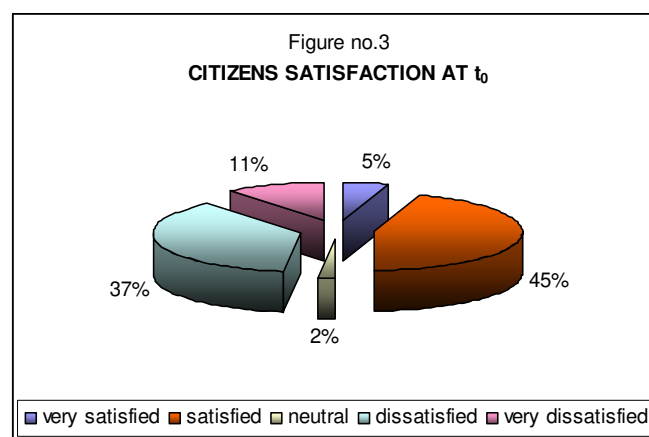
The calculation of the status values for the variable *V₂ – the response of the public institution to the citizens' requests* was worked out using a Likert 7 scale.

For the question „How do you reckon the response of GDPF-Ph to your requests?" the questioned individuals had to choose one of the 7 proposed situations: no response, late response, incomplete response, lack of interest/formal response, complete response, early response, and fast and complete response. The distribution of the obtained opinion frequencies F_{pi} is shown in Table 2. The theoretical distribution of opinions, according to the zero hypotheses is equal for the 7 steps of the scale.

TABLE 2
Frequence distribution for V_2

Opinion	F_{pi}	F_{ti}	$F_{pi} - F_{ti}$	$(F_{pi} - F_{ti})^2$	$\dfrac{(F_{pi} - F_{ti})^2}{F_{ti}}$
no response	68	57	11	121	2,12
late response	68	57	11	121	2,12
incomplete response	116	57	59	3481	61,07
formal response	32	57	-25	625	10,96
complete response	99	57	42	1764	30,95
early response	12	57	-45	2025	35,53
prompt response	4	57	-53	2809	49,28

From calculation results:

$\chi^2_{\text{practical}}(V_2) = 192,4$

$\chi^2_{\text{theoretic}}(V_2) = 12,59$

$\chi^2_{\text{theoretic}}$ was taken from the table for a liberty degree n = 6, calculated from the relation n = k − 1, where k is the number of the used categories, and the significance level was considered of 0.05, corresponding to a probability of 95%.

As

$\chi^2_{\text{practical}}(V_2)$ $\quad$ $\chi^2_{\text{theoretic}}(V_2)$

than the zero hypothesis cannot be taken into consideration.

Thus, also in the V_2 case the hypothesis I_1, the status regarding the GDPF-Ph manner of response to the citizens' requests is verified at t_0 moment and shown in Figure 4.

Figure no.4
PUBLIC ADMINISTRATION RESPONSE AT T_0
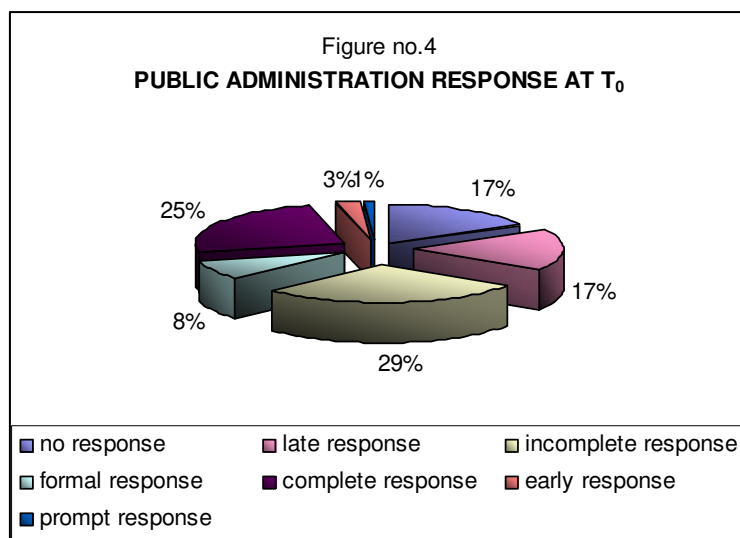
The third studied variable, V_3 – *the attitude of the civil servants towards the citizen, in his position of applicant for a public service or a petitioner,* was estimated starting from the records done for the question „How do you estimate the attitude of the civil servant?" using a Likert 5 scale. Table 3 shows the frequency of the recorded opinions.

TABLE 3
Frequence distribution for V_3

Opinion	F_{pi}	F_{ti}	F_{pi} - F_{ti}	$(F_{pi}$ - $F_{ti})^2$	$\dfrac{(F_{pi} - F_{ti})^2}{F_{ti}}$
very polite	32	80	-48	2304	28,8
polite	164	80	84	7056	88,2
neutral	140	80	60	3600	45
rude	60	80	-20	400	5
very rude	4	80	-76	5776	72,2

$\chi^2_{\text{practical}}(V_3) = 239{,}2$

$\chi^2_{\text{theoretic}}(V_3) = 9{,}49$

$\chi^2_{\text{theoretic}}$ was taken from table for a liberty degre n = 4, and the significance level is considered of 0,05. Since

$\chi^2_{\text{practical}}(V_3) \qquad \chi^2_{\text{theoretic}}(V_3)$

than the zero hypothesis cannot be taken into consideration.

One can see that again the recorded information through the emergence frequency offer an image of the status variable studied at one moment, according the Figure 5.

Figure no.5
PUBLIC SERVANTS ATTITUDE AT T_0
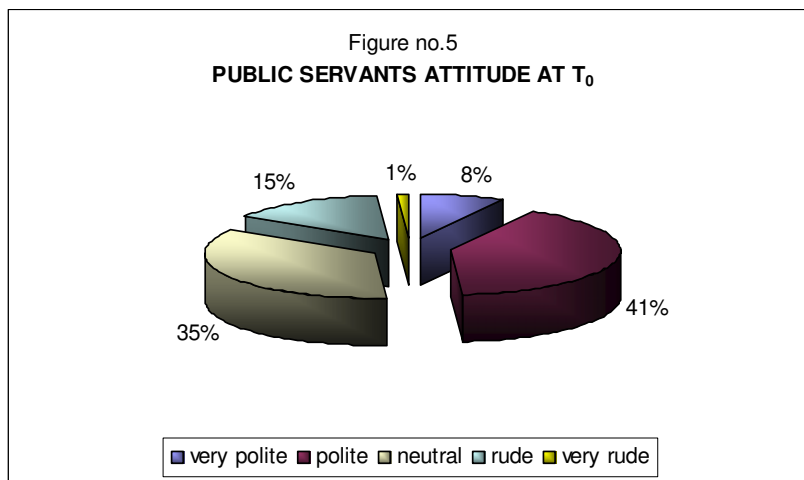
The calculation *Contingency coefficients* $C(V_1$-$V_2)$, $C(V_1$-$V_3)$ was worked out with the help of the values obtained for $\chi^2_{\text{practical}}(V_1$-$V_2)$ și $\chi^2_{\text{practical}}(V_1$-$V_3)$. This implies the built up of contingency tables $T(V_1$-$V_2)$ and $T(V_1$-$V_3)$ with structures of 5x5. In the case $(V_1$-$V_3)$ both variables have 5 situations each, so the convergence table will be easy to work out. In the case $(V_1$-$V_2)$, since V_2 has 7 situations (-3,-2,-1,0,+1,+2,+3) we shall unify the extreme situations (-3,-2 respectively +2,+3) to bring about a series of frequencies due to a scale with 5 steps.

TABLE 4
Contingency table for V$_1$-V$_2$

	V2-S1	V2-S2	V2-S3	V2-S4	V2-S5	Total
V1-S1	5	6	2	2	5	**20**
V1-S2	67	61	17	31	4	**180**
V1-S3	1	1	3	2	1	**8**
V1-S4	47	37	8	51	5	**148**
V1-S5	16	11	2	14	1	**44**
Total	**136**	**116**	**32**	**100**	**16**	***400***

Using as reference a uniform distribution, from the estimation results:

$$\chi^2_{\text{practical}}(V_1\text{-}V_2) = 99,5 \qquad C(V_1\text{-}V_2) = 0,446317 \qquad C(5)_{max} = 0,894427$$

The conclusion is that between V$_1$ and V$_2$ there is a dependence relationship, the V$_2$ variation determining the change of V$_1$ in the same direction of development. It is natural to think that the sense/direction of the development of the two variables is the same.

TABLE 5
Contingency table for V$_1$-V$_3$

	V3-S1	V3-S2	V3-S3	V3-S4	V3-S5	Total
V1-S1	5	8	5	2	0	**20**
V1-S2	13	67	75	23	2	**180**
V1-S3	1	1	3	2	1	**8**
V1-S4	9	76	43	19	1	**148**
V1-S5	4	12	14	14	0	**44**
Total	**32**	**164**	**140**	**60**	**4**	***400***

The calculation results in:

$$\chi^2_{\text{practical}}(V_1\text{-}V_3) = 103,5 \qquad C(V_1\text{-}V_3) = 0,453388 \qquad C(5)_{max} = 0,894427$$

a relation of dependency exists between V$_1$ and V$_3$, the direction and sense of development of the two variable being the same.

Thus, the experiment validates the third working hypothesis.

6. CONCLUSIONS

The obtained results after the end of the first stage of the experiment substantiate that the three selected variables offer an image on the state of the studied system (citizen-public institution) at a given moment. Thus, the citizens are grouped in 5 or 7 steps of status depending on the used scale

The application of test χ^2 for each of the three variables using different variants of the theoretic distribution of frequencies leads to the same result, namely it will permanently exist a disagreement between the frequencies practically obtained and those theoretically proposed. This leads to the idea that the grouping of the individuals on the analysis levels is random but illustrative in a status analysis.

The calculation of Pearson's C contingency coefficients for the two pairs of variables V$_1$-V$_2$ and V$_1$-V$_3$ points out the fact that the change of the public administration manner of response to the citizens requests and of the civil servants attitude towards the citizen they come in touch with are correlated with the degree of satisfaction the later one has in relation with the public institution and implicitly is bringing about his perception.

The improvement of the management of interaction of citizens with the public institution, irrespective of its type, corroborated with an efficient management of the institution response, together with the change of the civil servant in relation with the citizen are significant elements for the increase of his satisfaction degree. The perception and his position towards the state institutions will be a resultant of a number of such elements.

The intensity of the connection between the three studied variables and confirmation of the development hypothesis synchronic with the same direction and sense will be possible to point out after the end of the three stages of the present experiment. A first expectation starting from the obtained values for the contingency coefficients is that the influence will not be very strong and thus we cannot expect fundamental changes, although a time period of a year between the two studies may seem long enough. However, we have to remember that also the ocean is made of water drops.

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ASSESSMENT OF PARTNERSHIP MARKETING ON DEVELOPMENT OF CROSS BORDER LOCAL NETWORK

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ABSTRACT

Traditionally, the public administration has been too little concerned with strategic aspects of its work; the treat of citizens as subjects of management assigned to a larger vision to perceive the role of public service as a mechanical application of the orders of the politicians which were only abilited to develop political skills and strategies. The administrative tasks were possible without having a long term perspective and this was one of the main criticisms of the traditional model of public administration. Under the new management philosophy, the results placed the spotlight of public institutions and the concern for establishing long-term strategies is inevitable.

KEY WORDS

Public administration, marketing, cross border projects

1. INTRODUCTION

Traditionally, the public administration has been too little concerned with strategic aspects of its work. The treat of citizens as subjects of management assigned to a larger vision to perceive the role of public service as a mechanical application of the orders of the politicians which were only abilities to develop political skills and strategies. The administrative tasks were possible without having a long term perspective and this was one of the main criticisms of the traditional model of public administration. Under the new management philosophy, the results placed the spotlight of public institutions and the concern for establishing long-term strategies is inevitable.

The opponents of using the public marketing concept refers to several classical arguments in building their arguments: the absence of market, the non-financial profit as the main agent of public reasoning, the dangerous temptation to manipulate the needs and perceptions of citizens, the lack of user client status, the lack of competition and the monopoly or quasi-monopoly of government, the perception that marketing is an activity purely promotional. All these obstacles are backed by a rigid perception of civil servants "traditionalists" who see public administration as representing mainly, a tool of state action rather than serving as a citizen-oriented structure (Anderson and Wilson 2003).

2. LITERATURE REVIEW

Philip Kotler and **Nancy Lee** in *Marketing in the Public Sector* (2008) show that ,"public marketing promote programs developed by the public sector to the beneficiaries by means taken from commercial marketing, but it not has the primary objective and purpose of selling a specific product. The public marketing objective is, ultimately, a utilitarian purpose for which exists the public system".

March Pasquier in M*arketing Management and Communications in the Public Sector* (Routledge Masters in Public Management) shows that taking specific marketing techniques by the public sector is a form of social innovation, just in the sense that through marketing techniques, is provided a solution to a real problem for the public sector: the maintenance of recipients (citizens) informed and somewhat satisfied with the results of development and implementation of programs undertaken by the public sector.

Tony Proctor in the *Public Sector Marketing* underlines that "by optical and content that promotes, the marketing in public administration requires a new way of conduct which requires both, responsiveness to citizen demands, high capacity to changing requirements and demands of society, spirit of innovation, transparency, reduction of bureaucracy, flexibility in the mechanism of functioning of public institutions, unified vision on the activities and maximum efficiency obtained as a result of effective orientation activities to the real needs of citizens".

3. THE APPROACH OF MARKETING TYPE IN PUBLIC ADMINISTRATION

The evolution of relations between administration and the citizen is always a topic of permanent debate. Focused on satisfying of the public interest, the administration action proves often authoritarian and overly burdensome, transforming the citizen in a tool and not a purpose of an institutional approach. Assuming the unilateral view, the administration defines roles, imposes bans, defines the space of action, and impose barriers that citizen is forced to obey. The administrative capacity is based on vague regulations that generate bottlenecks and requires a type of rationality based on authoritarian and formalism. The citizen is a subject, who is required to discipline; under the pretext of providing benefits, the administration tries to achieve tighter control as the delimitation of the conditions that allow the use of public services.

"The service of public interest" (based on a standardized, impersonal operation) turn the administration into a minority "enlightened" of needs and expectations of "unable" public to do what is best for him. Paradoxically, the same bureaucracy has tried to minimize the role of the successful techniques from the private sector in public organizations, using an application of "reverse chain" used in economics: the

supremacy of supply over demand by imposing products and services to a public "trapped", for which the administration chooses.

This traditional design is directly related to the ways in which public organizations operate. Very often placed in situations of competition, they enjoy monopoly in respect of the benefits they provide. In the absence of alternative solutions, the users have no option than to accept the existing services, in terms of mismatch between costs and quality of public benefits (Pasquier 2009).

The treatment of citizens as administered, the lack of communication and the promoting of an authoritarian mentality are no longer a feature of modern government. The administrative action is not implicitely legitimate, and this fact requires an appropriate response, during which the orientation towards citizen facilitate the application of marketing in public sector. Situated at the apparent acceptance, the administration uses a technique of resistance to change, as known as the penetration of techniques and tools from private sector will reduce bureaucracy, loss of privileges, "desacralization symbols". Therefore, the process tends to be slow and difficult, and the contacts by electoral type based on friendly shakehand into marketplaces throughout the campaign are not far from an acceptable development in the field.

The reality has shown that since the 70s of last century, in public administration entered methods, techniques and tools specific to the private sector, better able to guide the authority's action to the citizen. The public administration has realized that the main problem identified in relation with the citizen, is *poor communication* that creates a state of disbelief from the public. Therefore, the gaining of public confidence will be based on the administration's scope to explain the meaning of its decisions without distorting reality. This means that the expectations come from citizens, the administration should consider his needs, as a *consumer of public services*. Thus, it is formed a new relationship between the government (as public service) and citizen (user of them). The performance is not legally free, because the citizen has the status of the taxpayer and from the taxes and fees paid, will be made public financial resources, which the administration must use them responsibly.

Therefore, the public administration is obliged to adopt a new attitude, open, citizen-oriented service, giving up to the ''traditionalist'' perception, as principal instrument of state action, generating abuse. Therefore, the rethinking of the relation's system between the administration and the citizen involves the adaptation of commercial marketing techniques and tools to the specific public administration.

The mission of public marketing is very complex; on the one hand, the public marketing is used to promote and strengthen the responsability of public organizations, on the other hand, the public marketing aims to improve the communication of public entities, be it external dimension (public relations, public affairs) or the internal institutional level. The applicability of marketing in the private sector (based on profit) in the public sector (nonprofit) collides with difficult obstacles to overcome, among which may be mentioned:

- Public administration is "forced" to be normative and long-term oriented, while marketing is opportunistic and short-term oriented;
- Public administration puts public ahead of personal interest, while the marketing seeks to satisfy private interests, without dealing with whole society;
- Marketing aimes the profit and is subject to competition rules, while public administration is not interested in profit and is not comply with rules of market economy.

These bordering fail to outline a misleading vision that marketing and public administration are mutually exclusive. The fact that public administration provides public benefits, ensuring the universality and collective good, does not mean the acceptence of spending without limits, irational because it is not interested by profit. The misuse of public money has a negative impact on all taxpayers who will bear a higher public debt, because the budget is used to cover public sector losses.

4. THE CHARACTERISTICS OF PUBLIC SERVICE CONSUMER

Once we place the concept of public marketing directly connected with the consumer and its needs, it must know that the consumer of public services have specific characteristics that it differentiates a certain extent by the private sector. This requires the administration to adopt a specific approach towards the "customer".

The specificities of consumer public refer to the relationship of the user / public production as well as the decision to opt for a particular public service (Hermel and Romagna 1996).

I. The user of public service acts under the influence of a specific vision. The expressing of dissatisfaction with public administration is part of a continuous process and the bureaucrat will always be perceived as a weak manager, a monopolistic character, rigid, less communicative. The citizen, as consumer of public services, has found that institutions have a non-functional structure characterized by:

-problems regarding to the treatment of citizens (indifference, rigidity, lack of concern for his needs, authoritarian behavior)

-delays and lack of attention of the public (orientation of expectations exclusively from administration towards citizen);

-excessive bureaucratic procedures (based on the natural tendency of bureaucracy to justify the irrational expansion by multiplying its procedures and providing the image of a complex machine, in which size is directly proportional to efficiency);

- the bad timing of public relations service (no concern to the real needs of the public may be very clear here, placing public relations program for a period of half an hour / one hour in the morning - when, the normal citizen is at the service - clearly shows lack of interest of the administration to consider the problems of the "client");

- the absence of post utilisation services (practically nonexistent in many public institution;

- gaps in public information.

Most critics focus on the information and *communication*. Criticisms of the quality / price, distribution methods, product features, are uncommon and therefore public marketing grants increased attention to the *information and public relations*. The public administration tends to communicate less and worse on the basis of reasons ranging from the traditional rigid vision to lack of domain knowledges. It is however obliged (both due to legal requirements and especially due to internal managerial rationality) to inform, educate, improve self-image. Placed in a double aspect, but the protector and keeper of the constraint force, the administration must go beyond mere factual information phase of the citizen (although legalistic perspective considers sufficient official publication of laws, the state institutions are often interested in the advertising on presentation and knowledge of its provisions) and to convince and attract citizens to develop a spirit of involvement able to initiate changes in behavior or outlook. The building communication strategies should be based on a simple approach, the elimination of ambiguity and negative image, the establishment of slogans that have enough force to send the message you want to the community involved. The lack of focus and creativity in communication in the public sector is no longer a privilege of the traditional model, but a clear indication of lack of managerial capacity at an individual public organization.

II. The user of public service has specific requirements because the concept of public service. The public administration aims to provide services to citizens, who may realize that the reason itself to be the administrative system refers to community service. The primary idea of public service does not cover the whole social and economic criteria which are subject to the public administration, it must prove its adaptability and increased accessibility, placed in a mobile environment characterized by change and pressure, and the administration must be able to meet new challenges. The misunderstanding of these realities will not protect against changes in administration, but will increase vulnerability and inability to respond. Its users should become the preferred targets for public marketing, this is essential in modifying an anti-bureaucratic concept emphasized by the public - concept developed largely due to the same indifference and traditional administrative rigidities.

The theories in the field put the consumer in an attitude of seeking the maximum satisfaction. The reality is slightly different but once, in fact, consumers do not always have the necessary information. In the case of public administration the situation is the same. The public service user needs specific information elements (Hermel and Romagna 1996). Sometimes, the public administration can provide informations (on tax, legal or road traffic). Occasionally, the public administration does not clarify the user's choice, due to lack of media or to bureaucratic inertia or by the absence of marketing function.

The public marketing promotes programs developed by the public sector to the beneficiaries by means taken from commercial marketing, but it has not the primary objective and purpose the selling of a specific product. The public marketing objective is, ultimately, a utilitarian purpose for which is the public system. It must establish structures for study, meetings with groups of citizens to know their market better.

The attention means that the users, in the lack of information on public service, will start their search (for example as regards obtaining building permits). This search will seek to obtain both quantitative and qualitative information.

The public marketing can assume various functions in management of public administration. Firstly, it can provide significant benefits to the services involved in a competitive environment, the competition may relate to concurents from outside or inside the administration and holds an important place for many public

institutions. We consider two examples: the local administration may be particularly interested in increasing the number of Romanian and foreign tourists who visit the facilities located in their area of influence or they may also be interested in attracting investors unable to revive economic and social life of the community. Beyond specific policy campaign statements which say "attracting investors" or "tourist capacity" the definition of a coherent and effective policy in this area involves the construction of marketing strategies that can make the difference between winners and losers. More and more communities begin to feel this in Romania (but not necessarily react seriously).

Another important function of public marketing is directly related to the above considerations concerning the construction, over time, of negative mindsets towards public administration; whether or not justified in all cases, this public hostility exists and manifests itself in routinely.

Finally, the marketing approach can help to improve the image of administrative institutions, based on strategies that take into account the perceptions and needs of citizens, build a friendly and positive image and clear messages on the new type of approach to both its employees as well as external users. The strategies in this area requires a minimum level of interest because often small gestures or simple but clear signals are sufficient to initiate a change in the perception of administrative institutions; the lack of action in the field not take necessarily to the bad-will of some administrative authority - often it is caused by lack of understanding of the issues facing the organization, because major management weaknesses (Giannini 2009).

5. THE INSTITUTIONAL CAPACITY AND CROSS-BORDER COOPERATION

As a tool for reducing inequality, for integration of communities separated by a border, the cross-border cooperation policy is an incentive for development, but also a distinct contribution to the integration of many EU countries. The border area was the training bases of the concept of Euroregion. At first, this model has become popular through its contribution to restoring the neighborhood relations between the belligerent countries in the World War 2 (Germany, France, Germany, Austria, Germany, Poland, but also Italy, Spain, Portugal-Spain), in the early '90s, in Europe there are over 70 Euroregions officially recognized by the EU structures.

European Neighborhood and Partnership Strategy Paper Instrument (ENPI) of the European Commission stresses the importance of cooperation "People to People" as a means to increase taking of "local ownership of the program" and stresses the importance of engaging civil society and NGOs in this process. The experience of cross-border cooperation between Member States and the EU external borders, shows that small-scale interventions of the active population / institutions on both sides of the border is an effective starting point for cross-border cooperation activities in this area for a long term. Such activities are often the first step toward a more advanced cooperation at regional level (Perkmann 2007).

Therefore, the applicability of specific marketing communication tools facilitates crystallization of a common identity of communities on both sides of the border, awareness of common interests beyond the issues between them. The border authorities must realize that good communication enables political involvement of citizens, the formation of local identity and a common system of values that support the development process.

The Commission Decision no. 3806 of 29.07.2008 adopted Joint Operational Programme Romania-Ukraine-Moldova 2007-2013 ENPI Cross Border Cooperation. This is the first cross-border cooperation at the external borders of European Union, funded and implemented under the European Neighbourhood and Partnership Instrument (ENPI) 2007-2013, adopted to date by the European Commission.

The program aims to create a bridge between the three partner states in order to support communities in border areas to find common solutions to similar problems they face. Through this program, the local authorities and other organizations in the border areas will be encouraged to collaborate to develop local economy, solving certain environmental problems and to strengthen training for emergency situations. The program will also promote a better interaction between communities in border areas.

The projects of People-to-people type are considered a successful Cross Border Cooperation Programmes, are seen as a prerequisite for future growth and initiating new cooperation in the area of Eastern Romania - Moldova - Ukraine.

The promotion of people to people activities is 2-way: support for local and regional government, for civil society and local communities and cultural exchanges, social and education. The value of projects may be between 30.000-150.000 euro and the implementation period between 6-12 months, the total budget is EUR 12,000,000.

The call for proposals was opened between July 1 to September 28, 2009 for priority 3 (promoting activities People to People), 156 projects requesting funding under the third priority. The eligible area of cooperation is for Romania (counties Botosani, Galati, Iasi, Suceava, Tulcea and Vaslui) for Ukraine (Odessa and Chernivtsi oblasts) and Moldova's entire territory.

6. THE IMPLEMENTATION OF PUBLIC MARKETING IN THE IASI CITY HALL

The project L.G.U. Wealth Network / Network Development of Local Public Administration was primarily aimed at improving the economic environment of regions eligible by strengthening local government capacity – the target group (City of Iasi, Iasi Metropolitan Area, City Botosani, City Ungheni Hincesti and Cahul) - to provide quality services, facilities and information to the economic agents.

The network was designed to provide face to face the demand (community needs) and the supply (economic organizations, agencies, businesses, SMEs, various industries) and improve the community life through professional responses of public officials trained to raise funds, to organize fairs and exhibitions, business meetings and provide opportunities for business environment.

The project **owner** was the City Hall of Iasi and **partners** Metropolitan Area Association Project Iasi, Botosani and mayors of municipalities Galati (Romania) and Municipalities Ungheni Cahul Hancesti Nisporeni (Moldova).

The **overall objective** of the project was to improve cross-border economic cooperation between the two eligible areas and the creation of a similar economic development, officials trained, a common database, a Web page, a prospective study, fairs, Investor's Guide to enable the entrepreneurs to better understand community needs and respond accordingly.

The project **duration** was between 01.12.2006 - 30.11.2008 and the total budget of 175.790 euros.

The **specific objectives**:

       - Improving cross-border cooperation between the 2 regions eligible by creating an environment conducive to business development;

       - Improvement of public administrations involved to attract and manage European funds;

       - Promote national and international network through meetings with business environment.

The project **activities** were:

       1. Organization Development Network by creating cooperation procedures, creating agenda, organizing the conference opening, choosing two delegates from each partner, achieving procurement procedures;

       2. Choosing network priority areas: establishing the procedures and technical consulting, training setting activities, contracting specialists and implementation manuals for civil servants;

       3. Training and consulting on the jointly identified priority areas: implementation of training and implementation consultancy;

       4. Web page creation, the network common data base, Investor Guide;

       5. Organization of fairs and exhibitions: the creation of a borough in Iasi and one in Ungheni;

       6. Promoting and evaluating network: organizing two press conferences of lobbying, for 60 people: Network members, companies, organizations, investors, embassies, LPA, EU ministers of both countries.

The economic and social reality of Romania and Moldova indicated numerous problems in public services, which leads to a low degree of customer satisfaction. The public institutions and particularly those in local government are faced with a large flow of customers, a high visiting rate and a constant pressure of applicants.

The direct consequence of this overstressing lies in the allocation of most resources for current activities rather than institutional development. Therefore, the customers are not satisfied with the performance of civil servants than in a relatively small extent. Furthermore, the atmosphere of public institutions, work organization and inefficient public officials are among the main grievances of citizens. In addition, the staff in the sector acknowledges weaknesses in public administration from the two countries: the inadequate remuneration and the motivation of employees, bureaucracy, corruption and inadequate legislation.

Thus, through the implementation of marketing in their structures, the public authorities will adapt to the realities of Romanian and Moldovian economy and society, while addressing to the similar structures in the EU and other developed countries.

They will respond promptly and appropriately to external changes and diverse interests, with a view to improve their image, the satisfaction of public employees for their workplace to increase, and public services to become much better both in terms qualitatively and in terms of adaptability to meet customer needs.

While marketing efforts in public service adoption is significant, and often can occur obstacles like political environment influence, inadequacy of the financial resources, incompetence of the management and the operations, and also the lack of appropriate ways to implement the adopted solutions, the favorable consequences of the reform are particularly important. These include: public service act effectively and ethically in business; customers who enjoy the respect, courtesy and professionalism tenderers requested service and also satisfied and much better informed, thanks to greater transparency of

their activities; procedures clear, straightforward and fair business conducted in public service, but also of political neutrality.

In 20-22 august 2008 in Iasi were held the training "Marketing in the public administration" through the "LGU Wealth Network" - Phare CBC 2004, which the recipient was the Iasi City Hall.

At this meeting, the representatives of public services in Iasi, of States Metropolitan Area Science Association, of project partners and delegates from the beneficiary attended. The training was meant to highlight the importance of presentation of public services available to the citizens. New methods have been discussed in communication of public administration and specific subjects of public marketing.

The participants were specialists from partner institutions in the project, officials with responsibilities in public relations, spokesperson, responsible for relations with civil society and transparency of decision, secretaries of local councils. It were trained 34 people (5- Ungheni, 3-Hincesti, 3-Cahul, 2-Nisporeni, 4-Iasi Metropolitan Area, 3- Botosani, 14-Iasi).The training "Marketing in Public Administration" has the mainly result the formation of interdisciplinary training specialists, able to intervene not only in specific local problems, but also in managing and implementing complex regional projects.

The acquisition of key theoretical concepts and approaches specific to marketing in local public administration by the project participants were:

- Analysis and dissemination of good practice and experience of institutions in countries with a long tradition in the organization and local government officials;

- A comparative approach on marketing developments in local government in different countries;

- Better understanding of current trends in marketing of local and regional administration;

- Development of skills for understanding, analyzing and implementing specific marketing techniques of local administration;

- A better grasp of research methods and techniques (both quantitative and qualitative) necessary to assess regional policies and program / project planning.

Project **results** were:

• cross-border networking between 6 administrative entities of two countries: Municipality of Iasi, Iasi Metropolitan Area, Botosani City Hall, City Hall Ungheni, Hincesti and Cahul;

• 60 people employed in these institutions were trained with the help of professional trainers, course through manuals, on 3 priority areas identified by network members;

• two fairs were held, which was attended by all 6 members of the network, one in Iasi and one in Ungheni to put face to face, business and general public of the 6 communities;

• build a web site that will host the database, a forum and information (scope of work, addresses and contacts) on various organizations and institutions of the 6 communities to facilitate the organization of joint activities in the future.

Through professional analysis of communities, carried out in the profiles, were developed and proposed for implementation of **3 joint projects** of the network:

I. **Social Work and Social Services for Better Life** which aims to decentralize social services, real picture of the level of education offered by providers of social services and the best ways to establish a public - private partnership;

II. **Greening the banks of the Prut perimeter IASI - Vaslui - UNGHENI - Nisporeni** which has followed the development of tourist and cultural itineraries in the border region Iasi - Botosani - Galati - Ungheni - Hâncesti – Cahul; ecological of Prut area and social-education program for students;

III**. IDEEA - Initiative Development and Experience in Development Administration** aimed economic and social development of local government partner cities (Chisinau, Iasi, Ungheni) through their accession to the implementation of an applicative model of marketing techniques to promote the image own public and private environment.

Also been followed:

-Knowledge of the expectations of citizens of the three partner cities through a study of marketing in communities;

-Linking citizens' needs from marketing studies for public services with internal and external management system of public services;

- Active promotion (using the methods of achieving the marketing in a public service organization) to image the public services provided in the three communities involved.

The project partners were Metropolitan Area Association, Town Hall Ungheni and Chisinau; project budget was 122,677.78 EUR and duration of 12 months.

The project results were:

-Study guide and marketing of public services in the three communities involved in the project, published in 500 copies;

-3 days-training conducted by a foreign expert on the area of marketing of public services;

-90 conference participants, 30 civil servants trained in the field of marketing of the public;

-30.000 brochures published in the three cities, with the presentation of public services that benefit citizens;

-two press conferences for the presentation of study results and final results of the project.

7. **CONCLUSIONS**

The public marketing is a new way of thinking the relationship between public institution and how they act. The evolution of social life, international economic policy has led to the progressive development of a hostile business climate experienced by substantial reduction of the trust society's members, both in products and public services provided and the mode of classic bureaucracy.

We believe that one way of improving the state of conflict is the application of marketing principles in public administration. The future of public administration must be redefined in the current society starting to improve the image of public institutions. The open and honest orientation to solve citizen's problems is the key whith that the marketing of public institution open door to success in the society they belong.

A public institution which adopted the marketing concept as philosophy sees the citizen as the main driving force behind its activities, believing that such organizational activity is justified only to the extent that manages to satisfy the needs of citizens. Thus, for the success in meeting the citizen's demands, the logical starting point for the public institution is to identify what they want and then try to meet them in a more efficient manner.

The orientation towards citizens meets in cases where state institutions are concerned to find out the needs of the citizens of their constituency / jurisdiction. In many cases, the civil servants get into a routine that leads to bureaucracy. This makes them less sensitive to the needs, to the wants of citizens that threshold step. Often, the civil servants fail to notice that the population's needs were changed and the activities / procedures do not correspond to their classical needs. It is necessary that the entire staff of public institutions have a mentality, a "marketing culture" whose purpose is to satisfy citizens. Everything that happens to them and whatever they do it should affect marketing decisions of state institutions.

The EU understanding regarding the support that it provides to poorer countries is that any form of development cooperation is not an act of generosity, an free act in the technical sense of the word, but an act pragmatical, trying to achieve a favorable synchrony, beneficent, between the value systems and processes taking place within the EU and outside the EU. From this perspective, cross-border action is rewarding only when it is effective, thus meeting the qualities valued by the actors / players, into a distinct political space, mobilizing and coordinating the resources needed to represent the interests of border communities. There is a strong magnet for the European model for the peripheral EU countries and cross-border cooperation is an essential stimulus to the resumption of interrupted communication lines, frozen contacts and local economies, separated by borders, almost always unfair to border populations.

At the level of local community, the public marketing presents a particular importance because it can help to overcome communication barriers, facilitating cross-border cooperation. The main purpose of cross-border cooperation is to create areas of action able to identify common solutions to similar problems, regarding the specificity neigborhood. A Cross Border Cooperation is marked by complex relationships of frontier, more or less rigid, traumatic or unfair. In this respect, the cross-border network, created in the frame of the Iasi City Hall Project, was able to put in value, the two pillars of European construction, cooperation and economic development.

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BUILDING COHESION AND TRUST IN LONDON – A SOCIAL MARKETING APPROACH

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ABSTRACT

Capital Ambition is a consortium of London local authorities concerned with modernisation and service transformation of public services. It wished to develop new approaches to tackling the issue of low trust and poor community cohesion. The Campaign Company, a social marketing and community engagement consultancy were commissioned to gather insight into the communities as well as make recommendations as to potential interventions.

This work in progress is based the preliminary results of completed Capital Ambition cohesion research projects in 4 boroughs and data from ongoing cohesion interventions in one borough. Specific reports on local research findings have been produced for all four boroughs and these also give a full explanation of the research methodology for these projects.

KEY WORDS

social marketing, local government, community cohesion, behaviour change, London, trust, community engagement

1. INTRODUCTION: COMMUNITY COHESION AND TRUST IN UK POLICY

Community cohesion has been moving up the UK policy agenda since the early 2000s, largely in response to a growing concern about a lack of contact and connection between some of the UK's Black and Minority Ethnic communities and the long-standing White community. First prioritised following the riots in Burnley and Oldham nearly ten years ago – which were seen to be a result of a lack of integration between Asian and White British communities – there is a broad consensus on the importance of the issue across local and central government.[1] As the number of public authorities concerning themselves with cohesion has increased, the use of the term has broadened, and it is now generally assumed to describe the extent to which different elements of a community get on well and trust one another – across barriers of age and social class as well as ethnicity.[2]

Community cohesion (or social cohesion: the terms are often used interchangeably although the former is becoming dominant) is a difficult area to see in isolation. Individuals' sense that their area is cohesive is influenced by their perception of its safety, the fairness of resource allocation in the area, the pace of perceived social change, the extent to which people feel involved in decision making structures – topics which cross-cut into almost every policy area.

Trust is a unifying theme across these disparate policy areas: if people trust local institutions and each other then cohesion in an area is likely to be higher. If people trust individuals in their area – including those from different backgrounds, of different ages, with different lifestyles – they are more likely to feel that change is positive rather than threatening.[3]

Similarly, people who trust institutions to act fairly are less likely to believe that new groups in their area are given unfair advantage: conversely, people who believe that their council, school, or housing association is discriminating against them are likely to be concerned that any change will act against them. Recent UK figures demonstrate 23 per cent of the population (across all ethnic groups) believe that they would be treated worse by their local authority housing department because of their ethnic group, a rise of three percentage points on 2005.[4] It is easy for political groups who seek to restrict immigration and limit migrants' rights to access services to spread these beliefs, and use them for their own ends.

The Campaign Company has been working on community cohesion and related initiatives since its foundation in 2001, often in the most challenging areas of the country. As such, we have developed an evidence based model which helps to both understand the issues involved and to design effective, good value interventions which reach the groups who are often most negative about cohesion.

TCC had also been working with Barking and Dagenham Council on their cohesion strategy since 2007, and have more recently worked on similar issues with Thurrock Local Strategic Partnership (LSP), Boston Borough Council, Stoke-on-Trent, Blackburn with Darwen, and North West Leicestershire.

We recognised that community cohesion is a sensitive area which can present political and social challenges. To deal with it effectively requires experience, sensitivity and confidence, along with clear and coherent thinking. Although government definitions of cohesion have tended to emphasise race, our understanding of the issue is much broader: we know that age, length of residence and employment status are important and cross cutting themes in Havering.

Community cohesion issues – such as mistrust of incoming groups or fear of young people by older people – arise in the context of conversations between local residents. While these are localised, of course they do not map exactly onto ward or borough boundaries. As such, community cohesion issues can show a viral distribution, where myths and issues spread from one area to the next by word of mouth. The wide geographical distribution of the myth that 'Africans' have been paid tens of

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[1] Home Office Guidance on Community Cohesion: http://www.homeoffice.gov.uk/324028/71181?version=1

[2] See Department for Communities and Local Government, www.communities.gov.uk

[3] CLG, Predictors of community cohesion: multi-level modelling of the 2005 Citizenship Survey, 2008.

[4] CLG, 2007-8 Citizenship Survey: Race, religion and equalities report, 2009.

thousands of pounds by the council to move out of inner London into suburban areas is evidence of this: although it appears to have originated with misconstrued beliefs about the compulsory purchase orders of Olympic sites in Newham, we have encountered it in Barking and Dagenham, Havering, Thurrock and Bexley.

Communications strategies need to take this into account when identifying areas for interventions: this is covered more fully in the recommendations section below.

2. COMMUNICATIONS AND THE LOCAL COUNCIL

The voluntary sector, faith groups, police, and a whole range of other groups have a role to play in building stronger, more trusting and cohesive communities. However, local councils tend to be seen as the most important agencies for this agenda at a local level – partly through their own efforts, and partly through their leadership role in Local Strategic Partnerships (LSP's) and other structures which promote work between different organisations on key local issues. Good communication from local councils can be instrumental in building cohesion; bad communication can do the opposite (Kitchen et al. 2009).

Historically, local councils have tended to use a mixture of factual communication and enthusiastic positivity to persuade local residents of the benefits of change in their local area. Change is to be celebrated, both by new groups and longer-standing residents. Where people have misconceived ideas about this change – for example, that new immigrant groups are being given priority in housing allocation – they should be quickly and firmly rebutted with a clear statement of the facts, backed up by the appropriate statistics, and often accompanied by an admonishment not to use 'that sort of language' about Black people.

This is an understandable and well-intentioned strategy tackling views that are nowadays widely held in contempt. Racism is vile, and we should all be working to reduce it. Immigration has added hugely to the UK's cultural and economic life over the last sixty years, and continues to do so. Unfortunately, telling people this doesn't always work, especially where they live difficult lives and are worried that change will make things worse for them. Mythbusting – about community cohesion or in other areas of public policy – does not work (Rutter and Lattore 2009).

More problematically, it can make things worse. If you are terrified of being mugged in your area, being told that crime is falling is unlikely to make a difference. Instead, it will make you doubt the tellers' honesty, or the accuracy of their statistics, or both. If you have been waiting ten years for a council house and are convinced that 'immigrants' are getting housed before you, then being informed that the council's housing policy is perfectly fair and that there are houses for everyone will not convince you that things are fine, it will convince you that someone is working against your interests.

3. A SOCIAL MARKETING APPROACH TO COHESION

If mythbusting has a negative effect but councils need to challenge negative perceptions around cohesion (and its related areas), what should they do? A growing body of evidence from UK councils suggests that a social marketing approach can offer a way to break the impasse. Councils want residents to trust them so they are able to effectively disseminate messages about their communities. Firstly, this means they have to be trustworthy, to do what they say they will do, to be honest about what they cannot do. Secondly, they need to market themselves as trustworthy organisations. This has two forms – changing the top-line message so it is empathetic enough for people to believe it, and working with trusted individuals among staff and the community to help spread the message and listen to residents' concerns.

TCC has over the last three years developed a series of overlapping projects for a number of London Boroughs.

In order to explain this we have set out the insight for all boroughs and a particular intervention adopted for the borough with the most acute community cohesion problems.

The work comprised insight work across four boroughs. Some of this is summarised below. The second half of the report covers more detail of an intervention in one borough based on the results of the insight.

Together these projects explain the full TCC methodology for social marketing effective community cohesion.

4. INSIGHT: KEY THEMES – CROSS-LONDON

Although the four boroughs involved in this report have different demographic profiles and face different challenges in building cohesion and engagement, there are also important elements in common. Many of these are related to the boroughs' location on the outskirts of London: they have historically experienced less population and development flux than inner-city areas, but this is now changing. Resident perceptions of this change are often a driver for low levels of cohesion.

4.1. Race and immigration

The current strategic importance placed on community cohesion by central and local government has its roots in the response to the race riots in Burnley and Oldham in 2001.[5] As such, race is often seen as the most important factor in community cohesion, although there is an increasing understanding that other factors can also be very important to people's understanding of their community. The place survey question NI1, which is used as a proxy measure for community cohesion, is agreement that 'people from different backgrounds get on well together', a description which encourages respondents to think in terms of race and immigration.

Despite its importance, the relationship between ethnicity and community cohesion is by no means straightforward. National analysis demonstrates no statistically significant straightforward connection between the percentage of ethnic minority groups in an area and levels of cohesion.[6] Some areas if high cohesion have significant BME communities, particularly where these are longstanding – the London Boroughs of Camden and Barnet are good examples of this.[7]

All the boroughs involved in this research have increased their ethnic minority populations in the last few decades, although they remain less diverse than the London average.

Many residents (or their families) moved into these boroughs from inner London in the last three to four decades, moving away from what they saw as increased crowding, crime and population change. Having chosen an area which was quieter and more stable, they are often unhappy that these areas themselves are now changing. This perception is often expressed in racial terms, although it is probably a mistake to see it as 'racist' in all cases.

'It's the overflow from Lewisham, New Cross and Peckham. This area is becoming a slum. I don't see why we have to move further and further [out of London] until we fall of the island' (Bexley)

'With what's happening here it could be like Tower Hamlets in five years time' (Havering)

'Well no disrespect, but [local shops] only sell certain foods. We don't always eat what they eat. We have the little shops, and they're mainly foreign, but no disrespect, they've got all mangoes, and you know…' (Sutton)

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[5] Home Office Guidance on Community Cohesion: http://www.homeoffice.gov.uk/324028/71181?version=1
[6] 2007-8 Citizenship Survey: Community Cohesion Topic Report, CLG
[7] Analysis of National Place Survey and Office for National Statistics data

Residents of all four boroughs – and particularly of edges of Bexley and Havering, which see themselves as being less 'like London' – tend to overestimate the proportions people from ethnic minorities or people born outside the UK in their area. A resident focus group in North Cray, on the eastern border of Bexley, reached a consensus figure of 'about twenty per cent' non-British people in their area. The actual figure is about than half of this. A very similar phenomenon exists in Havering, on the Harold Hill estate.

On Harold Hill, if you take headcounts, there's more immigration than there are white people in the estate. (Havering)

Perceptions that the ethnic minority population is increasing are often closely correlated to the idea that an area is 'going downhill', and related to a non-specific but nonetheless very powerful nostalgia about a time when crime was low, everyone looked out for their neighbours, and 'we could leave our front doors unlocked'. This was also closely connected to a sense that discipline had declined, that young people are not respectful, and that crime is rising – these are covered in more detail below.

'The Chinese are fine. They don't mix but they always keep their paths clean and their bins are OK. But the Arab family [on my road], oh my God the mess. And the ones over the back who are black, they tend to be very noisy'. (Bexley)

'There used to be none of this – no immigrants and people from abroad – everyone knew your name. It's changed and not for the better.' (Havering)

Chequers [shopping area] used to be small and beautiful. Now everything's all gone, there's a Chinese shop, a South African shop, a black hairdressers, internet shop, off license, Asian convenience store, black restaurant/club, Black clothes shop, Indian restaurants... It's disproportionate. (Barking and Dagenham)

In many cases, people's feeling that their area is changing is connected to worries about resource allocation, particularly in relation to council housing and schools. These are covered more fully below.

4.2. Age and intergenerational tension

Historically, community cohesion has tended to be discussed in terms of ethnicity, but our research in London and beyond indicates that negative perceptions about the behaviour of different age groups is often an important driver for community tensions. Furthermore, the fact that UK BME populations tend to have a younger age profile than the country as a whole means that it can be very difficult to separate the two factors.

Residents of all four boroughs tend to feel that there are very high numbers of young people in their area. This is often connected to fear of crime and anti-social behaviour. This partly reflects a national picture: there is often a 'climate of fear' around young people. A YouGov/Barnado's survey in 2008 found that over one in three adults in Britain feel that the streets are 'infested with children' (Barnado's, 2008). If people are fearful of crime and alarmed by seeing young people on the streets, they will exaggerate the frequency with which they see them.

Although few residents would argue that all young people were bad (and many specifically told us how many young people in their area are good citizens), intergenerational tensions are very real, and often have more impact on people's feelings about their community than any other issue:

'If you get half a dozen kids round you you've no chance. It's intimidating. You want to say something but you can't, you'd be kicked to death.' (Havering)

'Our generation, is friendly, but not so much the youngsters. I mean next door to me is atrocious. You've never seen nothing like it in all your life. Just can't be bothered' (Sutton)

It is important to note that young people often feel that the behaviour of other young people has declined, feel threatened by other groups of young people, or feel that adults unfairly blame them for problems in the area.

'I don't follow the trend and walking along I get people in cars shouting abuse at me, and it's always young peoples, people who are like 18, 16, hanging out in big groups trying to intimidate people' *(Barking and Dagenham)*

'Adults just want to blame kids, don't they? They don't blame adults. So when adults come out of the pub at night and do stuff, the kids get blamed tomorrow'. (Bexley)

'Elm Park is going to get worse. Kids don't care. No respect for themselves let alone for anything else. They don't want to sit in class and be good. They've got to have a curfew round here. Any kid of 14 or 15 should be in by 9 on a school night. When you walk to the door you know there'll be kids there. You feel intimidated, that's not what a community is about'. (Havering – man aged 19)

Where negative perceptions of young people exist, they are often racialised – evidence from council staff in several boroughs who deal with public reactions to young people often report that complaints are specifically about 'groups of black kids hanging around' or 'gangs of immigrants'. In Sutton , Bexley and Havering, this reflects the fact that the proportion of young people from BME communities who are present in the borough during the day is higher than that of the resident population. It also reflects the anti-immigrant sentiments expressed above. However, it is an oversimplification to say that these attitudes are 'just' racist – they reflect a complex and overlapping set of fears around crime, age and immigration.

4.3. Perceptions of resource allocation

There is a widespread belief across the boroughs in this study that resources are being allocated unfairly, and that white people in the area are losing out to 'immigrants' or 'asylum seekers'. There is also a belief that housing is being allocated to people who are 'not ordinary people' – single mothers, drug addicts – in preference to 'ordinary' local families. It is worth noting that the distinction between economic migrants and asylum seekers, or between first and second generation immigrants, is rarely articulated in these discussions – 'black people' and 'immigrants' are used broadly and interchangeably in much public discussion of race.

Perceptions that public bodies are acting unfairly on the grounds of race are common across Britain. Research for 2007-8 from the Department for Communities and Local Government shows that 23 per cent of the population as a whole believe that they would be treated worse than other races by a council housing department or housing association. This is 3 percentage points higher than the 2005 figure; there is a strong possibility that it has got worse during the recent recession as housing stocks are under more pressure.[8]

'I blame the council for putting the wrong people in. They have chucked local people out and put these people in, and it is wrong'. (Bexley)

'It's not a Great Britain, it's a Poor Britain because the white people, the British people of this estate or any other estate are being second class. That's the problem today.' (Havering)

'The other thing is, they'd house someone if they're a drug addict or on alcohol but they won't house someone who is normal, straight' (Sutton)

In some cases, council staff appear to be helping to spread rumours about unfair resource allocation:

'I wanted to transfer my tenancy to my daughter after my death, but the message I got was that immigrants and young unmarried mothers come first when it comes to housing' (Barking and Dagenham)

'My friend put in for a council place and they said it would be five or six years with the immigrants' (Havering)

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[8] CLG, 2007-8 Citizenship Survey: Race, religion and equalities report, 2009.

In the Thames Gateway boroughs (Bexley, Havering, Barking and Dagenham) there is a widespread belief that immigrants are being paid by the council to move into the area, allowing them to jump housing waiting lists or to access private accommodation which is out of the reach of others in the area. This belief appears to be derived from the compulsory purchase orders made around regeneration projects in Stratford, although this is not always explicit in its current form. This belief is also prevalent in Thurrock, which neighbours Havering.

They're all coming here where the houses have been knocked down in Stratford. They're being given £30 000 to put a deposit down. My son's house was bought by two Asian families and they were given £30 000 each. (Havering)

Councils in all four boroughs are attempting to combat negative perceptions of their area based around resource allocation. Their chances of successfully managing this are largely based on the extent that residents trust the council and its messages – these are covered more fully in the next section.

4.4. Trust and engagement

If councils are to effectively build community cohesion, they must be trusted by their residents. Indeed, the government's definition of 'cohesive communities' includes the statement that they are based in people 'trusting one another and trusting local institutions to act fairly'.[9] At national level, there is an increased recognition that engagement and cohesion initiatives must go hand in hand, and that trust is an essential prerequisite to combating negative perceptions of areas or groups.

Levels of trust in the local council, and qualitative evidence of residents' beliefs in their ability to be listened to and to effect real change, vary considerably between the boroughs in this study and are covered in detail in their individual sections below. However, the importance of trust and the ways which it can be improved are common to all four areas.

Local councils are the organisations best placed to build cohesion at a local level, both in terms of 'hard' influence – determining the ways that services are designed to meet the needs of different groups – and 'soft' influence – influencing the way that different groups are perceived and shaping narratives about the community. Recent research from the Universities of Birmingham and Essex shows that effective and appropriate approaches to communications which are embedded in the council's decision making and shared across partner organisations can create a real and positive advantage in dealing with community tensions and improving cohesion (Kitchin et al. 2009).

Older approaches to dealing with cohesion issues and tensions within the community have focussed on a myth-busting approach: direct factual rebuttal from the council or other organisations of suggestions within the community that, for example, immigrants are being given preferential treatment in housing allocation.

However, recent research in this area has indicated that this approach is often ineffective: according to a report prepared by ippr for the EHRC, 'myth busting exercises about social housing allocations, conducted by local authorities or other interested parties, are unlikely to change public attitudes' (Rutter and Lattore 2009). Recent research that only one in ten Britons believe data published by the government to be accurate – this means that fact-based rebuttal of people's perceptions is unlikely to work (Briscoe 2009).

People's beliefs about their areas are based in emotional realities rather than rational fact: if people are presented with facts which do not match deeply held beliefs and fears, they will simply not believe them. This means that misplaced myth busting exercises can actually harm trust in the council.

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[9] Department for Communities and Local Government

5. INTERVENTION

The intervention set out below was developed for one of the four boroughs. The evidence from the collected insight was that in order to create pro-social behaviours that enhanced community cohesion, the Council needed to communicate in a more nuanced way to a range of communities and it also had to use a wider range of channels than the traditional press release or Council publications. As a result of our work in a range of social marketing campaigns in the health sector, TCC proposed an intervention that comprised four elements:

>   The local authority communicating a new narrative
>   Maximising understanding of the community through values based segmentation
>   Training Council front-line staff in conducting effective customer conversations
>   Identifying and training local peer to peer community communicators who are seen as locally authentic people who will be listened to.

These elements are set out in more detail in the following paragraphs

5.1. Communicating a new narrative

 TCC believe that communications must be based in an understanding of people's emotional responses, not just in telling them the facts. This is particularly true when communicating about cohesion, which is connected to some highly emotive issues: immigration, crime, resource allocation, social change.

If people are scared to go out at night because they believe that crime is getting worse, they are unlikely to feel happy if they are simply told that 'statistics show crime rates are falling'. If what they are told does not match what they feel, emotion will trump fact: they will not trust the statistics and by extension they will not trust the source. Indeed, if the same message keeps being repeated, perceptions are likely to decline even further.

This problem is particularly acute for those sections of the population who are most negative about community cohesion. For many of this group, the mute button is switched on – messages from the council simply 'bounce off' as people do not trust anything they hear from public authorities. At the same time, negative myths about the area are propagated within the community, their spread sometimes accelerated by groups who have an interest in increasing community tensions.

We believe that the best way to avoid this problem is to build trust in existing institutions by using congruent narratives which accept people's emotional reality without pandering to racism or prejudice. To return to the crime example, it is much more effective to tell someone who is alarmed by crime that you understand their concerns and you are working to make the area safer for everyone, building their trust in your ability to deal with the issue without disputing their perception.

Effective use of trusted message carriers is also crucial to building trust with the council and overcoming negative perceptions. Members of staff and the public can act as effective two-way communicators, disseminating resonant messages about the area and feeding issues back to the council.

5.2. Understanding the community: values segmentation

TCC believe that understanding the needs, values and aspirations of people across the community is essential to create strategies which really work: from retired doctors in Upminster to recent immigrants in Rainham. A rigorous and flexible approach to community research enables us to understand the groups which can be most negative about cohesion, generating uniquely valuable insights and creating real benefits at the implementation stage in terms of targeted communication.

Understanding the values of people in the community is just as important as understanding their lifestyles. This is because people's values drive their behaviour, which is then rationalised into their stated opinions. People who exhibit the same behaviour often do so for completely different reasons: for example people who drive an eco-friendly car may do so because it is fuel efficient, because it is good for the planet, or because it is fashionable. Knowing which of these is the key factor helps us work out which messages and channels will work for different groups.

Value Modes is a segmentation system designed by our partner organisation Cultural Dynamics in the 1970s, and used across the public, private and voluntary sectors. UK based data is based on a rolling survey of over 7000 people per year. They system segments people into three sectors:

> Inner directed (also known as pioneers): driven by ideas, aesthetics and personal development. Interested in new information and often the initiators of change. They tend to have large social networks, but individuality is more important than following the crowd.
> Outer directed (also known as prospectors): driven by the need for self-esteem and admiration for others. Job progression, money and social status are important. Although usually optimistic, they can worry about their status or the quality of the area declining.
> Sustenance driven (also known as settlers): driven by the core needs of safety, security and belonging. Home, family and immediate neighbourhood are important, and the wider world often feels threatening, with crime a particular concern. Change is often seen as negative.

Our work with council members and officers combined with research by Cultural Dynamics suggests some key differences in the way these groups feel about cohesion and communications. Pioneers are most likely to be broadly happy with their area and with the council. Prospectors and settlers are more likely to think that there are issues with community cohesion in their area, but their concerns are slightly different, with prospectors often concerned about their area 'declining' and settlers worried about rapid social change.

5.3. Effective customer conversations

TCC have pioneered Effective Customer Conversations training with the London Borough of Barking and Dagenham. To date, the council has trained nearly 1000 front-line staff from across the council's directorates and partner organisations.

Council staff have the potential to increase public trust in the council by improving the way they work with difficult customers and by being more positive about the council in informal conversations. This is by no means easy: front-line staff have among the most challenging customer service roles in the country and often have to deal with emotive issues at high pressure.

This approach goes far beyond ordinary customer service training for council staff. We focus on helping staff to build rapport with their clients and use emotionally intelligent techniques to help understand the issues that underlie their immediate concern. We also help them to understand the overall aims of the council, and how their roles fit into this.

Each session lasts half a day and includes approximately 15 people. They are facilitated by two people from TCC's team: an expert in working with local councils and an expert in emotional intelligence and communication. All sessions are interactive and discussion based, using our PowerQ electronic voting technology and professionally directed and acted video content.

Outline agenda

1. Introduction: interactive voting and discussion on key issues in the local area and challenges for staff
2. Communication roles: questionnaire to discover participant's preferred communication styles with immediate feedback
3. Active listening exercise
4. Uncovering the real issue exercise
5. Challenging without confrontation exercise
6. Dealing with misconceptions about the council and the area.

5.4. Community communicators

A significant minority of Barking and Dagenham's staff are very negative about the area. The council's ability to deal with low levels of cohesion is compromised by the fact that trust in the council is often low. Some residents do not trust what the council and its partners say, and feel that their opinions and feelings are not being heard by the council. In addition, various negative myths have developed in parts of the community, propagating negative, pessimistic and destructive opinions. The belief that black people are being given money by the council (or just 'them') to move into properties in the area is widespread in some localities.

Many such negative perceptions do not the result directly from reality, but rather from an emotional response to people's condition – with residents believing that the situation is negative even if the facts, that the council can regularly demonstrate, do not back this up. No matter how much reality improves if some residents continue to believe negative myths they will remain negative, pessimistic and angry.

The council cannot deal with these negative perceptions through its standard communications channels alone. For many people, the 'mute button' is on and they will no longer hear what the council is saying to them.

Managed word of mouth communication offers a way to break out of this impasse. Research from the private sector indicates that positive word of mouth recommendations from a personal contact is over 65 per cent more effective at persuading someone to buy a product than a newspaper or magazine advertisement (Intelliseek 2005). The nature of local government means that this gulf is likely to be wider for the council than it would be for an advertising agency.

Identifying community influencers
Community influencers are the people in the local area who have an influence on the ideas and opinions of other people around them. They are 'connectors' who are able to persuade other people to share their opinions and draw groups together, either through formal means or simply by being the sorts of people who stand and chat at bus stops. Our experience suggests that community communicators fall into two main groups:

> Formal influencers. These will include people who are strongly connected by virtue of their job or formally recognised role: eg warden of sheltered accommodation, Sergeant leading a Safer Neighbourhood Team and local elected Councillors. They will include those who hold voluntary or semi-voluntary positions that may be elected. Examples include officers of voluntary sector bodies, churches and tenants associations. Their position of authority will mean they are well connected. In many cases it will be the person who has made the role important rather than just the role itself.

Informal influencers. These will be the hardest group to initially identify, but often the most important. They include, people everyone knows in the street, the person who starts up a local petition, the person who talks to everyone in the bus queue of at the post office queue, or the person who brings in the flowers or cakes to the elderly persons' lunch club.

The community communicators scheme aims to identify these people in each ward, and then to approach them and find out whether they are prepared help the council improve its communications with local residents. This then allows us to set up two-way conversations which help the council get messages through to disengaged groups, while spotting negative messages and challenges in each area before they become embedded.

How the scheme works

Stage 1 – map social networks
> Approach formal and voluntary organisations in and around each ward
> Map conversational hubs where informal discussions about the community take place

Stage 2 – identify key influencers
> Ask people in the community who they trust to tell them what's happening in the area
> Use conversational hub mapping to identify key influencers in different places
> Work with formal and voluntary organisations to find people whose views matter

Stage 3 – recruit community communicators
- Ask community influencers identified in stage 2 whether they are interested in helping the council communicate better with the local area.
- They do not need to be 100% positive advocates for the council all the time: we would like them to tell us about issues and rumours as they arise and help us tell people how the council is working with local people.

Stage 4 – activity programme
> Once we have established a network of community communicators, these can help develop 'shared challenge' activities to bring different parts of the community together.
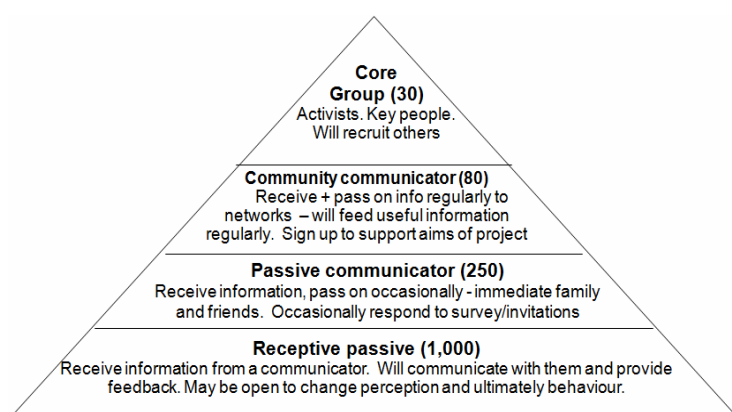
Different types of community communicator – one ward in Barking and Dagenham

The scheme has now been mainstreamed in Barking and Dagenham, where there are over 200 active community communicators in eight wards. The council also has a full time community communications officer working with staff.

6. EVALUATION

This paper is a work in progress so full evaluation of the programme is still to be completed, however two indicators suggest that improved community cohesion is having an impact:

Firstly, the client has indicated their satisfaction with the programme and indeed set out in a major article in the Municipal Journal their satisfaction with progress.[10]

Barking and Dagenham's Chief Executive in the article stated

> *"But is it working? Building trust cannot be achieved overnight, and it's early days. However, to check on progress, we commissioned our own Place Survey this year – and we've moved up from 49% to 55% on NI1 in the space of 12 months. This is progress but much more is needed"*

More recently the election results within the Barking and Dagenham borough have seen a significant defeat for far-right political parties.[11] We would argue that voting behaviour is often a symptom for a much wider disaffection and not the direct cause in itself. However, the fact that those political parties rejecting cohesion have been comprehensively rejected following a new form of cohesion work in the locality is a hopeful sign that full evaluation will demonstrate the effectiveness of these social marketing programmes in creating better local engagement and as a result more cohesive communities.

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SESSION 3
REVIVING AND REINVENTING PUBLIC MARKETING

Chaired by:

Marlen Martoudi Demetriou, *University of Nicosia, Cyprus*
Corneliu Munteanu, *"Alexandru Ioan Cuza" University, Romania*

This session challenges the researchers who are more idea rather than market led. It involves an in depth understanding of the public marketing diffusion. The types of research should cover all the three aspect, namely exploratory, descriptive and causal. The process of revival and reinvention of public marketing must take into account both the changing environment and public market so to meet its stakeholders expectations.

THE RELEVANCE OF SUBJECTIVE NORM IN ADOPTING E-GOVERNMENT: A THEORETICAL FRAMEWORK

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ABSTRACT

Governments are continuously developing and providing public services through the Internet. The sustainability of these initiatives depends on the level of citizen adoption. Traditionally, technology adoption models have been used to explain this adoption. However, the role of a key variable in these models (subjective norm) remains unclear. To move on this topic, this work reviews the role of subjective norm in different adoption models and proposes a theoretical framework defining the impact of subjective norm on citizens' behavior as well as characterizing three main determinants of subjective norm in this context: interpersonal influence, mass media and Public Administration communications

KEY WORDS

Subjective norm, social influence, e-government adoption, information sources, citizen

1. INTRODUCTION

The provision of public services by digital means has become a fundamental base for the success of e-government initiatives (see Wu and Chen 2005 for a review). Indeed the Public Administration has the opportunity of making use of the information and communication technologies to provide better public services in the interest of both society and Public Administration. The substitution of in-person traditional services by online service represents a valuable advance for the majority of citizens carrying out simple task as a tax payment or a driver license renewal. Nevertheless most of these electronic services are still in a starting point and, with the exception of some pioneers, citizens perceive them as new and unfamiliar services. The acceptance of these e-services by the followers of the people already knowing these services may allow achieving a critical mass of users. Therefore, this increment in the amount of citizens using the available e-services guarantees the medium-term sustainability of the early stages in a whole e-government strategy.

In the delivering of online public services, understanding the variables influencing citizen adoption is required for both researchers and practitioners (Mofleh *et al.* 2008). One of the basic variables traditionally analyzed in technology adoption research is subjective norm (SN) and other equivalent variables with different denominations in reference to the social influence on the user. However since it started to be employed to explain adoption of technologies the role of this normative social influence has been controversial (Davis *et al.* 1989; Taylor and Todd 1995). It has been criticized the weakness of SN from a psychometric stand point (Klein and Boster 2006) as well as the lack of analysis of the specific types of social influence processes at different contexts (Davis *et al.* 1989). On the other hand, due to equivocal results reported in the literature (Venkatesh *et al.* 2003), the discussion about the capacity of SN to influence behavioral intention has been questioned repeatedly in several contexts (Malhotra and Galleta 1999; Schepers and Wetzels 2007) , including e-government (Wu and Chen 2005). In other words, it seems that both theoretical understanding and practical effectiveness of SN need to be reviewed. Thus, the role of SN in adoption process and particularly in the public e-service acceptance by citizens needs to be deeply analyzed. The aim of this work is to propose a theoretical model that explains the influence of SN on behavioral intention and actual use of public e-service and characterizes the main antecedents of SN.

First, we propose that SN will affect citizens' adoption of e-government initiatives. Indeed, widely accepted theories as Theory of Reasoned Action (TRA) (Fishbein and Ajzen 1975) and Theory of Planned Behavior (TPB) (Ajzen 1985) proposed a direct link between the SN and the behavioral intention, which in turn, affects actual behavior.

Complementarily we will analyze the antecedents of SN. Subjects considering the possibility of using public e-services can receive and process information from diverse sources of information influencing the perception of a social pressure by the citizen. After a revision of the literature we will describe a categorization of the groups and sources of information affecting the subject behavior from a normative perspective.

Taking into account these considerations, this work is structured as follows: first, we conduct a brief review of the e-government concept, the e-government adoption, the notion of SN and its antecedents. Then we will develop our theoretical framework and finally we will discuss the expected implications of our proposal.

2. LITERATURE REVIEW

2.1. E-government development

The OECD defines e-government as "the use of information and communication technologies, and particularly the internet, as a tool to achieve better government" (OECD 2003) emphasizing the outcome opportunities of the delivery of electronic public services (Verdegem and Verleye 2009). Although e-government initiatives tend to include relationships between government and different partners, the most interesting ones might be those relationships entailing a direct bond with citizens

(Santesmases 1991). Principally, these models support that the ongoing process makes use of the advantages of the information and communication technologies in order to improve the relation between citizen and Public Administration as a service provider. In other words, government must use all the available means to improve the provision of public goods and services in order to satisfy the needs and requirements of all society.

Although there is a scarcity of theoretical literature on e-government (Coursey and Norris 2008; Heeks and Bailur 2007), theories concerning the e-government development (Layne and Lee 2001; Baum and Di Maio 2000; Hiller and Belanger 2001) conceive a conceptual model of four or five stages to examine the evolution of e-government (Moon 2002).

More specifically, these theories consider interaction and transaction as essential stages in between the mere online presence of information and further participative transformational initiatives (see Coursey and Norris 2008 for a review of these models). Since this is the current situation of e-government in developed countries, most empirical studies have started to analyze the development of e-government initiatives focusing on the users' adoption of transactional services (Belanche *et al.* 2009). To be precise, we will denominate these services as public e-services, since services supplied over the internet are usually called e-services (Turban *et al.* 2002).

2.2. E-government adoption

Along the not very long life of the e-government as a field of study, most empirical studies have analyzed the development of e-government initiatives to explain the citizen acceptance of transactional public e-services using different adoption models (Belanche *et al.* 2009). As well, there is a general consensus among e-government researchers indicating that more attention to the investigation of needs, perceptions and experiences of e-government users towards technology is required (Verdegem and Verleye 2009).

Since e-government services are provided using information and communication technologies, theories on technology adoption have been the most relevant and useful models to understand the adoption of e-government (Colesca and Liliana 2008). In this sense TAM (Technology Acceptance Model) developed by Davis (1989) has been repeatedly used (Wang 2003; Chang *et al.* 2005; Phang *et al.* 2005; Wu and Chen 2005). Nevertheless TAM has been also criticized for being based in a largely deterministic, individualistic and cognitive conception of the acceptance process (Bagozzi 2007). Based on these or other reasons, several authors have attempted to understand the adoption process relying in other well-recognized theories. Roger's (1995) Innovation Diffusion Theory (IDT, also called DOI-Diffusion of Innovations) often used in new product introduction has also been used to explain public e-services adoption by young people (Carter and Bélanger 2003). With similar purpose, some authors (e.g. Hung *et al.* 2006) employed the Theory of Planned Behavior (TPB) (Ajzen 1985) as well as the Unified Theory of Acceptance and Use of Technology (UTAUT), developed by (Venkatesh *et al.* 2003) (used by AlAwadhi and Morris 2008). Sometimes these studies on adoption theories applied to e-government have complemented the fundamental variables with other relevant variables (e.g. Wu and Chen, 2005) or have combined two theories in one explanatory model (e.g. Carter and Bélanger 2005; Sahu and Gupta 2007).

2.3. Subjective Norm and Social Influence

Subjective Norm (SN) is a kind of social influence and has been defined by Fishbein and Ajzen (1972) as beliefs about what important others expect one to do in a given situation. In other words, SN expresses the perceived organizational or social pressure of a person while intending to perform the behavior in question (Wu and Chen 2005). First, relevant studies considering SN determine this variable as the multiplicative function of the normative beliefs of the subject, i.e. perceived expectations of referent individuals or groups, weighted by the motivations to comply with these expectations (Davis *et al.* 1989; Taylor and Todd 1995).

SN is a fundamental part of the Theory of Reasoned Action (TRA) (Fishbein and Ajzen 1975) which postulate that both attitudes and SN are predictors of behavioral intention, which is, in turn, a direct

cause of behavior (Klein and Boster 2006). Intention is a psychological construct distinct from attitude and represents the person's motivation in the sense of his or her conscious plan to exert effort to carry out a behavior. Fishbein and Ajzen (1975) restricted the explanatory capacity of their model to the class of behaviors that can be termed volitional or voluntary; it means that TRA is useful to predict behaviors that people perform because they decide to perform (Eagly and Chaiken 1993). The Fishbein and Ajzen election of SN obey to the classic feature of social and personality psychology differentiating attributes of the person and attributes of the social environment. This implies the recognition of normative belief separate from attitude (e.g. my colleagues think I should use this service) instead of behavioral belief integrated on the attitudinal construct (e.g. me using this service makes my colleagues pleased).

The TRA has been criticized because its explanatory power is limited to voluntary behaviors. Indeed several variables non controlled by the subject have been suggested as antecedents of behavioral intentions beyond the attitude and SN (Eagly and Chaiken 1993). The most accepted model enlarging TRA is TPB (Ajzen 1985), called to explain any human behavior (Ajzen 1985) and often employed to explain adoption of new technologies, services and products. In addition to the mentioned attitude and SN antecedents of behavioral intention, TPB includes the perceived behavioral control defined as the beliefs about the availability of the opportunities and resources to attain the goal (Eagly and Chaiken 1993).

The role of SN has been questioned repeatedly (see Schepers and Wetzels 2007 for a review) and different authors proposed similar approaches to capture the effect of social pressure. Indeed, some of the adoption theories share a common variable in reference to certain social influence on the individual considering the possible adoption of the product/service. Venkatesh *et al.* (2003) assess the concept of social influence and distinguish among the different approaches to this idea. In short, they compare three constructs:

1. image in IDT as enhancing one's image or status in one's social context;
2. the social factors in the Model of PC Utilization (MPCU) (Thompson *et al.* 1991) as the internalization of reference group's subjective culture and specific interpersonal agreements made in specific social situations; and
3. the SN coming from Theory of Reasoned Action (TRA) (Fishbein and Ajzen 1975) as the person's perception that most people who are important to him/her think he/she should or should not perform the behavior in question.

At this point it is important to underline that following Bhattacherjee (2000) and Karahanna *et al.* (1999) the social desirability of a behavior can be captured in three different ways: Internalization, identification and compliance:

1. Internalization results from accepting documented information from expert sources and integrating this information into one's cognitive system.
2. Identification results from the need to be viewed as being similar to a desired person or referent group.
3. Compliance is the effect of rewards or punishment on the individual controlled by another person or group.

In a similar structure, Warshaw (1980) and Karahanna *et al.* (1999) propose that social influence is formed by two types of influences. The first kind of influence, named informational influence, refers to the acceptation of information from different sources as evidence of reality (Karahanna *et al.* 1999). The second is called normative influence and refers to the individuals' conform to expectations of others. This second kind of influence agrees with the definition of SN.

One of the first issues to be mentioned is the fact that a person is continuously processing information which affects his/her decision. That means that the mere fact of listening some statement or watch any behavior related to one topic is affecting to the opinion and future behavior of the person receiving this information. Nevertheless, it seems that the individual welcome this information depending on the

source and the situation in which this information is received (Ajzen 1971). Probably more value is given to the opinion of an expert in an interview on the news bulletin than to the opinion of a stranger layperson at the street. We will analyze this question in detail in the following section about information sources.

2.4. Antecedents of Subjective Norm: Information Sources

So far we have described how the information is processed and employed by the individual considering the acceptance of a product/service. Nevertheless it is also interesting to be aware of the information sources and how they influence the individual's decision. From a normative perspective we could say that the user missing an attitude toward the new service can rely on the social context before deciding to carry out the evaluated behavior. Even if the user has formed a pervious attitude it must be confirmed and approved by SN in order to create a behavioral intention. In addition, the intangibility of a service makes the advisability assessment of the exchange much more complex and subjective (Bhattacherjee 2000). Thus, this user's lack of information about an unknown new service can be solved by collecting information from already formed evaluations in the social background. As far as information about new services come from different sources in different context it is difficult to ascertain how the subject is integrating these messages in his/her own decision and what the intentions of the sources providing information are (if any). For example it is difficult for the individual to determine to what extent a piece of news about the new website of the tax agency in the newspaper is fostering the use of this service or not, however it is easy to admit that the reader is affected somehow by this piece of news. Nonetheless it is not the aim of this work to examine the informational change of the citizen's attitude toward public e-services but to analyze the normative social influence exerted by different information sources. To deal with this labor, next we examine the normative effect of different sources proposed as antecedents of SN in the literature.

With the aim to understand the three essential variables of TPB some research has focused on the antecedents of these constructs. One example of this task is the Decomposed TPB developed by Taylor and Todd (1995). This work, as well as other in the literature on adoption of technologies, establishes categories identifying different sources of information as constituents of SN. Some studies focused on specific persons affecting the individual decision such as parents, couple, brother/sister, friends (e.g. Ajzen and Driver 1991). Meanwhile other works, particularly in organizational settings, have distinguished the effect of groups such as superiors, peers and subordinates (see Taylor and Todd 1995).

One of the most relevant differentiations of social sources influencing the individual come originally from the distinction between mass media and interpersonal channels of influence made by Rogers (1995, 1983) in his Diffusion of Innovation Theory. This view has been also supported subsequently by other authors in both offline contexts such as automobile purchase (Herr *et al.*, 1991) or technological products (Holak 1988); and online contexts such as electronic brokerage acceptation (Bhattacherjee 2000), online shopping (Hsu *et al.* 2006), or tax filing and payment systems (Hung *et al.* 2006). In the words of Rogers (1983), interpersonal channels involve "a face-to-face exchange between two or more individuals" and mass media channels are "means of transmitting messages involving a mass medium such as radio, television, newspapers and so on".

Another similar but broader perspective provided by Bhattacherjee (2000) distinguishes between interpersonal influence "influence by friends, family members, colleges, superiors, and experienced individuals known to the potential adopter" and external influence conceived as "mass media reports, expert opinions, and other nonpersonal information considered by individuals in performing a behavior". The difference among the perspectives of Rogers and Bhattacherjee is that the former establish the distinction in the channel (face-to-face for interpersonal or remote for mass media) whereas the latest differentiates in the source (known for interpersonal and unknown for external sources). However, it is good to recognize that as far as information is spread by ITC and new groups

such as online social networks or bloggers have appeared in the last years, the difference between both internal and external or mass media sources is more and more diffuse.

On the other hand, Public Administration could promote the use of its own services by citizens analogously to e-marketers with customers. In fact, it is quite usual to find governmental campaigns about specific new services from Public Administration. As we have mentioned previously, it is difficult to distinguish clearly if both the purpose of the source providing the information, in this case the Administration, and the perception of the individual are merely informative or normative. That means that even if the government is just communicating the advantages of the e-service it could be understood correctly or erroneously that the government is encouraging the use of these services by citizens. In general we could say that this institutional campaigns are not merely informative since they focus the attention on the advantages of the public e-services and induce adoption instead of just promoting the awareness of them (Prins and Verhoef 2007). Although these communications are often advertisements posted in the Media, the Public Administration communicates the advantages and advisability of using e-administration via its brick-and-mortar locations (Carter 2008), in public conferences or by other means. One valuable mean to promote these initiatives, often ignored in previous studies about new services adoption (Prins and Verhoef 2007), are individual oriented marketing efforts such as direct mailings and e-mails. These direct marketing communications could be an important cue to adopt these services since they are essentially transaction oriented (Rust and Verhoef 2005) and reduce adoption timing (Verhoef *et al.* 2001) as long as represent a direct channel with precise valuable instructions to accomplish the task and initiate the use of the service.

Additionally we could state that while the private sector has its own business interests, the Public Administration has not any other interest beyond the fulfilment of the law and the efficient provision of public services in the best interest of the public (Jorgensen and Cable 2002). Thus, citizens could consider that the information coming from the Public Administration (providing simultaneously both traditional and digital services) respond to the actual convenience of e-services. Thus, this institutional communication could influence the perception of a normative advocacy of the use of these services by the individual. In other words, the citizen could comply with some kind of civic sense of duty if following the recommendations of the Administration when fulfilling their obligations as a member of the community. It is important to remember that although some public services are compulsory (pay taxes) other services are not (obtain a public transportation card) but as far as the citizen can choose between traditional or digital services to achieve this task, government can encourage citizens to use e-services.

To sum up, we will consider three main information sources (one internal and two external) that may influence the SN of using a given public e-service: (1) interpersonal sources (internal); (2) mass media (external); and (3) Public Administration communications (external). It is important to note that although (Bhattacherjee 2000) includes in the external source not only mass media reports but also expert opinions and other non-personal information; we consider two different external sources. On the one hand, mass media includes reports and any other particular opinion or piece of news provided by the Media, with the exception of the communication campaigns from Public Administration on the Media. On the other hand, Public Administration communications includes all promotional campaigns undertaken by the public bodies, including advertising in mass media.

3. RESEARCH MODEL

In order to minimize uncertainty, potential adopters solicit opinions from prior adopters (Bhattacherjee 2000); in this sense, interpersonal sources seems to play an important role in influencing decisions perceived as risky (Fenech and O'Cass 2001). Interpersonal sources are the nearest personal background and the influence on SN is justified since these groups could be considered essential and influential from the subject viewpoint. As a first construct explaining SN we propose interpersonal sources as people known by the individual. In particular we asked specifically about friends, family and co-workers as the most influential groups from an interpersonal point of view (Hsu *et al.* 2006;

Hung *et al.* 2006). It is important to note that this influence do not have to be perceived necessarily in a face-to-face interaction since it can be received by several means and even can be inferred by the subject without having received any explicit statement about the issue from the mentioned groups of known people. Thus, our first proposition suggests that:

P1: Interpersonal sources positively affect the subjective norm on using a given public e-service.

On the other hand, it is widely accepted that external sources (sometimes considered just mass media sources) affects SN. Following Bhattacherjee studies (2000), adoption models should not underestimate the role of SN and reconceptualise this concept in order to include external influence as a determinant factor. The citizen is receiving hundreds of information from press, radio, television, or other Media every day. Some of them are pieces of news about public e-services or opinions of experts in interviews or any other medium spreading this information to the general public by mass media. Thus, these may have an impact on the citizen's perception about the social pressure to use a given public e-service. Bearing in mind these considerations, we secondly propose that:

P2: External sources positively affect the subjective norm on using a given public e-service

In addition, the own Public Administration campaigns and other kind of direct and indirect communication promoting e-services could also have an influence in the decision of the citizen. Normative governmental influence represents a main strategic opportunity to influence citizen adoption. Indeed, Public Administration communication, opposite to interpersonal and mass media information, is a tool managed and controlled by the own Public Administration. This information can be focus in the advisability of the use of e-administration and the idea that the individual use not only benefits the user but also agree with the interest of the community. As long as this communication enhances the citizen sense of duty with the Administration and the society, citizen will be normative influenced towards the use of public e-services. Therefore, we propose that:

H3: Public Administration communication positively affects the subjective norm on using a given public e-service.

Theories of adoption of technologies (TRA, TPB) have considered the influence of SN on behavioral intention towards the use of a service. The effect of SN on behavioral intention has been proposed in different contexts and also other adoption theories (IDT, MPCU) have used similar variables to denominate a social influence in the adoption process. The intention to adopt e-government initiatives could be influenced by the citizen perception of a normative influence from the social environment, particularly when knowledge and beliefs are "vague or ill-formed" (Venkatesh and Davis 2000). In other words, the citizen could take into account the opinions of important others about his/her adoption of public e-services to actually carry out them. Indeed, SN has been proved as a construct with a significant effect on behavioral intention towards the use of online tax payment (Hung *et al.* 2006; Fu *et al.* 2006).

H4: Subjective norm positively affects citizen intention to use a given public e-service.

The relation between intention and behavior has been frequently evidenced under the framework of TRA, TAM or TPB (Hsu and Chiu 2004) despite temporal, spatial and person specific barriers interfering this relation. Researchers have understood behavioral intentions in terms of a conscious plan made by the subject (Eagly and Chaiken 1993). As far as specific, volitional behavior is under a individual's control he/she will behave in the way he/she plans to do and this action can be predicted by the individual (Eagly and Chaiken 1993). Behavioral intention to use is "the single best predictor of actual usage" in the words of Davis and Venkatesh (1996). Thus, all things considered we propose behavioral intention as antecedent of actual use of public e-services.

H5: Citizen intention to use a given public e-service positively affects the actual use of this service.

FIGURE 1
Proposed Model
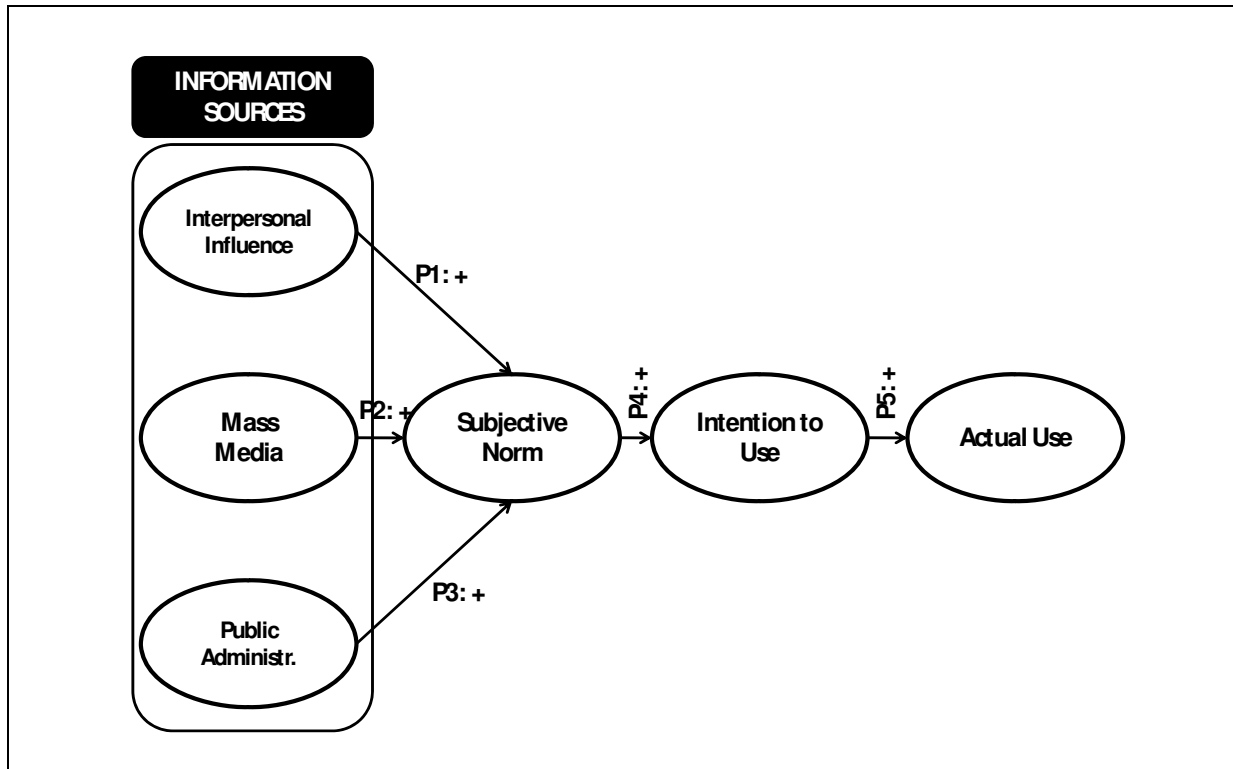
4. DISCUSSION

First of all, based on citizens' perceptions, the application of our proposed model will help determine to what extent SN affects the citizens' intention towards the use, and therefore, the actual use of public e-services. In any case, we expect that the effect of SN will decrease as users obtain direct experience (e.g. Karahanna *et al.* 1999; Venkatesh *et al.* 2003). Indeed, it is usual that people update their expectations regarding an online service after their consumption experience since pre-usage expectations are based on second-hand information (e.g. opinion of others, information disseminated on mass media). Therefore, SN may be a key aspect in promotion the adoption rather than the continuance use of these public e-services, which will be more affected by the own citizens' experience after using first these services.

As well, this application will allow us to recognize what are the fundamental components of the normative influence on the public e-services adoption process, which might represent a relevant contribution to this emerging literature body.

Interpersonal sources are probably the closest normative environment to the individual. People in different contexts comment and asses the advisability of using public e-services. On the other hand, it will be interesting to investigate the effect of external influences in determining SN, since in previous studies the role of external influences seems to be less relevant (e.g. Hsu *et al.* 2006). The reason behind this may be found in the fact that individuals are increasingly relying on suggestions from friends, family and even strangers to get information on which to base their decisions (Kozinets 2002). This is explained due to the fact that individuals prefer to rely on informal and personal communication sources such as other individuals (Bansal and Voyer 2000), since the source of the information has nothing to gain from the consumer's subsequent actions (Schiffman and Kanuk 1997). As a result, interpersonal communication is extremely effective and fellow individuals are considered as more objective information sources (Kozinets 2002).

Thus, as far as interpersonal sources could play an important role before the citizen's adoption decision, governments should take into account this effect and try to promote the diffusion of the benefits and convenience of public e-services among citizens. It is important to notice that as far as Public Administration concerns to all society; everyone has the capacity to evaluate the convenience of digital services. Nevertheless the Public Administration can promote a positive normative influence towards the use of these services from society. The easiness of Internet to promote these messages citizen by citizen (e.g. through online social networks as Facebook, blogs, etc.) could represent an opportunity to start these positive comments about e-services in e-government and develop an influence that increases citizens' perceptions that others think it is popular and trendy to adopt and use public e-services.

On the other hand, information is collected, processed and spread by experts, commentators, journalist and news agencies. Since citizen are not used to know personally these sources of information and there are some physical distance between the sources and the citizen, the different instruments belonging to the Media participate in this process as a channel to distribute information. Thus, Public Administration should provide accurate information, reports and conferences in order to stir Media interest on e-government. Probably a dissemination of this information focused on specific issues (statistics about services, new services, etc.) at different moments of time could draw the Media attention on public e-services.

Finally, the Public Administration can improve their own communication campaigns in order to promote the use of e-services. There are different alternatives to reach the citizen attention. From the traditional advertisement in press, television or advertisement signs at streets to more customized strategies. Indeed, citizen data used by Public Administration, like citizens' addresses could help to drive this individualized strategy. Direct marketing effort can be very useful as far as it improves communication in the citizen-Public Administration relationship, which increases the credibility of the message. Nevertheless it cannot be forgotten that e-services are provided by internet and it is interesting to use the same digital channel to explain the e-government benefits and promote its use by citizens. In this sense internet offers a lot of possibilities that can be used to this purpose: publishing specific information required by citizens, instructive videos, links to other governmental agencies, etc.

To sum up, the management of e-government initiatives should use positive word-of-mouth strategy to enhance the awareness of the public e-service and promote its benefits by different sources of information. In other words, governments should rely not only on their own communications and mass media reports, but also consider how to bring positive experience to the citizens that are currently using the public e-service.

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DISCRIMINANT ANALYSIS FOR THE ABILITIES OF PUBLIC MARKETING SPECIALISTS

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ABSTRACT

The education and selection of the public marketing specialists is a new challenge that has to be faced because of the new development of the area and the interest paid by the public sector to the marketing theory and practice. That is why at a first step we compare the skills requested to the marketing specialist in the private sector that could be applied to the public one. This research aims to obtain an evaluation mechanism of the abilities for public marketing specialist using the discriminant analysis. A data base of 905 subjects, that offers a hierarchy of 14 considered abilities, was used. The result is a discriminant equation that could be used to calculate personal indices' and the two reference values used by the decision makers to place the subject in a certain class.

KEY WORDS

Public marketing, Abilities, Discriminant analysis, Decision makers

1. INTRODUCTION

The image that, at one time the public sector has, represents, in fact, the way this is perceived by the citizens, as trust level and to assure a degree of satisfaction that one can name resonable. We have to mention that, unlike of the privete sector where the operators fight to get the supremacy in the client's mind and preferences, the public sector has as an objective, the creation of an accurate collective image, the assurance of the citizens satisfaction according to their obligations, especially connected to the „fiscal burden" and the avoidance of instances when discontent regarding the way the state officials spend resources can emerge.

The public marketing represents a solution to reach the wanted ballance and to assure an efficient communication between the citizen and public administration. „The improvement of the activity can be achieved by adopting tools that the private sector uses to carry on its activity more efficiently. At present, many public executives and employees „come back to school". They attend seminars on finance, marketing, public procurement, management, entrepreneurial spirit, starategy and current activities. They take part in courses organized by public administration or business schools, in view of improving their aptitudes and a better understanding of problems" (Kotler and Lee 2008: 17)

Using marketing on an ever larger scale in the public sector has determined the occurrence of specialists in public marketing. A frequent question waiting for an answer is that related to the qualities/abilities that those who take in this profession should have, as an extension of their determination to be experts in management or marketing, in general.

Beginning with a general set of aptitudes of the marketing specialists, in a previous work (Grigorescu and Bob 2008: 307-311), it was studied their necessity and importance for the achievement of a hierarchy based on the emergence frequency in the subjects options.

Another fact we see relevant when selecting persons with the view of training them for the public marketing field, or when employing them, is that of the importance that any ability has in taking a decision.

It is of a similar importance the knowledge of the abilities and their importance in substantiating the decision of professional orientation of each young man interested to develop a career in this field.

Philip Kotler and Nancy Lee (2008: 21-22) in their work „Marketing in public sector" point out the following aspects: „The public institutions can benefit if during their mission, of solving issues and achieving results, they apply a marketing approach and mentality". "The administration can transform it from a traditional institution, with a weak contact with its public, in a modern one, with a strong contact to the public, that for the money paid by the tax payer offers things of a better value" and underline the necessity „that the public officers get marketing aptitudes and become responsive to the citizens needs", as a form of change implementation.

To establish the importance and weight of each ability in the decision taking regarding the existence of the necessary capabilities for this profession, we used the method of multiple discriminant for a sample of 905 individuals.

The method of multiple discriminant is successfully used in the analysis of customer segmentation, consumer behavior, market positioning/segmentation, focus groups and knowledge management, projects and risk management, destination management and marketing, competitive advantage, strategic differences etc., as one could see on the listed references.

2. RESEARCH HYPOTESES

Multiple discriminant analysis (Spircu 2005: 109-112) is a method frequently used in the study of problems regarding possible classifications. As a statistical technique, it assumes the hypothesis that a component element of a group, reported to a discriminant line that disassociate in two main classes, place it in one. Thus, the method organizes a block of observations or individuals in one of the two classes with increased homogeneity.

The major difference between the two classes is given by the specificity of each representative option, expressed in the distance from the discrimination line.

During the research work there were analyzed the answers of a group of 905 individuals from Bucharest, Timisoara, Targoviste and Constanta, from the private and public circles, that are employed or are in the train to be employed in a managerial job.

The research had, among others, as target, the acquisition of data regarding the aptitudes needed by the experts of public sector marketing. In the framework of the questionnaire, 14 answers were given under the below mentioned vectorial notation $\{V_{i,j}\}$, i=0, … ,14, j=1, … ,14:

> V_1 - Creativity and inventiveness/resourcefulness
> V_2 - Written/spoken or verbal/interpersonal communication
> V_3 - Ability to implement improvement/change
> V_4 - Analysis capability
> V_5 - Synthesis capability
> V_6 - Openness to learning
> V_7 – Solving matters
> V_8 – Ethics
> V_9 - Flexibility and adaptability
> V_{10} - Reasoning and independence in judgment of ideas/understanding
> V_{11} - Self confidence
> V_{12} - Team working
> V_{13} - Good planner of work
> V_{14} - Multi-disciplinary vision/approach/opinions.

As the gathering of the questionnaire data was carried out by self-filling, the subjects were requested to mark it from 1 to 14, in accordance with their personal criteria of hierarchy. Statistically the vectors $V_{i,j}$ could take values between i= 0 to 14:

In consequence, two categories of answers were obtained:

- a complete vector of 14 answers, ranged in a certain way, or
- an incomplete vector where one or more components are naught.

Accordingly, the entropy of the data matrix increases by the coming out of zero values[1].

Subsequently, we have brought in the H1 hypothesis that assumes that the general average can be a discriminant line of the sample of the answers in a matrix:

V (k,j) cu k = 1, …,905 and j = 1, …,14.

A vector of averages was determined on this matrix

$$Vm_k = \sum_{j=1}^{14} V(k,j)/14$$

and then the average of averages as a general mean:

$$\overline{\overline{V}} = \left(\sum_{k=1}^{905} Vm_k \right)/905$$

---

[1] In a first stage, following the fact that 1 was ranged as the most important and 14 was the least important, it was needed to apply a conversion relation. In consequence, the formula $V_{ki}= 14\text{-}V_{ki} +1$ was applied. It came out a scale where 14 become the maximum and 1 the minimum.

For our sample the general mean equals 5.1. According to *H1 hypothesis* the general average disseminates[2] the matrix of data in two segments (see Figure 1):
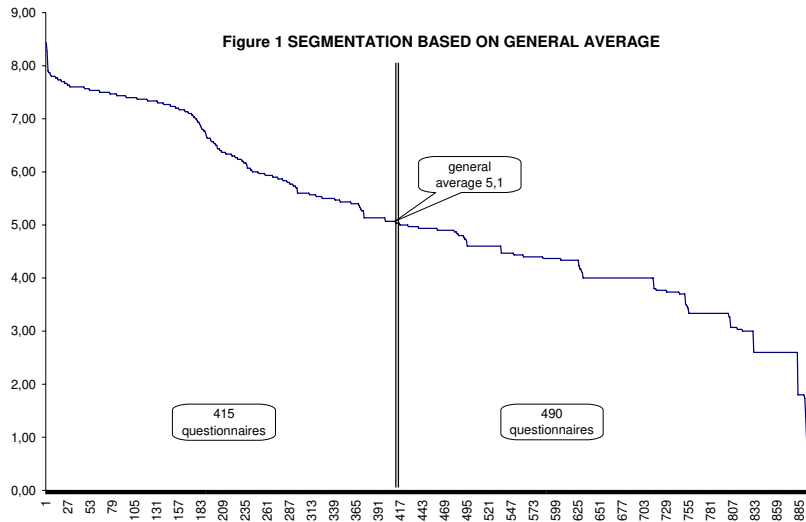
• the upper segment, which contains 415 lines (according to the questionnaires that have as averages values between 8.43 and 5.03), marked with V^s_{kj}, k = [1,...,415];
• the lower segment that includes 490 lines (according to the questionnaires with averages ranked between 5.00 and 0.93), marked V^0_{kj}, k = [416,...,905].

This segmentation of the date range will be used on the future computing process.

The next stage of the analysis lay in the calculation of the averages of certain thematic vectors X_i according to the *H2 hypothesis* that lays down the relation between the initial vectors V_j and the group vector X_i, in accordance with the bellow mentioned criteria. The X_i variable (where I = 1,..5) are formed as groups of 2 or 3 vectors V_j from the same thematic category and are determined as the arithmetic average of their values

X_1 – communication, integration

V_2 - Written/spoken/inter-personal communication $\qquad$ $X_{1k}=(V_{2k}+ V_{6k}+ V_{12k})/3$

V_6 - Desire to learn $\qquad$ k=1, ... , 905, with the components

V_{12} - Team working $\qquad$ X_1^s and X_1^0

X_2 – working manner

V_3 - Capability to implement changes
V_7 - Matters solving $\qquad$ $X_{2k}=(V_{3k}+ V_{7k}+ V_{13k})/3$
V_{13} – Good work planner $\qquad$ k=1, ... , 905, with the components

$\qquad$ X_2^s and X_2^0

X_3 – approach

V_9 - Flexibility and adaptability $\qquad$ $X_{3k}=(V_{9k}+ V_{10k}+ V_{14k})/3$

V_{10} - Judgment reasoning and independence $\qquad$ k=1, ... , 905, with the components

V_{14} - multi-disciplinary visions $\qquad$ X_3^s and X_3^0

---

[2] To simplify the Vm_k vector is ranked down.

X_4 – thinking processes

V_1 - Creativity and innovation

V_4 - Analysis capacity

V_5 - Synthesis ability

$X_{4k}=(V_{1k}+ V_{4k}+ V_{5k})/3$

k=1, ... , 905, with the components

X_4^s and X_4^0

X_5 – attitude

V_8 - Ethics

V_{11} - Self confidence

$X_{5k}=(V_{8k}+ V_{11k})/2$

k=1, ... , 905, with the components

X_5^s and X_5^0

As a result, the outcome is the matrix of the grouped aptitudes

$$\begin{bmatrix} X_1^s & X_2^s & X_3^s & X_4^s & X_5^s \\ X_1^0 & X_2^0 & X_3^0 & X_4^0 & X_5^0 \end{bmatrix}$$

At the same time with the working out of the X matrix it is finished the process of systematization of the elementary data. Through the classification of V_j initial vectors in X_i group vectors the negative effects of non-answering are diminished. Thus, the new data structure is built up of 5 groups/classes of abilities and two segments of respondents according to H1 hypothesis.

3.   CALCULATION OF THE MULTIPLE LINEAR DISCRIMINANT

Data worked out in this way are shown in the pattern of the Table 1. The averages for the upper and low segment are shown, in addition to the initial data.

TABLE 1
PATTERN OF PRIMARY PROCESSES

No.	Questionnaires number	Communi-cation X_1	Work manner X_2	Approach X_3	Mental processes X_4	Attitude X_5	General average*
1	**732**	7,00	7,00	8,00	11,67	8,50	8,43
2	**725**	7,33	8,67	10,33	9,00	6,00	8,27
……	**……**	……….	……	……….	………	…….	……….
414	**905**	6,67	4,67	0,00	7,33	6,67	5,03
415	**27**	8,33	0,00	10,33	0,00	8,33	5,03
416	**170**	3,00	3,33	8,00	4,67	3,00	5,0
417	**387**	8,33	4,33	3,00	3,33	8,33	5,0
…..	**……**	……	……	…….	…….	…….	……
904	**807**	0	4,67	0	0	0	0,93
905	**806**	0	4,67	0	0	0	0,93
XI$_g$***		5,62	5,14	4,12	5,95	4,45	
XI^S**		6,69	6,79	5,27	7,76	6,00	
XI^0*		4,74	3,78	3,18	4,45	3,16	
D(s-0)****		1,95	3,01	2,09	3,31	2,83	
D(s-g)		1,07	1,65	1,15	1,81	1,55	
D(g-0)		0,88	1,36	0,94	1,50	1,28	

Where:

[*] - the general average remains in all subsequent calculations as a classification criteria;

[**] - XI^S – is the average of the values determined for the upper segment according to H2 hypothesis;

[***] - XI^0 – is the average of values calculated for the lower segment, according to H2 hypothesis;

[****] - D(s-0) discriminant primary parameters, compose from partial parameters D(s-g) that explain difference between XI^S and XI_g and D(g-0) that explain difference between XI_g and XI^0;

[*****] XI_g - the general average for each thematic vector.

Figure 2 INFLUENCE OF X AVERAGE IN PRIMARY DISCRIMINANT PARAMETERS
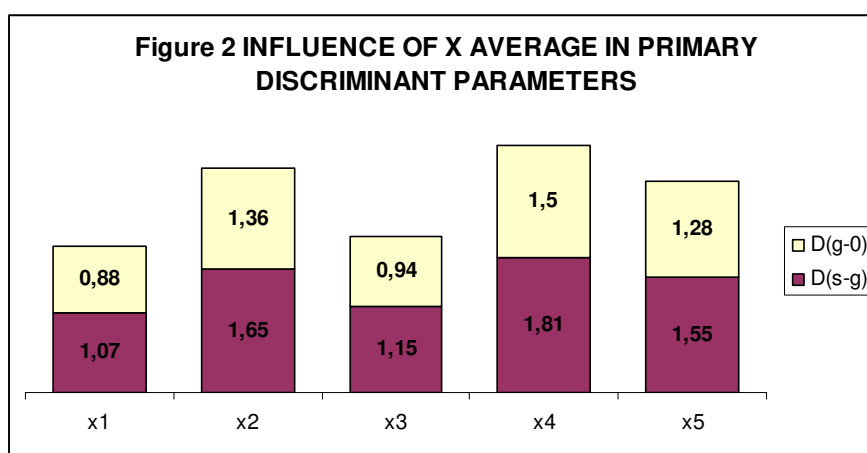
As one can see in Table 1 and Table 2, the position of the averages of the upper segment is placed between 38% (from maximum) for X_3 and 55% (from maximum) for X_4. In accordance with the data from table 2 the upper averages are placed in an area comprised between 3.18 and 4.74, which is nevertheless in the low part of the scale (1,...,14).

TABLE 2

	X_1	X_2	X_3	X_4	X_5
max	14	14	14	14	14
XI^S	6,69	6,79	5,27	7,76	6
XI^0	4,74	3,78	3,18	4,45	3,16
XI^S/max	48%	49%	38%	55%	43%
XI^0/max	34%	27%	23%	32%	23%

The lower segment averages lie at a level comprised between 23% (from maximum for X_3) and 34% (from maximum for X_1). This condition can be explained by the high degree of dispersion of the respondent estimations.

The results of table 1 lead to an index/value D(s-0) which is a necessary parameter for the multiple linear discriminant functions. This is calculated according to the relation $DI(s-0) = XI^S – XI^0$ where I = 1, …, 5. We should mention that for the calculation of the discriminant function, which consists in solving a system of five functions with five unknown factors, the DI values form a vector of the free terms.

To build up the system of equations, one has to calculate/compute the sums, the squares sums, and the products sums/amounts for X_1, X_2, X_3, X_4, X_5 without taking into account the affiliation to one of the segments:

$$\Sigma X1=5090 \qquad \Sigma X1^2=37737 \qquad \Sigma X1*X2=26819$$
$$\Sigma X2=4654 \qquad \Sigma X2^2=33857 \qquad \Sigma X1*X3=21390$$
$$\Sigma X3=3731 \qquad \Sigma X3^2=22555 \qquad \Sigma X1*X4=29884$$
$$\Sigma X4=5383 \qquad \Sigma X4^2=45427 \qquad \Sigma X1*X5=22341$$
$$\Sigma X5=4025 \qquad \Sigma X5^2=29827 \qquad \Sigma X2*X3=19967$$
$$\qquad \qquad \qquad \Sigma X2*X4=27769$$

ΣX2*X5=22196
ΣX3*X4=22371
ΣX3*X5=17181
ΣX4*X5=23679

For a simpler calculation, the square sums and the product ones were given depending on/according to the exception from their averages:

$$\sum x_i x_n = \sum X_i X_n - \frac{\sum X_i \sum X_n}{N}$$

With: $i=1, ... ,5; n=i+1, ...,5;$ and $N=905$.

$\Sigma x_1{}^2=9109,6$	$\Sigma x_1*x_2=641,9$
$\Sigma x_2{}^2=9920,0$	$\Sigma x_1*x_3=403,4$
$\Sigma x_3{}^2=7170,7$	$\Sigma x_1*x_4=-390,0$
$\Sigma x_4{}^2=13412,9$	$\Sigma x_1*x_5=-296,7$
$\Sigma x_5{}^2=11925,8$	$\Sigma x_2*x_3=777,1$
	$\Sigma x_2*x_4=86,4$
	$\Sigma x_2*x_5=1495,5$
	$\Sigma x_3*x_4=178,0$
	$\Sigma x_3*x_5=586,0$
	$\Sigma x_4*x_5=-260,2$

The system of equations at the base of getting the coefficients is the following:

$$
\begin{cases}
9109,6\,a & + & 641,9\,b & + & 403,4\,c & - & 390,0\,d & - & 296,7\,e & = 1,9 \\
641,9\,a & + & 9920,0\,b & + & 777,1\,c & + & 86,4\,d & + & 1495,5\,e & = 3,0 \\
403,4\,a & + & 777,1\,b & + & 7170,7\,c & + & 178,0\,d & + & 586,0\,e & = 2,1 \\
-390,0\,a & + & 86,4\,b & + & 178,0\,c & + & 13412,9\,d & - & 260,2\,e & = 3,3 \\
-296,7\,a & + & 1495,5\,b & + & 586,0\,c & - & 260,2\,d & + & 11925,8\,e & = 2,8
\end{cases}
$$

Solving the system we obtain the value of a, b, c, d, e coefficients, that take the values shown on the next table.

XI^S	6.69	6.79	5.27	7.76	6.00
XI^0	4.74	3.78	3.18	4.45	3.16
D(sup-inf)	1.95	3.01	2.09	3.31	2.83
	a	**b**	**c**	**d**	**e**
COEFIC	0.0002	0.000238	0.00023	0.000252	0.000207
D_{XSUP}	0.00740				
D_{XINF}	0.004379				

Also, it was calculated the D_{xSUP} and D_{xINF} for the two main classes obtained by discrimination.
With the gated information it is possible to build the mechanism of evaluation and the belonging of a subject to one of the main classes.

4. CONCLUSIONS

The first conclusion is that using the multiple discriminant analysis we divide a group of registered elements in two main classes, as we assume by hypothesis H1. They are on the opposite side upon the matter in discussion (buyers – non-buyers, segment of interest – non segment, market – non-market etc.). In our particular case the classes are:

- subjects with all most requested abilities for public marketing specialists;
- subjects without minimal average of abilities asked for public marketing specialists.

The obtained discrimination equation is as follows:

$D_x = aX_1 + bX_2 + cX_3 + dX_4 + eX_5$

Where: a=20 x 10^{-5}; b=23.8 x 10^{-5}; c=23 x 10^{-5}; d=25.2 x 10^{-5}; e=20.7 x 10^{-5}
So, the equation becomes:
$D_x = 20$ x $10^{-5} X_1 + 23,8$ x $10^{-5} X_2 + 23$ x $10^{-5} X_3 + 25,2$ x $10^{-5} X_4 + 20,7$ x $10^{-5} X_5$
Based on the coefficients of the discrimination equation it becomes clear the weight that each group of X_i abilities has in the calculation of the numeric index D_x for each individual alone (see Figure 3).

Figure 3 ABILITIES CONTRIBUTION TO FINAL SCORE
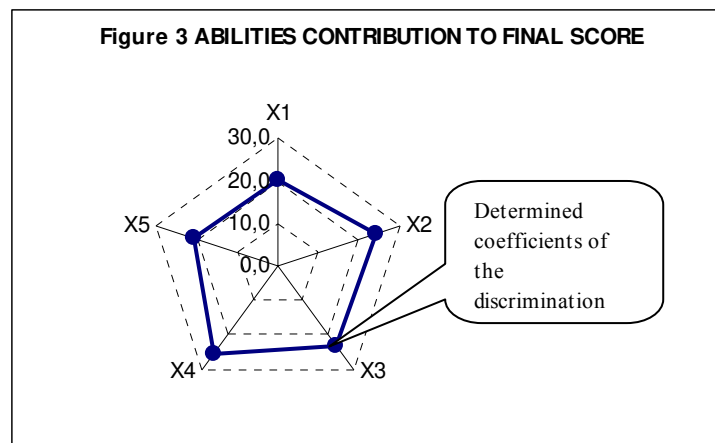
The coefficients of the five groups of abilities, as in figure 3, place themselves at the same level, namely between 20 and 30, more accurate, only X4 exceeds the value of 25 (that is 25.2), the other values being placed between 20 and 25. This point out the increased homogenity between the studied ability groups.

A first conclusion shows us that the X_4 factor has the greatest influence, followed by X_2 and X_3, these are the mental processes, the working manner and the way of approach. In case we detail, one can notice that the abilities that determine the positioning of the individual/subject in one of the two classes are:

- *creativity and inventiveness, the analysis capacity, the synthesis capacity;*
- *the capacity to implement change, to solve issues/problem, work planning;*
- *flexibility and adaptability, reasoning and independent judgment, multi-disciplinary vision;*

On a second place is X_5, followed by X_1, that is the aspects related to the *attitude* and *communication*.
The calculation of D_{xSUP} and D_{xINF} with the help of the averages of all registrations in the upper class and respectively, the low one, we obtain two reference values/figures of the analysis of the multiple discriminant:
$D_{xSUP} = 0.007400$

$D_{xINF} = 0.004379$

For a concrete case of assessing the abilities of a group of individuals/subjects from the prospects of specialization in the field of public marketing or of employing in such a position, the calculation of the personal/individual numeric indices will determine the acquiring of a set of values.

The individuals/subjects whose D_{xn} indices will be placed near the value of D_{xSUP} will be able to be classified in the class of those that have, to a high probability degree, the necessary abilities for a specialist in public marketing.

Getting a D_{xn} index near the value of D_{xINF} will position the respective individual in the class of those who do not have the analyzed abilities or have them in a low degree.

Based on the previously obtained results one can draw up a mechanism of selecting marketing personnel, those to be trained in the field of marketing or even of students, and the abilities that these have to get during the university education courses, master and PhD.

It is known the fact that the one having certain psycho-somatic, mental, intellectual etc. abilities answers only to a part of the professional defining assembly. A continuation of this analysis is the applying of the multiple discrimination method on the classes of the necessary knowledge for the specialists in public marketing and the possibility to get similar equations.

The combination of the two parameters – abilities and knowledge and getting the calculation formula that allows the identification of the combination on categories and the probability of their occurrence represents the final objective of the researches.

Knowing that "Marketing has a dual role: to help promote the view that the most satisfactory outcome has been achieved and to persuade all parties that there interest have been taken into account in achieving the outcomes"[3], it is out challenge to promote de marketing vision and approach in public sector and to do it with the best professionals.

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THE INSTRUMENTATION OF SOCIAL MARKETING IN PROMOTING THE PROGRAM ON POVERTY AND SOCIAL EXCLUSION. CASE STUDY: ROMANIA

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ABSTRACT

Romania adopts different specific measures to help citizens in solving their social problems and range from emergency aid programs, to safety net and social protection programs, to social equity schemes, to empowerment programs. In this paper we analyze the instrumentation of social marketing in promoting The European Year for Combating Poverty and Social Exclusion Program implemented in Romania by the Ministry of Labor, Family and Social Protection. Finally, in the study case, we conclude that social marketing like instrument in promoting social programs helps achieve a new level of effectiveness in planning, implementing and promoting poverty-reduction programs.

KEY WORDS

Social marketing, social assistance, promotion, poverty, social exclusion, social inclusion, citizen

1. INTRODUCTION

As underlined by Philip Kotler, campaigns aimed at generating public interest and social progresses are not a novelty. Rome and ancient Greece developed campaigns that sought the freedom of slaves, in England during the industrial revolution they organized campaigns condemning the exploitation of children; the campaign for the abolition of slavery in the U.S in the XIX century is also well known. Recently, campaigns aim to promote health (fight against smoking, drug abuse, AIDS, mental health), protecting the environment (drinking water, air quality, energy conservation, forests, national parks), education (especially literacy programs), violence family, the rights of people, racism, etc. (Kotler and Lee 2009).
Social marketing efforts are most often initiated and sponsored by those working in government agencies or nonprofit organizations. In the government sector, marketing activities are used to support utilization of government agency product and services and to engender citizen support and compliance. Thus, social marketing efforts are only one of many marketing activities conducted by those involved in public-sector marketing.

2. SOCIAL MARKETING – INSTRUMENT OF SUPPORT EMPLOYED IN THE IMPLEMENTATION OF SOCIAL SERVICE AND SOCIAL INCLUSION

Social marketing is a process that applies marketing principles and techniques to create, communicate, and deliver value in order to influence target audience behaviors that benefit society (public health, social assistance, safety, the environment, and communities) as well as the target audience (Kotler and Lee 2008).
There are a few important differences between social marketing and commercial sector marketing. Social marketers are focused on selling a behavior, whereas commercial marketers are more focused on selling goods and services. Commercial sector marketers position their products against those of other companies, whereas the social marketer competes with the audience's current behavior and associated benefits. The primary benefit of a "sale" in social marketing is the welfare of an individual, group, or society, whereas in commercial marketing it is shareholder wealth (Kotler and Lee 2009:67).
The needs for "safety nets" moved beyond the period during and after natural and man-made shocks. It became apparent that the poor needed protection from the deteriorating conditions of their daily lives. Therefore, "social service programs" came to include poverty solution such as the following (Adato, Ahmed and Lund 2005):

- Social security systems for those working in the informal sector;
- Services for school dropouts and street children;
- Workfare programs;
- Maternal and child health services;
- Assistance for the elderly and disabled.

Then in the 1990s, social protection services and solutions took over. These services actually included safety-nets measures, but they also covered longer – term solution. They were not only protective, but also preventive in character. According to the Food Policy Institute: „Social protections are not only programs aimed at reducing the impact of shocks and coping with their aftermath, but also interventions designed to prevent shocks and destitution in the first place" (Adato, Ahmed and Lund 2005). They include „all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalized; and so with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalized groups" (Mpagi 2005).
In terms of services, these initiatives and „poverty solutions" take specific forms such as the following:

- Social assistance;
- Social insurance schemes;
- Social services for the poor in need of special care;
- Social equity services, etc.

Why Marketing Thinking Must be Added to the Poverty Solution?

Applying strategic marketing is a proven methodology for solving problems in the commercial sector. It is also a proven methodology for solving problems in the social sector, such as helping people stop smooching, eat healthier foods, other behaviors.

The purpose of social marketing is to develop constructive approaches to support desired behavior changes. The basic principle is to increase the audience's perception that the benefits of the new behavior outweigh the costs of adopting it. The new behavior must be seen as having higher value than the current behavior (Kotler and Lee 2009: 48).

The Main Principles of Social Marketing are (Kotler and Lee 2009: 56):
1. focus on behaviors;
2. recognize that behavior change typically is voluntary;
3. use traditional marketing principles and techniques;
4. select and influence a target market;
5. recognize that the beneficiary is the individual, group or society as a whole – not sponsoring organizations.

Social marketers, like their counterparts in commercial marketing, use the four Ps – product, price, place and promotion – to encourage purchase or adoption of behaviors. They improve the attractiveness of the behavior and sometimes offer goods or services to support the behavior (product). They alter the price or cost of one behavior versus another (price). They make it easier to move into the new behavior (place). They promote the short-term and long-term benefits of the new behavior (promotion) (Kotler and Lee 2009: 48).

Promotions are persuasive communications designed and delivered to inspire your target audience to action. In social marketing, the key word is action (Kotler and Lee 2008:135). Developing these communications is a process that begins with determining key messages. It moves on the selecting messengers and creative elements, and then ends with a selection of media channels. This step considers prior decisions regarding the target market, behavior objective, audience barriers and benefits. This process is needed to support the desired positioning for this behavior.

3. THE ROMANIAN SOCIAL ASSISTANCE SYSTEM

Social assistance is the non-contributory component of social protection and represents the body of institutions and measures through which the state, the public authorities of local government and civil society ensure the prevention, restriction or removal of temporary or permanent effects of situations that can generate the marginalization or exclusion of social individuals[1].

The main objective of social assistance is the protection of persons who, due to economic, physical, mental or social reasons are unable to ensure their social needs, to develop their own capabilities and skills for an active participation in the society.

The year 2001 represented the decisive step in creating legal and institutional coherence in this area, by the adoption of the Law no.705/2001 on the national social assistance. This normative act has paved the way for reforming and the development of national social assistance system. It was repealed by Law no. 47/2006 on the national social assistance, published in the Official Gazette of Romania, Part I no. 239 of 16.03.2006.

Until the promulgation of the Law 705/2001 on the national social assistance, the social assistance system in Romania was fragmented and was lacking coherence. In the absence of a legal framework, the institutions in charge with social assistance were under the tutelage of several ministries, social

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[1] For full details see the Law no. 47/2006 of 08/03/2006 on the national social assistance published in the Official Gazette of Romania, Part I, no. 239 of 16.03.2006, Article 2, Para. 1;

benefits were reduced from their true value, local authorities didn't have the necessary mechanisms which would enable the development of social services in accordance with the social needs of the community and also others similar structural limitations.

Under the Law no. 47/2006 regarding the national social system, the organizational structure of the welfare system operates in central and local level.
The central system comprises in particular ministries, directorates within ministries or other government bodies. The most important ministry in terms of social assistance is the Ministry of Labor, Family and Social Protection which is the governmental body directly responsible for the coordination of the national social assistance system.

Ministry of Labor, Family and Social Protection establishes the national strategy for each sector on social development, coordinates and monitors their implementation, supports financially and technically social programs and controls the granting of social services and benefits[2]. At central level, the social policy coordinated by the Ministry of Labor, Family and Social Protection is supported by other governmental bodies with a role or with prerogatives in the field (Ministry of Health, Ministry of Justice, Ministry of Interior, Ministry of Education, Research, Youth and Sport and other central institutions directly subordinated to the Ministry). The following institutions provide social services: The National Authority for Disabled Persons, the National Authority for the Protection of Family and Children's Rights, the National Agency for Equal Opportunities between Men and Women, the National Agency for Social Benefits, Labor Inspectors, regional Intermediary Bodies for the Operational Program for Human resources Development; having under its coordination: the National Institute for Scientific Research in Labor and Social Protection, the Institute for National Research – Development for Occupational Safety and under its authority are: the National House of Pensions and Other Social Insurance Rights and the National Agency for Employment.

At local level, the structural elements are the district Departments of Labor and Social Protection as well as Local Councils. They exercise their functions in the following areas: social dialogue, legislation, payroll, conflicts and collective labor contracts; social assistance, domestic violence; human resources, social inclusion. County Councils organize social assistance departments, as a public services which ensures at territorial level the enactment of social policies on the protection of family, single persons, elderly, disabled and all persons in need.
Also, the Services for Social Assistance and Child Protection are under the direct coordination of the County Councils. Local Councils of municipalities, cities and sectors from Bucharest are the ones that organize social services directions having as main tasks the following: identifying the social needs of the community and addressing them under the auspices of the Law; responsible for establishing, organizing and providing basic social services while the local municipal councils take in their service persons specialized in social assistance.

At national level, the Ministry of Labor, Family and Social Protection has the lead in promoting and evaluating the social inclusion policies by signing the joint Inclusion Memorandum together with the European Commission, in June 2005. After signing the document for a better management of assistance and social inclusion policies in 2005, the Ministry of Labor, Social solidarity and Family has founded the Directorate for Policies, Strategies and Social Inclusion Programs. In the year 2007, it was reorganized as the Directorate for Strategies and Social Inclusion Programs[3] and in 2008 the General Directorate was set up consisting of the Directorate for Inclusion and Social Assistance

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[2] For full details see the Law no. 47/2006 of 08/03/2006 on the national social assistance published in the Official Gazette of Romania, Part I, no. 239 of 16.03.2006, Art. 24, Alin. 2
[3] For full details see the Government Decision no. 412 of May 5, 2005 on the organization and operation of the Ministry of Labor, Social Solidarity and Family, published in Official Gazette no. 27 of 20.05.2005, as amended.

Strategies and programs and the Directorate for Social Inclusion and Social services.[4] In 2009, it was reorganized and established separately within the Ministry, as the Division for Social Inclusion Programs and the General Division for Social Assistance. The latter is made up by the Social Policy Directorate and the Directorate for Social Services.[5]

The Division for Social Inclusion Programs has as main tasks the monitoring and the evaluating of the stages of the implementation measures under the Joint Memorandum for Social Inclusion as well as the development, the enactment, monitoring and evaluation of national programs external financed in the field of social inclusion. Moreover it conducts strategic planning, the coordination and technical cooperation for the enforcement of social inclusion policies, draws up the Strategic National Plan regarding Social Inclusion, manages poverty diagnosis and the risk of social exclusion, developing and proposing indicators of social inclusion, manages the development of implementation of strategic county plans in the field of social inclusion and social protection.

Considering that the Ministry of Labor, Family and Social Protection has a functional structure, the marketing activity can be applied within each subdivision, as well as across institutions (Thomas, 1998). The practical aspect of this paper grounds itself on the hypothesis that the main goal of social marketing is influencing people's behavior. In this paper we will present as a case study, the usage of social marketing in promoting the *European Year for Combating Poverty and Social Exclusion* Program by the Directorate for Social Inclusion Programs.

What is poverty?
Poverty can be defined in a number of different ways: at an aggregated level these different measures can be categorised as either relative poverty or absolute/extreme poverty[6]. At the World Summit on Social Development in Copenhagen in 1995, absolute or extreme poverty was defined as: „a condition characterised by severe deprivation of basic human needs, including food, seif drinking water, sanitation facilities, health, shelter, education and information' – therefore, mainly depending on access to a range of services[7]".
The EU's social inclusion process uses a relative definition of poverty that was first agreed by the European Council in 1975: „… people are said to be living in poverty if their income and resources are so inadequate as to preclude them from having a standard of living considered acceptable in the society in which they live. Because of their poverty they may experience multiple disadvantages through unemployment, low income, poor housing, inadequate health care and barriers to lifelong learning, culture, sport and recreation. They are often excluded and marginalised from participating in activities (economic, social and cultural) that are the norm for other people and their access to fundamental rights may be restricted"[8].

What is social exclusion?
It is a complex, multi-dimensional, multi-layered and dynamic concept that the EU's social inclusion process defined as: „… a process whereby certain individuals are pushed to the edge of society and prevented from participating fully by virtue of their poverty, or lack of basic competencies and lifelong learning opportunities, or as a result of discrimination. This distances them from job, income

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[4] For full details see the Government Decision no.1318/2008 amending and supplementing H.G. no. 381/2007 on the organization and functioning of the Ministry of Labor, Family and Equal Opportunities published in Official Gazette no. 287/02.05.2007, as amended.

[5] For full details see the Government Decision 11/2009 on the organization and functioning of the Ministry of Labor, Family and Social Welfare published in Official Gazette no. 41/23.01.2009

[6] For full details see the Combating poverty and social exclusion. A statistical portrait of the European Union 2010, European Comission, Eurostat – statistical book, 2010, p. 6, http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-EP-09-001/EN/KS-EP-09-001-EN.PDF

[7] For full details see the http://www.un.org/esa/socdev/wssd/index.html

[8] For full details see the Joint report on social inclusion, Eurpean Comission, 2004, p.10, thttp://ec.europa.eu/employment_social/spsi/docs/social_inclusion/final_joint_inclusion_report_2003_en.pdf.

and education opportunities as well as social and community networks and activities. They have little access to power and decision-making bodies and thus often feeling powerless and unable to take control over the decisions that affect their day to day lives"[9].

4. CASE STUDY: THE INSTRUMENTATION OF SOCIAL MARKETING IN PROMOTING *THE EUROPEAN YEAR FOR COMBATING POVERTY AND SOCIAL EXCLUSION*[10] PROGRAM IN ROMANIA

The Ministry of Labor, Family and Social Protection – through the Directorate for Social Inclusion Programs was designated as the National Implementation Body accountable for the deployment of the activities undertaken by Romania, the technical and financial management. The implementation body is to ensure the national coordination of activities.

The issue of poverty and social exclusion displays itself in an extended, complex and multidimensional configuration. They are related to many factors such as income and living standards, the need for education and employment opportunities for decent, effective systems of social protection, housing, and access to good quality health services and other services like active citizenship.

Social exclusion prejudices the wellbeing, affecting their ability to express themselves and participate in society. Therefore, the European Year for Combating Poverty and Social Exclusion aims to give appropriate visibility to this issue.

A significant part of the EU population is still suffering from material deprivation or has limited and unequal access to services or are excluded from society. The Joint Report on Social Protection and Social Inclusion in 2008 stresses that in the European Union 78 million people are at risk of poverty, of which 19 million are children.

The prevention and fight against poverty requires multidimensional policies at national, regional and local level to ensure a balance between economic and social policies, and strategies targeting persons or groups in particularly vulnerable situations. The European Year contributes to the fosterage of such multi-faceted policies, as well as the further development of relevant indicators[11].

In the following investigation we will examine the instrumentation of social marketing in promoting the European Year for Combating Poverty and Social Exclusion implemented in Romania by the Ministry of Labor, Family and Social Protection in Romania.

4.1. *National background: the problem that needs to be solved*

According to the European Commission's Eurobarometer[12] survey conducted in 2009, 25% of the population is vulnerable to the phenomenon of poverty which represents the highest poverty level in the EU.

Romania is among European countries with high incidence of relative poverty (19% in 2007 to 10-20% in EU-15 and 10-21% in the NMS-10).The most vulnerable segments of population are children, the single elderly, farmers, unemployed and retired farmers (one quarter of Romania's children are

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[9] For full details see the Combating poverty and social exclusion. A statistical portrait of the European Union 2010, European Comission, Eurostat – statistical book, 2010, p. 7, http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-EP-09-001/EN/KS-EP-09-001-EN.PDF

[10] For full details see the Decision no. 1098/2008/EC of the European Parliament and the Council of 22 October 2008 the European Year for Combating Poverty and Social Exclusion (2010), L 298/20 - Official Journal of the European Union published on 7.11.2008, Para. 10, http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:298:0020:0029:RO:PDF (The European Year is implemented in the 27 EU member states and Island and Norway).

[11] For full details see the Decision no. 1098/2008/EC of the European Parliament and the Council of 22 October 2008 the European Year for Combating Poverty and Social Exclusion (2010), L 298/20 - Official Journal of the European Union published on 7.11.2008, Alin. 14, http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:298:0020:0029:RO:PDF (The European Year is implemented in the 27 EU member states and Island and Norway);

[12] For full details see the Eurobarometer Survey on Poverty and Social Exclusion, European Commission, 2009, http://ec.europa.eu/public_opinion/archives/eb_special_en.htm

under risk of poverty, one in three elderly are subject to poverty, one of two farmers and one in three unemployed live in households under the poverty line, only one third of the unemployed receiving unemployment benefits and low level of benefits – their income level is below the poverty line, as well as pensions of more than one quarter of the social state insurance pensioners and almost all pensioners receiving farmers pensions.

The poverty rate is three times higher in rural areas than in urban (rural poverty rate registered in 2006 the value of 29.6% compared to 9.6% in urban). In 2007 approximately 18.5% of Romania is poor (18.3% among men, 18.8% among women). In the year 2007 it was found that among the minority groups most affected by the phenomenon of poverty the Roma minority is living under an absolute poverty rate almost five times higher than the value recorded nationally[13].

4.2. Activities proposed for the development of the promotion program

The proposed activities to promote the program contribute to **a better understanding of the rights** Romanian citizens enjoy in relation to their social benefits. This is achieved through social marketing by promoting audio, video, with clear and easy to remember messages transmitted through communication channels with a high degree of audience (ex: STOP POVERTY !)

Also, by organizing discussions and events, industry professionals help with the debates and speeches presented in stressing the **accountability** of everyone in the fight against poverty and social exclusion. The organization of the debate will attempt **to encourage everyone to participate in the decision** making process. It is expected that the reunions will go beyond their declarative nature and lead to concrete results that would contribute to real and effective measure to enhance quality of life of disadvantaged people, the intention being that of launching a Final Declaration regarding social inclusion in Romania by December 2010.

Within the framework of the Year for Combating Poverty and Social Exclusion, important events celebrated at European and international level, are not to be forgotten. Thus the International Children's Day – June 1st, 2010 is marked by organizing a major event, namely the awarding winners of the contest Olympics children.

The role of the instrumentation of social marketing in the implementation process is to ensure a high visibility for its actions to its target audience and to be most convincing in the promoting of its messages.

4.3. Target Group

The target group will consist in the general public, people experiencing poverty and exclusion and other groups and social institutions capable of shaping or having an impact on social inclusion policies namely: public opinion in general, people at risk of poverty, civil society, public authorities, central and local media, schools, focusing on those who usually are not directly involved in poverty.

4.4. The communication strategies

Social marketing is the instrument which brings into effect the impact on the target groups given the fact the main messages they want to transmit refers to the of raising awareness and informing citizens about their rights and how that can get involved in the decision making process, as well as their acknowledgment as active members of society.

The communication strategies used in promoting the program are:

1. Organizing the national conference in order to launch the European Year for combating poverty and social exclusion - 2010. The objective of the conference was to raise awareness among the political class, professionals and civil society on the relevance of addressing these phenomena.

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[13] For full details see the Risks and social inequities in Romania, MoD, the Presidential Commission for Social and Demographic Risk Analysis, September 2009, pp 8 to 30, www.presidency.ro

Special attention was given to the active participation in the event of people affected by poverty, as well as representatives of socially excluded groups.

2. Information Campaign on the European Year -2010
The information campaign carried out throughout the project has as main activities: the creation and dissemination of information materials (brochures, posters, leaflets, banners), editing of audio-visual materials, press conferences, press releases. It also employs the visual identity of the Year. This image is used in all the promotional material (written or visual) and also throughout the events in progress during the year.

3. The usage of website in promoting the activities of the Year
The official site of the Year in Romania (http://www.2010againstpoverty.eu/?langid=en) will ensure transparency measures; it will include general information about the objectives and activities during the European Year, promoted both at national level and European level. A platform for discussion and exchange of views on the field has been set up. The structure of the page encourages interaction and participation of as much people as possible in the discussion proposals.

4. The Children's Olympics "For the future"
The event consists in a skills contest for children/ students in classes of excellence that have aged 10 to 14 years, with a precarious family background and exceptional school results. This competition will promote the ideas of diversity and access to opportunities, thus giving the children the chance to engage in various activities: Dance, music, local development projects and social participation. Prizes will consider providing long-term support for children to help them improve their social skills or performance, such as computers and other electronic means of learning, connections to the Internet, textbooks, encyclopedias, and others.

5. The Journalist – social actor
This action is considering organizing a contest for the best social investigative journalist, during which the journalist's role will be not only to present an agreed number of social cases and write articles about them, but also to engage in the solving of cases. This exercise will raise awareness among mass-media about the importance of involving everyone in the process of combating poverty and social exclusion. On the other hand, it will also reach the larger audience and make them aware that people affected by poverty and social exclusion are faced with long-term problems, which cannot be solved by short-term interventions. The follow up made by the journalists on the issues and cases that they will be working on for the contest, will help them better understand the causes of poverty and social exclusion and the life of the families affected by these phenomena.

6. **Campaign for the promotion of social rights**The objective which will take out information activities is the recognition of rights. By increasing awareness of available social rights in order to increase access to resources and increased social participation of excluded groups. Through this activity it is intended to implement a nationwide campaign to inform people about the social benefits offered in Romania for persons at risk of social exclusion. Campaign objectives are:
- to disseminate among potential beneficiaries, information on existing legislation and social rights in Romania;
- to assist and guide potential beneficiaries in applying for their own rights;
- to improve communication between government structures and citizens regarding the social domain;
- to change the attitude and mentality of people on social rights.
The national information campaign consists in elaborating information materials as **"The Social Rights Collection".** Thus brochures were drafted containing information on access to benefits that have an impact on poverty reduction (example: guaranteed minimum income, family allowances, etc.).The national campaign includes radio adds that are aired on Radio Romania Actualități, a radio whose audience has increased nationally particularly in rural areas. The ads contain short messages on the social rights of the people in need.

7. The final national conference on the European Year for Combating Poverty and Social Exclusion – 2010
The year will end with the adoption of a **Final Declaration on promoting social inclusion in Romania,** a document that will underpin the future development of concrete actions in the field.
As noted, the implementation of this program by the Directorate for Social Inclusion Programs in the Ministry of Labor, Family and Social Protection relies on social marketing principles and tactics in promotion to increase public awareness on issues of poverty and social exclusion and to facilitate further development of programs that will promote quality of life of vulnerable groups (children, families in need, singles, elderly, disabled, ethnic minorities, etc.). One of the basic principles of social inclusion is to ensure equal opportunities for all.

5. CONCLUSIONS

Social marketing relies on understanding the target audience's need, wants, perceptions, preferences, values and barriers and turning this understanding into an effective plan to achieve the desired behavior outcomes, upstream as well as downstream. Simply telling someone that a new behavior would be good for him or her is not enough. Social marketing supplies the steps usually missing in otherwise well-intentioned social betterment efforts. Developing a communication is a process that begins with determining key, messages, moves on the selecting messengers and creative elements and ends with a selection of media channels.

The instrumentation of social marketing in promoting the program analysis consists in:
- The elaboration of the communication strategy with short, clear and consistent audio and video messages: STOP POVERTY!
- Using a single EU logo throughout the program;
- Helping people to acknowledge the fundamental rights and needs of people suffering from poverty;
- Correction of current stereotypes about people in poverty and exclusion, through information campaigns;
- Helping people living in poverty to become more confident in their own forces by giving them access to information on social assistance rights, through information campaigns;
- Facilitating discussions between stakeholders from the public and private sector to overcome the problems that impede public participation: through meeting such as the annual meeting of the European people who experience poverty.
We conclude that social marketing like instrument in promoting social programs helps achieve a new level of effectiveness in planning, implementing and promoting poverty-reduction programs.

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SESSION 4
MARKETING FITS LOCAL DEVELOPMENT

Chaired by:
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Though it is an instrument of reducing the gap between the local public decision-makers and the local communities, marketing is still in the hands of the deciders, though the users are the gatekeepers. Local development forces an economically rational marketing approach for its endogenous side – supported through the efforts of the local community, and a more emotional one for its exogenous side – where the civil society comes into action. In this regard, the local entrepreneurial spirit should be emphasized.

IMPORTANCE OF PARTNERSHIP AND COOPERATION FOR TERRITORIAL DEVELOPMENT

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ABSTRACT

Partnership of public and private sector should contribute by solving problems in local or regional self-governments. By using methods and tools of places marketing and relationships marketing is possible to increase synergy effect of activities. Through marketing methods and tools, especially marketing research, market segmentation and marketing promotion is possible to find out, analyze and publish opinions, needs and imagines of local public – citizens, entrepreneurs, investors, organizations and local self-government. Then it is advisable to find optimal way of partnership realization of impletion public needs and self-government duties in the interest of providing local development. According to importance of partnership and cooperation between various sectors by territorial development, authorities of Slovak and Czech public and non-profit marketing association settle on common project. The keystone and plans are presented the text.

KEY WORDS

Partnership, local development, marketing research, promotion, relationship marketing

1. INTRODUCTION

The main mission of local self-government is an assurance of sustainable development of territory and superior conditions for citizens' life. From the development in various territories, which have different level and quality, is apparent that it does not go well in every territory. Follow from our researches, the most frequent reason is the lack of professionals and ideologues on positions, which decide about happening in territory; setting-out political, or regular and subjective interests, expectance and dependence on help of state and European union; absent effort and abilities how to use strategic marketing planning; insufficient participation and involvement of important subjects in territory development, which is often the result of insufficient quality of relationships and communication between territorial representatives and important subjects actuating in territory – big entrepreneurs, interest association of legal and natural persons, citizens etc. (Vaňová 2006: 17).

Territory of town, city, and region consists of various types of goods, as free, public (collective) and private goods. For its development, their owners or administrators respond – public, private and non-profit subjects (Vaňová 2006: s.17, 42).

Territorial government can be a subject of regulation and economics guidance in the own territory, or can be a subject, which has authority and responsibility for some kind of public goods (Švantnerová 1997: 23), which are manage through its authorities.

Municipal authorities govern the territory as a unit and try to coordinate activities in the territory effectively and try to use territorial resources with the aim to ensure its sustainable development and prosperity. Development in the territory is influenced by owners of private goods as well – personalities, several private, non-governmental and non-profit companies and organisations. A difference between them and municipality in contribution of territory development is, that municipality responds to handled territory generally, but others introduced subjects influence the development of territory only mediate – following its own, individual goals and its development influence only partially (Vaňová 2006: s. 43-45).

The needs of these groups are often different, what should be the source of problems and barriers of territorial development. Sometimes individual interests should be in conflict with interests of territory as a unit. The challenge of local government is to overtake these difficulties and to solve them through the finding of consensus. Resolution is a creation of partnership on local level and relevant part of public should be interest on participation by territorial development and by solving problems of public life.

Aims and methodology

Project *partnership for local development* is related to experience and results reached in international project Communicating city from second half of 90s, (Foret and Foretová 2006) which was realized in Czech Republic. In Slovak Republic, the project is related with the international comparative project OSF Communicating city (Vaňová and Kološtová 2001); international project of British KHF Marketing for self-governments I, II (Vaňová and Bernátová 1999, 2000); faculty grant FG 77 The level of relationship marketing with stakeholders in small and medium enterprises, 03/2007-11/2008 realized on EF UMB in Banská Bystrica and international project Relationship marketing in MSE´s along with territorial self-governments -international comparison. The paper is running issue from solving project VEGA n. 1/0726/08 The influence of decentralization of public administration in Slovak Republic by condition of behavior local self-governments and possibilities of their endogenous development. Results from these projects are mentioned on possibilities of using marketing methods (market research) and tools (especially marketing promotion) in self-governments by finding consensus between needs of various parts of public and by creating and sustaining relationships (relationship marketing) on behalf of creating functional partnership on a local level.

The aim of project *Partnership for local development* is a contribution in solving local problems by using marketing tools – especially marketing research (research of common repute), marketing promotion (public relations) and relationship marketing. With their help, findings should be more objective, opinions and imagines of entrepreneurs and local self-government should be presented to

local publics. Then all these subjects together with their initiatives should try to find optimal realization of these initiatives. So we can find here partnership of local public, entrepreneurs and public administration as a basic assumption for local development.

Solutionists of local partnership in this way will be specialized collage workplaces. Their practical application of marketing tools and processes would appear from unified and consistent methodic processes and models. The staff of the collage would active cooperate on solving problems of local development and their partnership will contribute to local development. In this connection, we should speak about nation solving specialized collage workplaces partnership. At the same time, these workplaces and other relevant institutions should be expert referee, consultant and assistant by achieving maximal methodological quality.

In case of interest more members of IAPNM international cooperation should be covered by International Association for Public and Nonprofit Marketing (AIMPN/IAPNM). This association will contribute to reach and wide new abroad experience and knowledge with practice using of marketing processes in public sector, especially in partnership, cooperation and promotion local development. Also this will be the third level of partnership – partnership of international solving academic workplaces, their cooperation and changing experience.

The project will not be orientated only on cities, in which are collages, but also will be able to show in other places, how effective and useful in practice way this transfer of marketing tools in public sector should be.

1. PARTNERSHIP AND TERRITORIAL DEVELOPMENT

The centre of municipal interest is a citizen. Kotler presented in one of his publication an idea, that when authorities of public sector are interested on needs, problems and preferences their citizens, then they know to satisfy them better (Kotler and Lee 2007: s. 13). Citizens are more satisfied and loyal; their trust in authorities of this sector is increasing. Morgan and Hunt (1994) say that trust together with "commitment" is keys to relationships. Good relationships are an assumption to partnership and cooperation on a local level and these are an assumption for successful realisation of marketing development strategies.

Most presented form of partnership is a public-private partnership, what means partnership between authorities from public and private sector. Public-private partnership (PPP) is according to proposal of European Committee defined as a form of cooperation between public and private sector with a purpose to finance building-up, reconstruction, service and maintenance of infrastructure and delivering of public services by this infrastructure.

In case of presented project, it's not only about this type of partnership, but also about partnership which aim is a cooperation and a participation on public events with an ambition to achieve sustainable development of territory and satisfaction of all concerned parties.

To define the term partnership on a local level according to literature is not clearly possible from this point of view. So we will come from "general" conception of partnership. As a partnership on a local level we will understand "free and coequal partnership of two or more subjects, which by coaction (by finding consensus on the principle of complementarity) fullfil common purpose or purposes." Partnership as a form of relationship should respected some kinds of principles and rules. No one from subject should feel the partnership as a liability or as a treat of its own identity. Partnership on a local level can have a character of formal or informal relationship.

Purpose of partnership on a local level is to share resources, abilities, skills and experience between subjects of partnership in the interest of achieving common purpose, or common defined purposes. The subjects of partnership share responsibility, contribution and risks. It means that the relationship should be free, each other profitable, bringing innovative impulses and reward to all parties concerned.

When we are speaking about partnership on a local level as about relationship, it is needed to define subjects of this relationship. By defining these subjects, we will come out from relationship marketing (Vaňová and Petrovičová 2008: 157-158).

Relationship marketing as a new line of marketing has a big potential of utilization not only in private commercial sphere, but also in public sphere in local self-governments. Relationship marketing topic

is in public administration defined in foreign literature (Box 1999; Wright 2001; Kotler and Andersen 1991; Walsch 1991; Rees 2000, Vaňová and Petrovičová 2008, 2009, etc.).

In relationship marketing, subjects of relationship are defined on the basis "six markets model" (Christopher 1991, In: Payne 2005), which was audited by Payne (2005: 862). As a parties concerned, called stakeholders we will understand especially authorities of local self-government and citizens in a wide sense. If we come out from original conception of ownership goods in territory, owner of public goods is a public administration. From the relationship marketing point of view, stakeholders will be representatives of public administration – local self-government and state administration: elected members (mayor, chief magistrate and deputies), administrative staff from bodies of self-government and state administration. Representatives of private sector are particularly inhabitants living in the area, entrepreneurs, investors, non-profit and non-government organisations, civil formal and informal initiatives, financial settlement, churches, academic institutions, research units etc. The quality of partnership should be influenced also by political party through its authorities on positions in local self-government and state administration. All of these subjects influence development of territories and are influenced by territorial development. So we will regard them as stakeholders, as attendants of relationships in territory, whose can enter in partnership and cooperate.

Within realisation FG 77 Standard of relationship marketing with stakeholders in small and medium enterprise, 03/2007-11/2008 we investigated in quantitative research through qualitative interviews, with which subjects is a local self-government in some kind of relationship, it means, which subjects are consider as stakeholders. In the question, with what subjects have local self-government establish long-term relationship, by voluntary answer 100% of respondents designated as stakeholders offices of state administration. Other self-governments and entrepreneurs noticed 93% of respondents. "Only" 87% of respondents noticed, that they have establish long-term relationships with citizens and other subjects (schools, hospitals etc.). As next stakeholders self-governments consider organizational associations in sport and culture field (80%), church and non-profit organisations in social sphere (67%), financial institutes (60%), administrative staff and advertising media (53%), political parties and universities (33%) (Vaňová and Petrovičová 2008, s. 158-159).

By appeared answers, respondents (magistrates, mayors, chief of city administration) presented, that the most important subjects for the reaching their aims in the local municipalities are citizens and office staff (Table 1), on the third place are employment agencies and then other subjects (represented by schools, hospitals etc.) and state administration. The least important subjects are according to respondents in term of reached values universities and political parties. We, as representatives of academic ground can not be satisfied with relation to collage workplaces. Detailed results are in Table 1.

TABLE 1
Rate of relationship importance with subjects in fulfilling aims of local authorities

Stakeholders	Rate of relationship importance		
	A	SD	Rank
Citizens	10,0	0,0	1.
Self-governments (micro-regions)	7,2	2,4	9.
Church	5,3	2,2	13.
Entrepreneurs, enterprises	7,7	1,8	5.
Other subjects (schools, hospitals...)	8,0	2,1	4.
Financial institutions (banks, insurance companies...)	6,1	2,1	11.
Non-profit organisations (social sphere)	5,5	2,0	12.
Other non-profit organisations (sport, culture)	7,3	2,1	7.
State administration	7,7	1,8	5.
Employment agencies	8,1	1,8	3.
Deputies	7,3	3,4	7.
Political parties	4,2	2,5	15.
Office staff	9,7	0,9	2.
Media	6,2	3,1	10.
Universities, research departments	5,2	2,7	14.

Source: Vaňová, Petrovičová, 2009, Košice.
Note: A = average, SD = standard deviation

Similar as by assessment of importance value of particular stakeholders by reaching self-government purposes, we asked representatives of local self-governments, how they would assess the quality of mutual relationships with stakeholders by 10-index scale (1 means the lowest and 10 means the highest quality of relationship). The results prepared in accordance to average and rank of relationships quality with stakeholders' presents Table 2.

As the best quality, respondents evaluate quality of their relationship to their own employees, employment agencies and non-profit organisations. Average of relationship quality ranking in relation to citizens reached 7,4 point, what means in final rank only 5th place. Lowest quality of relationships evaluates respondents with enterprises and business subjects (Vaňová and Petrovičová 2009: 257-263), non-profit organizations, deputies and political parties.

TABLE 2
Level of relationship quality with subjects in fulfilling aims of local authorities

Stakeholders	Level of relationship quality	
	A	Rank
Citizens	7,4	5.
Self-government (micro-regions)	7,3	6.
Parish	6,3	11.
Entrepreneurs, enterprises	6,2	12.-13.
Other subjects (schools, hospitals...)	7,5	4.
Financial institutions (banks, insurance companies...)	7,0	7.
Non-profit organisations (social sphere)	5,1	14.
Other non-profit organisations (sport, culture)	7,6	3.
State administration	6,7	8.
Employment agencies	7,8	2.
Deputies	6,2	12.-13.
Political parties	3,9	15.
Office staff	8,3	1.
Media	6,5	9.
Universities, research departments	6,4	10.

Source: Vaňová, Petrovičová, 2009, Košice.

One of the general valid deductions of project Communicating city and Marketing for self-government was, that a local development is depending on partnership, cooperation and communication of general actors:

1. local public, especially citizens,
2. various civil initiatives, non-government organisations, local media, university and research departments, development, consulting and information centres, financial institutions etc.,
3. political subjects,
4. entrepreneurs and investors, include local associations (chamber of trade),
5. public administration and
6. local self-government, which guide and respond to local development.

When we compare these researches, we have to say, that in field of creation and maintenance of partnership and cooperation between public and private sector in the interest of territory development, it is needed to improve the current situation in this field.

As confirming former researches, one of assumptions of integrated access to territorial development, to a dynamic progressive development based on interactive cooperation of subjects in the territory, their participation, cooperation and partnership is effective, is a social and marketing promotion of all subjects concerned in territory, but also in neighbourhood and their respectable relationships.

In order to achieve effective and active marketing promotion between various stakeholders in territory, it is needed to know opinions and needs of target segment. For this aim used to be realising a marketing research. As a starting point of the whole project, we will consider realisation of marketing researches oriented on chosen groups of stakeholders. The object will be to find out their needs and opinions on happening in territory, opinion on other stakeholders, quality of relationships with them etc. These

findings will be serving as a basement for active and effective promotion, as an assumption for building interaction relationships of partnership for local development.

Compiling base principles of project Partnership for local development, we come to next diagram:

FIGURE 1

Base principles of project Partnership for local development

| Marketing research |
| Effective and active change of information and **marketing promotion** |
| Growth of satisfaction, loyalty, belief, |
| relationship |
| **Partnership and cooperation** common objects, collective decision |
| **Successful realizations strategies of territory development** relative benefit for all participants |
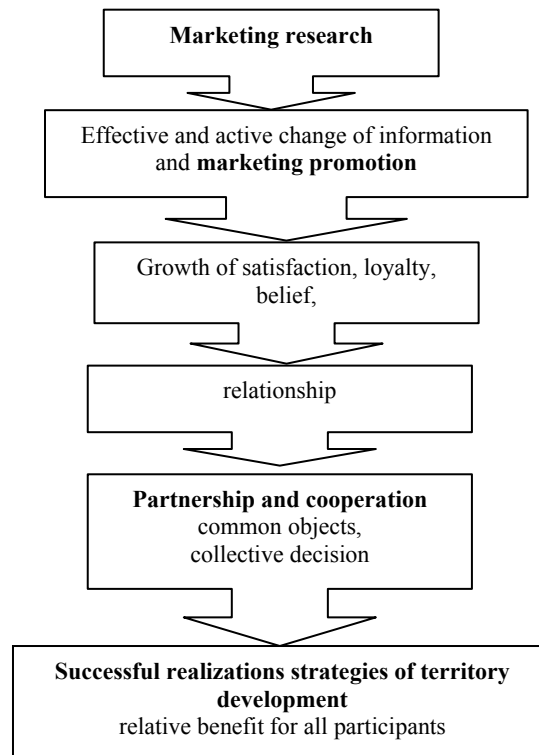
Source: own work using.

2. CONCLUSIONS

For successful realisation of project Partnership for local development is inevitable to create organisational, institutional and promotion background. Organisation and institutional covering of this project will provide Slovak and Czech IAPNM branch with site on EF UMB in Banska Bystrica and SVŠE in Znojmo.

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KEYNESIAN SUBSTANTIATION OF THE MARKETING POLICIES IN LOCAL DEVELOPMENT

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ABSTRACT
The local development means the existence of several goods and services and their performance, expressed through adequate marketing policies, thus determining the overall development performance.
The paper approaches the economic fundamental issues of local development and in this context it determines the basic components of public service marketing, relevant for local development: price, multiplier of revenues/expenditures, respectively the export multiplier.
Those elements will express the ratios between resources and outcomes and their balance is based on a Keynesian model in an open economy.

1. INTRODUCTION

The Keynesian approach, at the level of a local economy, „is identical to the simplest version of the Keynesian model within an open economy, the only difference being that all variables refer to the local economy, instead of the national one". (Constantin 2004: 85)
The field literature comprises general approaches on modelling the local development (Matei and Anghelescu 2010; Klein, Welfe and Welfe 2003), systemic approaches (Matei 2008) or statistic modelling (Matei and Anghelescu 2010).

In that sense, this study is focused on the cumulative effects of stimulating the demand and the public investments, by combining the following elements:

- *subsidizing* the least competitive sectors, in order to ensure an acceptable local level of revenues and of the demand;
- *direct productive investments* in the creation of state enterprises or in the participation of the state to the social capital of private companies;
- *public investments in infrastructure,* in view of attracting potential investors, often from outside the borders of the respective territorial-administrative unit.

The approach to this type of development highlights, on the one hand, the fact that *industrial enterprises are the axis of local development*, and on the other hand, the fact that success can be rarely reached by only one isolated company.
The capacity of modern firms arises from competitive grouping or co-operation, a phenomenon which favours the reaching of higher levels of efficiency and flexibility, otherwise rarely accessible to isolated producers.

2. THE KEYNESIAN MODEL OF LOCAL DEVELOPMENT
2.1. Building and defining the model

The Keynesian model of a local economy is represented by the relations of causality among variables which are influencing one another in ensuring the economic equilibrium on the market of goods or services.
By economic equilibrium we understand the moment when the real demand for goods or services **(D)** equals the offer of goods or services **(Y)**, an expression which may be written as:

$$Y=D \text{ (the equilibrium condition on the market of goods or services)} \qquad (1.1)$$

In the structure of the Keynesian model, (Gilbert 1998: 334) the demand **(D)** is defined as a sum of demands for consumer goods and services **(C)**, divided into the demand for goods and services for investments **(I)**, and the real demand for goods and services for export **(X)**. Therefore, by replacing the components of the demand **(D)** in the relation (1.1), the economic equilibrium is maintained, and the relation obtained has the form:

$$Y = C + I + X \qquad (1.2)$$

Schematically, the equilibrium between the demand and real offer of goods and services is presented in Figure 1.

FIGURE 1
Echilibrium between the offer and real demand for goods and services
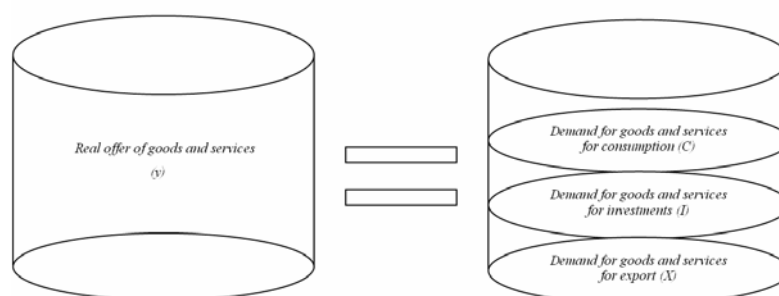
Considering the open character of the economy to the autochthonous consumption of goods and services, the consumption of import goods and services (**M**) must also be added. Imports within a local economy refer to those goods and services purchased from other territorial-administrative units belonging to the same county or region, or even from other countries. Identically, the consumption of import goods or services must be added to the consumption of autochthonous investment goods. Thus, by adding the imports (**M**) to the relation 1.2, we get the equation:

$$Y = C + I + X - M \qquad (1.3)$$

Considering the fact that the state or the territorial-administrative units may intervene in a local economy in view of sustaining certain expenditures in the form of transfers or subsidies, we are going to put these actions down as (**G**) and to include them in the relation (1.3), thus obtaining:

$$Y = C + I + G + X - M \qquad (1.4)$$

The expression (1.4) actually defines *the Keynesian model of a local economy*, which may be applied both to a product, in which case the expression can be quantitative, and to the economic and social aggregate defining the local development, a situation in which every term is the result of the sum at local level, in valued expression, of each destination.

2.2. *The local multiplier of revenues / expenditures and the multiplication effect*

The determination of the local multiplier of revenues / expenditures is based on the structure of the Keynesian model of local development as previously defined.
By associating the revenues (Y) with the imports (M) in the expression (1.4), we naturally obtain equilibrium between the total resources (Y+M) and the total destinations (C+I+G+X), an expression which may be written as:

$$Y + M = C + I + G + X \qquad (1.5)$$

The equation (1.5) expresses the reality according to which, in any local development process, it is only possible to consume, invest and export as much as it is created from the autochthonous production and the resources attracted by imports.
Since local development implies the existence of several goods and services, each term of the Keynesian model of a local economy may be regarded, on the one hand, as a sum of the product between the quantity and the average price of each product, or as the sum between the quantity and the average tariff for the services provided in the domestic production, and on the other hand, as a sum of the autochthonous components plus the import component (by import we understand those

goods or services purchased by a territorial-administrative unit from another territorial-administrative unit or from another country).

Thus we may write:

$$C = \Sigma C_{int} x p(t)_{int} + \Sigma C_m x p_{ext} \qquad (1.6)$$

$$I = \Sigma I_{int} x p(t)_{int} + \Sigma I_m x p_{ext} \qquad (1.7)$$

where:

$p(t)_{int}$ = price or tariff used on the domestic market

p_{ext} = price or tariff on the external market

C_m = import of goods and services for industrial and household consumption

I_m = imports for investments

Considering that investments, governmental expenditures and exports are determined, then:

$$I = I_o ; \quad G = G_o \text{ and } \quad X = X_o ; \qquad (1.8)$$

The local consumption as well as the other components of revenue, such as export or necessary import, is expressed by linear equations under the form:

- *for total consumption (C):*

$$C = C_o + cDY; \quad \text{where} \quad C_o > 0, \text{ and } 0 < c < 1 \qquad (1.9)$$

and,

- *for import, (M):*

$$M = M_o + mDy \text{ where } M_o > 0, \text{ and } 0 < m < 1 \qquad (1.10)$$

In the equations (1.9) and (1.10) the significance of the terms is as follows:

$C_o \Rightarrow$ *autonomous consumption;*

$c \Rightarrow$ *the marginal propensity to consume*, which in fact represents the increase in consumption when the production of goods or services expands with one unit.

$M_o \Rightarrow$ *autonomous import*, which in fact represents the import to be made in any circumstances, in order to balance the demand for goods or services, since the local economy either does not possess sufficient resources, or they are not produced in competitive terms;

$m \Rightarrow$ *the marginal propensity to import goods or services*, which expresses the increase of imports, necessary for ensuring the expansion with one unit of the production of goods and services;

$DY \Rightarrow$ *available revenues,* determined by relation:

$$DY = Y - tY = Y(1-t) \qquad (1.11)$$

where (**t**) represents the rate of the taxes and charges paid by local companies to state or territorial – administrative units.

Replacing the relations (1.8), (1.9), (1.10) and (1.11) in (1.4), we obtain the relation:

$$Y = C_o + c(1-t)Y + I_o + G_o + X_o - M_o - m(1-t)Y \qquad (1.12)$$

or,

$$Y = C_o + Y_o + G_o + X_o - M_o + [c(1-t) - m(1-t)]Y \qquad (1.13)$$

Separating the resources (**Y**) from destinations, from equation (1.13), we obtain the expression:

$$Y[1-(1-t)(c-m)] = C_o + Y_o + G_o + X_o - M_o \qquad (1.14)$$

Or:

$$Y = \frac{1}{1-(1-t)(c-m)}\left(C_o + I_o + G_o + X - M_o\right) \qquad (1.15)$$

Substituting the expression $\dfrac{1}{1-(1-t)(c-m)} = k$, in (1.13), we obtain:

$$Y = k(C_o + Y_o + G_o + X_o - M_o) \qquad (1.16)$$

where k represents *the local multiplier of an injection of expenditures.*
The multiplier reflects and expresses the direct link between the inputs into the economic system – materialised in investments – and the outputs thereof, in the form of revenues of the participants to the economic activity (Ciucur, Gavrilă and Popescu 2001: 540). This circulation at local level may be encountered within a local development process.
The local development process, accepted as a process of change, (Matei 2005: 158) generates the multiplication effect of the expansion of revenues, consumptions and savings.
The essential variable in the Keynesian formula of the local multiplier, $k = 1/[1-(1-t)(c-m)]$ is represented by the marginal propensity to consume goods and services on a local level (c-m) (Constantin 2004: 86). The value of the local multiplier rises as the marginal propensity to consume rises, and decreases in proportion with the increase of (t).
Within the local multiplier, the (c-m) variable has the decisive effect, for which reason it is necessary to study the factors affecting the marginal propensity to consume goods and services produced on a local level.
It has been demonstrated both by practice and by the specialised literature that the (c-m) variable depends on the size of the territorial-administrative unit, in the sense that, in small localities, the marginal propensity to import is higher, which leads to the decrease of (c-m) and implicitly of the value of k.
The same situation is encountered also in strongly industrialised localities, with a sufficiently diversified structure, since the goods produced by those industrial structures are based on their trade links with companies outside the territorial-administrative units in which they are running their operations. The marginal propensity to consume goods and services may also be affected by the position of the territorial-administrative unit. Thus, commuters from some areas neighbouring large cities generally tend to spend their salary revenues in the localities where they reside, rather than in those where they work, a phenomenon which leads to the increase of the marginal propensity to import, to the decrease of the (c-m) variable, and eventually of k.
Consequently, the local multiplier is not a fixed coefficient, but it varies depending on the characteristic features of every locality.
Therefore, the local administration must know all those features, so as to be able to maximize the effects on the level of revenues and employment.
Those features having been identified by the local authorities, the large urban settlements were able to apply to and benefit from PHARE and ISPA funds, a phenomenon which has positively influenced the economy of those localities, on the one hand through the salaries paid to the new employees, and on the other hand through the additional procurement of goods and services by the units involved in the creation of the additional production, in compliance with the approved programmes.

In that context, special emphasis should be laid on the reduction of imports, an aspect which directly contributes to the increase of the value of the local multiplier.

Following the effects of the multiplier, the local authorities are to take into account a number of factors, so that the direct beneficiaries of those effects should be the population of the area/locality. Here are some of those factors:

- the participation with financial or other type of capital to the setting up of new companies;
- the decrease of the royalty for the land / buildings granted in concession, a phenomenon conditioned by the involvement of the local labour force in the economic process within the new investment objectives;
- bearing the costs of the expansion of utilities in the areas where the new investment objectives are to be implemented;
- other forms of support granted to possible investors by the local authorities;

Finally, the main feature to be considered by the local authorities is *the co-ordination of local development policies*, in order to turn to account the benefits of that policy and to mitigate the phenomenon of the under-funding of the development of the respective locality or area.

3. THE USE OF THE KEYNESIAN MODEL IN THE LOCAL DEVELOPMENT

The Keynesian model applied to the local development of the Municipality of Braila is based on the provision of public utility services: water-waste water/sewerage, thermic energy, local public passengers transport and waste management.

The engine of the Keynesian model is the feedback represented by the input-output links between the companies providing public utility services, i.e. commercial companies, autonomous administrations and households. Thus, the firms providing public utility services are interconnected through the goods and services they are buying and selling to one another, and the households are supplying the labour force necessary to the providers of public utility services. The respective links are established both within the same locality and among different localities.

The connection of those relations is based on the consideration of the components of the demand for public utility services, i.e. the link between the revenues and expenditures generated by the provision of that type of services.

Knowing the structure of the entities providing public utility services, we proceeded to the collection of the data necessary for the implementation of the Keynesian model. The data was taken both from the Statistical Bulletins of the Braila Regional Directorate for Statistics, and from the annual financial statements of economic agents, submitted to the Braila General Directorate of Public Finance.

During the analysed period, the economic agents providing public utility services within the Braila Municipality scored a good economic performance.

TABLE 1
Empirical data of the Keynesian model

R.A.APA-BRĂILA					
Period	Revenues (Y)	Expenditures (C)	Investments (I)	Imports (M)	Exports (X)
2000	10668338	8206046	6835652	3834849	118673
2001	10855321	8922683	4732098	591271	200592
2002	12540120	10077960	2830805	6185113	366848
2003	13821040	10753333	2574131	1541497	586159
2004	15733981	12844224	7804624	7116330	555493
2005	16933225	14285832	19911329	8403644	478874

S.C.CET-S.A.BRĂILA

Period	Revenues (Y)	Expenditures (C)	Investments (I)	Imports (M)	Exports (X)
2000	6145601	6436001	150683	2339490	
2001	12469661	12003946	74556	4554892	
2002	23737373	24460762	1912477	1995327	
2003	38079317	37705905	556974		
2004	45253170	47859459	792671		
2005	47596140	54779342	3429658		

S.C.BRAICAR-S.A.BRĂILA

Period	Revenues (Y)	Expenditures (C)	Investments (I)	Imports (M)	Exports (X)
2000	5264387	5593225	985171		160300
2001	7755044	10006052			190800
2002	9120840	10509797			202500
2003	11511636	12824840			240900
2004	13805306	15026970	5427444		286600
2005	17582372	17109890	449743		305500

S.C.ECO-S.A.BRĂILA

Period	Revenues (Y)	Expenditures (C)	Investments (I)	Imports (M)	Exports (X)
2000	1922009	1796263			
2001	2596370	2625066			
2002	3784934	5620765			
2003	4771940	4122961			
2004	3314504	4678944			
2005	3206611	3860984,0			

S.C.RER ECOLOGIC S.R.L.BRĂILA

Period	Revenues (Y)	Expenditures (C)	Investments (I)	Imports (M)	Exports (X)
2000	1746496	1625526	13630		
2001	2442688	2436747	37482		
2002	689967	1073063	27871		
2003	880613	1012609			
2004	1459190	1304751	14620		
2005	2551606	2085986	462325		

S.C.BRAI CATA S.R.L.BRĂILA					
Period	**Revenues (Y)**	**Expenditures (C)**	**Investments (I)**	**Imports (M)**	**Exports (X)**
2000					
2001	554	35779			
2002	38656934	3537714	1209906		88900
2003	3278697	3440728			66200
2004	3167530	3188598			65614
2005	4909611	3940246			83500

Making the total of the respective indicators for the whole period 2001 – 2005, we obtain:

Period	**Revenues (Y)**	**Expenditures (C)**	**Investments (I)**	**Imports (M)**	**Exports (X)**
2000	25746831	23657061	7985136	6174339	278973
2001	36119638	36030273	4844136	5146163	391392
2002	53738928	55280061	5981059	8180440	658248
2003	72343243	69860376	3131105	1541497	893259
2004	82733682	84902946	4039359	7116330	907707
2005	92779565	96062280	4253055	8403644	867874

The main local indicators, considered for analysis in this study, concern the revenues obtained from the provision of public utility services, the expenses incurred for that purpose, the investments made in the sphere of public utility services, the imports of public utility services which filled the demand gap, or in other words, the analysis regards the economy of public utility services in the Braila Municipality. The public utility services, imported at the level of Braila Municipality, were those for water and thermic energy, and the exports of such type of services are located in the sphere of local public passenger transport and the suppliers of drinking water in the localities and areas neighbouring the Braila Municipality.

In that sense, in order to be able to apply the equations (1.4) and (1.5) to the economy of public utility services at the level of Braila Municipality, and to determine the coefficients of the equations (1.6) and (1.7), it was necessary for all the data used to be homogeneously expressed, i.e. in the same measure unit (lei).

The computer functions programmes were used in determining the correlation equations, resulting, for the equation of the correlation between consumption and revenue during the 2001 – 2005 period, the following data:

- for ascertaining the marginal propensity to consume (c), the ratio between the variation of expenditures (C-Co) and the variation of revenues (Y-Yo) was calculated, where (C) and (Y) belong to the year of reference, and (Co) and (Yo) to the previous year.

$$c = \frac{C - Co}{Y - Yo} \qquad (1.17)$$

where: C=Co+cY, (1.18)

Taking into consideration the data for expenditures and revenues in Table 1 and the relations presented in (1.17), we obtain the values for „c" and „Co" (Table 2):

TABLE 2
Values calculated for „c" and „Co"

	c	Co
2001	1.192850884	-7055069.120
2002	1.092540505	-3431894.553
2003	0.783706092	13164535.757
2004	1.447731900	-34873244.673
2005	1.110836549	-7000651.771

The table reveals that „c" varies in the period analysed, between 0.783 and 1.447, and a favourable situation is encountered in 2003, when „c" complies with the conditions imposed by relation (1.9). Replacing the values of „c" and „Co" from Table 2 in the relation (1.18), we obtain the functions of consumption for each period as follows:

$$C_{2001} = 1.19Y - 7055069.120$$

$$C_{2002} = 1.09Y - 3431894.553$$

$$C_{2003} = 0.78Y + 13164535.757$$

$$C_{2004} = 1.44Y - 34873244.673$$

$$C_{2005} = 1.11Y - 7000651.771$$

Considering the condition imposed by relation (1.9), we notice that a favourable situation is only found in the year 2003; as to the rest, the values of „c" are top-heavy, hence the result that the determined situation is expressing an obvious reality of all public utility services, in the sense that they consume more than they produce, even when some of them, such as the thermic energy supplied to the population and the local public transport of persons, are benefiting from subsidies according to the law.

Figure 2 presents the variation of „c" in the period analysed.

In order to obtain the equation of the correlation between *the import of public utility services and the income made*, we proceeded to determine the ratio between the variation of imports (M-Mo) and the variation of revenues (Y-Yo), where (M) and (Y) belong to the reference year, and (Mo) and (Mo) to the previous year.

$$m = \frac{M - Mo}{Y - Yo} \qquad (1.19)$$

where:

$$M = Mo + mY, \qquad (1.20)$$

FIGURE 2
Variation of (c) during 2001 - 2005
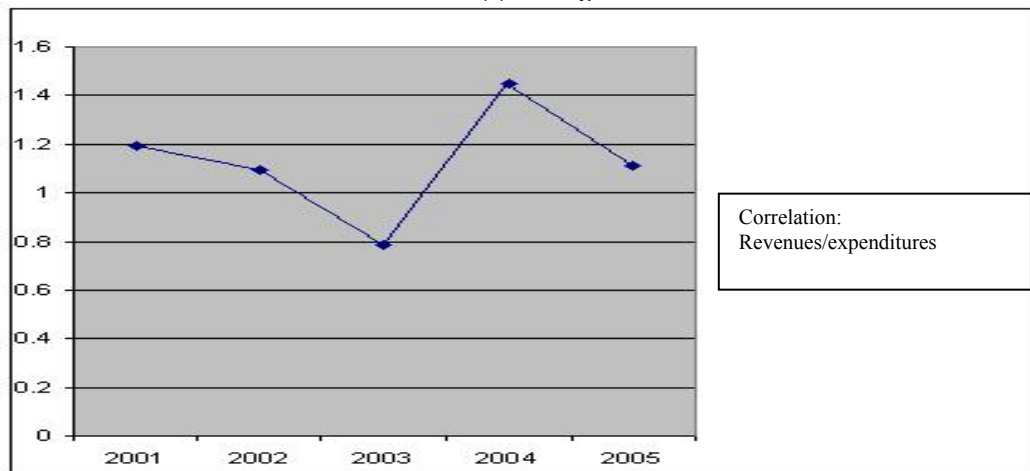
The imports of public utility services during 2001 – 2005 were variable, and Table 3 presents the values of this phenomenon:

TABLE 3
Imports of public utility services

	m	**Mo**
2001	-0.099122253	8726422.897
2002	0.172213353	-1074120.952
2003	-0.356849634	27357156.792
2004	0.536534886	-37273176.606
2005	0.128143439	-3485448.570

The marginal propensity to import „m" can be seen to differ during the period under analysis, however, a favourable situation is found in the year 2001, when m=0.12, a value showing that the indicator is placed close to zero, i.e. a reduced dependence of public utility services on imports.
Figure 3 presents the variation of „m" during the period under analysis.

FIGURE 3
Variation of „m" during 2001 – 2005
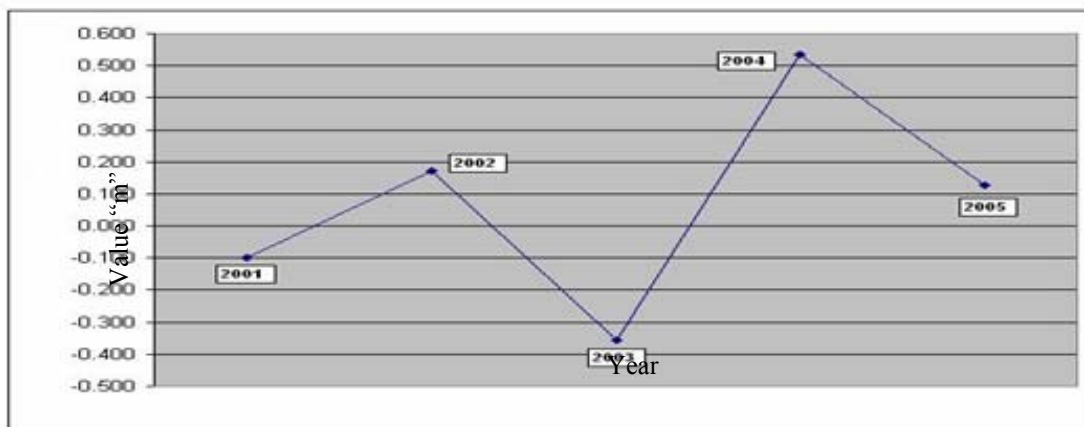
Analysing the components of „k", we find that besides „c" and „m", already known from the previous relations, it is necessary to determine the ratio of taxes, achieved by the operators of public utility services, which is varying in time between 0.35 and 0.16.

Replacing the values of „c", „m" and „t" in the expression of „k", the values of the local multiplier of expenditures result explicitly (Table 4):

TABLE 4
Values of „k" during 2001-2005

Period	c-m	t	k
2001	1.291973137	0.35	6.241516963
2002	0.920327153	0.24	3.228361696
2003	1.140555726	0.24	6.916432625
2004	0.911197015	0.24	3.158537361
2005	0.982693109	0.16	3.802568107

The variation of the local multiplier of expenditures „k" in the period 2001 – 2005 is represented in Figure 4.

FIGURE 4
Evolution of the local multiplier of expenditures „k" during   2001 – 2005
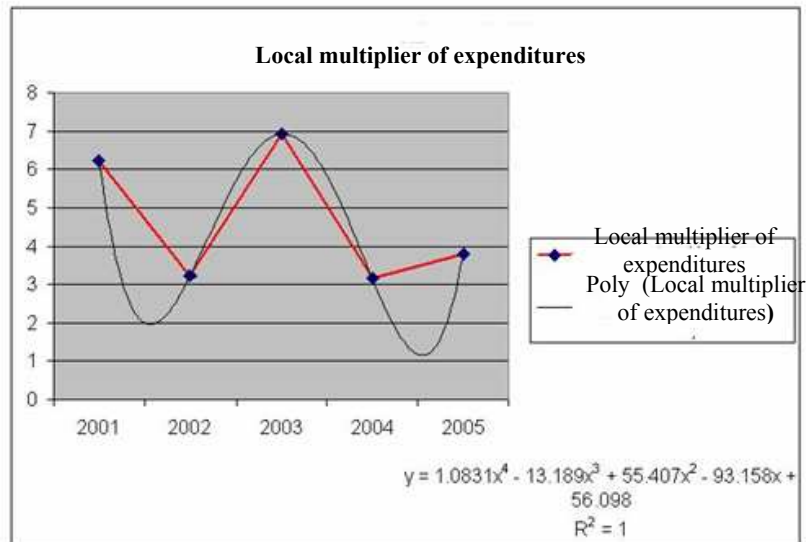
The study presented and Table 4 have confirmed the theory according to which the value of the multiplier is that much higher as the marginal propensity to consume is higher, or as the marginal propensity to save is lower, however, as it has already been mentioned, it is (c-m) that has the decisive effect on „k". Consequently, in that situation the coefficients of "c" and "m" must be analysed.

Thus, we find that all the coefficients of **c** are top-heavy, which proves the propensity to consume, with the exception of the year 2003, when the value of the coefficient was 0.78, therefore also with a tendency towards 1.

At the same time, the variation of "m" may be traced, and it registers values which, generally, tend more toward 0 than toward 1. Therefore, (c-m) tends toward the consumption of goods and services on a local level.

The high consumption coefficient is influenced by the thermic energy supply and distribution system, an influence generated by the location of the company, i.e. it is located about 10 km away from the Braila Municipality, and the losses resulting from the transportation of the thermic agent to the consumers exceeds by far the technically admitted norm, for which reason the situation of the operator was analysed at the level of the local authorities and proposed for technological upgrading under the 2006 – 2009 rehabilitation and modernisation programme.

Likewise, the APA Braila Autonomous Administration, the water-sewerage service provider, has also been introduced into a rehabilitation and modernisation programme, an action which has been on-going ever since the year 2003.
In order to highlight the effect of the capital injection, we consider it necessary to study the ratio between the increase in the income level and the increase in investments, ΔI.
In this context, for the increase in investments by ΔI, the income Y will increase by kΔI, respectively:

$$\Delta Y = k\Delta I \tag{1.21}$$

 knowing that k=1/s, and replacing it in the relation (1.21), we obtain:

$$\Delta Y = \frac{\Delta I}{s} \tag{1.22}$$

The determination of the local multiplier of investments depends on the marginal quota toward consumption related to the marginal propensity toward consumption and the evolution of that variable can be traced in Table 5.

TABLE 5
Evolution of the local multiplier of investments

Period	s=1-c	k=1/s	ΔY=ΔI/s
2001	-0.192850884	-5.185353466	-41405752.63
2002	-0.092540505	-10.80607888	-52346115.62
2003	0.216293908	4.623338718	27652461.65
2004	-0.447731900	-2.233479453	-6993258.68
2005	-0.110836549	-9.02229465	-36444287.09

Figure 5 presents the evolution of the local multiplier of investments in the period under analysis.
By analysing the evolution of the local multiplier of investments within the 2001-2005 period, we find a favourable situation in the year 2003, as to the rest, consumption remains the economic phenomenon which dominates the economy of public utility services at the level of Braila Municipality.

The Keynesian model, as applied to the economy of public utility services, also contains in its structure, apart from the previously analysed variables, other variables such as the export of public utility services (X).

FIGURE 5
Evolution of the local multiplier of investments during 2001-2005
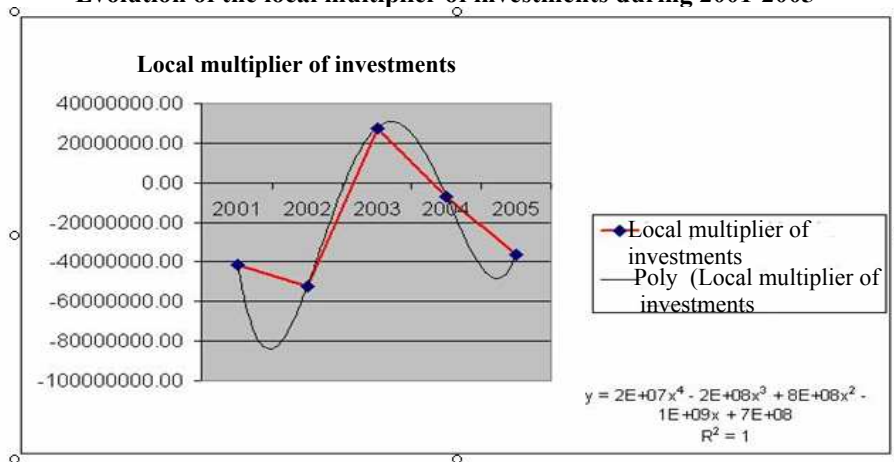
In order to determine the consequences of an increase of the export of services on the level of incomes (Y), we shall proceed to the calculation of the local multiplier of exports (d).

In that situation, taking into account the values of the coefficients „c" and „m" as previously determined, and which, being substituted in the relation d=1/[1-(c-m)] are determining the local multiplier of the export of public utility services. (Table 6)

TABLE 6
Variation of the local multiplier of exported services

Period	c	m	c-m	d
2001	1.192850884	-0.099122253	1.291973137	-3.424972619
2002	1.092540505	0.172213353	0.920327153	12.55132752
2003	0.783706092	-0.356849634	1.140555726	-7.114615883
2004	1.447731900	0.536534886	0.911197015	11.26088271
2005	1.110836549	0.128143439	0.982693109	57.78045358

Analysing the values from Table 6 we remark a stimulation of the economic activity, so the effect of the local development in the years 2002, 2004 and 2005. The evolution of the local multiplier of public utility services in 2001-2005 period is presented in Figure 6.

FIGURE 6
Evolution of the multiplier of export of public utility services in 2001-2005 period.
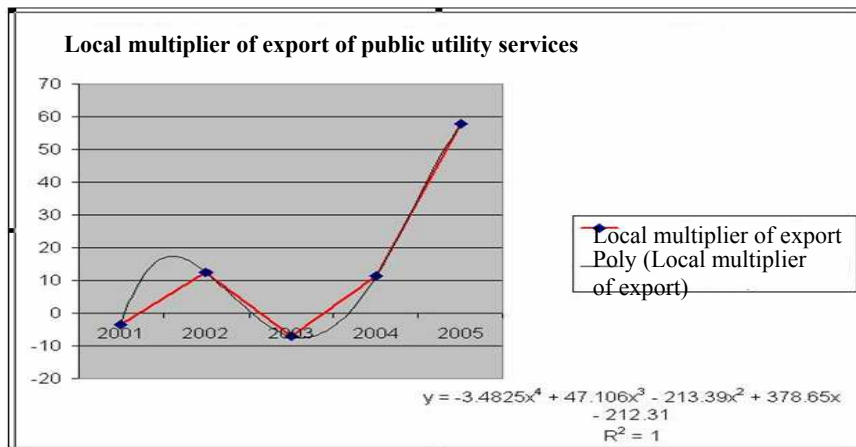
Therefore, the export of public utility services is a process which participates in the local development, being present in the field of the local public passenger transport, as well as in the field of drinking water supply. Exports in these fields were proved to have a beneficial effect, however they should not be too much expanded, since in certain situations that may lead to severe imbalances, and the local authority may have to increase subsidies to the respective services. At the same time, the effect in that situation would favour the population in other localities.

4. CONCLUSIONS

In conclusion, the analysis performed has proven the fact that the local authorities must set up and develop their own local units for monitoring the community services of public utilities.

The local units for monitoring the community services of public utilities have the following main responsibilities (G.D. 246/2006, Art. 6):

a. to prepare local strategies for accelerating the development of the community public utilities services, in collaboration with the existing operators, and the presentation thereof to the local, municipal or county public administration authorities, for approval;

b. to implement the local, municipal or county strategies for accelerating the development of the community public utilities services, and the monitoring of each operator's results;

c. to ensure the compliance of the clauses attached to the contracts for delegating the management of community public utilities services with the provisions of the national Strategy;

d. to prepare and submit the activity report to the monitoring offices at Prefecture level;

e. to provide assistance to the operators of local, municipal or county interest, and to the Local, Municipal or County Councils in the process of accessing funds for investments;

f. to present activity reports and submit them for approval to the Local, Municipal or County Council;

g. to prepare adjustments to the local strategy and submit them for approval;

h. to manage the relation with representatives of the EU, of International Financial Institutions, of banks and of the central public administration authorities.

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MARKETING FOR THE PUBLIC TRANSPORT

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ABSTRACT

The public sector is an important component of life and socio-economic development. Due to the increasing complexity of processes occurring in the context of societal structural changes, the transfer phenomenon of notions and concepts from one sector to another occurs more frequently. The specific taking over of marketing techniques by the public sector is a form of social innovation, just in the sense that, through marketing techniques, it provides a solution to a real problem for the public sector: maintain recipients (citizens) informed and somewhat satisfied by the results of development and implementation of programs run by the public sector. Nowadays, public transport users are expected to receive more, not only be transported under optimum conditions of punctuality, cleanliness and safety, and that is why in this environment of permanent changing, public transport operators have no alternative but to focus on customers

1. INTRODUCTION

The public sector is an important component of life and socio-economic development. Due to the increasing complexity of processes occurring in the context of societal structural changes, the transfer phenomenon of notions and concepts from one sector to another occurs more frequently.

Marketing concept grows from Anglo-Saxon origin, deriving from the verb **to market** (which means to buy and sell, to conduct market transactions) and the noun **market** (meaning market). From these directions which are very general, specialized literature has reached many others, definitions of marketing being very different. As process, marketing integrates all planning, organizing and control activities of organizational behavior for a satisfaction as profitable of needs, requirements and desires of customers who are offered products and services.

The most common definition is that of the American Marketing Association: „*the whole dynamic of all commercial activities that drive the flow of goods and services from producer to consumer or to the final user*".

Although initially marketing found its applicability in business sector, then it has spread to other „*non commercial*" (*or non-profit*) *sectors: political marketing, public and administrative marketing (education, culture, health, etc.), social marketing (practiced by private organizations with philanthropic, cultural, charitable vocation).*

Public marketing has gained lately an increasing importance due to better results that public institutions have obtained by the use of marketing concepts and issues approach in their terms.

„The primary role of public institutions is to provide a service or a product to a consumer or customer" (Matei 2006: 366).

For the public sector, *marketing represents the ability to obtain and maintain beneficiaries happy of the programs developed and implemented by the public sector.*

Public marketing promotes programs developed by the public sector to the beneficiaries, by means taken from commercial marketing, but it hasn't as primary objective and purpose the selling of a specific product. Public marketing's objective is, ultimately, an utilitarian one, appropriate to the purpose for which public system exists

The specific taking over of marketing techniques by the public sector is a form of social innovation, just in the sense that, through marketing techniques, it provides a solution to a real problem for the public sector: maintain recipients (citizens) informed and somewhat satisfied by the results of development and implementation of programs run by the public sector.

„The logic followed by public enterprises in achieving public services is defined by the implementation of public policy, by providing free services, by redistribution, by the provision of some services that are paid by user when he benefits of them. A service can be provided in the market system, meaning that it should be paid by the beneficiary, or may be funded from the budget" (Matei 2006: 366).

The first task of marketing is to know the needs of public before it gives a final shape of the product/ service it has to offer.

2. MARKETING IN PUBLIC SECTOR

Every society needs a public sector whose main function is to define the operating principles of society. "Improving public sector activity can be achieved by adopting tools used in the private sector. These practices used in private sector are: total quality management strategy based on customer needs, visionary leadership, measurement and evaluation of activity, cost - benefit and cost - effectiveness analysis, organizations based on learning and electronic government and electronic information " (Kotler and Armstrong 2001: 193-197).

P. Kotler and N. Lee in "Marketing Public Sector" (2008) said that "one of the areas most ignored and misunderstood by employees of public sector is marketing. Not having knowledge of marketing is equivalent with not making marketing studies, with not defining your customers, partners and competitors, with no segment, not picking a target and not defining your service offer, with not

dealing with the requesting process of innovation and launching new services, with not identifying new distribution channels for public service, with not setting a fair price for these services when the institution needs to recover part of their supply costs, with not speaking about them clearly and convincingly. "

Marketing is the best basis for planning for a public institution eager to meet the needs of citizens and to have a real contribution. The main objective of marketing is to produce results which target-market to appreciate.

The five principles of marketing activity are:

- *focus on customers* (not essential until after 1950 when it became a central component of marketing theory). The goal of marketing is to know and understand the customer so well that the product or service fits and sells itself.
- *segmentation and choosing the target-markets*. Buyers are different in terms of desires, values, attitudes, resources, previous experiences, so being very heterogeneous they must be divided into smaller segments, more homogeneous so that their needs could be met. The main variables used in segmenting consumer markets are those which have a descriptive character. Descriptive factors include: geographic variables, demographic variables and psychographic factors.
- *identifying competition,*
- *use of all four elements of marketing mix,*
- *tracking activity and performance touches, adjustments.*

In private sector, marketing slogan is "Satisfaction and Value for the Customer" and in the public sector „satisfaction and value for the citizen".

The benefits of improving customer satisfaction - improving services and satisfaction can increase revenue, can help getting necessary funds in the future, operational efficiency, business efficiency indicators.

Marketing research in the public sector means to "design, collect, analyse and report of systematic data relevant to a specific marketing situation in which an organization is found. Data on behavior and citizens' profile may be essential for planning marketing activities. Marketing research terminology often refers to the time of achieving and using the research in the planning process.

Among organizations with a very strong marketing activity is also the public transport. In this sector (area, domain), marketing contributes to the objectives in terms of: increasing revenue, increasing the use of service, improving customer satisfaction and lowering costs of service.

3. PUBLIC TRANSPORT'S MARKETING

Nowadays, public transport users are expected to receive more, not only be transported under optimum conditions of punctuality, cleanliness and safety, and that is why in this environment of permanent changing, public transport operators have no alternative but to focus on customers. *Thus public transport needs marketing, because citizens have increasingly more opportunities to choose between different ways for transport, and this makes the activity more competitive.* It should not be forget that an unhappy client will use rarely public transport, despite the better organization of the market and the efforts the public transport operator makes.

Marketing is not just communication and promotion, but also *developing the relationship between company and its customers, so they use public transport as often as possible.*

Marketing is based on human needs and desires, and for the public transport, on movement and displacement need. Philip Kotler in „Marketing's management" (Kotler 2004: 22-23) distinguished between *human need*, *desire* and *request* and says: „*a human need* is a state of awareness of the lack of basic satisfaction...", *desire* is „the aspiration towards certain things that can meet those needs. Although there are few needs, a man's desires are very numerous, being constantly reshaped by forces and social institutions like church, school, family and companies in the economy...", *request* is „a desire for a particular product, doubled with the possibility and the decision to buy it".

FIGURE 2
Fundamental concepts of marketing
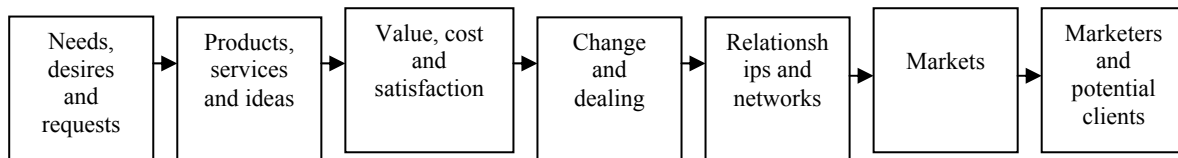
In terms of revenue and market share, success depends on citizens' – customers' satisfaction.

A marketing strategy is a systemic tool that helps managers of public transport to:

- *Identify market expectations,*
- Define the quality of provided service,
- *Measure travelers' perception,*
- Readjust the process.

To provide a quality transport service it must be known the needs and desires of citizens. Therefore passenger *satisfaction surveys* are conducted in order to take necessary measures depending on their results. Satisfaction indicators seem to be partly relevant because each customer has his own claims while provided services are the same for all citizens. It is therefore impossible to fully meet their expectations. Thus public transport service provider must take into account user requirements and adopt a vision for its activities from the client angle and within his resources. The performance of administration can be measured by determining the difference between desired and achieved quality.
Surveys' results facilitate decision-making and thus solutions are found, which by applying them, solve better problems that citizens report.
A survey was conducted using a questionnaire containing 50 indicators grouped into 12 categories for 4 years in a row between 1999-2002 to see how was passenger satisfaction in order to take any necessary action depending on their results.

Indicators followed were:

    1. Area covered by the RATB network[1];

    2. Schedule

        a. The operating hours;

        b. Frequency of public transport;

    3. Facilities

        a. Ease of access to RATB stations;

        b. Ease of movement in the RATB stations;

        c. Access to vehicles;

        d. Ease of movement inside the vehicle;

        e. Density of ticket and subscriptions sales offices;

        f. The point of selling tickets and subscriptions,

        g. Quality of tickets, subscriptions, their sale and of ticket-nipper;

    4. Information

        a. Information we can obtain on the movement of RATB means;

        b. How to obtain information;

        c. Information in the event of a disturbance;

    5. Journey

        a. Time to get from home (work) to the embarkation station;

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[1] <u>Public transport network</u> means all building and facilities - roads, tram lines, parking lots, stations, station maintenance and routine troubleshooting, repair shops, stations for public transport, garages, dispatcher stations - that ensures the safety of the passenger traffic. Public transport network for travelers seeking the city's road network is characterized by length, density and configuration.

b. Time for ticket / subscription purchase;
c. Waiting time at stations;
d. Time spent in changing means of transport;
e. The actual travel time by public transport;
f. Schedule compliance of transport means;
g. How to handle suggestions and complaints;

6. RATB staff behavior
   a. The drivers' behavior;
   b. Ticket controllers' behavior;
   c. RATB staff dealing with public relations;

7. Current diversity of subscriptions
   a. Lack of a common subscription RATB-subway
   b. Reduction of tariffs, free for pensioners, students, handicapped, revolutionary veterans, etc.

8. Comfort in stations
   a. Protection against climatic factors;
   b. Cleanliness in stations;
   c. Brightness in stations;
   d. Congestion at stations;
   e. Design furniture in stations;
   f. Other disturbed factors.

9. Comfort during the journey
   a. Start / stop,
   b. Comfort during the journey,
   c. Air's quality and temperature,
   d. Protection against climatic factors,
   e. Cleanliness in RATB vehicles,
   f. Brightness in RATB vehicles,
   g. Overcrowding in RATB vehicles,
   h. Sound ambience,
   i. Design furniture,
   j. Other disturbed factors.

10. Accident prevention
    a. Presence / visibility of support metal bars,
    b. Elimination of risk factors / preventive management;

11. Environmental pollution
    a. Emissions of pollutant gases,
    b. Dust and litter,
    c. Odor,
    d. Residues;

12. Tariff's level
    a. Ticket price,
    b. Subscription price.

Respondents were dissatisfied with:
- frequency of transport,
- vehicles' access,
- easy movement inside vehicle,
- information they could get regarding the movement with RATB means,
- how to obtain information,
- waiting time at stations,
- time spent changing means of transport,
- actual travel time of vehicles,
- compliance vehicles' schedule,

- solving suggestions and complaints,
- protection against climatic factors,
- cleanliness in stations,
- congestion in stations,
- quality and air temperature during the journey,
- congestion in public transport,
- pollutant emissions,
- absence of a common card RATB - subway.

After the results of surveys, several improvement measures were taken such as: supplying with new means of conveyance, creating an automatic charge system (tolling), improvement of travel comfort by reducing travel time because of higher operating speed of public transport vehicles, by the achievement of their own ways for trams and the prompt response to citizens' requests.

At operational level, marketing offers a wide range of tools that can stop the decline in passenger numbers, moreover, to increase this number and to gain the loyalty of occasional travelers. The use of marketing's principles allows continual improvement of all customer related activities: advertising, sales, tickets, "complaints" sector, the network configuration.

But we can't talk about an effective marketing without a qualitative approach which requires the mobilization of every employee to achieve an attractive public transport at a competitive price. User satisfaction can be obtained only by an orientation to him from the top management to those who execute.

Given that in any business is important to recover your investment made, also here the recovery (even though the basic idea is to identify needs and wants of people - passengers and their satisfaction) can be achieved by a well established marketing strategy that will lead to the increase of the number of trips and number of passengers. Marketing strategy is reflected in marketing plans. These plans must include specific data, targets and measurable objectives in terms of: trips, revenue and image. To measure the passenger satisfaction is as important as identifying future needs of citizens, understanding their needs and expectations.

In the following I want to highlight the approach of changing citizens' mobility attitudes, as starting point in compiling an action plan.

Problem identification
A lot of cars, traffic congestion, blocked intersection, pollution, nervous drivers and high risk of accidents. This is a problem. Its causes are multiple and we can mention some of them:
        - Insufficiency of infrastructure, although it has been proved that as many bands would have a public road will never be enough for how many vehicles will travel on that road;
        - Indiscipline in traffic (non-observance of traffic regulations on public roads);
        - Increase welfare (more people can afford to buy and use cars for daily movements), etc.
What can we do to reduce traffic and implicitly to make it more fluent? What measures can we take and how address issues? What actions should undertake? Our actions will influence the mobility behavior of citizens? What other influences can cause a change of attitude related by the choice of daily travel? What reaction will have citizens to the implementation measures taken by us? How we use this reaction to determine the change in mentality? All these are logical sequences of a complex process, cyclic mobility behavior change, which ultimately lead to changing the mentality of mobility.

Action plan
Starting from one of the causes of traffic congestion (too many people use their own car for daily trips) we reach at *effects: public roads are too crowded, noise and air pollution is high, the risk of accidents increases, medical costs incurred by society are high, fuel consumption is higher, etc.*

All this is a serious problem. We know that to solve a problem, we need to fix its causes. What measures we take and how we implement them, so eventually we can change people's mentality regarding choice of daily travel?

Over the past years, many cities have tried solving the problem in different ways. For all these experiences could be useful to a large number of factors involved in solving this problem, it's very good that the activities that already were implemented, with corresponding results, be made public. Knowledge must be gathered and disseminated, to know how successful the various campaigns' principles were implemented in certain circumstances. It can be used different approaches of action plans taken for using public transport primarily, as the final result would be a change in behavior and habits of sustainable mobility of passengers. This behavior change may be based on different motivations / reasons.

For which criteria a traveler chooses a means of conveyance (whether private or public); and among the public ones (which are sustainable), which are personal reasons for each person to choose either tram, bus, trolley bus or subway? Public warning campaigns, to use public transport particularly durable, send different messages to a change of behavior; each campaign is addressed to a specific target group.

The problem of changing the citizens' mobility behavior of a city can be approached from several perspectives, namely:

    1. The approach when customers' reaction is expected to be negative or there is a risk that they have no reaction;

    2. The approach using a combination of harsh and soft measures;

    3. The approach in terms of personal benefits (which may benefit those who use public transport);

    4. The approach using the strategy of "push and pull";

Before choosing one of the approaches we have to study the local conditions of each area (demography, habits, traditions, concepts, etc.), to know exactly which type of approach is most suitable to be used or maybe a combination of them.

1. The approach when customers' reaction is expected to be negative or there is a risk that they have no reaction

Checking the demand and planning

To verify the request (demand) and make a best plan we have to respond to several questions such as:

The following example will give us the significance of this phase of verification of the request. Zurich Swiss city wanted to improve utilization of public transport. City administration has planned to build a new subway line, using a famous brand. Nevertheless the local authorities were inspired when they decided that before starting the investment to ask the people of Zurich. Thus they found out that the citizens were even against a new subway line; rather they wanted to extend and modernize the existing tram line - which was an option much cheaper. Thus it had been proved that the original decision to build a new subway line was wrong. Therefore the application phase of testing is very important.

Construction

In this phase it is important to inform people affected by construction of a new investment, what will happen. For example, when building a new tram line, the citizens who live along the new lines should be informed about what was being built, what benefits they will have from this investment, as well as the construction period, what routes detour will be used. Owners of stores which are located along the future new lines need this information even more.

In the first phase, they are generally dissatisfied and have a negative reaction because they are disturbed during the construction itself (restricted to their customers, reduced opportunities for supply, etc.).

For their reaction to be less negative they should be informed a priori also about the benefits they will have once the new line is set on going(new customers).

Here are two practical examples in this sense: the German city Leizig modernized the entire tramway network. The case study is well documented in European-funded project MOST.

Negative reactions were minimized. The second example is the city of Almada in Portugal. Here were carried out campaigns to inform citizens about the new tram lines that were to be built. As Leipzig, adverse reactions have been diminished.

Operation start

Bringing into use of a new infrastructure can be a good time wasted if citizens are not informed about the place, date and time of its production and especially about the importance for citizens of that investment. This is one particular time and must be organized as such.

To avoid the opening of an investment in transport infrastructure does not enjoy a high participation (to avoid the risk that beneficiaries may not respond), it is good for the launch event be better publicized, possibly providing an additional motivation (as eg. winning a prize in a contest).

Initial period of operation

How to disseminate new investment in the initial period of operation (e.g. The first month) has repercussions on future operations. Information campaigns should be particularly intense to gain from the beginning audience. Thus it avoids the risk of non-receiving of a response from customers, even those potential.

After-sale services

Even if in the initial period of getting going of new investment, the rate of utilization of that investment is high, this does not necessarily lead to real change in travel mentality of citizens. They may be initially enthusiastic, but over time revert to previous habits in regard to decisions of choosing a way of transportation. Therefore, customers should be approached and after that initial period, to produce that change of attitude in the citizens' conscience. This purpose can be achieved by creating the premises that they receive the new service with satisfaction, to have pleasant memories, service to be useful, convenient, to receive prizes, in a word to have a positive reaction after using public transport.

2. The approach using a combination of harsh and soft measures

There are two categories of measures that can be taken to alert the public about the use of public transport in particular, namely:

    1. **harsh measures** (clear limitation (by law or local council resolution) to private traffic;

    2. **soft measures**: dissemination campaigns themselves of public transport through various media channels.

Researchers have found, however, that a combination of 2 types of measures is the ideal way to reach this goal. Neither of the two categories of measures taken singular can not change the behavior of the mobility of citizens and less the mentality.

    Harsh measures

Essentially they consist of: - **restrictions on access or movement**: in some areas of the city, in certain time slots (e.g. During peak hours), for certain categories of vehicles (e.g. Lorries and trucks they do not longer allowed to cross Bucharest), combinations of these restrictions - **fiscal measures**.

    Soft Measures

In market economy, the success of a product / service can be immediately monitored by the response that clients give. A new product / service that is not publicized, will not be known by potential customers. In the transport infrastructure things are not the same. When investing in a new tram line, or upgrading an existing one or a new line of buses or increasing the bus fleet, but is not investing anything in advertising to popularize this new infrastructure, all these will not disappear. Investment

will continue to exist. But it will not be used to its maximum capacity. In other words its use will be ineffective. Then, if she will still be there, why not be popularized, for people to know this new infrastructure and using it. Dissemination (Diffusion) is necessary for several reasons:

- A large number of potential users of public transport, which currently use private car for everyday journeys know nothing (or almost nothing) about local public transport;

- Measures to promote local public transport are good to be taken even before making the investment in new infrastructure; these measures will generate a travelers' positive reaction , so that once the investment has been completed, it will be able to operate at its maximum capacity, at the beginning;

- Consultation campaigns on target groups can bring great benefits, in the sense of changing the mobility behavior, even with lower investment, or sometimes even without the need for new investment.

3. The approach in terms of personal benefits

This approach should "coexist" with any other particular approach. We can not ignore the strong influence that can have personal benefit of a decision. If I as a citizen can benefit in a way that I convene of a particular offer, without that offer having hidden repercussions, then surely I will use. It is therefore extremely useful to permanently emphasize the personal benefits that citizens can have by using their resources primarily to sustainable public transport. These *benefits* are:

For citizens:
- *Reducing costs for daily trips*
- *Less travel time*, traffic beeing reduced, public transport can meet the schedule of course,
- *The sureness that they reach their destination*
- *Reduce stress due:* to ordeal of finding a place for parking their car, driving through the congestion, increased attention to traffic, the possibility to read while traveling or to have a chat.

It must be said that in addition to these personal benefits, there are collective (public) and global benefits that can be broadcasted, according to local conditions of each city.

For city:
- *Reducing traffic by reducing the number of private cars, low pollution (fewer cars, less pollution: cleaner air, less noise)*
- *Decreasing the number of accidents, and so the cost for post accidents*

But all these collective benefits can be seen as personal benefits: as a citizen I am not regardless about the air I breathe in the city I live, I am not regardless about the means of public transport can not get timely in stations because the traffic is too crowded, I am not regardless it take me more time to reach the destination because there are more traffic jams, I am not regardless I have to pay higher taxes for health insurance because some of this money goes on interventions and rehabilitation on sick leave due to traffic accidents, etc.

There are also benefits for the local public transport services provider (operator):

For the operator:
- *Increasing the number of devoted clients to public transport, thereby increasing revenues;*
- *A fairer use of fuel and fleet vehicles (more efficient activity);*
- *The possibility to follow the schedule* (due to low traffic), which will increase confidence of citizens in public transport system and thus will increase loyal customers, with positive repercussions on the public transport provider's budget.

As the category of collective benefits, also the benefits of public transport operators have an impact positive on the citizen. The fact that a public transport service provider is operating more efficiently, in time this lead to increasing comfort that they offer to its customers. The fact that, being low traffic, the operator can respect his movement schedule, makes me as a customer, to wait less time in station (and I can use my time more effectively, I do not get nervous), and travel time will be the normal one (that I know from the route schedule), not an extended time due to congestion.

For world:
>   *- Reducing the rhythm of climate change;*
>   *- A fairer fuel use and natural global fuel reserves.*

Changes brought by a modification of sustainable mobility behavior also affect both the individual and the community to which they belong.

For the community:
>   *- Emissions of harmful substances reduce;*
>   *- Noise reduces;*
>   *- Traffic will be less congested;*
>   *- The risk of accidents reduces;*

The conclusion that emerges is that all informing campaigns about the use mainly of sustainable public transport should specify the benefits of changing the sustainable mobility behavior.

4. The approach using the strategy of "push and pull" – testing a new behavior
Strategy push and pull consists in forcing (push) the changing of behavior through restrictions, while offering alternatives. For example, it can be forbidden the use of a small car by one person on a particular area and / or for a certain period of time (or other kind of restriction suitable for local conditions). But it will offer free parking (pull) for any private car and possible, subscription for public transport.
The concrete way to determine the citizen to test a new mobility behavior may vary from location to location depending on availability. In accordance with modern principles of learning, people will remember and will adopt a new behavior much faster if they tried (tested) it at least once. Also, if the new method will be tested by others, then the availability of the individual to change his mobility behavior will be much higher (sense of social integration occurs).

I present you below a scheme called "try public transport for a month", taken from the site www.mobility-cultura.net. The method represents a guide that can be adapted to local conditions and availability. The campaign "try the public transport for a month" seeks to make more attractive the idea of travelling using public transport. The campaign was sustained among employees of a company using mainly small cars for travel to work. The intention was to prove that it is possible to obtain a significant impact on people's mobility behavior, if public transport, seen as a whole, is considered as attractive as a personal car. A combination between transmission of basic information (through flyers, brochures, posters, articles, presentations, etc.) while offering an introductory experience in using public transport means has proved to be the most promising method of approach. To give public transport a chance, it is essential that those trying for the first time this way of travel to perceive it attractive as a positive experience. Specifically, this means that those who are willing to leave small car in the garage, should considered public transport as a fact which will help increasing the quality of life and should therefore be viewed as a positive part of their routine transport.
They must be given:
>   - Practical information (location of stations, lines, routes, links, rates, etc.) to overcome existing inhibitions on public transport
>   - Free tickets for test
>   - The possibility of rapid communication

Programming activities:
First week: Announcement
All employees received a letter from the management company. Those who accepted to participate in the program were available for one week to register. This was done by completing a form and delivered to the company's headquarters. The form contained employee identification data in addition to questions about traveling ways - at departure: the place of departure, time, means of transport, travel time, if it took breaks and why, the point of destination, travel purpose, - in return, to home: the

place of departure, time, means of transport, travel time, and if it took breaks and why- why prefer that way of transport - whether the means of transport is private car, which are the reasons why not use public transport; if he/she is willing to try 1 month travel with public transport, in favorable conditions?

Week 2: Selection

Participants in the program were selected based on what they answered in registered form. There were selected primarily those who normally used their own cars to make daily journeys.

Selected participants in the program were divided into max. 15 people to work better with each of them. Maximum number of participants selected for the program depended on the financial and human availability that the operator has provided for the campaign.

Week 3: The first seminar and test start

During an organized meeting (seminar) there were detailed the key points of the program, why and how this program is implemented, why and for whom it is important that we all use public transport for daily journeys. Each participant received concrete information about best routes using public transport means for regular daily movements specifying lines, stations, route, schedule and fees. Monthly subscriptions were distributed on the route to work.

Four observation sheets were distributed (one per week) for which they receiving filling instructions. Essentially everyone had to record daily (brief) observations on the use of the service provided, shortcomings, complaints, suggestions, but also the good parts.

There were questions like "What impression left this test week?" It differed from the previous one? Any incidents that have bothered you occurred? If yes, which? What suggestions do you have to avoid future repetition of this kind of event? Do you recommend to other colleagues using public transport? If so, why? If not, why? etc.

Weeks 3 to 6: establishment of a free telephone line, observation sheets

During the 4 test weeks a free telephone number was set up for the participants had access to ask questions related to the implementation of that program. Regarding observations sheets, participants had to complete them daily. At the end of each week, they left these sheets in the same office where they were enrolled in the program. The operator took them and compared to see the evolution from week to week.

Week 7: The second workshop

A second seminar was organized in which participants received a questionnaire with questions nearly identical to those completed in the registration form. There have been discussions focused particularly on changing the mobility behavior, it was checked if the responses rate in favour of public transport increased. The program was rated by participants: what went well and what needs improved. What suggestions can be given to people who will want in the future to try the program.

Week 8: End of program

The operator made a report, which was made public. It briefly described the purpose and development of the program, perception's evolution of public transport by program participants, making a comparison between the answers given in the original application form and those given in questionnaire.

The report contained recommendations made throughout the month of test, but also proposals for improving the program for future edition. The document ended with a chapter on conclusions.

Whatever approach we adopt in trying to change the behavior of sustainable mobility, and finally the mentality, we must not forget that each person takes certain decisions under the influence of some factors.

External influences. Each behavior is given by a sum of external factors that disrupt the will or each personality such as entourage, the reactions of others, the financial, emotional motivations, etc.

The approach of the strategy for changing the mobility behavior of citizens must be based on the answer to the question: *What can influence the citizen to leave everyday his own car in the garage and*

go to work by public transport or cycling or even go on foot? May be multiple motivations: discounts or received incentives, the desire to take exercise, the desire to integrate into society, etc. For a modest citizen, lack of money can be a strong reason to leave the car in the garage, while for a rich one, the desire to escape the stress of traffic congestion or searching for parking.

Another influence, even stronger in terms of mobility behavior is given by the opinion of family members, colleagues, friends and neighbors. Their positive reactions to using public transport is a strong incentive to follow the same behavior.

Internal influences. Among the internal influences can include: education, social status, character, personality. It is almost impossible to change anything in these, but when action plans are made it should take account also of these influence factors.

Can internet, as a communication and information tool, help public transport operator in promoting transport service? How can we attract as many people using public transport using the Internet?

Why a website is useful?
First, the passenger may have handy important information about schedules, routes, changes, tariffs, opportunity to change paths (links to other lines), and secondly, he can address to the operator simple and convenient with suggestions and referrals.

Thus, in 1996 RATB has created the site www.ratb.ro providing some useful information to travelers such as travel fare, map routes, temporary changes of routes, discounts and gratuities, services, legislation. These are regularly updated because the site consists in updated information.

Also, for a better knowledge of user satisfaction regarding the quality of public transport provided, a questionnaire was posted on the site where citizens can answer at any time and that is analysed by the Director for necessary action.

The questionnaire examines the following issues: taxation system based on RATB card, staff conduct towards other road users, RATB staff conduct towards passengers, transport means offer, the transport network, traveller informer system, quality of running track , comfort of journey with RATB vehicles, travel time, operating schedule, punctuality, safety level of travel and the degree of environmental pollution.

After analyzing the questionnaire during November 2007 - January 2008, April 3, 2008 to July 27, 2008 and February-October 2009 the following resulted:

November 2007 – January 2008	April 3 – July 27, 2008	February – October 2009
Total answers: 4.587	Total answers: 22.432	Total answers: 34.001
Charging system based on card 333 answers 71% good + satisfactory	Charging system based on card 415 answers 58% good + satisfactory	Charging system based on card 2.682 answers 87% good + satisfactory
Staff conduct towards other road users: 328 answers 55% good + satisfactory	Staff conduct towards other road users: 425 answers 54% good + satisfactory	Staff conduct towards other road users: 2.349 answers 84% good + satisfactory
The level of environmental pollution produced by RATB vehicles 309 answers 52% good + satisfactory	The level of environmental pollution produced by RATB vehicles 9.174 answers 97% unsatisfactory	The level of environmental pollution produced by RATB vehicles 2.371 answers 82% good + satisfactory
RATB transport means offer 235 answers 52% unsatisfactory, 48% satisfactory	RATB transport means offer 272 answers 55% unsatisfactory	RATB transport means offer 2.592 answers 83% good + satisfactory

November 2007 – January 2008	April 3 – July 27, 2008	February – October 2009
Safety level of travel 422 answers 56% unsatisfactory	Safety level of travel 6.635 answers 97% unsatisfactory	Safety level of travel 2.339 answers 80% good + satisfactory
RATB staff conduct towards passengers 370 answers 57% unsatisfactory 43% satisfactory	RATB staff conduct towards passengers 479 answers 54% unsatisfactory	RATB staff conduct towards passengers 2.479 answers 69% good + satisfactory
Traveler informer system 231 answers 64% unsatisfactory	Traveler informer system 330 answers 59% unsatisfactory	Traveler informer system 2.507 answers 68% good+ satisfactory
The transport network 426 answers 65% unsatisfactory	The transport network 472 answers 57% unsatisfactory	The transport network 3.479 answers 67% good + satisfactory
Operating schedule 326 answers 69% unsatisfactory	Operating schedule 1.043 answers 85% unsatisfactory	Operating schedule 3340 answers 59% good + satisfactory 41% unsatisfactory
Quality of running tracks 337 answers 70% unsatisfactory	Quality of running tracks 343 answers 60% unsatisfactory	Quality of running tracks 2302 answers 68% good + satisfactory 32% unsatisfactory
Vehicles' punctuality 438 answers 73% unsatisfactory	Vehicles' punctuality 1.618 answers 90% unsatisfactory	Vehicles' punctuality 2.581 answers 55% unsatisfactory 45% satisfactory
Comfort of journey with RATB vehicles 434 answers 73% unsatisfactory	Comfort of journey with RATB vehicles 439 answers 68% unsatisfactory	Comfort of journey with RATB vehicles 2.437 answers 62% good + satisfactory 38% unsatisfactory
Travel time 398 answers 73% unsatisfactory	Travel time 787 answers 79% unsatisfactory	Travel time 2544 answers 54% good+ satisfactory 46% unsatisfactory

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PLACES MARKETING AS A TOOL OF TERRITORIAL DEVELOPMENT AND ITS APPLICATION IN THE LIPTOV REGION IN SLOVAK REPUBLIC

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ABSTRACT

The main idea of the paper is to characterize the concept of places marketing in Slovakia. At first, we define the basic terms of places marketing, marketing mix, and the role of marketing in the territorial development. Then we present one of the best practices in Slovakia – the use of tools of places marketing in the region Liptov. The second part of the work is aimed at the partnership and participation as a base principle of the marketing strategic planning based on the findings of our investigation in the local municipalities in Slovak republic in 2009.

KEY WORDS

Places marketing, marketing mix, strategic marketing planning, partnership

1. INTRODUCTION

The problems of places marketing has occurred in the professional and scientific literature from the end of 80s years. The main reason was that the territory was not presented only as an urban area, but the territory began to be understood as a product, which can be offered on the market as other products.

The aim of the paper is to characterize briefly the concept of places marketing in the Slovakia from the professional point of view and in practice.

Methods and materials

The contribution is based on the results of an empirical research in Slovak Republic in 100 selected municipalities, in the second quarter of 2009, trough questionnaires. A partial aim of the research was to evaluate the aims and the degree of cooperation between stakeholders and the local governments in Slovakia, to identify the forms, tools and used marketing methods in practice.

In the theoretical part of the paper, we gathered the available domestic and foreign scientific and professional literature. We have used the methods of scientific abstraction, synthesis, comparison, analysis. The similar methods have been used also in the evaluation of the real conditions in the local governments of SR. The survey results have been processed by methods of descriptive statistics.

Below, we present several partial results of our research.

2. MARKETING AND TERRITORIAL DEVELOPMENT

In scientific literature, the concept of territory is not clearly defined. More attention is devoted to the specific types of territories, e.g. town, city, region, state. The territory is an object of management that aims to develop the territory. In theory and practice, different approaches are applied to the territorial development. The territory is a complex of elements, processes, links and relations that occur in the space with a number of material predispositions. They interact, require the specific treatment and they should be respected and rationally use. The territory with an attractive potential at the time has a better chance to success at the market of territories, because it attracts financial and human capital, which can ensure its further development, prosperity and growth of wealth. The point of territorial operation is a productive activity generally. The important fact is that any activity connected with the territory is bound to the territory (Vaňová 1996: 531–535).

A territory as a spatial structure can have different dimensions. There can belong land, towns, cities, regions, states and i.e. In the paper we understand by the term territory mainly cities, towns and regions, which form the autonomous territorial units in terms of Slovak republic. The self-governing territories are a part of wide space, which affects them, but they create also their own tools and mechanisms to arrange the territorial development.

The territorial development means an economic, but also a social process directed to creating a viable and productive area. One of the objectives of the territorial development is to start the long – term process of building of territorial competitiveness through an effective use of space potential and spatial peculiarities.

The territorial development has unique characteristics that should be respected, because they derive from the nature of the territory. From the economic point of view, the territory created the private and public goods. These goods are managed, governed and owned by different entities – private, state, public. The variety of these entities has resulted in the diversity of their needs, requirements, motives that they want to fulfill by their existence. Satisfying needs is possible in consequence of achieving the social benefits that can be seen differently by the different entities. Because of this fact, it is necessary to seek a consensus between needs of various subjects. For these reasons, in practice it is needed a coordination of the activities all relevant actor in the territory, continuous communication among them and outwards from the territory and monitoring the market situation.

At the same time, the object of the territorial development is to arrange the sustainable development too that means minimizing the risks associated with the territorial development and the entering of territory to the market. In this context, it is clear that this is a difficult process.

The development of territories at the beginning of the 21st century is characterized by intensive process of globalization, increasing flexibility and mobility of technique, technologies, capital, people, growing individualism of market segments, growing and intensive competition among territories, the product substitution and marketing saturation have increased.

Based on above text, we could define the target of the territorial development in this period as an effort of territories to arrange successfulness of territory at the market through sustainable development by one or more sustainable competitive advantages. The competitive advantages flow from the effective using of the space potential and spatial peculiarities of territory, offer differentiation from competitors, offer something unique, what is valuable for customers.

To meet this aim, with the respect of specific features of territory, it is necessary to monitor continuously the market development, monitor competitors, new trends. It is necessary also to apply a professional approach to the use of internal sources of territory, performance of activities, creativity, the spirit of enterprise and the close cooperation and participation entities living in the territory and/or realizing various activities. In the competitive struggle, the territories are more successful, when they coordinate their material, personnel, and financial sources and create the new development strategies of territory by the consensus of the available sources with the strategies and activities of key players in the territory.

Approaches to the territorial development are different. On the base of knowledge from the literature and practice, they could be divided into territorial, traditional and market-oriented. The territorial and traditional approach could be named as conventional approaches and market-oriented approach as a marketing approach (Vaňová 2006: 24 – 6). Market-oriented approach to the territorial development is called places marketing.

Places marketing flows from the following principles: focus on demand (because the needs and expectation of customer should affect directly the use of the build-up place); building the specific competitive advantage of a territory (an offer of territory creates the added value for the target customer); introducing new methods, tools and management approach; creating conditions for the collective definition of objectives and direct participation of key entities operating in the territory or in relation to the territory. Without direct involvement and participation of these subjects, it is not possible to talk about the marketing approach.

Places marketing we defined as a continuous social process that provides the possibility to influence on the sustainable development of the territory more effective by building a sustainable competitive advantage, creating conformity between demand and supply of the territory at the market by using of the specific marketing methods and tools. The process aims to minimize the risks of the territory associated with its entering to the market and maximize its social benefit in accepting its social role (Vaňová 2006: 36 – 37).

The process of implementation of the places marketing we call strategic marketing planning. The process of strategic marketing planning flows from the collective definition of a vision, mission and objectives of development of a territory. It is based on monitoring, analysis and using of trends and changes in the external environment in demand, competition and subsequently in the effective use of the internal sources of the territory through compiling and implementing of the marketing strategy. The process is constantly monitored by the system of feedback and control.

Marketing strategy of territorial development is used to be implemented trough a set of specific tools/marketing mix. Because of the specific features of a territory, the marketing mix of a territory differs from the classic marketing mix.

According to some authors, marketing mix in places marketing makes up besides the basic marketing mix also the other tools. They are a political opinion, public opinion, people, corporate identity (Berg et al. 1990: 21) or physical environment, people, processes, partnership (Payne 1996: 168).

One results of our current investigation is to determine the marketing mix in places marketing as a set of controllable marketing variables that help to realize successfully the marketing strategy and put the territory across the target markets. Marketing mix consist of tools: product, price, affordability, marketing communication and human factor (Vaňová 1996: 537 – 541). A classic instrument of marketing mix – distribution we substituted for affordability. The term affordability better corresponds to the content of this tool in places marketing. Because of the crucial effect of human sources to the territorial development and its competitiveness, we added a fifth instrument and we named him the human factor.

In marketing theory, territory is understood as a product. Concerning on its character it is a special product, so next we describe its specifics.

In marketing product is define as "something, what can be offered in a market, for keeping or consumption and have an ability to satisfy will or need, for example consumer goods, services, people, areas, organizations and reflections" (Kotler and Armstrong 1992: 191). From this definition, it is apparent, that the territory is a product.

Territory as a product has some specifics, which influence market of territories and creating of marketing strategies as well. Following knowledge reached from literature and own research (Vaňová 1996, 2006, Vaňová and Bernátová 1999, 2000, 2001, etc.) and experience, we draw conclusion, which define these specifics:

- By creating product in places marketing, it seems that the territory is a finished product, which is offered on a market, but this has nothing common with marketing. Territory is on one hand regular product but on the other hand it is a variable product consisting from partial products and it is changing in time and space. Although this process is more slowly as in commercial sphere, adequate attention is needed.
- G. J. Ashworth and H. Voogd (1990: 66 – 67) mention that "city is on its merits an entity or a locality, summary of attributes and place as well, but these two characteristics either different shouldn't be separate in praxis". According them the city should be sold to potential investors for example "…as a unit, which is creating from modernity, enterprising and effectiveness and often in the same time is for sale its special attributes – cheap grounds, fast infrastructure or golf course in neighbor". According to opinion of these two writers and definition of a territory, we can qualify territory as product from two points of view, as an overall product and individual products.
- Territory as an overall product and the most of its individual products, are not possible to distribute on the other place.
- Territory is a product, which is all the time changing (Ruegg and Joye 1996: 3).
- The most of components creating territory are characterized by some kind of stability and short ability of flexibility, when it goes about fast adaptability on external influences, which are caused immovable localization of important parts of physical structure of territory, multifunction of partial products and different perception different groups of purchasers. There are reasons why is impact of a territory on the market quite complicated.
- Territory in which are most of individual products orientated on the same industry, or activities on this territory are a subjection to uppermost potential (health and spa cities, resorts of tourism etc.) can be identified as a homogeneous product. Homogeneous product creates assumptions for a homogeneous offer. The convenience is, that through the satisfying one concrete need of concrete market segment, territory should be markedly different from competitive territories and should build good image. A disadvantage is that during the change on markets or in macroeconomic background, there is an increased risk of collapse.
- Assume of sustainable competitiveness of territory and its development is heterogeneity of a territory. Heterogeneity of a territory does not mean only diversity of physical and economical facilities, but heterogeneity of population in term of age, education, gender, hobbies, economic activities, life style etc. as well.

-   Heterogeneous character of territory as a product has an influence on sale, so territory as a product can be sold more times in the same time to a different market segments.
-   Heterogeneous character of a territory as a product has an influence on heterogeneity of consumer needs of the same product. That is the reason why can come to conflict between the groups of consumers.
-   Sale of a territory as a unit understands in metaphoric sense. Territory as an individual product can offer on sale for example properties, workforce and services. Success of sale of these individual products influences "sale" of territory as unit, through the feelings, image, experience and ideas. A sale of territory as a product does not mean decreasing of its resources and the only one limited factor is an existing usable capacity.
-   Territory has on the market own name (city, village, region, state) or has specific created name (regions, union of villages etc.), which from the commercial point of view means its brand.

Price of a territory as a tool of marketing mix, it's not enough described in available literature regarding to places marketing. Price of territories is indirectly touched related to individual products as a price of ground, price of estates (Ashworth and Voogd 1990: 55 – 67, 65 – 70, 73), or in continuity with life costs, which are, e. g. taxes, cost for living, food, services (Kotler et al. 1993: 64, 83 – 84) or in contingency with the fact, that some partial products of a territory is possible to sale, what analogical assume existence of price for this products (Ashworth and Goodall 1990: 13 – 14, 34).

Price as a tool of marketing mix we define as a relative price, which evaluate attributes of a territory. Price in places marketing composes price of properties, price of goods and services offered in territory, financial tools, and price of workforce. Price is a reflection of quality of a territory as a unit, its position and functions, partial products and conditions, image, importance of territory etc. Important factors which influence the decision about the price of territory products are mostly strategic aims; character of a product and final segment, for which is assigned offer; then image of territory, which could influence price; cost for producing and implementing product; market position of product; price of sub products; price of competitive territories; influence of external environment (currency, legislation) etc.

Affordability as a tool of marketing mix is not enough described in available literature, like a price, Affordability as a tool of marketing mix we define as a location of territory, character of admission to the territory and availability of partial products in territory.

Marketing process is based on a communication with customers – from finding needs and wishes through the marketing research to sale of product and after sale communication. For development of territory and its success on the market is also important to create comprehensive marketing promotion scheme. By definition promotion in marketing of territory, we come out from classically perceived promotion mix, but we regard specifics of territory as a product and specifics of market of this product.

The object of promotion in places marketing is through the tools of promotion mix – advertising, public relations, sales promotion, personal communication, direct mail and events – to inform about territory, persuade about advantages of territory and to motivate final market or markets to "buy" products of territory, to enforce territory on market of territories, to inform public about local self-government activities for its inhabitants, to awake interest and understanding by solving problems in territory, to achieve public advancement, to obtain mutual agreement between subjects, which influence territory development etc.

Promotion as a form of distributing information is a conclusive assumption for advance of combination affording products, precede separateness and ignorantia.

An effort to apply requirements of determinism on human in consequence of expansion social sciences conduce to forming social determinism, which perceives human not only as a object of acting natural

laws, but also as a creator of history. From this postulate, we come out as well by defining the fifth tool of marketing mix, which we called human factor.

Human factor is an important and unthinkable element of territory, so we consider, that human factor should be a component of marketing mix places marketing, even if professional public does not define it like that. In the territory, a key role has whether as a subject activating and implementing changing in territory, or as an object, which is close-knit with the character of territory as a product, with activities related with territory development and by marketing approach with orientation on customer as well. The fact, if the territory will prosper and develop or not, is depending on people, who live, work, business, shopping, relaxing in the territory and on people, who administrate the territory, on their ability to use all existing resources of territory and to create supply, which will be interesting for market.

We perceive tool of marketing mix – human factor as a part of territory supply (social-demographic potential), as a carrier of territorial development (powerful territory potential – human as a carrier of territory marketing, territory administrator, authority of institutional organizational structures encouraging development of territory), co-author of general product and partial products of territory (elector, inhabitant, workforce, service provider, important person, maker of sales promotion and propagator of information about the territory), actor organized in some structures (regional advisory and information centre, development agencies, public-private partnership, non-government organizations, professional associations…).

Human factor has in this sense one other special position – all parts of this tool represent a market inside of territory. By analyzing human factor, it is also possible to combine an analysis of endogenous territory market with an analysis of this marketing tool.

A good example of practice utilization of places marketing is a combination of marketing mix used in Liptov region, distinctive and attractive part of Slovakia. Now region Liptov is presented especially through a new-based public private partnership. It goes about cooperation between local self-governments – Liptovský Mikuláš, Ružemberok, Liptovský Hrádok and business subjects – strongest players in territory – Jasná – Nízke Tatry, Skipark Ružomberok, Aquapark Tatralandia and Thermal Park Bešeňová with aim to provide quality services to attract tourists and investors. The clusters also became the first official organisation of destination management in Slovakia and perform a task as a common marketing and organisation centre of development tourism in Liptov.

In consideration of counted cooperating subjects, the general product of a territory – Liptov region, is created, except attractive natural resources, from wide supply of partial products of cities and business subjects actuating in territory (for example possibilities for culture, sport, accommodation and restaurants, historical memories, museums and relax centres, etc.).

To price, as a tool of marketing mix we can include an implementation of regional card. This card can be acquired for unrepeated payment and attends as a ticket to regional museums, galleries, aqua parks, ski parks, ski slopes etc. Later the supply of card was extended on special holiday offers, ski passes, or entries to wellness centres.

A planned optimization of traffic orders, purchased busses for accessing the territory, ski parks and other attractions for tourists from other parts of Slovakia and abroad we include in tool affordability.

A component part of clusters' marketing promotion and promotion mix is presentation of Liptov region on the domestic market; on tourism trade fair Slovakiatour, baptism of a cluster logo and official introducing on Slovak market, advertising of territory in media, on Facebook and especially through web site www.visitliptov.sk. Activities specialized on foreign markets are especially: a presentation of Liptov region as info ways for polish and Ukrainian journalists; participation of Liptov cluster on international trade fairs and shows (for example MADI Travel Market 2008, Holiday World Prag 2009, Utazas Budapest 2009) as a speaker and exhibitor; participation on information meeting of

foreign authorities from Slovak agency for tourism and also intensive promotion of Liptov cluster with foreign representation Slovak agency for tourism on Czech, Polish and Hungarian markets.

The tool human factor, which is very important for this cluster, we can find in further activities orientated on development of cooperation between cluster subjects and subjects of regional, national and international importance, for example self-government region Zilina, Slovak tourism agency, Intersport – sport shop, Ministry of Economy etc.

3. PARTNERSHIP AND PARTICIPATION AS A BASE PRINCIPLE OF PLACES MARKETING

Basement for successful implementation of territory marketing is creating premises for relationship-orientated marketing planning, which aim is to create a procedure of developing and sustaining strategic stability between aims and possibilities of territory self-government compared with aims and possibilities of concerned subjects.

Most frequently, it goes about creating PPP, which aim should be creating of conditions for social, economic and environmental territory development. Merits of partnerships and cooperation are good mutual relationships between concerned subjects and local self-governments.

Creation of self-governments with subjects in and out of territory should have some reasons and we divided them into three groups. Relationship with chosen group of subjects is:
- compulsory, what means subject to existing legislation, which needed cooperation with subjects, for example state administration offices, citizens, political parties, regions etc,
- contractual, institutional or transaction, what means that relationship are developing on the base of contracts, agreements, organisation of shared activities, events,
- informal, what means based on free and each other interest about cooperation (relationships with ex-employees, associations acting in territory and some business subjects or non-profit organisations).

In 2009 we made a research in 100 local self-governments.

According to research results, 59% respondents said, that they know what places marketing is. They perceive places marketing mostly as a tool which attracting territory for citizens, entrepreneurs and tourists (9%) through marketing researches (12%). Respondents also notice that territory marketing is a tool of education for employees, citizens (3%), the form of cooperation (5%), promotion or advertising territory (5%). As a tool of planning is territory marketing noticed by 10% of self-governments. 15 respondents from 59 do not know to present any characteristic of territory marketing. Marketing researches are used by 41% of self-governments and most of these researches have a form of inquiries between inhabitants. Cooperation with business sphere (as a part of territory marketing) decelerated 50% of self-governments. Only 31% self-governments cooperate with non-profit sector.

The reason, why is in Slovakia very hard to apply marketing approach on territory development, is the fact, that partnerships and relationships which are orientated on territorial development, between self-governments and stakeholders, are not developed sufficiently.

As stakeholders we defined citizens, cooperating villages, church, non-profit organisations in social sphere, other subjects – schools, hospitals etc, associations in sport and culture area, deputies, employees of local self-government offices, entrepreneurs, financial institutions, media, high schools and universities, state administration offices, employment agencies and political parties. Respondents were authorities of local self-governments.

In following text, we compare evaluation of three watched aims of cooperation, which are the basement of creating partnerships in local self-government with aim to develop the territory. We investigated the count of self-governments, which try to enhance existing cooperation with subjects. We investigated also contribution of self-government, which develop common activities and also

contribution of self-governments, which want through the cooperation to achieve development of their territory. Chosen results from analysis are presented in Table 1.

TABLE 1
**The rate of cooperation with concerned subjects of local self-government
with aim to develop the territory**

% of local self-government	The object of cooperation:			% of self-governments which follow all presented objects
Concerned subjects	**more effective cooperation**	**development of common interests**	**development of local self-governments**	
Citizens	43	55	81	32
Villages (micro regions, cooperated)	52	59	61	31
Church	21	35	25	10
Business subjects	40	43	73	17
Other subjects (schools, hospitals, agencies...)	30	52	46	15
Financial institutions (banks, insurance companies...)	21	10	40	6
Non-profit organizations (social sphere)	24	35	38	10
Associations (sport, culture sphere)	24	48	61	12
Offices of state administration	39	30	29	11
Employment agencies	35	28	32	13
Deputies	40	42	61	24
Political parties	16	8	17	2
Office staff	39	33	50	19
Media	12	12	19	6
High schools and universities	9	8	7	2

Source: Own work using of marketing research results.

The most participating subject in self-government is citizens, but after analysis of reached data, only 32 % of local self-governments try to develop existing relationship, try to develop the territory and satisfy needs of the both parties concerned. Other important relationships are relationships with other villages, deputies, office employees and business subjects.

Then we tried to investigate contribution of local self-governments by participating of subjects into the creation of plans, strategies and purposes. Here signified recent trend of creating territory development plans in micro regions and partnership of villages, because the most of examined self-governments creating these documents in cooperation with other villages, till 59 %. Bewildering is the fact, that citizens are contributed on plans creating only in 43 %, what does not respect the fact, that self-government should work for citizen, satisfy his needs, and denies principles of marketing planning of territory development. 43 % of self-governments cooperate by plans creating with the group of subjects – hospitals, schools and others, for example organizations created or established by self-governments. Deputies are contributing only in 37 % of self-governments, what indicate the real situation in Slovak self-governments, that several external companies without knowledge of real situation in self-government often create territory development plans. State administration offices are contributing only in 32 % of self-governments, business subjects in 29 %, non-profit organization in territory in 28 %, staff in 24 % and associations in sport and culture area in 23 %. Other subjects are contributed on plans creation in less then in 20 % of self-governments.

4. CONCLUSIONS

Classical principles of territorial development planning, which abstract from market influence and competition, are in conditions of market environment, globalization and increasing competitiveness between territories, are too little successful. As a more effective and advisable, we consider market-orientated approach – strategic marketing planning as a part of places marketing.

With regard to specifics of territory as a product and specifics of other tools of marketing mix is for strategic marketing planning necessary the participation of citizens, business subjects, deputies, non-profit organizations, several formal and non-formal associations from local self-government, which is directly responsible for territorial development.

In Slovak republic conditions, the participation of concerned subjects on territorial development with stakeholders of self-government is insufficient. The problem is an inconvenient activity from the side of local self-government orientated on support of cooperation with its stakeholders.

Self-government should try to cooperate, because subjects which are contributed in planning from identifying problems and needs through defining of vision and aims to realization of strategy are informed about changes in territory, are more opened to these changes and it's more easier for them to identify with these changes and also are more agreeable to participate on strategy realization.

In result, it conduces to higher satisfaction and loyalty. Good relationships are a condition for partnership and cooperation and these are a condition for successful realization of marketing strategy of territorial development.

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SESSION 5
MARKETING AND HEALTH INSTITUTIONS AND SOCIAL ASSISTANCE

Chaired by:
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Pablo Gutiérrez Rodríguez, *University Of León, Spain*

Health institutions and social assistance are closely related to changing social and economic factors. In this regard marketing helps gathering information on both the external and the internal environment of these two factors. Therefore, it assists in identifying major strengths, weaknesses, opportunities and threats for the health institutions and social assistance. Thus, it contributes to formulating assumptions about the future environment.

SOCIO-INDICATORS RELATED TO SOCIAL PERCEPTION OF REFORMS IN THE PUBLIC HEALTH SYSTEM. THE ROMANIAN CASE

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ABSTRACT

The paper approaches the social perception of the reform in the public health system through statistic modelling and analyses.
Based upon the general framework of the European and international activities on improving the public health policies, the structure of the first part of the paper comprises the description of the health security models, analyses for Central and Eastern European countries, SWOT analysis on the health system in Romania. The socio indicators are empirically described, taking into consideration the measurement of the medical staff opinion on the quality of the reform process.

KEY WORDS

models of public health systems, social perception, socio indicators, empirical analysis.

1. PUBLIC HEALTH SYSTEM REFORM

In the last decade of the 20th century, most Western European countries and developing countries were undergoing profound transformation of the health systems, addressing the financial, organizational and regulatory framework, the knowledge and axiological system.

 Romania joined the trend of transformation of the social and health systems, the health sector being involved in one of the most significant reform of the entire Romanian society. In that process, changes have occurred in all major subsystems composing the health system, ranging from the introduction of new mechanisms for collecting and allocating funds, to the core principles of social health insurance and the change of medical service providers' status.

1.1. *Models of health insurance systems*

In this context, in 1997, a new health insurance system was introduced by Law no. 145/1997, based on an amended version of Bismarck model. Currently some structures of the following models coexist in the Romanian health system (taking into consideration the funding of the system) (Andrei, Matei, Stancu and Andrei 2009: 17-24):

- *Semashko* model - the state social security budget (state treasury);
- *Beveridge* model - the principle of the role of "filter" (family physicians - chosen freely by patients and financed by taxes);
- *Bismarck* model - health insurance system (based on compulsory insurance bonuses, related to income).

It is worth to mention several types of social insurance systems throughout history. The most important are Bismarck-type social security system, Beveridge-type social security system, continuous flow insurance systems (Pay-As-You-Go) and systems with capital funds. In order to distinguish specific characteristics of health insurance systems, we present the following issues:

a. The *Bismarck –*type versus *Beveridge- type social security system.*

Bismarck-type social security system is named after Otto von Bismarck, Chancellor of the Second Reich. He introduced for the first time in Europe, a statutory social security system. The Chancellor is considered the creator of the first modern German state through institutional and organizational reforms initiated to address the problems caused by industrialization in Europe.

In the late eighteenth century, social protection in Europe, following a strong economic downturn was to some extent a matter of interest for state. Before, it was been limited to a rudimentary form of social assistance, based on charity and voluntary actions. In most European countries, the State involved in subsidizing and supporting the private initiatives. In 1881, Bismarck introduced a compulsory state social insurance system; in 1883 he added payments for sickness, in 1884 insurance for accidents at work and in 1889 a comprehensive scheme of pensions and disabilities. The most important remark for this system is that it is binding associated with employment contracts. The system is supported by three parties: employer, employee and state.

The system administration has developed initially through regional structures, led by tripartite arrangements. The first social insurance system covered relatively small groups of people, addressing in particular to the stable workers in factories.

Bismarck insurance system has a historical significance, being the first anti-liberal state initiative in Europe. For Bismarck, social security played the role of "red cross stations behind the capitalism front". This system bears largely the authoritarian-paternalist mark of his beliefs. This system was not motivated by the principle of social solidarity, but rather by political reasons. Bismarck's goal was to maintain the class distinctions, without social explosion, based on loyalty for monarchy.

The access to health services should be measured taking into account the individual's wish to go to the doctor, the nature/frequency of the need for consultation, the costs and limitations of the health

services (distance to the doctor, waiting time, doctor's schedule, perception concerning the need to provide gifts, etc.).

Western Europe has undertaken the Bismarck system, "becoming the alternative model to Beveridge insurance system or Anglo-Saxon system", characterized by relatively low and fixed benefits, financed from the state budget, from general taxes and charges, representing a minimal level of protection, combined often with private insurance systems.

Lord Beveridge published in 1942 a report on the state of British society, proposing to adopt a system of pensions paid from general taxes and charges, the state budget, with a constant level for all recipients. In the Beveridge system, the significant social actors - unions, employers - are not involved in any management structure and system. The Continental system represents a comprehensive protection, not accompanied by private schemes, with benefits proportional to contributions, namely the incomes.

The table presents the main characteristics in order to remark better the differences between the two insurance schemes.

	Bismarck type Insurance	**Beveridge type Insurance**
Source of financing	Social Insurance Fund - contributions of individuals in order to constitute a separate fund	State budget - financing from general taxes and charges
Administration of the fund for social security	The Fund is administered frequently in the tripartite system: state, taxpayers and beneficiaries through representatives of their associations. Unemployment: state - unions – employers Pensions: state - pensioners - employers Health: state - doctors - unions	Administration exclusively by State
Level of benefits	The benefits are linked to incomes, respectively, the level of contribution	The benefits are constant and relative low
The importance of private insurance	Low	High

b. *Continuous flow* insurance systems *(Pay-As-You-Go)* versus systems with *capital funds.*

Systems with capital funds: the contributions are invested in various economic activities generating profit.

The main advantage of these systems is that they do not depend on the dependency ratio, or demographic trend; these funds will always have money to pay pensions.

But these systems have certain disadvantages and can not cope with unanticipated post-retirement inflation.

Pay-As-You-Go s*ystems* (exceptions: the differential system of pensions, associated to contribution, Sweden and Japan). This system involves the payment of pensions from money paid by taxpayers, respectively employees.

These systems have the advantage of protecting pensions against inflation, the real value of pensions may increase in line with the economic growth, the eligibility criteria for full pension may be changed at any time, the benefit is adjusted to the present economic situation.

The main problem of these systems is the strong link with the dependency ratio and the fact that it could be in impossibility of payment.

1.2. An analysis for Central and Eastern Europe

An analysis of the health systems in Central and Eastern European countries, includes common characteristics (Roemer 1993: 91-106) which can be grouped as follows:

➢ *Status quo*

- almost all types of health services were a social right for everyone, at no cost or with very low personal expenses;
- health service delivery was the government responsibility;
- distribution of therapeutic and preventive services was essentially integrated, focusing on prevention;
- resources and health services were centrally planned as part of the general plan of the economic policy and social integration;
- final decisions on major characteristics of national health care system were taken by the central and political authorities, although local groups of citizens were able to contribute to drawing up the health policy;
- as long as resources were limited, priorities in the health system were directed in particular to the needs of industrial workers and children;
- all parts of the health system were guided and supported by a major authority - Ministry of Health and its subdivisions;
- private medical practice (and related activities) was not prohibited, but it was subject to strict regulations;
- overall activity in health care was based on scientific principles, so that non-scientific or religious, mystical practices were not theoretically allowed;
- citizens complained about:
  a. quality and access to adequate health care and medicines;
  b. secondary markets in the health sector (non-audited payments "under the table");
  c. lack of the freedom to choose your doctor;
  d. limited and poor discretion.
- Staff in health care complained about:
  a) wages under the average wage in economy;
  b) lack of doctors' freedom to be chosen by patients and lack of performance-based pay;
  c) low social status;
  d) low power in health policy making.
- service managers complained of chronic under-funding, inadequate equipment, inadequate maintenance budget, lack of independence in the functioning of health institutions and lack of freedom in pricing, contracting, investments, regulation of labour relations, etc.

➢ *Causes*

- persistence of *ideological factors*/policies inherent in socialist philosophy: the State's duty to provide health care to citizens; competition, private initiative, private property and market forces have no value in the management of health services; the legal system is not connected with the administration or the protection of individual and social health of citizens.

- *management:* economic and social macro-management inherent to Soviet style (respectively Yugoslavian style) of governments, state/party monopoly on decision making, planned supply with medicines and materials in health care, rules and standards as instruments of planning and funding of health facilities, lack of planning

and financing of the system based on analysis of health status, the hierarchical structure of government administration; the doctors are employees of government, with wages below the average wage in industry.

- *financial causes:* lack of funding the offer for health care to boost demand for health care; requiring more forces for better care and the government should invest more in new health facilities; hiring more staff in health system; chronic under-funding does not provide equipment and incentives for quality health care; poor quality of health care demands higher quality services in the secondary market; lack of finances and funding rules and standards do not permit the introduction of health programs to control non-communicable diseases, occupational diseases or unhealthy lifestyle causes health problems and disabilities.

- *structural causes:* providing primary health care through facilities related to age, sex, occupation, living place or type of illness does not allow the use of general and family practitioners in providing comprehensive care to all community members; poor quality of primary health care causes unjustified request of specialists in hospitals and reduces the time to treat acute or serious diseases, providing health care to higher privileged elites.

- *organization:* people subordinated to certain health facilities are not free to choose any health facilities and the doctors have no freedom to be chosen and paid by patients, except illegal situations on a secondary market; lack of standards and "practice guidelines "in health care and accreditation of health care providers does not to permit to assess and improve quality of activities.

- *education:* lack of practical training of general practitioners makes difficult to improve primary health care; inadequate training of epidemiologists, health service managers, health economists does not allow better management of health services.

- *information:* lack of information on the cost of health resources, labour productivity, the economic and social impact of diseases, disability and avoidable death and failure to evaluate, do not allow an efficient management of health care systems.

In health policies in Central and Eastern European countries there are many actors with different terms and objectives. Until at least the major players will not agree on their objectives and will not develop an operational platform, the health policies in those countries will remain dysfunctional.

1.3. Fundamental issues of change management in the health policies

Political mainstreaming of health reform has become easier using the methodologies of "political analysis" (Walt and Gilson 1994) and "policy mapping" (Reich 1995).

"Health policy analyses" focused on content, processes, context and "actors" involved in health policy and health care reform. Health advocates for policy change could use "Policy mapping" to understand and lead/influence the development of these policies.

Reich (1995) proposed three models of political identification and use of opportunities for change in health policies in those countries:
- model of political will;
- model political faction;
- model of political survival.

Change management in health sector could be more successful if it was divided into two phases: before decision (pre-decision), the political one and post-decision, the managerial one.

Political or pre-decision phase includes everything that creates political will and consensus or at least a sufficient domestic and international pressure to reorient health policy objectives and to implement health reform.

The managerial phase or post-decision phase is similar with the objectives and strategies of WHO initiative "Health for All".

The person who attempts to lead change during the pre-decision period of health reform will be involved in political battles, will have to negotiate, establish and break alliances, to reach compromises with the four main groups of "actors":
- foreign and international "actors" involved in health policy arena;
- governments, members of parliament, political parties, corporations, professional organizations and other authorized personnel;
- citizens and their associations;
- own and international scientific community.

The "actors" in governmental institutions have different positions, often conflicts of interests and decide percentages/amounts and types of different power. Therefore, for these "actors" different methods and tools, could be used. The actors could be bombed with proposals for change in health policy or criticized for not doing what it is necessary. The decision makers, even when not interested in health issues, could undertake certain reforms if those comply with their political survival or group interests.

1.4. *The health care system in Romania. A SWOT analysis*

Health care system in Romania until 1989, was inspired (in the late 1940s and 1950s) from the Soviet model (Semashko), but it had similarities with systems in some Western European countries – United Kingdom, or the Nordic countries.
In 1970s the system principles, many of them consistent with recommendations made by the World Health Organization, were based on prevention, management unit of the whole system, planning, free of charge and wide accessibility to health care, scientific nature of health policy and conscious participation of the population to defend their own health.
If many of these principles are hard to be criticized, some of them were used as slogans, their practical application became increasingly more difficult.

Strengths	Weaknesses
availability of skilled specialists	different degrees of technical competence for persons with the same pay level
a significant percentage of young staff, able to behave according to the new exigencies arising from the principles stipulated in	deficiencies in taking responsibilities.
availability to work over-time	low intrinsic motivation due to low capacity to differentiate between people with different outputs.
trained personnel in different areas (both in medical and other related or complementary fields), which increases the ability of	an organizational climate which does not foster teamwork.
	weak capacity to monitor how the tasks are performed at individual and department level.
	lack of continuity in the allocation of tasks
	lack of a career plan for employees and a coherent policy for training and maintaining the staff.
	presence of numerous institutions for coordination/subordination.
	lack of an integrated information system.

For the analysis of the external environment, we find out that the Ministry of Public Health (MPH) collaborates with both international bodies (World Health Organization, European institutions, the World Bank, International Monetary Fund, etc.) and with the central and local government,

professional organizations (College of Physicians of Romania, the College of Pharmacists of Romania, Order of Nurses and Midwives in Romania), with domestic and international businesses, associations legally constituted of patients and civil society.

Opportunities	Threats
• health is a field with major social impact, which can provide arguments for adopting policies	• the increase awareness of patients, the progress and diversification of diagnostic and therapeutic technologies will increase their expectations and trigger an increased demand for complex medical services; the health system must have mechanisms to ensure targeting of financial resources in the name of efficiency.
• EU membership requires the adoption of standards and recommendations, in view to increase efficiency and quality.	• free movement of persons and services enables users to contact the service providers in different countries and to change expectations.
• EU membership opens up new opportunities for project financing from European funds.	• the development of the private system represents a competitive environment for the public system.
• interest of local authorities to take some of MPH responsibilities	• free movement of persons and the facilities for employment created by Romania accession to the EU induce migration risk of specialist staff, especially the highly skilled and efficient one.
	• aging and migration of young staff. • increased costs induced by amounts to cover the treatment of rare but very serious diseases, or by policies practiced by some drug dealers.
	• lack of specific training in health care at local government level.

Concerning system decentralization, several steps could be outlined.

The main issues, in order to start the health reform, in the first phase of decentralization were as follows:
- transition from a system financed by general taxes toward a system financed by health insurance;
- transition from an integrated system to a system based on contracts, separating the funding institution and the health care provider;
- emergence of new payment modalities and introduction of competition;
- change of service delivery by emergence of medical offices.

The key moment in the *political and fiscal decentralization* was the occurrence of the Law 145/1997 on health insurance, now repealed. Promulgated in 1997, with amendments in April 1999 the law has substantiated:
- change of health care financing system;
- introduction of contracting between providers and payers;
- need for accreditation of service delivery;
- free choice of doctor.

The decision and authority relationships are complex and the number of actors is greater. The main actors who have been involved in the health care system since 1999:
- Ministry of Health, county public health directorates and institutions under its authority or coordination;
- National Health Insurance Chamber and the county health insurance chambers;
- College of Physicians of Romania at national level and county boards of doctors;
- Health care providers at different levels: primary, secondary and tertiary.

Economic decentralization in the health sector involved:
- Privatization of primary medical care offices (family and specialist ones) based on G.O. 124/1999 on the organization of medical offices;
- Medical offices and diagnostic and treatment centers set up by private initiative;

- Establishment of new hospital units by private investments;
- Privatization of distribution of pharmaceutical products.

1.5. *The international context of public health system reforms*

The World Health Organization (WHO) has achieved annual reports on the status of health systems in the world. The 2008 Report, draws attention to the needs of primary health care (PHC) "Now more than ever" (WHR 2008). The Alma Ata conference, referring to PHC, decided to tackle the health inequalities in all countries, which were political, social and economically unacceptable. 2008 Report asserts the view that "improvements in health are still deeply unequal" (WHR 2008: 3). Meanwhile, the health problems are changing due to urbanization, modernization and other factors that accelerate the transmission of contagious diseases. However, climate change and food insecurity will have a significant impact on health in coming years, creating obstacles for the implementation of effective and fair measures.

According to the public policies promoted by WHO, the 2008 Report identifies four sets of PHC reform aimed at: ensuring universal access and social protection in order to improve equity in health; reorganization of services according to the needs and expectations of the public; extending healthier communities through better public policies and reshaping health leadership for a more effective governance and active participation of key actors. These goals define essentially four sets of PHC reforms relating to:
- universal coverage reforms to improve equity in health;
- reforms of the service delivery in order to insert the individual in the heart of health systems;
- public policy reforms in view to promote and protect health in communities;
- leadership reforms in light to make reliable health authorities (WHR 2008: 10).

In view of those four sets of reforms, the Romanian authorities are making efforts to reform the national public health.

Ensuring the health represents the main purpose of a health care system. Therefore, the main goals are:
- ➤ achieving a high level of health;
- ➤ equitable distribution of health services;
- ➤ ensuring the autonomy and privacy, respect for the individual, to be beneficiary-oriented through prompt services and quality facilities.

Another objective is the fair financing, reflecting the payment ability, and not necessarily the risk of getting ill.

In June 2000, WHO released a comparative study of health systems in different countries. The results, published in World Health Report 2000, have delighted some governments, such as France, which was very well ranked, but others were angry, as Brazil, a country ranked on 125 level. The classifications are based on evaluating the proposed objectives, including those related to health insurance.

The British Medical Journal (2002) described the methods they have used for objective assessment (Evans, Tandom, Murray and Lauer 2001: 307-310). They relate to health care expenditure, adjusted according to the local prices for health insurance. The authors classified the health systems of the world according to the efficiency of changes in health spending. In other words, the WHO report in 2000, achieves specific performance criteria of public health services.

Inevitably, a number of problems occur for such a wide approach. A problem refers to the definition of the health system. As reported in World Health Report, it includes "all activities, in view to promote, restore or maintain health". The definition is welcome, as it emphasizes the importance of inter sectoral work in health promotion; unfortunately it involves a problem, since any assessment of health for a country's population does not comprise a relevant figure for "all activities".

 WHO has clearly defined the responsibility of governments for their own health systems and raised the concept of management (Saltman and Ferroussier-Davis 2000), which means playing a more active role in promoting health (McKee 1999). Secondly, it offered a useful conceptual framework, outlining the objectives of health systems. Thirdly, it stressed the need to elucidate the impact of the sanitary systems on health. However, the WHO Report has failed to give a valid answer those who ask to what extent the health system is better than another.

 EU law may have a major impact on the provision of medical services, despite the governments' attempts to maintain control on health care. The result is that in medical perspective, EU intervention can be considered randomly and sometimes ineffective. One solution is to promote an open EU health policy. Although at EU various levels it is inevitable to discuss health issues such as new public health program, there are limits on the size and speed of the EU actions. Health systems in Member States are very different as organization and funding. It is difficult for new Member States to follow a unified system. EU and especially, the latest Member States have developed their own combination of systems and modes of financing the health system. We find such a situation regarding the national health system in Romania.

2. SOCIAL PERCEPTION ON PUBLIC HEALTH SYSTEM REFORM IN ROMANIA

2.1. *Organization of research*

In order to collect data series a research has been initiated, based on statistical survey among health professionals from medical establishments in Bucharest. In view to define the sample, statistical survey techniques were used. The definition of statistical tools in the collection of statistical data is based on the following observations:

- Considering the number of family doctors, hospital doctors and the medical world personalities, we made an **observation based on statistical survey.** The criteria for defining the size of survey and definition of sample will be presented.
- In view to develop effectively statistical questionnaires, **major topics included in the strategy to reform the public health system** have been identified**.** Thus, the questionnaires comprised questions in the following priority areas of public health system:
  i.   general issues concerning the reform of the public health system;
  ii.   ministry policy in this area;
  iii. public health education;
  iv.   analysis on the non-academic behaviour of the staff in public health institutions;
  v.   research capacity of the public health system and characteristics of current activities undertaken in public health institutions;
  vi.   the questionnaires included a series of questions about some personal aspects of respondents. These features are used to develop econometric models in view to analyze some aspects of this system.
- For data collection, for the entire sample a database was defined and turned into account using the SPSS statistical program. The structure of the database was defined by the structure of questionnaire and primary and aggregate variables. The information in this database is used in order to calculate descriptive statistics and to estimate parameters of econometric models.

 Details regarding the composition of statistical research can be found in Andrei, Matei, Stancu and Andrei (2009: Ch. 2) and Andrei, Matei and Oancea (2009: 4-5)

 In order to calculate the sample size, we have used the relationship:

$$n = \frac{N \cdot (c \cdot t_\alpha)^2}{N \cdot e_r + (c \cdot t_\alpha)^2}$$

 In the above relationship we have used the following notations:

- N is the total number of doctors that is equal to 47,388, according to the National Institute of Statistics;
- c is the coefficient of variation, calculated for the distribution of doctors in relation to their age;
- e_r represents the relative error or precision of parameter estimation;
- t_α is the value of cuartila statistics t-Student for the significance threshold α .

In order to calculate the coefficient of variation in the above relationship we have used the distribution of the doctors' age. The data were available from National Statistics Institute. Under these conditions, the sample distribution was as follows:

Staff	Number of persons
Physicians	75
Doctors in hospitals	279
Doctors in clinics	53

In the questionnaire, the topic of analysis, "General issues on the reform of the public health system" included five close questions, which led to 41 primary variables.

2.2. Tools and models

In view to measure the opinion on the quality of health care reform process in the public health system an aggregate variable is defined, based on five basic features that are considering several issues related to financing the public health system, the reform process of the medical units, drug procurement, decentralization, staff recruitment and promotion policy.
Six questions were formulated on certain issues of the reform process:
 How would you rate the following aspects of the public health reform: *(Circle one option per row)*

	Very poor	Weak	Satisfactory	Good	Very good
1. Funding the public health system					
2. Reform measures in the institution where you work					
3. Drug procurement system					
4. Decentralization process of health					
5. Employment and promotion system of the medical staff with undergraduate studies					
6. Employment and promotion system of the medical staff with secondary education					

Based on questions from the questionnaire, the following four primary variables and a secondary variable were defined:
- Quality of funding the public health system (A1_1)
- Reform measures in the institution (A1_2)
- Drug procurement system (A1_3)
- Decentralization process of health (A1_4)
- System for employment and promotion of medical staff with undergraduate studies and secondary education (RPS).

 The four primary characteristics are measured on a scale with five values.
- 1 - is awarded if the public health system reform has a very low impact on the element considered;
- 2 - the impact of the reform process is poorly perceived in relation to the element considered;
- 3 - the impact is satisfactory;

- 4 - the impact of the reform process is good;
- 5 - the impact is very positive.

The aggregated variable of 1 level is calculated as an average of the primary variables defined directly on the responses to the questions from the questionnaire. In these circumstances, the aggregated variable is defined as follows:

$$RSS: P \rightarrow [1, 4]$$

The values of RSS variable are defined on the basis of the average operator applied to the primary variables:

$$RSS_i = E(A_i1\_1, ..., A_i1\_4, RPS)$$

In the above relationship, E (.) is the average operator of the values of the five primary variables, defined on the basis of the five questions in the questionnaire.

RPS is the variable in order to measure the medical staff opinion on the quality of the health care reform process, taking into consideration the employment and promotion system of medical staff with undergraduate studies and secondary education.

A high level for *RSS* variable indicates a positive perception among the medical staff on the public health reform.

We shall present a series of descriptive characteristics of variables of 1 level in order to analyze the characteristics of the reform process.

2.3. *Descriptive analysis of primary variables*

The indicators of average, variation and asymmetry, obtained for the five primary characteristics are presented in Table 1. Based on the five series of data, histograms were drawn up in charts in Figure 1. For *RPS,* a series of descriptive features of the two primary characteristics will be presented.

TABLE 1

Descriptive characteristics of variables concerning the reform on the medical staff with undergraduate studies and secondary education

	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis
a1_5	0	5	2.12	1.015	0.344	-0.488
a1_6	0	5	2.29	1.022	0.119	-0.293
RPS	0	5	2.20	0.937	0.313	-0.341

TABLE 2

Descriptive indicators for primary variables used to characterize the reform process in the public health system

	Funding the public health system (A1_1)	Reform measures in the institution (A1_2)	Drug procurement system (A1_3)	Decentralization process of health (A1_4)	Employment and promotion system of medical staff (RPS)
Mean	1.78	2.26	2.22	2.07	2.20
Median	2.00	2.00	2.00	2.00	2.00
Standard deviation	0.763	0.989	0.994	1.002	0.937
Asymmetry coefficient (Skewness)	0.664	0.268	0.245	0.043	0.313
Flattening coefficient (Kurtosis)	0.548	-0.028	-0.437	-0.238	-0.341

FIGURE 1

**Distribution of responses for measuring the opinion on characteristics
of the reform process in the public health system
Average and variance indicators**
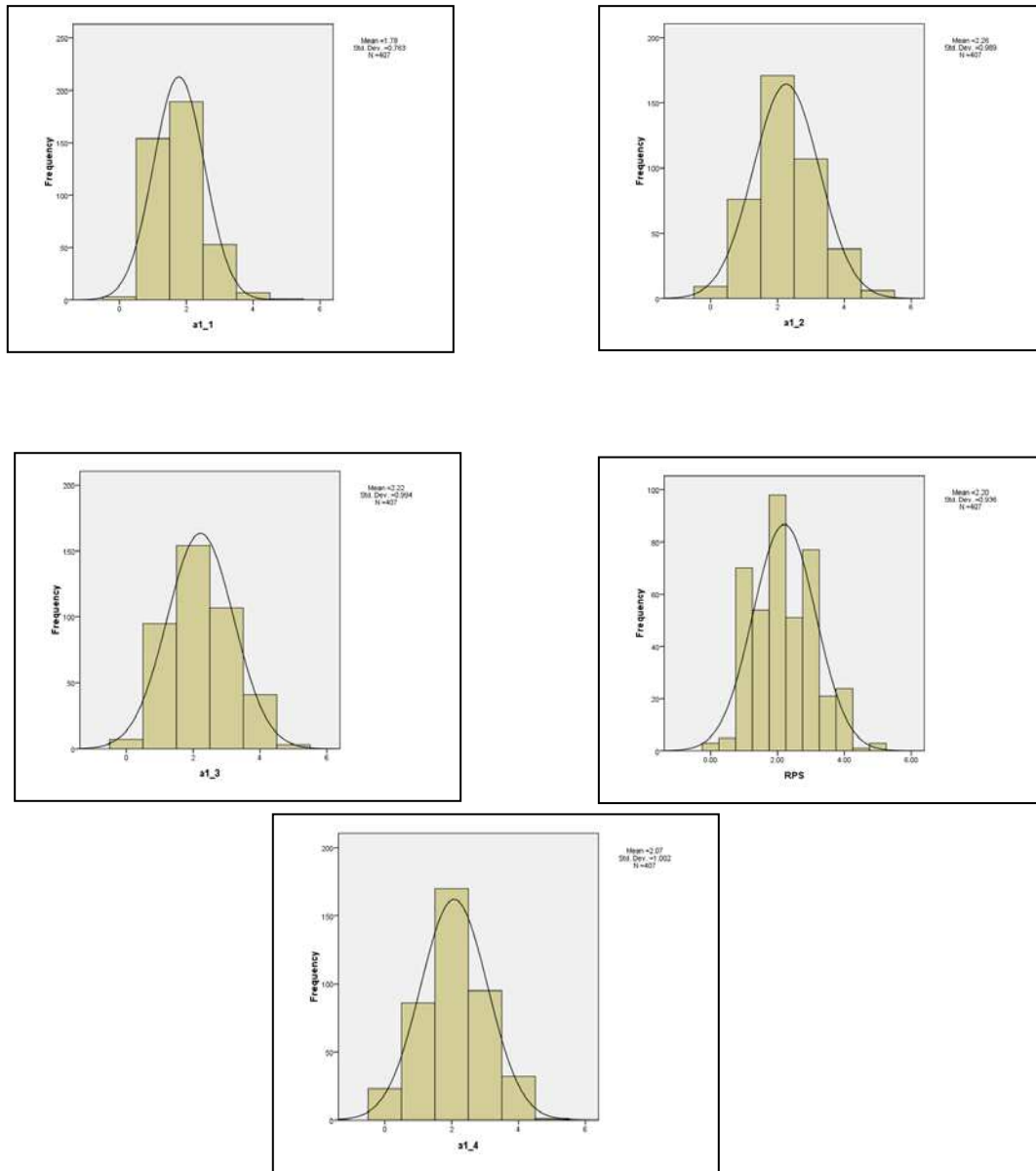
TABLE 3
Descriptive indicators of *RSS* variable

Persons	Minimum	Maximum	Average	Standard deviation	Asymmetry coefficient (Skewness)	Flattening coefficient (Kurtosis)
Total	0.00	3.83	2.124	0.666	0.401	-0.044

FIGURE 2
Distribution of *RSS* feature
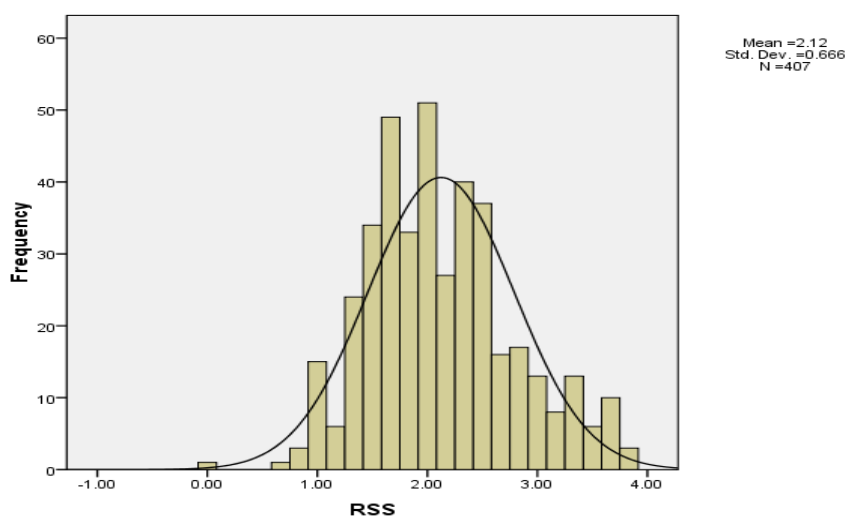
TABLE 4
Correlation matrix of the primary characteristics

	a1_1	a1_2	a1_3	a1_4	RPS
a1_1	1.000	0.345 **	0.366 **	0.276 **	0.391 **
a1_2	0.345 **	1.000	0.310 **	0.279 **	0.403 **
a1_3	0.366 **	0.310 **	1.000	0.396 **	0.406 **
a1_4	0.276 **	0.279 **	.396 **	1000	0.355 **
RPS	0.391 **	0.403 **	0.406 **	0.355 **	1.000

Note: ** Linear correlation coefficient significantly different from zero for $\alpha \leq 0,01$.

We shall analyze the differences in relation to RSS variable if the medical staff with higher education is grouped according to various characteristics. For each case, the values of descriptive indicators are presented in order to analyse the central trend, variance and shape of distribution. In order to determine whether the averages for groups have significant differences, we used ANOVA dispersion analysis method. For each case we determine the value of statistics F and the significance threshold.

TABLE 5
Differences in groups of persons by sex

Persons		Minimum	Maximum	Average	Standard deviation
By sex	M	0.00	3.83	2.204	0.666
	F	0.00	3.83	2.086	0.664

The value of statistics F, 2.77, shows that for a threshold of significance equal to 0.09, there is a significant difference between the two categories of persons. The opinion of male persons on public health reform is better compared to female persons. It must be emphasized that for the two groups of people, the opinion is quite negative on the reform process in the public health system.

TABLE 6

Differences in groups of persons by age

Age (Years)	Average	Standard deviation	Minimum value	Maximum
Under 30 years	1.85	0.572	1.00	3.67
31-40	2.12	0.632	0.83	3.83
41-50	2.21	0.720	0.83	3.83
51-60	2.18	0.708	0.00	3.83
Over 61 years	2.24	0.518	1.50	3.33
Total	2.12	0.666	0.00	3.83

The value of statistics F, 2.73 indicates that the averages differ significantly between the groups. Results are guaranteed for a significance threshold of 0.03. Moreover, perception is more negative on behalf of young persons. In all cases, the average is below three, showing a negative perception of the staff with higher education on the health care reform process in this system. Using a test of homogeneity of variances, we get that the six groups are not different. The value of statistics F is equal to 1.77.

TABLE 7
Differences in groups of persons by category of staff

Staff category	Average	Standard deviation	Minimum value	Maximum
Management position	2.4143	0.69354	1.00	3.50
Specialists	2.0653	0.61543	0.00	3.83
MD	2.1975	0.69035	0.67	3.83
Residents	1.7939	0.52112	0.83	3.00
Another category	2.2308	0.72181	1.33	3.83
Total	2.1237	0.66594	0.00	3.83

The value of statistics F, 6.22, shows that for a threshold of significance of 0.00, there are significant differences in the perception on the reform process by category of persons. In all cases the opinion is unfavourable, with two exceptions: the persons with a leadership position have a more positive perception and the residents have a negative opinion. The homogeneity test (F = 2.14 and significance threshold is 0.08) shows that the five groups are different in relation to the homogeneity degree of perception related to the characteristic considered. The most homogeneous group is the residents group. Another aspect for this variable is related to the range of values. Thus, the persons having a management position, appreciate below 3.50 and the residents below 3.00.

3. CONCLUSIONS

The following conclusions are drawn from both the empirical research and the qualitative analyses developed by several authors on the process of reforming the public health system. We are referring here to both governments and NGOs with competences in the field and experts and specialists whose concern is public health. It is worth to mention the analyses in the research project "Models of economic-financial analysis of the impact of reform measures in the public health system" funded by the National Authority for Scientific Research in Romania.

Public health system reform is complex and lengthy, involving different categories of persons. In analyzing the current reform process, we should keep in mind that changes in the health system have focused mostly *on curative interventions rather than on some integrated network of preventive,*

curative and rehabilitative services (GRASP - USAID 2004). During the nineties, the actions of all governments aimed at solving current problems rather than defining a new philosophy for the system. In these circumstances, the public health system becomes expensive and often non-functional. Most often, ineffective solutions were chosen to solve those problems in the system, both professionally, but also economically. Networks of health providers in Romania do not respond to the need to improve the health of the population.

 In the last 18 years, several measures were taken to decentralize and privatize the health services. However, currently, we witness a *fragmentation of the system,* which has increased inequality in the distribution of medical staff and a reduction of access to certain types of medical services. We note that the number of doctors per capita in rural areas is only 20% of the number in urban area. Another major shortcoming of the system is linked to the financing system and its correlation with decentralization strategies. Often decentralization seemed a way of placing the central tasks in the assignment of local government.

 Difficulties in the transition process in economy and poor quality health services available to citizens have led to a significant reduction of demographic indicators such as life expectancy, infant mortality, etc. In order to reduce costs and increase quality of the public system, an extensive reform should be achieved, considering the following key issues:

- development of those health services that take into account the citizens' requirements;
- redefinition of a rational structure of health services in the territory in order to take into account the territorial economic and social development;
- redefining quality standards to induce greater accountability at the level of medical services;
- strengthening the universal rights on access to basic services;
- defining a sound funding strategy that will lead to better use of resources in the system.

The public health system reform in Romania should take into consideration diagnostic studies as well as the trends in the EU countries:

1. In the next 50 years it is expected a growth by 30% in public health expenditures that will be allocated from GDP.

 Due to increasing the material support in these countries, people will spend more on health, which will lead to greater pressure on public health systems. The proposed solutions include the increase of insurance and compensation limits. A negative aspect of this measure is to downsize the number of insured persons, as people with low incomes are unable to pay medical insurance.

2. Universal accessibility of medical service is guaranteed in all countries of the OECD less USA.

 The principle "*treatment according to the need",* concerning the treatment by a physician, is respected in all OECD countries. Difficulties arise in providing consultation at physicians. This situation highlights an uneven distribution of health services for people with high incomes.

3. The concept of quality of a health *'product'* is difficult to be measured in economic terms.

 OECD is going to develop a system of indicators to measure with accuracy the quality of services in public health systems.

 More than 60% of the EU countries are facing increasing costs for health. Only Denmark, Spain and Luxembourg face no problems in this regard.

4. In most EU countries, the main problems encountered do not aim the financial viability of the health care system, but the effectiveness of health care and universal accessibility to citizens.

 Only in Czech Republic, Slovenia, Slovakia and Poland the health costs are at a high level. Universal accessibility poses problems in some countries due to unequal distribution of health facilities. For example, in Romania and in those countries there are significant differences between urban and provincial centers.

5. Low payment of medical staff is another problem in several EU countries.

6. Outsourcing the health services and observing the rules of market economy represent other solution adopted by other countries in light to increase efficiency of health services.

Some field papers indicate that privatization of services is an effective solution for improving the profitability of the health sector (Woolhandler 2003).

7. Adoption of new systems of financing, more flexible and efficient represents a major issue of reform processes in public health systems.
8. Developing policies to increase public confidence in the public health system is another important component of the reform process in Europe.
9. Creating an appropriate statistical system at the EU level for health and job security represents another priority at European level.

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TOWARDS VERIFYING COMMUNICATION RESEARCH IN HEALTHCARE

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ABSTRACT

On the basis of international and Hungarian studies and research results, the subject of this paper is health care, moving towards a bio-psycho-social model, meanwhile struggling with financing problems. In medical attendance, an increasing attention is paid to risk communication and user satisfaction: appropriate communication and involving patients into decisions are more and more considered as factors that assist the healing process. The aim of this study is to present a theoretical model that can serve as a basis for empirical research and combines medical behavioural approaches with economic and marketing ones, to make communication research in health care matter.

KEY WORDS

Medical services, communication, doctor-patient relationship, perceived quality

1. INTRODUCTION

The nature of doctor-patient relationship has got through remarkable changes. From the healing point of view, a shift can be perceived from the biomedical model (most important characteristics of which are: emphasis on biological reasons of diseases and on biology-based treatments, reductionism in the practice of consultations, an estranged doctor-patient relationship, doctor-and illness-centeredness) to the bio-psycho-social model (the most important characteristic of which is that not only biological, but both social and psychological factors are taken into consideration in reasoning diseases and treating patients). This means that doctors have to take this multi-aspect approach into consideration when planning therapies, which implies a more personal relationship with patients in which personality, behaviour and feelings of both sides are increasingly important (Molnár and Csabai 1994).

At the same time, changes can be seen from an economic and marketing point of view as well. Economic considerations have come to the front due (among others) to financing problems of healthcare systems even in developed countries. Interest towards economic studies and management has increased among healthcare workers, and their conscience of costs has risen compared to proceedings (Málovics et al. 2008).Medical attendance is increasingly considered as a service, which results in a greater emphasis on marketing approach, consumer behaviour and satisfaction, personalized relationship management and risk communication. A health care service is realized at a given place, according to specified technology, based on pronounced or not pronounced expectations, with a particular person, and usually cannot be repeated. That is why controlling service processes gain an increased importance (Hajnal 2005). The aim of healthcare services can be represented in different ways: as assuring of activity human resources (Kincses 2000) or as meeting the need for health, harmony, comfort, painlessness and adequate quality of life, complemented with the need for acceptance (Pikó 2004).

The development of healthcare leads increasingly to wide – ranged choice alternatives, shared responsibility between patient and physician in case of health and treatment decisions, and a higher self – management of individuals (Sihota and Lennard 2004). Both areas of changing aspects incorporate the rise of the theory and practice of doctor-patient relationship and communication. Proper communication, good doctor-patient relationship and the involvement of patients in the process of decision making about the therapy are increasingly considered as factors that may facilitate the success of the healing process and increase satisfaction.

One of the factors of doctor-patient relationship is patient compliance. It is not only one of the determinants of communication, but can also be a consequence of it. Satisfaction, perceived quality and compliance are factors that may contribute to the improvement of health outcomes, ameliorating patient safety, reducing the number of relapses, hospital admissions and more complex treatments. Within the context of financially disadvantaged healthcare, this issue is important to deal with. The aim of this paper is to give an overview of the theoretical background of doctor-patient communication and its connections (directly and, through compliance and perceived quality, indirectly) to patient outcomes, and to delineate a research model that would be the basis for an empirical research, especially within the Hungarian context.

2. DOCTOR-PATIENT RELATIONSHIP AND COMMUNICATION

The relationship between doctor and patient can be considered as a social situation, where usually two parties are present (although, often more of them: the patients' kin, the assistant or colleagues of the doctor), and the presence and activities of one party affects the other one. In this paper, the situation is examined from a patient point of view, therefore, the actual as well as the implicit presence of the doctor is to be considered. Actual presence involves how the doctor talks or looks like, while implicit presence refers to the surroundings: scientific or friendly impulses coming from the consulting or waiting room. All these affect patients' feelings, thoughts and behaviour.

The last decades saw an ever-growing interest in doctor-patient interaction, especially the importance and characteristics of communication (Boon and Stewart 1998, Kenny et al. 2009). But its analysis is exceedingly challenging, as doctor-patient relationship is one of the most complex interpersonal relationships, due to peculiarities like unbalanced power relations, lack of voluntariness (as is most

cases, using this service is a result of necessity instead of one's own gratification[1]), vital issues and therefore, strong emotional concern (Ong et al. 1995). However, disciplines of economics have neglected this topic, despite of the fact that more informed customers (being able and wishing to be involved into decisions) are increasingly important subjects of investigation. (Vick et al. 1998, own search[2]).

Communication and decision making styles in a medical setting

During the 1930's, Balint started forming groups of doctors (nowadays called Balint-groups) for discussing doctor-patient relationship-related issues. Two decades later in his book "The doctor, his patient and the illness", he provides a review of this topic that had been highly neglected before (Csabai and Molnár 1999). The sociologist Parsons was the first to conceive the concepts of doctor- and patient roles and their relation, in the 1950's. He considered this relation unambiguously asymmetric: doctors are in a dominant position by virtue of their specialist knowledge, while patients are dependent from them (Morgan 1997). A critique of this approach is formulated in Szász and Hollender's study (published in 1956), presenting a more dynamic approach to dooctor-patient relationship, distinguishing three types of it:

'Physician activity – patient passivity' type is not a real interaction in effect, as it refers to a situation where the patient is unconscious.

'Physician guidance – patient cooperation' type, which is considered to be the most common.

'Mutual participation' type, described as infrequent, where power distribution is balanced and satisfaction is needed for further cooperation (Molnár and Csabai 1994).

This model, although originates from about fifty years before, is quite similar to the practice of nowadays. Out of the early studies, that of Byrne and Long is remarkable. In the 1970's, they described an 'average' consultation, on the basis of recordings of 2500 doctor-patient consultations. According to them, consultations consist of six phases:

relationship formation
finding out why the patient attended the doctor
oral and physical examination
the doctor, the doctor and the patient, or the patient (in this order of probability) summarizes the problem
the doctor or the doctor and the patient plans the therapy or further examinations
finishing the consultation.

By analysing these phases, different types of consultations could be differentiated, set on a scale from patient-centeredness to doctor centeredness. The latter refers to situations in which doctors can be described by the intention of a fast acquisition of information, on the basis of which they set up a diagnosis for themselves, then tell the patient the further steps needed for the recovery. The other group can be characterised by trying to involve their patients actively into the decision process, giving ground to their opinions, fantasies and ideas, and understanding the patients rather than refusing them (Brown et al. 2006). Moreover, the researchers appointed that consultation style is determined by doctors' own characteristics, rather then patient-related or contextual factors – meaning that doctor-specific consultation styles exist (Molnár and Csabai 1994). This conclusion is well illustrated by the doctor-drug metaphor, according to which the most common drug in general practice is the doctor himself. This means that not only actual drugs are important, but the way and atmosphere in which it is prescribed or given to patients as well. Therefore, there is a need to describe the 'pharmacology' of this special drug (Balint 2000).

If we examine decision making on the basis of communication styles, we can distinguish three models. Literature distinguishes three basic types of decision making styles (Table 1).

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[1] Although, research has identified several cases in which even doctors cannot be certain why patients attended them, and patients themselves are not aware of their own expectations (Málovics et al 2009).
[2] A research in the titles of articles of Journal of Health Economics with keywords „communication" and „relationship" only resulted in a couple of findings.

Paternalistic decision making is a peculiarity of doctor-centred communication: it is the doctor who makes the decision, then tells it to the patient. *Shared decision* is „an interesting blend of the humanistic medical philosophy of patient – centeredness and a newly resurgent and ever-growing consumerism" (Gwyn et al. 1999: 439.) – it describes decisions shared between the doctor and patient and informed by best evidence, not only about risks and benefits, but also patient specific characteristics and values (Towle and Godolphin 1999). As a result of this, the development of healthcare leads increasingly to wide – ranged choice alternatives, shared responsibility between patient and physician in case of health and treatment decisions, and a higher self – management of individuals (Sihota and Lennard 2004). *Informative style* describes decisions that are made by patients, on the basis of information given by the doctor.

TABLE 1
Decision making styles and their characteristics on the basis of doctor-patient communication

	Paternalistic decision	**Shared decision**	**Informative decision**
Direction of information flow	(mainly) one-way doctor → patient	two-way doctor ↔ patient	(mainly) one-way doctor → patient
Type of information	medical	medical and personal	medical
Quantity of information	minimal	maximal (anything relevant)	maximal (anything relevant)
Who considers information?	doctor (possibly with other doctors)	doctor and patient (possibly involving others)	doctor and patient (possibly involving others)
Who makes the decision?	doctor	doctor and patient together	patient
Main tasks of patients	compliance	providing information, revealing preferences, participation in decision making	decision making
Main tasks of doctors	professional advice, decision making	providing information, considering patients' preferences, invollving patient	providing information

Source: Own construction on the basis of Brown et al 2006 and Elwyn at al 1999.

Naturally, it is important to mention that there are a number of situations – emergencies, for example – when there is no possibility for considering which decision making style to choose. However, when there is the possibility, according to Klemperer (Málovics et al. 2009), only a few patients require the paternalistic or the informative model. Most of them would need more information and involvement in the decision about the therapy. As Elwyn (in Haes 2006) sets out, shared decision is appropriate when there are several options with possibly different, but similarly adequate outcomes. At the same time, it is worth noticing a result of Ommen et al (2008), according to which preferences for paternalism and participation do not necessarily exclude each other.

Despite the wide range of literature on communication and decision making and policy intentions to involve patients into decision making, little research has been made in connection with patient preferences for their own roles in consultations (Thompson 2007).

Other relevant factors of communication

Although research has proven that doctors' own style is one of the most important factors of relationship formation, there are several other factors that are worth reviewing: information asymmetry, trust, attribution, communication skills, institutional and social factors.

Arising from relationship roles, there is information asymmetry between doctor and patient. Patients, being lay in most cases, cannot measure or find out what real professional competencies the doctor has, while doctors cannot easily assess patient preferences or expectations.

Trust is a largely important component of doctor-patient relationship. According to one of its definitions, it means that one believes that another person from whom one is dependent won't act in a way that hurts one's concerns (Fiske 2006). In doctor-patient relationships (although decreasingly), doctors are in a dominant, while patients are in a dependent role. Patients' trust can have a large effect

on compliance as well as on the reduction of perceived risk, as the more one trusts in the communicator, the lower perceived risk can be. Perceived control may have the same effect on risk perception (Friedman and Silver 2006).

Attribution may play an important role in understanding patient preferences for decision making. Decision (and therefore responsibility) delegation to the doctor may be due to external attribution – the wish to make the doctor responsible for a possible failure.

Communication skills naturally are important in communication – in our case, it is strongly connected to health literacy, which refers to the individual's ability to obtain, evaluate and understand health-related information (Hulsman et al. 2005). Understanding information received from a medical worker is important independently from the form of decision making.

Besides individual traits, social level phenomena are important as well. An increase in the use of medical services in order to reduce fear and to increase perceived control results in a higher level of dependency and rendition and decreasing individual autonomy. During this process, the individual's health behaviour and responsibility changes (Füzesi and Lampek 2007).

Compliance

The role of compliance (and that of non-compliance as well) is frequently mentioned in the literature regarding doctor-patient relationship and the success of the healing process. It is reported to be in relation not only with patient safety, but health system effectiveness, health costs and the health of populations as well (WHO 2003). As the percentage of patients who does not adhere to the instructions varies between 20% and 80% (Paes, Bakker and Soe-Agnie 1998), it is evident that this problem is relevant and has to be dealt with. According to the literature, it is not evident how the concept "compliance" (in relation with health situations) can be interpreted. In addition, different ideas can be used for different health situations. In a survey about differentiating the concepts of compliance and persistence, the authors determined the meaning of (medication) compliance as it "refers to the act of conforming to the recommendations made by the provider with respect to timing, dosage, and frequency of medication taking; therefore, medication compliance may be defined as the extent to which patient acts in accordance with the prescribed interval and dose of a dosing regimen" (Camer et al. 2007: 3). These authors have also stated that compliance is the synonym of the concept of adherence. Contrarily, the World Health Organization (WHO 2003), in its paper about adherence in long-term therapies attracts attention to the fact that these two concepts are not necessarily the same. Regarding its definition of adherence, it is "the extent, to which a person's behaviour – taking medication, following a diet, and/or executing lifestyle changes, corresponds with agreed recommendations from a healthcare provider" (WHO 2003: 3).The difference between adherence and compliance is the agreement: adherence refers to recommendations in connection with there has been an agreement between doctor and patient; while the definition of compliance does not contain it (WHO 2003).

We agree with the conception that patients should be active partners with health professionals in their own care and that there should be an agreement about the therapy; however, we think that meeting the expectations of medical recommendations is an important factor in the outcomes mentioned above, regardless of the degree of a preliminary agreement. That is why we will not differentiate between compliance and adherence – however, naturally, it is acknowledged that the accordance on the therapy may have significant effects on subsequent compliance as well.

Therefore, we use the term "compliance" referring to "the extent, to which a person's behaviour – taking medication, following a diet, and/or executing lifestyle changes corresponds with recommendations from a healthcare provider", and consider agreement between doctor and patient an important factor in the extent of actual compliance.

It has been recognized that patients do not follow the recommendations and instructions for the use of their medications long ago (Paes, Bakker and Soe-Agnie 1998). Problems of non-compliance (most frequently, but not always in connection with medications) and measuring compliance have been an

important issue for several decades – for example, a study in the 1970's dealt with the question of patients taking little of the treatments prescribed for them and claiming that non-compliance had been a subject of several reviews at that time (Chaput de Saintogne 1977).

There are several methods used to measure patient compliance, which results in quite different estimated degrees of compliance. There are direct measures, like observation, biological assays and the use of markers, and indirect ones, like interview, pill counts, clinical response and use of medical monitors – but none of these methods is totally reliable and besides, they probably measure different kinds of behaviour. As mentioned above, the percentage of patients who does not adhere to the instructions varies on a large scale; according to WHO (2003) or Young and Oppenheimer (2006), in developed countries, adherence to long term therapies in the general population is around only 50% and is much lower in developing countries – this statement denotes that compliance is always measured for a more concrete situation (e. g. long term therapies or medication taking), but also indicates a high proportion of non-compliance, which is substantial if we consider its multiple impacts.

Compliance is a multidimensional phenomenon; it can be determined by six factors (Figure 1).

FIGURE 1
The dimensions of compliance
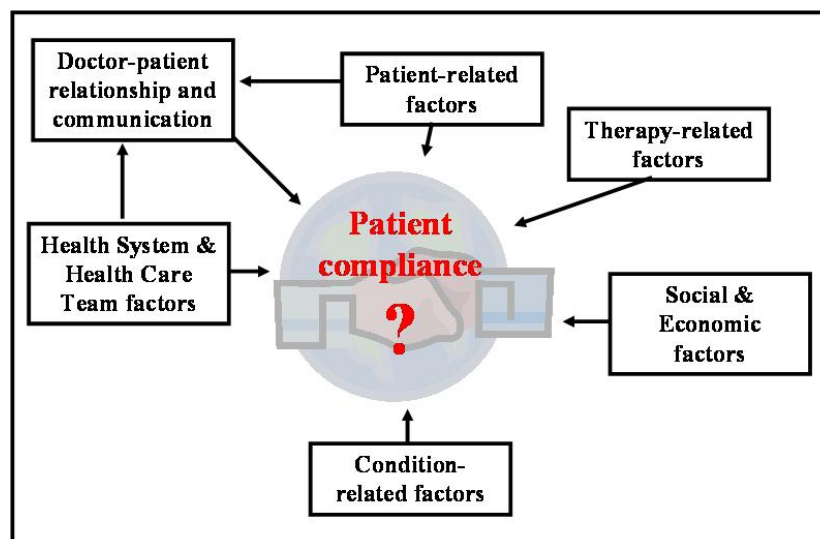
Source: Own construction on the basis of WHO (2003) and Molnár and Csabai (1994).

Social and economic factors (like poverty, illiteracy, low level of education, unemployment, high cost of medication or culture) have not consistently been found to be a predictor of adherence; their effect may be more essential in developing countries. As for health-care team and system-related factors, such as knowledge and training for health care providers, overworked health providers, the level of incentives and feedback on performance, or the capacity of the system to educate patients and provide follow-up, little research has been made, none the less, they are also considered to be factors that affect adherence. Condition-related factors include particular illness-related demands faced by the patient (severity of symptoms, level of disability, rate of progression), and their impact depends on how they influence patients' risk perception, the importance of following treatment and the priority placed on adherence. Under therapy-related factors, the complexity of medical regimen, duration of treatment, previous treatment failures, changes, the immediacy of beneficial effects and side effects can be understood. Patient-related factors represent the resources, knowledge, attitudes, beliefs, perceptions and expectations of the patient (WHO 2003).

According to Molnár and Csabai (1994), research show that compliance is not dependent from any stable personality factors – these rather determine patients' general approach to health and illness or perceived control over his/her own health status. They claim the quality of the doctor-patient relationship and the patient's satisfaction with it as the most important factors determining

compliance. Placing these elements in the concept of the WHO in our opinion is best realized if relationship and communication are considered to be a separate factor, depending both from the provider (provider behaviour being part of health care team factors) and patient-related factors.

As seen, several respects of patient compliance are affected by factors that evolve in the consulting room. Acknowledging the serious effects of non-compliance and that compliance may be influenced by proper risk communication and doctor-patient relationship supports the intention of examining this topic from a marketing – and – psychology point of view.

3. CONNECTIONS BETWEEN COMMUNICATION AND HEALTH OUTCOMES

In order to confirm the need for communication research in healthcare, its effect on measurable outcomes needs to be explored. This connection is one of the most interesting, but least understood area of health communication. Research linking health communication to outcomes is often realized by either RCTs (randomized controlled trials) or cross-sectional, descriptive studies. Various features of patient-centred communication have been found to correlate with objective health outcomes in several studies – although, other studies have not found such correlation. For a research of this type, it is essential to define what kinds of outcomes are to be measured: physical health status (pain or other symptoms, test results) or psychosocial health status (cognitive and affective status of patients) (Street et al. 2009). These kinds of states are possible to measure objectively or subjectively. Other outcomes like relapses or satisfaction are also possible to measure (Di Blasi et al. 2001).

Communication can have direct or indirect effect on outcomes. However, it is not unambiguous what factors can be considered as final outcomes – a good example for this is satisfaction, being intermediate in some studies, while final outcome in others. Figure 2 shows a theoretical model of pathways linking communication and outcomes. According to this, three elements of doctor communication may contribute to (objectively measurable) outcomes. Cognitive care is a tool of doctors with which he or she may affect patients' thoughts about the possible effects and consequences of a disease or treatment, or expectations. Affective care refers to behaviour with which doctors try to reduce unhelpful feelings, like superfluous anxiety. Support, sympathy or reassurance also belong here. Cognitive and affective care affect patients in an interwoven way.

FIGURE 2
Connections between medical communication and health outcomes
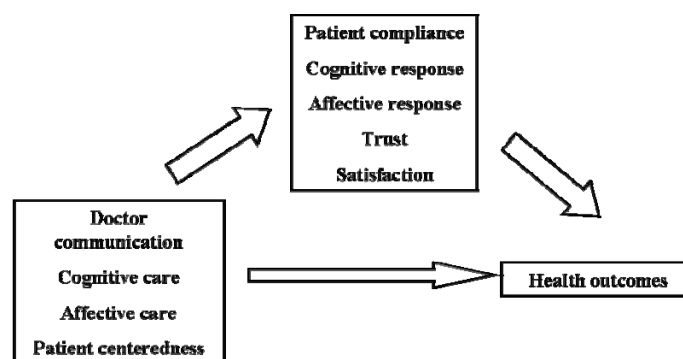
Source: own construction on the basis of Di Blasi et al. (2001) and Street et al. (2009).

As mentioned before, there is an inconsistency in the findings of both RCTs and cross-sectional descriptive studies. There are many of them which could confirm that communication, independently from the quality of the actual therapy, have an effect on health status (Little et al. 2001, Di Blasi et al. 2001), however, others could not (Mead and Bower 2002, Di Blasi et al. 2001). We must acknowledge that there are several limitations of communication research.

- Most of the research is correlational, causal explanation can only be inferred.
- It remains unclear which elements of communication are associated with specific outcomes.
- Researchers rarely address or acknowledge the need to situate doctor-patient communication within a broader context of psychological, personal and social determinants of health.
- Different operational and conceptual definitions of the variables to be measured are problematic (Street et al. 2009).

Due to these difficulties, research needs to address causal explanations for pathways linking communication and outcomes (instead of simple descriptives), considering contextual effects as well (Street et al. 2009, Epstein 2006, di Blasi et al. 2001).

The effect of communication on compliance

As mentioned before, doctor-patient relationship and satisfaction with it can be a key component of compliance (Molnár and Csabai 1994). According to the Gfk LHS Healthcare (2007), parties need to be co-ordinates and make shared decisions in order to facilitate patient compliance, as this is the case where most information is delivered to him or her. This statement suggests that paternalistic communication – as it involves only a minimal level of information – lead to a lower level of compliance. Although we agree with the idea that for many patients, complete information and involvement is ideal to result higher compliance, however, it is worth reconsidering that not necessarily complete information, but information tailored to patient needs is ideal. Remarkable although a Hungarian experiment result in which patients having to take medicine for a week were investigated. Medicine was simply prescribed to the control group and asked to attend the doctor one week later. In the experiment group, the difference was that an assistant called them two days later after the consultation, asking about their well-being and possible problems of taking the medication. In the control group, he rate of compliance with medication- was 23,7 per cent, while 92,1 per cent in the experiment group (Gfk LHS Healthcare 2007).

Presenting risk information belongs to the unit of relationship and communication – it refers to how patients get information about adverse affects that may occur if adhering to the recommendations of the provider (side effects of medications, most importantly). According to a research on this topic, informing patients of actual percentages risk of adverse effects was is associated less fear about them, and a greater intent to comply with prescribed regiments, compared to verbal descriptions with semantic terminology (e.g. some people may experience…) (Young and Oppenheimer 2006). This phenomenon can be explained by the Prospect Theory, establishing that people tend to give too much weight to small probabilities, and too little weight to larger probabilities, leading to believe that the likelihood of an uncommon event is higher than it is actually. Besides, not only framing, but other factors and biases considerably affect perceived risk as well: representativeness, availability, attribution or whether the outcome "can happen to me". Trust in the one who communicates risks is also a key element in risk perception (Kahneman, Slovic and Tversky 1982).

The effect of communication on perceived quality

As Epstein (2006: 273) formulates, „patients notice different things than physicians. They notice when physicians seem caring, interested, attentive and present. They notice respect, accommodation, flexibility, and understanding. They notice when the physician's tone of voice seems confident, but interestingly, assign different values to self-confidence depending on whether the physician is a surgeon… or a primary care doctor… Patients notice their physician's overall style.

As healthcare is a (special) service, the problem of defining quality arises here: quality means different things to patients than to doctors, and to different patients. The system of medical services concerns all citizens and determines the whole society, where every single person is a potential consumer (Hajnal 2005). But patients are not the only users: Table 2 shows the possible users, service used by them and expectations.

TABLE 2
Users and their expectations in healthcare

	User	Service used	Need/expectation
External users/clients	a healthy person	prevention	preserving health
	patient	general practice specialist care emergency care	health restoration improvement of health status
	kin of patients	counselling legal advocacy hotel service	appropriate care of kin
	society	screening prevention care in a given region	decrease in morbidity and mortality rates fair care
	owner, maintainer	account of management	economical functioning increase of prestige attraction of patients
	angel	the whole service account information	keeping the budget appropriate accounts
	supervisor	bearing review	prudent functioning
	other medical institution	special care diagnostics	appropriate service
Internal users	employees (e.g. doctors)	complementary services (e.g. laboratory)	appropriate complementary service
	Co-divisions	consultation care	immediate and professional measures
	co-operating independent medical services	complementary medical and infrastructural measures	uninterrupted professional cooperation

Source: Hajnal 2005.

The subjects of this paper are predominantly patients (as external users), in the context of their relationship with doctors (as internal users).

Thus, quality means different things to different users. However, generally and figuratively it can be defined as an expectation of the gap between goals and outcomes (the gap between expectations and perceptions). With this definition, we have not precluded the possibility of taking different concerns into consideration (Santiago et al. 2008). At the medical encounter, this problem is unambiguously present.

Two types of quality can be differentiated at services: technical and functional quality. Technical quality in the healthcare environment can be defined primarily on the basis of the technical accuracy of the diagnoses and procedures. But due to information asymmetry, patients usually cannot assess the functional quality of the medical service. It is functinal quality, defined as the manner in which the service is delivered to the patient, which is the primary determinant of patients' quality perceptions (Babakus and Mangold 1991).

4. THE ROLE AND EFFECTS OF COMPLIANCE

Compliance does not only have individual consequences, but social ones as well. The lack of compliance with prescribed medication regiments results in rising health care costs and adverse clinical outcomes such as increased morbidity and mortality rates. In the United States, 125,000 deaths per year, 10% of hospital admissions, and up to 23% of nursing home admissions each year could be avoided if people took their medications as prescribed – it costs $100 billion a year (Young and Oppenheimer 2006). In addition, this number would probably be much higher if we included other types of non-compliance (like not achieving recommended lifestyle changes, the proportion of which can even be higher, even the double of not taking medications – according to Molnár and Csabai (1994) – but naturally, its effects are largely difficult to estimate.

Lack of compliance may entail costs of new symptoms, relapses or side-effects. Moreover, buying but not taking drugs itself is a cost, the same as not attending the doctor at a pre-arranged time. When drugs are not bought or consultations are not pre-arranged, costs decrease (if complications do not occur). From a strictly economic point of view, the severity of illness, the price of medications, and the doctor's opportunity cost determine whether these savings can outweigh costs of a growing level of morbidity. As direct costs of communication, that of the lack of compliance is largely difficult to measure.

Two basic methods are used in the research of the effects of compliance: considering hospitalization costs, and considering widespread costs. Calculating hospitalization costs usually happen in one of the two methods: either multiplying days spent in a hospital due to non-compliance with costs of one day spent at a hospital, or multiplying non-compliance rates (obtained from the literature) with aggregate healthcare costs of a given country.

Accordingly, a higher degree of compliance not only has a positive impact on health status, but it confers economic benefits as well (direct savings generated by reduced use of sophisticated end expensive health services needed in case of disease exacerbation, crisis or relapse; indirect savings attributable to the enhancement or preservation of the quality of life). Improving adherence also enhances patient safety through a decreased number of relapses, lower risk of dependence, abstinence and rebound effect, reduced risk of developing resistance to therapies, and decreased risk of toxicity. In addition, "increasing the effectiveness of adherence interventions might have a far greater impact on the health of the population than any improvement in specific medical treatments" (WHO 2003).

5. THEORETICAL MODEL

On the basis of the literature, we have designed a theoretical and research model, placing doctor-patient communication in the context of service quality. Figure 3 shows this process from the point of view of the two actors to be investigated.

FIGURE 3
The process of the conception of healthcare quality

Source: own construction.
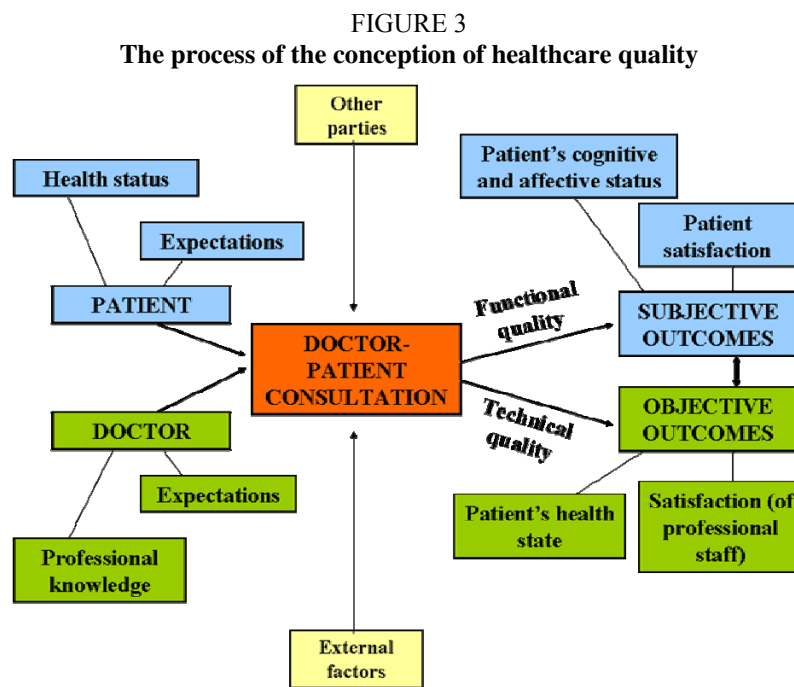
Besides their medical problem, patients bring their expectations to the consultation. Doctors take every patient with their professional knowledge as well as their expectations for patients and the institution. The actual consultation is not only affected by expectations, but by other, external factors as well (kin of patients, social and economic backgrounds of actors, etc.). The two parties have different perceptions of the quality of the service. Doctors are able to assess technical quality – the quality of procedures and professional decisions, while patients consider the context of the consultation. Functional quality, then affects subjective outcomes, such as cognitive and affective well-being and satisfaction of patients. Technical quality is responsible for objective outcomes, for example the time needed for recovery or the probability of relapse. However, objective and subjective outcomes are not independent from each other – the main point of this study is that objective outcomes are not only affected by technical quality, but may be affected by the very consultation, through functional quality and subjective outcomes. Figure 4 shows the central step of the process.

FIGURE 4
The consultation and factors affecting it
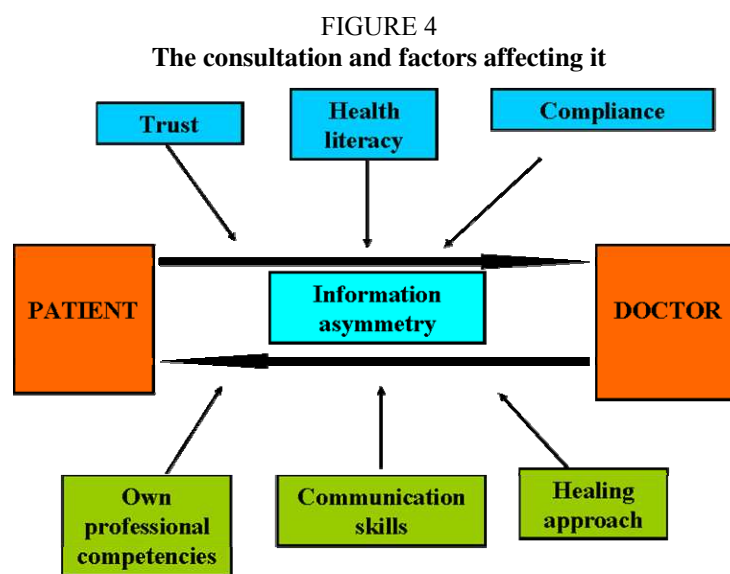
Source: Own construction.

Factors seen on Figure 4 affect communication through the two parties. There is information asymmetry between them (which basically is the reason for the difference between technical and functional quality). The way patients communicate with doctors can be affected by the level of trust (understood not only in connection with the doctor, but as a system-level trust as well), which can be a consequence of former experiences of the patient himself or herself or those of their acquaintances, or even the media. Health literacy is another important factor in patient communication, as well as his or her communication skills and the willingness for compliance. The way doctors communicate with their patients, according to our model, is affected by their professional competencies, their healing approach (whether they are doctor- or patient-centred, what kind of cognitive and emotional care they are able to provide), and their communication skills.

The models presented above in our opinion may serve as a synthesis for the theoretical background of doctor-patient communication, as well as a basis for empirical research in the future.

6. CONCLUSIONS

Acknowledging the importance of doctor-patient communication has contributed to a gradual change in doctor-patient relationship. Conventional, paternalistic type of communication is being replaced by more patient-centred approach; patient satisfaction is largely affected by doctor-patient communication (Pilling 2004).

At the same time, although the importance of communication is more and more widely acknowledged, communication research has several limitations. The most important of these may be the difficulties in determining causal relations between communication and outcomes. On the other hand, there are several methods for assessing the effects of (non)compliance.

With our model, developed at a theoretical basis, we intend to conduct an empirical research, both with qualitative and quantitative methods, in order to explore the features of Hungarian healthcare system and (potential) patients' need for communication in the consulting room.

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THE MAIN INDICATORS USED IN THE FINANCING OF THE CONSTANTA COUNTY CLINIC EMERGENCY HOSPITAL

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ABSTRACT

The DIAGNOSIS RELATED GROUPS (DRG) system is only an instrument that can be used for the assessment of the activity results of hospitals and for their financing.

In order to implement the DRG system the first step must always be to define the health policies and the aims in view. The second step is to select and apply the DRG system based on the desired purposes and the tender spots of the chosen pattern.

The DRG financing may be made either retrospectively or prospectively depending on how one desire to share the financial risk between creditor and hospital.

The hospital implements the DRG classification in order to obtain a better image of its results and to compare same with other hospitals results.

1. INTRODUCTION

The main objective of a sanitary system is to ensure the population health condition and the equitable distribution of medical assistance services. It comprises al the activities whose purpose is to promote, re-establish and maintain heath. At the same time a sanitary system should meet the population expectations, which implies the respect for the individual (autonomy and confidentiality) and client orientation (prompt services and equipment quality).

In order to achieve these objectives the sanitary system financing necessity appears which reflects the payment capacity and not necessarily the population's falling ill risk.

Having in view the modality the sanitary system is financed by, we distinguish the following three patterns:

- The *Semashko* pattern - financing from the state social insurance budget (the State Treasury);
- The *Beveridge* pattern - financing based on the principle of the "filter" role (played by the family doctors freely chosen by patients and financed by means of taxes);
- The *Bismarck* pattern - financing through the health social insurance (based on compulsory insurance rates ,depending on incomes)

In 1997 Romania implemented a new health system based on a modified version of the Bismarck pattern. The health social insurances represent the main financing system for our country population health.

In Romania, the health social insurances are compulsory and function based on the solidarity and subsidiary principle as regards the collecting and using of funds as well as the right of the insurers to freely choose the doctor, the health entity and the health insurance house. The Unique Social Health Insurance Fund is created from the contribution of the employees, the natural and corporate bodies employing personnel, from the state budget subsidies as well as other sources (local budget and personal incomes). The management of the Unique Social Health Insurance Fund is made through the agency of the National Health Insurance House.

The increase of the autonomy of the health service stimulates the medical services competition and quality. The privatisation of the primary medical assistance system and payment of the service suppliers and the family doctors in accordance with the activity carried out, brought about a major modification of the health system whose effects were also felt by the bedded sanitary units.

The hospital services are among the most expensive services agreed among the insurance houses, the service suppliers and insurers.

In order to comply with a budget which often implies financial limitations too, beginning on 01 January 2003, in Romania a new system for the allotment of funds to hospitals has been used based on the hospital characteristics and the patient pathology treated by every hospital. The suggested financing system will use a method- tested and used in many developed countries- based on the Diagnosis Related Groups (DRG) system.

The hospitals financing modality varies depending on the hospital type, the main types being: tariff per hospitalised day and tariff per diagnosis related groups.

2. THE DRG CLASSIFICATION SYSTEM USED IN ROMANIA REGARDING HOSPITALS FINANCING

The DRG classification system represents as the name also shows, a patients classes and sub-classes classification scheme based on the diagnosis. By comparison with other systems, this system uses additional classification criteria, namely the cost of resources consumed for the care of the patient. In this way, by the DRG system, patients may be simultaneously classified both according to their pathology and the cost of their medical care, which provides the possibility to associate the types of patients with the incurred hospital expenses. This system was developed in the 70"s in the USA, at Yale University by a group of doctors, economists and statisticians who tried to imagine a system for the evaluation of the hospitals results.

By means of the DRG system the characteristics of each discharged from hospital patient are analysed (age, sex, hospitalisation period, main and secondary diagnosis, procedures, condition when discharged, birth weight (in the case of new-borns), and according to this the patients are classified in a distinct category (a DRG).

The DRG system creates an image of the hospital results the DRGs being created according to the standardisation of the hospital results (results expressed in terms of discharged from hospital patients, homogenised inside these groups) in opposition with the aphorism "*there is no disease but illed persons*".

We point out two main characteristics of the DRGs, namely on the one hand from medical point of view - the clinical homogeneity, namely in a certain DRG the cases (patients) are similar from the clinical point of view but not identical and on the other hand from economic point of view regarding the cost homogeneity, that is every DRG contains cases that need a similar resources consumption.

Initially, Romania used the classification system of the USA called HCFA DRG v.18 but in October 2005, The Health Ministry acquired (after an agreement entered into with the Australia Government) the classification system of Australia, AR-DRG v.5. According to this agreement, Romania may use the AR-DRG v.5 system for five years and can use it as starting basis for the development of a Romanian DRG classification system. The Australia AR-DRG classification system has more DRGs, better covers the clinical pathology and is complementary to the diagnosis encoding system and the procedures used in this moment in Romania.

The DRG system implementation in Romania had from the very beginning a more wider scope than the one to change the hospitals financing modality, including the systematic collecting of information with regard to the hospital activity and the use thereof in the decisions regarding the reforms of the sanitary system with a view to increasing efficiency, quality and efficacy of the medical care services offered to the hospitalised patients. One of the main objectives was the calculation of the costs per patient, based on the electronic registration of the patient data and grouping them in DRG, which was for the first time achieved in Romania for a small number of patients.

How can hospitals be financed based on DRG system? For every patient discharged from hospital and sent into a diagnosis group, a tariff was established that would be paid to the hospital irrespective of the resources consumed with the relevant patient. From this moment, one can say that an intervention over results at the hospital level is made in the sense that hospitals will modify their activity with a view to gaining an increased income.

In order to use the DRG system in financing the hospitals, once the patients have been classified in DRG, two more steps are necessary:

- establishing relative values of the tariffs for every DRG based on the costs adjacent to patients for the relevant group and used for all hospitals participating in the financing scheme;
- allotting the budgets designated to the hospital assistance to hospitals, starting from the number and type of patients discharged (the case-mix of every hospital) and the tariff list for every DRG.

By DRG financing, the hospitals that will have higher costs than the established tariff for a certain DRG will lose resources at that patient category, and the one with lower costs than the established tariff for a certain DRG will gain resources at that patient category.

As a total, the hospitals are stimulated to keep the costs at a lower level than the tariffs per every type of patient, in order to be able to save resources and use them for the development and improvement of the service quality.

The financing based on DRG can be made retrospectively (reimbursement of the hospital for every type of discharged patient), or prospectively (establishment of a global budget based on the negotiation of the number and type of patients to be hospitalised).

Choosing one of these modalities depends on how one wants to share the financial risk between Lender and hospital.

The hospital implements the DRG classification in order to have a better view of its results and to be able to make comparisons with the results of other hospitals. At the same time the DRG classification is an instrument useful to the hospital for the increase of efficiency by identifying resources necessary to every type of patient in the process of improving the quality of supplied services by evaluation of

quality and defining practical patterns in the shaping of activity and the hospital structure (personnel, departments etc.) and the performance of a management based on results and not on resources or processes The DRG financing is one of the type "*money follows the patient*". In the same way the hospitals with many patients and with a complex pathology will receive more resources and those with fewer patients will have less resource. In this way, the allotment of financial resources is based on the hospital results and less on their structure.

The DRG finance allows the hospitals to clearly emphasise the type of patients and the resources attracted for them, and by comparison with the necessary costs, a higher efficiency functioning frame is generated (the savings made being preserved at the hospital level).

By this system the hospitals may know their type of patients for which they lose resources and interfere in the processes that are being carried on in order to reduce the expenses as well as the patients that are a financial benefit for them and try to attract as many patients of this type as possible.

The sensitive aspects that have to be monitored in order to achieve this purpose are:

- The management autonomy – the problem is whether the hospital managers will have the power and motivation to intervene with a view to increasing efficiency; we also have to have in view the doctors on probation and residency that help some hospitals to be more efficient, the activity of the University of Medicine and Pharmacy teaching staff who are not employed by the hospital (or partially) etc.;
- The hospital management responsibility – the problem is who would be responsible in case unpopular measures are taken (but not unfavourable for the patients) in order to increase efficiency of the hospital, or if decision is taken to close some services that incur losses but with a great communitary impact;
- The profit/loss report of the hospitals - regulations must be made in respect of the management of the profit generated by an increase of efficiency and the management of the hospitals that incur losses;
- The quality of the supplied services – there is the tendency for some hospitals, in order to have short term benefits, to ignore the service quality with a view to increasing the technical efficiency; in this way unless the service quality is monitored by the DRG system – one can reach the extreme according to which *"one dies in hospital but one dies more efficiently"*.

3. THE CONSTANTA COUNTY CLINIC EMERGENCY HOSPITAL FINANCING BASED ON DRG SYSTEM

According to Law no. 95/2006, the normative deed updating the organisation and functioning of the sanitary system in Romania, the Constanta County Clinical Emergency Hospital, according to art. 86 falls under the category of "emergency county hospitals – a hospital existing under the residence of a county holding the competencies and human and material resources necessary to ensure the definitive emergency medical care for the majority of the cases coming from the respective county and that cannot be definitively treated locally, in town or municipal hospitals or in permanence centres in accordance with the protocols in force."

The Constanta County Clinical Emergency Hospital is a corporate body accredited by the Public Health Ministry and was established in 1969. It has a capacity of 1,360 beds for continuous hospitalisation (representing 63% of the number of beds of the Constanta municipal public hospitals) and 68 beds for day hospitalisation and serves a population of 700,000 inhabitants.

The Constanta County Clinical Emergency Hospital is structured into 34 medical sections and 12 compartments with 26 clinical medical specializations. Out of the 1,360 beds, 62% are beds related to the medical specializations and 38% are beds related to the surgical specializations. Beside the bedded sections, the hospital organisation chart still comprises 7 laboratories, 3 pharmacies, and a policlinic with 43 medical cabinets for adults and children and 11 administrative departments.

The high performance equipment of the Constanta County Clinical Emergency Hospital includes devices such as: density gradients separator (for pancreatic cells transplants) one Magnetic Resonance

apparatus, 2 Computer Tomography devices – Phillips trade mark, radiological images digital devices as well as echo-graph   devices of high performance.

The hospital also has an almost 200 computer network and an integrated IT system is implemented among all sections and the medical and administrative compartments (the HIPOCRAT system, nationally implemented).

The main activity of the hospital is the supply of medical services as continuous hospitalisation (a type of admittance to hospital whereby curative and recovery medical assistance is given all along the complete settlement of the relevant case) reimbursed on a DRG basis. The day hospitalisation (a type of admittance to hospital whereby medical assistance is given on a maximum 24 hours basis for complete settlement of the case) takes the second place from economic point of view

The main served territory of the hospital is CONSTANTA County (95.1% of the cases).

TABLE 1
SWOT analysis of the Constanta County Clinical Emergency Hospital

Strong points	Weak points
•increased addressability especially during the summer season	•inadequate structure and small number of beds for the county (3,8 beds for acute ill patients to 1000 inhabitants)
•well trained personnel (more than 100 university staff)	•insufficient equipment for some specialties (pediatrics, neurosurgery pediatric surgery)
•high performance equipment	•IT system implemented but uncompleted in all medical aspects
•high performance surgical interventions - laparoscopy, renal and pancreatic cells transplant, vascular surgery	•insufficient financing in order to ensure an infrastructure rehabilitation plan
Opportunities	**Threats**
•Constanta is a university centre -It ensures education and training of personnel at higher and middle school level	•sub- financing
•Support of local authorities	•small tariff per settled case
•Concentration of an increased activity in the port and tourist area	•the private system competition
•NATO bases opening perspective in Constanta	•continuous changing legislation

The hospital economic performances directly condition both the quality of the medical act and the patient comfort. The performances are based on an income and expenses budget thoroughly substantiated on the cost analysis and structured on needs.

Things are easy to be explained and put in value if we take in view the policy of development of the economic entity by analysing the income and expenses budget in order to make the hospital activity efficient.

The purpose of creating the income and expenses budget: The elaboration of the income and expenses budget represents a primordial necessity and it is made after the contracts and addendums are entered into with the County Health Insurance House. The budgets are made with a view to:

- scheduling expenses in accordance with expected incomes at a certain volume, structure and quality of services;
- for a better use of resources;
- achieving the objectives and mission of the organisation and as a warning system of the necessary changes.

Out of the total incomes contracted with the Constanta County Health Insurance House the rate of the expenses related to the performed medical services is constantly monitored. The substantiation of the incomes and expenses budget represents a complex of analysis and decisions

whereby the manager evaluates the income source level and dimensions the expenses category on a real basis that would support the achievement in the current year of the volume of activity of the public hospital managed by him.

The operational budgets are authorised and created for every responsibility centre as follows:

- scheduling the volume of activities for every responsibility centre- clinical sections;
- establishment of quality standards as regards the delivered services in every responsibility centre;
- cost planning per responsibility centre (cost centres);
- preparing a budget for every activity centre/section;
- splitting the budget on more cost accounts within the responsibility centres

Expenses are analysed by means of the following indicators:

- Incomes per type of financing - Figure 1;
- Expenses on type of service (in relation to the incomes from the contracts entered with the Constanta County Health Insurance House) - Figure 2;
- Expenses on categories as per the budgeting classification - Figure 3.

FIGURE 1
Incomes structure per financing sources
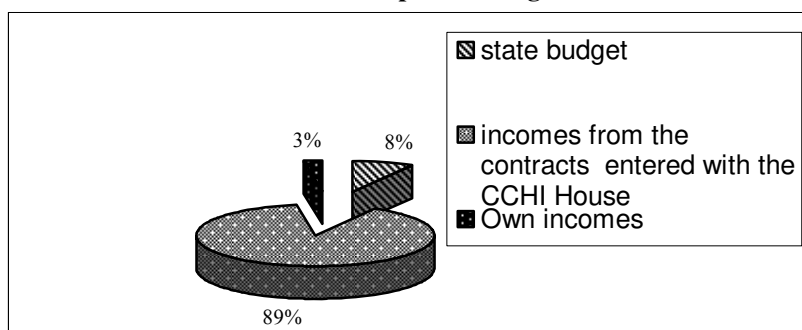
Source*:* The financial-accounting documents of the hospital.

FIGURE 2
Expenses structure for services reimbursed by the Constanta County Health Insurance House
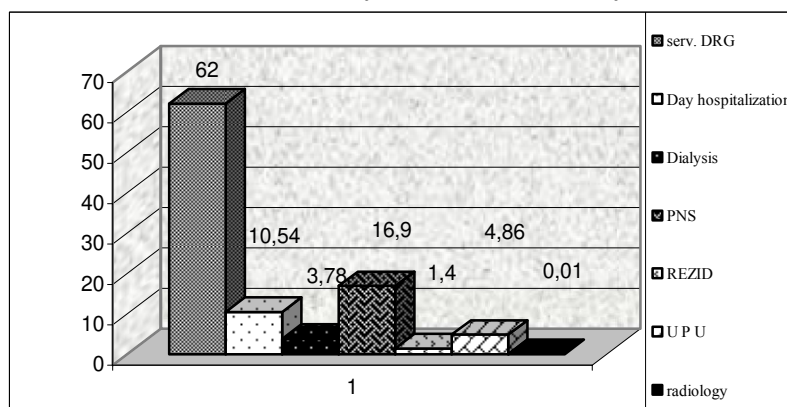
Source: The financial-accounting documents of the hospital.

Reimbursement of medical services also implies monitoring of expenses indicators per type of expenses. Any income gained implies a cost.

FIGURE 3
Structure of expenses per categories as per budgetary classification
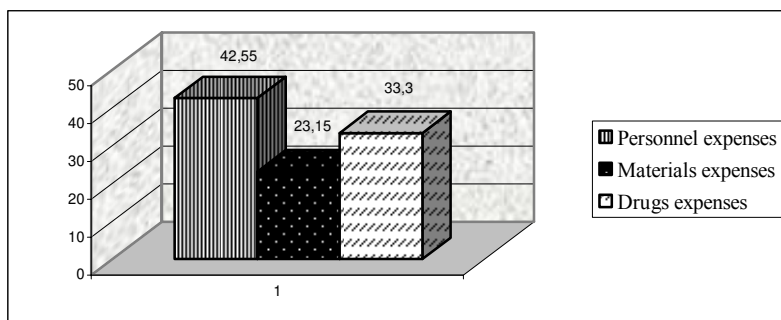
Source: The financial-accounting documents of the hospital.

TABLE 2
**Example of negotiation of an income contract with the Constanta County
Health Insurance House**

Item no.	Section	years					
		2004	2005	2006	2007	2008	2009
	0	**1**	**2**	**3**	**4**	**5**	**6**
1	total intensive therapy	0	0	0	0	0	0
2	total cardiology	4.643	5.494	5.511	5.360	5.330	5.379
3	total surgery	6.348	6.511	6.582	6.628	6.176	6.217
4	infantile surgery	2.686	2.487	2.839	2.338	2.543	2.577
5	plastic and reparatory surgery	995	1.063	1.128	1.060	862	830
6	mouth and face surgery	1.130	1.054	916	841	951	1.063
7	dermatology – venereal diseases	2.987	2.966	2.359	2.158	1.872	1.740
8	diabetes	396	392	455	637	771	741
9	endocrinology	650	1.374	1.313	1.108	737	746
10	total internal medicine	8.297	10.353	7.819	6.400	6.233	6.227
11	total neurosurgery	2.950	2.602	2.056	1.934	1.671	1.526
12	total neurology	3.793	3.802	3.803	3.813	3.733	3.442
13	total neonatology	5.509	5.240	5.161	5.174	5.230	5.192
14	total obstetrics – gynaecology	7.503	7.094	7.171	7.263	7.340	6.996
15	gynaecology II	4.784	4.715	4.476	4.407	4.215	3.889
16	ophthalmology	2.846	3.813	2.243	2.112	2.036	2.216
17	total oncology	2.557	3.101	3.022	3.105	3.030	3.235
18	o r l	1.786	1.897	1.997	1.859	1.425	1.359
19	orthopaedics	1.342	1.457	1.495	1.466	1.335	1.282
20	total paediatrics	5.906	6.524	6.368	6.277	6.063	6.580
21	total psychiatry	2.158	2.487	2.280	2.245	2.236	2.065
22	rheumatology			659	1.039	1.104	1.120
23	urology	1.902	1.988	2.024	2.121	2.088	2.090
	t o t a l hospital	**71.168**	**76.414**	**71.677**	**69.345**	**66.981**	**66.512**

TABLE 3
Contract negotiation with the Constanta County Health Insurance House for 2009

Item no.	Section	No. of approved beds	Optimal index for use of beds	Estimated no. of days	Optimal hospitalization duration	No. of discharged cases	Usage index achieved in 2009	Average hospitalization duration
	0	**1**	**2**	**3 = 1*2**	**4**	**5 = 3/4**	**6**	**7**
1	total intensive therapy	65	300	19.500	5,00	0	246,6	2,05
2	total cardiology	125	300	37.500	8,70	4.310	328,4	7,63
	0	**1**	**2**	**3 = 1*2**	**4**	**5 = 3/4**	**6**	**7**
3	total surgery	115	300	34.500	7,00	4.786	299,4	5,54
4	infantile surgery	35	300	10.500	4	2.625	341,5	4,64
5	plastic and reparatory surgery	25	300	7.500	7	1.071	292	8,79
6	mouth and face surgery	20	300	6.000	5	1.200	171,9	3,24
7	dermatology – venereal diseases	40	300	12.000	7	1.714	299,2	6,88
8	diabetes	25	300	7.500	6,5	1.154	204,2	6,89
9	endocrinology	15	300	4.500	7	643	245,9	4,94
10	total internal medicine	135	300	40.500	8,00	5.271	302,5	6,56
11	total neurosurgery	43	300	12.900	7,00	1.843	263,3	7,42
12	total neurology	75	300	22.500	9,50	2.368	324,8	7,08
13	total neonatology	100	300	30.000	5,00	5.164	259,9	5,01
14	total obstetrics – gynaecology	107	300	32.100	5,00	6.420	265,5	4,06
15	gynaecology II	55	300	16.500	4,5	3.667	234,3	3,26
16	ophthalmology	30	300	9.000	5	1.800	354,4	4,8
17	total oncology	55	300	16.500	7,00	2.357	304,6	5,18
18	o r l	20	300	6.000	6	1.000	263,2	3,87
19	orthopaedics	40	300	12.000	9,3	1.290	330	10,3
20	total paediatrics	135	300	40.500	7,00	5.802	221,3	4,54
21	total psychiatry	120	300	36.000	17,00	2.118	268,3	15,59
22	rheumatology	20	300	6.000	10	600	294,3	5,25
23	urology	30	300	9.000	8,5	1.059	342,7	4,92
	t o t a l hospital	**1.360**		**429.000**		**58.262**	**280,1**	**6,05**

Source: The financial-accounting documents of the hospital.

For the Intensive Therapy Sections the average hospitalisation duration achieved was calculated for transferred patients.

TABLE 4
Incomes contract negotiation with the Constanta County Health Insurance House for 2009

Item no.	Section	No of discharges for 2009	No of operated cases for 2009	Operability degree for 2009	Difference between the optimal operability degrees (70%) And the operability degree for 2009
0	1	2	3	4= 3 / 2 * 100	5 = 70% - col. 4
1	general surgery I	1.763	1.459	82,76	-12,76
2	general surgery II	3.430	2.768	80,70	-10,70
3	vascular surgery dept.	747	548	73,33	-3,33
4	thoracic surgery dept.	277	118	42,59	27,41
	total surgery	**6.217**	**4.893**	**78,70**	**-8,70**
5	infantile surgery	2.577	1.816	70,48	-0,48
6	plastic and reparatory surgery	830	565	68,06	1,94
7	mouth and face surgery	1.063	864	81,31	-11,31
8	neurosurgery	1.382	525	37,98	32,02
9	children neurosurgery	144	12	8,33	61,67
	total neurosurgery	**1.526**	**537**	**35,19**	**34,81**
10	obstetrics – gynecology I	3.585	2.848	79,45	-9,45
11	obstetrics – gynecology II	3.411	1.642	48,13	21,87
	total obstetrics – gynecology	**6.996**	**4.490**	**64,18**	**5,82**
12	gynecology II	3.950	3.163	80,07	-10,07
13	ophthalmology	2.216	1.513	68,29	1,71
14	o r l	1.359	751	55,25	14,75
15	orthopedics	1.282	647	50,48	19,52
16	urology	2.090	1.209	57,84	12,16
	t o t a l surgery sections	**30.106**	**20.448**	**67,92**	**2,08**

Source*: Financial and accounting documents of the hospital.

As per the above tables one can notice that when contracting the amount relevant to the income that is to be cashed from the Constanta County Health Insurance House statistics indicators are required as well as the number of hospitalised cases that were discharged from hospital the previous year.
The Public Health and Sanitary Management National School (PHSMNS) delivers at the end of every financial year "The Activity Report regarding the hospital services supplied on a continuous hospitalisation basis financed as per the DRG system, per hospital" to the hospital and the County Health Insurance House. This report contains the case-mix index (the cases complexity index – CMI) achieved. CMI expresses the resources necessary to the hospital in accordance with the treated patients.

$CMI = \sum (DRG_{i\ relative\ value} * DRG_{i\ number\ of\ cases}) / Total\ number\ of\ hospital\ cases$

Where:

- Relative value = the report between the tariff of a DRG and the average tariff of all DRGs. It is a coefficient attributed in accordance with the relative labour quantity, consumables, and capital resources necessary for the complete treatment of the patient having a certain disease
- CP number = number of discharged from hospital cases * CMI
  Where: CP = moderated cases (moderated patients), generated by adjusting the discharged cases depending on the resources related to each type of case (CMI).

CCPS $_{2009}$ = the actual expenses of the hospital in 2009 / total number of CP in 2009

Where:

- $CCPS_{2009}$ = cost per moderated case (basic rate) – reference value that reflects the actual cost of a moderated case

The hospital make all these calculations but the balanced case tariff (TCP) for the relevant year is established annually by Order of the Public Health Minister and the Social Insurance National House President.

TCP establishment, which in fact is a reimbursement value for a moderated case, is made at national level and may affect the income and expenses budget proposed by the hospital

The evolution of tariffs per moderated case and of the case-mix index between 2005 –2009: During the analysed period the TCP increased but not enough to cover all the expenses made by the hospital for the settlement of a case. This may be explained by the fact that the hospital does not admit only cases that, according to the diagnosis, require admittance to the hospital by all means, which brings about a decrease of the CMI. Reduction of the optimal hospitalisation duration under the national optimal duration is a factor that facilitates the reduction of the use of beds index, which brings about a decrease of the number of beds and implicitly the number of the moderated cases discharged from hospital. We point out this because the reduction of hospitalisation period for the existing cases under the normal limit is not a solution at all, under the condition of a decrease of actual expense for the relevant case.

TABLE 5
**The evolution of tariffs per moderated case
and of the case-mix index between 2005–2009**

Year	CMI	TCP
0	**1**	**2**
2005	0,6891	669,33
2006	0,7001	762,34
2007	0,7336	932,80
2008	0,8334	1.073,00
2009	0,8241	1.222,00

Source*: **Financial and accounting documents of the hospital.**

4. CONCLUSIONS

The DRG system was developed as method for classification of patients in order to evaluate the results of the hospital but it was taken over and adjusted in order to be also use to the hospital financing. The first step in the DRG implementation process must always be a definition of the health policies and the desired purposes for its use and the second step is the selection and implementation of the DRG system, that has to be made having in view the sensitive points of the chosen pattern. For the time being, in Romania the DRG system is used for both purposes.

The continuous evaluation of achieving the desired purposes by using the DRG is necessary in order to see the modality to settle the problems and to avoid that the DRG system become a purpose in itself.

The objectives of the DRG systems development in 2009 were:
- Improvement of the DRG classification system based on local particularities;
- Implementation of adjusting mechanisms of financing depending on the type of hospitals and geographical area;
- Adjusting the relative local values based on the cost data for every patient;
- Evaluation of the quality of services supplied by hospitals and development of some mechanisms for adjusting financing depending on the service quality.

A few aspects regarding strategy for 2010 refer to:
- Implementation of some mechanisms for adjusting of financing depending on service quality;
- Continuous improvement based on local particularities, of the DRG classification system and the relative values;
- The encoding system;
- Evaluation of the quality of services supplied by the hospitals.

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HOSPITAL VOLUNTEERS – ARE THEY SATISFIED?

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ABSTRACT

We examine satisfaction with HRM practices, namely recruitment, training and rewarding in NPO's and attitudes regarding the appropriateness of these practices. The participants in this study are 76 volunteers, affiliated to 4 different NPO's, which work in hospitals and have direct contact with patients and their families. Analysing aggregate results we show that volunteers are more satisfied with training, and consider that the training strategies are very appropriate. After identifying differences between organisations we discover that in some organizations volunteers are satisfied with rewards, but in opposition they have negative attitudes regarding the appropriateness of the recognition strategies and vice-versa an opposite relation between satisfaction with reward and recognition strategies and the process of reward and recognition. We also name the more and less satisfied volunteers.

KEY WORDS

Satisfaction, Volunteers, Hospital, Human Resources Management (HRM)

1. INTRODUCTION

Prior to the 1980s, interest in management within the voluntary sector was minimal given that practitioners considered themselves as different from the for profit sector, and most appeared satisfied with a management approach based on principles of goodwill, flexibility, informality, commitment and natural ability (Cunningham 1999). The essence of the sector was voluntarism, philanthropy, compassion and a concern with the public good (Anheier 2000). From the 1980s, the move towards more professional management practice seemed inevitable (Willis 1991) because "good intentions" were not enough and more attention had to be paid to business disciplines (Cunningham 1999). Nowadays, the nonprofit organisations (NPO) growth stresses the need for guidelines and expert advice on how to effectively manage these organisations (Drucker 1990).

There is a rich and diverse literature focusing on volunteers' management and is well known that professional management of volunteer programs are essential to overcome barriers to involvement in volunteering (Cuthill and Warburton 2005). However we can not avoid turnover and its costs can be very debilitating since they may lead to starting over the recruitment, selecting and even training processes (Watson and Abzug 2005). There is also the disruption of organisation's processes, culture and other constituents when old faces disappear, so the traditional advice to managers indicate a correlation between job satisfaction and voluntary turnover (Watson and Abzug 2005).

Despite the extensive use of volunteers in the health system, volunteers that work in hospitals have been overlooked in previous research. In this work we consider hospital voluntary as the one whose action occurs in a hospital and this fact shows the type of beneficiaries– patients and their families (Leandro and Cardoso 2005). Therefore we understand hospital voluntary as a peculiar form of volunteering, whose major distinction is based on the context of action (Byers *et al.* 1976), as it occurs in a hospital environment. In this context we can say that volunteering is a human resource support, in an extremely demanding scenario in terms of services request, not always related with health (Paúl, Martin and Roseira 1999). There is a need for a wider dialogue between civil society and the hospital, with the aim of putting together the technical and human aspect (Andersen 2003) allowing better results in the provision of health care (Leandro and Cardoso 2005).

The Leagues of Friends and other types of organisations (like Red Cross for example) try to complement the services provided by the hospitals materialising their mission of taking care of patients and their families (Leandro and Cardoso 2005). Thus the voluntary work can be seen as an intermediary between the users and the hospital, in this way the hospital can, not only promote a healthy social relationship with users and / or patients, but also promote a more human and healthy environment (Leandro and Cardoso 2005).

Consequently organisations responsible for the volunteers' management must consider their workforce as part of the strategic planning process. In order to make this planning process more comprehensive is essential for planners to evaluate whether the volunteers are satisfied or not (Ralston and Rhoden 2005). We can consider that satisfaction is the difference between what one wants and what one gets from their job (Doherty and Carron 2003) and job satisfaction is a key factor in the retention of volunteers, so managers should consider the usefulness of evaluating the satisfaction of their volunteers and obtaining measures of volunteer satisfaction, in order to give managers a sense of whether or not the needs of the volunteers are being met (Silverberg, Marshall and Ellis 2001).

This paper aims to understand the impact of the organisation management in volunteers' satisfaction. We will analyse satisfaction with management factors and describe management factors themselves. Following a review of the relevant literature, the research and findings are presented. The article finishes with a discussion of the results.

2. BACKGROUND (context)

2.1. Volunteers' satisfaction

In order to better recruit, train and retain volunteers there is a need to identify ways to increase the overall satisfaction of volunteers with their experience and work (Costa *et al.* 2006). Cnaan and Cascio (1998) major findings relate to the fact that changes in volunteer performance variables, especially volunteer satisfaction and tenure can, in part, be explained by practices of volunteer management.

The concept of satisfaction is considered theoretically relevant in many studies that have investigated the factors that influence the permanence of volunteer participation in organisations (Jiménez, Fuertes and Abad 2009). Satisfaction is a difficult concept to study since it exists a big diversity of interpretations (Jiménez, Fuertes and Abad 2009) and the variety of tools used to measure paid employee job satisfaction indicate that many different conceptualizations of this construct exist (Silverberg, Marshall and Ellis 2001). In Table 1 we can see a resume of some important research made in this area that identifies satisfaction dimensions and its measures, as well as the context where the research is made.

TABLE 1
Satisfaction – dimensions, measures and context

Authors	Dimensions	Measure	Context
Costa, Chalip, Green and Simes (2006)(Costa, Chalip, Green and Simes, 2006)	satisfaction with information; with variety of freedom; with ability to complete tasks and with pay/rewards	eight of the original fourteen items in the Job Satisfaction Scale (Wood, Chonko and Hunt, 1986)	sport volunteers
Doherty and Carron (2003)	overall satisfaction	job in general (Smith and Brannick, 1985)	sport volunteers
Farrell, Johnson and Twinam (1998)	satisfaction with volunteer experience, site facilities and organisation	twenty four questions	sport volunteers
Jiménez, Fuertes and Abad (2009)	satisfaction with management organisation, with tasks and with motivations	seven itens (satisfaction with management), four itens (satisfaction with tasks) from job diagnostic survey and six itens (satisfaction with motivation) from volunteers motivations inventory (Clary *et al*, 1998)	Social and care volunteers
Kemp (2002)	overall satisfaction	open question	sport volunteers
Kulik (2007)	satisfaction with volunteer activity	one question	adolescents
Léon (2002)	satisfaction with volunteer experience and overall satisfaction	classification of nine adjectives and one question (for overall satisfaction)	various
Sherer (2004)	satisfaction with work; service; managers; and co-workers	interviews	national service
Silverberg, Marshall and Ellis (2001)	satisfaction with nature of the work; contingent rewards; supervision; operating procedures; co-workers and communication	thirty six item employee job satisfaction scale (Spector, 1997)	public and recreation volunteers

2.2. Recruiting, Training and Rewarding

Recruitment, training and rewarding are important factors that can influence volunteer work (Ferreira, Proença and Proença 2009). Recruitment of the appropriate volunteers is very important to the survival and growth of the organisation (Brudney and Kellough 2000; Jago and Deery 2002). Recruiting volunteers should not be an undifferentiated search for person-power irrespective of qualifications, but a selective mission to locate and entice citizens with appropriate backgrounds and

aspirations to fill designated organisation needs that intrigue them (Brudney 1990; Edwards 2005). However, the recruitment process is often informal and attracting qualified applicants can be a complex task (Cuskelly and Auld 2000). "Training is the process of instructing volunteers in the specific job-related skills and behaviour that they will need to perform in their particular volunteer job." (McCurley 2005: 606). Training is costly and time-consuming and sometimes organisations think that investing in training is not worthy (Hartenian 2007). However a lack of adequate training provision is seen as a key constrain on the effectiveness of the voluntary sector (Cunningham 1999; Wilson and Pimm 1996) and providing continual efforts in training can benefit volunteers (Jäger, Schmidt and Beyes 2007; Woods 2006). Nunes, Reto and Carneiro (2001) studied the importance of training volunteers and concluded that this management factor is considered an important element to the organisations viability. Nonetheless, very often this significance is not conveyed and is frequently considered dispensable (Nunes, Reto and Carneiro 2001).

Many volunteers give importance to rewards, both intrinsic and extrinsic to the work (Hsieh, Curtis and Smith 2007). They are looking for clear and visible indications of the effectiveness of their work (Jäger, Schmidt and Beyes 2007). They need to know that they are appreciated and that they make a difference (Carvalho and Souza 2007; Woods 2006) and the feeling of being recognized and appreciated is something that volunteers value as a very important factor (Holmberg and Söderlung 2005). Volunteers appreciate a "thank you" or a "well done" when offered by beneficiaries or coordinators (Hsieh, Curtis and Smith 2007; Philips, Little and Goodine 2002), they also appreciate if they feel part of a team if they have a good work environment and if someone shows personal interest in their life (Carvalho and Souza 2007). Some appreciate a more formal recognition given by the organisation (Brudney 1990), such as being included in trips and events with other volunteers and staff (Hsieh, Curtis and Smith 2007), dinners, gifts, certificates, plaques, trophies, reference letters or recognition in a newsletter (Brudney 1990; Brudney 2005; Brudney and Nezhina 2005; Carvalho and Souza 2007; Woods 2006). The use of symbolic rewards and recognition activities might be significant in explaining volunteer satisfaction (Farrell, Johnston and Twynam 1998), hours volunteered per month (commitment), length of service (tenure) (Cnaan and Cascio 1998) and retention (Hager and Brudney 2004).

2.3. *Organisations influence*

"Research on volunteers has largely ignored the fact that most volunteering takes place within organisational contexts." (Grube and Piliavin 2000:1109). Volunteer organisations, where we can not find an employment relationship between the volunteer and the organisation, represent a specific context in which we can explore many effects (Catano, Pond and Kelloway 2001). Variables related to volunteers' experience with a specific organisation should be relevant (Grube and Piliavin 2000) and considered when we study satisfaction. Some authors consider that work environment is an important part of the job satisfaction construct, so research should consider this influence (Kemp 2002). We believe that different organisations might influence volunteers' satisfaction, for example in the work of Cuskelly, Taylor, Hoye and Darcy (2006), where they used a HRM approach to examine the efficacy of volunteer management practices in predicting problems within rugby union clubs, we can see that clubs that reported more extensive use of orientation, and training and support practices reported fewer problems in the retention of volunteers; in the work of Cnaan and Cascio (1998) major findings indicate that volunteer satisfaction can be explained in part by practices of volunteer management; in the work of Catano, Pond and Kelloway (2001) we see a parallel between two organisations (a voluntary service organisation and a trade union) considering organisational environment and we notice differences in terms of commitment and involvement; in the work of Farrell, Johnston and Twynam (1998) we can see that volunteers were asked about their experience, site facilities and organisation and; finally we can see in the work of Costa *et al.* (2006) that they indicate as part of future work the study of the ways management and training volunteers affects job satisfaction.

Considering all these aspects, volunteers characteristics and the work environment we decide to analyse the impact of management factors in the volunteers' satisfaction. More specifically, we examine satisfaction with HRM practices, namely recruitment, training and rewarding and, as we saw previously, we intend to find out if there are important differences between organisations related with satisfaction and the attitudes regarding the appropriateness of these HRM practices.

3. THE RESEARCH

The participants in this study are 76 volunteers that are affiliated to 4 different NPO's. All the volunteers work in public hospitals and have direct contact with patients and their families. Approval for the study was obtained in a firstly meeting with the organisation manager and the volunteers' manager. The volunteers were recruited through the organisation, specifically through the volunteers' managers. Surveys were collected within 3 months of the original date of distribution. Each participant needed to return the survey to the volunteer manager and then all the surveys were collected from the organisations.

3.1. Participants

The participants belong to 4 organisations that work voluntarily with the hospitals, supporting patients and their families. In total, 76 volunteers from four different NPO's participated in the survey. In the end we get 64 responses since some of the questionnaires were not complete.

The majority of the participants is part time volunteers and dedicate, in average, 6 hours per week to their volunteer work. Participants ranged in age from 25 to 84 years ($M = 61$, $SD = 13$) and are mainly woman (89%) and retired (64.1%). In Table 2 we can see data related to education, monthly income, sex and civil state by organisation. If we take a look to recent data about education in Portuguese residents with 55 years or more (INE, 2008), we can see that 62% have basic education, 5% have earned a college degree and 4% have finish high school, so volunteers in this study clearly present higher levels of education.

TABLE 2
Education, Monthly income and Sex by organisation

		Red Cross - Guimarães	League of Friends - Castelo Branco	League of Friends - Santo Tirso	League of Friends - Leiria	Total
Education	Basic education	18,5%	5,6%	1,9%	11,1%	**37,0%**
	9° to 11° grade	1,9%	3,7%	3,7%		**9,3%**
	High school	5,6%	3,7%	5,6%	3,7%	**18,5%**
	College degree	7,4%	7,4%	3,7%	11,1%	**29,6%**
	Pos-grad	1,9%		3,7%		**5,6%**
	TOTAL	**35,3%**	**20,4%**	**18,6%**	**25,9%**	**100,0%**
Monthly income	until 1000€	15,5%	10,0%	7,5%	10,0%	**45,0%**
	]1000€ - 2000€]	7,5%	5,0%	10,0%	10,0%	**32,5%**
	]2000€ - 3000€]	5,0%	2,5%	2,5%	7,5%	**17,5%**
	more than 3000€	5,0%				**5,0%**
	TOTAL	**35,0%**	**17,5%**	**20,0%**	**27,5%**	**100,0%**
Sex	Maculine	3,7%		4,8%	3,2%	**11,1%**
	Feminine	33,3%	23,8%	12,7%	19,0%	**88,9%**
	TOTAL	**36,5%**	**23,8%**	**17,5%**	**22,2%**	**100,0%**
Civil state	Single		3,2%	1,6%	3,2%	**8,1%**
	Married	17,7%	8,1%	11,3%	11,3%	**48,4%**
	Divorced	6,5%	3,2%	1,6%	1,6%	**12,9%**
	Widowed	9,7%	9,7%	4,8%	6,5%	**30,6%**
	TOTAL	**33,9%**	**24,2%**	**19,4%**	**22,6%**	**100,0%**

3.2. *Measures and procedures*

The survey instrument was prepared to measure satisfaction with recruitment, training and reward. The issues covered in the scales emerged as a result of the literature review. Questions were rated in a seven point Likert scale. For the analysis of satisfaction with HRM we used six questions adapted from the work of Jiménez, Fuertes and Abad (2009); and Silverberg, Marshall and Ellis (2001): "I feel I receive a fair amount of recognition for the volunteer work I do"; "I receive the recognition that I should receive from my organisation"; "I'm satisfied with the recruitment process"; "I'm satisfied with the interest of the organisation in set my preferences to available functions"; "I'm satisfied with the training offered in order to improve my work as volunteer"; "I'm satisfied with the skills I get". For the analysis of the attitudes regarding the HRM practices we used three questions: "in your opinion are the recruitment and selection strategies the most appropriate"; "in your opinion are the training strategies the most appropriate"; and "in your opinion are the reward and recognition strategies the most appropriate".

The survey was pre-tested and modified prior to implementation. The survey was tested on a small sample of volunteers (*n*=10) coming from different health organisations and each of the volunteers not only answer the questionnaire but also explain, in an interview, the problems he/she find on it. Small modifications in sentence wording were made on the basis of feedback received. For this analysis in particular we did not use all the questions of the questionnaire.

4. RESULTS

The questions related with HRM obtained high means (between 4 and 5 points) and the practice considered more appropriated was training (*mean*=4.56). The questions related with SHRM obtained also high means (between 3.6 and 5.2 points), satisfaction with training have the highest means (*mean*=5.15) and satisfaction with recognition the lowest values (*mean*=4.2).

To inquiry the difference between the organisations, we proceed with a MANOVA since it is designed to look at several dependent variables simultaneously (Field 2005). We test separately satisfaction with Human Resource Management (SHRM) and attitudes regarding Human Resource Management (HRM).

First we check the assumptions of MANOVA: multivariate normality and homogeneity of covariance matrices (Field 2005; Hair *et al.* 1998; Maroco 2003). We used, for the two groups of variables – SHRM and HRM, *Kolmogorov – Smirnov* test to check the normality of the dependent variables and indeed they have a normal distribution (the values of *sig.* are greater than .05). The assumption of equality of covariance matrices is checked through Levene's test and we use Box's test in order to compare variance-covariance matrices between groups (for our data p =.388 and p =.290, which is greater than .05) and so the assumption of homogeneity is met.

MANOVA has four statistics tests and we need to know which one is best in terms of test power and robustness (Field, 2005). For the data related to SHRM Pillai's trace (p =.024), Wilks's lambda (p=.022), Hotelling's trace (p =.020) and Roy's largest root (p =.003), the tests reach the criterion of significance of .05, so we can affirm that organisations have significant differences relatively to the dependent variable considered. For the data related to HRM we have Pillai's trace (p =.102), Wilks's lambda (p =.079), Hotelling's trace (p =.061) and Roy's largest root (p =.003), so in this scenario the statistic test we choose determines whether or not we reject the existence of differences between organisations. If we look to the observed power we can see that Roy's largest root shows the highest power (.920) so we can say that organisations had a significant effect on HRM.

To see the nature of these effects we use the Tests of between-subjects effects (see Appendix 1 and Table 3). We can see in Table 3 that the values of p indicate that, in most of them, there was a non significant difference between organisations, except for the first variable ("I feel I receive a fair amount of recognition for the volunteer work I do", p=.006) and the third one ("I'm satisfied with the recruitment process", p =.032). These results should lead us to conclude that these variables do suffer an effect from the organisation. In Table 4 we get similar results and the last variable ("In your

opinion are the reward and recognition strategies the most appropriate", *p* = .020) do suffer an effect from the organisation.

Finally to identify the differences between organisations we will use Tukey's Honestly Significant Differences (HSD) method. The analysis of the outputs (see Appendix 2 and Tables 5 and 6) is used to determine the significant differences between group means, so we can see that for SHRM we have two groups for the variable "I feel I receive a fair amount of recognition for the volunteer work I do", the first will include the Leagues of Friends from the hospitals of Santo Tirso and Leiria and these ones are the Leagues with the lowest values (see Table 7) for this variable. The second group includes the Leagues of Friends from the hospital of Castelo Branco and Red Cross from Guimarães and these ones have the highest values (see Table 7) for this variable.

5. DISCUSSION

Analysing the aggregate results we can see that training is the HRM practice that gets the highest results and reward and recognition the lowest ones. Organisations that offer training and professional development opportunities for volunteers have higher rates of retention (Hager and Brudney 2004) and the opportunities to share opinions and experiences during training help to build volunteers' sense of community (Costa, Chalip, Green and Simes 2006). The same is true for SHRM since satisfaction with training have the highest means and satisfaction with recognition the lowest values. We can affirm that even the lowest results can be considered as very good since all values are higher than the scale average.

As we saw previously, considering SHRM we have two different groups for the variable "I feel I receive a fair amount of recognition for the volunteer work I do", and, as we saw in the work of Cnaan and Cascio (1998), this shows that some aspects of volunteers' management might influence volunteer satisfaction. Volunteers from the first group (Leagues of Friends from the hospitals of Santo Tirso and Leiria) are the ones less satisfied with the recognition they receive from the organisation and, on the contrary, volunteers that belong to the second group (Leagues of Friends from the hospital of Castelo Branco and Red Cross from Guimarães) are the most satisfied with the recognition their organisation give to them. Note that Red Cross from Guimarães belong to the two groups (see Table 7), although looking to the mean value obtained and to the other means, we believe that is more precise to include it in the second group.

For the variable "I'm satisfied with the recruitment process" we also have two groups, the first group includes the League of friends from the hospital of Santo Tirso and Red Cross from Guimarães with the lowest values (see Table 7) and the second group with the Leagues of Friends from the hospitals of Castelo Branco and Leiria with the highest values (see Table 7). This means that the volunteers from the first group are the ones less satisfied with the recruitment process and the volunteers that belong to the second group are the most satisfied with the recruitment process. Again note that Red Cross from Guimarães belongs to the two groups (see Table 5), and again if we look to the mean value obtained and to the other means, we believe that the best option is to include it on the second group.

In Table 8 (appendix 3), we can see the means for the variable "In your opinion are the reward and recognition strategies the most appropriate" and the League of Leiria is the one with the highest value meaning that their volunteers are the ones that believe reward and recognition strategies are appropriate, although if we look to the previous results related with the satisfaction with the amount of recognition that volunteers receive we can see that the volunteers from Leiria are the ones less satisfied, so they believe the reward and recognition strategies are appropriate however are not satisfied with what they get, so probably the organisation is not performing as they say or as volunteers expect it. On the opposite side we have volunteers from the Red Cross – Guimarães believing that the reward and recognition strategies are not very appropriated, however they belong to the group that has the highest values related with the satisfaction with the amount of recognition they get, so we believe that this organisation has a proper operationalization of the recognition strategy, since volunteers are happy with it, even considering these strategies has not very appropriate. Note that the work of Philips, Little and Goodine (2002) shows the importance of rewards and recognition strategies since volunteers refer it as one of the most important type of support that organisations can give to their efforts. Cuskelly and Boag (2001) affirm that when volunteer work is recognised as

worthwhile their retention tend to be higher and Akingbola (2006) defend that it should be appraised in a continuous basis. In Figure 1 we gather these information and we can say that volunteers that belong to Castelo Branco league are the ones more satisfied (with both reward and recruiting processes), although consider reward strategy not very appropriated. Volunteers from Santo Tirso league are the ones less satisfied (with both reward and recruiting processes) however they consider reward strategy very appropriated. So we can identify an opposite relation between satisfaction with reward and recognition strategies and the attitudes regarding the appropriateness of reward and recognition practices.

FIGURE 1
Relationships
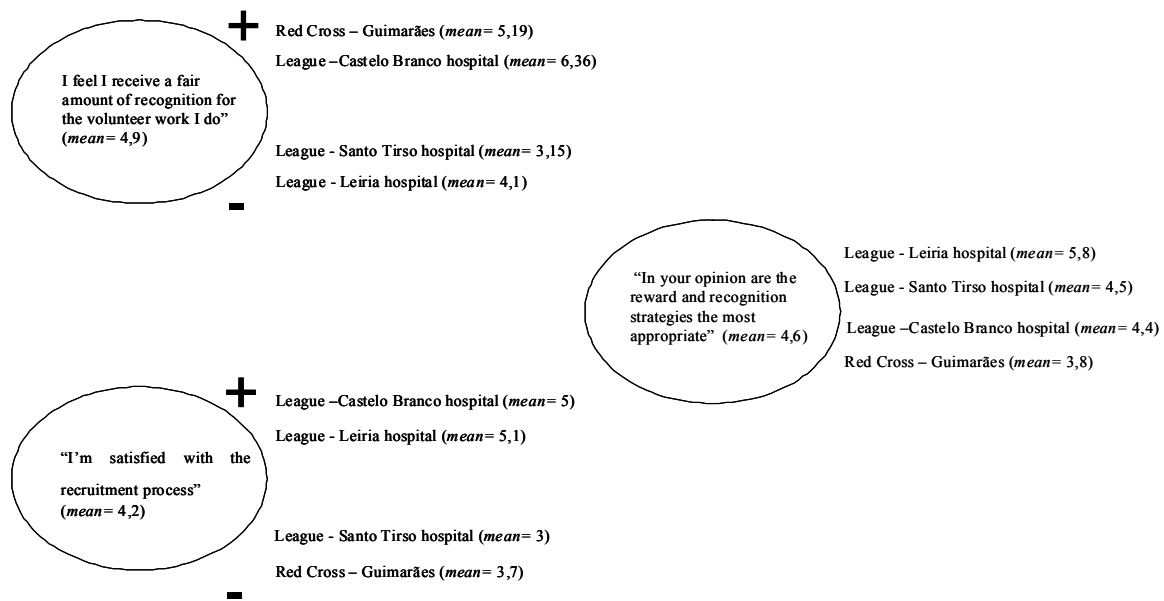
6. CONCLUSIONS

Our research is on volunteers that develop their activities in hospitals, supporting patients and their families in this specific scenario. Our major findings are that HRM practices, namely recruitment, training and reward and recognition, might influence volunteers' satisfaction. We also believe that there are important differences between organisations and these differences are related with the HRM practices.

We show that training is the HRM practice that gets the highest results and the same happens with SHRM since satisfaction with training have the highest means. After identifying differences between organisations we acknowledged that in spite of being similar organisations there are differences regarding the volunteers' attitudes and satisfaction. Moreover, we discover an opposite relation between satisfaction with reward and recognition strategies and the process of reward and recognition, showing that the more satisfied volunteers consider reward strategy as not very appropriated and less satisfied volunteers consider reward strategy very appropriated. We think that these relations are explained by the implementation and application HRM practices and emphasize the importance of examining their implementation and related processes as noted by Becker and Gerhart (1996). The identification of organisations differences might help to improve the performance of other organisations in some areas.

As a limitation we can say that given the responses rates it is likely that those volunteers with a higher level of satisfaction were more likely to participate in the survey than those volunteers with less levels of satisfaction. If this is the case our results need to be interpreted with caution.

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Tests of Between-Subjects Effects

TABLE 3
Tests of Between-Subjects Effects - SHRM

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Powerb
	(...)							
Organisation	I feel I receive a fair amount of recognition for the volunteer work I do	49,067	3,000	16,356	4,762	0,006	14,285	0,875
	I receive the recognition that I should receive from my organisation	15,608	3,000	5,203	1,016	0,394	3,047	0,258
	I´m satisfied with the recruitment process	38,244	3,000	12,748	3,196	0,032	9,589	0,702
	I´m satisified with the interest of the organisation in set my preferences to available functions	16,965	3,000	5,655	1,459	0,238	4,376	0,361
	I´m satisified with the training offered in order to improve my work as volunteer	7,827	3,000	2,609	0,820	0,489	2,461	0,214
	I'm satisified with the skills I get	7,732	3,000	2,577	0,795	0,503	2,386	0,208

a. R Squared = ,233 (Adjusted R Squared = ,184)

b. Computed using alpha = ,05

TABLE 4
Tests of Between-Subjects Effects - HRM

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Powerb
	(...)							
Organisation	In your opinion are the recruitment and selection strategies the most appropriate?	37,731	3,000	12,577	2,738	0,059	8,215	0,610
	In your opinion are the training strategies the most appropriate?	17,013	3,000	5,671	1,213	0,320	3,640	0,295
	In your opinion are the reward and recognition strategies the most appropriate?	49,161	3,000	16,387	3,777	0,020	11,332	0,764

a. R Squared = ,199 (Adjusted R Squared = ,127)

b. Computed using alpha = ,05

TABLE 5
**Ifeel I receive a fair amount of recogniti on
for the volunteer work I**

Tukey HSD

Organisation	N	Subset	
		1	2
League of Friends - Santo Tirso	11	3,455	
League of Friends - Leiria	14	4,143	
Red Cross - Guimarães	18	5,111	5,111
League of Friends - Castelo Branco	14		6,357
Sig.		0,085	0,275

Means for groups in homogeneous
subsets are displayed.
 Based on observed means.
 The error term is Mean Square(Error) =
3,235.

TABLE 6
I'm satisfied with the recruitment process

Tukey HSD

Organisation	N	Subset	
		1	2
League of Friends - Santo Tirso	11	2,727	
Red Cross - Guimarães	18	3,667	3,667
League of Friends - Castelo Branco	14		5,000
League of Friends - Leiria	14		5,143
Sig.		0,568	0,187

Means for groups in homogeneous
subsets are displayed.
 Based on observed means.
 The error term is Mean Square(Error) =
3,621.

TABLE 7
Means - SHRM

Organisation		I feel I receive a fair amount of recognition for the volunteer work I do	I´m satisfied with the recruitment process
Red Cross Guimarães	Mean	5,19	3,68
	N	21,00	19,00
	Std. Deviation	1,69	1,95
League of Friends Castelo Branco	Mean	6,36	5,00
	N	14,00	14,00
	Std. Deviation	0,84	1,52
League of Friends Santo Tirso	Mean	3,45	3,00
	N	11,00	12,00
	Std. Deviation	2,07	2,22
League of Friends Leiria	Mean	4,14	5,14
	N	14,00	14,00
	Std. Deviation	2,21	1,96
Total	Mean	4,90	4,20
	N	60,00	59,00
	Std. Deviation	2,00	2,06

TABLE 8
Means - HRM

In your opinion are the reward and recognition strategies the most appropriate?			
Organisation	Mean	N	Std. Deviation
Red Cross - Guimarães	3,29	14,00	1,86
League of Friends - Castelo Branco	4,08	13,00	2,18
League of Friends - Santo Tirso	3,38	8,00	2,88
League of Friends - Leiria	5,80	10,00	1,87
Total	4,09	45,00	2,30

SESSION 6
TRANSFERRING PUBLIC AND NONPROFIT MARKETING BEST PRACTICES TO SOUTH-EASTERN EUROPE

Chaired by:

Gonzalo Díaz Meneses, *University of Las Palmas de Gran Canaria, Spain*
Magdalena Iordache-Platis, *University of Bucharest, Romania*

The transfer of such practices is not at all new, but it often does not consider the most important aspect of the public market analysis, so that the practices' adaptation is done in the context of the existent targeted public market. The risks of such an adventure should be covered by imported practices adjusted to the specific influencing factors and their interaction, which of course involves a profound knowledge of that certain market, obtained after an environmental analysis (economic, technological, social, political, legal) and a gap analysis.

THE POPULATION TRUST IN THE LOCAL ADMINISTRATIONS. CASE STUDY

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ABSTRACT

The responsiveness of the local administration to the citizens and companies needs is essential for the improvement of the local administrations capacity. This requires a client needs orientation and acceptance of the fact that the service rendering is not at the expected level at all times. The strengthening of the citizen participation, the fight against corruption and the improvement of the management and administration abilities are elements that are continuously present in the service rendering improvement process. A random research was carried out in order to make evident the trust of the population in the local public administrations, to identify the citizens opinions regarding the main problems the administration must solve, the main characteristics the employees of the local administrations must have. The research had in view the community of the persons entitled to vote in Constanta County.

1. INTRODUCTION

Beginning with the latest year tendency towards the globalisation and intense development of the social systems, the states have been facing a new problem in which the administrative systems and institutions have to be flexible in order to inure them to this transformation. In this context, the public administrations have become defining factors in the economic competitiveness of a country or economic region and as far as Romania is concerned, the transformation process in the public administrations gets new dimensions. They must therefore comply with the new international economic changes as well as with the new requirements of the process of integration in the EU structures. The reform of the public administration implies changes of its components both at the level of the local and central public administration, of the public services on the whole. On the other hand, the development of democracy requires the implementation of a new relationship between citizens and the administration, the increase and strengthening of the local authorities' role and the revaluation of the partnership with the civil society and the local elected persons.

For many citizens, the local administration is the most tangible governing form and it is also the governing level they most frequently have contact with in the everyday life. This is the case both for the individual who has chosen a residence and the entrepreneur who is looking for a location for his business. The development of the information technology and mass-media has an indisputable influence over this relationship. They offer the chance to the governmental bodies to be closer to the citizens but, as regards the personal approach, the local authorities however remain closer to the citizens. The power of the local administration lies in the fact that it represents the ordinary citizen. When assessing the citizens opinions about the administration, this proximity are very important as well as the fact that it refers to matters that are fundamental to the citizens.

The responsiveness of the local administration to the citizens and companies needs is essential for the improvement of the local administrations capacity. This requires a client needs orientation and acceptance of the fact that the service rendering is not at the expected level at all times. The citizen needs orientation is a mixture of amiable behaviour of the governmental officers and the necessity to guide themselves according to the citizen requirements as a client, even when it is known that the citizen does not really want to request licences, approvals and other complex documentations. The improvement of the service rendering is not an isolated process. The strengthening of the citizen participation, the fight against corruption and the improvement of the management and administration abilities are elements that are continuously present in the service rendering improvement process.

As regards the rendering of services, the citizen is on the first place. The structure of the organisation and the employee's basic attitude must be formed in compliance with the client logic principles. This is very difficult for the Administration because it is not accustomed to regard things this way. Anyway, the citizen satisfaction is essential. Naturally, this cannot be regarded separately but as part of a wider whole that defines the relationship between state and society[3]. Together with confidence and "fiabilite" the satisfaction in the relation between government and citizens is the decisive factor in accepting the government.

Trust is a basic element in the relationship between electors and the elected representatives and it represents a part of the legitimacy of the political system representation. Trust must be gained by taking decisions transparently, by efficient and effective actions of the government and, due to the clearly defined role for the elected representatives; trust gaining is the first responsibility of the political administration[4].

The Administration can contribute to obtaining "fiabilite" through transparency offering explanations and contributing to looking for alternatives. And last but not least, integrity is a part of "fiabilite". This also applies to the Administration. These aspects are approached in the section referring to the networks between governments and citizens[5].

The "fiabilite", trust and satisfaction of the client rely on one another. The rendering of services is one of the pillars of the existing right and this requires the consciousness of its efficiency and effectiveness. It must render public services in a professional and adequate manner at the lowest possible cost.

At this moment, a special attention is given to the external communication with citizens, companies, associations and other actors the public sector cooperates with. In this domain, technology plays an important part namely, one cannot say where the principal consequences can be found again but one can specify that the implementation of the digital system has consequences both for the internal and external communication[6].

The Administration must aim at ensuring the individual good in the context of the general good and it cannot exist without citizens, being created to serve them. Democracy implies participation of the citizens in the society life. In the lack of participation it is possible for the government to monopolize the power and to sustain its own interests exclusively.

This is why the citizens have the duty to always remind the governors that they are elected by them and represent them[7]. In order to be able to participate in the public decision, the citizen must be informed and responsible. The more competent and active the citizens of a society are the stronger the democracy is.

The essence of democracy is leading with and for the people. The older the Romanian democracy grows, the more and more evident this thing will become. This means that democracy does not only represent the right to elect. Leading with and for people is a partnership between people and the leaders they invested their trust in. In the democracies all over the world, population plays an important role in the day to day governing process.

The local public administration should encourage and facilitate this role. The problem is that the majority of the Romanian population has only just begun to completely understand the power conferred by democracy[7].

The partnership between the elected leaders and the population requires the sincerity of the leaders. The population should have access to the information that has an effect upon it. This means that the citizens are asked for their opinion in key decision moments in the governing process. The citizens should also offer themselves volunteers to take part in various commissions and operative groups with the purpose to help the local administration to solve some problems. They may come with new ideas or can monitor an activity or an important process.

For the time being, in Romania, the local administration representatives, the local councillors especially, must be leaders in promoting the citizen participation. Due to the fact that the citizen participation is a new idea for many people, the administration representatives will most probably be (or they should be) those who will have the initiative of the process. This implies a strong commitment for citizen participation from the local leaders starting with the elected local councillors. The local Council should clearly, sincerely and frequently express their commitment for the citizen partnership. The personnel directly involved in the work with the public – such as the public relations offices and the directors of Information Centres for Citizens – must have a strong commitment as to the citizen participation.

2. METHODOLOGY AND RESEARCH DESIGN

An efficient instrument used to collect information from the citizen groups and the interest groups in respect of their points of view, opinions, perspectives and ideas, is the opinion poll.

A random research was carried out in order to make evident the trust of the population in the local public administrations, to identify the citizens opinions regarding the main problems the administration must solve, the main characteristics the employees of the local administrations must have.

The research had in view the community of the persons entitled to vote in Constanta County. The sample was created starting from the requirement that it has to be a representative one for this community and the obtained results to be able to be extrapolated to the level of the Constanta County.

In order to be able to respond as better as possible to the multiple objectives of the research, the option was made to obtain the information by means of face to face interviews by interview operators. The organisation that is the beneficiary of the research has not been specified in order not to influence the opinions of the respondents. The sample is made up of 2500 persons who bring about a result guaranteeing probability of 95% and an error margin of 5%. In order to ensure the sample

representativeness a multistage random sampling scheme was used on the basis of which the researched community was segmented based on two criteria: the sex and age of the respondent. The percentages used to determine these segments were calculated starting from the data taken over from the latest available issue of the Romanian Statistics Annual Book. The information was gathered between 2-15 October 2009. According to the information gathering method the information gathering instrument was elaborated: a questionnaire made up of 23 questions out of which the first 18 were content questions and the last 5 identification, research questions.

3. DATA AND RESULTS

In order to process the information from the questionnaire, the SPSS program was used. The variables used to structure the sample, sex; available income and age are as follows:

TABLE 1
Sex

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Masculine	1296	51.8	51.8	51.8
	Feminine	1204	48.2	48.2	100
	Total	2500	100	100	

TABLE 2
The total income of the house-hold

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Below 5 mil.	154	6.2	6.2	6.2
	5–8 million	384	15.4	15.4	21.5
	8-15 million	664	26.6	26.6	48.1
	15-30 million	634	25.4	25.4	73.4
	Beyond 30 million	275	11.0	11.0	84.4
	Refusal	389	15.6	15.6	100
	Total	2500	100	100	

TABLE 3
Age

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Below 30	672	26.9	26.9	26.9
	31-40	605	24.2	24.2	51.1
	41-50	565	22.6	22.6	73.7
	51-60	338	13.5	13.5	87.2
	Beyond 61	320	12.8	12.8	100
	Total	2500	100	100	

As one can notice, the sample is made up of 52% men and 48% women, about 51% of the interviewed persons are below 40 years, 36% are between 41 and 60 years and 12.8% are beyond 61 years.

TABLE 4
At the question: How much do you trust in... ? The situation is as follows:

	Very much	Much	A little	Not at all
Presidency	20%	25%	30%	25%
Parliament, Government	10%	12%	35%	54%
Political Parties	5%	6%	50%	39%
The Local Administration	25%	35%	26%	14%

The opinion poll constantly reveals that the political parties have the lowest trust rating of all the public and private institutions while the local public administrations have the highest trust rating (50%), getting ahead of the Parliament, Government and even the Presidency.

The very bad image of the parties is compensated with the quite good image of the local public administration bodies. These institutions main characteristic is a more direct personalization of the Power. Therefore, due to the fact that they are leaded by one person, the pattern of these institutions is much closer to the Romans projections regarding the country organization. The presidential democracy principles adopted by Romania seem to be closer to the population vague ideas regarding the Romania institutional organization. Traditionally, their perception is that there is (or must be) a single leader of the community (here personified through the president- at the country level, or the mayor at the locality level).

Participation designates the involvement of the community social actors in order to shape the strategic planning of the local development taking into consideration all the existing opinions and also, in order to build a transparent framework that may cause the increase of the involvement of various social actors in achieving the objectives. Therefore, the strategic planning is an important element for what Mr. Mark Randell (2004) calls „the construction of community participation spaces". We can say therefore ,that there is a citizen and groups of interest capacitating process that offers them the possibility to make their own analyses, to take over command, to gain trust and adopt their own decisions.

The International Association for Public Participation thinks that the main values of the public participation are:
1. The persons affected by a decision are entitled to be involved in the decision taking process
2. The opinions made known by the citizens in the public participation process must be taken into consideration when the final decisions are taken.
3. The public participation promotes sustainable decisions because of the awareness of the needs and interests of all the citizens.
4. The Public participation aims at and facilitates the involvement of all the actors who are, may be affected by or interested in a decision.
5. The public participation has in view the participant inputs in creating the participations methods.
6. The public participation process requires the supply of information to those concerned so that they may be able to involve themselves actively in the taking of decisions.
7. The public participation process must communicate to those involved, the method by which their opinions were integrated in the final decision.

The following questions of the questionnaire aim at a whole series of aspects regarding the main problems Constanta City faces and in which the local administrations should be involved.

TABLE 5
The situation in the locality

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Has improved	825	33.0	33.0	33.0
	Has got worse	434	17.4	17.4	50.4
	Remained unchanged	993	39.7	39.7	90.1
	Refusal	248	9.9	9.9	100
	Total	2500	100	100	

TABLE 6
The town cleaning

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	490	19.6	19.6	19.6
	Quite bad	586	23.4	23.4	43.0
	Quite good	1139	45.6	45.6	88.6
	Very good	142	5.7	5.7	94.3
	Refusal	143	5.7	5.7	100
	Total	2500	100	100	

TABLE 7
The public roads and pavement condition

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	571	22.8	22.8	22.8
	Quite bad	679	27.2	27.2	50.0
	Quite good	992	39.7	39.7	89.7
	Very good	131	5.2	5.2	94.9
	Refusal	127	5.1	5.1	100
	Total	2500	100	100	

TABLE 8
Tourism

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	561	22.4	22.4	22.4
	Quite bad	594	23.8	23.8	46.2
	Quite good	913	36.5	36.5	82.7
	Very good	197	7.9	7.9	90.6
	Refusal	235	9.4	9.4	100
	Total	2500	100	100	

TABLE 9
The public transport

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	542	21.7	21.7	21.7
	Quite bad	608	24.3	24.3	46.0
	Quite good	989	39.6	39.6	85.6
	Very good	204	8.2	8.2	93.7
	Refusal	157	6.3	6.3	100
	Total	2500	100	100	

TABLE 10
Trade centres

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	388	15.5	15.5	15.5
	Quite bad	509	20.4	20.4	35.9
	Quite good	1144	45.8	45.8	81.6
	Very good	281	11.2	11.2	92.9
	Refusal	178	7.1	7.1	100
	Total	2500	100	100	

TABLE 11
Breaking of law level

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	727	29.1	29.1	29.1
	Quite bad	810	32.4	32.4	61.5
	Quite good	583	23.3	23.3	84.8
	Very good	91	3.6	3.6	88.4
	Refusal	289	11.6	11.6	100
	Total	2500	100	100	

TABLE 12
The building of new housing

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	653	26.1	26.1	26.1
	Quite bad	649	26.0	26.0	52.1
	Quite good	875	35.0	35.0	87.1
	Very good	170	6.8	6.8	93.9
	Refusal	153	6.1	6.1	100
	Total	2500	100	100	

TABLE 13
Parks and green spaces

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	619	24.8	24.8	24.8
	Quite bad	654	26.2	26.2	50.9
	Quite good	929	37.2	37.2	88.1
	Very good	161	6.4	6.4	94.5
	Refusal	137	5.5	5.5	100
	Total	2500	100	100	

TABLE 14
Recreation places for children

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	595	23.8	23.8	23.8
	Quite bad	658	26.3	26.3	50.1
	Quite good	954	38.2	38.2	88.3
	Very good	127	5.1	5.1	93.4
	Refusal	166	6.6	6.6	100
	Total	2500	100	100	

TABLE 15
Pollution

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	907	36.3	36.3	Valid
	Quite bad	703	28.1	28.1	64.4
	Quite good	554	22.2	22.2	86.6
	Very good	89	3.6	3.6	90.1
	Refusal	247	9.9	9.9	100
	Total	2500	100	100	

TABLE 16
Parking lots

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	952	38.1	38.1	38.1
	Quite bad	680	27.2	27.2	65.3
	Quite good	561	22.4	22.4	87.7
	Very good	75	3.0	3.0	90.7
	Refusal	232	9.3	9.3	100
	Total	2500	100	100	

TABLE 17
Public order and quietness

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	591	23.6	23.6	23.6
	Quite bad	723	28.9	28.9	52.6
	Quite good	880	35.2	35.2	87.8
	Very good	90	3.6	3.6	91.4
	Refusal	216	8.6	8.6	100
	Total	2500	100	100	

TABLE 18
Garbage removal services

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	551	22.0	22.0	22.0
	Quite bad	575	23.0	23.0	45.0
	Quite good	1031	41.2	41.3	86.3
	Very good	120	4.8	4.8	91.1
	Refusal	223	8.9	8.9	100
	Total	2500	100	100	

TABLE 19
Agricultural and food markets

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	556	22.2	22.2	22.2
	Quite bad	544	21.8	21.8	44.0
	Quite good	1006	40.2	40.2	84.2
	Very good	150	6.0	6.0	90.2
	Refusal	244	9.8	9.8	100
	Total	2500	100	100	

TABLE 20
Corruption

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	941	37.6	37.6	37.6
	Quite bad	843	33.7	33.7	71.4
	Quite good	276	11.0	11.0	82.4
	Very good	67	2.7	2.7	85.1
	Refusal	373	14.9	14.9	100
	Total	2500	100	100	

TABLE 21
Public facilities networks condition (water, sewerage)

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Very bad	681	27.2	27.2	27.2
	Quite bad	611	24.4	24.4	51.7
	Quite good	871	34.8	34.8	86.5
	Very good	103	4.1	4.1	90.6
	Refusal	234	9.4	9.4	100
	Total	2500	100	100	

Regarding the main problems that Constanta deals with, the following an be observed:
- Approximately half the persons asked consider that the situation is good and very good regarding the following problems: town cleaning, public roads and pavement conditions, tourism, public transport, trade centers, construction of new homes, parks and green spaces, recreation places for children, public order, garbage removal services, agricultural and food markets public facilities networks condition, whereas the other half of the persons asked consider that all of these are in a bad or in a very bad state.
- The situation regarding corruption, the existence of the parking places, pollution and breaking the law level is totally different. 70-75% of the population considers that the situation is bad and very bad.

The trust in institutions, generally in people, in public personalities has been and is the object of various studies and researches at a national and international level. Among the multiple definitions of trust we point out the following one: saying that I trust somebody (an individual or institution) means that I expect that person or institution to act in my benefit, although he/she/it would have enough stimuli not to do so. The binder called trust makes people become more involved in the public life and at the level of the population; the trust in some institutions is influenced by their representatives.

The qualities of a good leader are not always defined by intelligence, charisma or physical appearance. People need a person whom they are willing to follow and this thing is not necessarily dependent on performances in the field but especially on how the leader relates to and behaves with people around him.

In this context it is interesting to see which is the councillor, mayor, county councils president (leaders) sociological profile in the opinion of the interviewed persons in Constanta County.

TABLE 22
To be a successful business man

		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Quite important	1028	41.1	41.1	41.1
	Not so important	842	33.7	33.7	74.8
	Not important at all	373	14.9	14.9	89.7
	NS	115	4.6	4.6	94.3
	NR	142	5.7	5.7	100
	Total	2500	100	100	

TABLE 23
To have a pleasant appearance

		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Quite important	851	34.0	34.0	34.0
	Not so important	939	37.6	37.6	71.6
	Not important at all	483	19.3	19.3	90.9
	NS	106	4.2	4.2	95.2
	NR	121	4.8	4.8	100
	Total	2500	100	100	

TABLE 24
To be honest

		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Quite important	2139	85.6	85.6	85.6
	Not so important	158	6.3	6.3	91.9
	Not important at all	77	3.1	3.1	95.0
	NS	55	2.2	2.2	97.2
	NR	71	2.8	2.8	100
	Total	2500	100	100	

TABLE 25
To care about people's problems

		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Quite important	2236	89.4	89.4	89.4
	Not so important	110	4.4	4.4	93.8
	Not important at all	40	1.6	1.6	95.4
	NS	45	1.8	1.8	97.2
	NR	69	2.8	2.8	100
	Total	2500	100	100	

TABLE 26
To be a good leader / manager

		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Quite important	2096	83.8	83.8	83.8
	Not so important	233	9.3	9.3	93.2
	Not important at all	34	1.4	1.4	94.5
	NS	47	1.9	1.9	96.4
	NR	90	3.6	3.6	100
	Total	2500	100	100	

TABLE 27
To keep his promises even if he has in view his own interests

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Quite important	1972	78.9	78.9	78.9
	Not so important	263	10.5	10.5	89.4
	Not important at all	105	4.2	4.2	93.6
	NS	65	2.6	2.6	96.2
	NR	95	3.8	3.8	100
	Total	2500	100	100	

TABLE 28
To be young

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Quite important	1162	46.5	46.5	46.5
	Not so important	804	32.2	32.2	78.6
	Not important at all	353	14.1	14.1	92.8
	NS	58	2.3	2.3	95.1
	NR	123	4.9	4.9	100
	Total	2500	100	100	

TABLE 29
To be supported by a strong party

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Quite important	1726	69.0	69.0	69.0
	Not so important	402	16.1	16.1	85.1
	Not important at all	158	6.3	6.3	91.4
	NS	85	3.4	3.4	94.8
	NR	129	5.2	5.2	100
	Total	2500	100	100	

TABLE 30
To talk so that everybody could understand him

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Quite important	2096	83.8	83.8	83.8
	Not so important	172	6.9	6.9	90.7
	Not important at all	50	2.0	2.0	92.7
	NS	49	2.0	2.0	94.7
	NR	133	5.3	5.3	100
	Total	2500	100	100	

According to the results obtained by processing the statistical data, the most important qualities of a leader are:
- to care about people's problems (89.4%)
- to be honest (85.6%)
- to be a good leader (83.8%)
- to talk so that everybody could understand him (83.8)
- to keep his promises even if he has in view his own interests (78.9%)

The less important qualities are:
- to be supported by a strong party (69%)
- to be a successful business man (41.1%)
- to be young (46%)
- to have a pleasant appearance (34%)

Therefore:
- A leader with a certain vision has a clear image of the result and also a plan of how to obtain success. Nevertheless it is not sufficient to have a vision if you do not know how to share your aspirations with your employees and especially if you do not know how to motivate them so that you all have the same goal. At the same time you must make your vision known in an accessible way for everybody because all your actions will aim at reaching this vision.

- A leader must gain the trust of the people around him and a person who is consistent in the moral values, in how he behaves and treats his personnel and the business problems is considered a trustful and upright person in relation to his employees.
- You will not be able to be a good leader if you try to be what you are not actually, especially if the people around you realise this. People need a self confident person able to hide his emotions, to "play" fair and have predictable reactions so that the people around him should know they may always rely on him.
- The loyalty towards the people you are working with involves time and energy from your side necessary to fulfil your tasks. A leader inspires loyalty to his employees by being himself an example for them and making everything he can do to obtain the desired results.

4. CONCLUSIONS

During the electoral campaigns, the parties and the other candidates make a lot of promises. With a lot of beautiful speaking and persuasion power, all their promises about what they want to improve in Romania sound so good and real that a simple person besides the fact that he would be mesmerized by the politician, he will not know exactly who to choose, as most of the politicians and candidates just promise and do not accomplish their promises.

The research can also be used as a scale to observe in what manner have the politicians respected and accomplished their promises or if all of them remained just useless words. Furthermore more, the research can also detect to what extent did the local administration manage to track the needs of the citizens.

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MANAGING RELATIONS WITH DONORS USING THE CUSTOMER RELATIONSHIP MANAGEMENT CONCEPT

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ABSTRACT

The goal of this paper is to contribute to understanding of relationship marketing applied in the non-profit organizations. Being crucial for the survival and development of the non-profit organizations, the relationships with donors are emphasised among numerous relations with different stakeholders. Specific aim of this paper was to consider if the CRM concept used by marketing oriented profit organizations can be applied in non-profit ones. As it will be elaborated, a slightly modified CRM concept is highly appropriate for managing relationships with donors for various reasons. Therefore, using the approach for analysing each phase of this process in non-profit organizations, some main recommendations are summarized.

KEY WORDS

Non-profit organizations, donors, relationship marketing, customer relationship management

1. INTRODUCTION

The non-profit organizations (NPOs) represent a heterogeneous group of organizations led by the principle of non-distributing profit, but investing it for implementation of various socially beneficial activities and purposes. In Serbia, non-governmental organizations (NGOs) are the prevalent form of NPOs, so the examples used in this paper referring to domestic organizations will, actually, refer to NGOs. Regulations concerning establishing and functioning of NGOs are defined by The Law on Association. Under the common term „associations", this Law treats volunteer and non-governmental organizations based on the principle of freedom of association of more persons or legal subjects. These organizations are being established in order to achieve or improve a specific common goal or the interests not forbidden by the Constitution or the Law. Basic fields of work of NGOs in Serbia are: culture and art; education and research; environment; socio-humanitarian problems; youth; development of the local communities; professional interests; human rights; legislative, advocacy and public policy (think thank); spreading culture of peace and non-violence; women rights etc.[1]

Basic problems of NGOs in Serbia can be recognized in inappropriate image of the whole non-governmental sector, which is the result of the following factors' influence:

Low transparency of the majority of these organizations,

Unclearly/ imprecisely defined field of functioning – implementation of very diverse projects, resulting in decreased credibility and image of incompetent and inconsistent organizations with unclear, shifting strategic direction,

Low level of familiarity and cooperation among NGOs, break out of boycotts, unconstructive competitive relations,

Undeveloped cooperation with other relevant organizations and institutions,

Misuse of position or use of raised funds for the causes they weren't predicted for.

However, being an increasingly numerous, diverse and influential group, NPOs represent very important part of stakeholders' network in each modern civil society. The need for successful relationship marketing in these organizations is therefore obvious.

Having in mind the mentioned facts about non-governmental and non-profit sector in Serbia, adequate stakeholders' relations management becomes even more important for improving image and enabling survival and development of their constituent organizations.

2. RELATIONSHIP MANAGEMENT IN NON-PROFIT ORGANIZATIONS

Inter connection with numerous and various stakeholders is considered to be one of the basic characteristics of the non-profit organizations. Regardless the way, most non-profit organizations address different individuals and organizations in order to achieve support. Clients and beneficiaries; target group members; donors; members of managing board; activists and volunteers; associates and consultants; media and other institutions and organizations – all represent "customers" for NPOs, although they are not considered to be or being referred to as ones.

As for other (usually) small organizations, long-term relations with valuable associates are of crucial importance for non-profit organizations' success in the realization of plans. Valuable associates bring new skills and ideas, energy and freshness into organization (Krol and Fine 2005:28), can carry out important activities and, by word of mouth promotion, pass on their good experience and attract new associates. Adequate management of relations with existing associates means enabling and appreciating the feedback, or encouraging associates to "express their opinion and develop their own picture about the organization" (Spiller and Baier 2005:347). That is being achieved through active listening of associates' needs and responding to them while simultaneously achieving organization's

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[1] More in Law on Associations: Zakon o udruženjima, Službeni glasnik RS, br. 51/09, July 14th 2009, www.parlament.rs/content/cir/akta/akta_detalji.asp?Id=660andt=Z#, date of accession: March 1st 2010.

goals, by building ideas and suggestions of associates into the mission and strategic plan of a non-profit organization.

Diverse priorities of different constituencies, as well as the varying beliefs among stakeholder groups, influence the presence of multiple and sometimes conflicting goals of NPOs associated with these stakeholders. The solution can be in applying marketing orientation in managing non-profit organizations, and, concretely, using some of relationship marketing concepts for managing relations with stakeholder groups. As, according to Kara, Spillan and DeShields (2004:60) survival of NPOs mostly "depends" on two main groups of stakeholders - the users (beneficiaries) and the fund providers (donors), the focus should be on them.

Customer Relationship Management concept (CRM), focused on building long-term close relationships with valuable consumers in profit sector, in NPOs could be used for managing relations with members of previously mentioned groups of "customers", associates, or in other words – stakeholders. That postulate is completely accordant with basic assumption of CRM considering attraction and retention of strategically significant "customers".

3. MANAGING RELATIONS WITH DONORS

Today the importance of building more adequate strategy for managing relations with donors as a part of relationship marketing strategy is being especially emphasized. Namely, traditionally NPOs have focused only on their mission to help the people in need and to the final beneficiaries, or their consumers of their services. The narrow focus led the NPOs to forget that they function in the surrounding that consists of multiple groups of 'customers' and that each of these groups have to be catered to differently. Relations with the groups that actually made providing services and general existence of NPOs possible – their donors and sponsors, were based on irregular contacts and "the donors remembered only during fundraising efforts with little or no effort being made to maintain contact in between fund raising initiatives" (Kristoffersen and Singh 2004:39). For adequate managing relations with donors it is, however, necessary that members of NPOs constantly communicate with them and make them feel valuable and respected.

This is even more important in Serbia where, with the increasing "donor fatigue", NGOs compete for (ostensibly limited) funding. (Bošković 2008:78) Local governments rarely include NGOs into providing social services, and therefore also rarely provide them with funds. It is mostly because of mentioned general prejudices against the NGO sector in general, and in part by a perceived lack of transparency in how the funding is used in various projects. (Bošković 2008, str. 79) So, the non-governmental organizations gain most of their income from the international donor community rather than from the local community. (Grødeland 2008:930)

Without intention to argue the need for balanced relationship marketing oriented towards all the stakeholders, and because of the previously mentioned reasons, the focus in this paper will be on managing relations with donors. Line Kristoffersen and Sangeeta Singh (2004) analysed the implementation of CRM concept in managing relations with donors though three key dimensions – people, processes and technology. Here, we will use a different approach and analyse development of relations with donors according to the phases of CRM process that is being implemented by profitable organizations: strategic analyses of consumers (in this case donors), acquainting with consumers, creating and communicating personalized value and managing long-term relations (Stanković and Đukić 2009:178).

3.1. Strategic analysis of the donors

In the original CRM model, the aim of strategic analysis is to identify strategically important consumers with whom it is justified to build long-term relations. The analysis also enables elimination of irrational resource spending on maintaining relations with other consumers (disinvestment), or the identification of consumer groups that need to be dismissed. Differentiation of consumers based on their value can be achieved using various indicators. Traditionally, only the financial indicators

(measures) have been used, but recently the nonfinancial (satisfaction and loyalty mostly) are being added to the analyses.

On the field of managing relationships with donors, strategic analysis would present the phase in which, in the portfolio of donors, strategically important ones are being identified. Those are the donors with whom it is justified to continue building the relations and whom the marketing efforts should be directed to. That way the cut of costs can be achieved for the resources that would be irrationally spent on contacting and maintaining relations with donors who are not planning to support the activities of a NPO in a longer period of time.

The balance or the record of the organization's financial state can be the object of the analysis through the statistics of the payment frequencies – RF (recency, frequency) and analysis of the monetary value of an average donation– RFM (recency, frequency, monetary value). These analyses that are being carried out 2 to 4 times a year are aimed at defining groups with the biggest possibility of reaction. RF statistics is two dimensional – it includes the data about the number of donors compared to the frequency and the date of the last donation. Three dimensional RMF statistics apart from the mentioned two, includes the third dimension – the average donation's value of a donor. Based on the presented analyses, it is possible to classify donors into three categories – the active, the new and the inactive. (Krol and Fine 2005:53-55) In this segment, the simplified aim can be defined as the tendency for transferring as much donors as possible into the group of the active ones. That would mean dedication to winning and keeping new donors, continuing good relations with the active ones, and an attempt to reactivate the momentarily inactive. If the reactivation does not give results, the most rational decision is to 'discharge' those donors and not invest more in those relations.

The indicators showing frequency and monetary value of the donations can be considered as equivalents of the measurements of customer's profitability in the profit organizations' CRM models, and they in fact represent financial indicators. When the level of donor's loyalty as the next criterion of the strategic analysis is introduced and connected to donor's „profitability", the two basic, extremely differentiated groups of donors can be identified. Those groups can be named 'dedicated' and 'non-dedicated' donors. „Non-dedicated" donors invest small donations during irregular periods; can be loyal to a NPO up to five years, and the chances for the next donations are never higher than 50%. „Dedicated" donors usually stay loyal to an organization longer and invest in regular periods of time. Still, Spiller and Baier (2005: str.346) state that even the donors of this group do not stay loyal longer than six or seven years. But, in non-profit sector in Serbia, the later can be even considered as long-term relation.

This analysis offers the foundation for adequate managing relations with the mentioned, but also with 'transitional' groups of donors. Having in mind that maintaining and improving relations with donors is necessary for survival and development of NPOs, ensuring their long-term and increasing support is an imperative. Therefore it can be easily concluded that the most of the marketing efforts should be directed to maintaining and improving relations with existing dedicated donors, simultaneously trying to include non-dedicated and the donors from transitional group, into the first one.

Practice shows that the donors themselves prefer that kind of relations. According to the results of a research about financing non-profit organizations from the EU and Swiss funds (Krol and Fine 2005: str.154), most donors usually decide to invest in the same organizations – 31 % of donors do that regularly, 48% of them often chose that option, and only 21% donors tend to continuously invest in new organizations.

As for donors that fund non-profit organizations in Serbia, it should be mentioned that Ministries, domestic funds and funds managed by the European Commission (Youth in Action, Neighbourhood Programme) do not have rigid rules of this type, and can finance project and programmes of the same organizations in more successive periods. Some of the funds, such as the World Bank fund for small NGOs, BCIF and others, do not tend to finance the same organization or even two organizations from the same town or even part of the country twice in a roll or ever. Some of the big international funds, such as International Youth Foundation, rarely finance two projects from the same region in two successive periods of time. On the other hand, US funds as MOTT and Rockefeller funds use to give three years long institutional support that can even be prolonged after that period.

So, it can be concluded that donors' policies on prolongation of financing the same organization's projects, or giving institutional support, are different for different donors. At the same time, we can see this as a significant opportunity for ensuring necessary regular cash flow for the non-profit organizations. In fact, as most of the NGOs in Serbia are being financed through short-term, project financing, their common work on improving image of non-profit sector in general, and defining and implementing individual strategies of positioning is necessary.

Contemporary relationship marketing trends also develop the need for managing relations with unsatisfied consumers, in this case – the donors. Therefore it is necessary to collect and analyse data on 'lost' donors. Namely, the aim is to determine how valuable they were, how much potential resources was lost, is there a chance for reactivation of some of those donors, which way and how much it will cost. Based on all that information, the strategies of re-attracting lost donors are being defined and implemented.

In the following text it will be explained how successful previous activities and, generally, good reputation of NPOs ensure long-term commitment of existing donors and attracting new ones.

3.2. Acquainting with the donors

The basic philosophy of CRM is developing mutually satisfying relationship with customers and therefore organization needs to understand what the customer wants from the relationship. Customer identification is the important point for CRM which can enable the firm for making its customers more loyal through the collection, processing, and applying customer profile and transaction data. This eventually results in providing the customer with the desired value that leads to loyalty.

As profit organizations tend to in managing relations with customers, non-profit organizations have to set as a goal understanding of each donor. Non-profit organizations should understand donor's motivation for investing their time, effort and money in order to support a cause that a focal NPO supports. When it comes to individual donors, most of them invest in order to support a cause and see the positive change in its achievement, and not only to improve financial state of an organization. Namely, people usually invest in causes that are accordant with their deep personal beliefs and values. Krol and Fine (2005:49) show that information about age, marital status, gender, profession etc. is necessary for creating personalized programs for donors to move to the higher levels of loyalty pyramid, and for retaining them. Some of the methods that can be used are telephone interviews, mailing and focus groups. In the case of small budgets, which are almost a rule, secondary data retrieved from the sources as annual reports of other organizations or media, or through the network of partners (Krol and Fine 2005: str. 49) are being used. Associates, friends or collaborators from other organizations, employees of financial institutions and business organizations, potential volunteers, partners and donors – they all represent interconnected subjects of these networks.

Spiller and Baier (2005: str. 345) presented a model of individual donor behaviour focused on ways of receiving information and reacting to NPOs' appeals for investment and partnership building. According to this model, two groups of determinants that influence behaviour and decision making of an individual donor can be identified. Those determinants, in the model called external and internal, actually represent demographic and psychographic characteristics of individual donors that help in acquainting them. Demographic characteristics of donors as gender, age, education level, place of residency etc. significaly influence their willingness for investing in non-profit organizations and enable drafting of typical donor's profile. Mentioned authors (Spiller and Baier 2005:346) give the example of the results of a research according to which the US donors are usually very rich 60 to 76 years old individuals who have earned a lot during the period or their employment. This kind of research has not been organized in Serbia yet.

Psychographic determinants, actually the personal characteristics, determine the level and intensity of donor's motivation to invest, decision making on an organization they would support and the concrete sum of money they would invest. Previous experience and personal evaluation are the criteria of significant influence, but as they represent intrinsic determinants direct marketers can not easily identify them. However, as much possible information should be collected about the projects and organizations that the donors have supported so far and their fields of interest and operating. This

information can give pretty adequate basis for understanding donor's personal criteria based on which he evaluates the work of non-profit organizations and decide on whom he will invest to. These very same determinants influence the behaviour of organizations as donors, so they can be used in analysing behaviours of organizations that represent potential NPOs' funders.

Still, these authors (Spiller and Baier 2005:346) emphasize the level of empathy that individual donor feels towards a certain organization, has the lead role in deciding on investments. That conclusion is supported by the results of other researches. Namely, Suzan Foreman (2005:2) states that, both for an individual or an organization as a donor, a self image represents very important factor influencing behaviour. If there is a belief that donor's personal image and values of the organization are compatible, and there is identification of personal goals and goals of NPOs, donors will be more likely to invest, as it gives them 'personal meaning' or because they feel like they are making a contribution to the cause. Ultimately, this leads to the satisfying degree of loyalty.

3.3. *Creating and communicating the personalized value*

Customer relationship management is a customer-centred business strategy aimed at increasing satisfaction and loyalty of customers by offering them tailored services. In this very phase of CRM that personalized value for customers is being created. It consists of elements of marketing mix that respond to customer's needs. In the donor relationship management, the organizations' environment not only evaluates the services provided by the organization, but also the norms and values these services are being produced from. During that, customers' experiences with organization influence their attitudes forming, and while positive experiences have positive impact on organizations' reputation and consumers' loyalty, the negative can result in loosing customers. "It is therefore of tantamount importance that the company understands the customers' expectations and requirements in order to gain insight into what they want and provide services accordingly. Such service is possible only if there is a feedback system in place that encourages communication with the customers."(Kristoffersen and Singh 2004:32)

As the service of a NPO (as the lead element of the offer) and its distribution are being crated accordingly to the needs of final beneficiaries, the personalization of the value for donors mostly refers to communication. In order for the CRM strategy to be successful, it is important that the customer information flow freely through the organization with a streamlined operational system that facilitates effective interaction and information sharing across the different channels.

The direct marketing stands out as the most efficient way of responding to donors' communicational needs in the process of managing relations with them. (Spiller and Baier 2005: str. 347) This element of the communication mix is generally very often used in relationship marketing that demands personalized communication with the possibility of direct response. The instruments and techniques of direct marketing are therefore considered to be ideal for non-profit organizations as they are precisely oriented, their activities are costly effective, costs can be presented in accounting statements, and the results of the efforts are directly measureable as they demand direct response. NPOs can use different direct marketing strategies that employ different means of communication. Understanding the donors' habits related to media consumption and getting the information is of crucial importance for obtaining their support, developing relations with them and ensuring their loyalty.

Researches show that the most used source of information for donors about possibilities for funding non-profit organization is the direct mail. Most frequently used form of the direct mail is in fact the mailing related to charities and projects of the NPOs. (Spiller and Baier 2005: str.358) Non-profit organizations can also use mass communication media for their promotional campaigns. ECHO prize established in US represents the acknowledgement that American Direct Marketing Association (DMA) gives annually to the direct marketing experts for direct and interactive campaigns promoting aims of the non-profit organizations.

Direct mail is used for fundraising, building and improving relationships with donors, updating them and enabling their long-term support. In Serbia, as in other countries, direct mail is the most frequently used tool of direct marketing in non-profit organizations. The biggest amount of this kind of mailings is sent to the largest number of citizens by non-governmental organizations during the so called GOTV (Go out and take a vote) campaigns and by political parties before and during the election

process. Direct mail is, also, used by charity organizations and other citizens associations, but the message is directed to specifically targeted segments of potential donors and users, promoting concrete program or project.

Television can be used in fundraising campaigns through advertising or the public announcement. Spiller and Baier (2005:360) state that donors who find out for NPOs' activities through Direct Response TV (DRTV) usually give donations couple times higher than other categories of donors. The most frequently used tools for promotion through television are so called Infomercials (this word is a mix of the words 'information' and 'commercial', or information and advertising) that have a life cycle or period of broadcasting of 9-18 months. In Serbia, most of the non-profit organizations do not have possibility for this kind of promotion since they have limited budgets. On the other hand, this kind of promoting projects, charity actions and non-profit organizations is being used when TV stations are project partners or general media supporters. Examples of this kind of promotions are activities of NPOs ASTRA and ORCA, "Safe house" project on TV B92. Television advertising is used for promoting private charity funds of the celebrities.

The Internet is becoming the most important media generally and for non-profit organizations also. The use of the Internet rises as the postal costs increase, usage of paper is becoming highly expensive and its extensive use judged by the public, and telemarketing regulation becomes even more complex. As generally available, frequently used and interactive promotional mean with constantly rising popularity and usage, the Internet represents the tool for information gathering and fundraising for non-profit organizations. With this tool, non-profit organizations get the new possibility for fundraising thanks to numerous on-line marketing initiatives that consist of data bases of potential donors – names of organizations in alphabetical order for on-line fundraising. Beside this, another way of fundraising is cooperation with profit organizations and posting their banners on the non-profit organizations' websites that brings NPOs percentage of every on-line purchase. E-mails, as Keller (1992:20) was saying on the beginning of their expansion, make it possible to personalize NPOs' mailings and dramatically increase the percentage of response these organizations are accustomed to receive.

E-bulletin is a common way of on-line communication, that potential donor or partner gets on request, which differentiates it from spam. For NPOs, bulletin represents a significant way of communication since it's very simple, cheap, demands convergent internal resources, generates web site visitors etc. It has to include basic information and directions for sources where donors can find detailed information, in order to adequately meet their needs.

Web sites. Differences between web pages of NPOs stand from their attractiveness, quantity of presented information, and the donors' perception of its usefulness. The presence on the Internet is not itself enough for fundraising nor for communication with all the interested stakeholders. Based on that, it's necessary to develop web site from presentation to service website. Service website represent a website where all the data are being regularly updated, daily information are presented in a way familiar to the donors, with other added values for them, with possibility for interaction, even personalization. High quality service website need to present communication flow with user in details, from preparation of content in organization to the eventual money transfers.

Among Serbian NPOs, web presentations are mostly used as a way of promoting organization, for attracting potential volunteers and as an additional source of information for donors. Internet is also used for reviewing potential donors date bases (in Serbia, this information can be found at websites of CRNPS – Centre for non-profit sector development, PRSP – Poverty reduction strategy paper, Ministry of youth and sport…), finding potential users, ideas for future projects and information about potential donors (which are the projects they have financed till now, priorities in financing, what are donors strategic goals and so on).

It is necessary to mention the potential flaws of communication via Internet while managing relationship with donors. The most important of them are:

Internet is a "passive" medium that functions according to pull principle, because donor must approach the web site and review the contents of interest. On the other hand, direct mail and telemarketing make the donor face the organization and its appeal, so the reaction is more possible.

Donors can be suspicious to this type of communication, because of unnecessary information, viruses, non operational links, possibilities for mistakes related to paying contributions, and mostly because of the flaws considering safety and security of the information (Krol and Fine 2005:114).

3.4. Developing and managing long-term relationships

In the concept of relationship marketing, according to Kotler and Adams (2008:320), the focus shifts from transactions to building long-term relationship where stakeholders are being constantly encouraged to continue their involvement with the focal organization. These authors consider relationship marketing easier and more cost-effective than traditional (transactional) marketing that makes it very suitable for non-profit organizations. As stakeholders who have already carried out transaction with the organization are considered to be better sources for future transactions than the entirely new ones, marketing efforts should be directed to the promotion of further interactions with their existing target audience base. Although establishment and development of strong long-term relationships instead of irregular transactions is important in many areas of non-profit marketing, it is even necessary in managing relationship with donors.

Namely, apart from attracting donors, the organization has to additionally improve its ability to retain them for a longer period of time. A successfully implemented CRM concept, if it is based on a clearly defined strategy, can lead to the achievement of that goal. As Kristoffersen and Singh (2004:31) point out, CRM should emerge from the overall business strategy „so that it embraces the same direction and financial goals as that of the business strategy while building customer loyalty". The final objective is to build strong relations that encourage donors to interact with the organization longer, invest more in it and recommend it to others.

Relationship marketing is based on focusing on key target audience members and giving them continuous attention. The first commandment of developing good relationship with donors is showing gratitude or giving something in return. Those activities should also be personalized, and donors usually choose some of the following types of showing gratitude: signing donor's name on buildings, in premises, on means of transport, in publications, reports, in promotional material, naming the project or the programme after donor. However, some donors prefer that means to be invested in organization's activities instead.

Managing relations with donors, certainly, does not include only showing gratitude but a whole additional set of activities. Among them the regular contacting is the most important in order to recognize and respond to donor's needs and achieve their long-term commitment to non-profit organizations. Although regular contacting from time to time aimed at giving donors small rewards for patronage, asking them for new ways they can be of help – may seem costly in the short run, these small gestures of nurturing can have important effects on the target audience member in the long run. One of the most important effects is favourable word of mouth. Knowing that competitors have the same intentions considering attraction and retention of donors, it can be easily understood that communication has the most important role – that it must be different and enable organization to reach the donor faster than others and keep him as a long-term partner. It is necessary, as mentioned, because the donors are essential for the non-profits' goals fulfilment and improvement of existing relationships facilitates simultaneous assignment and attracting resources. Therefore, ensuring the organization's orientation towards them must also be a task of management. Kara, Spillan and DeShields state that „Focusing on the donor must be viewed as a way to fulfil the organization's mission, but not as an end in itself"(2004:60). They have found that market orientation of non-profit organizations directly influences fundraising success. Here, market orientation is defined as group culture that differentiates one organization from another in its tendency to provide its clients with superior value as the basis for developing long-term relations. For NPOs, market orientation specifically requires obtaining data on the needs, desires, and expectations of it's, in this case, donors. An organization with effective information collection and processing capabilities can make more precise predictions of rapid changes in its environment and identify superior value for its clients. Superior performance can be achieved only by responding continuously to the donors' ever-changing needs.

So called corporate-customer (c-c) identification (Foreman 2005:6) represents the best basis for long-term relations development and ensures benefits for both the donor and the non-profit organization. The identification takes place when donor (organization or an individual) identifies with the non-profit organization's beliefs, philosophy, and values and, as a result, their own self esteem is enhanced. In the case of corporate donors, non-profits receive a double benefit as their donations can also lead to personal donations from the donors' customers and other organizations, and long-term donor's commitments can also improve reputation of an NPO. Thus, in order to develop strategic positioning, the non-profit organizations should assess the reputation of potential partners to develop relationships which bring benefits derived from their shared values and close c-c identification. On the other hand, the main benefit for donors lay in the fact that they help the final beneficiaries of NPOs, but also that wider audience recognize them as social responsible organizations. Finally, that results in improved image, attracting new customers and developing relations with the existing ones.

Berger, Cunningham and Drumright (2004) suggest that this kind of 'integration' develops when the missions, values, products, management approach, customers and cultures of two organizations overlap and they work together both to generate value and provide benefits to the community. Four key issues outlined in this research are: trust, power, the allocation of costs and benefits, and time. The last mentioned factor - the time, implicates that as the relationships mature with the novelty, the initial benefits may diminish, unless continuous efforts are made to support the company, its aims and the social benefits demanded by non-profits.

These authors point out that, in order to maintain and develop good long-term relations, the partnerships need to become institutionalised so that uncertainty is reduced, trust is constantly present and increases in time, and operating procedures are agreed. That way the relationship becomes less vulnerable to staff turnovers and other changes. Trust and commitment increase as the relationship grows and as it matures, each side needs complete understanding of the factors and processes that will sustain and support it until, finally, the relationship itself can become an important asset for both partners and society. In order to achieve that, as Krol and Fine (2005:154) point out, the process of gaining and retaining donors can never be considered to be over and has to always be maintained and improved.

4. CONCLUSIONS

The non-profit organizations represent important group of subjects in the network of stakeholders that defines modern civil societies. As such, they interact with numerous and various organizations and institutions, as well with individuals who enable their survival and development. In order to successfully manage numerous relations, non-profit organizations need to be market oriented and include relationship marketing principles into missions and strategies. Relationship marketing in non-profit organizations should balance the needs for addressing all the groups of stakeholders. But, if some group(s) should be considered as potentially more important than others, crucial for functioning of NPOs, those would be final beneficiaries and donors. The information about final beneficiaries' needs shapes the programme of NPOs. That programme can only be implemented if managing relations with donors is adequate. They invest time, money and efforts that enable NPO to conduct regular activities oriented to achieving their mission.

In this paper, therefore, the aim has been to reconsider if relationship marketing concepts are appropriate for non-profit organizations management. The basic assumptions of relationship marketing in general, and specifically customer relationship concept, have proven to be adequate for managing relationships with donors. The Customer Relationship Management concept (CRM) focuses on building long-term close relationships with valuable consumers in profit sector. NPOs should be focusing on building those kinds of relations with donors in order to ensure regular cash flow. It is of special importance for small NPOs in Serbia that can easily be driven to the edge of the existence being dependent on short-term project financing.

Also, it is always being emphasized that maintenance of stakeholders is less expensive than attracting new ones, and for the non-profit organizations that usually have very limited resources it should be the predominant motive for investing in valuable relations.

First step in building such relations is to choose the donors that the non-profit organization should focus. The complete analysis of the portfolio of donors has to be done instead of simply targeting the ones that give the most at the moment. Apart from the data about value, recency and frequency of donations, non-profit organizations should consider donor's loyalty and other non-financial determinants of his behaviour.

After that, the non-profit organization has to get to know better the donors recognized as strategically important. It is pointed out that main information that should be in focus here refers to the psychographic and demographic characteristics of the donor. Among these information, that should be regularly updated, the ones about previous experience and personal motivation are of special importance. As corporate-customer (c-c) identification represents the best basis for long-term relations development it should be especially analysed here. The aim is, therefore, to determine if and how much the donor identifies with the non-profit organization's beliefs, philosophy, and values. If the coherency exists, chances for the commitment are increased. This puts the same goal again in front of non-profit organizations in Serbia – to work jointly on improving image of non-profit sector in general, and define and implement individual positioning strategies in order to attract and retain domestic and international funders.

The superior and personalized value that should be provided to the donors mostly concerns communication and expressing gratitude in the way convenient for them. Gestures of expressing gratitude are not enough, but being necessary they should be done in accordance with donor's wishes and principles. Donors' feedback is necessary in designing and implementing those activities too, and that again emphasizes the general need for adequate information exchange. Direct marketing techniques show the best results when it comes to communication. The donors can be easily reached, the messages maximally personalized, the direct response is achieved and the cost efficiency is ensured. By keeping donors regularly updated and listened to, a NPO makes them feel valuable, important and appreciated. The Non-profit organizations in Serbia must be faced with the fact that promoting donors during and just after the project implementation is just not enough, that the process of gaining and retaining donors can never be considered to be over and has to always be maintained and improved.

If finally, the 'integration' develops and the missions, values, cultures of two organizations (or a non-profit organization and an individual donor) overlap, they will work together generating value and provide benefits not only to themselves, but also to the community. In order to maintain and develop good long-term relations, the partnerships can even be institutionalised and become less vulnerable to the changes and the relationship itself can become an important asset for both partners and society.

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LEARNING 2.0: COLLABORATIVE TECHNOLOGIES TRANSFORMING LEARNING PATTERNS

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ABSTRACT

Web 2.0 applications like blogs, wikis, online social networking sites, photo- and video-sharing sites and virtual worlds have known an exponentially increasing development and popularity over the past few years. Research evidence suggests that these revolutionary online tools have not only had an impact on people's private and professional lives, but are also starting to affect large organizations and institutional structures, leading them towards more collaborative and synergetic approaches. This process - intrinsically based on the latest online technologies - is extremely interesting to observe in the educational sector, as an enhanced efficiency at this level is further on naturally disseminated in all segments and fields of activity. Our paper aims at a general view of these new Internet technologies, only to sketch the basic context in which we will take a deeper look at the multiple ways of Web 2.0 applications transforming learning patterns and pathways.

KEY WORDS

Education, technology, Web 2.0 applications, learning 2.0

1. INTRODUCTION

A new set of Internet-based technological tools, all gathered together under the roof of one broad term - Web 2.0 – are describing the evolving use of the Internet as a technology platform to enhance functionality, communication and collaboration. It encompasses the explosion of Web-delivered content, interconnectivity, new applications and social networking. The term "Web 2.0" actually describes the changing trends in the use of World Wide Web technology and web design that aim to enhance creativity, communications, secure information sharing, collaboration and functionality of the web. According to Tim O'Reilly, the one who introduced this term in 2004, Web 2.0 is the business revolution in the computer industry caused by the move to the Internet as a platform, and an attempt to understand the rules for success on that new platform. O'Reilly has said that the "2.0" refers to the historical context of web businesses "coming back" after the 2001 collapse of the dot-com bubble, in addition to the distinguishing characteristics of the projects that survived the bust or thrived thereafter. It is also said that the Internet era prior to that, the one pertaining to web developers and specialists only, is known as the Web 1.0 period, while now with Web 2.0 and slowly transcending to 3.0 and further is what we call the internet for everybody, since anyone in the world could go online and create their own contents there. This transition has occurred much more sequentially than some might like to admit. It is not a new era of the information technology bursting out of nothing, but it represents the logical and expected democratization of the online creation and sharing of content.

Moving forward to Learning 2.0, we are basically referring to emerging initiatives of integrating Web 2.0 applications in educational contexts. Since the concept of collaborative technologies is only a few years old itself, discussions around the topic of its fusion with the educational sector are an even bigger novelty. Therefore research on Learning 2.0 is still scarce, the only comprehensive project in this area of study being one initiated by the Institute for Prospective Technological Studies (IPTS) and the European Commission Directorate Education and Culture (DG EAC) in 2008. "Learning 2.0 – the Impact of Web 2.0 Innovations on Education and Training in Europe" aims at gathering concrete evidence on the take up of social computing by European education and training institutions, to understand its impact on innovations in educational practices and its potential for a more inclusive European knowledge society. At the same time, this research project also envisioned identifying challenges and bottlenecks so as to devise policy options for European decision makers, all in all proposing a very complex approach to understanding the role of collaborative technologies in European education and training institutions.

Although the final report issued at the end of this study (Redecker et al. 2009) is a very important informative tool for anyone plunging into this field, there are two disadvantages entailed. First of all, the results are biased by concentrating only on European institutions, which although was one of the major premises of the project, nevertheless cannot be ignored, and second of all our entire discussion takes place on very rapidly changing grounds, the Web 2.0 movement having suffered tremendous developments during the last couple of years. This is why we are proposing a more general, up-to-date and logically structured overview of the Learning 2.0 field and our hopes are high that a clear outline of this phenomenon and its determining landmarks – one of the priority goals of this paper – will foster deeper interest and further research into this very lively and current topic.

2. THE WEB 2.0 LANDSCAPE FROM GENERAL TO SPECIFIC

Under the generic term Web 2.0 are gathered very different, interactive phenomena of the Internet in its current state of development, explaining the way in which technical support for communication between many individuals was enabled by improved and newly developed tools. This is very easy to see when we look at the amount of people using the internet today, compared to that same number only a few years ago, development that could be easily illustrated by an exponential function. Thus, if before there were only a few persons going online on a regular basis, nowadays a lot of people practically live in a parallel online universe that incorporates almost all aspects of the human existence. And a lot of the applications that make this possible are Web 2.0 applications.

The stronger individual connection between people and information is exactly what Tim O'Reilly had described in his article *What is Web 2.0?,* published in September 2005, where he referred to the term "Web 2.0" as a synonym for the future of the Internet. The basic principle behind it is that not only more and more people are intensely using the Internet on a daily basis, but moreover, they are not using it just as a simple information source anymore - they are turning into active users that also generate pieces of that information. The personal computer has no longer value unless it's connected to the big net, as users become more aware of the great advantages of this enormous network where they can meet, discuss or even work together with other users. Everyone's content becomes valuable for somebody and in this way every person taking part in the media happening creates some extra value. The key of this concept stays precisely in user friendly applications that enable everyone to being a part of this global, borderless phenomenon, since such a World Wilde Web of continuous communication and cooperation has been available at least in theory for a while now, but Web 2.0 applications were never easier to use than today.

To enter more concretely into the world of Web 2.0 tools, here is a briefly explained list of a few of the most popular ones:

- *Weblogs* or *blogs* – freeform digital canvases used to communicate in an open setting or well-defined group to capture topic-specific content in the form of articles (posts) listed in reversed chronological order; blogs can encompass all sorts of content, from visual, audio and video, as well as links to other blogs, information about the author and readers' comments; the term *blogosphere* has been born with the explosion of blogs around the world (there are currently around 100.000 new blogs created daily (Pascu, 2008)), describing the online world of these public writing environments;
- *Wikis* – web-based tools designed for collaborative, unstructured interactions among formal and informal groups, popular with project teams for coordinating work, team editing and capturing project updates; the most well-known example of a wiki is Wikipedia, a collaboratively-created online encyclopaedia with more than 75000 active contributors working on more than 10 million articles in 250 languages[1].
- *Tagging, social bookmarking and folksonomies* – assigning categories/names to Web and other content, such as articles, books (Amazon), pictures (Flickr), videos (YouTube), blog (Technorati) and wiki entries, or institutional and team documents;
- *Social networking/online communities* – Web-based sites or internal platforms that supports interaction among users of all kinds;
- *Social filtering* – letting users rate content to create collective opinion of its relevance and value;
- *Mash-ups* – result of combining data from two applications (usually with open application programming interfaces) that weren't originally intended to work together.
- *Virtual worlds* – virtual environments like Second Life or similar online 3D virtual worlds where users can socialize connect and create using free voice and text chat.

All of these tools and others have slowly made their way into most every aspect of human life. We use them to stay connected with each other, to work more efficiently, to extend our network of peers, to enhance marketing and management activities and basically to share everything – from personal to field-specific information, from comments and opinions to institutional knowledge. Being slowly introduced also in the educational system, they:

- facilitate access to information for everyone, making institutional processes more transparent and the distribution of educational material more efficient;
- integrate learning into a wider community, reaching out to virtually meet people from other age-groups and socio-cultural backgrounds, linking to experts, researchers or practitioners in a certain field of study and thus opening up alternative channels for gaining knowledge and enhancing skills;
- support the exchange of knowledge and material and facilitate community building and collaboration among learners and teachers;
- increase academic achievement with the help of motivating, personalised and engaging learning tools and environments;

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[1] http://wikipedia.org/

implement pedagogical strategies intended to support, facilitate, enhance and improve learning
processes (Redecker et al. 2009: 25-27).

All in all, we understand the Learning 2.0 phenomenon as one of utmost importance and actuality,
announcing what might become a crucial impact on the future of educational pathways worldwide.
Bearing this acknowledgement in mind, we will further embark on an attempt to better understand the
implications of Learning 2.0 developments, by underlining the core positive aspects they bring in, as
well as the biggest challenges and bottlenecks.

3. GOING INTO LEARNING 2.0 – RELEVANCE AND CONSEQUENCES

3.1. *Opportunities and advantages*

The most obvious advantage of using Web 2.0 tools within educational and training contexts of all
kind would be their contribution in terms of fostering worldwide innovation and modernization of this
field. As the already undertaken research suggests, Learning 2.0 strategies would contribute in
particular to three dimensions of innovation – technological, pedagogical and organizational
innovation (see Figure 1).

The self-explanatory matrix in Figure 1 pictures the way in which Learning 2.0 strategies bring
together several core aspects of our lives, providing the technological premises (new ways, tools and
methods) for learning, then drawing the attention upon the basic need of organizational
transformations (re-creating teaching and learning practice), so that in the end all the preconditions are
there for pedagogical innovation and empowerment of the learner.

Establishing this incremental pace, Learning 2.0 strategies first of all imply the existence and usability
of collaborative technologies that would increase the accessibility and availability of learning content
and would of course provide new, more efficient frameworks for knowledge acquisition,
dissemination and management. Building on our introductory arguments, Web 2.0 tools allow
embedding learning activities in more engaging multimedia environments, with a high degree of
quality and interoperability, where dynamic or individualised learning resources are easily created.
Moreover, the simple fact that Learning 2.0 helps overcoming the limitations of face-to-face
instruction through versatile tools for knowledge exchange and collaboration is a great achievement
per se and something that could be made the most of in remote areas where there is an unbalanced
ratio between the number of learners and available teachers.

Moving forward to the next innovation dimension, namely the organizational innovation, Learning 2.0
both requires and promotes this type of transformations and it can contribute to making educational
organisations more dynamic, flexible and open. Through collaborative technologies institutions in this
sector can become reflective organisations that critically evaluate and revise their corporate strategies
in order to support innovative pedagogies. But in order for this to happen first of all the necessary
infrastructure in which social media tools are accessible to all learners and teachers needs to be
provided. In addition to this, educational institutions need to make efforts towards creating an
atmosphere of support for Learning 2.0, in which new teaching and learning models are fostered and
new assessment and grading strategies are integrated.

Once all these developments are mobilized, the primary sine-qua-non conditions are set for learning
approaches using social media to promote pedagogical innovation, which basically presumes
encouraging teaching and learning processes that are based on personalisation and collaboration. The
main consequence of pedagogical innovation lays in a redefining shift within interaction patterns
between and among students and teachers. This way teachers become much more than just instructors
or lecturers – they embrace roles as coordinators, moderators, mediators and mentors. At the same
time students' roles evolve as well, from taking responsibility for their own learning progress to also
having to support each other in their learning endeavours, and jointly create the learning content and
context. Hence, Learning 2.0 created the entire playfield where learners can and are encouraged to
assume a pro-active role in the learning process and develop their own – individual and collective –
rules and strategies for learning.

Much more than just enhancing innovation at these three interrelated levels, social media support
engages playful approaches, provides new formats for creative expression and encourages learners and
teachers to experiment with different, innovative ways of articulating their thoughts and ideas. The
Learning 2.0 landscape itself is shaped by experimentation, collaboration and empowerment, and

allows learners and teachers to discover new ways of actively and creatively developing their individual competences, which in turn provides a rich soil where further innovation can flourish.

All in all, through the broad variety of versatile tools, social media allows the implementation of more effective learning strategies that can furthermore improve individual performance, actively foster the development of transversal competences, and nurture abilities to flexibly develop skills in a lifelong learning continuum. This is easily attainable because the Learning 2.0 spectrum offers accessible, flexible and dynamic learning environments that can complement and supplement initial training. Furthermore, the networking potential of social media, together with its power to overcome time and space barriers, supports interaction and collaboration among and between learners and teachers who are geographically dispersed and enables students to broaden their horizons, and collaborate across borders, language barriers, and institutional walls. Last but not least, research results indicate that social media approaches to learning can mitigate existing inequalities and can be employed to successfully re-engage individuals who are at risk of exclusion from the knowledge society. Learning 2.0 strategies can thus effectively increase the accessibility and availability of learning opportunities for the hard to reach, and can significantly improve motivation and engagement in learning.

3.2. Challenges and bottlenecks

While the potential of social media for enhancing learning opportunities is substantial, there are nevertheless a few obstacles to the smooth implementation of Learning 2.0 strategies. The first one we need to mention is the very basic premise for collaborative technologies becoming a part of any process: Internet access. Although the number of people going online has increased tremendously during the past few years, the Internet is still not a commodity everywhere, in some parts of the world being actually very far from that. So then we ask ourselves how we can talk about the blessings of Learning 2.0 in a democratic way when access to such practices is prohibited sometimes due to disparities in economic and technical development.

Apart from the still non-unanimous use of Internet nowadays that will hopefully soon be overcome, we can identify further technical, organizational and pedagogical bottlenecks that hinder the fast spread and efficacy of Learning 2.0 practices. More than the lack of proper facilities allowing access to internet communication technologies in all educational institutions, access to basic digital skills constitutes a major obstacle for the use of social media in education activities, and a key problem for inclusion and equity. In this sense both learners and teacher face a challenge – teachers in particular as they do not feel confident enough with their ICT skills to experiment with Learning 2.0 strategies and further on they also need assistance sometimes, when their students don't have advanced digital competences, in supplying them with the necessary digital skills to safely use social media environments. Especially in this case, the mainstream deployment of Learning 2.0 approaches and strategies might be hindered by a lack of didactic methodologies, toolsets and training programmes for teachers which would also enable teachers to assume their new role as guides and mentors.

Another very important aspect when considering social media in educational institutions is the safety and privacy concern. Learning 2.0 strategies require the confident and critical use of these tools and an informed and critical attitude towards interactive media and digital information (Hulme 2009). Constantly bearing this in mind is an extra responsibility that needs to be assumed by educators, who have to make sure that the identities of their learners are protected; that rules of conduct are implemented and adhered to; and that intellectual property rights are respected.

Last but not least, Learning 2.0 brings requirements on institutional change, as with their rooting in formal education processes comes also a re-evaluation of educational institutions' role in society as knowledge providers. This challenges rigid existing power structures, as resistance to change limits the development of new concrete ways to support teachers, learner and administrators and generally encumber these institutions when it comes to taking an active role in deploying promising Learning 2.0 strategies. And in order to offer a very objective depiction of this situation, it is sadly accentuated by the tumultuous character of social media landscape, which underlies continuous change and transformation and hence a lot of uncertainty concerning the future development and availability of current applications and services; the reliability of user-produced content; suitable assessment and certification strategies; and valid pedagogical concepts and methods for learning with social media.

4. CONCLUSIONS

There is no doubt that new information and communication technologies become a more and more important part of our lives as we speak, reaching up to every layer of our existence. This paper focused on their influence in the educational field as an emerging worldwide trend, endeavouring an objective depiction of pros and cons when considering the integration of social media within current conservative teaching and learning patterns.

Social media applications provide easy, fast and efficient ways to access a great diversity of information and situated knowledge. To quote Tiwana (2002), "knowledge is one of the few resources that demonstrate increasing returns to scale: the more you share it, the more it grows". Then it is only logical, if knowledge dissemination lays at the core of its thriving, that we should do everything standing in our power to stimulate and support the transfer of knowledge among as many individuals as possible even from our instruction years, offering ourselves the perfect tool for effectively building competences in collaboration with other learners, practitioners and stakeholders in a lifelong continuum. The technological development has brought us as far as being constant parts of an on-line, digital, parallel universe, with new, improved and easy to use applications, making the Internet maybe the most democratic space of all and the entire mankind a co-generating part of it. So why not use this "universe" to stimulate and support core learning processes, why not tap into all the advantages and opportunities Web 2.0 tools bring in the education field, why not let them facilitate for all of us the development of key competences for the 21st century?

To sum up, the already undertaken research points out that there is not only a great potential of innovation at a technical, organizational and pedagogical level brought in by Learning 2.0 strategies, but that there are also several obstacles rising up in front of the social media efficacy in education institutions. There are indeed great arguments in favour of their adoption, like the fact that it allows learners to access a vast variety of (often freely available) learning content, which supports incessant learning and professional development, it contributes to equity and inclusion and puts pressure on education institutions to improve the quality and availability of their learning material. Moreover, since social media allow users to create digital content themselves and publish it online, it gives rise to a huge resource of user-generated content from which learners and teachers can mutually benefit, also encouraging more active and pro-active approaches to learning. Last but not least, it connects learners with one another, experts and teachers alike, allowing them to tap into the tacit knowledge of their peers and have access to highly specific and targeted knowledge in a given field of interest, at the same time supporting also the collaboration between them on a given project or a joint topic of interest, pooling resources, creating synergies and gathering the expertise and potential of a group of people committed to a common objective.

Although all these are great advantages picturing a bright future of the education system under the upcoming years of technical modernity we must not be naive and think that all these things can happen without a strong technological basis in form of access to proper facilities and advanced IT and social media instruction and assistance for learners and teachers; at the same, none of this is possible in the absence of institutional innovation and a fresh mindset that embraces the integration of social media with conservative learning techniques. Therefore we highly encourage the full acknowledgement of these impediments and further research into covering the gap of misperceptions and uncertainties regarding Learning 2.0 strategies and being concretely able to transform all of their opportunities and advantages into strong-stating facts.

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APPENDIX

FIGURE 1
The innovative potential of Learning 2.0
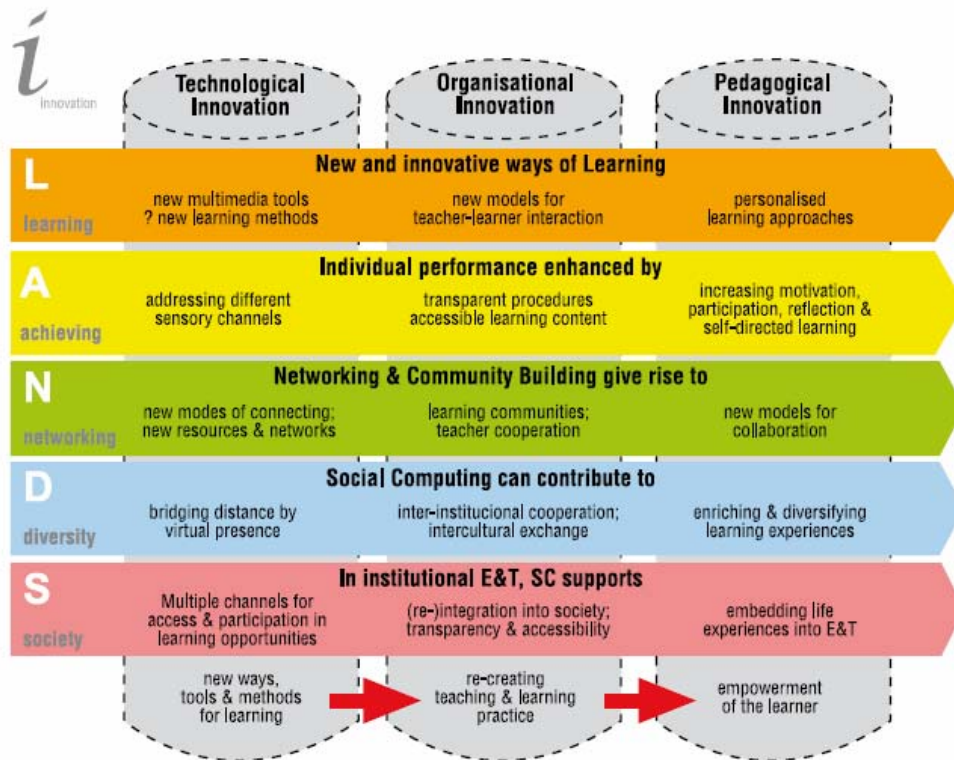
Source: Redecker et al. (2009:45).

BRAKING DISTANCES ACROSS MARKETS THROUGH THE INTERNET

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ABSTRACT

This article is highlighting the fact that the Internet is a revolution greatly speculated by the marketing instruments. It has redefined the way that organizations (public or private) are conducted. They still need to remember that the Internet has not captured the entire world population and therefore they still need to serve some markets using traditional means. Furthermore, the Internet is just a new medium for conducting business across the globe. Therefore, sticking to basic principles of business and marketing, such as identifying consumers' needs, satisfying those needs, recovering cost, and putting the consumer in center, are still essential to success. Marketers need to embrace the trend and find ways and means to exploit it to the mutual benefit of the consumer and the organization.

1. INTRODUCTION

The Internet was initially developed for military purposes but soon grew into an academic tool intended to disseminate research from one institution to another. In the 1990s, the Internet was introduced into the business arena and has steadily grown into a very important tool that has helped businesses and governments to achieve and improve on their strategic goals. The Internet has created new revenue streams; it has broken geographic boundaries to new markets and has ushered in a new level of convenience and communications. The Internet has not only impacted on the overall organization, but it has also impacted on functional areas such as finance, production, human resources, and marketing. This article examines the extent to which marketing has changed as a result of the Internet, trying to focus on the Public Administration issues.

2. BACKGROUND - What is marketing, a classic perspective

Marketing is often confused with advertising or sales, and many people believe that marketing, advertising, and sales are one and the same and hence use the terms synonymously. Marketing, however, is the overarching discipline that encompasses advertising, sales, research, and other activities. Kotler (2003) defined marketing as "the art of identifying and understanding customer needs, and creating solutions that deliver satisfaction to the customers." This definition could be a good start for the Public Administration, too. Replacing "customer" with "citizen" or "consumer" may help public organization to come closer to citizens. Perreault and McCarthy (2000) defined marketing as a set of activities to accomplish the organizations goals by anticipating consumer needs and supplying them with need satisfying goods and services. We all know that PA is often criticized by the fact that it is always a step behind the citizens' needs (at least in Romania) especially if we compare with the private organizations. But we must agree that the PA has its advantages in terms of conquering the market (it is much more eligible and it has a dominant position on the market). The central themes that emanate from these definitions are need identification, need satisfaction, and profit (in this case the citizen's satisfaction), which he terms the *marketing equation*. The marketing equation assumes, ceteris paribus, that, if organizations can identify consumer's needs and satisfy them, then quantities demanded would increase, resulting in a "profit" for the organization. Need identification is generally based on market research such as surveys, focus groups, and observation. In attempting to satisfy the consumer need, marketers employ the Marketing Mix, or the 4P's of Marketing, to develop their offering. The 4Ps are Product, Price, Place, and Promotion (Perreault and McCarthy 2000). The four activities of the Marketing Mix revolve around the consumer. The 4Ps are like baking a cake - quantities can be adjusted, based on the organizations resources. However, a change in one activity will affect others; for example, an increase in promotion expenses will result in an increase in price. We will see that there are some relations between those terms and the Internet and all together are related to public institutions as well – PA may start some collaboration with some private institution (or some non-profit organization) in order to develop some marketing strategies (on-line, but not only) much more successful.

3. MARKETING OVER THE INTERNET

Many articles and books are being written about Internet marketing and e-marketing to guide marketers to look to the Internet to develop new strategies and exploit the purchasing power of the global consumer. In essence, Internet marketing involves using the Internet to perform marketing activities. In order to explain this, the concepts explained earlier - that is, need identification, need satisfaction, and the marketing mix - will be discussed in relation to the Internet.

3.1. Need identification

The Internet has speeded up the need-identification phase. The World Wide Web has become a very effective market and marketing research tool. Using traditional marketing research methods has proven unreliable; consumers rush through surveys conducted in person and often do not return postal surveys. Focus group members often do not arrive for the session, and some even disrupt the session. The Internet makes data collection more reliable, whereby questionnaires are sent directly to the consumer (or citizens as we have mentioned previously). Responses are returned almost immediately. However, this is dependent on the consumer's willingness to fill in the questionnaire and to return it. It is well know that the trust in e-gov services is dropping (Vrabie 2009) but even so the citizens are willing to pay the price needed for developing eGovernment (which may be seen as a paradox), so they will answer the municipalities on-line questionnaire. Another limiting factor is access; the Internet market is a very small community, which limits online research to Internet users only (Strauss and Frost 2001). Chat sessions online are quick and easy to arrange and do not incur costs of bringing people together in one venue. However, online anonymity makes it difficult to determine who is on the other end. This could dilute the results obtained. We find here a difficult to manage situation. Right now, the public sector believe that not being into a competition allows it to be less competitive, which is totally wrong (we can take education sector as an example).

Market and marketing information can be purchased online from many reputable market-research houses. Information is also available for free online from public and government departments. Internet service providers and other Web-based organizations are willing to sell or make information available free of charge.

3.2. Need satisfaction

The Internet serves as an invaluable tool in the consumer's information search phase and post purchase behavior. It also plays a lesser role in the evaluation of alternatives and the actual purchase. Making the needed information available is one of the most important ways of satisfying one's consumer. The Internet makes information easily accessible, and it is information that gives the consumer greater control over the purchase. Detailed online information assists the consumer in making an informed decision. The Internet also makes the information search easier with the multitude of search engines that can locate sites that contain the information being sought by the consumer.

Some Web sites, known as infomediaries, have features that aid the consumer evaluation of their product choices, prices and features. Some infomediaries also assist the consumer with the purchase of the product by linking the consumer to a store's Web page, where he will conclude the purchase by filling in delivery details and credit card particulars to complete the purchase. In PA those infomediaries are applicable for the services that could be paid on-line, or, in some cases, for collecting links and documents that are available on different Web sites for helping the citizen interacting more easily with the PA.

Post purchase behavior, such as, queries and complaints can be handled a lot quicker, as a result of the Internet. Web sites allow feedback from consumers. Contact via e-mail is quick, cheap, and easy and facilitates immediate handling of complaints. Some organizations preempt customer queries based on previous feedback and develop a frequently asked questions database. Companies assign Web pages to contain frequently asked questions and their answers (Perreault and McCarthy 2000, Strauss et al. 2001). This may also work on the Web sites PA offices and agencies.

4. HOW THE MARKETING MIX IS AFFECTED

It is evident that the Internet has made it possible to identify and to help satisfy consumer needs. However, it also has an impact upon the marketing mix. All four components of the mix have been affected.

The product

It is known that customers/citizens do not purchase the product or service; they purchase the benefits (Kotler 2003). The Internet makes it possible for an organization to extend the benefits of their product or service at minimal cost – even if this may come by in reducing the costs on human resources by reducing the personnel. Detailed information, such as product specifications, alternate uses, demonstrations, and instructions are available online, not being need for extra employees who are there just for answering questions (like those from the tourists information offices). However, getting the customer to use an organization Web site is a challenge for e-marketers.

Branding is often one of the product benefits that consumers look for, and e-branding has attracted extensive debate. E-brands are unique brands to the Internet such as Yahoo, and Google (being much more often seen on the private sector then on the public one). Establishing e-brands and more importantly, e-brand loyalty is an extremely difficult task. This notion has been supported by Cohen (1999) who is of the opinion that the Web defies all brand logic: What is successful off-line does not enjoy the same success online – in the public sector there is not such a need for that but even so we think that an e-brand like eguvernare.ro may be very useful for citizens. It is hard to encourage the use of a particular web site, because citizens are worried, they just do not have enough trust in the system, especially if there is money involved (like e-payment transactions).

According to some, organizations need to create news surrounding their site. They need to launch a "massive publicity campaign" and then use advertising as reminders. In developing Web brands, public organizations need to:

- be like Yahoo and Google (in Romania we have e-guvernare.ro, a Web portal who collects data from many local and central governmental agencies);
- be unique by having abstract names, which are hard to imitate (S.P.E.R.[2]);
- be consistent and give the same service to all citizens;
- be focused;
- be permanently updated with news, in order to make the citizen interested in accessing the Web site..

Building brands, however, is not enough. E-brands are living entities that need nurturing. Organizations must constantly monitor, respond to inputs, and update their brands to ensure their survival (Komenar 1996).

The price

The rules for pricing on the Internet are no different from the rules of pricing in traditional organizations. Cost recovery is still paramount for the success of the Internet organization. Web pricing levels the playing field when dealing with services retailers (like in education or transportation) both in case of public and private companies and the Internet may turn out to be a price equalizer rather than a price cutter. Internet pricing is more transparent (Strauss et al. 2001). Therefore, competing on price is not enough: sellers have to develop strong brands to ensure continued

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[2] http://www.sper.org.ro/

use of services. - In the PA case the earnings are not necessary financial, but in having much more well developed on-line services, which is translated into a better citizen satisfaction. There are certain cases of competition in the public sector, like in the educational field, were the battle between public and private is reaching a high level (not to mention that there are some NGOs competing here - like Spiru Haret University – making the battle even tighter).

The Internet has been able to lower prices as a result of lower overheads. The virtual organization does not require large premises, inventories and staff (a virtual university who is offering on-line master programs). These cost savings translate to lower prices for the customer. Pricing is in the hands of the customer. If the price is not right, it is cheaper a click away. No longer will the seller have the upper hand in the mysteries of pricing because the consumer now controls pricing more immediately and more directly (Komenar 1996).

The place

Several hundred organizations are using Web sites for marketing, buying, or selling goods and services to others. The Internet is more than just a new sales channel. *Cyber marketing* is the term used to describe Internet marketing. It involves selling in market space rather than in a market place (Kotler and Armstrong 1999). The Internet has made it possible to bring stores, manufacturers and public agencies closer to the consumer. In fact, the Web has made the physical distance between buyer and seller immaterial (Rai, Chandra, True 1999). – This is a very important aspect for the PA, because there are extremely more cases of situation in which the citizen is not able to ask the local or central PA (they just may live too far away from that organization) and by Internet this will be much easier. Unfortunately citizens from the rural area will still pay tribute to the old fashioned way of addressing the PA, but the situation is changing so they will be able to use the technologies (eComunitate.ro 2009).

Direct selling from the manufacturer to the consumer in the traditional market is logistically unsound. However, the Internet makes direct selling a more viable option. The Internet has made it possible to eliminate the middleman.

Besides threatening traditional businesses, the Internet has given rise to the virtual mall, also known as *cybermalls*. – Or, in the eGovernemnt area, it is called *one stop shop Web site*. These Web sites lease space to the specific agencies to conduct their business, whilst the Web site administrators look after advertising and maintenance of the site. The advantages of joining this include the possibility of attracting new consumers and developing a brand identity and brand loyalty that may benefit agencies.

Bricks-and-mortar businesses may be threatened by virtual organizations, but, they will not be replaced entirely. Traditional offices may grow smaller as eGovernemnt increases, but as long as poverty and illiteracy exist, physical offices will continue to exist.

The promotion

Promotion consists in those activities associated with marketing communications. Grant (1999) collectively called marketing communications *marcom*. She states further that *marcom* is one of the areas that are experiencing dramatic changes in strategy and execution due to the Internet. The Internet serves as a new channel for marketing communication, and it is changing the nature of what can be done to promote a company and its products.

Personal selling
According to Kotler (2003), the market will see a decline in travelling salespeople as a result of the Web. The Internet is replacing salespeople, brokers, and other middlemen by serving the customer directly – which may be translated in reducing the number of public employees. Robertson (cited in

Ochman 2000), however, stated that consumers will gather information and intelligence on prices from the Internet, but to close the deal, they still want the reassurance of a traditional handshake that one does not get over the Internet. So PA may use Web sites that offers transparency on public affairs, but those people who are active directly into it will still prefer to meet face to face in order to have more trust one in each other.

Direct Marketing
The Internet provides an additional channel for home shopping. E-mail-based catalogues cost less to produce than physical catalogues printed on glossy paper. Delivery is quicker, more accurate, and even cheaper than the postal service. The cost of sending a thousand e-mails is the same as sending one (Grant 1999). Video, sound, and detailed information are adding a new dimension to the traditional brochures. We ask ourselves why the government does not make use of this in order to send tourist info's for advertising local sites?

Publicity
As mentioned previously, there is the opinion that organizations need to gain publicity first before getting onto the Net. Getting publicity on the home pages of some big mass media companies, and some other brands, Web versions of popular news media increases the credibility of a press release, or any other newsworthy activities of an organization. Just like traditional media, publicity on the Internet is also short lived and is only effective whilst it is still "hot news." In Romania there are some initiatives in this direction, especially in the touristic area, which are trying to make some waves around, but the success is not as big as expected. And this is easy to see because more often Romanian tourists are going abroad in their vacancies (like Bulgaria for summer or Austria for winter) showing how poor this area is represented. If we search deeper we may also find that most of the tourist that are going abroad find info's about the places they will visit on the Net, so the question that's rise is *why the Romanian government don't do something in order to conquer tourist attention*?

Promotion
The effectiveness of price reduction on the Web is no different from normal promotions. Web promotions also rely on reducing price if the citizen is going to pay before a specific date or so.

Internet organizations could also offer consumers rewards for introducing new e-customers. This is known as *word-of-click* or *viral marketing*, the same as *word-of-mouth* advertising.

Contests, which are normally expensive, are cost effective on the Internet and are able to generate invaluable information, such as biographical and contact details of contestants, which could be used later (Grant 1999).

Knight (2000) recommended that a successful online promotion must be a part of the overall marketing campaign to ensure consistency. He also advises that the promotion should run for a limited time only. There must be constant activity which creates a vibe around a promotion (Like if you will pay taxes by credit card on Mondays you will have 2% discount).

Advertising
When advertising on the Internet first appeared, many critics said it would never last. However, it is here to stay and is gaining momentum. The Internet is the best and most effective way of advertising in the new millennium (Advertising on the Internet 2000). Internet advertising is also the cheapest form of advertising, as there is no limit to the amount of information that can be distributed (Rai et al. 1999). The Internet changes advertising in that it is a new channel for advertising, and it offers new places for placing advertisements (Grant 1999). The Internet has extensive international reach and is the permanent ambassador of the organization. There are two types of Internet advertising, namely, own Web-page advertising and paid advertising.

Paid advertising is similar to regular advertising, except that it can be either space or time based or both. Banner adverts are strips of information that appear either as fixed features on a Web page, or they appear as animations that float across the top of the screen. A static banner price is determined by the space it occupies on a web page, and an animated banner price is determined by the time it takes to flash the message across the screen, and the space that the banner occupies. Banners need to be as accurate and concise as possible, with a link to the advertiser site. A boring banner can be easily clicked away. Interstitial advertising is an effective means of occupying an Internet user whilst he or she waits for something to happen, such as the download of files (Grant 1999).

Web-page advertising is the best option in terms of cost versus benefit (Rai et al. 1999). The development and hosting costs of a Web site are a fraction of a full advertising campaign (Advertising on the Internet 2000). A Web site can attract or repel customers with a single mouse click. Therefore, Web sites have to be developed in such a manner that they grab and hold the attention of the consumer. Having a Web site is not enough. The site has to be monitored and maintained, and it needs to be supported with traditional media, by publishing the site address in normal adverts, on company stationery, and on all other promotional tools (Wilson 2000).

5. FUTURE TRENDS

Traditional marketing as discussed in this article is aimed at mass markets and uses a one size fits all approach. E-Marketing in the form of customer relationship marketing (CRM) takes a personalized approach to individual consumer (Strauss and Frost 2001). CRM enables marketers to use technology to develop databases of individual customer's needs, wants, and preferences. Based on the information, marketers can develop products that are best suited to the individual. Banks are using their extensive databases to develop individual banking profiles of customers, which they then use to offer the customer more credit, investment opportunities and even send them customized birthday cards. With the trend towards the mobile Internet, advertisers will be able to send adverts to mobile devices.

6. ONGOING STUDY

The study I work now aims to radiograph the status of the official Web sites for all the municipalities in Romania and to see how the Web sites are advertising themselves to those who are trying to visit the municipality or, why not, to the local community there.

Although there are numerous Romanian initiatives of connecting to the Internet even smaller communities, like small towns or even communes (one example would be the project www.ecomunitate.ro[1], that has the ambition of connecting to the Internet 255 communes and medium to small size towns from Romania), I have chosen the municipalities due to the positive relation between the number of inhabitants and the capacity to eGovernment of the local public administration (Moon 2002; Moon and Leon 2001; Musso et al. 2000).

Most of the elements used in this research are taken from previous studies, adapted afterwards to take in relevant values. We can observe, as an example, the study "Digital Governance in Municipalities Worldwide (2007)" realised by Mark Holzer and Seang-Tae Kim in 2007, where Bucharest, the only Romanian municipality, is present on the 37th spot, much higher compared to 2005, when it was situated on the 64th spot.

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[1] The institutions involved in the project are: the Ministry for Administration and Internal Problems, the Ministry for Education, Research and Innovation, the Ministry for Culture, Cults and National Patrimony and the Ministry for Small and Medium Sized Enterprises , Commerce and the Business Environment with the support from the World Bank and the European Union.

Data obtaining is made through individually access of each official Web site of the municipalities, just after these were found on the Internet with the help of the well known search engine Google (this intermediary step was necessary due to the lack of a standard model of Web address; for example the mayor office in the capital city has the address www.pmb.ro and the mayor office in the city of Iasi uses www.primaria-iasi.ro).

The research is still on-going, but the findings I think will be more then interesting for the local communities (from a scale from 1 to 5, the preliminary results shows that the average is quite low). I must agree that the focus is more on the touristic area, but of course that the data collected will help the communities to proper develop their Web sites in order to merchandise their local values better.

7. CONCLUSION

This article has highlighted the fact that the Internet is a revolution. It has redefined the way that organization (public or private) is conducted. However, when one reads the media, people talk about e-strategies, e-business plans, and e-marketing plans among others. They need to remember that the Internet has not captured the entire world population and therefore they need to serve those markets using traditional means. Furthermore, the Internet is just a new medium for disseminating information, therefore, sticking to basic principles of business, such as identifying consumer needs, satisfying those needs, recovering cost, and treating the consumer as a king or queen are still essential to success. An e-marketing plan has to form a part of the marketing plan, which has to form a part of the overall strategy. Electronic marketing is here to stay. Marketers need to embrace the trend and find ways and means to exploit it to the mutual benefit of the customer and the organization both for public and private institutions.

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SESSION 7
THE PATH TO CORPORATE SOCIAL RESPONSIBILITY (CSR)

Chaired by:

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Rodoula Tsiotsou, *University of Macedonia, Greece*

CSR was born out of the need for a non-vested interest market approach and launched needs to take account of the changing environment. CSR and public marketing go hand in hand for that reason mentioned above, namely the socially driven approach of the market, the understanding of the needs of the people and the materialization of the will of the people. Both CSR and public marketing are meant to primarily serve the community.

SOCIAL RESPONSIBILITY AND THE INFLUENCE OF PUBLIC MARKETING ON SOLUTIONS IN FAVOR OF LOCAL COLLECTIVITIES

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ABSTRACT

Trying ever so hard to achieve performance, corporations consume natural and human resources, pollute the environment, lobby the adoption of laws that favor them by giving obtaining competitive advantages, and relocate production capacities looking for lower operating costs. The negative impact of corporations on modern societies is softened by what literature calls social responsibility. Although contemporary tendencies do not define social responsibility as a direct mean of marketing or public relations, it has been observed, how companies gain the acceptance of the affected communities by making public the responsibility they are taking. It is interesting to study the way in which, similar to corporations, the public sector influences with its activity the community, as well as the way in which it takes responsibility for this. This paper proposes a study of the role of social responsibility and of the influences of public marketing on the decisions in favor of local collectivities.

1. INTRODUCTION

What exactly is Corporate Social Responsibility (CSR)? In basic words, CSR is an organization's way to make a manse for the negative influence it has on the society. Since today's organizations have relationships and interactions with other organizations which do not take place on an economical level, but also on political, technological, environmental and social levels, it is essential to be aware of the implications of each action taken or decision made. This is true for private companies, nonprofit organizations and public administrations as well.

Let us say for example that the government issues a law to reduce fossil fuels emissions of cars in the near future, following the lobby of ecological nonprofit organizations. This law has apparently only positive effects: lower pollution levels, better quality of life, lower congestion in major cities cleaner air, etc. Yet these are only political and ecological implications of this law. However, setting a proper timeframe for the application of this law is critical. If the timeframe is too long, it will not bring the desired results. If it is too short, the economical implications for the economy will be very grave. Engine manufacturers will have to invest great amounts of money in research and development activities, which may not be sustainable. Also, sales of these companies will be reduced, because the market will wait for the new generation of engines to come. Also the sales figures of car manufacturers will drop because of the same reason. The drop in sales figures results in the loss of jobs, and companies closing. Also some automotive companies may withdraw from certain markets as a result of this law, which will directly and negatively affect the competition relationships on that market.

As we can see, all actions have positive and negative effects on societies. Social responsibility is therefore a mean to counteract the negative effects of an organizations action, and is not a topic only for the business community affecting also nonprofit organizations and institutions and authorities of the state.

This paper tries to analyze the problem of the general awareness towards this concept generated by critical situations on a global scale. Thus we wish to point out principles, objectives, practices, methods and techniques in the specific environment of the public sector.

2. AWARENESS ELEMENTS FOR THE IMPORTANCE OF SOCIAL RESPONSIBILITY

Milton Friedman once said that „social responsibility of business is to increase its profits" (Friedman 1970), meaning that acting altruistically pays over time. A very good example for this is the incident which has caused the Japanese automobile manufacturer Toyota to recall several million of its cars after it have been reported that there have been incidents with their acceleration. Also, anybody driving a Toyota could receive a check up of the acceleration for free. This would be considered an act of social responsibility towards Toyota drivers, saying that Toyota cares for all its customers, binding them for the future to the name and the company of Toyota.

Dealing with social responsibility issues has stepped out of the national microeconomic frame, being today a major topic on an international level. Although it is a long used managerial practice, it has been treated theoretically for the first time by H. R. Bowen in his work „Social Responsibilities of the Businessman" (Bowen 1953). Only much later, in 2001, the Green Charta of the European Commission has defined social responsibility as "the voluntary integration of social and ecological concerns of organizations in their economic and commercial activities, in their relationship with other partners in order to fulfill their obligations of investing in the human capital and in the environment".

Growing public pressure concerning human rights and globalization has lead during the 90's to an increased attention of the economic environment to sustainable development, and especially to its social dimension. This is why, in order to act responsibly, an organization must be socially opened towards stakeholders (shareholders, employees, customers, suppliers and other). Similarly the

community in which this organization undertakes its activity, the citizens, the civil society and the government are also interesting partners for that organization. Thus transparency reveals itself as essential for any organization oriented towards sustainability, the best way for achieving it is the manifestation of open, competitive markets, the most important characteristic of market instruments being the stimulation of creative processes as part of the preoccupation of organizations with the environment and society.

Former French Prime Minister, Lionel Jospin once so accurately said: "Globalization cannot be reduced to the mere free commerce of goods. Globalization means understanding that mankind has a common goal. Globalization means taking into consideration and protecting cultural diversity, social demands which guarantee that through work a dignified life can be lead, and standards regarding the environment, which take into account the needs of future generations" (Jospin 2002; Dumitrescu 2002).

However, "CSR as an approach to responsibly managing organizations is not just a topic for the business community. Increasingly we see governments involved in promoting and fostering CSR" (Visser 2007). In a broader sense, CSR is the ethical behavior of an organization within the society, and in a narrow sense it represents the responsibility of the management to act in such a way, that future profits, but also an immediate and long lasting acceptance by society are secured.

3. DIMENSIONS OF THE ORGANIZATION'S SOCIAL RESPONSIBILITY

A writing on the wall of a fashion store says: "We create, choose and make quality clothing in a responsible manner and always at the right price". As Milton Freedman said, Social Responsibility is ultimately destined to increase a business's profits. Also for the public and non-profit sector, social responsibility is meant to increase the acceptance of the organization's activity with the public.

It has been proven by research, that as the complex concept that it is, social responsibility can be better understood by analyzing it from the following dimensions:

- The managerial dimension;
- The technological dimension;
- The ecological dimension;
- The social and human dimension.

Also, for the public sector mainly, the political dimension must be added, as one of the main issues of public sector social responsibility.

The model that emerges is very similar to the PEEST analysis model. This model is a tool of the strategic management for asserting situations and facts and is also an instrument for developing marketing strategies. PEEST stands for the Political, Economical, Ecological, Social and Technological dimensions of the actions of an organization. These dimensions are all part of the social implications of any action undertaken by the company. The PEEST analysis[1] is for the strategic management the expression of the way that the organization is affected by its macro-environment (Blery et al. 2010), but it can also be used to assess the effect of CSR on the environment of that organization.

The term "social responsibility" covers all dimensions of an institution's impacts on, relationship with and responsibilities to society as a whole (Andriof and McIntosh 2001). These impacts, which have a ripple effect on society, can be divided on three broad, overlapping areas economics, environmental and social.

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[1] The environmental dimension is a newer addition to the model, that was included in the 21st century as environmental concerns became more and more intense. The original Model only included the Political, Economic, Social and technological dimensions.

FIGURE 1

The influences and implications of social responsibility
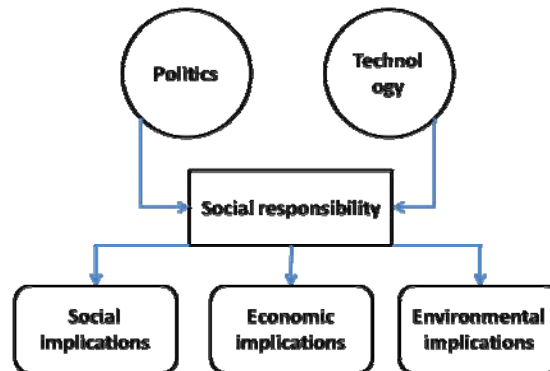
Source: Andriof and McIntosh, 2001:15.

The managerial approach to social responsibility defines it to be the strategic competency to manage and develop all other key elements of the organization. For the managerial dimension a series of problems regarding social responsibility are raised. The main issue is therefore described by the definition given by the European Commission, who actually consecrated this notion. Since it is a strategic competency it is necessary to show the main characteristics of the strategy and of the strategic management of developing the performance of the organization's actions. Thus strategy must be based on measurable objectives and has the main priority to sustain an innovative and competitive behavior.

The social problematic implies for the actions of the management a sum of measures which must not neglect working conditions, living conditions, individual development, insurance of the professional status, social protection, career development, stimulation of creative processes and personal creativity and of individual performance within the team. Consequently a performance oriented working climate is also a result of the way social problems can find corresponding solutions. Thus the organization must add to its field of interests the political and technological dimension, but also the human dimension of an entity which forms and develops the human resource.

In order to sustain social responsibility the conditions of using and exploiting modern technologies must be granted. Modern nonpolluting and energetically efficient technologies allow the better use of resources.

Being neglected for a very long time, the ecological component now represents a growing concern at national and international level because of the serious deterioration of the environment. Human neglect has determined political factors to create a global legal framework which is destined to protect mankind from excesses. The main problem in this case is not the framework itself but its implementation and upholding, as well as the creation of an environment-friendly mentality.

The research of the last years shows that managers of different organizations are involving in different CSR initiatives having the most diverse motivations, varying from the need to do a good deed, to the wish to consolidate the role of the company within the community or the need to solve a certain problem, with the purpose to gain indirect benefits (Oprea 2005).

In undertaking CSR actions, the human resource is the most important of an organization, as it is the most secure way of transmitting the most credible messages about the social responsibility of an organization. Studies show that for more and more employees the social and ethical values of the company they work for have become important. That is why employees represent an important concern for the CSR strategy of any organization. Corporate social responsibility also relies on the promotion of diversity, non discrimination and the equality of chances.

4. THE ROLE OF THE PUBLIC SECTOR IN SUSTAINING SOCIAL RESPONSIBILITY AND GOOD PRACTICES

One of the first examples of Social Responsibility was the founding of the Vanderbilt University in Nashville Tennessee. Commodore Cornelius Vanderbilt[2] had decided at the age of 79 "to make the gift that founded Vanderbilt University" in 1873, one of his first major acts of philanthropy. It offered work in the liberal arts and sciences beyond the baccalaureate degree and it embraced several professional schools in addition to its college. Other entrepreneurs showing Social Responsibility were Andrew Carnegie and John Rockefeller. Also in Romania there were entrepreneurs who had shown Social Responsibility: Jacques M. Elias, Nicolae Malaxa or Anton Sailer.

If in the second half of the 19th century Social Responsibility and philanthropy could be mistaken, in the second half of the 20th century emerged the notion of Corporate Social Responsibility. Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (WBCSD Stakeholder Dialogue on CSR, The Netherlands, Sept 6-8, 1998).

Institutions and organizations affirm themselves not only through their specific characteristics but also through their social image as credible, viable and dependable partners, regardless of their type and the level they function at (local, regional or global). Organizations must communicate with all beneficiaries through specialized structures. Primordial for this is the avoidance and elimination of such situations that can create inaccurate images which can stop the organization from reaching its goals or break existing or emerging strategic partnerships, or simply generate a reserved attitude within other organizations.

The business sector can better reach its interests and goals by helping the community to develop. Thus Corporate Social Responsibility can be regarded as a social involvement in the community, consisting in the integration of a set of practices and social programs by the companies or institutions. Social responsibility implies the development of an involvement strategy into the community and a partnership from which that organization has to profit. The social problems that the organization promotes depend on its main activity, interests, budget, and not the least important, on the interests of the community. That is why most prosperous companies have decided that they need to involve into the community in order to get a vote of confidence from the consumers and to develop their activity.

The same is valid, in a specific form naturally, for the public sector who must take responsibility for its actions in front of its stakeholders. There are two main differences between the business and the public sector:

-   The business sector is profit driven, whilst the public sector isn't;
-   The main stakeholder of a private entity is the shareholder, whilst the main stakeholder for the public entity is the society itself.

There are two main components of assuming of Social Responsibility by the public sector: first there is the realization of those factors that can be improved and the public statement of the engagement to do so by assuming a set of objectives; second, the public sector must take the appropriate concrete measures to reach the assumed objectives. The assumption of these objectives is made towards society, which, in case of sensible improvements will grant the administration with its vote, similarly to the shareholders of enterprises who grant the board with a vote of confidence.

Social responsibility is one of the main, indissoluble features of the public sector, as all actions are undertaken for the benefit of the community they serve. Thus processes that define the activity of public institutions must on the one side be according to the "Three E Principle", meaning the responsible spending of public money, and on the other side, they must be oriented towards the needs

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[2] Cornelius Vanderbilt (May 27th, 1794 – January 4th, 1877) was an American entrepreneur of Dutch origins, active in steamboats, ocean liners and railways.

of the community, meaning the responsibility for the social consequences of the actions and activities. The efficiency of the management processes in public institutions is decisively determined by the quality of the personnel, and their professional performance essentially depends on the knowledge and application of public management procedures and techniques (Csorba 2008: 62-64).

5. PUBLIC MARKETING AND ITS INFLUENCE ON THE OPTIIZATION OF CORPORATE PUBLIC RESPONSIBILITY ACTIONS

Modern marketing tendencies have taken the customer relationship to a personal level. An enterprise does not speak of the need of the customers any more, but of the needs of the customer. In this context marketing has become almost synonym to customer binding management, evolving over the decades from a mere sales support activity to a key activity of any business. Nowadays it is inconceivable for a business to be successful if it does not have an intense marketing preoccupation.

In this regard, marketing has two main external objectives which have to be accomplished:
- The accurate measurement of the customer's needs;
- The communication of the satisfaction of the customer's needs, and/or of the way the business intends to satisfy his needs. Also the customer has to be convinced that his needs have been satisfied.

The internal objectives of marketing are:
- The establishment of a proper portfolio of products and/or services in accordance with the established needs of the market;
- Assuring the easiest way for the recipients of the public product and/or service to access them.

For the public sector, these objectives can be translated in five simple notions: access, choice, information, correction and representation.

If in the private sector, there is a balance between the demand and the offer, which is guaranteed by the inherent laws of a market economy, giving each side about the same amount of negotiation freedom and negotiation power, the same isn't true for the public sector. Here the advantages of power, organization, resources and political influence are concentrated on the side of the offer thus upsetting the power balance (Matei 2006: 366). To make things worse, the society is fully conscientious of this unbalance of power.

Here we have a conflict of interests: on one hand, the public sector's main task is to ensure the greater good for its citizens, on the other, all power is concentrated with the state. The main issue here is that the consumers of public goods and services have no choice what so ever. Here, social responsibility can help restore the balance in the sense that although it is well known that the act of governing must be one in favor of the community, the community must be aware that this act is done in its best interest.

For this purpose, public marketing offers the best set of tools to ensure the awareness of the public regarding the social responsible actions of the institution. Being social responsible by definition, any public institution can use marketing instruments, mainly the 4 Ps, namely Product, Promotion, Placement and Pricing, as not all public services are for free, to structure their offer and actions to fit best in the social framework of the community and to suit best the needs of the public.

Also, social auditing of the public sector can be of use for the public marketing, in its effort to determine the optimal mix of instruments and the best strategy for "selling" the public service or product to society. A society must not acknowledge such a service unless it serves the interests and expectations of its members. The society and the social audit are the control organism for public institutions. Whilst audit makes recommendations for improving the activity of public institutions, society periodically casts votes of confidence. Society will vote an agenda, who best suites the needs its members recognize to be the most important. Public marketing must therefore be aware of society's demands for improvement and set up strategies and mixes which come as close to its needs.

6. CONCLUSIONS

At international level, companies and nonprofit organizations, alongside of governmental organizations have advanced definitions of the CSR concept that reflect their own approach regarding the socially responsible behavior. According to an exhaustive approach of CSR, it is necessary to understand that all of the organizations' activities determine effects both within and outside the organization. Social responsibility designates an attitude of any organization towards society by which success is obtained by upholding the law, assuming an ethical behavior, giving special attention to the environment and taking into account of the needs and interests of all partners from the public and private sectors as well.

Given the fact that globalization is becoming an issue, the private sector has begun reflecting on its role in ensuring sustainable development. The engagement and participation of the private sector along side with the civil society cannot be effective as long as the latter recognizes and acknowledges in the strategy to be applied its preoccupations and expectations.

The same is valid for the public sector. A public institution which does not consider the needs of the community it serves, is not acting socially responsible, thus not fulfilling its purpose. A professional and society open management culture is therefore essential for the accomplishment of the social goals and interests of its actions. The public management must be aware of and fully understand the "greater picture" in order to be able to take the best decision, actions and measures, which will eventually insure that the public sector fulfills its role within the society.

A socially responsible public sector must use all the means of strategy and communication it has at its disposal in order to be able to gain the trust and approval of the population and business community. It also must consider tools as social audit and internal audit as information sources for improvement and not repression instruments.

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AN APPROACH TO CORPORATE SOCIAL RESPONSIBILITY (CSR) IN THE NEW EUROPEAN HIGHER EDUCATION AREA (EHEA). THE CASE OF MARKETING STUDIES

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ABSTRACT

This paper reveals the results of an exploratory analysis about Ethics and CSR courses at Spanish Universities, particularly focusing on Business Schools. The present study focuses on undergraduate and postgraduate studies (including Masters) related to marketing.
The aim of this study is to outline the importance of CSR and its possible integration in the new Business Studies, adapted to the EHEA.

KEY WORDS

Corporate Social Responsibility (CSR), European Higher Education Area (EHEA), Business Studies, Marketing

1. INTRODUCTION

During this decade, and after many corporate scandals and leadership failures, questions about what is taught at Universities (particularly, in Business Schools), and what kind of future CEOs and managers are being educated there, are especially arising in North America and Europe. Promoting a deep reflection on the role of Business Schools in students' education is becoming a priority.

According to this, a growing interest in Corporate Social Responsibility (CSR) topic has appeared. In the academic context, research on this issue is being dramatically developed, and subjects linked to CSR should be increasingly included in the curriculum.

However, Ethics and CSR issues are not usually offered as core courses on Business Studies. According to Crane and Matten (2007: 165), 34 per cent (Business Schools) required an Ethics course at undergraduate level in USA (and only 25 per cent at MBA). In Europe, the figures were a little lower for compulsory courses, but over 50 per cent of Business Schools reported having an optional module on Ethics or Responsibility at undergraduate level, and over 30 per cent at master level. Therefore, most business students can still obtain a degree having had hardly any exposure to these subjects in the classroom.

 We consider it necessary to analyze the current situation and future perspective. The new European Higher Education Area (EHEA) is going to increase the competition among Universities. That is why CSR should be considered as a source of competitive advantage. In other words, the new EHEA is an opportunity we must take advantage of, for the reflection and change towards a new concept of 'University'.

Galan et al (2009) showed the lack of research about this issue in Spain (it is very scarce), and the need to broaden to other countries and areas (not only management, but also marketing, for example).

This paper follows the research line begun with that study, which reveals the results of an exploratory analysis about Ethics and CSR courses at Spanish Universities, particularly focusing on Business Schools. The aim of this study is to outline the importance of CSR and its possible integration in the new Business Studies, adapted to the EHEA.

2. METHODOLOGY AND PREVIEW OF RESULTS

As a starting point, we have used, the direct observation of information websites of Spanish Universities which are in the Register of the *Secretaria General del Consejo de Universidades* (General Secretariat – Council of Universities), belonging to the Science and Innovation Department, the highest official authority on University issues in Spain. The same methodology has been used in both papers.

FIGURE 1
Sample

75 universities
(public and private ones)
Keywords: Ética (*Ethics*) and Responsabilidad Social (*Social Responsibility*)

If the previous study (Galan et al. 2009) was focused specifically on the Business Management and Administration degree, the present study focuses on undergraduate and graduate studies (including Masters) related to marketing[1] (i.e. Degree in Marketing or Master in Marketing).

A previous review of results is the following one:

- Only 12 Universities include CSR or Ethics subjects in their Degrees in Marketing (5, as compulsory subjects; and 7 do not specify if they are core or optional).
- 10 are adapted to new EHEA degrees.
- Subjects are given different ECTS (between 3-6 ECTS), most of them 6 ECTS[2].
- Year: most of them offer these subjects in their earlier years.
- Most of them are private Universities.

In Figure 2, we offer a comparison between both parts[3].

FIGURE 2
Comparative table (Study – Part 1 and 2)

	Management Studies	Marketing Studies
Universities with CSR or Ethics subjects	18	12
Universities adapted to the new EHEA degrees, that include these subjects	11	10
ECTS	3 – 9 (mostly, 4.5 or 6)	3 – 6 (mostly, 6)
Year	Most of them, in last years	Most of them, in earlier years
Type of University	Private, mainly	Private, mainly

We observe that few Universities include CSR or Ethics subjects in their new Marketing degrees (similar results were obtained for Business Management and Administration degrees in the previous study). Therefore, although CSR is an important current topic, this is not reflected in the new EHEA degrees. Probably, we are missing an important opportunity to encourage and develop CSR and Ethics subjects in the new EHEA.

Definitely, our proposal is that Business Schools should require at least one compulsory Ethics and CSR course in their curriculum. In addition, this effort should be complemented by other initiatives (such as hosting guest speakers, offering learning projects, establishing endowed Chairs in CSR, or promoting seminars on CSR). This Conference could be an excellent framework to encourage CSR in the EHEA.

3. FURTHER RESEARCH

The following steps in this research will be:

- To analyze the contents of the subjects offered. Perhaps CSR is studied within any other subject, but the title does not include the words "*Ética*" (Ethics) or "*Responsabilidad Social*" (Social Responsibility). It would be interesting to know if these studies contain ethical aspects

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[1] We are considered the following degrees: *Licenciatura / Grado en Publicidad y Relaciones Públicas* (Publicity and Public Relations degree), *Licenciatura / Grado en Investigación y Técnicas de Mercado / Grado en Marketing* (Marketing degree), *Másteres en Marketing y Posgrados de Marketing* (Masters in Marketing and postgraduate courses).

[2] The new normative obliges a minimum of credits by subjects.

[3] Data were collected in 2009.

and CSR issues within their competences. A reference framework should be created for these subjects (Ethics and Corporate Social Responsibility).

- To broaden the information obtained from the websites (and contrast it). Although with this study we cover the gap from the first part of the research (now, we have the results for different degrees taught in Spanish Business Schools), we have an important limitation: some information about new / old degrees did not appear on the Web sites. We should obtain more information from other sources, and not only from the Internet (i.e. get in touch with degree coordinators from every University). A comparison between new and old degrees should be done to study if the new EHEA improves (or not) Ethics and CSR knowledge.

- And the study of different points of view would be useful: students' opinion *(Are they really interested in Ethics issues?)*, business opinion *(Are companies actually interested in having 'ethical' employees?)*, and academic opinion *(What perception do they have about these subjects?)*.

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IS RESPONSIBLE CONSUMPTION COMPATIBLE WITH ECONOMIC CRISIS?

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ABSTRACT

Market economy intrinsically features mass consumption. Individual consumption decisions should be free and carried out in an ethical and responsible way. Taking into account that in economic crisis periods authorities ask citizens to keep on consuming so as to stem the private consumption reduction, some natural questions arise: What is responsible consumption? What a responsible consumption behaviour pattern under strict economic constraints should be? Would it be more appropriate to talk about socially responsible products instead of responsible consumption? In addition, consumer information is a basic requirement to be able to choose. But, in spite of the fact that information is acknowledged as a consumer's basic right, its practice effectiveness is not enough yet. All in all, in this work in progress we propose a future research consisting of the analysis of the information obtained from three different groups of people representing opposite economic situations.

KEY WORDS

Responsible consumption, consumer's information right, socially responsible products, economic constraints

1. INTRODUCTION

Developed societies based their concept of quality of life on the increase of consumption levels. Different disciplines like economy, politics science, sociology and philosophy point out mass consumption as a characteristic of advanced modern societies, what represents not only an economic phenomenon but, basically, a social one too.

People in pursue of constant satisfaction of needs and pseudo-needs-those which do not clearly constitute a need- fall into an extreme hedonism which main objective consists of the satisfaction of absolutely all wishes. This way of approaching life eventually leads to an excessively individualist and unsupportive society. In this point, it is important to distinguish between wishes and needs, and also, between real and false needs, what does not seem to be an easy task since their subjective definition. In any case, satisfaction is what matters in spite of the fact that satisfaction of all of our wishes is not a feasible achievement, because they could be unlimited.   Consequently, unfulfilled expectations impoverish individual and societal quality of life (Kilbourne *et al*. 1997).

The ideology of consumption states that increasing material well-being provides the basis for the well being social state (Hetrick 1989). According to Cortina (2002), this well being social state is a failure. It has not been able to understand that, from an exclusively social-economic perspective, its goal should not be to provide the greatest satisfaction to citizens, instead its ultimate aim should be the search of justice. But this is not that simple in practice since the first difficulty to overcome would be to identify which are the basic needs and who should define them. These questions so difficult to answer are specially important in a economic crisis context where on the one hand, and from an exclusively economic viewpoint, people are prompt to keep on consuming so as to reactivate the economy; and on the other, and from an exclusively social perspective, people are also asked to be responsible consumers in terms of ethical values. In this sense: does an ethical behaviour depend on individual's conscience or the logic consequences it implies for society? Then, who is more responsible the one that does not fall into consumerism or that who does? What behaviour is more beneficial to overcome the economic crisis, to consume or to save? In this scenario, we aim to look into people consumption issues' perceptions focusing on responsible consumption aspects and different socio economic status. It is of great interest for researchers, authorities and thinkers to know the gap, if any, between theory developments and real consumption patterns.

In this work in progress, first, we discuss some current questions on responsible consumption; in second place, we put forward the present situation as for consumers' information right which plays a central role in determining consumers' buying decisions. Then we link the two, responsible consumption and information and aim to analyse the combination of them in an economic crisis context like the current one. Finally, we present the methodology research in progress to shed some light on these complex questions.

2. RESPONSIBLE CONSUMPTION

The expression "responsible consumption"[1] is being used to explain the consumption of those consumers concerned for a series of ethical values. The evolution of the consumer profile, at least from a theoretical perspective, could be summarized in three different categories: the opulent (70's), the narcissist (80's and 90's) and the responsible one (present). The definition of the latter is what this

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[1] It is important here to make clear that *responsible* consumption is a different concept -although related – from the fair trade. Thus, the fair trade is defined by the WFTO (World Fair Trade Organization) as a trading partnership based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.

work in progress is about. According to Fisk (1973:24) "responsible consumption refers to rational and efficient use of resources with respect to the global human population"; Webster (1975:188) defined the socially conscious consumer as "a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change"; Mohr *et al.* (2001:47) defined socially responsible consumer as "a person basing his or her acquisition, usage, and disposition of products on a desire to minimize or eliminate any harmful effects and maximize the long-run beneficial impact on society". These are some remarkable definitions of responsible consumption, in general they refer to the consequences of the individual buying act on the society as the main criterion to determine the consumer's responsibility; and in particular, it is widely accepted that a responsible consumption takes into account the consequences for health, environment and labour work conditions of people involved in the production and distribution process (Burns 1995; Barber 2001; Alonso 2005). This rises the question of whether being a responsible consumer has to do only with the aforementioned aspects or far from it, it is a broader concept.

Civil services and some private associations strive to change consumer's mentality towards normative responsible consumption –the theoretical concept- in three fields: individual, enabling healthier, safe, rational and efficient consumption habits; environmental, that is, the so-called eco-consumption or sustainable consumption[2]; and social, that aims to educate supportive consumers. Some examples of this actions are recycling, energy saving, efficient driving, eco-design or ecological labelling campaigns.

However, it cannot be asserted that the majority of consumers have really changed their consumption habits towards normative responsible consumption. Normative responsible consumption consumer's attitude will vary according to several factors: economic and socio-cultural consumer's level, kind of consumption and the information the consumer can access.

Applying these considerations to developed countries, the consumer with a medium-high economic and socio-cultural level should not be compared to that belonging to an inferior scale in terms of consumption attitude. The awareness and concern level about problems affecting his or her health, work conditions, environment and the knowledge of social corporate responsibility policies should be higher in the first. As they have higher incomes they also have the capacity to opt for certain products considering other characteristics apart from the price, unless they do not have enough information to make a free choice.

Coming back to our previous question, could we assert then that the ideal responsible consumer is that with high purchasing power and capacity to gather enough information about the supplier's social responsibility policies and practices before buying a product[3]? Or on the contrary, all consumers could be responsible to some extent. We do not aim to deepen into consumers' moral responsibility, this is a complex and controversial subject. However, consumption as a human and free act can be approach from a moral perspective, in this sense, when talking of responsible consumption: what kind of responsibility is being considered, moral, legal, social…? In other words, e.g., a consumer has the choice to buy some vegetables from a successful company that guarantees it only uses ecological production methods, consequently, protecting the environment; or, on the other hand s/he can buy the same products from a humble farmer that can not afford those ecological methods but needs the money to live on. Considering that the consumer does not mind to eat non-ecological products, a normative responsible consumer would choose the first choice: is that really responsibility?

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[2] As the EU Commission's Green paper promoting an European Framework for Corporate Social Responsibility reports.
[3] The EU calls "average consumer", that who is attentive, perceptive and usually informed. According to this definition it seems these concepts start from the premise that the majority of consumers have a comprehension level that allows them to be aware of the implications of the contracts they sign.

There are many more situations like the farmer's what raises the following question: could economic-related aspects affect the theoretical definition of responsible consumption? In this sense a flexible evaluation of responsibility should start by asking *what* and *how* to consume and *why*. Probably a priorization of ethical values would help in this but the great subjective component link to this task would make it practically unfeasible. In any case, it is clear that consumer's education and information access are fundamental to determine responsible consumption acts.

3. INFORMATION FOR RESPONSIBLE CONSUMPTION

As a right, consumer information is regulated in modern societies. The problem arises when this regulation is not enough as for its practice effectiveness. At present, consumer protection represents a current tendency since there is a greater awareness of consumer's inferiority position in relation to suppliers. In Spain, neither the Civil Law nor the Trade Law in their regulations on contracts' matters took into account this unbalanced position. In Europe, the **Treaty** of **Rome**, 1957, **establishing** the European Economic Community (EEC), did not contemplate any consumer protection policy either and until the adoption of the Single European Act, 1986, competences in consumption matters were not conferred to it.

Spanish Constitution (1978), on its article 51, establishes the principle pro-consumer when claiming that authorities will guarantee its defence. This article lists consumer's basic rights as information and education right, which should be promoted compulsorily by the authorities. In Europe, the Maastricht Treaty (1992), Amsterdam Treaty (1997) and the **EU** Constitutional **Project** follow the same line.

In this context, the Spanish General Law for Consumer and User Protection includes in their basic rights "the proper information about products and services, and the education and spreading to ease knowledge about correct use, consumption and enjoyment" (art. 2.1, d). In addition, in articles 13 to 17, it is more specific as for that right content establishing that products and services must include "enough truthful and effective information about essential characteristics" like origin, composition, price, quality, quantity, manufacture and use-by date, instructions, possible risks, etc., referring to labelling regulations to determine specific demands for each case.

Information society and legal framework should lead to the assertion that average consumer has access to greater information but this is so hardly ever. In addition, the fact that companies usually use some non ethical and even illegal practices tending to misinform the consumer, contribute to reduce consumer's freedom. We cannot assert that a consumer has enough information to carry out a free responsible consumption buying decision. Few companies inform about the origin of their products, information contained in products labels usually misinforms consumers, and very few of them communicate their employees' work conditions. That is, evidence shows that still there is much to do to achieve a fair framework for consumers so as they can make a real free choice and then being able to assess his/her responsibility. In other words, to what extent a consumer must investigate a company's manufacture/distribution processes before buying a product? If consumers' information right is acknowledged in most modern societies, shouldn't there be more effective control mechanisms to ensure the existing regulation is observed? Therefore, although information is a consumer's right: how many of us are confident that the providers of the products we buy are socially responsible? According to Fisk (1973) responsible consumption requires both a new attitude toward the meaning of consumption and a new social organization to put it into practice. Nowadays these two factors are still required and a great part of that new social organization involves a greater development of consumers' information right, among others.

4. RESPONSIBLE CONSUMPTION IN CRISIS PERIODS

Economic crisis periods raise different scenarios as to responsible consumption: on one side, products deemed to be socially responsible usually entail an extra charge for the consumer. Thus, if a consumer would like to consume ecological agro-products s/he has to be willing to pay a higher price as long as s/he can afford it. On the other side, those consumers that buy socially responsible products on a regular basis, unless their have a good purchasing power, in crisis periods they can feel forced to buy other products less expensive in spite of the fact that they do not satisfy their real needs. Therefore, they have no option but to become non-responsible consumers. Taking the supply perspective, usually small and medium-size companies do not stand out for their policies on social responsibility, what means that encouraging normative responsible consumption is detrimental to them unless they could obtain financial support to carry out a specific social responsibility program and communicate it. In addition, these companies often find themselves at great financial risk in crisis periods. Therefore, giving a boost to normative social consumption could involve dramatic consequences for many local families who cannot survive extreme negative economic circumstances. Probably, consumerism could have some positive effects on them in this context, or not.

With the aim to shed some light to all the questions set out herein, we will explain bellow the future research we intend to carry out. With it we will try to find out the perceptions and conceptions of different groups of consumers featuring opposite socioeconomic profiles.

5. WORK-IN-PROGRESS METHODOLOGY

In the present context of economic crisis and "lack of information", it is of great interest to know consumers' perceptions and motivation on "responsible consumption". In this sense, this work aims to find the answers to current problems derived from the mentioned factors, which may be cyclical and for a medium term.

The following are some of the main questions to do research on:
- What do consumers understand by responsible consumption? According to the defined concept, to what extent s/he would define him/herself as a responsible consumer? What do consumers understand by responsible consumption products?
- Do you consider yourself to have enough and truthful information to act with responsibility when buying a product? What kind of information would you like to find about the provider and the product?
- Do you usually buy products from companies responsible with the environment and its workers or collaborate with solidarity causes?
- How important is it for you responsible consumption aspects in your buying acts? Could you arrange in order of importance the following criteria: quality, price and responsibility?
- Could you say there has been a change in your general consumption behaviour because of the economic crisis? To what extent this change affects your "responsibility" when buying?
- In your opinion: in crisis periods, are responsible consumption practices closer to either a reduction or an increase of consumption? Your responsible consumption is basically on: perishable products (regular shopping), durable products (television, white appliances, etc.), extraordinary products (holidays, second car, etc)

To explore the questions presented we will use focus group research. Focus group research is a qualitative research method particularly valuable in situations where there is little pre-existing knowledge and the matters are sensitive and complex, (Bowling 1997); is particularly useful for

discovering different people's views and attitudes towards the phenomenon of interest and for providing data about the issues that are been explored (Krueger 1988). This research is specially indicated to find the answers to "how" and "why" questions instead of "what" and "how much/many" and it is especially used in social sciences. It distinguishes from one-to-one interviews in the feature of interaction between research participants and argues for the overt exploration of this interaction (Kitzinger 1994). And also, focus groups are distinguished from the broader category of groups interviews by "the explicit use of the group interaction" as research data (Merton 1956; Morgan 1988: 12; Kitzinger 1994)

We will form three focus groups of seven to ten people in order to represent the different social characteristics relevant for the research, and considering the objectives pursued through the discussions and our resources constraints. Thus, according to the objectives set in this research, these groups will be made up of: (a) students (from University), (b) unemployed people and (c) people holding a permanent contract.

The following characteristics will be considered for each group: age, gender, incomes, marital status, number of kids, and time in their work-related situation.

We will conduct the focus groups and subsequent analysis of data obtained according to the established procedures.

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CSR: CROATIAN CONSUMERS' RESPONSE

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ABSTRACT

CSR emphasis can be on consumers, environment and/ or employees. The major goal of CSR activities is to create an image of a company as responsive to the society and based on that, build the competitive advantage. Research of consumers with respect to CSR has been mainly concentrated on cognitive and affective as well as behavioural factors that influence their buying decisions. Such research has not been performed in Croatia, where the CSR concept is rather a new phenomenon. The objective of this paper is to identify key consumer variables that determine Croatian consumers' behaviour in relation to CSR of companies in Croatia and check if these factors and behaviour correspond to CSR activities performed by companies. The results show the influence of social values on consumer attitudes towards CSR, but also the low level of knowledge on the subject as well as trust to companies self-promoting their CSR activities.

KEY WORDS

Corporate social responsibility, consumers, Croatia

1. INTRODUCTION

Corporate social responsibility (CSR) represents a company's commitment to minimizing or eliminating any harmful effects and maximizing its long term beneficial impact on society. It can take various forms: from cause related marketing, environment protection, product safety, philanthropy, to fair treatment of employees. However, the general intention of all these activities is to create an image and reputation of a company as responsive to society. In contemporary world of extremely high competition of standardized goods and services within the framework of traditional criteria such are price, quality, brand, etc. active engagement in socially responsible activities enables companies to build on their competitiveness.

However, the CSR in Croatia is a relatively new concept brought in by foreign companies and therefore it is interesting to find out how important do not only companies, but also consumers find the concept and how it affects their attitudes toward companies and their ultimate actions – buying behavior. Recent research (Leko Šimić and Čarapić 2009; AED, IBLF and MAP savjetovanja 2004) on recognition of CSR importance by companies operating in Croatia has shown that local companies have recognized the public interest for CSR in terms of their business performance. This recognition has resulted in treating CSR as a marketing tool for building company image and reputation. However, the majority of Croatian companies do not approach and apply CSR systematically and consistently, so the long term effects are still missing. Another important problem is that CSR within the Croatian business community is perceived as a privilege of large and successful companies since it is often identified with philanthropic and environment protection investments.

The main objective of this paper is to find out how sensitive Croatian consumers are to CSR in terms of their buying behavior. Another aim of the study was to determine the factors that influence their behavior with respect to CSR. Finally, upon obtained results, the intention is to check whether consumer perception and buying behavior corresponds to companies marketing activities and behavior related to CSR. Due to CSR potential to create distinctive competitive advantage, it is crucial for marketers to understand how different consumer segments are likely to respond to companies' socially responsible activities (Sen and Bhattacharya 2001).

2. CORPORATE SOCIAL RESPONSIBILITY AND CONSUMERS:
THEORETICAL CONSIDERATIONS

Since the 1950s, corporate social responsibility has been the subject of numerous researches. It has been identified as of different conceptual viewpoints: as social obligation (economic, legal, ethical, philanthropic (Caroll 1979), as stakeholder obligation (organizational, community, regulatory, media (Henriques and Sadorsky 1999); as ethics driven (assertion of the rightness/wrongness of business activity, independently of any social or stakeholder obligation (Swanson 1995) and as managerial process (monitoring and assessing environmental conditions, attendance to stakeholder demand and designing plans and policies for enhancing company positive impacts (Ackerman 1975).

Marketing research of CSR has mainly focused on CSR toward two main stakeholder groups: customers and channel members. Research on consumer reactions to CSR has been concentrated on cognitive and affective (beliefs, attitudes, attribution, identification) as well as behavioral (loyalty) factors (Brown and Dacin 1997, Ellen et al. 2000, Sen and Bhattacharya 2001, Klein and Dawar 2004, Becker-Olsen et al. 2006). A number of research results indicate that consumers actively engage in positive word of mouth about companies committed to CSR activities and that there is a positive relationship between consumer loyalty and CSR. Moreover, they are also willing to actively support companies that are committed to cause-related marketing, environmental practices and ethics as well as to "punish" companies which motives are not trustworthy or that evidently behave socially irresponsible. However, a research of this kind has never been performed in Croatia.

Since the buying behavior includes not only personal, but also societal motives, consumers today increasingly expect companies to demonstrate convergence with some social values as contribution to the community (Marin and Ruiz 2007). If consumers recognize these efforts and can identify with them (attitudes, values, beliefs, and activities) they are likely to feel attracted to those companies and their products, which usually results in different profitable results from a company standpoint (Brown and Dacin 1997; Ellen et al. 2006):

- positive product evaluation,
- brand choice,
- brand recommendation,
- corporate reputation, and
- purchase intent.

Consumers do not only recognize and value such behavior, but as research in developed economies shows (Sen, Gurhan-Canly and Morwitz 2001) increasing number of consumers is ready to sanction socially irresponsible companies. According to Snider et al. (2003) consumer expectations toward CSR have increased over the last decade due to the following:

- increased number of companies with social responsibility programs,
- increased number of companies communicating their CSR efforts with the public,
- increasing number of consumer groups with active approach and call for boycotts of socially irresponsible companies and their products.

According to Sheth et al. (1991) consumers create their buying decisions as a set of different values: functional, conditional, emotional, epistemic and social, as it is shown in Figure 1.

FIGURE 1
The five values influencing consumers' choice
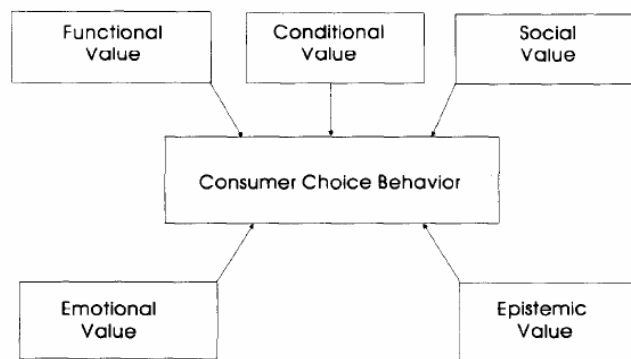
Source: Sheth, J. N. et al. (1991). Consumption Values and Market Choices: Theory and Application, South-Western Publishing Co. Cincinnati, 1991.

Functional value represents the perceived utility of an alternative resulting from its characteristics, i.e. the ability to perform its purposes. Conditional value represents a specific situation or specific physical or social context faced by consumer, for example a medicine to cure his illness. Social value is the perceived utility that results from products' image and symbolism is association with demographic, socioeconomic and cultural referent groups. Emotional value is the products' ability to arouse or perpetuate certain feelings. Epistemic value is the products' utility to arouse curiosity, provide novelty or satisfy desire for knowledge.

However, Singh et al. (2007) note that consumers are more sensitive to tangible aspects of corporate social responsibility such are product quality, compliance to standards, guarantee, product information. These factors are said to directly influence buying decisions, while ethical and social aspects of corporate social responsibility are relatively unknown concepts and of only secondary importance in influencing consumers' behavior.

Valor (2008) gives evidence that even if consumers intend to buy responsibly, there is a gap between this intention and actual buying behavior. The gap is due to the obstacles that consumers face: motivational (problem of finding a product that satisfies both individual and social need, perception of the efficacy of responsible buying by an individual) cognitive (finding information about corporate impact on social welfare, information processing bias – they are more sensitive to negative then to positive information, and they tend to refuse negative information about brands they are highly involved with) and behavioral (difficulties to find socially responsible performers/producers, the cost associated with responsible buying, i.e. premium price, traveling, locating a product, etc.)

There is also evidence of demographic variables' impact of corporate social responsibility perception and its influence on consumer behavior: employment, i.e. working experience, age, sex, education, income and even different cultural settings.

3. RESEARCH

The major goal of this research was to identify key consumer variables that determine their behavior in relation to corporate social responsibility of companies in Croatia.
The key questions of this research are the following:
- What do Croatian consumers perceive under "corporate social responsibility"?
- Do Croatian consumers expect companies to behave socially responsible?
- How much knowledge Croatian consumers think they have about corporate social responsibility in general, and specific about products and companies they buy from?
- How much do Croatian consumers care about corporate social responsibility, i.e. does it affect their buying intentions and product choice?

3.1. Research Design

According to Dickson (2000), the most influential factors in analysis of consumers and their relation to corporate social responsibility have been identified as personal values, beliefs, knowledge and societal attitudes. Majority of researchers in this area, according to Dickson (2000), consider that abstract personal values, knowledge and beliefs influence attitudes which in turn impact behavior. Personal values have been defined as macro and micro and they illustrate a general personal concern of global issues and personal relations. They are resistant to change, although some changes are evident and have been generally identified as moving from a self-centered to a more societal –centered focus in the 1990s.

Beliefs and knowledge of issues concerning social responsibilities and specific industries and/or companies can have a significant role in creation of consumer social attitudes towards environmental and social responsibility and thus impact product choice and consumption.

Attitudes are focused on specific objects or situations. They are illustrated by consumer support of socially responsible behavior, perceived effectiveness of actions taken to encourage socially responsible companies, their suspicion about business intentions and need for government regulation of socially responsible activities of companies.

In accordance with these elements, the following model was constructed.

FIGURE 2
Model of consumer behavior with respect to CSR
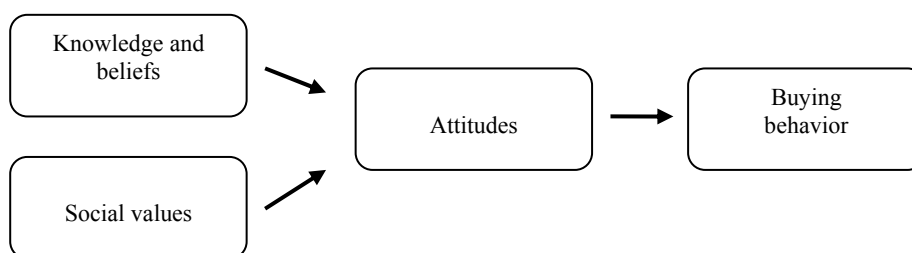
According to these theoretical premises the questionnaire was created. It included six socio-demographic questions considered as influential for level of knowledge, beliefs and social values construct (sex, age, martial status, employment, purchasing power, and education) and eight questions testing consumer perception of CSR, their social values, knowledge and beliefs and attitudes towards CSR. These eight questions were formed as statement that respondents had to evaluate on 5-point Likert scale. The questionnaire was sent out mostly to social network web addresses that the researchers were familiar with. Altogether 500 questionnaires were sent out and 195 were returned and taken into analysis. Although the respondence rate was rather high (39%) it turned out that sample studied was not representative in terms of education level (over 76% of higher educated respondents, whereas there are only 18% of them in Croatia). It is a serious limitation of this research but can be interpreted as the indication of respondents' comfort with the topic and items. It can be presumed that lower educated population does not know much or does not perceive CSR as an important social issue. However, because of the biased sample studied, caution should be used in generalizing the finding of this research.

The whole field research process was performed during October/November 2009.

3.2. Sample characteristics

Our research sample consists of 195 respondents who have answered the questionnaire. The sample structure is the following:

TABLE 1
Sample structure

		Frequency	**%**
Sex	Male	86	44,1
	Female	109	55,9
Age	18 – 25	31	15,9
	26 – 50	127	65,1
	Over 50	36	18,4
Martial status	Married	107	54,9
	Single	88	45,1
Employment	Employed	152	77,9
	Unemployed	8	4,1
	Student	26	13,3
	Retired	9	4,6
Monthly income p.c.	Up to 150 €	3	1,5
	150 – 250 €	11	5,6
	250 – 500 €	28	14,4
	500 – 750 €	60	30,8
	Over 750 €	92	47,2
Education	Primary education	3	1,5
	Secondary education	43	22,1
	College/university	94	48,2
	Master/doctorate	55	28,2

4. RESEARCH RESULTS AND DISCUSSION

The analysis of the returned questionnaires gives us not only the perception of CSR by Croatian consumers, but also their views of the Croatian society in general. Croatian consumers perceive CSR primarily as morality and ethics in doing business (average score 3.36 on 5-point Likert scale) and obeying the law (average score 3.2). The third level of perception of CSR is that the market success is a prerequisite for fair treatment of consumers and employees (average score 2.7). Social and humanitarian activities in the community are considered as the least important features of CSR in Croatia with an average score of only 2.42. This is completely contradictory with the results of above mentioned companies' research on CSR: they value humanitarian and social activities as the most valuable and important part of CSR features for consumers. In a wider social context these results also indicate that moral, ethics and law obedience is not seen as a standard in business practice in Croatia, but as a special, socially responsible way of doing business! It corresponds to the fact that business crime and corruption are serious problems in Croatian business community.

There is significant difference according to sex in perception of CSR in Croatia: women are more inclined to define it in legal/moral/ethical perspective, while men define it more in humanitarian and business success terms.

These findings correspond to the results of tested consumer attitudes. Research results show that their attitudes concerning CSR are mainly concentrated on legal standards and norms: 92.3% of respondents consider the legal regulation of CSR is the most important or important (average score 4.64). At the same time 23.2% of respondents do not trust companies that promote their CSR activities. They expect the legal framework to define CSR standards, and not the companies.

Although the majority of respondents share the general attitude that "it is good to buy products with CSR attributes" (86.6%) they are not ready to behave this way unconditionally. Under the same market circumstances (product quality, price, availability) the majority of respondents (76.9%) would choose the product with CSR attributes. At the same time, 19.1% of them would not care or think about the choice.

When product quality is in question 27.7% of respondents would buy a product of somewhat lower quality if it has CSR attributes rather then the one that has not, but 41% of them would not take a CSR product of either perceived or real lower quality.

In case of price differences, 59% of respondents are willing to pay more for product with CSR attributes, while 19% are not. However, we have to keep in mind that our research sample is not representative according to purchasing power – is a quite over the average, so this result can be expected to be significantly lower in reality.

Considering product availability, research results show that 44.6% of respondents are willing to make additional efforts to find products with CSR attributes, while 25.8% are not.

In recognizing the products with CSR attributes, either visible or invisible, Croatian consumers would mostly trust (64.1% of respondents) information about products and companies as an important factor for their buying choice. Such information does not exist in Croatia, while the consumers would like to see both product labels with CSR declaration and "black list" of companies that are not socially responsible published (60.5%). Among the two, they trust more the "black lists" as the independent source (19%) than product labels (14.4%) given by companies. This is in line with the statement that 23.2% of respondents don't trust companies' CSR labels and promotion.

If we put the obtained results in the above presented model, the results are the following:
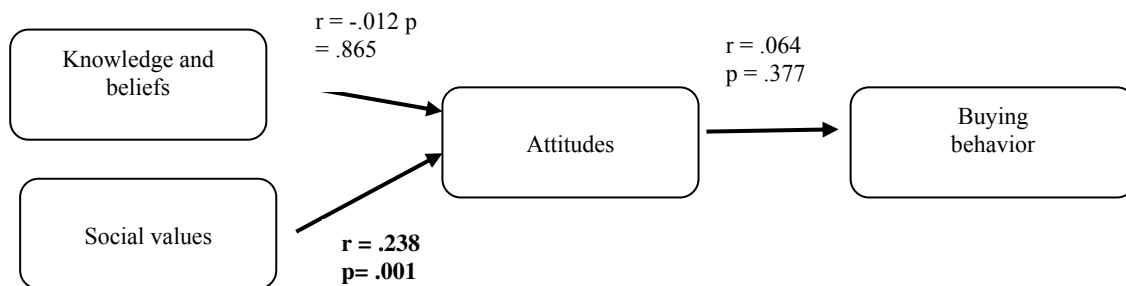
The only significant correlation that was found was the one between social values and consumer attitudes toward CSR. The concept of social values and attitudes were tested according to adapted model by Dickson (2000). Social values were measured on micro and macro level. Micro societal values included tolerance and justice issues, while macro ones included concern for peace, environment protection and education availability. Attitudes were measured through seven variables measuring support for CSR concept, buying intentions, suspicions of business intentions, altruism and perceived effectiveness of own behavior concerning CSR.

Croatian consumers' social values are very strong both on micro and macro level. The average score of macro level social values is over 4.5, whereby they express the strongest concern for peace, which is no wonder considering the war of only two decades ago. Micro level social values include issues of tolerance and justice. Croatian consumers are more sensitive to justice (average score 4.64) than to tolerance issues (average score 4.15). The research has shown that the strength of social values grows with purchasing power (F=2.597; p=.003).

On the other hand the average score on beliefs concerning CSR is extremely low (only 2.65). They believe that individual consumer cannot influence the level and scope of companies' social responsibility in Croatia (average score 3.09; 41.5% of respondents agree with this statement), but that extreme joint activities, like massive boycotts can make a difference (52.3% of respondents).

Consumers' knowledge on CSR is also bellow average – general knowledge about CSR is scored with 3.31, and specific knowledge about companies and products they use with 2.77. More than 38% of respondents do not know anything or know very little about CSR issues of products and companies they buy from. However, there is significant difference in knowledge about CSR with respect to age (F=1.751; p=.054): younger consumers (18-25) know more about it than mid-age consumers and those know more about it than older consumers (over 50).

1. CONCLUSIONS

This research had a goal to identify the model of Croatian consumers buying behavior with respect to CSR and explain the most important factors that determine such a behavior. From the scientific point of view it was a challenging task since the CSR is quite a new phenomenon in Croatian business environment. Previous research was mainly concentrated on companies, and none of them to consumers. It was presumed that consumers would prize companies' efforts in CSR terms that they are aware of. That was the reason for companies' emphasizing their humanitarian and "good neighbor" activities in local communities in Croatia. However, this research has provided somewhat different results. However, due to the biased sample studied in terms of their education and purchasing power, caution should be used in generalizing the finding of this research.

Croatian consumers perceive corporate social responsibility mainly as legal, moral and ethical way of doing business. They have very strong social values that influence their attitudes. They believe in importance of CSR, but think they have only some theoretical and general knowledge about, while the specific knowledge of products and companies is very limited. At the same time, they do not particularly trust companies in their promotion activities on CSR and therefore consider the available information as not important or influential for their buying behavior. They also do not think that their individual activities can change companies' approach to CSR. Therefore they mostly trust and believe in the strict legal standards and laws to regulate the issue. Relatively low evaluation scores of beliefs and knowledge might be the reason that they do not influence consumer attitudes. These results reflect the need for improvement of public, i.e. independent information system on CSR.

Although we were not able to identify any correlation between consumers' attitudes towards CSR and their buying behavior, the majority of them supports the CSR concept and shows inclination to buying products with CSR attributes, but not unconditionally. When choosing CSR products or producers, they are mostly sensitive to product quality, and least to product prices. These findings give a clear message to companies: if their implementation of the CSR concept is generally recognized within the community and if they are able to offer their product at comparable quality and provide their availability, consumers are willing to award it by buying their products at higher prices.

Finally, to our opinion, it is necessary to create more learning opportunities in order to increase awareness about the CSR issues in Croatia for all the stakeholders: consumers, companies and government. Knowing more about the concept might improve the legal framework as the most trustworthy element for consumers in terms of their buying behavior and improve its effectiveness and, on the other hand, force companies to not only implement the regulations, but to "overdo" the standards in order to strengthen their competitive market position.

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IS A BANK EXPECTED TO PLAY THE ROLE OF A NON-PROFIT ORGANIZATION? HOW DO ITS STAKEHOLDERS FEEL ABOUT IT?

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ABSTRACT

A very popular CSR strategy is Cause-Related Marketing (CRM) according to which the profit-making companies form strategic partnerships with non-profit organizations for mutual benefits. Adkins (2005) posits that CRM is an integral part of a portfolio of ways that firms can use to demonstrate their responsiveness to the society's heightened expectations and demands for responsible corporate behavior. One of the most dynamic corporations in Cyprus in terms of CSR as well as CRM strategies is the Bank of Cyprus which has build a strong partnership with the Anti-cancer Society and according to a very big research in the years 2004, 2007 it has been rated as one of the two most reputable companies in Cyprus in terms of Corporate Social Responsibility (Demetriou et al, 2009). In this paper, the research findings of a survey among 75 customers of the Bank are presented, indicating the positive effects of the Bank's Cause Related Marketing strategy on the most important market stakeholders of the Bank; its customers.

1. INTRODUCTION

Business has become, in the last half century, the most powerful institution on the planet. The dominant institution in any society needs to take responsibility for the whole and therefore every decision made and every action taken must be viewed in light of corporate responsibility (Lawrence and Weber 2008: 47).

There are numerous definitions on the subject of CSR. The World Business Council for Sustainable Development in its publication *"Making Good Business Sense"* by Lord Holm and Richard Watts, used the following definition: "CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large" (Mallenbaker.net 2008).

Developing a strong and socially oriented corporate reputation has become a major form of differentiation in many markets where price, quality and tangible attributes are relatively similar. By being able to present corporate brands as contributors to the wider social framework and by actively adopting a role beyond that of simple profit generators has enabled companies to achieve stronger market positions. One of the methods used by brands is Cause-Related Marketing (CRM). This is a commercial activity by which profit oriented and not-for-profit organizations form partnerships to exploit, for mutual benefit, their association in the name of a particular cause (Fill 2002: 630). Bank of Cyprus has formed a very successful partnership with the Cyprus Anti-cancer Society and it has also built the Cyprus Oncology center.

This research project attempts to demonstrate the cause and effect relationship between CSR/CRM and the corporate image and business growth of the BOC as well as how the customers of this bank as the most important market stakeholders feel about these strategies. The reason that the Bank of Cyprus was selected was due to its intensive Cause Related Marketing Strategy with the Cyprus Anti- Cancer Society and the Oncology Center of Cyprus which proved to be the most important criteria for Cypriots to name this Bank as one of the most reputable organizations in Cyprus in terms of CSR (Demetriou et al. 2009).

2. LITERATURE REVIEW

2.1. Corporate Social Responsibility

CSR is not a new concept, although in the last two decades it has gained greater attention as an establishing business value for some new companies and as a lasting core business value for others. CSR today appears to be more about the mission than about individual company owners or their companies (Gillis and Spring 2001: 1). CSR is also about operating a business in a manner that meets or exceeds the ethical, legal, commercial, and public expectations that society has in business. Furthermore, CSR is an issue that encompasses business decision making related to "ethical values, legal requirements, as well as respect for people, communities, and the environment." (Kotler and Lee 2005: 3). CSR is commonly described by its promoters as aligning a company's activities with the social, economic and environmental expectations of its "stakeholders." As a result, it has become a multi-billion dollar public relations specialty in the business world (Source Watch Encyclopedia 2008). Companies seem more willing to report on their contributions to the maintenance of a good work environment, a healthier society or more ethical business practices through both internal and external action within the countries in which they operate. Especially companies operating in global markets are increasingly expected to assume some level of responsibility for labor practices along their chain of supply. Such practices include promotion of gender equality, respect for industrial relations, promotion of workers' participation through consultation and information procedures, development of vocational skills and lifelong training for workers, respect for health and safety standards and adoption of preventive measures, promotion of social rights, enhancement of quality of work and integration of vulnerable groups such as the young and the disabled people and immigrants (TSSA 2008). Other examples of strategies employed by businesses to transform commitment to corporate responsibility

into practical action include: articulating a relevant organizational philosophy and incorporating it into mission, vision and values statements, drafting a meaningful code of ethics that is consistently applied, revising employment strategies and applying strategic philanthropy, employee volunteering, and public education programs (Corporate Responsibility Index 2008).

The success of a company's CSR strategy depends on whether the whole business understands the concept of CSR rather than limiting this understanding into only a single business department. Thus a good CSR plan involves engaging managers of different departments into CSR and emphasizing the importance of implementing CSR in day-to-day work (Perry 2004: 7). CSR involves giving something back to the community, which is something that all the employees of a company should be committed to (Roberts 2004: 12).

2.2. Cause Related Marketing

CRM is a new form of marketing, a hybrid of product advertising and corporate public relations (Stole 2006: 1). This can be simply considered as marketing with a worthy cause, a form of marketing that uses various strategies, tools and traditional advertising methods to change attitudes, perceptions and behaviors as they relate to social issues. CRM is an exciting concept where both business and charity (or good causes) can benefit (Skory and Repka 2004: 1) and where a corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product sales (Kotler and Lee 2005: 23). CRM campaigns support a wide range of causes, those most visible are the ones with the biggest followers, most commonly associated with major health issues (e.g. cancer, heart disease, AIDS), children's needs (education, hunger, medical needs), basic needs (hunger, homelessness), and the environment (wildlife and nature preservation, etc) (Kotler and Lee 2005: 84). CRM is defined as the process of formulating and implementing marketing activities that are characterized by contributing a specific amount to a designated non-profit effort that, in turn, causes customers to engage in revenue-providing exchanges. In other words, CRM is a dramatic way to build brand equity "as it creates the most added values and directly enhances financial performance" (Mullen 1997). Societal marketing can generate the long-term value needed for a company to survive and achieve competitive advantages (Collins 1993), and when properly executed CRM sells products, enhances the corporate image, and motivates employees. CRM is the latest buzzword for European marketers who have come to realize that alliances of companies with charities can potentially result in growing market shares and customer loyalty (Stewart 1998) (Bronn and Vrioni 2001: 8). The goal of every cause-related, social and community-based marketing campaign is to promote a greater awareness and consumer participation in the existing programs and to demonstrate the power of the specific brand in partnership with charities and social causes in order to make a positive impact on society as a whole (Skory and Repka 2004: 3). CRM can be considered as a means by which relationships with stakeholders can be developed effectively. As organizations outsource an increasingly larger part of their business activities and as the stakeholder networks become more complex, the need to be perceived as (and to be) socially responsible becomes a critically important dimension of the image of the company (Fill 2002: 631). Experts say the chosen cause should have value for both stakeholders and the company. Properly implemented social responsibility initiatives have a positive effect on customer satisfaction and the company's market value, as a number of research studies have shown (Wood 2007: 91).

3. SOCIAL RESPONSIBILITY OF THE BOC IN PUBLIC HEALTH

One of the major Health and Social contributions of the BOC is the Oncology Centre of the BOC. The center was founded by the BOC Medical Foundation and the Cypriot government as an independent legal entity and it was registered as a charitable foundation. The Center is situated in Nicosia at the Acropolis Avenue (Bank of Cyprus 2008). The mission of the Oncology Center is to treat patients with cancer using state-of-the-art services, to cooperate with the public and other private hospitals as well as cancer voluntary organizations, to initiate and participate in prevention and early detection

programs, to undertake research and to foster continuing education for all the professionals working with cancer patients, to develop collaborative links with leading oncology institutes in Europe and North America, and to evolve as a referral centre for neighboring countries (BOC Oncology Center 2008). All those Services are provided for free to all Cypriot citizens with cancer.

The centre provides the following services: radiotherapy, chemotherapy, hormone therapy, diagnostic examinations including blood tests and radiological investigations. Each patient is cared for by oncologists specializing in particular cancer types (BOC Oncology Center 2008). It should be noted that all Cypriot cancer patients benefit from the services of the Centre entirely free of charge (Bank of Cyprus 2008). The bank has contributed in excess of million towards setting up, equipping and operating the Centre. The Oncology Centre is the largest benefaction ever made in Cyprus and its contribution to society and the country's health services is beyond dispute (Bank of Cyprus 2008). Beyond that, the BOC Group, in the context of awareness raising campaigns in the fields of social contribution and health, launched in 1999 an annual campaign against cancer. All funds raised are used by the Cyprus Anti-Cancer Society for cancer patients' welfare programs and medical treatment. Furthermore, the personnel of the Group in collaboration with other organizations and associations, organizes the so-called 'Chain of Life' events. These are a series of activities and events aiming to increase public awareness on cancer and also to raise more funds for the fight against cancer. For example the 'Chain of Life' events include marches, bazaar fiestas, charity fundraisings, marathons, historic car races and football and other sports charity competitions (Bank of Cyprus 2008).

3.1. BOC Social Contribution Excellence Awards

The BOC has gained Social Contribution Excellence Awards in the organized competition of the Social Contribution Excellence Awards that was held in Athens in 2003, in two sections namely "the continuous offering" and "the human". The group was specifically awarded the "Continuous Offering" section for its long term and continuous contribution in the Oncology Center of the BOC, the "Chain of Life" events, the Cultural Foundation of the BOC, and the OIKADE program. In "the human" section, the group was specifically awarded for the operation of the Oncology Center of the BOC and the organization of the "Chain of Life" events, the yearly institution that all the BOC staff participate with the aim of financial supporting of the Cypriot Anti-cancer society. The importance of these awards is even bigger for the BOC considering the fact that the group competed against international companies that operate abroad. The group had being distinguished through 63 top companies in CSR (The CSR Social Contribution Excellence Awards of the BOC 2003).

From the three interviews presented above it can be concluded that CSR is an important aspect of business in the BOC. Furthermore, the three branch managers stressed that by promoting CSR at the workplace offers a number of benefits. All three have described this as a win-win situation for the both the bank and the general public, and in extent to the society. By applying a CSR plan, the BOC can gain good reputation within its customers and moreover the BOC can attract new customers, sustain loyal ones, and create positive word of mouth. This ensures more business and profitability to the bank. Moreover, the application of a CSR plan brings benefits to the community, since the bank is offering back to the society in general.

In a previous survey (Demetriou et al. 2009) on the effectiveness of CSR and CRM strategies of corporations in Cyprus it was indicated that the majority of Cypriots consider the Bank of Cyprus and the Popular Bank (today renamed to Marfin Laiki) as the most reputable organizations in Cyprus in terms of Societal Concern (see Figure 1). In the same survey it was found that Cypriots expect the profit- organizations to be actively involved in Social problems of the Cyprus Community and in forming Social partnerships with Anti-Cancer organizations, organizations for the protection of Child's rights and Anti-drug organizations. (see Figure 2).

More specifically, in the above mentioned research responders were asked to name up to four profit organizations in Cyprus they believe are socially responsible. Figure 1 provides the list of the corporations and the percentage of the responders who named those corporations.

FIGURE 1
Socially Responsible Organizations
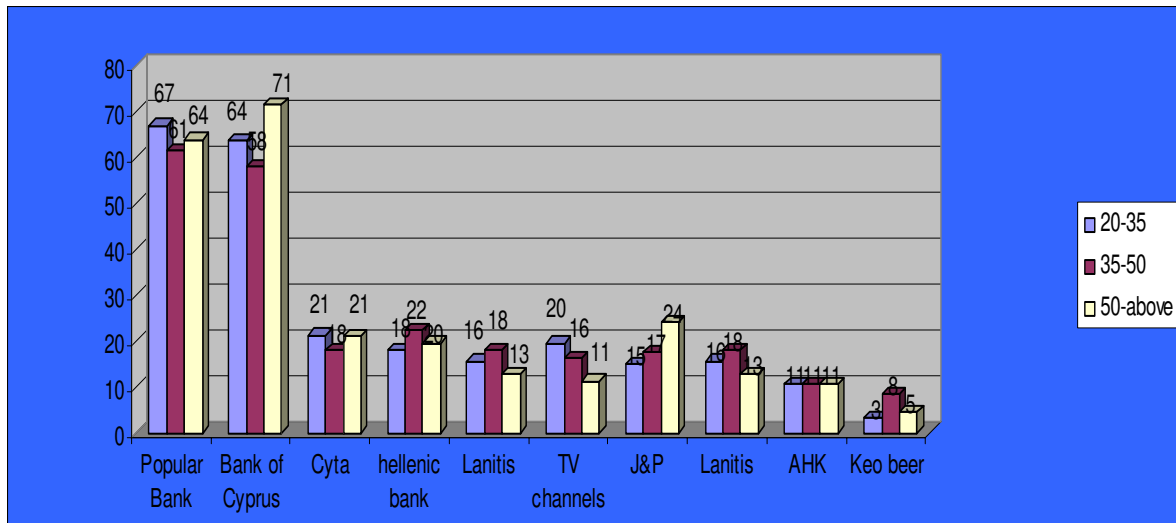
Source: Demetriou M. et al. 2009.

The name of the Popular Bank appeared in more than 61% of the questionnaires for every age group and the name of Bank of Cyprus in more than 57%. The third name mentioned by the responders was the name of the Cyprus Telecommunication Authority with an average rate of only 20%.

It seems that the top two corporations that are perceived to be active in terms of social responsibility are the leaders in the banking sector in Cyprus. At this point one may suggest that organizations that are socially responsible need to be profitable before they can pay attention to their duties and responsibilities towards the society? It can also be argued, based on this finding, that businesses that are regarded as the most reputable in terms of CSR score high as well in terms of financial performance and profitability. (Demetriou et al. 2009)

The second objective of the research paper of Demetriou et al also examined the Cypriots' perceptions in relation to the social causes they would like local profit organizations to give their support to Figure 2 presents all Social Organizations/Causes responders would like profit organizations to form social partnerships with for the interest the Cyprus Society.

FIGURE 2
Social Organizations for CRM Strategies
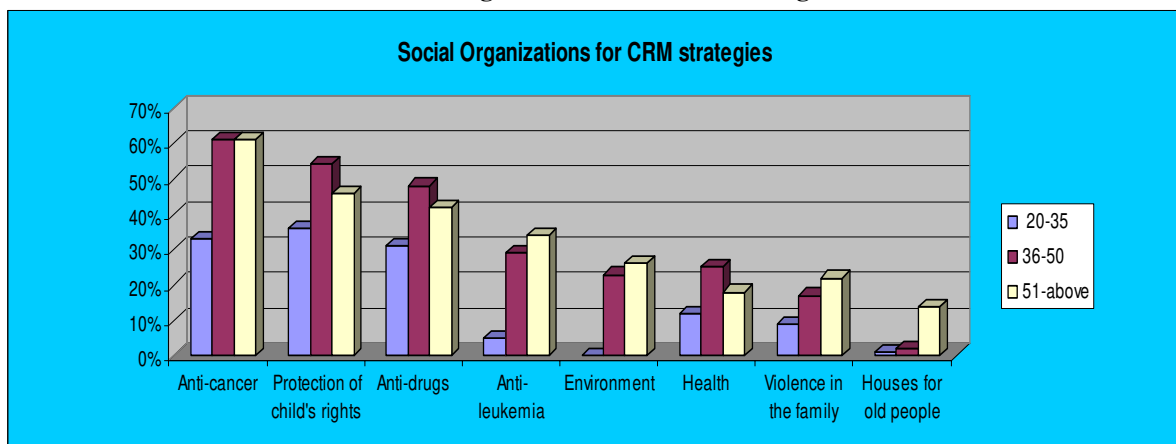
Source: Demetriou M. et al. 2009.

The majority of the responders above the age of 35 expect the corporations to form "Social Partnerships" with Anti-cancer society (61%), Cypriots feel that the businesses in Cyprus can contribute to the minimization of specific social problems and cancer seems to be the number one social problem for which profit organizations are expected to play an important role (Demetriou et al. 2009).

The above results initiated the interest of the researchers to further examine the effectiveness of the CSR and CRM Strategies of the Bank of Cyprus with the Anti- Cancer organization and the Oncology Center. It was decided to examine the perceptions and feeling of the Bank's customers as one of its most important market stakeholder.

4. RESEARCH DESIGN

Quantitative research is an inquiry into an identified problem, based on testing a theory, measured with numbers, and analyzed using statistical techniques. The goal of quantitative methods is to determine whether the predictive generalizations of a theory hold true (University of Nevada, Reno 2003). In this case a questionnaire was prepared and was distributed to 75 banks customers on a non-probability but convenience sampling approach. Non-probability sampling stands the convenience sample (where the researcher selects the easiest population members from which to obtain information) (Kotler *et al*. 2005: 356). Convenience sample has been chosen because a list of customers of the BOC had been conveniently provided by a BOC branch. Also, the reason for choosing convenience sampling is that the population is geographically concentrated and the data collection technique does not include any traveling, because the sample is concentrated in the bank and in the e-mail contacts (Phellas 2006).

4.1. Research Aim and Objectives

The aim of this research was to examine the knowledge and the feelings of Customers as important stakeholders of the Bank about the CSR and CRM strategies of the Bank,

More specifically the following seven objectives were set:
Objective 1: To examine the level of awareness of customers on the concept of CSR
Objective 2: To investigate how important CSR is for the corporation according to the customers' perception.
Objective 3: To identify the areas of CSR activities customers believe BOC has applied successfully.
Objective 4: To examine whether customers believe that CSR activities pay back the bank with growth and success.
Objective 5: To investigate whether customers believe that the impact of the BOC's, CRS orientation is positive for the reputation of the Bank.
Objective 6: To examine whether customers believe that the Bank's CSR strategy is a win-win situation that provides a number of benefits both to the BOC and to the society.
Objective 7: To notify the customers a list of critics against the CSR/CRM strategies of profit organizations and examine their degree of agreement/disagreement to all those critics.

4.2. Research Analysis of Questionnaires

The first phase of the research was among the Bank's Customers In this section a statistical analysis was conducted of the questionnaires answered by 75 persons and the analysis is conducted with the aid of the SPSS ver.17 statistical software package.

The analysis is based on the participants' age (18-25, 26-35, 36-45, 46+) and /or gender and it records the answers of the respondents towards the questions of the survey. Figures of bar charts are employed to demonstrate the behavior of the participants towards the primary objectives of this project study.

The figures that are presented were audited and reviewed for the evaluation of their effectiveness and reliability towards the statistical audit of chi-square test and especially Pearson chi-square test. All the figures and tables were reviewed by the coefficient a that had to be greater than 0,05 (a>0.05), in order to be effective and reliable. Other figures and tables that were less than the coefficient a (a<0,05), were ignored.

4.2. *Analysis of findings as per research objective*

Objective 1

The first Objective of the research was to examine the level of awareness of customers on the concept of CSR In Figure 1.1, for the age group of 18-25, 13 people (17,3 %) answered that they are aware of the CSR term, 6 people (8%) that they are not aware, 3 people (4%) that they are in part aware and 1 person (1,3%) do not know or refuse to answer. For the ages of 26-35, 19 people (25,3 %) answered that they are aware of the CSR term, 3 people (4%) that they are not aware, 5 people (6,7%) that they are in part aware and 3 people (4%) do not know or refuse to answer. For the ages of 36-45, 5 people (6,7%) answered that they are aware of the CSR term, 5 people (6,7 %) that they are not aware, 2 people (2,7 %) that are in part and 2 people (2,7 %) do not know or refuse to answer.

FIGURE 1.1
Awareness of the CSR term (age criterion)
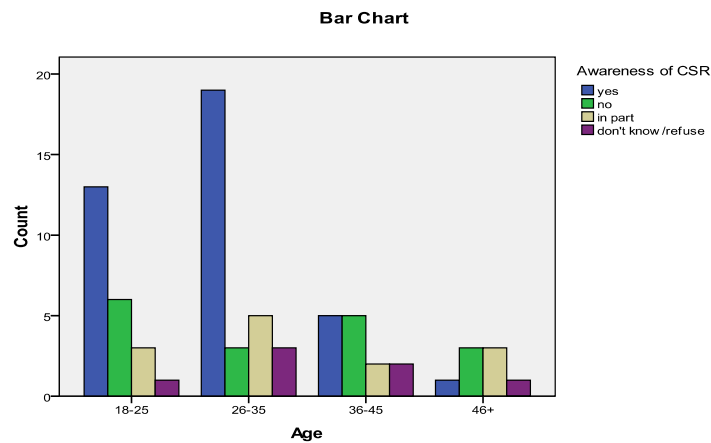
Objective 2

The second objective of the research was to investigate how important CSR is for the corporation according to the customers' perception.

FIGURE 1.2
Importance of CSR (age criterion)
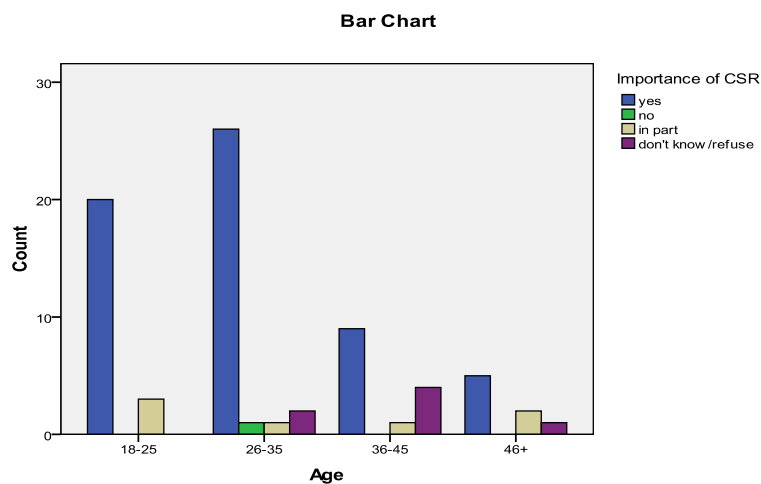
According to Figure 1.2, with regards to the age criterion, the age of 18-25, 20 people (26,7%) answered that it is important and 3 people (4%) that it is in part important. The age of 26-35, 26 people (34,7%) answered that it is important, 1 person (1,3%) that it is not important, 1 person (1,3%) that it is in part important and 2 people (2,7%) do not know or refuse to answer. The age of 36-45, 9 people (12%) answered that it is important, 1 person (1,3%) that it is in part important and 4 people (5,3 %) do not know or refuse to answer. The age of 46 and above, 5 people (6,7%) answered that it is important, 2 people (2,7%) that it is in part important and 1 person (1,3%) do not know or refuse to answer.

Objective 3

The third objective was to identify the areas of CSR activities customers believe BOC has applied successfully.
According to Figure 1.3 below, in the age of 18-25, 4 people (5,3%) answered the Oncology Center, 1 person (1,3%) answered other BOC's CSR contribution, and 18 people (24%) answered none at all. The age of 26-35, 10 people (13,3 %) answered the Oncology Center, 1 person (1,3%) answered the Christodoula's March, 1 person (1,3%) answered the Cultural Foundation and 18 people (24%) answered none at all. The age of 36-45, 3 people (4%) answered the Oncology Center, 1 person (1,3%) answered other BOC's CSR contribution, and 10 people (13,3%) answer none at all. The age of 46 and above, 1 person (1,3%) answered the Oncology Center, 1 person (1,3%) answered the Christodoula's March, and 6 people (8%) answered none at all.

FIGURE 1.3
CSR activities of the BOC (age criterion)

Bar Chart
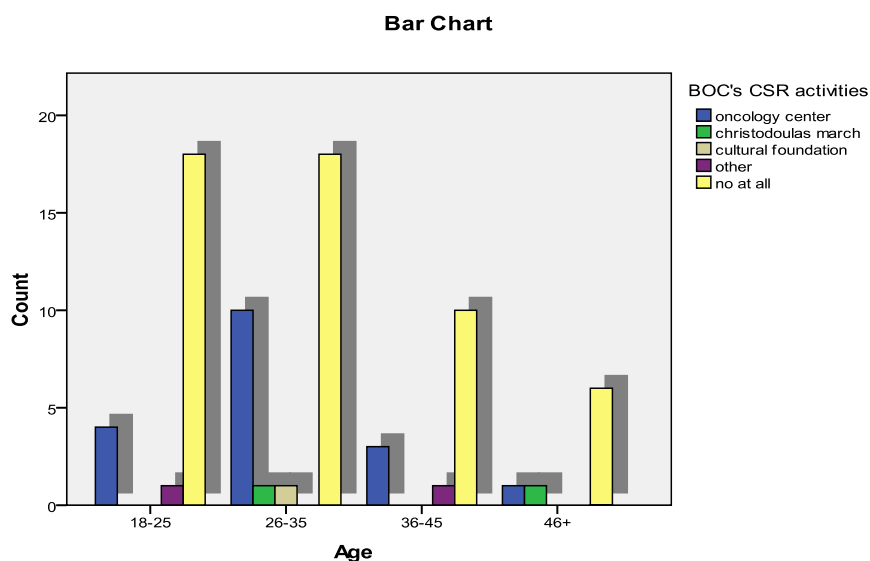
Objective 4

To fourth objective was to examine whether customers believe that CSR activities pay back the bank with growth and success. The results according to Figure 1.4 below indicated that in the age group of 18-25, 1 of them (1,3%) answered that they disagree that CSR actions offer growth to the bank, 5 of them (6,7%) were neutral, 15 of them (20%) agree, and 2 of them (2,7%) answered that they strongly agree. People that are 26-35, 1 of them (1,3%) answered that they disagree, 12 of them (16%) were neutral, 12 of them (16%) agreed, and 5 of them (6,7%) answered that they strongly agree. People that are 36-45, 2 of them (2,7%) disagree, 5 of them (6,7%) were neutral, 5 of them (6,7%) agree, and 2 of

them (2,7%) strongly agree. People that are 46 and above, 1 of them (1,3%) were neutral, 3 of them (4%) agree, 4 of them (5,3%) strongly agree.

FIGURE 1.4
Actions of giving back offer growth to the BOC (age criterion)
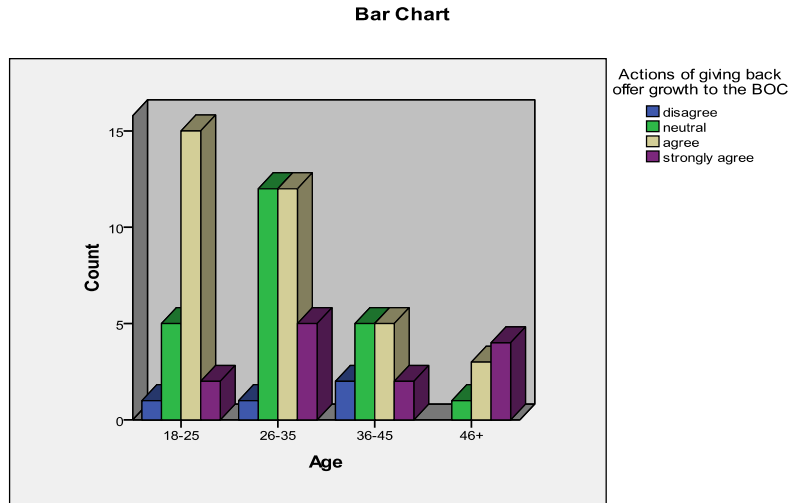
Objective 5

The researchers tried to investigate whether customers believe that the impact of the BOC's, CRS orientation is positive for the reputation of the Bank. According to the findings presented in Figure 1.5 below, in the age group of 18-25, 3 of them (4%) answered that they disagree that the CSR activities of the BOC have had a considerable impact upon the business reputation of the bank, 6 of them (8%) were neutral on the topic, 13 of them (17,3%) agree, and 1 of them (1,3%) answered that they strongly agree. People that are 26-35, 1 of them (1,3%) disagree, 12 of them (16%) were neutral, 13 of them (17,3%) agree, and 4 of them (5,3%) strongly agree. People that are 36-45, 1 of them (1,3%) disagree, 5 of them (6,7%) were neutral, 7 of them (9,3%) agree, and 1 of them (1,3%) strongly agree. People that are 46 and above, 1 of them (1,3%) were neutral, 3 of them (4%) agree, and 4 of them (5,3%) strongly agree.

FIGURE 1.5
CSR activities of the BOC have an impact on the reputation of the bank (age criterion)
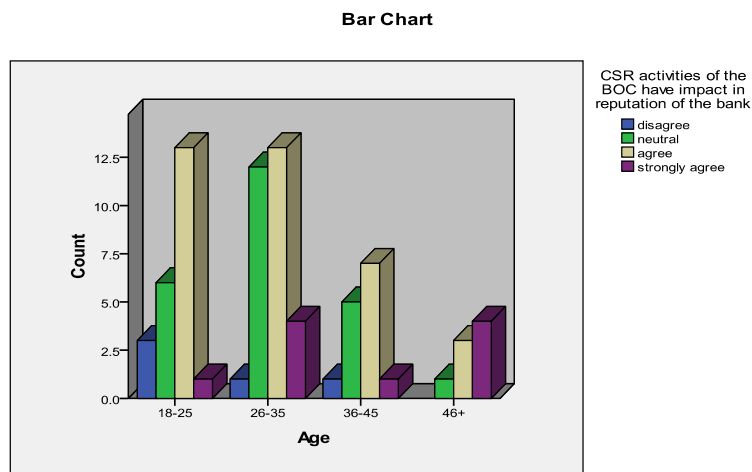
Objective 6

To demonstrate the benefits of CSR to the company and generally to the community, the question on whether a properly applied CSR policy is a win-win situation that provides a number of benefits both to the BOC and to the society was asked to the participants. According to the results in Figure 1.6 from the age group of 18-25, 3 people (4%) answered that they disagree, 3 people (4%) were neutral, 8 people (10,7%) agree, and 9 people (12%) strongly agree. The age group of 26-35, 7 people (9,3%) answered that they were neutral, 13 people (17,3%) agree, and 10 people (13,3%) strongly agree. The age group of 36-45, 1 person (1,3%) answered that he/she disagrees, 5 people (6,7%) were neutral about the topic, 3 people (4%) agree, and 5 people (6,7%) strongly agree. The age group of 46 and above, 1 person (1,3%) answered that he/she disagrees, 1 person (1,3%) he/she was neutral, and 6 people (8%) strongly agree. towards the gender criterion, 1 male participant (1,3%), answered that they disagree, 6 male participants (8%) were neutral, 9 male participants (12%) agree, and 13 male participants (17,3%) strongly agree, whereas 4 female participants (5,3%) answered that they disagree, 10 female participants (13,3%) were neutral on the topic, 15 female participants (20%) agree, and 17 female participants (22,7%) strongly agree.

FIGURE 1.6
Win-win situation for both (bank, society)
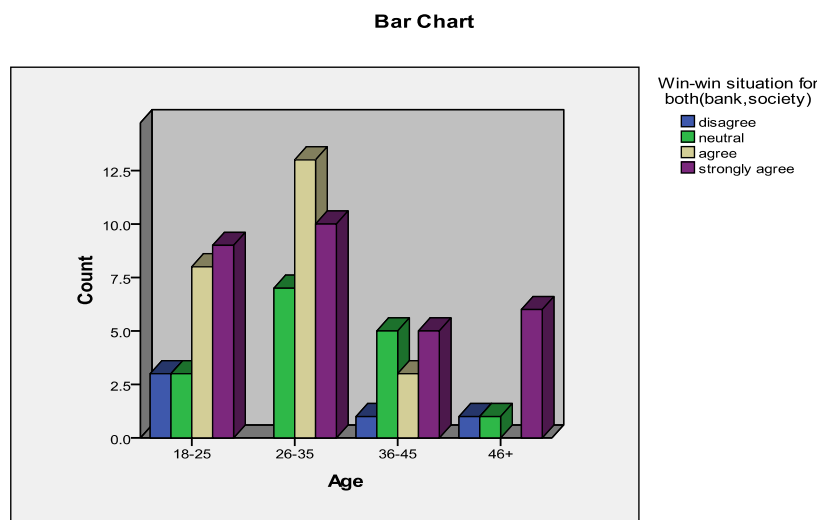
Objective 7

To verify the positive image CSR activities of the BOC has among its customers a controversial question was asked. A number of critics against these activities was listed and responders were asked to indicate the degree of agreement to those critics. According to Figure 1.7 (gender criterion) 9 male participants (12%) answered that they strongly disagree with critics on CSR, 3 male participants (4%) disagree, 10 male participants (13,3%) were neutral and 7 male participants (9,3%) agree, whereas 14 female participants (18,7%) answered that they strongly disagree, 10 female participants (13,3%) disagree, 12 female participants (16%) were neutral, 7 female participants (9,3%) agree, and 3 female participants (4%) strongly agree.

FIGURE 1.7
Critics against CSR (gender criterion)
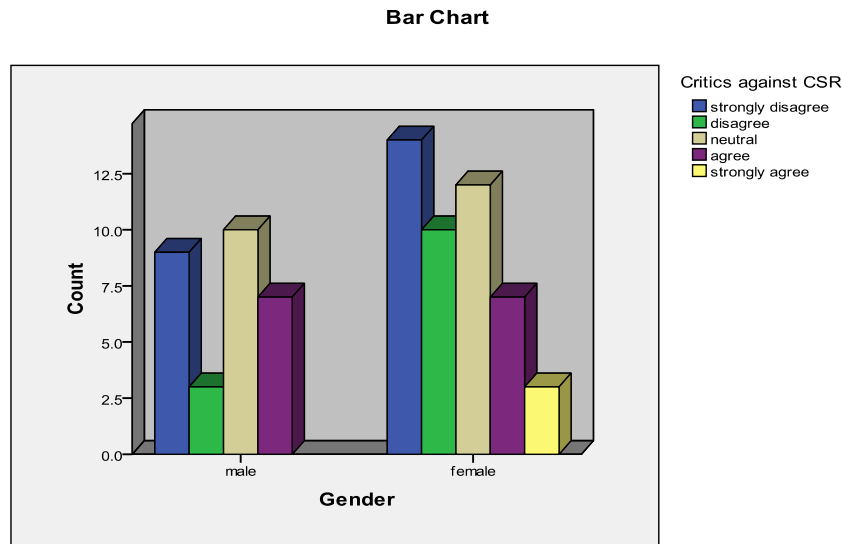
5. CONCLUSIONS ON RESEARCH FINDINGS
The quantitative research methods of questionnaires has been employed in order to support the hypothesis and research aim of the enquiry, which was to study the CSR policy of the BOC and the beneficial outcomes that arise.

The overall research analysis of the questionnaires has shown that according to the gender and age criteria, the majority of participants are aware of the term CSR. Also with reference to the gender and age criteria most people demonstrated that they have no knowledge of the CSR term and its meaning, but nevertheless they verified that it is important for business corporations to adopt a socially responsible and ethical attitude towards the community. Moreover, a large percentage of people illustrated that they are not at all aware of CSR activities and strategies that the BOC applies. This is also apparent from the fact that only a small percentage of participants confirmed that they are aware that the BOC has established the Oncology Center, which can be considered as a well known contribution of the BOC to society.

Towards the objective on whether the BOC's CSR strategies are considered as successful, most people according to their gender and age criteria answered that these are in part successful. The majority of people regardless of age answered that they do not know or refuse to answer on whether the BOC is a more socially responsible than other industries and corporations in Cyprus. With respect to the objective of how the stakeholders perceive a socially responsible BOC towards marketplace policies, most participants according to the gender criterion, do not know or refuse to answer on whether the BOC ensures feedback, consultation and dialogue with its stakeholders and in addition a majority of participants according the age criterion do not know or refuse to answer if the BOC resolves complaints of stakeholders.

Furthermore, the majority of the participants answered that the BOC provides financial support on CSR activities of the local community on an average grade. Most participants also confirmed that they agree that actions of giving back to the community offer growth to the BOC and have an impact to the reputation and business image of the bank. Moreover, they strongly agreed that a properly applied CSR policy is a win-win situation for both, the bank and the society. On the other hand, the majority of people according to the gender criterion answered that they were neutral to the fact that CSR

policies are actively applied to the BOC work and business environment. Finally, most participants towards their gender strongly disagree with the critics against CSR.

The overall analysis of the research has experimentally tested and supported the hypotheses and cause and effect relationship between the CSR applied policy of the BOC and the beneficial outcome and growth results that arises to the corporation and to the society in general.

6. SUGGESTIONS AND RECOMMENDATIONS

On the overall it can be concluded that the BOC possesses an effective CSR policy which enables the company to offer back to the community and to society in general, while at the same time gaining growth for the company. However, as the research findings have indicated, the BOC should take into consideration the low awareness levels of the public in the CSR activities of the bank and should take immediate action to adjust its CSR marketing in communicating these activities more effectively. Furthermore, it can be suggested that the BOC should expand its CSR activities and action plans in order to include current, as well as future social needs of the modern world based on sophisticated market research schemes which would enable the BOC to identify these needs. The recommendations and proposals presented in this section can be adopted by the BOC in order to sustain, improve and further expand its CSR policy, thus preserving its competitive advantages amongst other banks in the corporate business environment.

7. RECOMMENDATIONS FOR FURTHER RESEARCH

The above reported research findings were based on a research which took place among 75 customers of the Bank of Cyprus of a branch in Limassol. Obviously the sample size needs to be increased and based on a stratified random sampling where more branches of the bank will be selected, the research outcome will be more valid. At the same time further research among other stakeholders of the BOC has to take place in order to help the researchers better understand the effectiveness of the CSR and CRM activities of the Bank on its brand image. More specifically a combination of qualitative and quantitative research approaches need to be applied so as the opinion of the shareholders, the employees and the managers will be heard and analyzed.

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CORPORATE SOCIAL RESPONSIBILITY IN ROMANIA: BETWEEN PR TACTIC AND SUSTAINABILITY STRATEGY

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ABSTRACT

The aim of this article is to provide an overview of the ways in which companies activating in Romania approach corporate social responsibility (CSR) – whether strategically, integrating CSR in the company's sustainable development policies and strategy, or as a short-term public relations tactic. In addition to the literature review, the paper explores the public information available regarding the companies' objectives, strategies and accomplishments in terms of CSR, and deepens the exploration with a pilot interview-based research conducted with decision makers in five companies activating in the construction and adjacent industries in Romania.

KEY WORDS

Corporate social responsibility, CSR, sustainable development, public relations, strategy, PR tactic, CSR communication

1. INTRODUCTION

Corporate Social Responsibility – commonly referred to as CSR – is an internationally debated concept, praised and criticized, embraced or disapproved, at both academic and practitioners' level that evolved constantly. CSR was offered multiple definitions over time, ranging from business ethics, to corporate citizenship, to sustainability.

One of the first universally accepted definitions of corporate social responsibility was given by Carroll (1979) as *encompassing the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time.* Furthermore, Johnson and Scholes (2002) enlarge the definition, by considering *the ways in which an organization exceeds the minimum obligations to stakeholders specified through regulation and corporate governance.* Kotler and Lee (2005) give the marketers' point of view, referring to CSR as to *a commitment to improve community well being through discretionary business practices and contribution of corporate resources.* According to the European Commission (2005), CSR is defined as *the concept whereby companies integrate social and environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis.* The World Business Council for Sustainable Development (2005) integrates corporate social responsibility in the concept of sustainable development, as *the commitment of business to contribute to sustainable economic development working with employees, their families, the local community and society at large to improve their quality of life.*

To clarify the notion of *sustainable development*, the most widely accepted definition was given by the Bruntland Commission (1987) – *the development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*

Therefore, CSR takes into account the general impact a company has on the society and to the necessity to responsibly and specifically tackle the impact on each group of stakeholders (employees, the community as a whole, the suppliers and customers, the investors and creditors, the shareholders). Corporate social responsibility includes a wide variety of issues, including the company's policies on employees and workplace issues, human rights, impact on the community, reputation, branding and marketing, ethical investment, environment, ethics and corporate governance, health and safety (CSR Europe).

A socially responsible company finds the best cause with which to identify and that is in accordance to the company's philosophy and strategy related to sustainable development. Social responsibility does not prevent a company from pursuing and achieving its economic and financial goals, nor does it reduce to philanthropy, sponsoring or a PR exercise. In the view of David Korten (1999), *a truly responsible corporation would be one that produces and sells only safe and beneficial products, does not accept government subsidies or special tax breaks, provides secure jobs at a living wage, fully internalizes its environmental and social costs, and does not make any political contributions or otherwise seek to advance legislation or policies contrary to the broader public interest.*

Furthermore, corporate social responsibility can be simply put as *the right thing to do* that helps the company *do well*, as a strategic differentiator that brings competitive advantage for companies and a way for attaining greater business value in *the long run* (Falck, Heblich 2007). There are several reasons for which companies are considering investing in CSR, including the following: managing risk, protecting human capital assets, better responding to consumer and employee requirements, anticipating stronger regulations, improving brand image and reputation etc. Further more, the successful adoption of CSR in the company strategy can help increase public support and approval. In addition, many experts argue that the commitment to social responsibility and sustainable development has tangible benefits as well, in terms of financial performance improvement.

Preoccupations related to operating a responsible business have been rapidly growing, especially in the context of the global economy and of the interdependencies between the society and the environment, which lead to new customer, authorities, financial institutions, local communities requirements. Thus, numerous organizations started considering improving the way in which they make business in order to have a positive impact on the society   (Balan 2010).

At the same time, in a context of stronger legislative requirements at the European and global level related to responsible business practices, environmental concerns, and so on, incorporating sustainable development and corporate social responsibility in the company long term strategy would be the only viable strategy. The leading priority of a CSR strategy or program should be to ensure the consistency of the company's strategy with the sustainable development principles, thus creating ethical brands that last. The health and the prosperity of businesses is connected to their ability of increasing profits while being environmentally and socially responsible. There are, of course, companies that considered environmental concerns when choosing their object of activity: renewable energy, waste management, wastewater management, recycling, etc. thus demonstrating that sustainability and environmental responsibility can be transformed in a business opportunity that is profitable (Hawkins 2006).

A socially responsible firm is able to take advantage of opportunities, promote competitiveness and innovation, and make profits without negatively affecting the environment or the communities. This can only lead to better reputation and increased credibility in front of the stakeholders. There is no doubt that companies approaching the entire CSR concept with no rigor, strategy, effectiveness or wisdom will find themselves at a great disadvantage, not only in terms of reputation or brand image, but might suffer the cost of their business itself. There is also a superficial side of CSR, driven by profits, that seems very tempting for companies in search of quick results – *the pre-emptive of a Tobacco Company on the Dow Jones Sustainability Index* (Doane 2004)*,* or accepting as a main sponsor in a glossy CSR award a tobacco company (example from Romania).

There are many companies that fall in the trap of false communication of their principles and practices, being severely criticized by the markets (media and literature can provide plenty of greenwashing examples). Communicating corporate social responsibility practices to the public needs to be based on credible and transparent practices that are valid over a long period of time. Investments in CSR and sustainable development are effective as long as they are considered for a long period of time, become part of the company's strategy that is planned, supervised and evaluated carefully and regularly.

Short term tactics such as donating money for social purposes, sponsoring events or planting trees can create some (positive or negative – *buying community goodwill)* buzz around the organization, but will not prove long term effectiveness. Critics admit that communicating CSR activity to the public is useful for the business sector – as it can help set new standards and transform the market. Generally, CSR activity is communicated via massive advertising campaigns, viral spots, and social reports. In order to avoid any doubts related to the genuine interest in CSR, leading companies follow criteria in their reports, established by international organizations such as OECD, UN Global Compact, Global Reporting Initiative, and so on. Moreover, the launch of ISO standard (ISO 26000) by the International Organization for Standardization on *Guidance on social responsibility,* expected to occur in 2010, would help reduce subjectivity in evaluating and promoting corporate social responsibility.

The current economic crisis offered the companies the opportunity to prove their commitment to sustainable development and corporate social responsibility. Some successfully passed the test, some cut back on everything they did not consider as business essential, including marketing and CSR budgets. What companies and practitioners need to understand is that sustainable development and social responsibility are not a fad, but a reality meant to last. An economic, financial and resource crisis is a crucial turning point where leaders and experts should realize that significant shifts need to

be made in their activity, accurately build feasible strategies that bring profits, satisfy stakeholders' requirements, meet climate and environmental challenges and become involved in the community.

2. RESEARCH METHODOLOGY

This paper has an exploratory nature. I considered this option as the most adequate, because there is little consolidated data on company orientation towards CSR and sustainable development in Romania, in general, and for the construction and the adjacent industries, specifically. However, there are companies activating in this field that publicly express their commitment to social responsibility and/or sustainable development, either online, via their website, or through CSR reports, affiliations with non-governmental associations or massive promotion and visibility of their CSR programs.

Furthermore, a pilot research project was undertaken to deepen the exploration. The pilot research comprised interviews with the decision makers of five important players in the sector (an architectural services company, a do-it-yourself multinational, a green building technology supplier, a real estate developer and a five star hotel in Bucharest). I selected the construction and the adjacent industries (architecture, hospitality) as the pilot research field, as it has a major environmental impact. The industry itself should become more responsible, especially in the context of the stronger regulations foreseen at the European level in terms of energy efficiency, carbon emissions and environmental impact. Moreover, Romania and the Central East European region will account for the majority of new construction in Europe in the near future and will require extensive energy efficient retrofits of its existing built environment.

I included a hotel in the pilot research, as the hotels suffer frequent (every five to ten years) renovations, and are large consumers of resources (water, energy, disposables, etc.), thus needing a more socially responsible approach, oriented towards sustainable development.

The number of interviewees was limited to five, one from each major activity field related to buildings, and due to the exploratory nature of the study.

3. OVERVIEW OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN ROMANIA

In the last decade, Romania assisted, as the rest of the emerging economies, at the entrance and use of the concept and language of CSR in businesses, academic courses and research. Perhaps this is primarily the result of multinationals *pursuing and promoting global projects and programs (*CSR and Competitiveness – European SMEs' Good Practice – National Report Romania, 2007). According to this report, CSR in the Central and Eastern Europe is *highly controversial and hindered by inherent contradictions, but this is where the similarities and unique circumstances call for bespoke solutions.*
In the United States, CSR is promoted in order to achieve corporate long-term profits and competitive advantage by applying innovative strategies that respect but go beyond market regulations in order to attract and stabilize clients (Korka 2005).

At the European level, corporate social responsibility is a philosophy, encompassing ethics and responsible behavior towards employees, clients, suppliers, local communities and other stakeholders, being more than a program or campaign. In Romania, rarely do we speak about CSR in other terms than program or campaign and very seldom do companies integrate corporate social responsibility in their long term strategy, consistent with the values, long term objectives, strategy and sustainable development. It is generally multinationals that better understand the CSR concept, work with advertising and PR agencies, collaborate with non-profit organizations to implement programs that

benefit the society. According to Saga Business and Community[1], the concept of CSR is *a foggy one. The studies show that in Eastern Europe CSR is perceived as a PR tool in comparison with Asia, where it is perceived as compliance.*

Time has come for companies in Romania to demonstrate that CSR accomplishes its true role as a business model and goes beyond the PR exercise. There are more and more debates, conferences, seminars on the topic of CSR, green business, sustainable development and that increase awareness of the business community of their importance. What Romanian companies find difficult to understand in the past twenty years is that lasting success cannot be achieved without business ethics, social involvement, quality products and services, environmental concerns and employee protection. Unfortunately, the Romanian business community – and not only – fails at creating long term strategies, calculating long term total costs, and only takes into account the immediate positive/negative result and a profit. Or, adopting sustained corporate social responsibility and sustainable development principles involves first some costs that bring with them benefits, long term sustained profits and high returns on investment.

Mass media – the major communication channel for companies – suffers from major lack of information and understanding related to CSR and sustainable development. Responsible companies may suffer from this lack of knowledge, as their sustainability efforts are not well understood and often, misrepresented.

In Romania, literature and specialized CSR websites refer mostly to multinationals as implementing CSR *programs,* as they were the first to understand their role in the community, transferred their corporate culture locally and were asked for their involvement and had the necessary financial resources to support important programs. Romanian managers – especially those having previous experience in the centrally planned economy – show resistance in adopting CSR as a way to improve the company's competitiveness (Korka 2005). Other local managers do not seem to understand the value of long term CSR and sustainability principles adoption, and tend to take into account the *perceived* associated costs, that are often higher than the actual costs.

1.1. CSR approaches on the Romanian market

The major challenge[2] on the Romanian market is to overcome the current situation of seeing social responsibility as charity or image improvement tool and understand its meaning as a long-term success, integrated in sustainable development strategies. Corporate social responsibility should be seen as a sustainable investment in the community where the business operates. Unfortunately, CSR was (and sometimes still is) considered to be a fad, and not a need towards sustainable development. In an immature and instable economic and social environment, social responsibility was valued in Romania for its commercial attributes, rather than for the ethical considerations – and thus, used for short term brand image consolidation. Numerous companies – in the energy, utilities, cement and tobacco industries – are confronted with serious barriers in the credible association of responsible behavior to a brand, demonstrating that communicating social responsibility is not enough, when it is not correlated to real practices.

One of the commonly blamed industries for pollution and negative impact on the environment is the cement industry. However, although it may seem greenwashing, the three main players on the Romanian market (Carpatcement/Heidelberg Cement, Holcim Romania and Lafarge) have invested significantly in corporate social responsibility and sustainable development. Mainly due to harsh regulations related to pollution, waste management and carbon emissions, the cement industry made

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[1] The initiator of the international conferences on Corporate Social Responsibility in Romania, under the auspices of CSR Europe and the World Business Council for Sustainable Development

[2] *Responsabilitatea corporativa in Romania: De unde si incotro?,* www.responsabilitatesociala.ro/editoriale/ responsabilitatea-corporativa-in-romania-de-unde-si-incotro.html

significant investments in technologies to reduce the emissions of dust, greenhouse gas and noise, to comply and even exceed the current legislative requirements. New assortments of *greener* (more ecological) cement have been developed, based on the use of alternative raw materials, recycling and reuse of various waste. All three companies have a sustainable development strategy and implement congruent CSR programs focused on environment protection (e.g. planting trees), education or social aspects.

The most relevant website in Romania related to CSR practices and information is ResponsabilitateSociala.ro, that includes a directory of companies that undertake (or undertook) CSR activities, programs or campaigns. The directory includes at the moment 49 companies, spanning over the following business sectors: banking/financial institution (8), pharmaceuticals (7), construction (7), telecommunications (5), FMCG (4), alcoholic beverages (3), automotive (2), oil (2), insurance (1), appliances (1), beauty (1), tobacco (1), utilities (1), other (6) focused on education, social, culture, human rights, environment and sport. According to the 2008 *Research Report[3] on Social Responsibility* undertaken by ResponsabilitateSociala.ro on 76 Romanian bloggers, the top five most *responsible* companies in the view of the bloggers were: Vodafone (45%), Petrom (38%), Tuborg (22%), Orange (20%) and Unicredit Tiriac Bank (18%). It is interesting to note that several companies are considered to be socially responsible, through their CSR campaigns, although their products are not *healthy* (e.g. tobacco, alcoholic beverages), do not protect the environment (e.g. automotive) or their corporate strategy does not encourage social development and environmental initiatives (e.g. banking).

This only shows that the Romanian market values most the visible part of CSR (through media coverage, PR awards, etc.), the PR discourse through which companies promote their social investments, although there is no connection between the CSR programs and the product/ company development strategies. Many Romanian companies are interested in being *seen* meeting the social, environmental and economic expectations of the community – that the public authorities fail to meet – and thus gaining a better image on the market. (Mariana Vuta, Ioana Duca, Ion Verboncu, Aurelia Stefanescu, Rodica Gherghina, Monica Dudian, Carmen Trica 2009). The same authors emphasized that the commitment towards the community is very often on the short term horizon and with no solid ground, acting mainly as a PR exercise.

Although some of the initiatives communicated by the companies are valuable to the community (waste reduction campaigns, forestation, etc.), most of the time these initiatives are either compensating for a less responsible product, or are selected as a cheaper, more visible and easier to implement alternative to strategic changes. Rarely do the companies activating in Romania preserve the same CSR objectives or action fields over time, or do they keep consistency.

Thus, the following question rises: why don't companies demonstrate their responsibility for the community and the environment by significantly changing the way they do business, in a more sustainable and socially responsible way? Isn't it more responsible and more sustainable to start by providing, for instance, healthier and more environmentally friendly construction materials that benefit both the company, and the society, as buildings occupy an essential element in people's lives? Isn't it more responsible and more sustainable to offer *green* mortgages with additional benefits to individuals and families for constructing/buying a green home, rather than making a short term donation? Reducing waste, energy, water at the company level, especially in companies operating across the country in multiple units, has a greater impact on the environment and the society as a whole. For instance, mobile communications provider Cosmote managed to promote both their educational *(mentorship programs)* and social programs *(dedicated to people with hearing difficulties)* for the local community*,* as well as their *Green Office* to reduce resource use. Vodafone Romania initiated a

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[3] *Raport de cercetare: Bilantul Responsabilitatii Sociale, 2008.*
  http://www.responsabilitatesociala.ro/editoriale/raport-de-cercetare-bilantul-responsabilitatii-sociale-pe-2008.html

program for collecting used phones, while Nokia built in Jucu a factory using green building principles.

Before choosing other activities to become involved in, the truly responsible and sustainable company starts with its own products, processes and people, to *do the right thing* in the first place. Drawbacks? Such an approach requires commitment, long-term visionary strategy, planning, and some initial investment that will be recovered several times during the long-run. All in all, it is more *difficult* to implement a sustainable, socially and environmentally responsible strategy in the long run than a short run public relations tactic such as a recycling or a tree planting campaign.

There is no doubt that planting trees, supporting disadvantaged communities, donating for humanitarian causes are important, visible, but the first step in deciding what cause to associate with a company is starting with the way the company produces, sells, buys, that is, starting from the company's activity field.

Corporate social responsibility should not be identified with PR, or reduced to communications, as it happens nowadays. It is a clear fact that on the Romanian market the corporate social responsibility activities, programs and campaigns are subordinated to the public relations department, lead by public relations specialists, with little, insufficient knowledge and education in what a truly socially responsible and sustainable company is. Public relations and communication in general are powerful tools that cannot be denied in promoting corporate social responsibility, however, companies – in Romania and not only – need to move forward from this visible area of CSR and make a longer term commitment, integrate CSR in the management preoccupations. As Luminita Oprea[4] noticed, *even those companies that regard CSR as a viable investment have the problem of a poorly defined strategy. This problem could find its solution when the quality standard for CSR, ISO 26000 will be launched* in 2010.

4.3. CSR in the construction and the adjacent industries. Key research findings

Beyond the overview of the current CSR practices on the Romanian market, the paper is meant to offer a deeper exploration of strategic views of five of the leading organizations activating in the field of construction and the related industries. The interviews were conducted in 2009 with key decision makers at the top management level in the organizations. As previously mentioned, the five organizations include: an international architectural services provider, a five-star hotel in Bucharest, a Romanian green building technology provider, an international real estate developer and an international retailer activating in the do-it-yourself sector. The five companies were selected on the basis of their affiliation to a non-governmental organization promoting sustainable constructions in Romania and to their international sustainability practices. The conducted interviews aimed at identifying these organizations' approach to corporate social responsibility and sustainability in Romania, in terms of strategy and practices, as well as the motivations for their CSR decisions.

In the context of rising energy prices, of limited resources and political and legislative pressures for climate change mitigation actions, there are numerous opportunities for innovation towards better, higher performance products, with a low impact on the environment and on human health. Moreover, the building sector is responsible for 40% of the total energy use, but there are plenty of attractive opportunities (World Business Council for Sustainable Development 2009) from which innovative companies can benefit. Therefore, eco-marketing and sustainability orientation are seen as valuable strategies of the improvement of company competitiveness. For instance, Fraj-Andres, Martinez-Salinas and Matute-Vallejo (2009) show that environmental strategies have a positive effect on the

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[4] Public relations specialist in Romania, author of the first book on CSR in Romania, quote from DailyBusiness.ro, http://www.dailybusiness.ro/stiri-media-marketing/autoarea-primei-carti-din-romania-despre-responsabilitate-sociala-criza-a-inghetat-csr-ul-32925#comentarii (October 2009).

company competitiveness. Implementing such a strategy requires an integrated approach of all marketing areas (Polonsky and Rosenberger 2001). Only the companies that are truly preoccupied with the impact on the environment and that are willing to take action in this direction, through marketing mix level decisions, can develop viable marketing strategies (Fuller, 1999).

According to the interviewed international real estate developer, with buildings and projects across Central and East Europe, *green buildings* is the key to success; *being a speculative developer, I decided to build green and certify my buildings because it's the right thing to do. This will bring me larger profits in the long run, although the initial investment is up to 10-15% higher than for conventional buildings.* Therefore, the company's long term strategy is to build sustainable constructions – residential, retail and office buildings, that are energy efficient and with a low impact on the environment, the local community and people's health, whether living, working or shopping in one of these buildings. He was a founding member of the Romania Green Building Council and is one of the founders of the Russian Green Building Councils. Both organizations are founded under the regulations of the World Green Building Council and are non-profit, non-political association of businesses aiming at transforming the construction market towards sustainability, by promoting sustainable business practices and training.

The hotelier is also a supporter of the Romania Green Building Council, joining the organization due to its *simple and straightforward sustainability objectives.* He described Romania the *land of opportunities*, as well as the *land of missed opportunities*, because in the past years, the rapid movements and massive activities in the construction industry were rather uncontrolled, with only profits as a main objective and did not take into account the environmental and social implications. Although the hotel is not a construction business, rather part of the *building business, through the major renovation* episodes and consumption, adhered to the sustainability principles in order to decrease resource usage, increase energy efficiency and have a lower impact on the environment, and in the end, on the society. In the words of the General Manager, being socially and environmentally responsible as a company, and as an individual, requires *smart common sense* and *education.*

To continue, the company founded in Romania by German businessmen provides ecological heating and water saving solutions, thus incorporating social, environmental and economic responsibility in their object of activity. The Chief Executive Officer (CEO), of the company believes that the main drivers of responsibility and sustainability in Romania and anywhere in the world are *education*, *education* and *people's willingness to do the right thing.* The company considers it has an important role in educating the market in the right direction, and with the help of the Romania Green Building Council, to educate first the business community, and then the public in understanding the long term benefits of being environmentally responsible, at no additional cost.

According to the Director of an international architectural services company, green buildings and environmental polices are an important part of the organization's strategy and philosophy, at an international level. The company *takes seriously and has a commitment to sustainability*, joining the UK Green Building Council and the Romania Green Building Council to help better educate the markets. There are plenty of opportunities in Romania that should not be missed, in terms of long term profits, for approaching the construction market, the public transportation system, the company processes, etc. in a more sustainable and responsible way.

In the view of the Country Manager of the do-it-yourself retailer in Romania, sustainability is a company *commitment,* as it translates into *the rational management of available resources, from a social, economic and ecological perspective*. As a company dealing every day with thousands of customers, they found themselves responsible for educating the public through energy saving initiatives and courses addressed to the public, acquisition of energy saving appliances, ecological paints or Forest Stewardship Council certified wood. Moreover, the company built one of its Romanian stores as the first green building in the Romanian do-it-yourself sector, using geothermal

heating, natural day lighting, and intelligent systems to manage the building's energy use. The company is also committed to social responsibility, creating programs for the employees, helping persons with disabilities, encouraging art and architectural and art students.

5. CONCLUSIONS

The policies and practices aiming at corporate social responsibility deal with environmental, educational, social, cultural aspects in Romania. Although the companies' intentions towards better responsibility need be applauded, their practices are based on short-term objectives and often fail to be integrated in the organizations' long term strategy, for sustainable development. This article[5] is meant to provide an overview of the general approaches to social and environmental responsibility on the Romanian market as a public relations exercise or sustainability strategy. Furthermore, an exploratory pilot research was meant to better examine the reasons behind sustainability and CSR practices in five leading companies activating on the construction and related sectors.

The importance of this research lies in the lack of consolidated data on the policies and strategies on CSR in Romania, as well as the insignificant efforts made by companies to create social and environmental values in the long run. The current pilot research can be considered as the starting point for a descriptive research to explore, measure and evaluate organizations policies, objectives and strategies in the field of corporate social responsibility and sustainable development, especially in the construction and related industries.

Companies that successfully integrate corporate social responsibility in all areas of their business, starting with their object of activity, will gain social and financial benefits, strengthen their brand image and reputation, identify new business opportunities even in more difficult times. As businesses are adjusting to the new economic and global circumstances, there is an opportunity to reorient towards sustainability, to proactively embrace strategies that include environmental, ethical and social issues in driving confidence and trust, and increase focus on and commitment to long term value creation. In the words of Steven Borncamp, President and Founder of the Romania Green Building Council*, We need green buildings because we cannot limit people's aspiration to live better lives, and simply do not have the resources to deliver building and housing solutions that are wasteful and damaging to the planet. People may have widely differing opinions on climate change, but I think that everyone understands what nine to 11 billion people on the planet in the coming decades and the rapid industrialization of many countries means for the availability and prices of scarce resources ... We need to think much more about how we do things.[6]*

There is no doubt that the future will bring even more concrete legislative requirements related to companies' responsibilities in terms of social and environmental aspects and will rise expectations of various stakeholders, from the local communities, to the potential clients, investors, shareholders.

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[6] Interview with Steven Borncamp of the Romania Green Building Council.
http://www.euractiv.com/en/energy-efficiency/borncamp-romanian-green-building-market-growing-fast-interview-301940 (March 2010).

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SUPERMARKETS IN PORTUGAL - CORPORATE SOCIAL RESPONSIBILITY IMAGE, ATTITUDE TOWARDS THE BRAND AND PURCHASE INTENTION

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ABSTRACT

Recently, companies developed strategies which may influence their Corporate Social Responsibility (CSR) image. This paper discusses the image of four different supermarkets with stores in Portugal. The research compares CSR image and brand attitude of the four supermarkets. Empirical evidence shows that different supermarkets belonging to the same company have different CSR image and brand attitude. The research also confirms that there is positive correlation between CSR image and attitude towards the brand. Further, the results offer empirical evidence that CSR image and brand attitude influence purchase intention of supermarket brands. Finally, brand purchase intention is highly influenced by attitude towards the brand than CSR image.

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1. INTRODUCTION

The objective of our research is to investigate Corporate Social Responsibility (CSR) image and consumer's attitude towards supermarket brands with stores in Portugal.
Several brands develop strategies with impact on their CSR image. Simultaneously, they keep investing on brand and product advertising. Positive attitudes towards the brand and CSR image have positive impact on consumers' behavior (Brown and Dacin 1997; Mohr, Webb and Harris 2001). So, we will also research the correlation between CSR image, consumers' attitudes towards the brand and purchase intention. In this research, factors such as advertising investments and advertising recall where considered.

This work begins with a brief relevant literature review. Then, we present the research and methodology used to achieve the research objectives. Following, we present the conclusions and some directions for future research.

2. LITERATURE REVIEW

2.1. Introduction

The study of corporate image, also referred in the literature as corporate branding, has been more popular since the 50s'. According to Maathuis (1999) corporate branding refers to the process of creating and maintaining a companies' favorable reputation through sending signals to the stakeholders, using the corporate brand.

Recently companies have been developing more social responsible activities, which are related to the corporate social responsibility culture. This CSR image influences the corporate image: how it is built, which variables influence it and how does it affect the costumers' (Balmer 2001).

So we will present the conceptual background which supports this investigation. It focuses on studying and revising the concepts identity and image – brand and corporate - and of CSR– so that we understand the influence of corporate social responsibility (CSR) on the creation of identity and image of companies.

2.2. Corporate Image

2.2.1. Identity

Investigations about identity have created, according to Balmer (2001) a different research area – corporate marketing. This author considers that corporate marketing includes concepts related to identity, image, personality, reputation and communication referring to the company as a whole.

Several Identity definitions may be found in the literature. For Christensen and Askegaard (2001) corporate identity refers to all the signs which represent an organization to its stakeholders. With a different perspective Balmer (2001: 280) argues that *"An organization's identity is a summation of those tangible and intangible elements that make any corporate entity distinct. It is shaped by the actions of corporate founders and leaders, by tradition and the environment. At its core is the mix of employees' values which are expressed in terms of their affinities to corporate, professional, national and other identities. It is multidisciplinary in scope and is a melding of strategy, structure, communication and culture. It is manifested through multifarious communications channels encapsulating product and organizational performance, employee communication and behavior, controlled communication and stakeholder and network discourse."*

If we compare previous definitions we notice that there is some ambiguity. Though we can divide them in two types of conceptualizations:

1 – Those researches which look at corporate identity as the way the company represents and shows itself to the public ("communication", "behavior", "symbols") (Margulies 1977; Abratt 1989; Olins 1991; van Riel 1995; Van Riel and Balmer 1997; Leuthesser and Kholi 1997; Markwick and Fill 1997; Gioia, Schultz and Corley 2000; Christensen and Askegaard 2001);

2 – Those definitions which consider that the corporate identity is more important such as a group of essential, central and fundamental elements ("values", "mission"). These elements reflect what the company really 'is' and what distinguishes it from other companies. (Reitter and Ramananstoa 1985; Moingeon and Ramananstoa 1997; Van Rekom 1997; Gray and Balmer 1998; Hawn 1998; Balmer and Soenen 1999; Balmer 2001).

Christensen and Askegaard (2001) on their investigation using a semiotic, analyze this ambiguity. They develop a conceptual model based on semiotics of Peirce (1985). In the organizational context, according to Christensen and Askegaard (2001) the *interpretant* would be the corporate image. So it could be a logo, a slogan, an advertisement, a text, a product, etc. "The total sum of signs that stands for an organization to its various audiences we call the corporate identity" (Christensen and Askegaard 2001: 304). To these authors the sum of signs could either be controlled by the company (corporate communication) or not (including as part of corporate identity non planned elements such as rumors). So they agree with van Riel and Balmer (1997) who call integrated corporate communication to all the elements which express the corporate identity, either controlled or not by the company.

Finally, it is time to analyze the corporate identity as the way the company shows what it is. The *corporate identity mix* is all the means to express identity the company may use and which are part of that identity (Birkigt and Stadler 1986; van Riel 1995; Leuthesser and Kholi 1997; Balmer 2001; Markwick and Fill 1997; Melewar and Jenkins 2002). The identity mix proposed by Birkigt and Stadler (1986) has four elements: personality, behavior, communication and symbolism. Van Riel (1995) believes that a company's self re-presentation by develop around three different ways: the behavior, the communication and the symbolism. This author considers that any action or expression of a company may be classified in one of these three groups.

Corporate identity is defined as the means available to the company express what it is, what is essential and central for it and what make it distinct from other organizations. The use of the several elements of the corporate identity mix sends images to the stakeholders.

2.2.2. Image

Several concepts around the term image are used in the literature, such as corporate image or brand image (Spector 1961; Bernstein 1984; Abratt 1989; van Riel 1995; Riordan, Gatewood and Bill 1997; Balmer 2001), organizational image (Alvesson 1990; Dutton and Dukerich 1991) or corporate associations (Brown and Dacin 1997; Sen and Bhattacharya 2001; Ahearne, Bhattacharya and Gruen 2005; Berens and van Riel 2004; Berens 2004).

Despite the several image definitions can be found in the literature we can say there is not a big difference between them. Authors refer to the concept of image has a cumulative nature, because it is a 'sum' (Martineau 1958; Spector 1961; Topalian 1984; Barich and Kotler 1991), or the holistic impression (Alvesson 1990) of beliefs, attitudes, experiences, feelings, impressions or information that a subject: the consumer (Martineau 1958); the stakeholders (Bernstein 1984); the individuals (Spector 1961; Brown and Dacin 1997; Balmer 2001) has about an object, the source where the image comes from.

The definition of corporate image derives from the ones above mentioned, as we can see by the ones from Spector (1961) who says corporate image is the sum of all the characteristics' perceptions and individual has about a company or Balmer (2001) who states that corporate image is the mental perception which an individual or group of individuals have about an organization.

It is common to read about brand image associated with corporate image. Keller (1993) says that the brand image corresponds to all brand perceptions which reflect as existing associations on the consumers' memory. The concepts of brand image and corporate image are even harder to distinguish when the brand structure is monolithic which is when there is only one identity for the company and its products (Rodríguez del Bosque 1995).

Concerning corporate image, investigations conclude that the company has as many images, as many individuals interact with it (Barich and Kotler 1991; Dowling 1993; Riordan, Gatewood and Barnes 1997; Markwick and Fill 1997). The corporate image is also the sum of all the unit images of the company or the brand (Spector 1961; van Riel 1995; Brown and Dacin 1997). We can understand that the built of the company image is a social and subjective process (Peirce 1985). To Christensen and Askegaard (2001) the third element which participates on the signification process is the interpretant, the corporate image. The idea that corporate image is multidimensional and not monolithic is not new (Martineau 1958; Spector 1961). Individual gather several memories, information and perceptions that associate to the organization and build its image through them.

Additionally, for Brown and Dacin (1997) there are of two types of corporate associations:
• CA (corporate ability): associations related to the expertise of a company to produce and deliver its products and/or services;
• CSR (corporate social responsibility): associations which reflect the status and activities of a company in regard to its perceived social obligations.
The corporate image would be a construction of both types. In this investigation the authors show that, social responsibility associations and consumer processes, influence products' value. Other investigations say that, the image of a company includes both associations towards economic results and social responsibilities (Fombrun and van Riel 1997; Goldberg 1998)

In summary, image is a synonym of perception. Corporate image is the term used more often in the literature which refers to the targets' perceptions of the corporate identity. There are two consequences of this concept: 1) the image construction is a social and subjective process, so a company has as many images as the number of people who interact with it; 2) the organization global image in the sum of all the single images, information or perceptions each individual has concerning the company. In the literature, the term corporate associations is used to refer to each information and perception an individual has, which combined create the global image of the company. If several target markets have built the same image and it lasts through time, the corporate reputation is built. Concerning that we have already understood the terms identity and image, now we must study the relationship between both of them. So, then we will describe that relationship.

2.2.3. *Identity and Image*

Hatch and Schultz (1997) argue that the relationship between identity and image is built on corporate culture. To these authors "*organizational culture needs to be considered in explanations of the development and maintenance of organizational identity*" and "*the cultural context influences both managerial initiatives to influence image, and everyday interactions between organizational members and external audiences*" (Hatch and Schultz 1997: 360). Therefore, these authors argue that the way the company shows itself (identity) and how the different audiences see those representations (image) depends and is justified by culture.

Furthermore, nowadays, internal and external elements of companies are much closer (Christensen and Askegaard 2001). So organizations are more influenced by external elements and identity is more influenced by the company's image. According to Hatch and Schultz (1997) identity depends on the company's culture and image is built under the influence of culture of audiences. As external and internal elements close to each other they tend to be the same, the company shows its identity using symbols which represent the image the audiences have of it. This relationship between identity and image is accepted by several authors (Brown and Dacin 1997; Stuart 1999; Dacin and Brown 2002).

Anything a company does and says has an impact on its identity's perception (Cornelissen and Harris 2001) that is, corporate image. Corporate image is inherently a composite product of company-driven and noncompany driven communication (Cornelissen 2000) and company controlled communication is more influential than noncompany driven communication in the long run. In Portugal, several supermarkets have been developing several socially responsible programs, included on their communication strategies which are also a part of its corporate identity. The one's which have different brands communicate them differently and promote different cause-related marketing programs, for example. In this research, we aim to understand the relationship of corporate social responsibility image on corporate image and the differences between supermarket brands in Portugal.

For our investigation was important to understand how the corporate image is built. With that goal we use the model proposed by Hatch and Shultz (2002) which considers the influence of culture on image cause by the company's identity. What we aim to understand now is how a corporate social responsibility image is built.

2.3. *Corporate Social Responsibility*

During the past years companies' role in society is considered to go beyond economic benefits. Several perspectives have underlined the importance of the social dimension (Steiner 1972; Davis 1973; Keim 1978a; Shaw and Post 1993). In this context the companies are asked to play an important role on society, being responsible and aware of its needs. So the Corporate Social Responsibility (CSR) arises as a company's culture.

2.3.1. *Concept of Corporate Social Responsibility*

According to Davis (1973: 313) what is important is to "*maintain the long-run viability of business as an institution*" and "*if business wishes to retain its present social role and social power, it must respond to society's needs and give society what it wants*" (p.314). So a company cannot think only of its own benefits, because if it does it it will die (Steiner 1972). "*This has been stated as the Iron Law of Responsibility, which is that in the long run, those who do not use power in a manner which society considers responsible will tend to lose it*" (Davis 1973:314). According to these authors the adoption of a social responsible culture is essential to the long term existence of a company.

We can find several definitions of CSR. Davis and Blomstrom (1966) argue that social responsibility is the personal obligation of considering the consequences of decisions and actions in a social system. When others' interests and needs are taken into account, a company is being socially responsible. Bowen (1953) presents the CSR definition and the company's obligation to take decisions and actions which are desirable to society's goals and values. These definitions refer to what is CSR, but not to who is the company socially responsible.

The conceptualization of CSR which has been more accepted in the literature was developed by Carroll (1979 and 1991). Carroll (1979) considers that corporate social responsibility includes the economic, legal, ethical and philanthropic or discretionary responsibilities. Carroll (1991) developed a Pyramid of Corporate Social Responsibility and states the company should accomplish those responsibilities simultaneously and not sequentially (Carroll 1991). The author assumes that the main responsibility of the company is the economic one. According to Carroll (1979), economic responsibilities are to be productive, profitable and to grow. Legal responsibilities ensure that economic responsibilities are fulfilled within the confines of law, so they refer to the obligation to "*comply with the laws and regulations comply with the laws and regulations promulgated by federal, state, and local governments as the ground rules under which business must operate*." (p.41). Ethical responsibilities reflect unwritten codes, norms and values implicitly derived from society, leading to the right, proper and just behavior needed, in order to respect the rights of others. This is volunteer behavior but the society expects it. Philanthropic responsibilities are the voluntary and discretionary dimension of corporate responsibility directed towards the betterment of the broader community well

being. They refer to all the social activities the companies perform because they want to. Philanthropic responsibilities, opposite to ethical responsibilities, are not expected by society.

It can also be found in the literature two other concepts: corporate citizenship and strategic philanthropy. Corporate citizenship definition (Maignan and Ferrel 2001) is similar to the CSR definition suggested by Carroll (1999) (Matten, Craen and Chapple 2003). Strategic Philanthropy is the "*synergistic use of organizational core competencies and resources to address key stakeholders' interests and to achieve both organizational and social benefits*" (McAlister and Ferrell 2002: 690). From this definition it can be seen that philanthropic actions may give companies something back. So, the company may obtain gains from areas where it didn't before (Polonsky and Wood 2001). Mullen (1997) establishes strategic philanthropy as the philanthropy based in results.

An increasing number of corporations are adopting a variety of voluntary initiatives associated with education, environment, health, safety, arts and culture as well as other community development projects. The benefits of these philanthropic activities for the corporations include greater employee morale, strengthened employee commitment and productivity, enhanced corporate image and reputation, increased sales and profitability, and customer loyalty (McAlister and Ferrell 2002; Sanchez 2000; Simon 1995; Wulfson 2001).

There has been criticism in the literature about corporate philanthropy, particularly regarding its use as a tool to increase profits and/or enhance corporate image (Bock et al. 1984). Porter and Kramer (2002) reported that philanthropy is increasingly used as a form of public relations or advertising, promoting a company's image or brand through cause related marketing or other high profile sponsorships. Despite the above-mentioned criticism, corporate social responsibility is still considered an initiative that assumes responsibility for the interest and the well-being of the larger society and continues to be used as a strategic tool by various corporations, including supermarkets. Through the past years, several supermarkets have been developing cause-related marketing initiatives and other philanthropic sponsorships programs. Others have abandoned the use of plastic bags arguing that their goal is to benefit the natural environment. Concerning that previous investigations point out that these philanthropic strategies increase corporate image and may also improve shopping intention (Currás-Pérez et al. 2009), our research focuses on supermarket brands in Portugal. In this context, there is lack of research of corporate social responsibility image and attitude towards Portuguese companies, and in particular, supermarket brands. In this paper the term 'brand' equals 'company' as proposed by McEnally and de Chernatony (1999) for the fifth stage of brand evolution.

2.3.2. CSR image and Consumers

Research in the area of CSR has produced significant evidence supporting the argument that companies investing in socially responsible initiatives enjoy favorable consumer attitudes and rewards. Brown and Dacin (1997) argue that a positive consumer attitude towards an organization ("corporate evaluation") contributes significantly to reward behavior via favorable purchase intent.

Identification research has explored the reasons and motivations which encourage individuals to relate to brands and companies. SIT (Tajfel and Turner 1979) and its conceptual development by SCT (Turner et al. 1990) are the main theoretical basis for identification research in management and marketing areas. These theories were initially applied in the organizational context to analyze group and individual behaviors of organizational formal members; in different degrees, individuals derive part of their identity from organizations and work groups they formally belong to, or to which they are closely linked (Bergami and Bagozzi 2000; Hogg and Terry 2000; Scott and Lane 2000); this occurs through cognitive categorization, where an individual positions him/herself as a member of an organization by accentuating similarities with other members and differences with non-members. Awareness of belonging and connection to an organization is a way for individuals to achieve a positive social identity (Brewer 1991; Kreiner and Ashforth 2004) and as a result of this sense of connection, the organization is psychologically accepted as part of that personal identity (Scott and Lane 2000).

Mohr, Webb and Harris (2001) conclude that the brand's CSR image influences buying behavior of costumers. The authors suggest typology of consumers concerning the relevance of CSR information, when taking their shopping decisions. The level of social responsibility of a company has positive impact on the level of support towards the brand (Menon and Kahn 2003).

Following we present the research.

3. RESEARCH AND METHODOLOGY

This research focuses on the relationship between corporate social responsibility image, brand attitude and shopping intention. We have also research the difference between brand attitude and CSR image of different companies.

3.1. Brands' Choice

We have chosen to investigate 4 supermarket brands with business in Portugal. Two of them belonging to the same company: *Hipermercados Continente* and *Supermercados Modelo* which belong to Modelo Continente, S.A. The others are *Supermercados Pingo Doce* (also a Portuguese brand) and finally *Hipermercados Jumbo* belonging to *Auchan*, an international company.

Concerning ranking of advertising memory of Portuguese consumers, *Continente* and *Pingo Doce* are on the 4 top of mind brands of 2009[1]. Although, *Pingo Doce* only represents 4,1% of the SOV (share of voice), which is the 12th place, and Modelo Continente, S.A. was the company with the highest investment in advertising[2], according to the Marktest Media Monitor (SOV 12,4%). *Continente* as well as *Jumbo* have the larger stores; they are nowadays the only hypermarket brands in Portugal. *Pingo Doce* and *Modelo* are supermarkets, so their stores are smaller than the other two brands.

Belonging to the same company, *Continente* and *Modelo* have been developing similar corporate social responsible strategies. *Leopoldina* promoted by *Continente* and *Popota* promoted by *Modelo* are both cause-related marketing programs. Although each program is associated to a different supermarket brand, both products can be found on every *Continente* and *Modelo* stores. They are also involved in other philanthropic strategies such the one *Arrendondar pela Madeira*. The goal of this strategy is to raise money to help Madeira, after the destruction caused by the bad weather on February 2010. When paying the bill, costumers may pay a little bit more and that money goes to the recovery of the destructed areas from the island. To attract costumers both brands use discounts along the year.

Pingo Doce positions itself has having low prices all over the year, not using discounts. A few years ago they decide to charge for the use of plastic bags, arguing they are concerned with the natural environment. They don't promote philanthropic activities they may develop. The same thing happens with *Jumbo/Auchan*.

3.2. Research Propositions

The corporate image is the sum of all the unit images of the company or the brand (Spector 1961; van Riel 1995; Brown and Dacin 1997). Anything a company does and says has an impact on its identity's perception (Cornelissen and Harris 2001) that is, brand image and the built of the company image is a social and subjective process (Peirce 1985). So, we expect that:

P1: The attitude towards the brand *Continente*, *Modelo, Pingo Doce* and *Jumbo* are different.
P2: The corporate social responsibility image of *Continente* and *Modelo* are more positive that the CSR image of *Pingo Doce* and *Jumbo*.

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[1] in www.marktest.pt/produtos_servicos/Publivaga/default.asp, consulted in 5th of February of 2010.
[2] in www.marktest.com/wap/a/n/id~149d.aspx, consulted in 5th February 2010.

P3: Brand attitude of *Continente* and *Pingo Doce* is more positive than brand attitude of *Modelo* and *Jumbo*.

According to Bergami and Bagozzi (2000) when a person identifies with a company he/she develops as emotional attitude towards it. Previous investigations show that CSR image influences consumer-company identification and through that purchase intention (Currás-Pérez et al. 2009). Also, CSR image influences shopping behavior and brand support (Menon and Kahn 2003; Mohr, Webb and Harris 2001). So it is expected that:

P4: Corporate social responsibility image is positively correlated with brand attitude.
P5: Corporate social responsibility image is positively correlated with purchase intention.
P6: Brand attitude is positively correlated with purchase intention.

3.3. Methodology

- **Sample and Procedure**

A quantitative study was designed in the form of personal questionnaire. The study population was Portuguese consumers over the age of 18. Definitive sample size was 132. 67% of the respondents were female. The average respondent's age was 34 years. The majority of the subjects had university qualification.

The survey was web-developed and distributed on-line. The questionnaire was sent by e-mail so the answers were obtained from a convenience sample. Despite this, the questionnaire was confidential. In the beginning of the questionnaire, people were informed of its confidentiality.

- **Measures**

We present all items used in the survey in Table 1. CSR image was measured using six items, seven-point Likert scale (strongly disagree to strongly agree), from the studies of Dean (2002); Menon and Kahn (2003); Lichtenstein *et al.* (2004); Van Herpen *et al.* (2003). To measure brand attitude we used a four-item, seven-point Likert scale as proposed by Mackenzie and Lutz's (1989). We used the change proposed by Currás-Péres *et al.* (2009) changing 'I like it/I don't like it' to 'positive/negative'. Finally, purchase intention has been measured using the probability of the consumer to buy a product of that brand in the futures (Bigné and Sánchez 2001). So purchase intention was measured using the three-item scale proposed by Putrevu and Lord's (1994).

TABLE 1

Measurement Scales
CSR image
CSR1   [X] is aware of environmental issues
CSR2   [X] fulfils its social responsabilities
CSR3   [X] gives back to society
CSR4   I believe [X] acts keeping societies' interest in mind
CSR5   [X] act is a socially responsible way
CSR6   [X] includes phylantropic contributions - not looking for profits - on its business activities
Brand attitude
BrAtt1   Bad–good
BrAtt2   Negative–positive
BrAtt3   Unpleasant–pleasant

BrAtt4	Unfavorauble–favourable
Purchase intention	
PurInt1	The next time I need to buy a product, I will buy [X]
PurInt2	It is very likely that in the future I will buy a product of [X]
PurInt3	I will definitely buy a product of [X]

3.4. Discussion

We used Kruskal Wallis test (Table 2) to analyze if there is a significant difference between CSR image, Brand attitude and Purchase intention from each of the four brands and concluded that there is, for a significant level of 95%. So, as expected in Proposition 1, *Modelo* and *Continente,* despite belonging to the same company, have different attitude towards the brand. This is consistent with previous investigations which argue that brand image corresponds to all brand perceptions (Keller 1993) and reflects the association's consumer' make. Being managed differently these brands assume different images, so consumers' brand attitude is also different. However, this conclusion goes against the assumption that it is hard to distinguish the brand and the corporate image (Rodríguez del bosque 1995). Accordingly to our expectations brand attitude of *Pingo Doce* and *Jumbo* are also different.

TABLE 2
Test Statistics[a,b]

	CSR Image	Brand Attitude	Purchase Intention
Chi-Square	7,676	12,239	39,030
Df	2	2	2
Asymp. Sig.	,022	,002	,000

a. Kruskal Wallis Test

b. Grouping Variable: Supermarket Brand

Contrary to our expectations (Proposition 2) the CSR image of Pingo Doce is more positive then the CSR of the other brands. *Continente* and *Modelo* develop several philanthropic activities, including several cause-related marketing activities involving consumers in it. Despite *Pingo Doce* don't positions itself as a socially concerned brand (with the exception of environmentally concerned) is has the highest rates, according to our sample.

Brands use advertising to improve brand knowledge and also brand image. According to our investigation, despite investing lower amounts in advertising than Modelo Continente, S.A., consumers show a more positive brand attitude regarding *Pingo Doce.* The lowest rates of brand attitude, in our sample, have been given to *Jumbo*. So, our expectation suggested in Proposition 3 has been confirmed. The attitude towards the brands with highest investments in advertising and highest advertising recall, is more positive. So, several aspects are determinant of brand attitude and everything a company does influence its image (Cornelissen and Harris 2001). One of the aspects that we have questioned which might be relevant was store size. But as attitude towards' *Continente* is higher than *Modelo,* our expectations weren't confirmed.

To investigate Propositions 4, 5 and 6 we used Spearman's correlation coefficient, which is more adequate to ordinal variables (see Table 3). Every proposition was confirmed, at a level of significance of 0,01. Concerning supermarket brands in Portugal the conclusion goes towards Brown and Dacin (1997) who argue that purchase intent is higher when consumers' attitude towards the brand is more positive. This is also consistent with the analysis about proposition 2 and 3. We concluded that *Pingo Doce* has the highest rates of CSR image and Brand attitude, meaning that brand attitude is also influenced by this CSR image. Through data analysis we may conclude that the correlation between Brand attitude and purchase intention is higher (Correlation Coefficient 0,719), than the relationship

between CSR image and purchase intention (Correlation coefficient 0,593). So, CSR image has also impact on purchase intent (Mohr, Webb and Harris 2001). We have also found that in the case of our investigation, CSR image correlation with Brand attitude is higher that the correlations between CSR image and purchase intention. So, the aspects which influence brand attitude are more likely to have positive impact on purchase intention than strategies which may influence CSR image.

TABLE 3
Correlations

			CSR image	Brand Attitude	Purchase Intention
Spearman's rho	CSR image	Correlation Coefficient	1,000	,593[**]	,544[**]
		Sig. (2-tailed)	.	,000	,000
		N	452	451	450
	Brand Attitude	Correlation Coefficient	,593[**]	1,000	,719[**]
		Sig. (2-tailed)	,000	.	,000
		N	451	451	450
	Purchase Intention	Correlation Coefficient	,544[**]	,719[**]	1,000
		Sig. (2-tailed)	,000	,000	.
		N	450	450	450

[**]. Correlation is significant at the 0.01 level (2-tailed).

4. CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH

We focused on CSR image and Brand attitude of supermarkets brands with stores in Portugal. We have found that the brands with higher investments in advertising and higher advertising recall consumers' have more positive attitude towards the brand. The research also shows that even brands which belong to the same company have different CSR image and Brand attitude rates. Further, brands which don't develop programs with impact on CSR image, such as cause-related marketing programs, may have better CSR image than brands which do. Concerning the correlation between the variables, in the case of supermarkets in Portugal we concluded that CSR image is positively correlated with Brand attitude, that Brand Attitude in positively correlated with purchase intention and CSR image is also positively correlated with purchase intention. Further, we have found that the influence of Brand attitude in purchase intention is higher than the influence of CSR image on purchase intention.

The research was based on select brands. Future research may try to include all the supermarket brands with stores in Portugal in order to understand consumers' attitude towards different competitors. It would also be interesting to understand the other motives which contribute to the differences of brand attitude and CSR image of brands belonging to the same company. Future research may also focus on determining the other variables which influence brand attitude and the importance of CSR image and those other variables on determining consumers' attitude towards the brand. Other influences on purchase intention might also be researched and related to these variables. Finally, we believe that it would also be interesting to research other brands on other businesses.

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EXPLORING THE ROLE OF BRAND LOVE ON PERCEIVED CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

Corporate social responsibility (CSR) is one of the significant concepts in the corporate marketing literature and refers to a firm's engagement in activities that promote a social agenda beyond law requirements. The present study aims to investigate the role of corporate brand love on perceived Corporate Social Responsibility. The sample of the study consists of 380 consumers who provided data regarding CSR of two service brands: an airline and a telecommunications company. Using the scale developed by Turker (2008), three dimensions of CSR are identified: CSR to society, CSR to employees, and CSR to customers. MANOVA analysis indicated that differences were identified in the three dimensions in relation to the level of corporate brand love. Consumers exhibiting stronger love with the respective corporate brands scored significantly higher in the dimensions of CSR than those exhibiting lower levels of love. The results indicate that consumers' level of brand love affects their perceptions of corporate social responsibility.

KEY WORDS

Corporate Social Responsibility; Brand Love; Corporate Branding

1. INTRODUCTION

Over the last decades, businesses are encouraged or even pressured by several stakeholder groups such as customers, employees, community groups, and governments to engage in activities that will benefit society. All business activities aiming at contributing to and advancing society have been put under the umbrella of the term Corporate Social Responsibility (CSR). CSR might include actions such as charitable donations, establishing environmental protection procedures, promoting social issues, and community development plants. Corporate social responsibility refers to a firm's activities that take forward a social agenda beyond legal requirements (Sims 2003). An increasing number of firms are investing a portion of their resources in corporate social responsibility (CSR) activities while others are still remaining skeptical about its scope and value. Firms investing in CSR usually aim to implement a differentiation strategy at the product and firm level. Thus, either they produce products and services by incorporating characteristics that will manifest to the consumers the sensitivity of the firm to certain social issues or they attempt to create a socially responsible corporate image. Both strategies will benefit firms because consumers will prefer to support (e.g. buy products or services) the firms that engage in socially responsible behaviors (McWilliams and Siegel 2000).

Currently, fierce competition and limited product differentiation have lead marketing theory and practice to take a more relational approach. The relational perspectives support the intense emotional bonds that can be built between consumers and brands, and propose it as a differentiation strategy that is difficult to be copied or imitated by competitors (Chaudhuri and Holbrook 2001; Fournier 1998; Fournier and Yao 1997; Morgan and Hunt 1994). A significant and interpersonal construct in consumer-brand relationships is brand love (Albert, Merunka, and Florence 2008). Brand love is considered a rich, deep and long-lasting feeling (Carroll and Ahuvia 2006) defined as "the degree of passionate emotional attachment that a person has for a particular trade name" (Carroll and Ahuvia 2006). Brand love is expressed as attachment and passion for the brand, positive evaluations and emotions for the brand, and love assertions for the brand (Ahuvia 2005).

Although the construct of brand love is of great significance to marketing and especially to brand management only recently attracted research attention. Moreover, the literature on CSR is confined to its relation to performance measures while relational elements have been disregarded so far. In the marketing literature, previous investigations have examined CSR in relation to customer satisfaction, market value (Luo and Bhattacharya 2006) and consumer identification with the company (Perez 2009). Because consumers are favorably disposed to the products of socially responsible firms and support them, they should be expected to have developed relationships with these firms and their brands. Thus, CSR activities might initiate or even facilitate the development of consumer-brand relations or vice versa. In services firms, these emotional attachments should be directed toward the corporate brand because consumers consider the service provider as the brand. As this review reveals, there is fertile ground for further research on CSR and brand love and their role in building sustainable consumer-brand relationships. As a result, the purpose of the present study is to address the voids in knowledge noted above and shed light on the relation between brand love and perceived CSR. Specifically, the present study examines if different levels of consumers' brand love (low vs. high) are associated with differences in the perceived CSR of services firms.

In the sections to follow the literature on CSR and brand love is presented. Then, the methodology of the study is described followed by a presentation of its results. Afterwards, the paper concludes with a discussion of theoretical and managerial implications, study limitations, and directions for future research.

2. REVIEW OF LITERATURE

2.1. Corporate Social Responsibility

In the seminal work of Bowen (1953) CSR is defined as the obligations of businessmen "to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society" (p. 6). Although there is no common consensus regarding what CSR is, there are several definitions in the literature usually reflecting the theoretical perspective taken. Recently, Garriga and Mele (2003) have classified the main CSR theories and related approaches into four groups: (1) instrumental theories, in which the corporation is viewed as only an instrument for wealth creation, and its social activities are used only as a tool for accomplishing financial goals; (2) political theories, which emphasize the power of corporations in society and a responsible use of this power in the political arena; (3) integrative theories, in which the corporation is concerned with satisfying social demands; and (4) ethical theories, in which the ethical values and responsibilities of corporations to society are emphasized.

In addition to conceptual and theoretical issues, the CSR empirical literature has been mainly focused on its relation to past and concurrent business performance. Two schools of thought dominate the CSR literature in relation to financial business performance. The one school is viewing CSR as an obstacle in achieving higher financial performance due to the costs associated with CSR activities (Bragdon and Marlin 1972) whereas the second view supports that the costs of CSR activities are offset by a number of gained benefits such as fewer labor problems, improved corporate image, increased employee moral and customer goodwill (Soloman and Hansen 1985). In order to asses the tradeoff value between business investments and CSR, several studies examined its role on business performance providing contradicted findings. In empirical studies, CSR has been studied in relation to corporate reputation, charge of a price premium, investments on RandD, financial performance, and as a differentiation strategy (Bagnoli and Watts 2003; Baron 2001; McGuire et al. 1988; McWilliams and Siegel 2000). Research examining the relationship between CSR and financial performance reports inconsistent findings. Some studies report a negative relationship (Wirght and Ferris 1997), others report no relationship (McWilliams and Siegel 2000; Teoh et al. 1999; Aupperle et al. 1985) while another group of investigations show significant positive relationships between CSR and business performance (Waddock and Graves 1997; Posnikoff 1997).

2.2. Corporate Brand Love

Brand love constitutes an important construct in the brand management literature. Although the construct is of great significance to marketing and especially to branding only recently attracted research attention.

In marketing, Shimp and Madden (1988) were the first to link love to consumption behavior in their "consumer-object love" model. Based on Sternberg's (1986) triangular theory of love, they proposed eight possible consumer-object relationships: nonliking, liking, loyalty, succumbed desire, utilitarianism, functionalism, infatuation, and inhibited desire. However, the first empirical work on consumers' love with products was conducted by Ahuvia (2005). He found that consumers develop intense emotional attachments to "love objects" suggesting that interpersonal love and "consumer-object" love are basically similar although not completely analogous. Moreover, Fournier (1998) has recognized the significance of love in building long-term relationships with brands. Recently, Carroll and Ahuvia (2006) considering brand love as a mode of satisfaction tested product category

(hedonic) and brand self-expression as antecedents of brand love, and brand loyalty and word-of-mouth as its outcomes.

The literature on brand love lacks research on its antecedents and relation to other important relational and non relational constructs such as CSR. Moreover, the existing empirical investigations are confined to goods (Albert, Merunka, and Florence 2008; Carroll and Ahuvia 2006; Hemetsberger, Kittinger-Rosanelli and Friedmann 2009) and they have not examined the role of brand love in services. Considering the concept of corporate branding is of pivotal importance in contemporary services marketing theory and practice, our knowledge and understanding are still limited and divergent regarding the nature of the service brand and they are even less with regard to the role and importance of brand love in services marketing for both the customer and the firm.

3. METHOD

The target population for this research is services and specifically telecommunications and transportation (airlines) services. Data were collected from a questionnaire distributed randomly to consumers in a Southeast European country. A total of 380 completed questionnaires were collected. From the total sample, 200 questionnaires collected data regarding a national airline company and 180 about an international telecommunications company.

3.1. Description of the Sample

Respondents ranged in age from 20 to 81 years (mean=31.8), with females making up 50.3% of the sample. The majority of the subjects were single (50%) whereas married comprised 38.4% of the sample. Subjects included university students (15.5%), bachelor degree holders (51.6%), high school graduates (18.2%), master holders (5%), and graduates of continuing education centers (7.1%). The majority of the sample (44%) had an annual income between 10,000 and 30,000 Euro.

3.2. Construct operationalization and measures

Corporate Social Responsibility: To measure CSR, the instrument developed by Turker (2008) was employed. The original scale consists of 17 items and four dimensions named: CSR to customers, CSR to employee, CSR to society and legal CSR. The instrument uses a five-point Likert scale anchored by Strongly Disagree (1) to Strongly Agree (5). The scale was developed by gathering data from managers in various businesses in Turkey. Because the scale has been developed in other country context (Turkey) and used other informants (managers), Confirmatory Factor Analysis (CFA) deemed necessary for examining its applicability. CFA resulted in three dimensions of CSR: CSR to society, CSR to employees, and CSR to customers.

Brand Love: To measure services brand love, the scale developed by Carroll and Ahuvia (2006) was employed. Their scale consists of twelve items and a seven-point Likert scale was used anchored by Strongly Disagree (1) to Strongly Agree (7). The mean score (mean=3.13) has been used to categorize subjects as low (n1=187) and high (n2=193) in corporate brand love.

4. ANALYSIS

4.1. Confirmatory Factor Analysis

First, a confirmatory factor analysis (CFA) was used for testing Turker's scale of CSR. The initial 17 items used to measure the 4 dimensions of CSR were subjected to Confirmatory Factor Analysis (CFA) using LISREL 8.52. Several items were dropped from the analysis due to small loadings and bad model fit (Original measurement model results: chi square=619.478, d.f.=116, p=0.0, RMSEA=0.11, GFI=0.84, AGFI= .79, CFI=.85). The revised measurement model consisted of 9

items, three dimensions (items of legal CSR were all dropped) and was found to fit the data well (χ^2 =60.53 with 24 degrees of freedom, ratio χ^2 / d.f.=2.5 , p=.00). Moreover, the fit indexes values met or exceeded the critical values for good model fit (RMSEA = 0.06, NFI = 0.97, GFI = 0.96, AGFI=0.93 CFI = 0.97).

4.2. Cluster Analysis (K-Mean)

To identify consumers with different levels of brand love, cluster analysis (K-Means) was used on the brand love scale. Two groups were extracted from the analysis. Based on their mean score in brand love, the two groups were named as low in brand love (cluster center=2.29) and high in brand love (cluster center=3.95). The group low in brand love represented 49.2%% of the sample whereas the group high in brand love represented 51.8% of the sample. Between groups and within groups differences were tested using one-way Analysis of Variances (ANOVAs). Cluster means were found significantly different on brand love (F=760.555, p=0.000).

4.3. Multivariate Analysis of Variance (MANOVA)

One-way Multivariate Analysis of Variance (MANOVA) was selected to uncover group differences across the three CSR dimensions in a design with one factor (corporate brand love). MANOVA was used to investigate the effect of different brand love levels on the three CSR dimensions. Thus, continuing with the main analysis of the study, the independent variable, brand love, was constructed and used to rate subjects as low and high. The dependent variables of the study were CSR to society, CSR to employees, and CSR to customers.

In a preliminary analysis of the data, a case analysis was first conducted. An inspection of the box plots for the three dependent variables within each group suggested that no cases were outside the normal range of values. The assumptions made in using MANOVA were considered to determine if the procedure was valid for the analysis of these particular data. The assumptions of MANOVA include independence of observations, equality of variance-covariance matrices for the independent variable and normality of the dependent variables. The independence of observations was achieved by randomly selecting consumers and making sure that they responded to the questionnaire alone. Distributions of the variables in each group indicated no violation of the multivariate normality assumption. To test the equality (homogeneity) of the covariance matrices in each group for the three dependent variables the Box test was used. The Box test was not significant (F=.65, p=0.69) indicating that the homogeneity of the covariance matrices assumption was tenable at the 0.05 level. Furthermore, using Stevens (1992) sample size recommendations for MANOVA, the groups size of the study (low=187 and high=193) was considered more than adequate for running a 2-group MANOVA (power = 0.90 at α=0.05). Descriptive statistics of the variables are presented on Table 1.

TABLE 1
Descriptive Statistics of the Dependent Variables in Each Brand Love Group[a]

Corporate Social Responsibility	Corporate Brand Love	
	Low	High
CSR to Society	2.98 (0.62)	3.31 (0.58)
CSR to Employees	2.94 (0.46)	3.18 (0.49)
CSR to Customers	2.97 (0.63)	3.45 (0.63)

[a] Table contains means and (in parentheses) standard deviations.

Thus, a MANOVA was conducted with follow-up Analyses of Variance (ANOVAs). The overall multivariate null hypothesis (Ho: population mean vectors are equal), tested to determine if any differences existed within the groups in the dependent variables, was rejected (Wilik's $\Lambda=0.865$, p=0.000). Thus, the overall MANOVA results showed that the two groups of corporate brand love differ overall on their perceptions of CSR to society, CSR to employees, and CSR to customers.
Univariate F-tests were run for both groups on the dependent variables to determine where the differences existed (Table 2). Significant differences between groups on each dependent variable were detected (p=0.00).

TABLE 2
ANOVA Results for the Dependent Variables

Variable	F	Significance	ETA Square
CSR to Society	28.766	0.000	0.071
CSR to Employees	24.328	0.000	0.060
CSR to Customers	55.516	0.000	0.128

5. DISCUSSION OF FINDINGS

The present study explored the relation between CSR and corporate brand love. This research differentiates from other studies concerning CSR, and thus contributes to existing theory and practice, by addressing a number of key gaps. To the author's knowledge this is the first endeavor that examines the link between CSR and an emerging relational construct such as corporate brand love. The majority of the CSR literature is confined to investigations regarding its association to business performance. Thus, this research contributes theoretically to the current CSR literature by introducing the relationship perspective into its research agenda. The relationship marketing perspective is centered on the intense emotional aspects of consumer-brand relationships (Chaudhuri and Holbrook 2001; Fournier 1998; Fournier and Yao 1997; Morgan and Hunt 1994). The present study proposes that these relationships exist also at the corporate level and require an understanding of their role not only on corporate branding but on CSR as well.

The findings of the present study show that consumers exhibit different degrees of emotional bonds with service corporations. Moreover, different levels of brand love influence consumers' perceptions regarding the CSR activities of service firms. Consumers exhibiting stronger love for a firm scored higher on all three dimensions of CSR: CSR to society, CSR to employees, and CSR to customers. The highest difference between the brand love groups was found on the dimension "CSR to customers" indicating that strong emotional bonds result in higher perceptions of CSR to customers. The findings confirm the importance of relational elements when studying CSR and provide tools for managing CSR. The study indicates that corporations need to build relationships with their customers in order to benefit from these emotional bonds when implement CSR strategies, and consequently improve their corporate image. Thus, a relational approach could provide firms the necessary means for implementing the two strategies for which CSR can be used: build corporate image and achieve differentiation at a firm level.

Methodologically, the study tests Turker's CSR scale (2008) and examines its applicability into three different contexts: in another country, in services, and in consumers instead of business managers. In the present study, Turker's scale performed well when one dimension (legal CSR) was

dropped. The revised scale is shorter (9 items) and easier to manage than the original one. Moreover, the exclusion of the dimension "legal CSR" supports the integrative and ethical perspectives of CSR and indicates that, from the consumers stand point, CSR goes beyond legal requirements. However, the inclusion of this dimension in Turker's scale might be justified by his sample composition (managers) indicating that legal CSR represents the managers' point of view. These findings indicate that CSR does not have the exact meaning for all corporate stakeholders and each group perceives the concept differently. Businesses should take into consideration these findings when implementing their CSR activities and emphasize in their communication the CSR elements that are relevant and appreciated by consumers such as CSR to society, CSR to employees, and CSR to customers.

6. FUTURE RESEARCH DIRECTIONS/LIMITATIONS

This research has certain limitations that qualify its findings and provide directions for further investigations. First, the findings and implications (theoretical and practical) of this study should be read in the context of the specific sample. Results may not be generalized but they are probably useful as a qualified exploratory approach to analyze the relationship between the constructs under investigation. Second, the present study gathered data on two types of services (airlines and telecommunications).This approach clearly prevents the generalization of the results outside the scope of the industries considered (e.g. other services or industrial and consumer goods). Third, the context of the study (a small Southeast European country) is also a concern constraining generalizations of the results to other countries. However, the use of a market setting other than the larger markets (e.g. Germany or U.S.) does not diminish the significance of the findings reported in this paper and could be applicable to similar markets. Fifth, since this study is based on subjective judgment of the perceptions of consumers, the measurement of all constructs in the study is subject to cognitive and/or social desirability biases (common phenomena associated with self-reports such as surveys).

Despite these limitations, the present study indicates a promising direction for further investigations. A replication of this research in other types of services and businesses (industrial and consumer goods) and countries is most recommended to expand the examined relationships and provide further validation of the present results. Examining what CSR means to various stakeholder groups (e.g. customers, employees, community groups, and governments) is an emerging research topic that could provide explanations for the inconsistencies found in the CSR literature. Furthermore, an examination of the role of other relational constructs (e.g. brand loyalty, brand trust) on perceived CSR is another interesting research directive. Finally, research on identifying causal relationships between CSR and relational constructs (e.g. brand love, brand loyalty, brand trust) constitutes an additional area for further investigations.

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CORPORATE SOCIAL ACTION: CONCEPTUAL DEFINITION AND TYPOLOGY

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ABSTRACT

This document makes a critical analysis of the concept of Corporate Social Action (CSA), proposes a definition for this concept and makes a typology about different forms of CSA. It also discusses the relationship between this concept, the Corporate Social Responsibility (CSR) and Corporate Social Marketing (MSC). It presents the results of an empirical study in Uruguay, which served to assess the suitability of the definition and the typology. The document seeks to provide elements for the development of conceptual tools to guide business practice in the field of CSA.

1. INTRODUCTION

Analysis of the literature on this topic suggests the absence of an agreement in the academic community (and even less in the business) on the concept of Corporate Social Action (CSA) or Enterprise Social Action (ESA). One of the main difficulties arises from the fact that different terms are used as if they were synonymous, although these terms represent concepts concerning very different practices in its objectives, methodologies and place of such actions in the strategy (Licandro and González 2007). In Spanish-language literature, the Corporative Social Action is often assimilated to "social marketing (MS)", "cause related marketing (CRM)" or "corporate social marketing (CSM)" (Ramos and Periáñez 2003). In English literature, the terms "*strategic philanthropy*" or "*corporate philanthropy*" are the most frequently used to refer to this concept.

Another difficulty is derived from the fact that the border between CSA and CSM does not appear clearly delimited in business leaders' speeches, nor in most of the academic literature. The absence of a clear differentiation between corporate social action and the corporate social responsibility (CSR) is even more serious. A clear example of this lack of precision and agreement on the relationship between these two concepts can be seen in an excellent publication entitled "The stakeholders and business social action" (Martínez et al. 2006). Despite the depth with which their authors analyze social action of the company, it is not possible to find at least one passage where it is clearly shown the similarities and the differences between CSA and CSR throughout the book. Also, in several parts of the book, properties that are inherent in CSR are assigned to CSA.

This lack of conceptual accuracy, due to the effort to understand and model relatively new business practices, impacts negatively on its implementation, as it tends to generate strong inconsistencies between the objectives and instruments to achieve them. In addition, the lack of a basic consensus on these concepts severely limits the development of a suitable theoretical framework. For this reason, the first approach will be a literature review on the concept of CSA, to then propose a definition. Special emphasis will be placed to establish clearly the difference with the other two major concepts with which it is strongly related: Corporate Social Marketing (CSM) and the Corporate Social Responsibility (CSR).

2. LITERATURE REVIEW

Let's start with two CSA definitions suggested during the past decade, which provide a restricted view of the concept. The first one proposes that the corporate social action is in "the use of human, technical or financial resources to help less favored groups in society, such as the disabled, the third world, elders, drug addicts, young people and women" (Gismera and Vaquero 2000). This definition shows focus on two elements: the type of recipients and type of resources that companies use to meet the needs of those recipients. This is an extremely reductionist approach since it limits the recipients to the "collective disadvantaged" (apart from for example, to social change campaigns adopters) and omits the use of certain business resources, as for example the "social capital" of the company (customers, vendors, network distribution, etc.). But perhaps the most important critique of this definition is the absence of a reference to the CSA's ability to generate returns for the company, which prevents differentiation between CSA and philanthropy.

The second definition that has been chosen, establishes that CSA is defined as the "dedication of a company's human, technical or financial resources to development projects in society for the benefit of disadvantaged people, managed with business sense in the following areas: social assistance, health, education and job training" (Abad 2001). This definition adds three elements: a) the concept of "project"; b) the idea that those resources should be managed professionally ("business sense"); and c) limits areas (or themes) of CSA's performance by reducing them to health, welfare, education and vocational training and employment. In this definition the idea of return for the company is still absent, and the third element implies a strong reductionism in the field of application of the CSA.

However, the first two elements are an important step forward compared to the previous definition. Actually, the idea of "project" serves to: 1) place CSA in the strategic dimension (because it requires planning and projection, at least in the medium term) and 2) link this concept with the concept of Social Alliance (since social projects require companies to work cooperatively with actors of civil society and/or the public sector). The reference to management "with business sense" reinforces the idea that CSA must be aligned with other strategies of the company and has a specific methodology.

In the Anglo-Saxon world, Saiia et al. (2003) use the term "Strategic philanthropy" to refer to what we here call CSA. These authors define it as "giving of corporate resources to address non-business issues that also benefit the firm's strategic position and, ultimately, its bottom line". The idea behind this definition is to associate the philanthropic activities with financial success to go beyond the purely altruistic approach and locate the CSA at a strategic level (Brammer et al., 2006). Despite its simplicity, this definition paves the way for a better conceptualization of the subject. In first place this is, because it does not restrict the type of resource that the company makes available to the CSA. In second place, this is because, in this way, the object of the CSA would have not a limited dimension ("non-business issues"). And finally, because it suggests the CSA seeks a return to the company ("benefit the firm's strategic position"). These three elements are the pillars of the definition proposed below.

Another approach to the concept can be seen in the dimensional analysis on CSR, present in the literature of business organizations that promote this paradigm. In much of this literature, CSA is conceived as a dimension of CSR. Thus, for example, "Acción Emresarial" of Chile calls it commitment with the community: "this area refers to the range of actions taken by the company to improve the quality of life of the communities in which it operates, supporting initiatives or causes social approach" (Acción Empresarial 2003). In Uruguay, DERES (2003), calls it "community support" and defines it as: "the wide range of actions that the company makes to maximize the impact of their contributions, whether in money, time, products, services, knowledge, or other resources that are directed towards the communities in which it operates".

The CSA as investment. When the CSA is designed and run strategically, in addition to the benefit that it produces for its recipients, it tends to generate returns for the company. It can serve to strengthen its corporate reputation, position their brands through partnership with relevant social values in its market, improve the work environment, and develop skills in its staff and other returns, which ultimately impact on the financial performance. In that line it is possible to find the contribution of other authors that enrich the concept, incorporating the idea that the CSA is an investment and not an expense (Martínez and Aguero 2003). In this way, CSA's sustainability depends on achieving dividends for the company (corporate reputation, brand positioning, improving the work environment, loyalty of customers, innovation, etc) and society through the creation of "social value" (Martínez and Aguero 2003). This vision of the CSA as investment reinforces the idea that it should be planned and evaluated.

The incorporation of the stakeholder approach. As analyzed below, the CSA is conceivable independently to CSR and unrelated to this. But there is a growing intellectual effort to link both concepts as part of the CSR (Acción Empresarial, 2003). Martinez et al. (2006) proposed to address the reflection on the CSA from the perspective of the theory of stakeholders: "we consider appropriate to use a new approach, focusing on how social action improves relations with customers, suppliers, employees, community and shareholders". This approach, in our opinion, contributes to enrich the concept of CSA and, more importantly, helps maximize its efficient application for both the company and the recipients. Indeed, this approach is an excellent basis for strategic decision-making based on returns that the company intends to get to their stakeholders. For example, if a company intends to use the CSA to develop team spirit among their employees, a good alternative is to participate in a Civil

Society Organization[1] (CSO) volunteer activities. If what you're looking for is to reinforce your corporate customers, the best is perhaps to sponsor a strong social sector brand. And if the aim is to obtain the "operation permit" from the community where the factory has installed, perhaps it is best to develop an "inclusive business"[2] to generate job opportunities for the poorest families in that community.

CSA and core competencies of the company. There is broad consensus that the main difference between social action and philanthropy is that the second does not search any return to the company. As a result, if the **CSA** is a practice oriented to get returns, its conceptualization must include guidelines of what approaches have greater potential to achieve such returns. Today, the Management theory emphasizes efficiency is the concentration of companies on their core competencies and focus on its core business. Hence, if this principle is taken into account when defining the CSA, it is highly likely to contribute to make the **CSA** a much more powerful tool. In the field of CSR this has already been planned clearly (Porter and Kramer 2006). However, the idea has failed yet to permeate the concept of social action. Hence, Martínez et al. (2006) suggestion seems quite interesting: "for us the social action, to be effective, must be aligned with the core business of the company".

The inclusion of requirements for the **CSA** is another way to contribute to the definition of the concept with both, operating and academic purposes. Martinez et al. (2006) proposed "three basic conditions" which, according to them, would ensure the success of the **CSA**: 1) integration with the strategy of the company; 2) establish as an objective to obtain returns for the company and society (beneficiaries, social organizations, etc.) and 3) transparency.

3. PROPOSAL FOR A DEFINITION FOR THE CSA

CSA is defined as*: any outside activity, not necessarily linked to production processes, whereby a company professionally manages the allocation of resources in favour of a social cause in order to get some kind of return to society (or a portion of it) and the enterprise. These actions can take the form of programs implemented through alliances with other institutional actors.* In this definition highlights the following:

(a) **The external activity is not necessarily linked to production processes.** The CSA is mainly directed towards external company stakeholders: groups with some vulnerability, communities, social organizations, public institutions, society as a whole, etc. In general, it's stakeholders with which the company does not maintain a commercial relationship. But in recent years social programs started being designed to join communities at the base of pyramid BOP) to the value chain value of companies: Inclusive Business, Fair Trade, etc. (UNDP 2008) (Austin and Chu 2006). The CSA includes a wide range of activities, from specific actions implemented individually by the company to complex long-term programs carried out through partnerships with CSO (Austin et al. 2004).

(b) **Resource allocation.** The company channels **resources** that could be earmarked for other purposes: money, raw materials, goods, services, equipment, use of facilities, its know-how, its human capital, customers, contracted advertising, etc. The use for social purposes is not a detachment of those resources, but a reassignment to an activity which is expected to make a profit. As a result, the availability of these CSA's resources must be included in the company's budget, and particularly in the budget of the areas directly involved (Abad 2001).

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[1] See definition given by Licandro and Villarmarzo (2009)

[2] "Inclusive business" or "Inclusive markets" is a new concept derived from Prahalad' theory on business with the base of the Pyramid (BOP) (Prahalad 2005) (PNUD 2006).

(c) **Social cause.** Social cause here means "*a social objective that will provide a desirable response to a social problem*" (Montero and Araque 2003). It is important to note that, from the conceptual point of view, ***the social cause is not the problem in itself, but the set of strategies*** that institutional actors promote for the purposes of mitigating it or fix it. For example, in the case of intellectual disability, the problem is the difficulty of people with such disabilities to join the world of work, while the social cause is the set of strategies to generate work including more of this group. These strategies can be divided into three large groups: a) those which are aimed directly at disabled persons in order to provide them with some kind of assistance (for example, specific training and job placement programs); b) awareness campaigns aimed at families and employers, help the integration of these people and c) support to the institutional development of the CSO that are committed to the attention of this group (Licandro and González 2007) institutional development support.

The growing social complexity and disturbances arising from it, generate emerging social problems (addictions, domestic violence, growing social exclusion, reduction of the period of breastfeeding, etc.). These new issues are an opportunity for the CSA, since they have resources and powers to act on them efficiently, working with States and CSOs. This statement is also valid for long-standing social problems such as poverty. In relation to this issue, new theory on the Inclusive business suggests that the business sector (and in particular the large multinational corporations) can play an important role in the fight against poverty. Austin and Choo (2006) argue that an "effective response to global poverty" necessarily has to comply with a set of conditions that only private companies have been able to develop: "industries and markets have shown the ability to operate massive, permanent and efficiently".

(d) **Return.** All resource held by a company aims to build value for the company. Resources mobilized by the company within the framework of its social action are primarily intended to add value to some of their intangible assets: its relational capital and human capital. In the field of relational capital, it may be mentioned: image brand, corporate reputation and loyalty of customers and clients, good relationship with suppliers, etc. In particular, note the so-called "operation permit" (Porter and Kramer 2006), which is obtained as a result of building a good relationship with the community where the company operates. On the other hand, the most important returns in terms of human capital can be: skills development and training of the human resources, employee satisfaction, the development of a consistent corporate culture with the Mission of the company, etc. It is important to note that, while most of these returns are not directly "monetary", they have an indirect impact on the profitability of the company. In addition, it is usually quantifiable and measurable (Martínez et al. 2003). The fundamental difference between the CSA and other business practices contribution to society (as philanthropy or patronage) lies in the conceptualization of the CSA as an investment and not an expense. "Traditionally, social actions carried out by business initiative were not any benefit to the company" (Martínez and Agüero 2002), however the concept of CSA proposed here is oriented in a completely opposite direction.

Thus, for example, the ASC can help enrich the positioning of marks for goods and services through its partnership with values (such as solidarity or compromise) or support for social causes that the objective audience feels identified (fight against poverty, care of childhood cancer, inclusion of people with different capabilities, etc.). Thus arose the concept of "spiritual brand" (Bertozzi 2004), by adding the ethical dimension to the typical classification of benefits (functional, emotional and symbolic) used to differentiate and position brands (Aaker 1996). The ASC can be a source of "competitive advantages that translate into increased brand value, improving the image of the company and the creation of a State of opinion and favorable willingness towards it." (Penelas et al. 2003).

(e) **Professional management**. The choice of the cause and the OSC, the design and implementation of social action and assessing its results must be managed with the same level of professionalism

that is applied to the other programs and actions of the company. Since the end of the last decade, this is a central issue on the agenda on CSA in Europe. Thus, for example, "Fundación Empresa y Sociedad de España" (1999) has proposed a model of management for social marketing - called the "five C" of the cause-related marketing - that fits all forms of CSA Marketing programs. One of those "Cs" argues that the quality of management, through the application of standards used for the other dimensions of business, is a necessary condition for the success of social action of the companies. Finally, it is important to note that this way of conceiving the CSA is a necessary condition for achieving the third stage in the process of construction of social partnerships, as it has been formulated by James Austin and his team of the SEKN (Austin et al. 2004).

4. PROPOSAL FOR A TYPOLOGY IN CSA

Under the umbrella of the CSA a wide range of actions is covered. Are all of them for the same objectives? Is its successful use based on the same conditions of application? Do all of them use the same techniques? Experience brings a negative answer to these questions. But also, case study allows one to see that there are groups of actions which have common elements. Some authors share this idea and classify the CSA into three categories: corporate programs (add enterprise resources), software related products and services (usually cause-related marketing actions) and programs in collaboration with people (volunteering) (Abad 2002), enterprises (Ramos and Periañez 2003).

The construction of typologies aims to simplify management by reducing a large universe of situations to another more bounded one, on which it is possible to establish common guidelines, based on the adaptation of "good practices" to similar situations, hence, our interest in building a typology of the ASC. In 2007, we developed an early version of this typology, on the basis of the analysis of 142 social actions implemented in Uruguay (Licandro and González 2007). Later on we went on refining it.

Our studies suggest the existence of two variables that provide relevant differences between the various forms of CSA. The first variable is the **type of asset** that the company uses in the CSA and the second is the **final destination** of those assets. The resulting categories have common features and can be managed on the basis of similar operating criteria.

Type of assets. It refers to items that the company mobilizes for the cause or CSOs. Our research suggests that there are five types of assets that are used for different purposes and require different management mechanisms: 1) donating money, 2) donation of products and material resources (goods and services, disused equipment, waste loan facilities, etc.), 3) human capital (through voluntary service), 4) intellectual capital (know-how transfer) and 5) social capital (access to customers, suppliers, strategic partners, etc.).

a) **Donation of funds**. Refers to the various ways in which companies contribute money to public or nonprofit institutions or campaigns organized by them. Usually taking the form of sponsorships, financing activities, grants to beneficiaries, etc.

b) **Donation of products and other material resources.** They are non-monetary assets that companies use in their operation and make available to the CSA. This includes the donation of goods and services the company produces and / or sells, supplies, advertising, obsolete equipment and even, wastes. Loan or no cost access to the use of infrastructure, machinery and equipment of the company are also considered to be in this type of support.

c) **Human capital.** Includes forms of cooperation based on voluntary work of a firm's human capital: corporate volunteer programs, participation of company managers in CSO Directories, among others.

d) **Intellectual capital.** Deals with various forms of know-how transference, carried out through training, mentoring or direct participation in business processes.

(e) **Social capital.** Customers, suppliers, channels of distribution, contacts in the media and the financial system are part of the social capital that a company can put at the service of the CSA.

Cause-Related Marketing programs, based on the sale of solidarity products are one of the best known CSA forms.

The final destination. In general, social actions combine several objectives. But in all CSA it is possible to identify a central objective, a focal impact. These impacts have been termed "final destination" of the ASC. We have identified three: 1) attention to vulnerable groups, 2) campaigns of cultural change and 3) institutional development. The first two are aimed at individuals or groups of people. In contrast, the third is associated with organizations and communities.

a) **Assistance to vulnerable groups.** The causes grouped here have as an objective to substitute a deficiency, providing support to those who have one or solving the problem of a particular human group. The spectrum of problems is very broad, including diverse social causes, such as: feeding the homeless; providing access to education, health and housing groups that live in conditions of poverty; provide a home for children without families, provide treatment and containment to people with illnesses, disabilities or addictions, to support segregated minorities, create forms of self-employment for the unemployed, assisting victims of disasters, etc. All these cases share the search for the same result. The "supply of service" (Grönroos 1994), which is delivered to the recipients, is a support to overcome, relieve or replace a deficiency that affects their lives and severely limits their ability to live and develop as human beings and citizens. We call "beneficiary" to the recipient of this type of social action.

b) **Cultural change campaigns.** These actions share the objective of ensuring a voluntary change in socially harmful behaviors or developing socially necessary skills to their recipients, who are termed "adopters" (Leal 2004). It is about actions oriented to "influence voluntary behavior of the target audiences to improve their personal welfare and that of de society of which they are parte" (Andreasen 1994). In the first case, its promoters are based on the hypothesis that these behaviors have adverse short or long term effects for those who practice them and, eventually, for other people with whom they interact or for society as a whole. In the second case, promoting institutions believe that society needs these competencies to generate economic, cultural or human development. Given that qualifying behavior as harmful, and social competence as necessary, relies upon cultural factors (ideology, religion, values, tradition, scientific theories, group or individual interests, etc.), these causes often generate social responses of diverse sign, ranging from full support to its absolute rejection.

In the first case we have a wide range of causes, because human behavior has multiple dimensions, and in all of them it is possible to find ways to act and to live that are individually or socially harmful. Amongst them are: the fight against tobacco and drugs, behavior in vehicular traffic, the elimination of violence in sport, responsible alcohol consumption, prevention of diseases such as AIDS, fighting domestic violence, healthy eating, breastfeeding, the care of public spaces, respect for the environment, the integration of minorities and handicapped individuals, etc.

While the causes of the first group typically have high visibility, because there are groups that are affected by such behavior, causes of the second group are emerging issues and thus unknown for the vast majority of people. This is the case of causes such as the promotion of social responsibility amongst companies, the development of the entrepreneurial spirit amongst young people, the promotion of mental opening and innovative capacity in the members of a society, or the adoption of new non-polluting production techniques. However, many of these causes are of "negative demand" (Leal 2004).

c) **Institutional development.** Support for existing institutions is included in this category (OSC, municipalities, schools, etc.) and communities (usually the base of the pyramid). It is called

"Development", because the goal is to help these institutions and communities to work and meet their respective missions. It includes capital contributions for working capital, investment in infrastructure, management advice for organizing, management know-how transference, etc. It is important to note that, in this type of CSA, the assets of the company are intended for the institution or community and not to its beneficiaries or members. The recipient is the institution or the community.

The typology. Combining both variables (type of assets and type of final destination) a typology is built with 15 types or categories of CSA. The table 1 illustrates each category with an example.

TABLE 1

Typology of Corporate Social Action			
Assets Available for CSA	**CSA's final destination**		
	Attention to vulnerable groups	**Cultural change campaigns**	**Institutional development**
Donation of funds Donation of funds	To finance scholarships to beneficiaries of an NGO.	To sponsor a campaign of public welfare.	Provide working capital to a productive community project.
Donation of products or material resources	The company offers its own services, for free, to beneficiaries of a social program.	Donate advertising space and act as a sponsor in campaign of public welfare.	Providing facilities for the operation of an NGO
Human capital	Participating in the construction of housing for homeless people	Volunteering of managers in educational programs that encourage entrepreneurship in schools	Voluntary participation of entrepreneurs in the direction of an NGO
Intellectual capital	Transferring technology to the suppliers at the BOP that form an inclusive business	Technical assistance to programs of public wellbeing in issues related to the core business of the company	To advise an NGO management and financial issues.
Social capital	The company sells "solidarity products" in the portfolio of clients, which profit is intended for victims of a cataclysm	A campaign to promote responsible consumption among brand consumers	Integrate suppliers and other strategic partners on a project to organize a neighborhood community

5. RELATIONSHIP BETWEEN CSA, CSR AND CSM

Corporate Social Action and Social Philanthropy. The main difference between the two concepts is that social philanthropy does not include the expectation of returns for the company. On the other hand, it assumes spending on causes "that detracts it from its core business, which will not provide any direct benefit [...] and focuses primarily on social beneficiary actions" (Recio and Martin 2002). The motive of this type of action is to do what is good, and collaborate, but in a selfless way. Usually it responds to individual initiatives of directors, managers and even of their relatives. Usually not part of any program, even less a strategy.

Corporate social action and corporate social Marketing (CSM). The terminological and conceptual confusion that exists around Social Marketing has already been referenced. A very illuminating analysis is in the aforementioned article by Ramos and Periáñez (2003). In the article, they describe and compare the definitions proposed by important authors, from the origin of some of the terminological expressions in English-speaking world. The CSM can be thought of as a specific tool within the toolkit of the lucrative sector Marketing. It manages the same intangibles (brand, relationship with customers, etc.), but it does so in a different and complementary way as do the other tools. This is a methodology, with its own techniques and application criteria.

The following definition is assumed for CSM: *the programs and actions of marketing, where the management of intangible assets, subject of this business function (brand, corporate reputation,*

portfolio clients, etc), is based on CSA forms. Arbitrary but practical as any definition in the field of management, this way of defining CSM provides conceptual clarity and enables to think of it as a specific form of CSA. What, in practical terms, means that the application of the CSM consists of the adaptation of tools and methodologies of the CSA to the specific characteristics of the Marketing function.

This definition strengthens several approaches: 1) the CSM is a philosophy, not a marketing tool; 2) specify clearly its function and the type of purposes for which it is used; 3) it helps to use it strategically, aligned with all other marketing actions (with which random use is minimized, on demand or exclusively based on good intentions, the emotions or personal values of the decision makers). This definition helps professionalize the CSM and also serves to better understand other types of CSA: those which contribute to the management of other intangibles of the company, which do not correspond to the marketing function. These intangibles are: a) their human capital (staff motivation, retention of talent, work environment, learning skills, etc.); b) its social capital (relationship with the community, the external actors in the chain of value, partners, media or public authorities); c) the organizational capital (promotion of innovation, etc.).

Moreover, within the CSM it is possible to apply some techniques with its own identity and high degree of sophistication, as is the case with the so-called Cause Related Marketing. This concept refers to a specific form of CSM, characterized by being focused on a sales promotion, through which a "solidarity product" is sold, part of whose sales go to a non-profit institution (Varadarajan and Menon 1988).

FIGURE 1
On the ASC, the RSC and the CSM conceptual schema
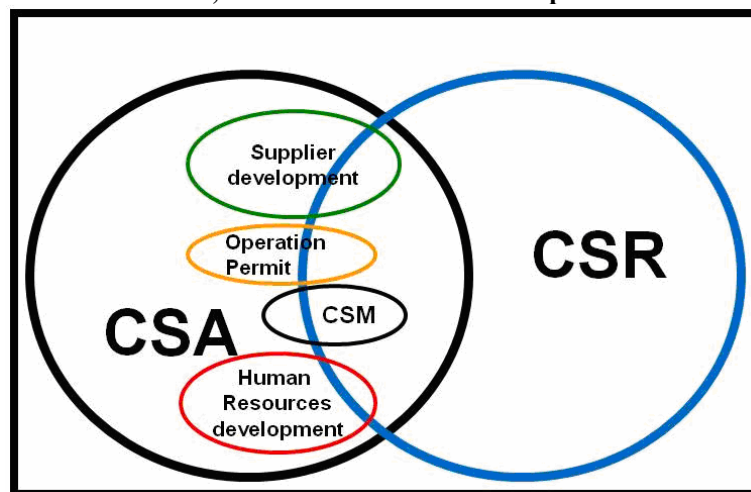
Corporate Social Action and Corporate Social Responsibility. Finally, it is important to note that the CSA differs from the CSR. In first place, because the CSR is conceived as a philosophy (Vivancos 2004) or business vision. For example, Forum Empresa, Business for social responsibility (BSR) and Acción Empresarial (Chile) agreed to set as "a business vision to harmoniously integrate respect for ethical values, people, community and the environment" (Acción Empresarial 2003). Even more radical is the position of authors who conceive the RSC under a strong ethical slant, stating that CSR is the own raison d'être of companies (Gismera and Vaquero, 2000). Secondly, the CSR is a multidimensional concept; between its dimensions it includes the CSA. However, the CSA can apply outside of the framework of CSR, with objectives which are specific and independent of the existence, or not, of a CSR strategy.
The following chart represents the relationship between analyzed concepts, what they have in common and their differences. There, it can be observed that some actions can be considered simultaneously

ASC, CSM and CSR. It is the case of an ASC that forms part of a CSR program and aims at strengthening the position of a brand. But there are also forms of ASC that do not integrate CSR programs and whose sole purpose may be the development of skills in group work, customer loyalty, or the strengthening of the relationship with a group of vendors.

6. THE RESEARCH PROBLEM - OBJECTIVES AND METHODOLOGY

The research was designed to assess the relevance of the typology of CSA proposed here. More specifically, it sought to achieve the following objectives: a) quantify the typology of CSA in the Uruguayan context, b) assess the pertinence of this typology of CSA in terms of substantiality (that all conceptual categories have a real counterpart business practice); c) determine the pertinence of the typology, that is, if there are significant differences between categories in relation to the main CSA decision variables (degree of involvement of the company, an initiative to carry out social projects together with CSO, public communication of the CSA, etc.) d) assess whether the typology is used to establish differences in the social practice of companies with different profiles: large vs. small, private vs. public, and others.

The **universe** consisted of 172 companies which participate in Uruguay in the two most active business organizations in the promotion of CSR. The **sample** consists of 57 companies in the universe, which provided information. A **survey was self-administered**, based on a structured questionnaire. The fieldwork was performed between October and November 2009.

7. DATA ANALYSIS

95% of the companies practice CSA, but companies that maintain a permanent relationship with a CSO or a public institution are 75% of the sample. The analysis presented below refers to these 43 companies. Each one was asked to select the CSO or public institution with which it has a "closer and more long-term relationship" with them. 33% chose a public institution and 67% a CSO. Then, a set of questions concerning the operation of that relationship was applied. The variable "asset type" was measured through 26 indicators, each of which represents a form of support (see table 1). The "final destination" variable was measured through five indicators (see Table 2). In both cases, the indicators were combined to form the categories of the variables.

TABLE Nº 1: TYPE OF ASSET EMPLOYED IN CSA– INDICATORS USED AND CATEGORIES		
Nº	**Indicator**	**Category**
I1	Money Donations.	**FUNDS**
I2	Sponsoring of events or activities of social organizations.	
I3	Subsidies to beneficiaries of social programs (i.e.: Scholarships).	
I4	Credits to ventures with poor persons.	
I5	Acquisition of goods or services produced by beneficiaries of programs of social organizations.	
I6	Assistance in terms of management to social organizations or social projects (accounting, commercialization, organization, etc.).	**INTELLECTUAL CAPITAL**
I7	Technological assistance to social organizations or social projects	
I8	Activities with its clients and consumers to raise money or products for donations.	**CAPITAL SOCIAL**
I9	Sale of "Solidarity Products" (those where a fraction of the profit goes to a social organization).	
I10	Access to its suppliers.	
I11	Access to other companies with which the company is related to.	
I12	Contact with the media to cover stories or reports about the organization.	
I13	Donation of goods or services that the company offers.	**PRODUCTS AND OTHER MATERIAL RESOURCES**
I14	Donation of instruments or equipment no longer used.	
I15	Loan of infrastructure, machinery, computer hardware, or vehicles to social organizations.	
I16	Provide its network of commercial stores for fundraising activities.	
I17	Donation of advertising time paid for by the company	
I8	Donation of recyclable waste	
I19	Volunteering with employees	

I20	Volunteering of directors or managers.	**HUMAN**
I21	Training of beneficiaries of social organizations.	**CAPITAL**
I22	Training personnel or volunteers of the social organization.	
I23	Tutorships to beneficiaries of programs of the social organization.	
I24	Integration of directories or executive committees of social organizations.	
I25	Internships to beneficiaries.	
I26	Incorporation of beneficiaries of social organizations on the staff of the company.	

TABLE Nº 2: FINAL DESTINATION OF THE CSA – INDICATORS USED AND CATEGORIES		
Nº	**Indicator**	**Category**
D1	The beneficiaries attended by the institution.	**VULNERABLE GROUPS**
D2	Welfare campaign (change of social behavior) implemented by the institution.	**CULTURAL CHANGE**
D3	The operation of the institution	**INSTITUTIONAL DEVLOPMENT**
D4	The equipment or infrastructure used by the institution	
D5	Development and / or institutional strengthening of the institution.	

Table Nº 3: Percentage of companies who's ASC belongs to each category of the typology.				
	Final destination of the ASC			
Assets used	**Vulnerable Groups**	**Social Change**	**Institutional Development**	**Total**
Funds	47%	26%	42%	56%
Material Res.	47%	21%	40%	51%
Human Cap.	40%	26%	37%	49%
Social Cap.	16%	9%	16%	23%
Intellectual Cap.	19%	14%	16%	21%
Total	77%	47%	70%	100%

7.1. Measurement and substantiality of the typology

For each pair company-institution social actions described by the company in the survey were identified. In each case the "destinations" of these CSAs were identified and the "assets" used in the implementation of joint projects and activities. Finally, both results were combined accounting for the number of companies whose ASC belong to each category of the typology. Most companies perform several actions, for which they employ more than one "asset" simultaneously. In some cases, the collaboration combines more than one "destination" (for example: support to vulnerable groups and institutional development). That is the reason why the same company can apply various types of ASC and belong to different categories of typology. Table 3 presents the percentage of companies that belong to each category.
A reading of the table allows concluding:

a) Support for "vulnerable groups" is the destination with the highest relative weight; while de CSA intended for "cultural change" is chosen by the lesser number of companies. Despite these differences, the three types of destinations are sought by a significant percentage of companies.
b) The "funds" are the type of assets used by most companies, but the "human capital" and the "products and other material resources" are employed by a just slightly lower percentage. Clearly, the "intellectual capital" and "social capital" are the least chosen assets.
c) "Assets" and "destinations" are not correlated variables. This strengthens the typology as a tool substantive analysis.
d) In all the 15 categories there are a significant number of companies. This suggests the practical value of the classification and that it is not a mere abstract construction. In other words, it shows substantiality of all categories in the typology.

7.2. Suitability of the typology

The pertinence of a typology, as a suitable model, lies in its potential to establish some homogeneous intra-categories characteristics and some heterogeneous inter-categories characteristics. For the purpose of analyzing the validity of this typology, be observed the behaviour of the various categories in relation to a set of variables. These variables were chosen based on their ability to discriminate the practical management of the CSA.

The degree of involvement of the company with the institution
The "degree of engagement between the company and the institution" is strongly associated with successful collaboration (Austin et al. 2004). That is, a greater the degree of involvement implies a greater probability that that the CSA would be successful. To measure the degree of engagement between the company and the institution it was included de question about the existence of a joint project work. The question offered three possible answers. The sampled companies were classified into three groups: 1) those with a joint project to work with the institution (47%), 2) those that do not have a joint project, but support different activities of the institution (35%) and 3) those that do not have a joint project and are focused on supporting a single activity of the institution (18%). As Austin suggests, the existence of a joint project is an indicator of greater involvement (Austin et al. 2004). Table 4 shows the percentage of firms in each category of the typology, which share a joint project with the institution. It can be seen there, that some types of CSA were associated with higher levels of involvement. Clearly, this happens in two groups of categories: 1) those whose "destination" is to promote "cultural change" and 2) those involving the use of "social capital" and "products and other material resources." It should be noted, that we do not have a hypothesis to explain this empirical result.

The initiative to build the relationship
Another interesting result was obtained from crossing the typology with the answers to the question "who took the initiative that began the relationship between your company and the institution?" Considering the percentage of companies in each category who took the initiative (see table 5), it shows that:

a) The "destination" is independent of who took the initiative.

b) On the other hand, the "asset" type is associated with this variable. Indeed, in the categories for assets more used for the CSA (funds, human capital and products and other resources) there is a higher percentage of proactive companies. And conversely, the percentage of proactive companies decreases in the CSA categories based on lesser-used assets (social capital and intellectual capital).

Table Nº 4: Percentage of companies of each category that have a joint project with the institution.			
	Vulnerable Groups	**Social Change**	**Institutional Development**
Funds	45%	64%	39%
Material Res.	60%	89%	65%
Human Cap.	53%	64%	50%
Social Cap.	75%	83%	57%
Intellectual Cap.	29%	50%	29%

Table Nº 5: Percentage of companies of each category that took the initiative before the institution.			
	Vulnerable Groups	**Social Change**	**Institutional Development**
Funds	60%	73%	67%
Material Res.	65%	78%	59%
Human Cap.	53%	55%	56%
Social Cap.	25%	17%	29%
Intellectual Cap.	14%	0%	29%

The increase in joint activities can be realized through an increase in assets already in use or by the introduction of new assets. This may also imply a diversification of destinations. Thus, for example, a company that began contributing funds to the beneficiaries of the CSO, over time, might want to strengthen the institution. Respondents were asked "what happened to the number of joint activities: increased, stood or fell?" 24% of companies said that this number increased "a lot" and 42% said increased "somewhat." It is interesting to notice, within each category of the typology, what was the percentage of firms that increased "a lot" the joint activities with the institution. Table 6 presents the results obtained:

a) Companies using "intellectual capital", "human capital" and "social capital" as supporting tools are those who have most increased their collaboration with social organization and public organizations.

b)   Conversely, the increase is lower among those using "funds", "products and resources". Both findings suggest that as it strengthens the collaborative process, companies begin to use their intangible assets at the expense of donations.

c)   The companies that invest in supporting "cultural change" processes have shown less increase in cooperation. And, in particular, that is stronger in the categories where such support is provided through "funds", "products and other material resources".

The public communication of the CSA
Here is another interesting result shown in Table 7. There, it is presented the percentage of companies that communicate their social actions in the media. The reading of the table shows:

a) The social actions involving the use of "social capital" tend show a wider the coverage. This is easily explained because, to succeed, this type of CSA requires achieving the convening of stakeholders outside the company. As it is the case, in particular, of the customers.

b) The same is true with most social actions aimed at promoting "cultural change". This result shows consistency with the fact that that this type of CSA requires communication of a message to the public adopter.

Table 6: Percentage of companies of each category that "greatly increased" the activities with the institution.			
	Vulnerable Groups	**Social Change**	**Institutional Development**
Funds	25%	9%	28%
Material Res.	30%	11%	29%
Human Cap.	41%	27%	44%
Social Cap.	38%	33%	43%
Intellectual Cap.	43%	50%	57%

Table 7: Percentage of companies of each category that publicly advertise the ASC through the media.			
	Vulnerable Groups	**Social Change**	**Institutional Development**
Funds	50%	55%	50%
Material Res.	44%	44%	41%
Human Cap.	53%	64%	38%
Social Cap.	63%	67%	57%
Intellectual Cap.	29%	100%	43%

7.3. The CSA across multiple business segments

7.3.1. The size of enterprises

The analysis of hard variables such as size or type of company (private or state), suggests the existence of some differences in the type of CSA that some business segments would support. Tables 8 and 9 contain the percentage of companies with more than 100 people and with less than 100, which belong to each category of the typology.

It can be observed there that smaller companies tend to outperform the larger ones in the categories that involve the use of social capital and intellectual capital. However, there are a remarkable higher percentage of large firms in the categories that involve the use of funds, products and other resources. In the categories determined by the use of human capital there is no difference between the two segments.

Table 8: Percentage of companies with less than 100 employees in each category of the typology.			
	Vulnerable Groups	Social Change	Institutional Development
Funds	43%	10%	33%
Material Res.	33%	14%	29%
Human Cap.	38%	24%	33%
Social Cap.	24%	19%	19%
Intellectual Cap.	24%	14%	29%

Table 9: Percentage of companies with more than 100 employees in each category of the typology.			
	Vulnerable Groups	Social Change	Institutional Development
Funds	50%	36%	39%
Material Res.	54%	25%	43%
Human Cap.	39%	25%	39%
Social Cap.	14%	7%	11%
Intellectual Cap.	11%	7%	11%

7.3.2 Type of business: private or State

As presented in Tables 9 and 10, private and state companies have some differences in preferences for different types of ASC:

a) State companies tend to use less the donation of "funds", but are much more likely to donate "products and other resources". In contrast, most private companies shall prefer the donation of "funds" to any of the other assets.

b) vulnerable groups" show an important relative weight in both types of businesses. In contrast, the "institutional development" and support for campaigns to "social change" seem to be more important for state companies than to private ones.

Table 10: Percentage of private companies in each category of the typology.			
	Vulnerable Groups	Social Change	Institutional Development
Funds	50%	19%	44%
Material Res.	41%	19%	31%
Human Cap.	44%	25%	34%
Social Cap.	19%	16%	16%
Intellectual Cap.	13%	9%	16%

Table 11: Percentage of state companies in each category of the typology.			
	Vulnerable Groups	Social Change	Institutional Development
Funds	33%	33%	17%
Material Res.	83%	33%	67%
Human Cap.	50%	17%	50%
Social Cap.	17%	17%	17%
Intellectual Cap.	17%	0%	17%

8. CONCLUSIONS

First. The definition of CSA proposed in this paper proves to have practical validity. The definition clarifies the conceptual discussion. In particular, it is used to differentiate CSA from two other business practices, which is usually identified with and confused (CSR and CSM).

Second. Research shows that the typology of CSA can be operationalized through a set of indicators. That is, it is a typology whose categories are measurable.

Third. Each of the abstract categories of the typology has a counterpart in the actual practice of business. This demonstrates the substantiality of all categories of the typology and, consequently, its usefulness as an analytical tool.

Fourth. The pertinence of a typology, as suitable a model, lies in its potential to establish some homogeneous intra-categories characteristics and some heterogeneous inter-categories characteristics. Research shows that each type of CSA is linked differently with the **degree of involvement of the company and its initiative to build relationships** with public institutions and CSOs. Also, it was observed that **increased collaboration** is most often associated with the use of "intangible assets" than "donations". Similarly, the **public dissemination spread through the media**, is used more in social actions oriented towards achieving "cultural change" and those using the "social capital" as the main asset.

Fifth. The size of the company and the type of property (public or private) determines the preference for certain types of CSA to the detriment of others. Large companies tend to employ "donations" more than smaller companies do, while the latter employ a greater proportion of "social capital" and "intellectual capital". State companies use less the donation of "funds", but they tend to donate "products and other material resources", with greater intensity than private companies. The attention to "vulnerable groups" is important in both types of firms; state companies tend to engage more than private ones in actions aimed at "institutional development" and at supporting campaigns for "social change."

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SESSION 8
MARKETING IN NONPROFIT ORGANIZATIONS

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Being their backbone, providing programs and services of public benefit is the sole purpose for which the nonprofit organizations exist. Their mission is one of marketing's most difficult demarches, involving a disbeneficial process in order to reach the beneficial aim. Moreover, the objectives of the provided programs or services are highly difficult to present, as they seldom involve concrete offerings, thus burdening the stimulation of citizens' efforts towards reaching those objectives.

ROMANIAN ENVIRONMENTAL NON-GOVERNMENTAL ORGANIZATIONS MARKETING IN RELATION WITH COMPANIES, IN THE CONTEXT OF THE GLOBAL ECONOMIC CRISIS[1,2]

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ABSTRACT

The aim of this article is to provide an overview of the relationship between environmental non-governmental organizations (NGOs) and private companies in Romania, in the context of the current global economic crisis. In addition to the literature review, the article explores the public information available online regarding the Romanian NGOs' strategies, funding sources, marketing actions and undertaken projects. Furthermore, the article includes the findings of questionnaire-based research conducted among environmental NGO representatives aimed at identifying the ways in which the crisis influenced their attracted corporate sponsorships, as well as their marketing and organization strategies.

KEY WORDS

Non-governmental organization (NGO), environmental NGO, non-profit marketing, collaboration between NGOs and companies, global economic crisis

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1. INTRODUCTION

Nowadays, contemporary marketing, in general, adopted a holistic orientation, which implies the engagement of an institution, in particular, in more diverse relations and represents a sum up of relational marketing, interior omnipresent marketing, socially responsible marketing and integrated marketing (Kotler 2009).

Non-governmental organizations (NGOs) are activating in an increasingly competitive environment (Blery, Katseli, Tsara 2009), competing for funds, human resources, volunteers and media coverage. Therefore, in order to survive and accomplish their mission and objectives, more and more non-profits are following the model of successful businesses, recognizing the imperative need for strategic planning and marketing for long-term competitive advantage (Allison and Kay 2005; Dahan, Doh, Oetzel, Yaziji 2009). As NGOs are not concerned with profits, marketing is concerned with facilitating an exchange process between an organization and its publics, in order to fulfill a basic societal need (Sargeant 1999).

According to Gallagher and Weinberg (1991) cited in Blery, Katseli, Tsara (2009), NGOs are characterized by their mission, their non-financial objectives, as well as various customers (and a relationship of cooperation and competitiveness with their competitors. According to Sargeant (1999), NGO customers include: volunteers, individual and corporate donors, charitable trusts and the recipients of goods and services. For the particular case of environmental NGOs it is known that they are selling ideas, programs and services concerning environmental protection and in order to attract funds they should have a strong image of real impact for the community. Marketing activities support the image of an environmental NGO, because of the community awareness that will acquire.

Structured in six parts, this paper presents aspects about non-profit marketing, terms of collaboration between NGOs and companies regarding the marketing, Romanian context in terms of crisis, the research methodology and conclusions. A short literature review of current knowledge on non- profit marketing and on the collaboration between NGOs and companies, in terms of marketing, are carried out. The practical research of this paper refers to the marketing activities adopted by the Romanian NGOs in relation with the companies, information extracted by the online applied questionnaires to environmental NGOs. The research methodology includes the respondents' description and the findings and discussion based on the received answers.

2. NON-PROFIT MARKETING

Whether they are environment, health, culture, youth, sport or education related organizations, once the mission and objectives are established, one of the main preoccupations for NGO founders and managers is attracting enough revenue sources for financing their socially responsible programs and projects. Moreover, as Dahan, Doh, Oetzel, Yaziji (2009) note, creating and maintaining viable relationships with various partners, is another strategy used by non-profit organizations. NGOs understand that trust and credibility are essential in dealing with corporations or public authorities, as these are their collaborators and revenue sources. Thus, as Gummesson points out (1997), developing trust is key in relationships marketing, and this can be extended to non-profit marketing, as well. Furthermore, a central element in relationship marketing, commitment, especially founder commitment is extremely important as this may represent the main source of income for the NGO.

Traditionally, businesses have integrated marketing (and implicitly communications) best practices into their activities much more successfully than nonprofits have (Durham 2010), mainly due to more complex revenue generation means, less marketing experience and lower budgets.

As Kotler and Lee argued (2007) marketing principles and strategies should be applied by non-profit organizations. However, there are still numerous non-profits that do not take into account strategic marketing planning. According to Blery, Katseli, Tsara (2009) a research conducted by Akchin (published in 2001) to determine the state of marketing in US nonprofits, emphasized a trend to

perform one or more marketing functions instead of the adoption of a comprehensive marketing strategy. Unfortunately, the same is valid in the case of Romanian NGOs, as well, as very few have integrated a marketing department, generally focusing on public relations (PR).

Nonprofits generally communicate for three purposes: to raise funds, to reach audiences and raise public awareness for their programs, and to advocate for a certain cause with public authorities, media, companies, or within the community (Durham 2010). Visibility of programs and a strong brand image are key to raising public awareness, as well as to driving income for financing future programs. Therefore, as Maynard (2008) claimed, NGOs should build strong, well-known brands and identity over time. Furthermore, Shapiro (1981 – Blery, Katseli, Tsara (2009)) argued that NGOs should develop distinguishing competencies, on which they should focus, thus gaining competitive advantage. As Sargeant (1999) highlights, the adoption of a professional approach to marketing may help an NGO define its distinctive competencies. Such differentiators can range from the type of projects undertaken, the selection of messages to be promoted, the organizations to be affiliated with, the particular categories of people or businesses that could be addressed, and so on. If a nonprofit can identify the areas where it can add value – higher than the competitors', *it can refine those competencies and use them to enhance both fundraising and service delivery as a result,* as Sargeant (1999) claims.

There are multiple marketing instruments that the non-profit organizations can employ in support of their true mission. Thus, strategies can include – similarly to marketing strategies implemented by businesses – market segmentation (identification of potential customers that could be interested in sustaining a certain cause, supported by the NGO mission), positioning (creating and maintaining an image of the organization and its programs that the target audience finds appealing), promotion mix (development of the most appropriate messages to be communicated to the audience, through selected communication channels). As the authors of *Marketing for a non-profit organization* **(2009)** claim, these type of strategies are crucial for the sustainability of non-profit organizations. On the other hand, Yorke (1984), cited by the same authors, shows that NGOs rarely adopt such segmentation strategies, due to their limited budget and their desire of reaching as many people as possible.

NGOs generally use a wide variety of marketing channels such as e-mails, newsletters, magazines and newspapers, reports, signs, press releases, social media, editorials, brochures, websites, events to communicate about their mission and programs (several are proposed in Maynard 2008 and Yorke 1984). All the marketing materials (whether print or online) need to display useful information about the organizations' mission, values and program objectives, showcase donor benefits, as well as donation opportunities. Furthermore, Maynard (2008) emphasizes the importance of slogan use, as slogans are effective ways of capturing the essence of the message to be communicated, in a short and easy to memorize form. In addition, message variation and repetition are essential as well, helping audiences remember the message and associate it with the program and/or organization(s) and even take action. However, as the same message speaks differently to various types of audiences, it may not have the desired power and impact. This is why, in practice, the message of many non-profit organizations is frequently weak and difficult to be heard.

As previously mentioned one of the main income sources for non-profit organizations is the donation or sponsorship on behalf of corporations – in general – or even small and medium enterprises. As suggested in *Beyond Fundraising: New Strategies for Nonprofit Innovation and Investment* (2005), corporations and individuals philanthropic behavior is motivated by values. Corporations and individuals alike select, based on their own values, the causes they want to support, or with which to be identified. Matching volunteer, funder, institutional values is thus *a critical practice of successful non-profit organizations* (Sprinkel Grace, 2005). Both non-governmental organizations, and for-profit corporations are interested in developing mutually beneficial collaborative relationships, preferably in the long-run. Such relationships may provide companies with access to different resources, capabilities and competences, as well as volunteers (potential company customers), credibility and advocacy (Dahan, Doh, Oetzel, Yaziji 2009;

Kotler and Lee 2007). Similarly, non-profit organizations, in addition to increased financial resources, benefit from further technical and communication expertise, and increased visibility.

3. COLLABORATION BETWEEN NGOs AND COMPANIES

The partnership between the non-profit nongovernmental organizations (NGOs) and companies, could bring benefits to the latter by the "know how" of adapting new products or services which could be obtained from the NGOs. The collaboration between the two partners can bring both social and economic value to the society they are part of. The NGOs contribution in the partnership with a company consists of market expertise, legitimacy with clients/customers, civil society players and governments, access to local expertise and sourcing and distribution systems. (Nicolas M. Dahan et al. 2009)

The private sector's involvement in environmental projects is, directly, corporate social responsibility driven and indirectly, motivated by the future profit and positive image. The nonprofit partner investments reduce the project risks to the private sector partner and help to insure profitability of the project and market-rate returns to private capital.

The collaboration between the two entities, mentioned above, could be a win-win situation taking into consideration that they put together complementary capabilities and obtain services that could not be done alone, bringing added value to that specific service and also minimizing costs and risks.

In order to obtain a successful partnership between a NGO and a company, the focus should be placed on innovative mix up between the available skills of both parts, the trust-building, the complementary goals and the understanding of the local business infrastructure and environment.

A partnership between an NGO and a company could bring economic value, social value, or both for specific customers or for the community, in general. The benefits for both parts in a partnership consist of putting together skills, funds, ideas and taking risks in order to create a successful project.

The mix up between the economic and social value is obtained on one hand, by the financial earnings for the firm, and on the other hand, by the NGO's social impact on the community.

Both partners have the duty to know the local constraints and opportunities in order to adapt their projects to the local context, by putting together individual elements. On one hand, the companies could come up with capital, managerial capabilities, large-scale and global production capabilities, brand value with customers and others, and on the other hand NGOs could offer specific skills considering the market knowledge and expertise, brand value with their own clients, relationship with global and local suppliers and others. (Nicolas M. Dahan et al. 2009) For example, if a company is interested on a local market and wants to put into practice a certain project, the collaboration with a NGO could be the needed help taking into consideration that the volunteers know very well the specific elements of that local market, which in the majority of cases are generated by the cultural aspects. A NGO, through its developed activities, manages to obtain a closer attitude towards the individuals, because it reaches to identify their needs and collects feedback from them. More precisely, it can be said that an environmental NGO represents the link between the company that has all the intentions to attract new customers by sustaining environmental projects, and the community, that obtains the benefits of the project by having clean water, playgrounds places for children, clean forests and so on. Within the collaboration, the marketing expertise hold by the company could be a gain for the NGO, which could accumulate "know-how" and improve its future organizational performances. If the above aspects were presented generally, our intention is to focus on specific aspects that characterize Romania considering the NGOs and the non-profit marketing in the present context of the global economic crisis.

4. THE ROMANIAN CONTEXT IN TERMS OF CRISIS

In Romania as well, given the rising energy prices, the limited resources, the political and legislative pressures for climate change mitigation actions at a global level, more and more non-profit organizations are oriented towards environment protection. Whether their message is directed towards individuals, public authorities, or the business environment, whether they are formed of companies or are operating due to companies' donations (part of their corporate social responsibility – CSR – funds), the Romanian environmental non-profit sector has become more mature, with more impact on the community. Unfortunately, though many NGOs are operating in the environment protection sector, very few are able to differentiate from the others – through their mission, vision, values, projects, implementation methods.

The world economy has been and still is going through a recession. Although the crisis started in the United States, due to the globalization and international trade and financial collaborations, the strong financial turbulences, the collapses of the main stock exchanges with global extension, the global real estate crises are affecting and will continue to affect the Romanian economy (Socol, Hrebenciuc 2008). It is universally acknowledged that difficult times require difficult measures. Confronted by challenging economic times, where cash is the most important asset, Romanian companies – as the majority of companies around the world – become more cautious, more careful with the way in which they spend money.

The current economic crisis and its anticipated effects created and will still create difficulties for NGO activities in Romania, the same being valid in all countries affected by the economic slowdown. The organizations most affected by the crisis are the ones that did not diversify their income sources, and that concentrated their fund raising solely on company donations or sponsorships. This type of financing was preferred by Romanian NGOs in the past few years, due to the natural increase in the corporate social responsibility and sponsorship funds (Anton 2009). The authors argue that the companies will show caution in preparing their CSR budgets and will only finance sustainable projects that have good visibility potential and are cost efficient.

5. RESEARCH METHODOLOGY

In the present research, the authors elaborated a questionnaire which includes 8 questions concentrated to sum up the Romanian NGO marketing situation in the last period, since the crisis started. The questionnaire focuses on the 2009 NGO budget, the collaboration between an NGO and companies, aspects that determine a company to support a NGO, the NGO sponsorship situation, the quantity of 2009 NGO project, arguments for a company reluctant strategy, the focus on current marketing activities and the NGO adopted marketing strategy. There is a mix up between the types of questions, the respondents have to chose a variant from a scale of 1 to 5, or an answer from a) to h), some with the possibilities of specifying other answers. An open question (8) is also included in the questionnaire and it refers to the NGOs marketing strategy in the current context, of economic crisis.

The questionnaires were submitted to representatives holding management positions in twenty two environmental NGOs active in Romania and visible in the past three years in the media, undertaking environment protection projects, in various areas. The applied questionnaire was available online and the period for filling in was 21-26 March 2010. The obtained response rate was of 27%, and in absolute value there were 6 NGO respondents from the total of 22. The NGO respondents' names are More Green, Adept Foundation, Save the Danube and the Delta, Mare Nostrum, Save Bucharest and Greenpeace Romania.
A brief description of the responding non-governmental organizations, including their financing sources, strategic objectives and directions, as well as their collaboration with companies, is provided below.

Respondents' description
Mai Mult Verde (More Green)

MaiMultVerde (http://www.maimultverde.ro/) was founded in 2007 and is a non-profit, non-political, non-governmental association, with a mission to build a culture of environmental volunteering in Romania. Its strategic objective is to create an active community of volunteers that make sustainable changes in the Romanian environment.

In terms of vision, they aim at developing in the next 5 years an online community of 10,000 members, of which 2,500 will be annually involved in environmental volunteering actions. According to the 2008 report, the year of 2008 brought over 1 mil Euros in financing, over 8,000 volunteers, and extensive media coverage, including online, print, TV and radio.

The three main strategic directions for the organization's programs are: clean air, education, and volunteering. Their activities include cleaning and greening areas, planting trees, promoting bicycling and ecological education programs. The organization is solely financed from the CSR budgets of companies activating in Romania. They claim they only work with companies that prove a real interest in environment protection. The Board of Directors abides by the associations' bylaws and makes a careful selection of the financing companies.

One of the NGOs founding member is Dragos Bucurenci, a well-known blogger and former green TV show host, whose image and visibility greatly helped the organization. Mai Mult Verde managed to get many Romanian personalities involved in their ecological movement, thus enriching their media visibility.

Fundatia ADEPT (Adept Foundation)

Fundatia ADEPT (http://www.fundatia-adept.org/) was founded in 2002, as an international NGO registered in Romania, USA and UK. It is a charity promoting Agricultural Development and Environmental Protection in Transylvania, Romania.

Their main objectives are protection of biodiversity and landscape, linked to economic regeneration of the area: conservation of biodiversity – sustainable use of natural resources – equitable sharing of benefits. The organization is working successfully on several levels: with farmers in innovative ways to make their traditional small-scale communities more viable; with regional, local and central government to promote helpful policies, and with other NGOs, community groups and the general public to spread the word about the social, cultural and biodiversity importance of these landscapes and their communities.

ADEPT's financing sources include sponsorships from corporations, as well as funds from various other charities or EU grants and programs, including the Romanian Environment Fund, British Government funds, World Bank funds, etc. Moreover, the organization receives donations from businesses and individuals online as well, from Romania, UK and US. The organization follows the structure similar to a business and rarely involves volunteers.

Salvati Dunarea si Delta (Save the Danube and the Delta)

Salvati Dunarea si Delta (http://www.salvatidelta.ro) was founded in 2004 and it is a non-governmental association aimed at protecting the Danube Delta. Since their foundation, the organization managed to impose itself as an influential lobbying group on ecological issues and offered real solutions to the major problems the region is confronting.

One of the organization's founding members is Liviu Mihaiu, well-known journalist in Romania, that brought the organization extra publicity. In terms of financing sources, in addition to sponsorships and donations, the organization is the beneficiary of an EU grant, co-financed from the European Social Fund.

The organization undertook several major projects, and collaborated for their development with other environmental NGOs, including Greenpeace, World Wide Fund for Nature, Terra Mileniul III, Mai Mult Verde, etc. Both the organization and its projects received major media coverage and positive visibility.

Mare Nostrum

Mare Nostrum (www.marenostrum.ro) is an ecological non-profit, non-political and independent association from Constanta (an important Romanian town). This association was born in 1993 at the initiative of young specialists in various fields related to marine science and environmental protection and having as interest the Black Sea.

The Mare Nostrum mission is to protect and encourage the involvement of the citizens in protecting the Black Sea environment and the surroundings, by developing partnerships with the decision factors of the local community. The association purpose is to inform the citizens about the importance of protecting such an important area of our country and to develop their ecological spirit towards the Black Sea.

Among the projects developed by this association in the present year and in 2009, there is relevant to mention a project that is called "Improving the conservation status of marine biodiversity in the Romanian costal zone, particularly the dolphins" (CONSDELFROM), which funding was approved this year. The Eco- Guerilla concept, which consists of a reaction at the asphalt invasion towards the green spaces, was lauched on the same time with Earth Hour project. The "2009 Clean Seaside", which implies selective waste collection on the Romanian seaside beaches and the Greenweek, referring to an informational campaign, during a week, about global environment problems generated by the climate changing are other two projects of Mare Nostrum's organization.

This environmental non-profit organization offers to the community different services, such as publications, access to a library, training courses and internship. When talking about publications, on the site are presented guides concerning the environmental education in the seaside area for the pupil class activity, for the landscape activities and different initiatives. There are also presented some materials of best practices, modern methods of environmental education and eco-esthetics.

In order to put into practice projects, the Mare Nostrum collaborates with companies of big impact on international markets, but also on the Romanian market, from domains such as retailing, telecommunications and oil industry. Concluding about this environmental non-profit organization, it can be mentioned its preoccupations towards a sustainable development of the Romanian seaside area, by expressing their opinion against the building of an industrial landfill at Navodari and organizing conferences that present the benefits of collecting vegetal used oil.

Salvati Bucurestiul (Save Bucharest)

The non- profit organization "Salvati Bucurestiul" (www.salvatibucurestiul.ro) was founded in 2008 and has as preoccupations main problems of the Romanian capital such as, the chaotic urban development, the diminishing of green spaces and the lack of attention given to heritage. This organization puts accent on presenting their efforts and work, by legislative changes/proposals, to representatives from public sector, more specific to the Parliament and the General Council of the Bucharest Municipality.

As mentioned on their website, at the donations and sponsorships section, funds are collected from people who would like to redirect 2% of their income tax.

Among the "Salvati Bucurestiul" actions it can be mentioned a protest, in cooperation with the Social Dialogue Group-as main organizer, for the "Strandul Tineretului" reopening, and another one against the "Dimbovita Center" project. The organization's members are participating in public debates and are expressing their opinion about the Urban Transport in Bucharest, the environment fee, the Bucharest urbanism plan and others related with the main environmental problems that the citizens have the deal with. At the site partners section it can be found the Ministry of Regional Development and Housing, The Bucharest Platform (a group of organizations interested in Bucharest) and distrugeri.ro, that refers to the heritage damages.

Greenpeace Romania

Greenpeace is an independent global campaigning organization (www.greenpeace.org/romania) that activates in 41 countries worldwide. Through its programes and its campaigns this NGO seeks to

change attitudes and behaviour, to protect environment and to promote global peace. Greenpeace consider that the goal of preserving the future of our planet is not about NGOs activities, but mostly about the consumers' reactions towards the environment. At the global level, the most recent success of Greenpeace is the support on launching the first computer free of the worst toxic chemicals, named Greenware. Since 2002 Greenpeace has entered Romania as well. One of its distinctive feature relies on the fact that in order to maintain its independence, Greenpeace does not accept nor request any donation from different governments or companies, but only from individuals.

The basic principles of Greenpeace are nonviolence, political independence and international presence. Climate change, forests' protection, regenerative energy or nuclear energy represent several of the main directions covered by Greenpeace.

The findings and discussion

The first question of the survey had the purpose to identify the percentage of the 2009 NGO budgets that was sourced from corporate sponsorships. In 2009, Mai Mult Verde was fully financed through corporate sponsorships. Other organizations relied less on corporate sponsorshipos, 50-60% of Mare Nostrum budget and 30-40% of Salvati Delta's budget being financed through company sponsorships. Public funds and individual contribution represent other revenue sources. Fundatia ADEPT had a budget that only relied on companies for financing in a ratio of 10-20%. On the other hand, Salvati Bucurestiul did not manage to gain any corporate sponsorship, eventhough they intend to start collaborations during this year. In addition, Greenpeace projects are sustained only from individuals' contributions and in relation with their mission and values they are not keen on having partnerships with companies.

The second question was meant at identifying the way in which non-profit organizations characterize their relationship with companies, in 2009, when the global economic crisis was already affecting Romania. Mai Mult Verde, Salvati Delta and Mare Nostrum describe the relationship as *very good,* while Fundatia ADEPT as *good.* Salvati Bucurestiul described it as *neutral*, the organization not benefitting from company sponsorships in 2009.

The third question was aimed at discovering the organizations' view on the elements that determined a company to sponsor an environmental NGO, in the context of the current economic crisis. Both Mai Mult Verde and Salvati Bucurestiul identified as determining factors *the company visibility in the press and the positive promotion gained through the support of projects on environment protection.* Fundatia ADEPT and Salvati Delta considered that *the confidence gained during the previous collaboration* was essential in gaining corporate sponsorships during crisis. Mare Nostrum, on the other hand, identified *the public perception on the company as being socially responsible* as the major driver for companies to sponsor an environmental non-profit organization. None of the respondents agreed with the morality/ concern for the environment as beeing an important motivation for companies to fund environmental NGOs.

The fourth question had the purpose to identify the degree in which corporate sponsorships decreased during the crisis, in 2009. Mai Mult Verde and Fundatia ADEPT confessed that the financing coming from companies diminished by 30-40% in 2009, Salvati Delta's corporate sponsorships were reduced by 50-60%, while Mare Nostrum's by 10-20%. The dimish of funding could be explained by the reluctant companies' attitude towards sponsorship. The most affected by the crisis was Salvati Bucurestiul, because they did not have the opportunity to benefit from corporate sponsorship and relied only on individual donors.

For the fifth question, given the difficult economic times, the authors were interested in finding out the number of projects developed by NGOs in 2009. Salvati Delta managed to fund and undertake over 10 projects in 2009, while Mai Mult Verde, Fundatia ADEPT and Mare Nostrum conducted between 5 to 10 projects. On the other hand, Salvati Bucurestiul developed less than 5 projects.

In the current economic context, companies have become reluctant to allocate funds to NGOs. Thus, the sixth question had the purpose to identify the opinion of the NGOs vis-a-vis such a company strategy. In the view of the association Salvati Bucurestiul, *the companies are indeed affected by the*

crisis, by firing staff, late payments to suppliers, and others and this situation explains the reluctant attitude of some companies, affecting the available funds for sponsorships. On the other side, Mai Mult Verde, Fundatia ADEPT, Salvati Delta and Mare Nostrum agreed on the same response: the companies *are willing to offer sponsorship, but they would rather postpone such activity due to imposed precautions.* In the view of Fundatia ADEPT, there are additional influencing factors that do not depend on the will of the company activating in Romania to provide sponsorships, but on mother company policies during recession.

For the seventh question, the authors of the questionnaire were interested in discovering the focus point in the activities undertaken by the environmental NGOs. As their budgets were significantly affected by diminishing company sponsorships, Mai Mult Verde, Salvati Delta, and Mare Nostrum are concentrating their efforts on *attracting funds from sources other than corporate sponsorships.* In the Mai Mult Verde case*,* eventhough its policy is to obtain funds entirely from companies, taking into consideration the present situation they are also dispose to attract funds from other sources. Salvati Bucurestiul concentrates on *promoting their projects and fundraising activities*, while Fundatia ADEPT focuses on *the nature of the undertaken projects* as a differentiator element. The Salvati Bucurestiul activity started with 2008 and it is justified the fact that intends to concentrate its efforts in promoting projects and fundraising. ADEPT is also taking into account the attraction of additional funds, in the context of a 20-30% co-financing.

The final question was aimed at identifying the most suitable marketing strategy adopted by the organization in order to attract sponsorships. The question was open and, although the selected representatives were either Directors or Public Relations coordinators, the received responses varied and not in all the cases directly connected to marketing strategy. Mai Mult Verde includes in their strategy to attract sponsorships *modular projects and the co-financing possibility*. Fundatia ADEPT puts emphasis on *the impact of their activities on the environment*. Salvati Delta relies on *their ingenuity in developing project ideas,* Mare Nostrum focuses on *fundraising*, while Salvati Bucurestiul will concentrate on *promoting the projects and the image of companies.*

6. CONCLUSIONS

7.5. Limitations

The initiatives documented in our paper are at relatively early stages, because of the low level of respondents, that makes its impact difficult to quantify, but further research on this topic could bring scientific added value in non-profit marketing direction.

The fact that the questionnaires were applied on Romanian environmental non-governmental organizations, that were visible in the past three years in the Romanian mass- media, it implies itself a limitation of this study. A more rigorous selection of the NGOs, by imposing the criteria of having a minimum level of sponsorship from private sector represents another aspect that can be improved. Cultural, national and institutional diversity would be relevant factors (Spicer, Dunfee and Bailey, 2004) in order to obtain a more vast perspective on NGO marketing activities when collaborating with companies.

7.6. Implications and future research

To sum up, the 2009 NGO budgets were affected by the economic crisis reaching to decreases of 50-60%, in the case of Salvati Delta organization. About the elements that determine a company to sponsor an environmental NGO, two of them are equally important, *the company visibility in the press and the positive promotion gained through the support of projects on environment protection* and *the confidence gained during the previous collaboration.* The answers regarding the most suitable marketing strategy adopted by the organization are diverse, such as *modular projects and the co-financing possibility, the impact of the organization's activities on the environment, their ingenuity in developing project ideas* and *promoting the projects and the image of companies.*

Applying this questionnaire in other countries from the West or even include other non-governmental organizations would very much strengthen this study's findings. The low level of respondents could only lead to a descriptive analysis, but the intention for the future is to obtain eligible answers in order to determine frequencies of NGO marketing actions in the crisis context. It would be also interesting to search, when the time will come, on the new perspectives and directions of NGO marketing actions, after overcoming the economic crisis.

The reverse perspective, how are seen the facts from the companies' position towards the NGO marketing activities, is a subject that we intend to address in a future research.

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APPENDIX 1

1. What percentage of your 2009 NGO budget came from corporate sponsorships?

1	2	3	4	5
10-20%	30-40%	50-60%	70-80%	90-100%

2. How would you characterize the collaboration relationship between your NGO and companies, in 2009?

1	2	3	4	5
Very weak	Weak	Neutral	Good	Very good

3. What are the elements that could determine, in the context of the current economic crisis, a company to sponsor an environmental NGO?
   a) The confidence gained during the previous collaboration
   b) Their morality/ concern for the environment
   c) The company visibility in the press and the positive promotion gained through the support of projects on environmental protection
   d) The public perception on the company as being socially responsible (environmentally)
   e) Other, specify_____

4. In 2009, corporate sponsorships to your NGO decreased by approximately:

1	2	3	4	5
10-20%	30-40%	50-60%	70-80%	90-100%

5. The number of projects developed by your NGO, in 2009, is situated in the range of:
a) No project
b) <5 projects
c) 5-10 projects
d) > 10 projects

6. In the economic crisis context, companies are reluctant to allocate funds to NGOs. What do you think that determined them to adopt such a strategy?
a) previous campaigns were only for image, without giving importance to social responsibility itself
b) the companies are indeed affected by the crisis, by firing staff, late payments to suppliers and others.
c) they are willing to offer sponsorship, but they would rather postpone because of the precautions that they have imposed
d) other answer, please specify :_____

7. In terms of the current marketing activities used by your NGO, the emphasis is placed on:
a) The nature of the undertaken projects
b) The costs associated to programs
c) The projects promotion and fundraising
d) The human resources involved
e) The organization's experience in carrying out certain types of projects
f) Attracting funds from sources other than corporate sponsorships
g) The projects' visibility gained in time
h) Other answer, specify_____.

8. In order to attract sponsorship, in the economic crisis context, your NGO adopts a marketing strategy
involving:_____
Contact:

DETERMINANTS OF LOW INCOME PEOPLE'S DECISIONS TO GIVE TO CHARITY

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ABSTRACT

This work in progress paper outlines a study currently being completed into the charity donation behaviour of a sample of financially poor people residing in three inner-London Boroughs that exhibit some of the highest levels of social deprivation in Western Europe. It examines whether several variables known to affect (i) levels of charity giving, and (ii) choices of types of charity supported among the UK public as a whole also influence the donation behaviour of the financially poor. Additionally the investigation explores the degree to which a participant's sense of affinity with other poor people and the degree to which the individual believes that the poor are unfairly treated by society at large exert significant impacts.

KEY WORDS

Donor behaviour, fundraising, low income donors, market segmentation.

1. INTRODUCTION

Most empirical studies of charity donation behaviour have incorporated 'income' as an independent variable posited to help explain the amount of money a person will give. Invariably, these investigations have concluded that household income (however defined) exerts positive and significant effects (for details of relevant literature see, for example, Schlegelmilch *et al*. 1997; Sargeant 1999; Bennett 2003; Wiepking 2007; Sargeant and Woodliffe 2007). Research in the area has established that, on the average, high income donors give more to charitable causes than do people with low incomes. However, in Britain (and in the United States) the poor have for decades been observed to donate *proportionately* higher shares of their incomes to charity than the financially better off (see Banks and Tanner 1997; Walker and Pharoah 2002; Wiepking 2007; Smith 2009). There is evidence to suggest moreover that financially poor individuals sometimes choose to support types of good cause that differ from those favoured by the rich (Saxon-Harrold 1993; Radley and Kennedy 1995; Ostrower 1997; Reed 1998; Speirn 2002; Bennett 2003; Kottasz 2004; CAF/NCVO 2008). This paper describes an investigation presently being undertaken into the charity giving behaviour of a sample of donors residing in inner London and who have incomes below the definition of the poverty threshold normally applied by the UK government's statistical authorities. The study concentrates on how and why these people give to charity and on the types of cause they prefer.

Within an average month in 2008 (at the time of writing the latest year for which data was available), 52% of all people in the bottom quarter of the UK income distribution made a donation to charity (CAF/NCVO 2009). This figure compared with 54%, 58% and 68% for individuals in the next and subsequent quartiles. The mean monthly amount given by members of the lowest quartile was £20 (median £8). In the third division the figure was £25 (median £10), and £34 (£10) and £53 (£20) in the higher categories. Hence the percentage of poor people making a charitable donation in any given month was not dissimilar to the overall UK average of 56%, a figure that, according to CAF/NCVO (2008 and 2009), has been consistent for many years. Also the median monthly amount given by individuals in the lowest quartile of the income distribution (i.e. £8) in 2008 was not drastically lower than the national median of £10. In Britain, even the very poor (i.e. those in the lowest ten per cent of the income distribution) sometimes make charitable donations. Pharoah and Tanner (1997) found that 15% of all such individuals offered a donation in any given month.

Studies have repeatedly confirmed the existence of negative (non-linear) relationships between income levels and the percentages of their incomes that people donate, although results have differed regarding the exact percentages of income given by individuals in various income groups. Banks and Tanner (1997), for instance, completed an exhaustive analysis of the UK government's Family Expenditure Survey for 1993/94, finding that the share of household expenditure allocated to charitable donations fell from 2.5% for the bottom 20% of households ranked by total income to less than one per cent for the eighth and ninth deciles. The figure rose to just over one per cent for the top decile. Households in the lowest decile gave on average three per cent of their incomes to charity. Households in the lowest decile gave on average three per cent of their incomes to charity. A survey of 1000 donors to ten British charities undertaken by the Social Market Foundation in 2001 concluded that people with an annual income below £5000 gave an average of 4.5% in donations, compared with two per cent for those with salaries over £40,000 (Ward 2001). This implied that many charitable organisations 'rely heavily on those in relative poverty to support the most needy' (Ward 2001: 8). An analysis of UK household expenditure data completed by Walker and Pharoah (2002) indicated that an average of three per cent of the spending of a typical family in the poorest fifth of the population went to charity, whilst the richest 20% allocated just 0.7% of their spending to charitable causes.

2. WHY DO POOR PEOPLE GIVE TO CHARITY?

Precisely why poor people on average give proportionately more of their incomes to charity than better off groups is not entirely clear. A simple explanation could be that because the young and the very old frequently have low incomes they are overrepresented in samples of poor people. Youngsters often expect their incomes to rise in the future, and consequently may be willing to give quite generously, *even though* they are currently short of cash. Many poor people are pensioners, and the elderly are known to give more than the middle aged (see Sargeant 1999; Sargeant and Woodliffe 2007). However, cross-tabulations of data on age and giving reveal that old people with low incomes give proportionally more than the average for old people as a whole. The same applies to poor youngsters and financially better off youngsters (Banks and Tanner 1997; Walker and Pharoah 2002; CAF/NCVO 2008). Another factor occasionally advanced to help explain poor people's charity donation behaviour concerns the role of religion in decisions to give. Surveys of the poor in the USA have noted their relatively high levels of involvement with religious organisations, resulting perhaps in their greater inclination to donate to causes in general and to churches in particular. In Britain conversely there is no evidence of the poor having ever given proportionately more to religious organisations or causes than the financially better off (see CAF/NCVO 2008:27). Other suggested reasons for why the poor give to charity comparatively benevolently have focused on the personal experiences of low income people, especially in relation to social deprivation. It has been argued that because the poor are closer to social problems (such as bad housing, inadequate diet, low calibre medical care, vulnerability to crime, etc.) they see regularly and at first hand the need for people to help each other (Mayo and Tinsley 2009). Allegedly this engenders a greater community spirit.

Studies have revealed that rich and poor often choose to donate to different *genres* of good cause (see for example Radley and Kennedy 1995; Ostrower 1997; Bennett 2003; Kottasz 2004) presumably because, consequent to their life experiences, wealthy people and poor people have different perspectives on the afflictions that are most deserving of assistance (Mayo and Tinsley 2009). Specifically, in the words of Sargeant and Woodliffe (2007) the 'extremely wealthy tend to avoid causes that involve the overtly poor' (e.g. homelessness) and instead favour causes 'from which they or members of their social class can draw benefit' (p. 284). Charities allegedly preferred by the rich, Sargeant and Woodliffe (2007) continued, include those concerned with environmental, ecological, educational, arts and cultural issues. Kottasz's (2004) study of the giving behaviour of affluent young males attributed their propensity to donate to arts and cultural organisations to the improvement of a giver's standing within his own social group that the visible support of such organisations endowed.

The poor, conversely, have been observed to be more inclined to give to charities that assist local and human beneficiaries (Radley and Kennedy 1995). Reed (1998) noted the outcomes to a survey of 6000 members of the general public which indicated that low income people were most likely to support homelessness and children's charities but least likely to give to international development and environmental causes. (The reverse was true of the wealthiest members of the sample.) Arguably, these outcomes were due in part to the well-established propositions that individuals are prone to offer help (i) to those they regard as being similar to themselves (Coliazzi *et al.* 1984) and (ii) to people that they like (Emmons and McCullough 2004).

2.1. Role of self-concept

The above suggests that a poor person's *self-concept* of being a poor person, and as such sharing the same circumstances and destiny as other poor people, can have an effect on a low income individual's giving behaviour. Shavelson *et al.* (1976) defined self-concept as 'a person's perceptions of him or her self formed through experiences of the individual's environment and reinforced by the influence of significant others (family members, neighbours, friends, etc.)' (p. 409). Self-concept helps determine a person's beliefs regarding his or her status in society and how 'self-relevant information' is processed (Kihlstrom and Cantor 1983). A self-concept that includes a strong sense of belonging to a

certain social group can cause an individual to want to affiliate with that group (Aaker and Akutsu 2009), as affiliation is congruent with the person's self-concept. Aaker and Akutsu (2009) found that primary motivations for donating to charity were (i) the impact of perceptions of 'who I am, how I grew up and what I believe in' (p. 268), and (ii) community identity. Lohmann (1992) similarly concluded that individual giving could be heavily influenced by feelings of association with a community and hence a desire to help overcome its problems.

To the extent that the poor constitute a distinct social group that is economically and socially disadvantaged, some poor people may hold self-concepts of themselves as individuals who are very socially deprived. It is proposed here that a self-concept of this nature (hereafter referred to as a 'socially deprived self-concept' [SDSC]) could influence a poor person's giving. A low income person with a high SDSC, i.e., someone for whom feelings of being poor and deprived are central to his or her self-identity, might experience a deeper sense of association with other poor people than a low SDSC individual and hence may be more willing to give to organisations that seek to ameliorate problems that poor people face (cf. Harper and Tuckman 2006). A substantial body of literature (see Bennett 2003; Sargeant and Woodliffe 2007 for details of relevant studies) supports the proposition that donors often prefer to give to organisations and causes they regard as congruent with their self-concepts, i.e., to organisations and causes that possess 'symbolic meanings which are similar and/or complementary to the images they hold of themselves' (Heath and Scott 1998: 1110).

3. OBJECTIVES

The aim of the research is to establish which of the hypothesised determinants of donor behaviour shown in Figure 1 below affect low income people. The covariates listed in Figure 1 (in addition to SDSC) were selected because research into (general) charity donor behaviour (for reviews of relevant literature see, for example, Sargeant (1999); Bennett (2003); Sargeant and Woodliffe (2007) has repeatedly identified them as significant determinants of charity giving.

FIGURE 1
Possible determinants of giving behaviour
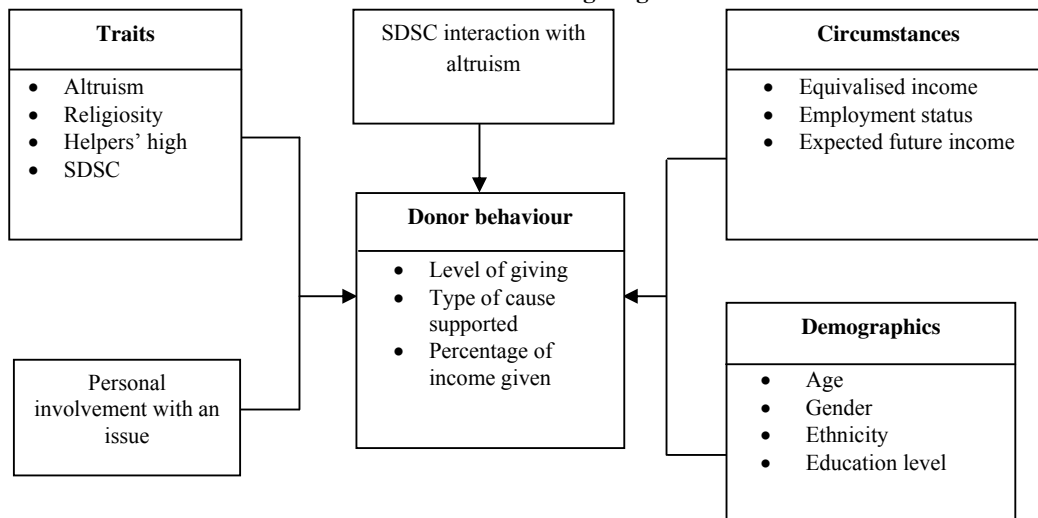
'Altruism' in Figure 1 refers to an individual's innate desire to allieviate distress. The term 'helpers' high' is used to describe the surge of pleasurable emotion that some individuals experience consequent to a charitable act or donation.

4. METHODOLOGY

The study is proceeding *via* a questionnaire survey of financially poor people living in the London Boroughs of Newham, Hackney and Tower Hamlets. These Boroughs exhibit some of the highest levels of social deprivation in Western Europe and contain a fifth of all the people in the bottom 20% of the UK income distribution. A 'poor' person is defined in terms of the characterisation applied by the UK government's Department of Work and Pensions, i.e., as someone who lives in a household that receives less than 60% of the median equivalised household income of the UK as a whole. Around 22% of the British population fall into this category. It is necessary to consider 'household' income because an individual's standard of living depends not only on his or her own income but also on the incomes of others in a household given that income sharing within a household typically occurs. The Department for Work and Pensions employs OECD (Organisation for Economic Co-operation and Development) scales for 'equivalising' household incomes to take into account variations in household sizes and compositions. These equivalised scales are being used to establish whether people approached in the course of the study may reasonably be classified as 'poor'. Data is being collected by a research assistant, a work placement intern and two cohorts of volunteer marketing research students. Many of the students reside in the three Boroughs. The students are undertaking the interviews (for which training and small payments are provided) as part of an optional course assignment. Each student is completing street interviews around job centres, health clinics, post offices or Metro stations in the three Boroughs, or alternatively from people in the areas known to the student and who satisfied the low income criteria (neighbours, local pensioners, contacts provided by friends, etc.). Items in the questionnaire involve factual queries or items that evaluate relevant constructs using five point scales. A new and original inventory has been created to measure SDSC. The other constructs are assessed using adaptations of pre-existing scales.

5. POTENTIAL CONTRIBUTION

Investigations of this nature are important because (i) the size of the donor market at the lower end of the UK income distribution is substantial, and (ii) the number of relatively poor people in Britain has increased in recent decades. It is essential therefore that charity fundraisers be aware of the potential and characteristics of this sizeable market segment. Descriptive analyses of the data gathered during the investigation will establish the personal features of the typical low income donor in the sample and how these individuals compare with the national average for British charity donors as a whole. Regressions are being employed to test the model depicted in Figure 1. Outcomes to these regressions (least squares and binary logistic) will highlight the major message strategies that fundraisers may need to emphasise in campaigns aimed at maximising donations from low income donors. An entirely fresh contribution to what is known about poor people's giving emerging from the investigation concerns the role of self-concept as a low income person as a determinant of the amounts given to charity and of the choice of good cause. A major implication of the study appears to be the desirability of fundraisers angling campaigns directed towards low income donors to include messages, images and appeals that are congruent with poor people's own experiences, backgrounds, and feelings of identification with certain issues. Thus messages aimed at low income sectors might usefully attempt to encourage recipients to *imagine themselves* in a beneficiary's situation and to emphasise the relevance of a charity's work to poor people's lives.

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THE MARKET ORIENTATION AND PERFORMANCE OF NON-GOVERNMENTAL ORGANISATIONS FOR DISABLED PERSONS

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ABSTRACT

The growing demand for services provided by Non-Governmental Organisations for Persons with Disabilities (NGOPD), the successive reductions in state financing and rising competition for funding have resulted in these organisations seeking out competitive advantages and improved performances. Market orientation (MO) may contribute towards these objectives.
This study analyses the relation between MO and the priority attributed to satisfying client needs, performance and the NGOPD capacity to attract financing.
The results demonstrate a relationship between MO and the priority given to satisfying client needs, performance and financing.

1. INTRODUCTION

The growing demand for services rendered by non-profit organisations, the successive reduction in state financing and the increase in the number of entities competing for funding all imply the utilisation of management instruments that enable these organisations to establish valuable and satisfactory relationships with their target audiences and meet their needs with a higher level of service than the existing alternatives (Vázquez, Álvarez, and Santos 2002).

Hence, market orientation is an important tool for gaining competitive advantage and improving organisational performance (Kohli and Jaworski 1990; Kohli, Jaworski, and Kumar 1993; Narver and Slater 1990). The capacity an organisation attains for generating information on the market it acts in and to analyse and deploy this information so as to be able to respond to constant change is also fundamental to the success of any organisation (Kohli and Jaworski 1990).

Despite the vast literature on market orientation, the majority of studies focus on the profit making sector and there might be relevance in applying the concept to other areas of the economy, in particular, the non-profit sector (Hurley and Hult 1998). This relevance is boosted by the generally accepted proposition that the concept of market orientation brings beneficial long term benefits, generating competitive advantages to organisations adopting this perspective (Vázquez, Álvarez, and Santos 2002).

Recognition in recent decades of the importance of the non-profit sector to modern economies emerged simultaneous to the acceptance by academics and marketing specialists that marketing principles were perfectly applicable to non-profit organisations (Alvarez, Santos and Vázquez 2002). Hence, the adoption of the marketing concept is perceived as a means for non-profit organisations to generate the resources needed to fulfil their mission and implement their activities (Macedo and Pinho 2006).

Specifically regarding NGOPDs, there has been a movement towards founding and developing organisations and associations on the initiative of civil society where not directly by persons with disabilities or incapacities, their families or representatives so as to help in overcoming their needs and fostering the conditions propitious to defending the rights of disabled persons. These acts across the following fields: social security, disease support groups, old age, invalidity, widowhood, orphanage, unemployment, social family support infrastructures and the prevention, treatment, rehabilitation and integration of citizens afflicted by disabilities and support for their families.

The NGOPD are institutions falling within the scope of what is termed the Third Sector. This sector covers a range of different organisations from the public sector and the private profit making sector, which undertake activities producing and distributing goods and rendering services with the potential for job creation. To this end, its importance has proven relevant from the economic point of view given such organisations produce goods and services across countless areas of the economy and drive new products and markets in response to unmet social needs whether by the public sector or the private profit making sector.

Taking into consideration the above, this research project seeks to study the relationship between market orientation and the priority attributed to meeting client needs and NGOPD performance and financing capacities.

The paper is structured as it follows. It begins with a review of the literature in which market orientation is defined in the context of private non-profit organizations. Subsequently, a model of orientation is set out for NGOPDs in conjunction with a series of research hypotheses. There then follows details on the research methodology incorporating two points: variable measurement and the description of the sample and methodologies. Finally, we present the results of our empirical research followed by analysis and its respective interpretation along with our final conclusions.

2. MARKET ORIENTATION IN NON-PROFIT ORGANIZATIONS

Over the years, the marketing concept has dynamically evolved into that of market orientation within the scope of which various approaches and scales for market orientation have been put forward. Such is the case of Narver and Slater and Kohli and Jaworski, which were applied essentially to the profit making sector and companies.

For the former authors, market orientation is a unidimensional concept made up of three behavioural components: orientation towards the client, orientation towards the competition and inter-functional coordination and by two decision making criteria: focus on the long term and profitability (Narver and Slater 1990). Narver and Slater also set out an instrument for the measurement of market orientation, the MKTOR scale.

In turn, Kohli and Jaworski (1990) affirmed the market orientation concept relates to the implementation of the marketing concept based on the following pillars: focus on the client, coordinated marketing and profit. For these authors, the construction of market orientation may be reflected across three variables: the generation of information, the transfer of information and responses to the market. They proposed the MARKOR scale structured around these factors.

Moving onto the non-profit context, Alvarez, Santos and Vázquez (2002) highlight how the problems encountered in the development of marketing in non-profit organisations stemmed from an excessive orientation towards supply without effectively taking into account the needs and desires of their clients (the beneficiaries of the organisation's activities). Correspondingly, in these organisations, the marketing plan is derived from what the organisation has to supply when, in fact, this plan should be driven by client needs as these should be determinant to organisational supply.

According to Alvarez, Santos and Vázquez (2002), those non-profit organisations that do adopt a market orientation as their organisational philosophy and culture focus on satisfying the needs of their target audience and achieve better performances than their competitors. As a result of the effective adoption of this concept, organisations gain a competitive advantage over the hypothetical competition demonstrated by better results and mission achievement.

Vázquez, Álvarez and Santos (2002) go onto state that such an orientation should be simultaneously complemented by a focus on both members of staff and competitors. From this perspective, market oriented organisations should not only be client focused but also consider the surrounding environment that may condition the relationship between them with the need to ensure internal integration and coordination, strengthen resources with the objective of generating and maintaining valuable and beneficial relationships for both parties.

One aspect that needs clearly defining is the target audience duly considering the existence of two preferential targets: the beneficiaries of actions (service users) and sources of financing and hence the priorities of such organisations include the identification and satisfaction of both these two client groups.

Furthermore, Alvarez, Santos and Vázquez (2002) maintain that the external organisational orientation should be structured around focusing all activities upon beneficiaries. While for the profit making sector, market orientation focuses on clients, in the non-profit sector the beneficiary takes on this role. This beneficiary, however, is not just the final recipient but also all interconnected individuals, families for example, as they may influence perceptions. In addition to this orientation, organisations should also consider their financial backers, demonstrating what benefits and gains may result from their long term cooperation.

One factor that may condition the organisational relationship with its target audience is the existence of competitors given how this represents an alternative both for beneficiaries and their financial backers (Alvarez, Santos and Vázquez 2002). Thus, organisational orientation towards the competition involves analysing the strengths and weaknesses of the competitors as well as the consequences of their activities with the objective of identifying new opportunities and processes.

The external orientation should also incorporate the surrounding environment given that changes there may affect the organisational capacity to satisfy its beneficiaries and financial backers (Alvarez, Santos and Vázquez 2002). This dimension includes paying attention to intermediaries with important roles in implementing activities, suppliers and special interest groups, given their potential impact on the capacity to achieve the organisational mission, as well as whatever phenomena, trends and realities that might represent threats to the organisation. According to Vázquez, Álvarez and Santos (2002), this means organisations need to take on proactive attitudes.

3. PROPOSAL OF A MARKET ORIENTATION MODEL IN THE PRIVATE NON-PROFIT CONTEXT

This literature review seems to confirm the thesis that the greater the market orientation of non-profit organisations, the greater the priority given to client needs and hence the greater their capacity to attract financing due to the positive relationship between the market and the organisational performance.

Non-profit organisations focused on the market should structure their activities around clients taking into consideration their needs and desires (Alvarez, Santos, and Vázquez 2002). Again, in accordance with these authors, the clients or beneficiaries should determine just what the organisation does as it strives to engage in activities able to meet client needs (Vázquez, Álvarez, and Santos 2002). Given organisations seek to survive into the long term, they need to adopt this type of orientation. Hence, taking into consideration this rationale, the objective is to verify whether:

> **H₁:** The greater the NGOPD market orientation, the greater the priority given to meeting client needs.

The adoption of the market orientation concept by non-profit organisations enables the development of a product and service range able to meet client needs and, simultaneously, those of their financial backers, which in turn may contribute towards effectively meeting the organisational mission (Alvarez, Santos, and Vázquez 2002). In accordance with Vázquez *et al.* (2002), this situation justifies the organisation's existence.

In general, the market orientation literature foresees a positive relation between market orientation and performance as this orientation provides organisations with a better understanding of both their clients and the surrounding environment, which results in an improved satisfaction of client needs (Kara, Spillan, and DeShields 2004). According to this perspective, it may be forecast that there is a relationship between market orientation the performance of non-profit organisations and hence the following hypothesis:

> **H₂:** There is a positive relationship between market orientation and NGOPD performance.

Non-profit organisations make recourse to diverse sources of financing, such as public financing (contracts, subsidies), private financing (individual or corporative donations) and self-financing (commercial activities, investment earnings, net profits, fund raising) (Macedo and Pinho 2006).

Hence, it is reasonable that a market orientation will enable non-profit organisations to boost their capacities to manage self-financing and attract funding, whether public or private, resulting in the following hypothesis:

> **H₃:** The greater the NGOPD market orientation, the greater their capacity for attracting financing.

Taking into consideration the research hypotheses set out, the following market orientation model applied to ngopds is presented for testing (Figure 1).

FIGURE 1
MO model proposal for NGOPDs
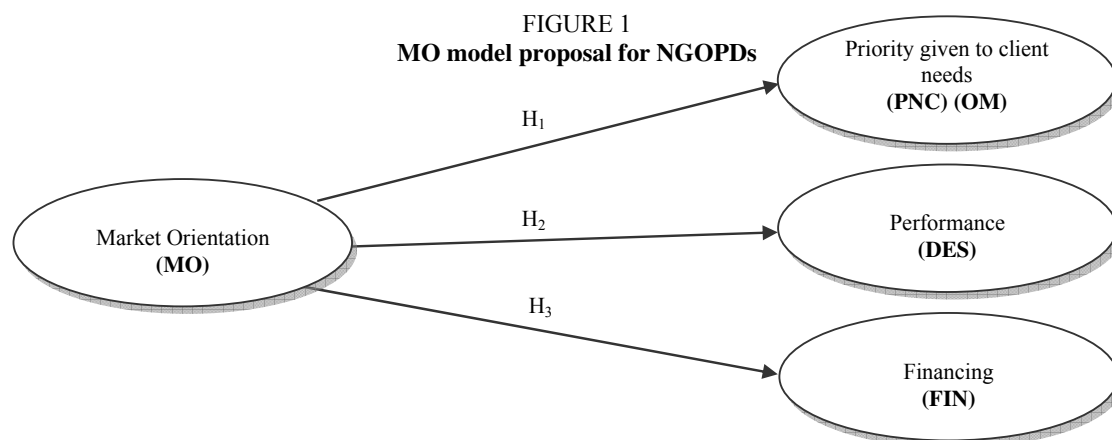
4. RESEARCH METHODOLOGY

4.1. Variable measurement

For analysis of the market orientation construct, the option taken was to apply the scale developed by Vázquez, Álvarez, and Santos (2002) for non-profit organisations. This was originally applied to foundations and has been adapted for the objectives of this research and the prevailing NGOPD reality.

The market orientation of a non-profit organisation, according to this operative perspective, is structured around three critical dimensions: the generation of information on the market, the internal distribution of information and responsive actions seeking to satisfy beneficiaries and entities providing financial support. This dimensional structure had already been proposed by Kohli and Jaworski (1990).

It should be noted that the scale set out by Vázquez, Álvarez, and Santos (2002) was designed to analyse the perspective of beneficiaries and donors. In this case, taking into consideration the complexity and specific NGOPD characteristics, the decision was taken to analyse only the beneficiary perspective, made up of users and their families.

Furthermore, this scale has been previously subject to a process of sequential evaluation, which involved the study of reliability, validity and unidimensionality, in accordance with the recommendations made by Churchill Jr. (1979), Gerbing and Anderson (1988) and Deng and Dart (1999).

For analysis of the remaining variables, "Priority given to client needs" (3 items) and capacity of "Financing" (4 items), we made recourse to our own scale. The measurement scale for "Performance" was made up of five questions and adapted to the Powell (1995) performance measurement scale (see Appendix).

4.2. Sample and methods

Given that the unit of analysis would be Portuguese NGOPDs, we contacted the Instituto Nacional para a Reabilitação (INR – Portuguese Institute for Rehabilitation) in order to request a list of contacts covering the range of Portuguese institutions active in the disability field.

The criteria for sample selection were: the organisations play a role in the field of disability, the organisations are not federations, confederations or unions and that they have an e-mail address as this was the means adopted for sending out the questionnaire and collecting the data. Based upon these criteria, 34 contacts were eliminated from the 331 organisations on the INR list. A total of 297 entities were then requested to fill out the questionnaire delivered by e-mail and receiving a total of 61 completed questionnaires (response rate of 20.54%).

The questionnaire included one section with Likert type questions (1= completely disagree to 5= completely agree) designed to measure the constructs under testing and a section aimed to identify the institutions.

For the analysis of the hypotheses, the main technique deployed was linear regression as the objective was to study the relationship between the variables: NGOPD market orientation and the priority attributed to satisfying client needs, performance and capacity for financing. The statistical program handling the data for this research project was SPSS *(Statistical Package for Social Sciences)* 17.0.

5. RESULTS

Evaluation of the reliability of the market orientation measurement scale was carried out in conjunction with the market orientation sub-dimensions. To this end Cronbach's Alpha test was deployed as presented in Table 1.

TABLE 1
MO Reliability Analysis

Variable	Cronbach's Alpha	Number of items	N
OM	0.925	3	61
GI	0.899	13	61
DI	0.911	8	61
RM	0.896	8	61

As may be observed, the MO measurement scale, as well as the sub-scales, register values of above 0.7 (Nunnaly and Bernstein 1994), and hence we may state they attain an acceptable level of reliability.

In order to test the research hypotheses, regression analysis was carried out in addition to study of the determining coefficients and simple correlation. Nevertheless, so that functional relationships may be inferred between the dependent variables and the independent variable (MO), it is necessary to ensure the model assumptions are valid. Hence, it was verified whether the errors reported an average null measurement and constant variance, whether the errors followed a normal pattern of distribution (by the Kolmogorov-Smirnov test) and whether there was error independence (using the Durbin-Watson test). As the model assumptions were verified, the model was deemed valid across all variables analysed.

Hypothesis 1 seeks to verify whether the greater the NGOPD market orientation, the greater the priority attributed to client needs. Hence, regression analysis was carried out on the PNC variable, which is presented in Table 2.

TABLE 2
MO – PNC Regression Analysis

	R	R^2	R^2_{adj}	$\hat{\sigma}$	Durbin-Watson
	0.574[a]	0.333	0.319	0.42469	2.197
	Analysis of Variance				
	SQ	gl	QM	F	Sig.
Regression	5.242	1	5.242	29.066	0.000[a]
Error	10.641	59	0.180		
Total	15.883	60			
	Coefficients				
	Coef.	σ	t	Sig.	FIV
Constant	2.551	0.327	7.803	0.000	
OM	0.451	0.084	0.574	5.391	1.00

[a] Predictors: (Constant), OM
$\alpha = 0.05$

Analysis of the determining coefficient, R^2, in which $R^2=0.333$ enables us to affirm that 33.3% of variation in the dependent PNC variable is explained by the MO independent variable, with the remaining variation explained by factors beyond the scope of the model. In turn, the simple correlation coefficient (R), in which R=0.574 demonstrates that there is a positive correlation between the two variables, that is, they tend to vary in the same direction meaning that, on average, any rise in the independent MO variable causes a rise in the dependent PNC variable.

In order to undertake analysis of model variance, the *F* test was applied with its associated determined *p-value* of 0.000. In turn, testing of the regression coefficient β_1 is provided by the *t*-student test

which is associated with a *p-value* of 0.000 and providing the conclusion that the independent MO variable significantly affects the dependent PNC variable. The value of the regression coefficient is $\beta_1 = 0.451$, representing a unit of variation in the independent variable variation estimated for the dependent variation as of 0.451. Hence, the linear regression model is expressed by the following equation: PNC = 2.551 + 0.451 OM.

With **Hypothesis 2**, we aim to verify the existence of a relationship between market orientation and NGOPD performance and corresponding present the regression analysis of the DES variable in Table 3.

TABLE 3
MO – DES Regression Analysis

	R	**R^2**	**R$^2_{adj}$**	$\hat{\sigma}$	**Durbin-Watson**
	0.494[a]	0.244	0.232	0.70515	2.284
	Analysis of Variance				
	SQ	gl	QM	F	Sig.
Regression	9.493	1	9.493	19.091	0.000[a]
Error	29.337	59	0.497		
Total	38.830	60			
	Coefficients				
	Coef.	σ	t	Sig.	FIV
Constant	1.343	0.543	2.473	0.016	
OM	0.607	0.139	4.369	0.000	1.00

[a] Predictors: (Constant), OM
$\alpha = 0.05$

As may be seen, 24.4% of variation in the dependent DES variable is explained by the independent MO variable. There is positive correlation of 0.494 between the two variables with the tendency to vary in the same direction. In turn, the F test, for variance analysis, proves significant.

The regression coefficient test β_1 is provided by the *t*-student test, which is associated with a *p-value* of 0.000, and we may hence conclude that the independent MO variable significantly affects the dependent DES variable. The value of the regression coefficient is $\beta_1 = 0.607$, representing variation in the dependent DES variable of 0.607 due to the independent variable MO. Therefore, the linear regression model is expressed by the following equation: DES = 1.343 + 0.607 OM.

In relation to **Hypothesis 3**, designed to test whether a greater NGOPD market orientation would boost the capacity to attract financing, regression analysis was carried out as detailed in Table 4.

TABLE 4
MO – FIN Regression Analysis

	R	**R^2**	**R$^2_{adj}$**	$\hat{\sigma}$	**Durbin-Watson**
	0.384[a]	0.148	0.133	1.019	2.090
	Analysis of Variance				
	SQ	gl	QM	F	Sig.
Regression	10.254	1	10.254	9.884	0.003[a]
Error	59.135	59	1.037		
Total	69.390	60			

Coefficients					
	Coef.	σ	t	Sig.	FIV
Constant	0.413	0.802	0.515	0.608	
OM	0.647	0.206	3.144	0.003	1.00

[a] Predictors: (Constant), OM

$\alpha = 0.05$

In this case, 14.8% of the variability in the dependent FIN variable is explained by the independent MO variable and there is positive correlation of 0.384 between the two variables. Furthermore, the F test for analysis of variance proved significant.

The regression coefficient test β_1 is generated by the *t*-student test which is associated with a *p-value* of 0.003 that enables us to conclude that the independent MO variable significantly impacts on the dependent FIN variable. The value of the regression coefficient is $\beta_1 = 0,647$, representing a unit of variation in the independent variable variation estimated for the dependent variation as of 0.647. Hence, the linear regression model is stated by the following equation: FIN = 0.413 + 0.647 MO.

This testing process demonstrated the validity of the three hypotheses set out. However, it was found that the dependent variables are subject to different independent variable influences.

Comparing the impact of the independent MO variable on the three variables studied, it was concluded that the variable experiencing least variation is the PNC dependent variable which was associated with a regression coefficient (R) of 0.451, that is, the MO effect on PNC is 0.451. The independent MO variable impact on the DES and FIN dependent variables is highly similar given they report regression coefficients (R) of 0.607 and 0.647, respectively.

6. CONCLUSIONS

This research project sought to analyse the relationship between market orientation and the priority attributed to meeting client needs, performance and the NGOPD capacity to attract financing.

The findings demonstrated only 33.3% of the priority attributed to satisfying client needs is explained by market orientation. This conclusion is in line with the position defended by Alvarez, Santos and Vázquez (2002), who state that non-profit organisations oriented towards the market should centre their activities on clients taking their needs and wants into consideration. Hence, clients and beneficiaries should determine what the organisation does in order to ensure that it develops and undertakes activities able to meet their needs (Vázquez, Álvarez and Santos 2002).

The market orientation literature proposes a positive relationship between this orientation and performance given that this approach to the marketplace provides organisations with a better understanding of their clients and their surrounding environment, which in turn results in better satisfaction of their needs (Kara, Spillan and DeShields 2004). However, only 24.4% of the variation in the performance of the organisations studied may be put down to their market orientation, with the remaining variation explicable by other factors beyond the scope of the model. It was further observed that performance and market orientation tend to vary in the same direction, that is, on average, any increase in the level of market orientation will also cause a rise in performance.

The NGOPD market orientation presents a positive relationship with the capacity to attract financing. Nevertheless, a mere 14.8% of financing variability is attributable to market orientation.

In summary, we may attest to the existence of a relationship between market orientation and the priority given to meeting client needs, performance and the NGOPD ability to gain access to financing. However, variations in the variables studied are not entirely explicable by market orientation with the presence of other factors that were not identified by this research project, a fact that may represent a limitation.

Thus, the adoption by NGOPDs of a market oriented attitude may generate positive consequences for performance, thus contributing to mission achievement and the improvement of results whether in terms of satisfying client needs or in terms of levels of financing.

Pertinent for future research would be the collection of data from other stakeholders, especially on employees and on donors. Furthermore, it would also be important to analyse the extent of market orientation in other types of non-profit organisations.

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THE PERCEPTION OF THE CORPORATE IMAGE AT THE PUBLIC BUS SERVICES

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ABSTRACT

The perception of the corporate image may be investigated to the distinctiveness of the service given the great diversity of the service industries. The purpose of this research is to identify the factors used by public transport users in evaluating the image of their local transit providers. Based on the samples of one region of western part of Hungary, we carried out an empirical research and found support for the research questions. Our results show that in the local public transport company four factors are significant affecting the passengers' perception of the corporate image. The predictability of each factor on overall corporate image was examined by discriminant analysis. The implications of our findings are discussed.

KEY WORDS

Bus services, corporate image, factor and discriminant analyses

1. INTRODUCTION

Public passenger transport systems are unquestionably an important part of the transport task in Hungarian regions. In Hungary, in large cities the inhabitants may choose between several public transport modes, namely bus, tram, trolley bus or metro. At the same time, in the middle size towns the transit users use only bus way systems. Bus public transport accounted for 64% of services, the half of which was conducted in the capital city. Most notable is the decline in the market shares for bus on all two aspects consistently the absolute decrease in bus. In 2008, the interurban passenger transport showed an increase of three percent in the number of the passengers and one percent in the passenger kilometre performance on the previous year. In domestic long-distance passenger transport, coach traffic accounts for a significant weight (79%) based on the number of the passengers, and based on the performance measured in the passenger kilometres.

The local transit organizations' publics form the corporate image about their providers through their perception and information from the most varied sources. Past studies have examined the corporate image from the different standpoint. Previous researches in this area have tried to understand its formation (Dowling 2001, Keaveny et al. 1992). In addition, the researchers developed various scales and approaches to measuring the construct (Abratt 1989; Flavian et al. 2004). It is important to investigate the influence of the corporate image on the consumer behaviour (Andreassen et al. 1998; Javalgi et al. 1994). The construct of the corporate image has been investigated largely to goods-producing companies and retail establishments.

In service industries, the corporate image is challenging mainly because of the intangible nature of the services. The consumers are confronted with the absence of quantifiable and measurable attributes with which to form an organization's image (Bitner 1992; Nguyen et al. 2002).

The purpose of this article is to investigate the components used by the bus passengers of one local transport provider in forming the image of this service company. The choice of the service organization in this one county is motivated by the presence of other urban public transit systems. The corporate image impacts on public utility provider's positioning, it is competitive standing, and attract new consumers. It is based on the corporate image the users will have good or bad will towards the organization.

In general, the profit sector in the service industries was preferred and very little has been published on non-profit organizations in the field of the corporate image.

2. THEORETICAL BACKGROUND

2.1. Corporate Image

Numerous definitions of the image concept exist across the disciplines. The one interpretation of the corporate image is a marketing mindset that comprises all the visual, verbal, and behavioural elements that make up the organization (Howard 1998). Contrasting to this viewpoint, some scholars started to argue that image is not dictated exclusively by the organization, but the publics that relate to the organization (Cole 1989; Grunig et al. 1985) also determine it. The corporate image is an overall perception of the company by different segments of the public. The corporate image includes information about the company as an employer, as an investment, as a corporate citizen and as a consumer. Perceptions about the company will differ between the various stakeholder groups, depending on the nature of the interaction with the organization. In order to make an effective corporate image, it is necessary to try understanding all the stakeholder groups, their perceptions, expectations and needs.

1.1. Components of the Corporate Image

The first step in attempting to influence and manage the corporate image of an organization is to understand the process by which corporate image is formed. The sources can be classified into two major groups or spheres of influence: internal and external (Zinkhan et al. 2001). The internal variables are controllable and can be used to influence stakeholders' image of the organization. Within

the internal sphere of influence are five major sources that help forming the corporate image: corporate personality and identity, corporate advertising, brand image, public relations, and frontline employee behaviour. The external factors are not within the direct control of the organization. However, the organization can influence these external factors indirectly by manipulating the variables at its control in the internal sphere. Major sources of information within the external sphere that play a major role in the corporate image formation process are: industry image, country-of-origin image, word-of-mouth, and press reports.

Despite the many efforts in defining corporate image, very few researchers have attempted to explore the components of the corporate image. Avenarius (1993) defined the corporate image in terms of the components embedded in it. According to him there are three components in the corporate image: the degree of being known: the necessary condition of the corporate image; the reputation: a more active assessment by a public that is based on the corporation's past history or record of the performance; the specific profile: the organization will be distinguished from competing organizations. According to Avenarius the reputation component constitutes a crucial part of the corporate image. Since people tend to "humanize" companies, the corporate image may also include characteristics often attributed to humans such as "caring", "friendly", "ruthless" and so on. Each stakeholder group has different characteristics, needs and expectations and may have a different image of the company.

In the present study, we adopt the marketing approach to describe the corporate image as the overall impression that consumers have of the public transport organization. The corporate image is viewed as the consumer's response to the total offering and defined as the sum of beliefs (Davies et al. 2001; Grönroos 1990). The corporate image may be considered as „a function of the accumulation of the consumption experience over time" (Andreassen et al. 1998: 84) and has two principal components: functional and emotional. The functional component is related to the tangible attributes that can be easily measured, while the emotional component is associated with psychological dimensions that are manifested by feelings and attitudes towards an organization.

In case of the service industries, the association between the corporate image and a company's offering is much more difficult to determine because of the intangibility of the services. Previous research shows that relevant information used in the perception of the corporate image is related to various dimensions of the organizations, such as corporate identity, organizational culture, corporate behaviour, communication policy and customer value (Balmer 1995; Dowling 2001; Fillis 2003; Gioia et al. 2000; Schuler 2004). In addition, it contributes to components of the service delivery system such as contact personnel and physical environment (Nguyen et al. 2002). Whether can the service organization do something about their image? In choosing a strategy for developing an effective corporate image, the organizations need to consider that the various stakeholder groups may hold different attributes of the corporation important.

3. EMPIRICAL RESEARCH

We introduce our research is divided into three parts. First, we look over the research questions. Next, there come methodology of empirical study, and our results.

1.1. *The Purpose of the Research*

Our research aims to examine the passengers' evaluation of the corporate image in the public transport industry.

Our questions are following:

- How is the overall perceived image of the bus service users in the public transport industry?
- What are the factors that constitute the components of the corporate image among the passengers in the public transport provider?
- Which factors influence the overall corporate image of the local transport provider?

1.2. Research Methodology

There are developed different frameworks examining for the common and unique components of the perceived image in several service industries. The perception of the corporate image may be subjected to the distinctiveness of the special service. The authors developed various scales and approaches to measuring the perceived image to the internet banking services (Flavian et al. 2004), to the retail stores (Golden et al. 1987, Keaveny et al. 1992, Malonis et al. 1994). These measures have focused on examining the components of the perceived image and the overall image, used multi items construct. The practitioners and researchers made efforts related to the consumer' evaluation of the public transport services and developed theoretical framework to investigate the service quality of the different modes (Eboli and Mazzulla 2007, Karlaftis and Golias 2001). Some of them gathered data about the overall image of transport and the image of the different travel modes in the European capital cities (Britton and Dahme 2004). However, there are lack the adequate measurement methods and tested scales for examining to the perceived corporate image of the public transport provider.

In order to determine which attributes comprise the perceived corporate image of the local transport providers the following procedure was achieved. In this case, the passenger takes a subjective judgment that is from result of the interaction of all the experiences, knowledge, feelings, and impressions to the provider given. In the middle of the most often applied method is to evaluate the overall image and the characteristics of the organization. In this period, we developed a battery of 14 items, selected through literature review, previous issues, and interview to the passenger. To help select attributes for evaluation of bus service, we undertook an extensive literature review and adopted them to our research. We also benefited from the earlier pilot study. Together with discussion during the development stage with users who travel regularly and irregularly by bus, we concluded that fourteen attributes describe the major variables of the corporate image from a user's perspective. The primarily selected attributes are listed as below (Table 1). We found a high reliability of $\alpha = 0.713$ for the scale.

TABLE 1
Variables of the Corporate Image to the Public Provider of the Bus Services

1. Likeable – antipathetic	8. Aggressive - reserved
2. Progressive – dropping behind	9. Reliable - unreliable
3. Innovative - unoriginal	10. Protect environment - destructive
4. Advanced in technology - conservative	11. Social responsibility high - …low
5. Treats its employees kindly - …unfairly	12. Ethical - unethical
6. Professional – unprofessional	13. Future prospect positive - ... negative
7. Selfish – unselfish	14. Stable – unstable

Source: authors

We used nominal scale with two categories (in general positive or negative) for perception of the overall corporate image. Besides, we measured on seven-point semantic differential scale the users' evaluations to the attributions of the public transit provider (innovativeness, environmentally responsible, reliability).

The target population was public transport passengers in one county of the western part of Hungary. The sample survey was addressed to the bus passengers considering the urban routes and the interurban coaches that are very important for the citizen of the counties. This questionnaire survey conducted to a sample of 141 bus passengers.

The sampling method was the combination of the quota sampling and non-random selection. Based on the quota criterions we divided two groups of the sample: male users (48 %), and female users (52 %). They were asked about their socioeconomic characteristics considering their age, place of residence, education level, and occupy. To evaluate the attitude to the bus service, the passenger was asked about the cause of the urban or interurban bus services used, on a multiple-choice scale with four categories.

The places of the personal interview are the final bus stops of the routes, central location bus stops in the cities and on board of the interurban coaches. In April of 2009, we conducted survey in the different hours of days. The questionnaire followed the objectives of the survey. In the questionnaire are in majority closed questions. The processing and the evaluation of the questionnaires applied with SPSS statistical program.

The numbers of passengers are 141 persons from that county. The 52 % of the respondents are women and 48 % male. Sixty eight percent of the respondents live in towns where the urban bus services are provided by the local public company in the county (Table 2).

TABLE 2
Individuals by Demographics

Gender	N	%	Place of residence	N	%	Age	N	%
Males	68	48 %	**City 1.**	78	55 %	**18-25**	24	17 %
Females	73	52 %	**City 2.**	10	7 %	**26-35**	35	25 %
			City 3.	8	6 %	**36-45**	39	28 %
			Other cities	15	11 %	**46-60**	31	22 %
			Villages	30	21 %	**61-**	12	8 %
Total	**141**	**100 %**		**141**	**100 %**		**141**	**100 %**

Source: survey by authors

Eleven percent of the respondents came from other cities, and every fifth of them live in villages. Age categories of the population: 18-25 age (17 %), 26-35 age (25 %), 36-45 age (28 %), 46-60 (22 %) and over 61 age (8 %).

3.3. Analysis of the results

We present the overall perceived corporate image of the bus service companies in the first part of the evaluation. In the second part of the analysis will be introduced the factors to the assessment of the corporate image. Finally, it will discuss the relation between the overall perceived image and the factors.

3.3.1. Perceived Overall Corporate Image

The majority of the participants (64%) stated an overall positive image about the local transit provider. It can be noted that negative statement was relatively more frequent at female, the younger users, and the passengers who live in big town.

3.3.2. Identifying Factors used in the Perception of the Corporate Image

Collected data from field survey processed to conduct the exploratory factor analysis. Factor analysis attempts to identify underlying variables, or factors, that explain the pattern of correlations within a set of observed variables (Malhotra 2008). In the current study this technique used to determine the factor those influence the corporate image of the bus service provider. Through factor analysis, the attributes, which determine the corporate image of public transport company, extracted. It can explain that the number of factors that needs to extract are four that have eigenvalues greater than 1. Below table (Table 3) shows, the results obtain from the factor analysis after rotation of factor matrix. The method used for rotation of factors is varimax an orthogonal rotation. In this way, four factors identified considering the high correlation with the factors in case of the company. Therefore, extracted four factors from the analysis are financial prospect and reliability, corporate dynamism, insensitive to environment, and treatment of employees at public transport company. The decision to include a variable in a factor was based on factor loadings (≥ 0.45), and its meaning within the factor (Tabachnick et al. 1989).

TABLE 3
Results of Factor Analysis of Variables Related to Perceived Corporate Image

Factors	*Eigenvalues*	*Variables*	*Factor loading*	*Cronbach's alpha*
F 1: **Financial prospect and reliability**	4.990	Stable Future prospect Ethical Reliable Social responsibility Professional	0.775 0.767 0.757 0.602 0.539 0.476	0.861
F 2: **Corporate dynamism**	1.562	Advanced in technology Progressive Innovative	0.854 0.831 0.709	0.778
F 3: **Insensitive to environment**	1.335	Aggressive Selfish Destructive to environment	0.836 0.804 0.501	0.693
F 4: **Treatment of employees**	1.149	Treats its employees kindly Likeable	0.939 0.633	0.542

Source: survey by authors.

The factorial analysis on 14 variables yielded four-factor solution accounting for 66.583 percent of explained variance. The structure of the factors appears clearly and shows that variables included in four factors seem concordant with its meaning. In addition, the results of Bartlett's test (696.467; $P < 0.05$) and of KMO (0.808) confirm the appropriateness of data used in the factorial analysis. Concerning the reliability of measures, the coefficients of Cronbach's alpha varying between 0.693 and 0.861 are considered acceptable in case of F1 – F3 factors. At the same time, it is not correct at factor 4 below 0.6 (0.542). The four factors identified in Table 3 can be described as follows: F 1, financial prospect and reliability, accounts for 23.692 percent of variance and is constituted of six variables related to the stable, future prospect positive, ethical, reliable, environmentally responsibility, and professional. F 2, corporate dynamism, explains 20.364 percent of variance and consists of three variables representing the advanced in technology, progressive and innovative. F 3, insensitive to environment, accounts for 15.251 percent of variance and is composed of three variables expressing the aggressive, selfish, and destructive to environment. Finally, F 4, treatment of employees, accounts for 8.394 percent of variance and is composed of two variables expressing treats of employees kindly, and likeable.

3.3.3. Assessing the Effect of Factors on the Overall Corporate Image

The overall perceived image of the public transport company is interdependent on the image factors and other components as word-of-mouth, logo identification. Discriminant analysis is a statistical technique used to determine which variables discriminate between two (or more) naturally existing groups. Specifically, the question is whether two (or more) groups are significantly different from each other with respect to the mean of a given variables. The most common application of discriminant analysis is to include many measures in order to determine the ones that discriminate between groups. The dependent variable is the perceived overall corporate image, and is measured by dichotomous variable that assign the value 1 to the passengers with positive overall image, and the value 2 to the users with negative overall image. The independent variables are explored by factor analysis in this paper and we expect the effects of these variables on the dependent variable to be significant. As the full sets of the attributes can create problems because of the correlation, we performed a main component analysis. The objective of this analysis is to reveal those factors that best explain how we can distinguish and weight the two groups and to estimate the model.

We test the significance of the function and the variables primarily using Wilks' Lambda and the F - statistic. It is assumed that each case is independent. According to our results the function found to be statistically significant (Wilks' Lambda = 0.476, Chi^2 = 58.583, Sig. = 0.000). Results presented in Table 4 reveal that the influence of three factors (Factor 1, Factor 2, and Factor 4) on the overall corporate image is statistically significant. However, the high value of Wilks' Lambda (0.737 – 0.771 – 0.885) in case of the three factors indicates that these variables contribute to the dependent variable are low. Moreover, the perceived corporate dynamism (Wilks' Lambda = 0.885) is the least important factor in the perception of the corporate image of the bus service.

We interpreted the standardized canonical discriminant coefficients for every factor to determine the contribution of the respective factor to the discrimination between two groups. We found that the treatment of employees and the financial prospect and reliability have greater importance in the overall image. We can identify the nature of the discrimination for the discriminant function by looking at the means for the functions across groups. Our results show that the positive image group performed higher values in case of the financial prospect and reliability but the negative image group has higher mean in case of the treatment of employees.

Consequently, the overall image of the public transport provider depends on two distinct factors, namely the perceived financial prospect and reliability, and the treatment of employees. In case of public transport company, the value of the canonical correlation (0.724) describes that the four factors contribution to explain the overall image 52.4%. These results correspond with our expectation that the consumers' evaluation of the bus service is based on the several aspects of the corporate characteristics.

In order to control the expectations that predictor variables will have a multivariate normal distribution and that within-group variance –covariance matrices will be equal across groups we made further efforts. As a Box's M -test (6.052, Sig. =0.445) shows, there is not problem when the group covariance matrices are used to test whether a classification would change significantly.

TABLE 4
Results of the discriminant analysis with the extracted factors

Discriminating attributes	Number of items	Wilks' Lambda	F	Sig.	Standardized Canonical Discriminant Coefficient
Factor 1	6	0.737	28.885	0.000	0.747
Factor 2	3	0.885	10.514	0.002	0.453
Factor 3	3	0.970	2.516	0.117	0.171
Factor 4	2	0.771	24.053	0.000	0.750
Eigenvalue = 1.099 Canonical correlation = 0.724 Wilks' Lambda = 0.476 Chi Square = 58.583 Correct classification = 0.724					

Source: survey by authors.

Overall, 86.7 % of the original grouped cases were correctly classified (85.4 % for positive image and 88.1 % negative image). The 86.7 percent correct classification of the actual evaluations of the corporate image supports the notion that these factors are different from one group to the next. At the same time, 85.5 % of the cross-validated grouped cases were classified correctly overall (85.4 % positive image and 85.7% negative image). According to our results, the four factors increased greatly the odds of the correct classification to the dependent variable as compared to the random classification (50-50 %). Otherwise, the positive image group does not differ appreciably from the negative one based on the correct classification rate.

The empirical results disconfirm the crucial role of the corporate dynamism in the users' evaluation toward the corporate image of the public transport providers. The financial prospect and reliability constitute the relatively important element in the perception of the overall corporate image. Regarding the environmentally responsible, the passengers perceived the insensitive to environment to the local bus transport company (Factor 3), and the influence of this factor on the overall corporate image is not significant. Moreover, we found that in the discriminant model the other independent variables (word-of-mouth, and logo recognition) did not contribute the goodness of the model estimation.

4. CONCLUSIONS

This study presents some insights on the corporate image in urban public transport organization and offers an assessment of the role of the provider' characteristics used by bus service users in their evaluation. The empirical results seem inconsistent with the literature and show supporting the weak influence of the corporate dynamism on users' perceptions of the corporate image. These results indicate that most of the passengers want to get perfect, up-to-date services.

Our results will be helpful to determine the components of the corporate image that are perceived of existing bus service in different circumstances that provide the guidelines in further assessment, and improvement process. It will provide a mean of measuring the passenger perception in terms of bus service provider, which helps to assess the efficiency of supply side of the service. However, the consumer evaluation process is highly complex, and fully explaining it using a small number of latent variables is difficult. In fact, some components of the bus service are not included in the present research, such as drivers' courtesy, bus stop furniture, and so on. Future study can identify these variables to help increase understanding of the corporate image to the bus service companies.

Finally, this paper only investigates the perceived image of the local transit provider in countryside of Hungary in consideration of lack of the primary research.

Our research gave answers to the research questions, but we must to mention its limitations and further research tasks. These limitations are the sampling method and the numbers of the sample. In order to the generalisation of the results needs to primary research to extend for other Hungarian cities, with the using Simple Random Sampling method and conducting with representative sample.

It will be interesting to examine the transport motivation and the segmentation of the passengers can be carry out based on the attitudes, the preferences with connection of the public transport. Future studies could analyze the switching barriers for alternative transportation modes, including the different types of the individual transport, to understand how these modes influence the passenger behaviour intentions.

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SESSION 9
MARKETING AND HIGHER EDUCATION INSTITUTIONS

Chaired by:

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José Luis Vázquez Burguete, *University of León, Spain*

The association between marketing and higher education institutions could only lead to spanning boundaries. The main focus of the higher education institutions is on development be it human or institutional development, and marketing emerged for the same reason. Both marketing and higher education institutions are in search of appropriate offerings and strategies for effecting changes.

ACCESSIBILITY OF THE PUBLIC EDUCATIONAL SYSTEM IN ADMINISTRATIVE SCIENCES

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ABSTRACT

Reforming the state and the public administration are two concepts well known for the Romanian mass-media. Public administration is the stability factor of a state and is called to satisfy the citizens' requirements. To change public administration we must invest in people. For this, the educational system in administrative science is considered very important. The Romanian public educational system has an important role in shaping educational marketing. Marketing activities come in all forms, but the traditional definition is the most used. Our study will take into consideration the price of education, because for the Romanian citizens the price is important and it doesn't indicate only the quality but also the accessibility.

KEY WORDS

Price, public service, education, administrative science, accessibility, quality

1. ARGUMENTUM

Services are changing the way to manage and market. The Bureau of Labour Statistics reports that the service-producing sector will continue to be the dominant employment generator in the economy, adding 20.5 million jobs by 2010.

Services represent a huge and growing percentage of the world economy; yet, customer perceptions of services are not as good as the one for goods. Public services, unfortunately, are in a much worse situation, the public perception is lower than in any other branch of the service business. We have to recognise that questions which concern the: brand, the productivity, the cost of the customer acquisition, the customization of offering for each customer, the loyalty have not been risen up till now for the public services. For the market public services, the relation price-quality-customer-loyalty has not been one in the attention of the public managers in Romania. For this we will try to analyse the relation mentioned above in the Romanian public educational system.

2. PUBLIC SERVICES WITHIN THE MARKET ECONOMY

Services are deeds, processes and performances. All economic activities whose output is not physical product or construction, are generally consumed at the time it is produced, and provides added value in forms that are essentially intangible concerns of its first purchaser (Quinn et al. 1987: 50-58).

The *public sector,* with its courts, employment services, hospitals, loan agencies, military services, police and fire departments, postal service, regulatory agencies, and schools, is in the service business. The *private nonprofit sector,* with its museums, charities, churches, universities, foundations, and hospitals, is in the service business as well. A good part of the *business sector,* with its airlines, banks, hotels, insurance companies, law firms, management consulting firms, medical practices, motion picture companies, plumbing repair companies, and real estate firms, is in the service business. For many workers in the *manufacturing sector,* such as computer operators, accountants, and legal staff, are really service providers. In fact, they make up a 'service factory' providing services to the 'goods factory'. And those in the *retail sector,* such as cashiers, clerks, salespeople, and customer service representatives, are also providing a service (Kotler et al. 1999: 402).

Having this short presentation of the service business Kotler defined a service as follows: 'service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product' (Kotler 1999: 646).

Financial success often depends on marketing ability. The financial crisis could be a reaction of the (non)market. Finance, operations, accounting, and other services functions will not exist if there is not sufficient demand for services.

Marketing is tricky, however, and it has been the Achilles' heel for many formerly prosperous services. The businesses world which gives a specific attention to services and which empowers customers has to rethink its models. Jack Welch, GE's brilliant former CEO, repeatedly warned his company: 'Change or die'.

But making the right decisions is not always easy. Public marketing managers should make major decisions such as what prices to offer customers and how much to spend on advertising or sales. The services at great risk are those that fail to carefully monitor their customers and competitors and to continuously improve their value offerings (Kotler 2006: 4).

Countries like Romania in which the public management it is still a young field of study has not yet discovered the public marketing and its advantages.

In Romania we cannot speak about the productivity of public services as a tool to increase the GDP. One question which we will try to find an answer to is: How can we grow a public service?

A good – qualitative public service is wanted by people and its growth gives them the opportunity to be accessed without taking into consideration their residence place.

FIGURE 1
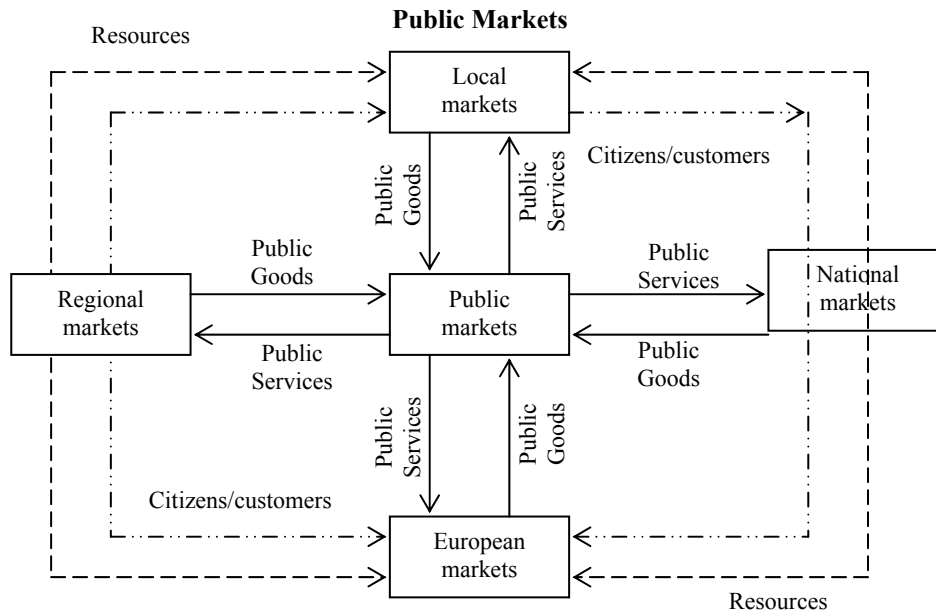
Public Markets

3. THE PUBLIC SERVICES SHOULD BE INTEGRATED IN THE OVERALL MARKETING PROCESS

The marketing program consists of numerous decisions on value-enhancing marketing activities to use. Marketing activities come in all forms. One traditional description of marketing activities is in terms of the marketing mix, which has been defined as the set of marketing tools used to pursue its marketing objectives (Borden 1994: 2-7). McCarthy classified these tools into four broad groups, which he called *the four Ps* of marketing: product/service, price, place, and promotion.

For public services, the particular marketing variables under each element of the marketing mix are shown in Figure 2. Marketing-mix decisions should be made to influence both the trade channels and the final consumers.

FIGURE 2
Services marketing mix
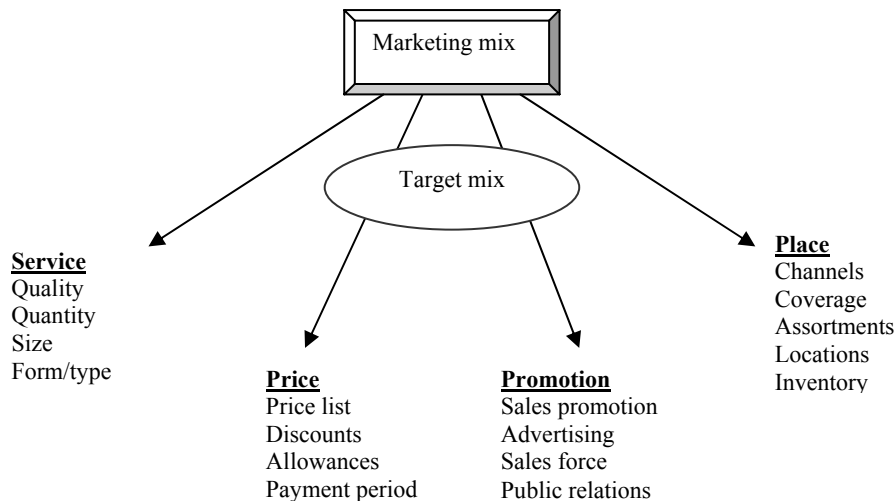
Public services are offered by public institutions which in the Romanian law have a special regime - the pubic one. The public law is characterised by the inequality of the parts in the relations; the public institutions have discretionary powers on one hand the public institutions can change the price (sales force size) and advertising expenditures in the short run easier than a company. On the other hand it can develop new services and modify its distribution channels only in the long run. Thus the public institutions should make fewer period-to-period marketing-mix changes in the short run than the number of marketing-mix decision variables might suggest. Even if we speak about the four Ps as a concept, in our paper, in the marketing mix of services, we have one 'S' from services and the three Ps (SPs).

The SPs represent the sellers' view of the marketing tools available for influencing buyers. From a buyer's point of view, each marketing tool is designed to deliver customer benefits. Robert Lauterborn suggested that the sellers' four Ps correspond to the customers' four Cs.

Four Ps/SPs	Four Cs
Products/Services	Customer solution
Price	Customer cost
Place	Convenience
Promotion	Communication

Winning services will be those that can meet customer needs economically and conveniently and with effective communication (Kotler 2006: 19).

Accessibility is a general term used to describe the degree to which a product or service, or environment is accessible by as many people as possible. Accessibility can be viewed as the 'ability to access' and possible benefit of some services.

Accessibility should not be confused with usability which is used to describe the extent to which a service (e.g. product, environment) can be used by specified users to achieve specified goals with effectiveness, efficiency and satisfaction in a specified context of use.

Accessibility is strongly related to universal design when the approach involves 'direct access'. This is about making things accessible to all people, whether they have a good social status or not.

The educational service should be accessible to everyone without taking into consideration their social status. The price of education should not been seen as an impediment which could restrain the right to education. When educational services are correctly designed, developed and edited, all users can have equal access to information and functionality.

Service marketing is different. Marketing and managing service present issues and challenges not faced in the manufacturing and packaged goods companies. For instance, in customer service interface is a major difference – the service must be think in direct dialogue with the customer. People buy products because they believe they work. But with services, people deal with people they like and they tend to buy services because they believe they will like them. This thought process makes the customer – employee interface a critical component of the marketing.

The educational services are influenced in a greater way by the employee – the professors and for that it is much more perishable and intangible than any other service.

Mood and emotion are important factors that shape the perceived effectiveness of service encounters. These feelings influence the people's perceptions and evaluations of the experiences. Moods are distinguished from emotions in that, moods are transient feeling, states manifested at a specific times and in specific situations, whereas emotions are more intense, stable and pervasive (Gordner 1985: 231-300).

4. THE ROMANIAN PUBLIC EDUCATIONAL SYSTEM

We consider education as the promoter of the development of a country. And we have to recognise that Romania needs human resources support taking into consideration that it is, still, a country in transition. Higher education importance has a particularly powerful effect on the access to professional and managerial occupations. In Romania almost all academic institutions have public administration as a field of study, but not all of them have students. A great number of them, the smallest ones, have around 30 students per year and the largest ones have around 400 students per year. It is true that quantity does not show the quality, but why do so many students come to one university and not to the other?

One of the critical differences among higher educational institutions is the nature of the professional tasks performed. In general they can be classified according to the academic degree programs offered and the professional qualifications of faculty. (Baldridge et al. 1977: 381) The education is considered as a service industry and, taking into consideration the tangibility spectrum, we can notice that teaching is the most intangible service.

The Romanian educational system starts at the age of 4 years with the nursery school, following by the primary school and the lower secondary school. The high school and the vocational school, after obtaining a baccalaureate diploma give us the possibility to attend a university system, a higher education institution, or a pre-university institution for professional qualification.

The higher education diploma can be awarded after the graduation of short term higher education (college – graduation diploma) or long term higher education (university – 1st cycle, bachelor diploma).

Comprehensive studies (2 or 3 semesters) are completed by a dissertation; the graduates receive a comprehensive studies diploma.

The master's degree diploma lasts for 3 or 4 semesters and are performed either in the field of the bachelor diploma or in other fields of studies. The master's degree studies are completed by a dissertation, the graduate receives a master diploma.

The PhD studies (minimum 3 years) are finalized by a research thesis and graduates are awarded the PhD diploma.

FIGURE 3

The education within the professional training of a civil servant
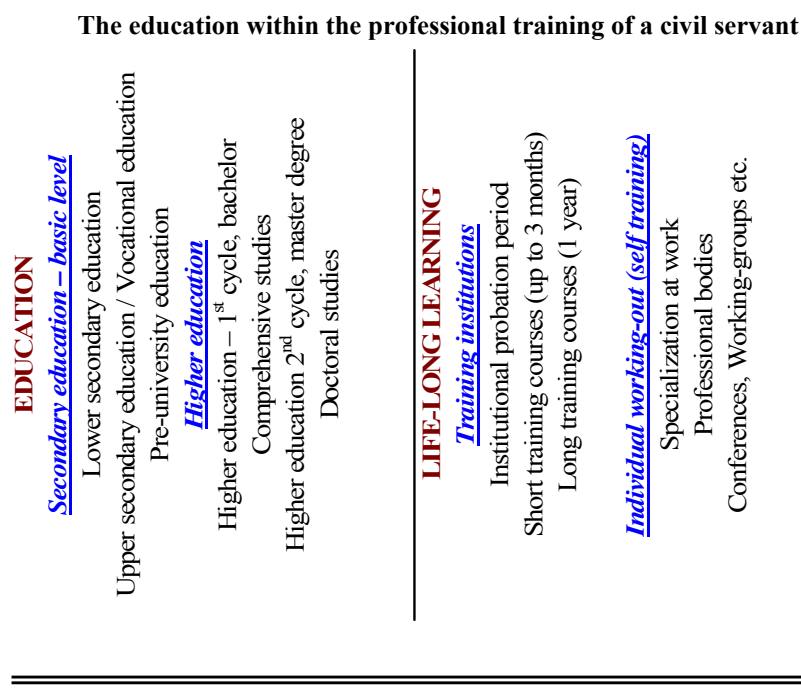
The educational system in administrative sciences starts at the university level. For this we have Faculties that offer a specialization in public administration – bachelor level, master level and PhD one. As it concerns the bachelor level there is no pattern for the existence of the field of study, administrative sciences can be found as a department under the Faculty of Law, Management or Political Science or strictly separate as a Faculty of Public Administration. The faculties are extended around the country and could be found in public university or private ones.

The educational system in administrative science should be seen integrated of into larger layers of service:

  a) public administration is not a singular science;
  b) public administration serve many fields of the society;
  c) the requirements of the society are global and specific at the same time;
  d) public administration adapts continually but at the same time preserves the traditions of a society.

In a globalised world international opening is very important and is given by the:

  1. international confirmation of studies;
  2. international accreditation;
  3. international scholarships;
  4. work in Europe or the world;
  5. curriculum structured in such a way as to cover the marked requirements;
  6. special facilities for learning and assessing (European Common Framework) two foreign languages.

5. 'THE PRECIOUS'

Pricing is the most critical factor in the marketing of services versus products (mental self space versus mental inventory). Also the benefits of using price as a promotional weapon were not as apparent as they seemed to be. Promotional price cuts tend to erode hard-fought positioning and image.

The Romanian public system of higher education gives a candidate the possibility to obtain a place in one of those levels of education after passing an exam (registration file or written). The place can be with a scholarship subvention given by the Romanian government through the Ministry of Education or by paying a fee. The state subvention does not cover all the costs with the students' education in a year. The subvention do not cover others fees like the admission fee, the registration fee and the fee for presenting public the PhD thesis. The living costs and the transportation costs are partially supported by the Ministry of Education in the first case and by the local authority in the second one. We do not intend, for the moment, to study the entire cost of the education in Romania.

Our analysis is concentrated, for now, only on the level of the scholarship fee which a student should pay for a period of 3 years – bachelor level, 2 years – master level or for PhD studies – minimum 3 years.

The research which we have done, so far, was realised in the universities centre - Bucharest, where we have three public schools in Public Administration, and only for the year 2009.

The administrative science in Bucharest is studied at The University of Bucharest (UB) at the Faculty of Public Administration and Business Affaires, at the Economic Academy (ASE) at the Faculty of Management and at the National School of Political Studies and Public Administration (SNSPA) at the Faculty of Public Administration. From those three universities only one has the entire Bologna system, namely bachelor, master and PhD in administrative sciences – The National School (actually the only one in the whole country).

TABLE 1

The Scholarship fees level

University	The level of the fees per year[1]		
	Bachelor	**Master**	**PhD[2]**
ASE	2.500 – 3.000 lei (cca. 700 Eur)	2.500 lei (cca.600 Eur)	4.000-4.500 lei (cca. 1000 Eur)
SNSPA	2000 lei (cca. 500 Eur)	3.000-3.600 lei (cca. 800 Eur)	6.000 lei (cca.1400 Eur)
UB	2.500 lei (cca.600 Eur)	2.200 lei (cca.600 Eur)	4.300-6.000 lei (1000-1400 Eur)
The state scholarship subvention	2.800 lei (cca.650 Eur)	5.600 lei (cca. 1.300 Eur)	8.400 lei (cca. 1950 Eur)

As we can observe there, in Bucharest, all the universities offer the educational service at, more and less, the same price. The difference in choosing the service is not only the price, which shows accessibility, it is also the quality of the education. Future customers who have to choose between these three universities have to go in depth and find out more about the educational service which is offered. For example, just one of them gives the customer the possibility to conclude the entire higher educational system in the same university, or just one is accredited at the European level – SNSPA.

Apparently there is not much to choose from. Only serious research can make a new comer decide. For this reason it is the first obligation of any university to promote itself according to the latest requirements in the field.

What can bring a good marketing service to a university, why a university should invest in education marketing, are questions to which we have to answer in a market economy.

Why I am choosing this university and not another one, is a question which should rise up in the mind of the future students.

For the moment, we are not able to pronounce which are the other factors that can influence a future student in choosing the university. We intend to do that in a future research when we have a survey among the students in the first year. We have already seen that education is the most intangible service and at the same time the most useful in the development of a society.

Even so, we will identify few premises for which a university should have education service marketing and information which a student should know before making his choice for the future career.

The solution to price competition is to develop a differentiated *offer, delivery* and *image* of the education in administrative sciences. The offer can include *innovative features* that set one institution's offer apart from its competitors' offers.

 Each university wants to reach high educational standards for the:

 a) faculty:

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[1] At ASE the level of differ from one year to another they starts with an increasing amount and after every ear they decrease.

[2] For administrative Studies we have PhD only in SNSPA and we will take into consideration for the other universities the amount which a students must pay to other fields of study

- open minded attitude in approaching any subject;
- international awards;
- members of famous professional bodies;
- modern teaching assisted by computers;
- teaching in foreign languages;
- offer solutions to the present day issues;

b) research:

- with awards;
- presented in international conferences;
- valuable research work published in famous professional journals;
- double, multiple financing by the government, by sponsorship, by research projects.

c) practice, essential in shaping the future professional:

- meant to develop the skills and competencies necessary for his future career (not only information gathering);
- direct access to the information in the respective institutions;
- time management during that period.

To build a good name in the university system it is not an easy thing to do; besides at international level we have different ranking which supports it. For example, in the Academic Ranking of World Universities no Romanian university exists in the first 500. What does a good name imply?

Probably:

- promoting the ideas and the graduates (Alumni);
- building pride in the values of the career and the university;
- stimulating faculty to deeper specialize both in the field and in education;
- national and international prizes in competitions obtained by the staff and by alumni;
- highly cited researchers in broad subject categories;
- papers indexed in Science Citation Index-expanded and Social Science Citation Index;
- scholarship and financial aid (value and time extension);
- facilities – library, computer room, copying facilities, residence facilities, sport facilities etc.
- clever software;
- per capita academic performance.

A good marketing can complete al these premises and bring a university in the first row of the student list in choosing it as his future provider of knowledge and professional career.

To attract future students and to have a better place in the educational market the university should promote its offer, better said its 'good name'. For this, the university could, first of all, create a marketing department which based on few specific methods could improve the perception of future students about the university.

Methods of promoting marketing of an educational service:

- by word-of-mouth (generally practised);
- by the site – subject to be studied and relevance in the field of work;
- attractive and challenging presentations;
- the age of faculty;
- accreditations;
- intelligently forced to think in the future (in 5 years' time);
- the relevance of the studies in society at that precise time;
- work market absorption.

This information would benefit both students and the university and even would be a dream for our country, it can become true with dedication, hard work and love for one's profession.

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QUALITY AND TRANSPARENCY OF HIGH EDUCATION INSTITUTIONS. INSIGHTS INTO THE MARKETING APPROACHES

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ABSTRACT

This paper focuses on the way marketing concepts can be relevantly used for the higher education sector. It starts by shortly reviewing some of the main higher education marketing approaches and continues with a survey that examines the views of students on the quality and transparency of HEIs. The main finding of the survey refers to the statement that students choose a higher education institution based on several factors, including reputation, location, friends and cost. Consequently, marketing specific actions should put the accent on promotion but not stop here, the essence of satisfying the student (as primary consumer) is to offer him quality educational services. It is within the overall logic of the paper that provision of 'quick and simple' information on quality plus transparency of quality judgments, are key elements that should be considered when designing any marketing strategy.

KEY WORDS

Higher education institutions, Quality, Transparency, Marketing Approaches

1. INTRODUCTION

Higher education institutions produce not only intellectual and scientific values, but also wider social and cultural values through their mission of teaching and research. Along with their key role for securing the future matrix of values of the societies at large, it should be considered their functioning mechanism which follows the market logic. The commercial forces worldwide have propelled universities to function less as institutions, with social, cultural and indeed intellectual objectives, and more as producers of commodities that can be sold on the international marketplace.

The "entrepreneurial university" and the "commodification" of learning opportunities are realities that call for the identification of an array of marketing tools and approaches applied to the higher education sector. In general terms we can state that many marketing concepts are applicable to the higher education sector, if we consider their main meaning. However, the practical ways in which they are applied to the higher education sector present a number of peculiarities. The differences in types of products/services offered, the scope of targeted markets and the organization of specific marketing activities, that exist between the business and the higher education sectors, make marketing concepts only partially applicable to the higher education sector. However, higher education can learn from the business sector and it is up to the higher education sector to use the marketing concepts to the extent to which it makes sense and provides useful results.

2. MARKETING APPROACHES APPLIED TO HIGHER EDUCATION SECTOR

This part of the paper will present a conceptual framework for the use of business sector marketing techniques within the higher educational spectrum.

The starting point is the tacit acceptance of the four P's that continue to prevail over the marketing conceptualization efforts. However the specific character of marketing for higher education requires additional components beyond the traditional market mix - product, price, place, and promotion (McCarthy 1960). Programming, people and positioning are some of the additional P's that attach further dimensions to the market mix for higher education (Rudd et al. 2008). Among them, promotion may have the central role in the marketing mix. This includes the selling and advertising that really help market the educational services almost more than any other of the P's.

- The first item of the marketing mix is the **product**. The product is the full range of activities, facilities, experiences and services provided by a university. When considering its product in a marketing plan a higher education institution must make sure that it includes any demand-generators that might enhance their product from a customer's (student's) point of view. These demand-generators might include the university's location, history, culture, or recreational facilities near the university; all of those attributes that would draw a student to that university and are not contained within the universities grounds.

- The **price** is another important component of the marketing mix. Pricing is often the first marketing challenge that universities face. Accurately calculating what price the target market will endure ensures an adequate pool of students to draw upon. In this respect, universities that have better facilities or reputation use them. Therefore this kind of universities charge far more than the education is actually worth.

- The **place** component of the marketing mix for higher education refers to when, where, and by whom a service is offered for sale. In applying this component to universities, when, alludes to the time of year or particular days of the year when marketing is intense. This is often during certain times during the fall and spring to take advantage of students in high schools that make their college choices during this time period. Where, refers to the place at which the service is offered for sale, and by whom refers to the person doing the selling.

Universities have a public relations department that handles marketing and whom may also include employees and alumni.

- **Promotion** has the central role in the marketing to higher education Promotion consists of the range of activities that stimulate interest in a service. Promotions can enhance name recognition and provide exposure for the university. It includes communication, selling, advertising, recruitment, and sales management. Successfully using promotional techniques generally means that the university has an idea of its position in the market and has established prices.

- **Programming** is any special events or activities that expand on the services the universities are offering. These have been designed to attract the non-traditional student and leave large amounts of time free to pursue career goals or family life. This programming technique draws students, who might not ordinarily be able to take the time off to pursue a degree full-time. On-line classes and degrees are quickly becoming desirable for working individuals or individuals with families.

- The **people** component of the higher educational marketing mix refers to the employees in the university or college. It is often that employees can be excellent marketing tools that cost the university or college nothing extra (Brooks et al. 33). Another way to market people is to have the employees of the university be known. This marketing tool is even useful when new extremely qualified professors are added regularly.

- **Positioning** is a very important component in the marketing mix. Positioning is the market-niche a university holds. A competitive marketing strategy is involving the creation of a special place for one's product in the minds of the customer relative to other products in the same market. This involved: (1) an assessment of the current product position, (2) a determination of the dimensions underlying the position of the product, (3) selection of a new product position based on new dimensions.

The conceptual framework presented in this part of the paper is theoretical in nature. The next part will be focused on the students as principal consumers of the higher education services. The specificity of higher education is that most students (undergraduates) are one time consumers (Temple and Shattock 2007), as opposed to the business sector where repeat purchases take place often. It is in our intention to unveil the way students make their choices based on a complex mix of motivations. The rational / irrational character of their choices is a controversial matter that will not be explicitly analyzed in the paper.

3. A CALL FOR QUALITY AND TRANSPARENCY OF HIGHER EDUCATION INSTITUTIONS

The theoretical underpinnings of higher education marketing should be considered along with the necessity of quality and transparency of higher education institutions. Insights into marketing approaches and valuable information for further reconceptualizations are encompassed in The Flash Eurobarometer 260 – Students and Higher Education Reform. The survey examines the views of students on the quality and transparency of HEIs. The respondents were asked to what extent they agreed that:
- there is a need for independent reports on quality,
- students choose a university based on its reputation,
- students should be involved in quality rankings of HEIs,
- university performance tables would help students,
- students choose a college based on several factors, including friends and cost,
- students have access to sufficient information to make their choice of university.

Most frequently, students (strongly or rather) agreed that **independent reports on the quality of universities and their programmes would help students to decide where to study** (82%); a similar proportion agreed that **students choose where to study on the basis of the quality/reputation of the institution and its study programmes** (83%). Overall, 81% of respondents in higher education believed that **students should be involved in quality reports and rankings of HEIs**. Three-quarters of students agreed that **performance rankings of universities and programmes would help students to choose where to study** (75%) and a similar number agreed that **students choose where to study on the basis of other factors, such as location, friends, cost, etc**. (74%). Having in mind all of the six statements presented to students, they were the least likely to agree that **students have enough information to help them to choose where to study** (63%). More than a third of respondents did not feel that the available information was sufficient for choosing a HEI (36%).

From the entire survey we look in more detail at two statements: 'the independent reports on the quality of universities and their programmes would help students to choose where to study' (1), 'performance rankings of universities and programmes would help students to choose where to study' (2). In all of the surveyed countries, the role of independent reports on the quality of universities and their programmes showed minor variations between students in individual countries. Independent reports on the quality of universities and programmes were considered extremely helpful by half of the students in Romania, the UK and Iceland – 50%-51% of the interviewees in these countries *strongly agreed* that such reports were useful in the decision-making process. The least likely to *strongly* believe in the proposition were respondents in Denmark (25%), the Netherlands and Belgium (both 27%) and Turkey (29%). Roughly two-thirds of students in Belgium (68%) and Turkey (69%) agreed that such independent reports would help them to decide where to study, and approximately 9 in 10 respondents in the UK and Portugal (92%), Romania, Slovenia and Poland (all 89%) held a similar opinion.

FIGURE 1
**Independent reports on the quality of universities and programmes
would help students to decide where to study**
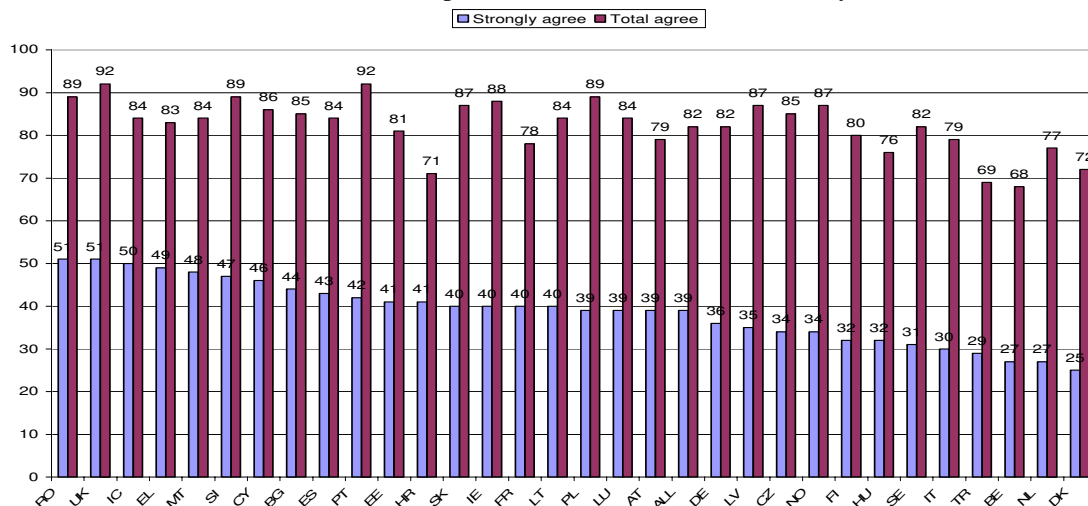
Q3. To what extent would you agree or disagree with the following statements?
Base: all respondents
%, "Total agree" ="Strongly agree" + "Rather agree", by country
Source: Flash Eurobarometer Series #260, Students and Higher Education Reform *Special Target Survey, March 2009.*

Fifty-four percent of students in Romania and just 6% of those in Finland strongly agreed that universities' performance rankings would help students to choose where to study; considering all six statements, these results showed one of the highest variations between students giving the strongest levels of support - a difference of 48 percentage points. Malta and the UK (both 50%), and Bulgaria (46%), were the closest to Romania in terms of supporting performance rankings. In contrast, besides Finland, examples of countries where less than one-fifth of interviewees strongly believed that universities' performance rankings would help in the decision-making process were Sweden (12%), Denmark (14%), the Netherlands (16%) and Norway (18%). When the percentages of total agreement on performance rankings were examined, the same two countries (Romania and Finland - 92% and 36%) were found at the extreme ends of the distribution.

FIGURE 2
Performance rankings of universities and programmes
would help students to choose where to study
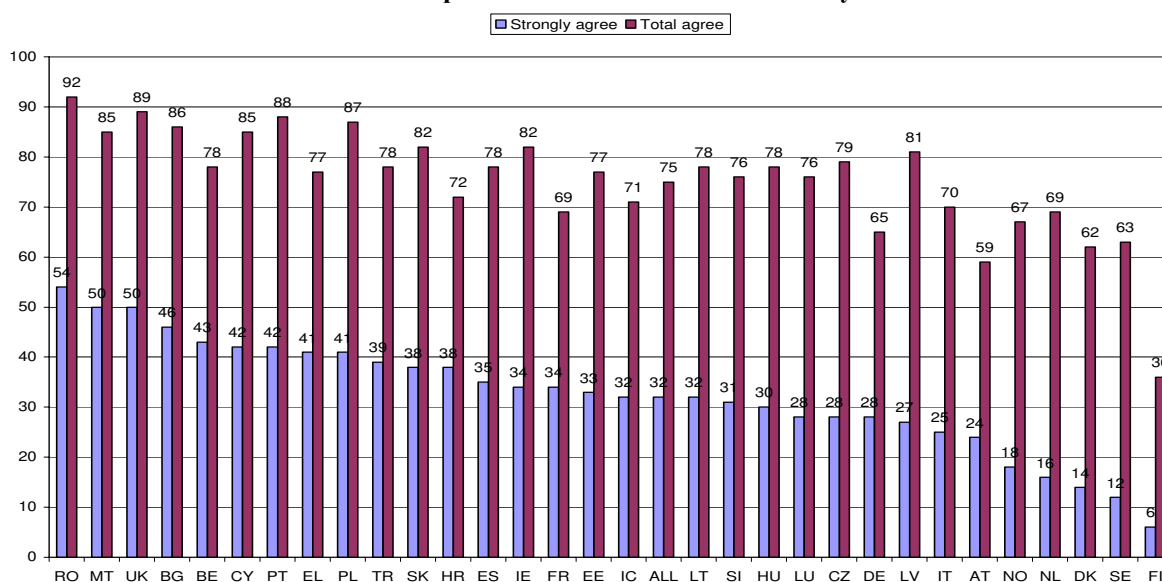
Q3. To what extent would you agree or disagree with the following statements?
Base: all respondents
%, "Total agree" ="Strongly agree" + "Rather agree", by country
Source: Flash Eurobarometer Series #260, Students and Higher Education Reform *Special Target*
Survey, march 2009.

Having in mind students opinions about the six statements presented to students and especially the ones selected by us, it is insightful for future developments of appropriate marketing approaches for higher education sector. Students choose a higher education institution based on several factors, including reputation, location, friends and cost. Both independent reports on the quality of universities and their programmes, and performance rankings of universities and programmes would help students to choose where to study.

Consequently, the most important marketing activity that universities conduct is strong promotion and communication towards potential applicants related to increasing recruitment and admission. However, marketing specific actions should not stop here, the essence of satisfying the consumer (the student as primary consumer) is to offer him quality services (educational and support services). Therefore providing good student experience plays a major role in ensuring student satisfaction. Institutional image and reputation and based on them a constructed brand are also important in attracting students. Images, reputations and brands are also formed based on delivering quality

services towards students and other stakeholders. It is within this logic that provision of 'quick and simple' information on quality, hence – external – quality assurance plus transparency of quality judgments, is essential for any marketing strategy.

4. CONCLUSIONS

To conclude, at the moment it is considered that despite the existence of substantial literature on marketization of higher education and consumer behaviour, it is still to be developed and adapted for the higher education sector, without probably ever being applied in the same way as in the business sector. This paper underlines the students' preferences for quality and transparency of higher education institutions that should be enhanced in future conceptualizations of higher education marketing.

"Quality" is an issue of decisive significance with regard to the choice where to study. Providing quality education appears to be a core value when taking students as clients or customers so their time and effort should not be wasted by subjecting them to inferior, useless learning experience. The choice where to study is technically dependent on the reliable and understandable identification of interface structures of each higher education institution, on trustworthy identification of qualities of learning provisions. When seen from students' perspectives in particular, the choice where to study is based on transparency of qualitative benefits to be expected from the learning experiences offered.

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POSITIONING EDUCATIONAL PROGRAMS WITH NONMETRIC DATA; PERCEPTUAL VERSUS PREFERENCE MAPS

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ABSTRACT

Most of practical methods for constructing positioning maps use as dependent variables data which are measured either on interval scales with normal distribution or on ordinal scales. Furthermore, ordinal data considered for this purpose are scores obtained either with Likert type items or with pair-comparisons scales. However, there are practical situations when data that describe customers' perceptions do not fit into these frames. One of these situations takes place when stimuli are considered simultaneously and ranked on a single ordinal scale. In educational marketing settings, this is the case when students express their options for specializations within a college by using a one-dimensional scale, such as a hierarchy of preferences list. These rank type scales have at least two major sources for drawbacks. The first source acts during data collecting stage, the second source is located at the statistical processing stage. This article is an analysis of methodological and managerial peculiarities that arise when using this type of data.

KEY WORDS

Rank data, multidimensional scaling, university educational programs

1. INTRODUCTION

Many statistical procedures used in social research, which includes education, require a normal distribution for variables involved in analysis. This condition implies that variables are measured on either interval or ratio scales. The main advantage of interval scales is that differences among scale levels are equal in terms of what is measured, and this allows several arithmetic operations (e.g., addition, subtraction, multiplication, division) to be used unambiguously.

However, despite the desirability for interval scaled variables, most of the variables used in social research contain rather ordinal scaled data. The main drawback of this type of data is that relative differences among scale levels are unequal in terms of what being measured, and it does not allow uses of arithmetic operation mentioned above. Typically, this is the case when data is being gathered using Likert type scales. For example, an item which evaluates the agreement/disagreement with an affirmation (e.g. "The Marketing course significantly improved my understanding about soccer games") by marking "1= totally disagree", "2=disagree", "3=neutral", "4=agree", "5=totally agree" will rather reflect an order. Since the difference between 2 and 3 does not equal the difference between 4 and 5, this scale does not meet the standards for being considered interval or ratio type. Also, the same level of this scale (e.g., "5=totally agree") could mean different things for different respondents, and different individuals may give the same answer for very different levels of intensity for their agreement with that statement.

The problem gets even more visible when measuring scale is rank type. For example, let us suppose that respondents are asked to rank five courses (e.g. Accounting, Finance, Management, Business Law, and Marketing) in terms of usefulness, by assigning numbers from 1 to 5 (where 1 designate the most useful, and 5 the least useful course). It becomes obvious that respondents cannot express the magnitude of differences they feel among usefulness of those five courses. It may be the case that difference between first and second position is very small or very large. The rank type scales are not sensitive in reflecting these differences. However, a dominant proportion of educational researchers use to employ ordinal scaled variables in statistical procedures that require interval scale characteristics.

Multidimensional scaling (MDS) refers to a whole group of techniques which attempt to identify the dimensional structures embedded in similarity or dissimilarity data. It presents a configuration of distances between points in a two- or multi-dimensional attribute space. This configuration it is then used for observing and evaluating neighborhood relations between points representing marketing stimuli. Thus, MDS provides solid arguments for brand positioning analysis and strategy.

There is a long debate over the MDS potential for recovering hidden structure from raw data sets, especially when the true structure is complex in its own nature. Several techniques are available for the purpose of recovering structures from raw data (Carroll and Arabie 1980; DeSarbo and Rao 1986, Kumar and Leone 1991). For example, MDS does not provide robust results when marketing stimuli are not distributed in a pattern of a straight line.

It is assumed that metric and nonmetric MDS perform better in representing large distances (the global structure of data) than in representing smaller distances (local data structures). It uses an objective function, known as stress function, to show how well the generated points configuration represents the original data structure. However, it is accepted that the choice for an objective function is not critical for scaling procedure, and that results will not be different depending on the function assumed.

2. MULTIDIMENSIONAL SCALING AND PERCEPTUAL MAPPING

In marketing, MDS is used with the purpose of representing in a graphical format the perceptions and preferences of customers for brands within a product category. This graphical format is called perceptual map. Marketing researchers appreciate MDS capacity to compact complex consumer data,

which usually includes a vast amount of variables describing rational, emotional and behavioral characteristics, into a concise, easy to understand format.

MDS is part of a group of statistical techniques (along with factor analysis, discriminant analysis, and conjoint analysis) which permit a complex analysis of data that measures perceived relationships between products. However, while the other techniques require an anticipative identification of dimensions before asking respondents to rate products, MDS obtains the underlying dimensions from respondents' evaluations on similarities between products. Due to this important feature, MDS is preferred when carrying perceptual mapping analysis.

The perceptual map has a key advantage: it is easier to understand and interpret than a list of numerical results, and it quickly indicates potential relationships and connections between cases described with the input data. However, perceptual maps also have drawbacks. Since the initial data must be heavily transformed and condensed in order to get the visual representation, the final graph they provide is only an approximate representation of the real data. Therefore, perceptual mapping can be only used for getting clues about data structure and coming up with hypotheses. It should not be used to reach conclusions without the support of other mathematical tools which can verify its findings.

Although many marketers regularly use the "perceptual map" phrasing, MDS can actually produce three different types of maps: preference maps, perceptual maps, and correspondence maps. Even though the purpose of using each type of map, out of the three mentioned, conditions for employing them are different. The main difference comes from the type of input data they require.

Preference maps start from data in which consumers' perceptions are described in terms of brand rankings. In a typical preference analysis, consumers are asked to reveal their preferences as a hierarchy from 1 to n, where 1 will be assigned to most preferred brand, 2 for the second, and n for the least preferred. Preference mapping performs a principal component analysis, and then creates a two-dimensional scatter in which each point represents one of the evaluated brands. However, interpreting the two dimensions might be tricky; it takes a thorough analysis and even an axes rotation until the meaning of the two dimensions will be revealed.

Perceptual maps are not meant to study consumer preference, but rather for analyzing competitive brands positioning in consumers' minds. In order to get input data, respondents are asked to rate the degree of similarity/ dissimilarity between all possible pairs of brands. This is highly impractical, since the number of pairs would be too large when there are many brands, which usually is the case. The number of pair comparisons is $q=n(n-1)/2$, which in the case of 10 brands will give 45 pairs; handling with 45 comparisons is quite uncomfortable for respondents. An alternative is to ask each respondent to place brands into groups on similarity criteria they decide. Consumers are allowed to decide as many groups as they like. Then, MDS performs a principal component analysis of the original data and then improves this initial solution iteratively. When the solution can no longer be significantly improved, MDS creates a two-dimensional map which reflects initial distances between brands in terms of similarity of dissimilarity. Points on this map are actual brands. Brands that are located closer are perceived as being more similar than brand separated by longer distances. However, plot dimensions are interpretable and analysis is needed to estimate the hidden attributes that describe those dimensions. Identifying these attributes may help market analyst understand consumers' judgments when making comparisons between brands.

Correspondence maps are used when working with categorical type of input data. For example, correspondence maps can be used to visualize the association between a categorical variable which separates customers in different groups (i.e. age group, income level, eye color) and a categorical variable that distinguishes brands within a product category (i.e. size, speed, price level). This procedure can even display simultaneously multiple categorical variables, such as multi-way

frequency tables, each variable having a large number of levels. However, the meaning of plot distances will be harder to interpret as the number of variables and the number of levels each one can take increase.

3. METHODOLOGY

The empirical research was conducted with two main purposes. One purpose has a practical orientation, in the sense that findings can be used for strategy improvement, while the other is rather methodologically oriented, since it concerns an analysis of two different types of MDS maps.

The first purpose is identifying the relative positions of specializations (or academic programs) from Faculty of Economics and Business Administration (hence fore FEBA) at Alexandru Ioan Cuza University. At FEBA students can choose one of ten undergraduate programs: Agricultural Business (AGR), Economics (ECO), Accounting (ACC), Finance and Banking (FBK), Business Information Systems (BIS), Management (MGT), International Business (INT), Commerce, Tourism and Services (CTS), Business Statistics (BST), and Marketing (MKT). Under the strategic marketing perspective, it is expected that those programs compete against each other when attracting clients. However, this competition is not random. Certain patterns may exist in the sense that students perceive some programs as being more similar while others are quite dissimilar. Their choice is made within a certain group of similar programs.

The second purpose was to evaluate the quality of results provided by a preference map. Since it employs rank type data, it is possible for distortions to be introduced during the data collection and processing stages. A comparison between results obtained with rank type of data, by using the preference data approach, and ordinal type of data, by using the perception data direct approach, is intended.

Data collection stage involved two different sources. The first source includes FEBA electronic files, which have records on students' choice for specializations. More precisely, at the end of 4-th semester students fill an option form by making a hierarchy of FEBA programs in descending order of their preferences. These records are available starting with academic year 2001-02, and contain 1200-1800 cases for each year. These data were used as inputs for MDS in order to get a preference map for every year series.

The second source involved primary data collection. In order to construct perceptual maps, two options were available: the direct approach and the derived approach. The direct approach involves asking respondents to reveal their perception on similarities between pairs of two programs. The derived approach involves an evaluation of each program apart on several scales describing different attributes. The attributes should be those on which respondents perceive similarities or dissimilarities between academic programs. Our option was for the ***direct approach***. Respondents were asked to rate the degree of similarity/ dissimilarity for 45 pairs of academic programs, where 1 means very similar, and 9 very dissimilar. The range from 1 to 9 was selected because it will allow better comparisons with preference data, which asked students to rank programs from 1 to 10. Thus, both scales will have the same interval of variation, and not intermediary data transformation will be necessary in order to ensure a better comparability. Questionnaires were administered few days after students have provided their preference hierarchies by completing the option form. Thus, conditions for developing a reliability testing with an ***alternative form approach*** were fulfilled. Primary data collection provided a number of 434 valid questionnaires from 2007-08 student series.

Both types of data, secondary and primary, were processed using MDS procedure from SPSS package.

4. RESULTS

The first direction of analysis involved competitive group identification. As Figure 1 depicts, two competitive groups arise. One group consists of Business Statistics (BST), Economics (ECO), and Agricultural Business (AGR) programs. The second group is mad of Commerce, Tourism and

Services (CTS), International Business (INT), Management (MGT), and Marketing (MKT) programs. Accounting (ACC), Business Information Systems (BIS), and Finance and Banking (FBK) form rather individual groups. However, Accounting is perceived as most similar with Business Information Systems. Business Information Systems is also similar with Business Statistics, while Finance and Banking is most similar with Marketing.

FIGURE 1

Preference map for 2004 student series

Euclidean distance model
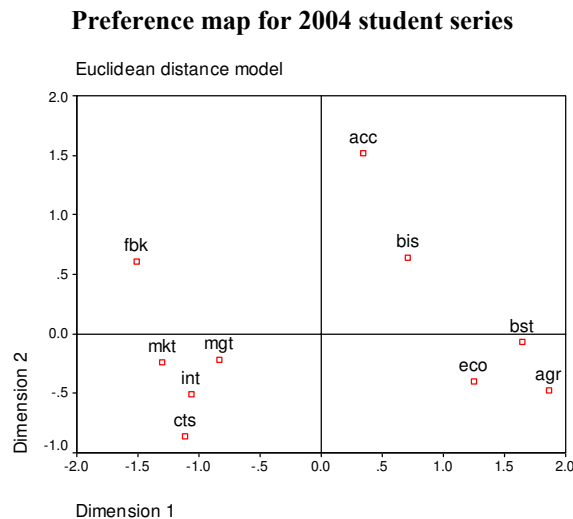
Dimension 2 reflects the variability in ***hardness of program content***. The upper end concentrates programs which dominantly ask for working with numbers, while the lower end concentrate programs which necessitate communication tasks. Dimension 1 is quite difficult to interpret. It seems to describe ***program attractiveness***, since the right hand end concentrate specializations with very small number of options (AGR, BST, and ECO), and the left hand side concentrates specializations with largest number of students (FBK, MKT, CTS, INT).

In terms of reliability and validity, the initial data describes rank hierarchies for N=1576 students, the S-Stress=0.03, and Rsquare=0.99. These measures suggest an excellent fit between initial and final data.

Similar maps were obtained for all 5 student series, between 2002 and 2006. The example in Figure 2 depicts programs positioning for 2005 student series.

FIGURE 2

Preference map for 2005 student series

Euclidean distance model
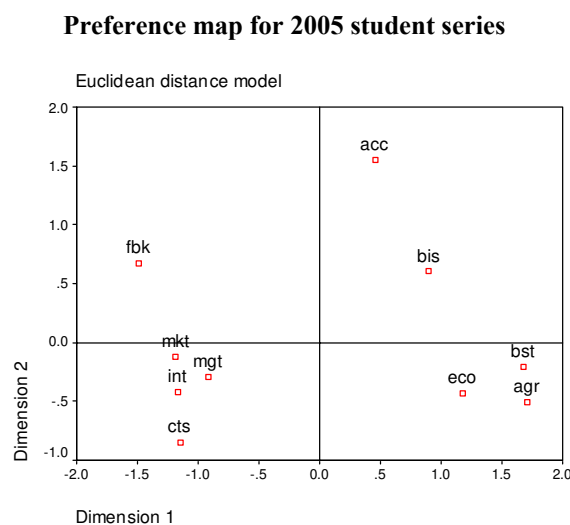
The same competitive groups can be identified, even though minor changes occur within groups. Interpretations from 2004 situation prove to be valid. Data for 2005 was collected from N=1382 students. MDS data processing lead to an S-Stress=0.03, and Rsquare=0.99.

From the Fall of 2006, CEBA operates under the Bologna process by shifting from a 4 year to a 3 year long undergraduate program. Under these circumstances students decide for the specialization to pursue at the end of first semester, with 3 semesters earlier than earlier generations. This change does not bring major changes in positions programs locate within the preference map, as seen in Figure 3. Data was collected for N=1428 students, and MDS processing lead to an S-Stress=0.04, and Rsquare=0.99.

FIGURE 3

Preference map for 2006 student series
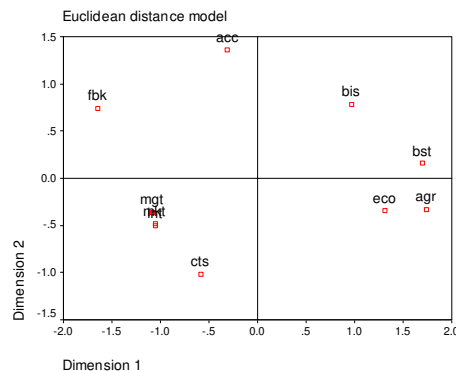
An important change with respect to Marketing (MKT) program is a loss in perceived difference, which previously separated it from Management (MGT) and International Business (INT) programs. Since students do not have the opportunity to take Principles of Marketing course before deciding on specialization, they have the perception that Marketing, Management, and International Business are very similar. All other 7 programs keep the positions held before. Similar positions were achieved in 2007 and 2008.

Te second direction of this empirical research consisted in testing preference map results by confronting its results with results from a perception map. Visual comparisons can be easily made by analyzing Figures 4 and 5.

Input data for these two maps are provided by the same 434 students, in two different formats: first as a preference hierarchy (for Figure 4), and second as pair comparisons. For results in Figure 4, S-Stress=0.06, and Rsquare=0.97, while for those in Figure 5, S-Stress=0.12, and Rsquare=0.90.

FIGURE 4

Preference map for 2008 student series
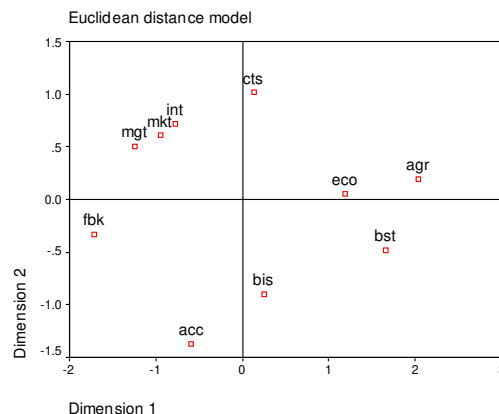
As we can observe, Marketing program's competitors are the same: Management (MGT) and International Business (INT). Since the overall group structure is the same, we can conclude that graph dimensions are the same: program orientation (precision vs. communication), and program desirability.

FIGURE 5

Perception map for 2008 student series
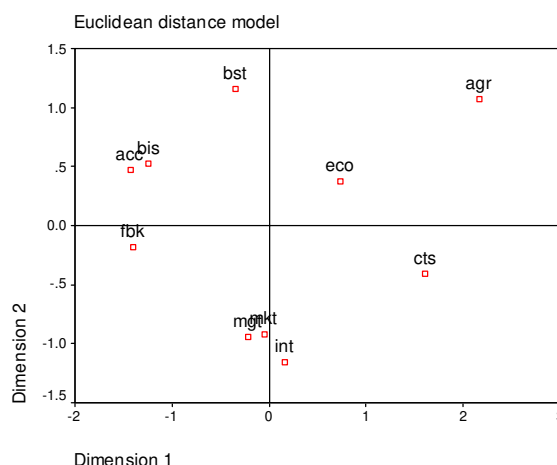
Even though program positions are similar, initial input data are very different The two scales (1-10 ranks hierarchy, and 1-9 Likert pair comparisons) lead to quite different average distances between programs. These differences are depicted in Table 1. For example, the average "preference distance" between Accounting (ACC) and Commerce, Tourism, and Services (CTS) is 3.94; the average "perception distance" between the same programs is 6.29.

TABLE 1

Comparative average distances between specializations

		distances on preference scale									
	programs	CTS	ACC	AGR	ECO	INT	FBK	MGT	MKT	BIS	BST
distances on perceptual scale	CTS	---	3.94	3.65	3.26	3.14	3.77	3.05	3.03	3.67	3.93
	ACC	*6.29*	---	4.57	3.87	3.80	2.84	3.5	3.65	3.35	4.18
	AGR	*4.43*	*6.94*	---	1.83	4.43	5.55	4.97	4.59	3.90	2.48
	ECO	*3.80*	*5.18*	*3.47*	---	3.52	4.71	4.16	3.84	3.30	2.52
	INT	*4.44*	*5.73*	*6.49*	*4.31*	---	3.20	2.82	2.73	3.48	4.22
	FBK	*6.39*	*3.31*	*7.04*	*4.57*	*4.71*	---	2.75	3.04	3.50	5.03
	MGT	*4.51*	*4.85*	*6.30*	*4.68*	*3.62*	*4.43*	---	1.87	3.60	4.73
	MKT	*4.46*	*5.29*	*6.15*	*4.85*	*3.83*	*5.13*	*2.79*	----	3.40	4.27
	BIS	*6.27*	*4.04*	*6.95*	*4.98*	*5.17*	*4.44*	*4.91*	*4.80*	---	2.93
	BST	*5.85*	*5.13*	*6.03*	*5.11*	*5.63*	*5.01*	*5.21*	*4.47*	*3.60*	---

The average distance on **perceptual scale** is 5.01, which lies very close to the median of 1-9 scale variance range. The average distance on **preference scale** is 3.61 which is close to the strictly mathematic average of 3.66, that we should get in the case of answers with no missing values.

It seems very likely that **preference scale** creates these differences. The preference scale imposes fixed constraints on distribution of distances between pairs of programs. Thus, by ranking from 1 to n, every respondent will assign n-1 distances of 1 unit, n-2 distances of 2 units, up to 1 distance of n-1 units.

This restriction does not hold for the perceptual scale where respondents may choose the distribution of distance units. In our case, those 434 respondents have had an extremely equilibrated proportion between 1 and 9 levels, since the average lies very close to the median.

Further analysis can be carried for perceptual map by dropping from analysis data for 3 programs – Business Statistics (BST), Economics (ECO), and Agricultural Business (AGR). In real option, these 3 programs are not preferred by students, since each gather less that 10 options out of 1700. If they are dropped out of MDS processing, the perceptual structure is the one depicted in Figure 6. For data in Figure 6, S-stress=0.04, and Rsquare=0.98.

FIGURE 6

Perception map with 7 programs, for 2008 student series
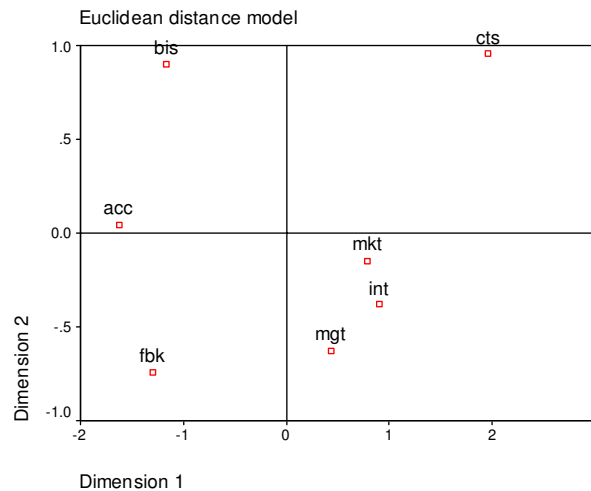
In this case, the two dimensions are interpretable. Dimension 1 could stand for "access to future managerial positions", with high probability for the lower end, and lower probability for the upper end. Dimension 2 stands for "program orientation", with precision for the left hand end, and communication for the right hand end.

5. CONCLUSIONS

In working with rank type of data we should be aware of several major drawbacks. The most evident is that a linear evaluation structure is placed on respondents' mind; they must express similarities between brands in terms of only one dimension: preference. Situation is depicted in Figure 7.

FIGURE 7

Geometrical representation of objects positioning with preference data
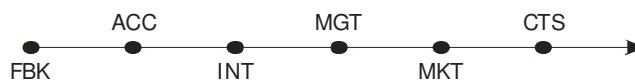
A second drawback is that rank type data also establishes equal distances between objects. As with most ordinal scales, rankings do not reflect the real magnitude of dissimilarities between objects.

And, a third drawback, derived from the first already mentioned, is that rank data imposes a fixed level of average distance between objects. Since the distribution of distances is fixed - as mentioned before,

there will always be n-1 distances of 1 unit, n-2 distances of 2 units, and 1 distance of n-1 units – the average distance comes as an external constraint.

In contract with rank data drawbacks, pair comparison data allow respondents to change criteria of evaluation from one pair of objects to the other. The situation is depicted in Figure 8 as an two-dimensional space. However, we can imagine the freedom respondents have in criteria selection as multidimensional.

FIGURE 8

Geometrical representation of objects positioning with perceptual data
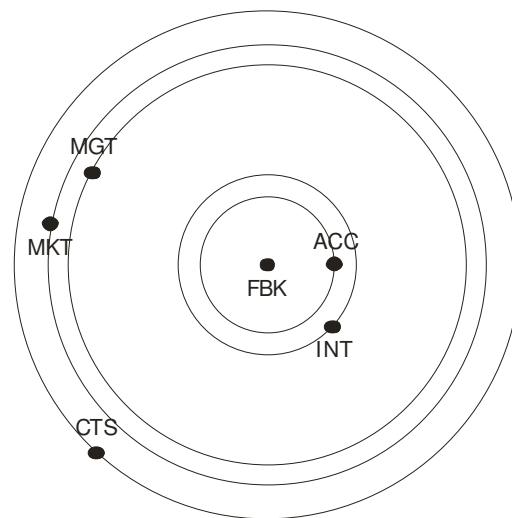
Also, pair comparison data allow respondents to reveal the magnitude of dissimilarity they perceive between objects. This choice is somehow restricted by the upper level of the scale being used.

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COMPETITION AND HUMAN CAPITAL ON THE EDUCATION MARKET

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ABSTRACT

The goal of national competition policies in the market economy system are to achieve a healthy market economy by increasing economic efficiency and consumer welfare through promoting competition rules. As David Gerber said, the competition law has been a major factor in achieving this success, serving as an engine of integration and generating confidence in "European" institutions (Gerber, 1998). But, when we analyze the educational area, the competition is seen in the same manner as it is seen in the other markets? This paper will focus on the role of competition and human capital on the education market.

KEY WORDS

Education, competition, efficiency, policy, human capital

1. INTRODUCTION

For over half a century, members of different associations, politicians, economists and others have recognized that nations cannot achieve economic growth and development without open and competitive markets, and also an efficient educational system. Economists and legal scholars around the globe now recognize the benefits of competition to consumers and to the economy as a whole. Courts now recognize the importance of efficiency and robust price competition in evaluating mergers and business conduct. From airlines to electricity or telecommunications, industry after industry has been privatized or liberalized. Legislators more frequently are turning to competition policy, rather than to more burdensome forms of regulation, to create a well functioning marketplace.

2. THE IMPORTANCE OF EDUCATION NOWADAYS

Education and competition are two universal ingredients of all human cultures. Humans have always considered education and competition important issues, both in the past and in the present. Of course, there have been fluctuations in emphasis and much has changed throughout the centuries. The presence of education in human cultures can be inferred from the oldest historical records, dating back to about 3000 BC. Our early predecessors were aware of the educational process, which itself was a part of their culture, and certain members were specialized in dealing with educational matters. The knowledge and skills of formal teaching are transmitted culturally. We do not know when education first appeared in this formalized way, but it is generally assumed that it is much older than the first references that have been preserved (Verhoeff 1997). Its importance is incontestable, as John Kenneth Galbraith underlined: *The main factor of evolution, as individual, or as its children on the social scale is represented by education. Ignorance leads only to hard work, uncomfortable, boring and often, to not work at all. The improvement comes once with education and only with it; there is nothing without education and the only plausible last appeal is to crime and violence. It may be possible that people on the lower social level get the best education, as they are in great need of means to allow them to climb, to get rid of ignorance* (Galbraith 1997: 67).

In the same way, it is said that *education is one of the most important activity of people. It opens the path towards the wonderful possibilities, but, in the mean while, it state the mankind to some terrible dangerous, as though education, any dictatorship system can change society in accordance with its interests, and if it is its wish it can transform decent persons in wild killers, as we saw it happened repeatedly during the centur* (Szent-Gyorgyi 1981:163-164).

Favorable for the individual and for the society where it lives, works and loves, the adequate education, can guaranty to democracy the essential attribute. *There is no population well educated – John K. Galbraith said - to accept a dictatorship regime or, at least not in the measure that the fact can produce revolt. On the other side, dictatorship government of poor and illiterate people is more than obvious* (Galbraith 1997:67).

As other experts mentioned, well-known philosopher, democratic ideas are in disagreement with psychology and experience data: *To some well known philosophers – Gustave Le Bon showed, among them the remarkable Herbert Spencer, it is not difficult to notice that education does not make people either moral or happy, that it does not modify either its instincts or its hereditary inheritance, and when it is not well directioned, it can be rather devastatingly than usefully* (Le Bon 1999:43).

Thus, we can see that education is a very important matter for the evolution of nowadays society. It can be analyzed from different perspectives. **Formal education** in more complex societies gave rise to teachers, schools, and out-of-context learning in classes, because this specialization allows a more efficient transmission of culture. Over the centuries entire school systems have been developed with their own educational philosophies. Today, the partition into primary, secondary, and optional tertiary (university or vocational) education is predominant, and the educational duties of schools are clearly prescribed by law. Note, however, that **informal education**, such as happens within the family, still plays

an important role. Oscar Wilde once said*: "Education is an admirable thing, but it is well to remember from time to time that nothing that is worth knowing can be taught* (Verhoeff 1997: 2).

As the demands on a society change, its culture changes, and consequently also its educational practices must change. Though difficult to understand in detail, this process of change appears to be a never-ending, self-propelling cycle. The fact that education is tightly bound to economical development, as it gives perspective over freedom and responsibilities (Sen 2004: 19) assumed in society, it allows us to appreciate that connected to its function, by humanitarian and professionalism that it brings and it becomes essentially in the struggle with limited resources, the uncertain evolution, with negative externalities produced by the attitude and action of survival and supremacy: *Development – Amartya Sen says – can be seen as a process of extended real liberty that people rejoice it. Have we to see development from the point of view of the extension of fundamental liberty, our attention is focused to purposes that give importance to development, and not only to some means that inter alia, play a main role in the process. Development needs to remove major resources which lead to privation of liberty: poverty in the same time with tyranny, reduced number of economical opportunities, but also systematical social privation, neglecting public facilities, as intolerance and over-involved repressive governs* (Sen 2004: 19).

Thus, the evolution of the educational system is very important. Education is situated, at the foundation of adequate professionalism for people and the institution of its liberty, but in the same time education is the one that could not stop to use of scientific knowledge to produce means and actions to destroy human-natural and social life, in name of supremacy of political monopoly of a community (Popescu 2006: 263-311).

The educational organizations were adopted by the communities in order to educate and form people in the spirit of appreciation, knowledge and understanding of the never ending and profound secrets of the past and present of the world we live in and of the future we are to integrate ourselves, and they can thus define and fulfill their mission by means of the motivation contained on purpose and significantly in their behaviour (Szent-Győrgyi 1981: 135-141).

In this sense, we appreciate that *the aim* of an educational organization is nowadays to help young people how to learn, to make them curious to know more, to teach them to live the emotion of creation and to enjoy the quality of the well done thing, to teach them how to love what they do and to discover what they would like to do.

Without refusing to appreciate the role of memorizing knowledge, we have to state that the intelligence is not a pit without an end, if you put something in; you also have to eliminate something else out of. That is why the aim of the educational organization is also to feed the spirit, the soul and the brain of people (Costea, Popescu, Tasnadi, Badea, Stanciu 2007: 10-26).

3. THE EDUCATION MARKET. DOES COMPETITION INCREASE EFFICIENCY?

Society clearly benefits when businesses compete. Competition forces firms to innovate and adopt least-cost methods of production. It rewards efficient producers and punishes inefficient ones. As such, competition is a key to economic prosperity in a market economy. There is an increasing body of evidence that competition is also a key to improving our educational system.

Among economists, there are two schools of thought on the issue of **competition**. As far as the **traditionalists** are concerned, competition refers to the perfect competition paradigm of textbooks, which describes a particular market structure. By contrast, for the **neoclassical**, the same term means cutting prices, providing better service, offering longer warranties and the entire range of business activities firms undertake to gain an edge over their rivals. Thus, the traditionalists interpret competition as a static equilibrium while the neoclassical view it as a dynamic disequilibrium process. McNulty (McNulty 1968:639-656) provides an excellent overview of the competing definitions. Product homogeneity and perfect information are two fundamental assumptions underlying traditionalist competition. Consumers and firms armed with complete knowledge buy and sell in a market for an identical product. In contrast, neoclassical competition rules out both assumptions. Neither buyers nor sellers have perfect information

and the whole point of dynamic competition is heterogeneity – being better than one's rivals necessarily implies being different from them.

The problem of the ***efficiency of education*** has been one of the preoccupations of the economists ever since the first decades of the previous century. The world of mass education is confronted with a lot of contradictions nowadays. Seen from a rational, efficient point of view, the solutions suggested by the economics of education are formulated in terms of returns to education and of the analyses cost-benefits. One of the questions researchers have focused on is *"Can competition do for the education area what it does for business?"*

It is the merit of the theory of human capital to have changed the perspective on the nature of education. Investments in education acquire an economic value for individuals, firms and countries. Yet, the simple investment in education does not produce the desired effect automatically. At an individual and school level there are numerous other variables which influence the efficiency of different combinations of various types of inputs-resources of education. Among these, studies have evinced the ones of cultural, sociological, psycho-social, attitudinal and psychological, didactical extraction. This perspective is considered to enhance and to deepen the economic analysis of the human behavior. It becomes evident taking into consideration the complex, multidimensional nature of the educational good, a product deeply determined from a cultural and pedagogical point of view. From an economic point of view, and regarded from the way it is produced, the educational good is considered a service-good, while taking into consideration the nature of its effects and their lasting in time, it was seen as a non-durable but also a durable consumption good on the one hand and as an investment good, on the other hand.

The forces of the educational market interact with the forces of the other markets within a system of relationships of stimulation, rivalry or substitution. The object of the educational market is characterized by positive externalities, the pluralism of the financial sources and the unequal distribution of the costs at different levels. The educational good has a multidimensional nature. Through its economic long term effects, this good has an investment nature being associated to knowledge and having a central role in the structure of the human capital.

In Romania one can identify compulsory, non-obligatory educational structures, and also of the permanent education and professional training. The initial economic education in Romania includes segments characteristic of the services supplied by different public school institutions, mainly budgetary, but also of those of the private school. There are also economic education programs provided by non-governmental organizations. The countries where almost all students (98 % or more) attend public institutions are Bulgaria, Ireland, Latvia, Lithuania, Romania, Slovenia and Turkey. In the 27 EU countries, independent private education accounts on average for only 2.5 % of enrolments, in comparison to some 86.5 % in the case of public institutions. Cyprus has the highest percentage of students in independent private institutions (10.1 %), followed by Malta (8.9 %), Portugal (8.7 %) and Luxembourg (7.4 %)[1].

In the last ten years the public supply of economic education has undergone an oscillating evolution against the background of a general decreasing tendency in the human resources and in the number of suppliers[2]. An increasing tendency has been manifest in the commercial private services market. Lately, there has been a slight revigoration in the public education and in the preoccupations for the improvement of the quality of its services[3].

The educational demand is under the influence of several groups of factors. Among them we should mention those with macroeconomic and macro-institutional action, those characteristic of the individual educational supplier and those which refer to the system of individual preferences of the primary beneficiary in education. The previously mentioned analysis indicates the fact that in Romania participation in education have been confronted with a decreasing tendency. The studies of comparative education evince the invariability of the perception of the economic education as a vital part of the general education of the citizen, but also of the individual's readiness needed for an open economy, in permanent change. The educational systems in different countries and continents differ through the

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[1] See European Comission, *Key Data on Education in Europe 2009*, published by the Education, Audiovisual and Culture Executive Agency (EACEA P9 Eurydice),
http://eacea.ec.europa.eu/education/eurydice/documents/key_data_series/105EN.pdf
[2] Idem.
[3] Idem.

resources allocated to public education in accordance with a certain political perception on its significance.

Accordingly, investment in education acquires an economic value for individuals, firms and countries. The explanatory power of the classical model of the human capital becomes evident in the theoretical conditions of the rational behavior hypothesis and of the free choice on a pure competition market. This is the reason for which this model is blamed for its reflexive irrelevance in relation to a more complex reality, taking into consideration the methodological approach of the nature of human capital as homogenous and the over-evaluation of the role of education in the increase of productivity. At present the economics of education is approached from new perspectives based on the model of the production-function and on the analysis of production in education and schools and its efficiency. They reassess the function of the social variables, of the quality of education and they take into consideration the structural diversity of education. Recent studies are oriented towards the insulation of the effect of human capital from other variables. They confirm the viability of the human capital theory respectively of the real positive impact of education on the increase of productivity. The education component of the human capital has specificities which derive from its role, from the nature of its assets and the inseparable connection from the possessor's individuality and from the conditions of producing and distributing the income provided by it.

Investment in the economic education is characterized by the simultaneity of the effects, thus enabling its approach as a variable of the utility-function, production-function and of the income-function. The intangible assets of school enhance the efficiency of the formation of human capital. Among them we should mention the instructional capital and the social capital. The structures of the social capital, with effects on the formal education are dual. On the one hand, there is the action of the inside social capital of the school institution, on the other hand, that characteristic of the community segment outside school.

Ensuring quality is a key dimension in the conception of the national educational strategies in Romania. The normative variables of quality are associated with the efficiency of education. Internal productive efficiency of the initial economic education depends on the quality of the didactical resources and on the way of combining them. When education is not oriented by national content standards and showing a deficit in the number of teachers, as is the case of our country, the impact of the quality of Economics textbook is quite strong.

During the years, researchers have found that the education market is after all a market, where competition has an important role. When we speak about competition, we can see that there are many types of it in the different areas of the education market. Thus, competition may be encountered between schools, between the public sector of education and the private one, or simply, between students. It is not surprising that education and competition are intimately related. On one hand, it is natural for children to compete and, therefore, understandable that competition is put to educational use. On the other hand, competition may be found so important in adult life, that a society especially educates their young to compete.

For instance, in Sparta, the most prosperous Greek city in the 8th and 7th centuries BC, physical education was dominated by contests, in particular the Olympic Games, where Spartans often won more than half of the top honors (Verhoeff 1997:5).

Marcus Verrius Flaccus, a Roman teacher famous in the late 1st century BC, is credited to have introduced the principle of competition among his students as a pedagogical aid. He awarded attractive books as prizes. The Italian scholar Battista Guarino (1434–1513) writes in his account of proper educational techniques, *De ordine docendi et studendi*, that teachers should refrain from physically punishing pupils, and that students are stimulated best by competition, which can be intensified by pairing them off (Verhoeff 1997). William Lowell Putnam started a mathematics competition for North-American college students in 1938. These national and regional contests eventually gave rise to the International Mathematics Olympiad (IMO), which was first hosted by Romania in 1959. Other disciplines subsequently established their own international olympiads: physics in 1967, chemistry in 1969, informatics in 1989, biology in 1990, and astronomy in 1996 (Verhoeff 1997).

A problem encountered in the field of competition among students is whether it must be encouraged or not. There are two theories in this sense. One claims that, since competition is part of every culture and since education should transmit culture, it is necessary to incorporate competition into education to help children get used to it in later life. Another theory views competition as opposed to collaboration and, therefore, as an evil element in culture that should be curtailed. At school this often results in an

ambiguous attitude towards competition, which confuses students, who will then try to compete successfully without making it appear they compete.

The research suggests that the source of the competition doesn't seem to matter very much. Whether we speak about the competition among students or among schools, competition seems to be the key of the functioning of the system. A very important matter seems to be the way it manifests on the education market in what concerns the relation existing between schools. In terms of providing market discipline, another public school can be just as effective a competitor as a private school. Furthermore, it is not necessary that the other school be exemplary to be an effective competitor. In fact, even mediocre competitors can induce dramatic changes.

Thus, the existence of competition can lead to a series of relevant results for the education area, such as:

- Academic outcomes are better. Researchers found that students who attended school in communities where student enrollment is dispersed among many educational providers subsequently scored higher on standardized tests, completed more years of schooling, and earned higher wages[4].
- Average per pupil expenditures by the public school system are substantially lower in states and communities where there are more public school districts to choose from.
- The bottom line is that an environment where schools must compete with other educational providers to attract students forces school districts to get more bang for their buck, or in other words, to use their resources more efficiently.

If increased school competition could improve the public school system, then the next obvious question is "How do we do that?" Three basic strategies for increasing school competition, used especially in the USA, are charter schools, vouchers and standardized testing. The common thread among all these strategies is that they make it easier for parents to make educational choices.[5]

Of course, nothing is as easy as it looks. There are a number of complications that must be considered in pursuing a policy of increased educational competition:

- *Highly Competitive Markets.* Despite the strong support for competition as a force for good in education, the researchers do sound a cautionary note. Not all markets suffer from a lack of competition. It appears that most educational markets would benefit from increased competition but some are already highly competitive and would be little changed by an increase in competition.
- *Conflicting policy objectives.* Enhancing competition is not necessarily the primary objective of education policy.
- *Student segregation.* Many argue that the traditional public school provides a commonality of experience that socializes children and creates a cohesive society. Economic models predict that increased school choice should lead to increasingly homogeneous classrooms, making many believe that increased student segregation, a loss of social cohesion and "cream-skimming" by selective private schools are major potential costs of increased competition.
- *Regulatory Burden.* Competition creates incentives for school districts to behave efficiently, yet those incentives are moot if the regulatory environment prevents school districts from responding to those incentives. Without judicious deregulation of the public school system, many of the social benefits from increased educational competition would be lost.

4. CONCLUSIONS

Despite some of the dangers of promoting a competition culture on the education market, we can conclude that competition can do for education exactly the same thing it does for business. That is why we consider it is important to promote a competition culture on the education market.

It is well known the fact that the legislation on competition of each economy has common objectives such as: to promote free competition, increase fairness and enhance efficiency. However, different

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[4] For more information see Taylor, Lori, *The Evidence on Government Competition*, Economic and Financial Review, Second Quarter 2000.
[5] For more information see Taylor, Lori, *The Evidence on Government Competition*, Economic and Financial Review, Second Quarter 2000.

economies have different history, culture and specific national circumstances and the question that arises is whether promoting a competition culture can lead to the same results no matter the country we are analyzing. Things are complicated here.

An economy's competition law (anti-monopoly law) can be easily transplanted into the other, but the values and conceptions inherent in the law cannot so easily be taken root in the latter economy and accepted by its people. Any competition law cannot be easily enacted without specific culture of competition including the conception of fair, free competition inherent in it. Even if it was promulgated, it would be hard to be implemented (Badea, Nedelcu 2008).

As a general matter, competition policy, also known as antitrust policy, seeks to ensure that markets maximize the welfare of consumers by allocating resources efficiently and by spurring innovation.

In order to obtain a well functioning economy, we have to take into account the existence of a culture of competition. We have to be aware that a competition culture promotes:

- a well regulated market;
- efficient allocation of resources;
- efficient production processes in the economy etc.[6]

We are convinced that competition:

- have much to offer in education;
- is a good measure of how well a discipline is accepted and integrated into the curriculum (a healthy, diverse set of competition events is a positive sign, whereas a lack of good competitions may in some cases be interpreted as a negative sign),
- should be further developed in what concerns the struggle between the private and the public sector of education;
- organizing a good competition is a major challenge;
- should enjoy broader acceptance in the (international) arena of education;
- should receive more support and attention from the academic and industrial worlds and from governments.

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[6] See Oliva, S.M., *The Culture of Competition*, www.blog.mises.org/archives/005110.asp

STUDENTS' PERCEPTIONS OF ETHICS AS A GENERIC COMPETENCE IN HIGHER EDUCATION

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ABSTRACT

Nowadays, university students must achieve several generic and specific competences during their studies and among which we find ethics. Given that a new economic model is possible through the "bio-economy" approach - which holds up that the economic development should be sustainable and should outline non-economic factors - business ethics becomes a must. The university students will be the decision-makers of the future and they should be committed with ethics. Our aim is to find out what is their perception of ethics in relation with its importance in the labour market, the role of university in helping them to achieve this competence and their self-assessment on this competence. This paper presents the results of an exploratory analysis about ethics as a generic competence for Business Administration students in a Spanish University. Our proposal is to study this competence in different degrees and its relevance in relation to other generic competences.

KEY WORDS

Higher Education, Business Studies, Generic Competences, Ethics Commitment

1. INTRODUCTION

After Tuning Project (2003), the scientific community is concerned about the need of acquiring and developing competences and the way in what students perceive these competences. As we already know, university students must achieve several generic and specific competences during their studies and among these competences we find ethics. This is significant to such extent that in the Tuning General Brochure (2006) recent graduates of several European universities have been asked about the importance of these competences for working in their professions and the level of achievement of these competences that they estimated they have reached as a result of taking their degree programmes in the university.

On the other hand, the implementation of the Brundtland Report for the UN (1987) has recommended the need to harmonize development and sustainability, by defining "*sustainable development*" as the development that meets present needs without compromising the needs of future generations. This fits with the social imperative of the "*bio-economy*" approach, which holds up that non-economic factors of human feeling such as cooperation, trust, solidarity, fraternity, altruism and so on (Mohammadian 2008) should be taken into account. And it is opposed to the wasteful use of biological resources by the present generation, to the exports of industrial and consumer activity's waste by developed countries and to the purchase at unfair prices made of the resources of Third World countries. At present the content of corporate social responsibility includes issues such as fair trade, contribution to development cooperation, fight against social exclusion, reconciling work and family life, protection of children and youth, building the knowledge society, etc. Given that a new economic model is possible through the "*bio-economy*" approach, business ethics becomes not only important and desirable but even a must. In this sense, education in the values of cooperation, commitment, trust, respect, solidarity and fraternity and the example of its application are essential to make human progress economically, biologically and socially sustainable possible.

From management, the entrepreneur, the manager and the management function may contribute to the bio-economic development objectives. As the "visible hand" of entrepreneur and resource allocator, coordinator of the production process, innovative, nexus of contracts, leader, etc. it represents an alternative mechanism to the market to decide what to produce, how to produce and for whom to produce, incorporating a wider time perspective and an economic rationality in which short-term opportunism is not an option to compromise the results in the medium and long term. As Guillén et al. (2007) highlight the importance of ethical learning in higher education for would-be professionals, including students of Business Administration, we must also point out that university students will be the decision-makers of the future and they should be committed with ethics.

Studies of ethics and business ethics have demonstrated to be a prolific field in the later years as shown by the research findings of Matten and Moon (2004), who underline the importance of the institutional environment of business schools, "as research topics reflect the respective parameters of academic journals and scholarly conferences where researchers find outlets for their work. The dominance of business ethics, for instance, is not too surprising given the number and longevity of journals in the field (e.g. *Journal of Business Ethics, Business Ethics Quarterly, Business Ethics: A European Review*). The same applies to environmental and sustainability issues which are reflected particularly in various European Journals (e.g., *Business Strategy and the Environment, Sustainable Development, European Environment, Greener Management International, International Journal of Sustainable Development*). Similar relationships could be suggested to topics such as accounting (e.g. *Eco Management and Auditing, Accounting, Organization, and Society*). Less popular research labels might be harder to place in suitable journals with business school standing. It may prove that more recent initiatives such as the *Journal of Corporate Citizenship* or *Corporate Governance: International Journal of Business in Society* and the decision of more mainstream journals to produce CSR special issues will contribute to the growth, diversity and institutionalization of future CSR research".

Our main aim in this study is to find out what is the Business Administration university students' perception of ethics in relation with its importance in the labour market, the role of university in helping them to achieve this competence and their self-assessment on this competence.

The next section presents a literature review of prior research in the area. Three research questions are then developed and research design is outlined. Subsequent sections analyze the findings, discuss the results, recognise limitations and identify areas for future research.

2. LITERATURE REVIEW

First of all, we would like to define ethics in relation to the education field. In order to do that we choose the definition of Foy (2002): "Ethics is not a methodology or a strategy one can apply without a grounding in basic theory principles, concepts." However, we must also take into account the contribution of Connock and Johns (1995): "Ethics is about fairness, and deciding what is right or wrong, about defining the practices and rules which underpin responsible conduct between individuals and groups." This definition has been expanded by Orme and Ashton (2003): "Being ethical involves taking action to ensure that these practices and rules are applied consistently in all day-to-day business situations". So that, when we study ethical commitment at a university level, we are focusing in the root of the future generation mental decision process and we must be sure that they get the basis to involve themselves in all the problems that they have to solve during their academic time and afterwards.

When we look for specific literature about the Tuning Project and the generic competences, we find some studies that make us raise some research questions in this field.

2.1. Ethics commitment

In relation to the "ethics commitment" competence we find a previous study that asked for the assessment of the importance and necessity in the formation of teachers respect to generic competences (Fernández et al. 2009). We are more interested in our Business Administration students than in our teachers, the future and current students, we want to know:

What are their perceptions in relation to their actual "ethics commitment" generic competence?

2.2. Ethics commitment versus other competences (generic, instrumental and systemic)

Also in relation to the "ethical commitment" competence we find a previous study that stated that the acquisition of generic competences, especially the interpersonal and systemic ones, is closely related to the objectives of ethical learning: the training of professionals and citizens who build their knowledge independently and act responsibly, freely and in a committed manner (Boni and Lozano 2007). We are interested in our Business Administration students' perceptions for all the generic competences in relation to the ethical commitment generic competence, we want to know:

What are their perceptions in relation to their actual generic competences?

2.3. Ethics commitment in Business administration versus other degrees

Finally, Elias (2004) found results that indicated that students in general perceived corporate social responsibility to be more important to profitability and long-term success of the firm and less important to short-term success after media publicity of corporate scandals. And college major can play a role in this perception. We are interested in our students' perceptions for ethical commitment generic competence in several degrees, so that we want to know:

What are their perceptions in relation to their actual "ethics commitment" generic competence, when the degree is taken into account?

3. METHODOLOGY

3.1. Research design

As our research aim was to study the students' perceptions, a quantitative research was carried out; we expected to find out these perceptions though their assessment. The study has an exploratory nature and we used the survey method through a questionnaire to collect the data.

3.2. Sample and population

As we were looking for representation of different scopes, the population were the students of *Universidad de Jaén* of the 2008/2009 academic year that were studying one of these degrees: Business, Computer Engineering, Law or Education.

The sample was made up of 311 university students (who participated on a voluntary basis). Among them, 67 were studying Education (21,5%), 80 Law (25,7%), 68 Computer Engineering (21,9%) and 96 Business (30,9%). From these students, 145 were male (47,4%) and 161 were female (52,6%).

3.3. Instrument

The theoretical basis for the measuring instrument proceeds from the classification of generic competences contributed by the Tunning Project (2003). Then an assessment scale with five degrees was drawn up. This measurement scale goes from 1 (little) to 5 (much). The tool included 3 questions for each generic competence:

> The first question deals with students' self-assessment on each of the generic competences: *Self-assessment. What extent do you think do you have this skill/competence?*

> The second question was about students' perception of each generic competence about the importance of the competence for working in their profession in the labour market: *What extent do you think firms valuate this skill/competence when hiring workers?*

> The last question discuss the level of achievement of each generic competence that they estimated the university can provide them during their studies: *What extent do you think the university contribute to your acquisition of this skill/competence?*

The questionnaire was distributed individually during the normal lectures to those students who voluntarily wanted to participate. They completed the questionnaire during a maximum of 15 minutes and after that they handed it back.

4. STUDY RESULTS

We present our results in three main parts. The first deals about Business Administration students' perceptions on the "ethical commitment" generic competence for the 3 questions and also in relation to the other 29 generic competences broken into three groups, depending on their category: instrumental (those having an instrumental function), interpersonal (individual abilities relating to the capacity to express one's own feelings, critical and self-critical abilities) and systemic (those skills and abilities concerning whole systems).

The second shows Business Administration students' perceptions on the "ethical commitment" generic competence for the 3 questions and its differences with the answers to the other 29 generic competences broken also into three groups.

The third is about Business Administration students' perceptions on the "ethical commitment" generic competence for the 3 questions and its differences with the answers to the same questions of the other students broken into four groups: Education, Law, Computer Engineering and Business.

4.1. Ethics commitment

From Figure 1, we can observe that business students' perception about their self-assessment in "*ethical commitment*" competence is higher than their perception of its importance in the market and very high compared to the role of the university in helping them to achieve this competence.

FIGURE 1

Business students' assessment of ethical commitment: self-assessment, market and university

Instrumental competences & Ethical commitment	Business students' perceptions about the role of the university in helping them to improve the "ethical commitment" competence is very low, only the "knowledge of a second language" of the instrumental competences is lower than it.
Interpersonal competences (Ethical commitment included)	Business students' perceptions about the role of the university in helping them to improve the other interpersonal competences are higher than the "ethical commitment" competence, only the "ability to work in an international context and in an interdisciplinary team" are lower than it.
Sistemic competences & Ethical commitment	Business students' perception about the role of the university in helping them to improve the "ethical commitment" competence is very low, only the "ability to work autonomously, understanding of cultures and customs of other countries and leadership" of the systemic competences are lower than it.

4.2. *Ethics commitment versus other competences (generic, instrumental and systemic)*

TABLE 1

Students' assessment of ethical commitment and the other generic competences: self-assessment, market and university

	Wilcoxon's signed-rank test				
Self-assessment: Ethical commitment	**N**	**Z**	**P**	**Test**	**H_0 Equality**
Capacity for analysis and synthesis	84	-3,107	0,002**	2-Tailed	Rejected
Capacity for applying knowledge in practice	87	-2,517	0,012**	2-Tailed	Rejected
Planning and time management	85	-2,085	0,037**	2-Tailed	Rejected
Basic general knowledge in the field of study	83	-2,674	0,007**	2-Tailed	Rejected
Grounding in basic knowledge of the profession in practice	82	-2,867	0,004**	2-Tailed	Rejected
Oral and written communication in your native language	87	-1,203	0,229	2-Tailed	Not rejected
Knowledge of a second language	82	-4,651	0,000**	2-Tailed	Rejected
Elementary computing skills	87	-0,776	0,438	2-Tailed	Not rejected
Research skills	82	-5,074	0,000**	2-Tailed	Rejected
Capacity to learn	86	-0,938	0,348	2-Tailed	Not rejected
Information management skills	83	-2,947	0,003**	2-Tailed	Rejected
Critical and self-critical abilities	84	-1,547	0,122	2-Tailed	Not rejected
Capacity to adapt to new situations	84	-1,486	0,137	2-Tailed	Not rejected
Capacity for generating new ideas	83	-2,256	0,024**	2-Tailed	Rejected
Problem solving	85	-2,567	0,010**	2-Tailed	Rejected
Decision-making	83	-0,637	0,524	2-Tailed	Not rejected
Teamwork	84	-0,635	0,525	2-Tailed	Not rejected
Interpersonal skills	80	-1,449	0,147	2-Tailed	Not rejected
Leadership	83	-3,246	0,001**	2-Tailed	Rejected
Ability to work in an interdisciplinary team	77	-2,338	0,019**	2-Tailed	Rejected
Ability to communicate with non-experts	80	-1,907	0,056	2-Tailed	Not rejected
Appreciation of diversity and multiculturality	84	-0,186	0,853	2-Tailed	Not rejected
Ability to work in an international context	78	-3,978	0,000**	2-Tailed	Rejected
Understanding of cultures and customs of other countries	82	-3,826	0,000**	2-Tailed	Rejected
Ability to work autonomously	84	-3,082	0,002**	2-Tailed	Rejected
Project design and management	86	-2,496	0,013**	2-Tailed	Rejected
Initiative and entrepreneurial spirit	87	-0,249	0,804	2-Tailed	Not rejected
Concern for quality	86	-1,751	0,080	2-Tailed	Not rejected
Will to succeed	85	-3,885	0,000**	2-Tailed	Rejected
Market: Ethical commitment	**N**	**Z**	**P**	**Test**	**H_0 Equality**
Capacity for analysis and synthesis	81	-1,526	0,127	2-Tailed	Not rejected
Capacity for applying knowledge in practice	84	-1,692	0,091	2-Tailed	Not rejected
Planning and time management	85	-0,793	0,428	2-Tailed	Not rejected
Basic general knowledge in the field of study	80	-0,460	0,646	2-Tailed	Not rejected
Grounding in basic knowledge of the profession in practice	82	-1,070	0,285	2-Tailed	Not rejected
Oral and written communication in your native language	84	-2,352	0,019**	2-Tailed	Rejected
Knowledge of a second language	83	-2,640	0,008**	2-Tailed	Rejected
Elementary computing skills	84	-2,675	0,007**	2-Tailed	Rejected
Research skills	81	-0,522	0,602	2-Tailed	Not rejected
Capacity to learn	84	-2,058	0,040**	2-Tailed	Rejected
Information management skills	83	-0,919	0,358	2-Tailed	Not rejected
Critical and self-critical abilities	82	-0,179	0,858	2-Tailed	Not rejected
Capacity to adapt to new situations	83	-2,723	0,006**	2-Tailed	Rejected
Capacity for generating new ideas	85	-2,680	0,007**	2-Tailed	Rejected
Problem solving	85	-2,226	0,026**	2-Tailed	Rejected

	N		P		
Decision-making	84	-2,788	0,005**	2-Tailed	Rejected
Teamwork	86	-1,826	0,068	2-Tailed	Not rejected
Interpersonal skills	81	-0,933	0,351	2-Tailed	Not rejected
Leadership	83	-1,838	0,066	2-Tailed	Not rejected
Ability to work in an interdisciplinary team	78	-0,333	0,739	2-Tailed	Not rejected
Ability to communicate with non-experts	83	-0,725	0,468	2-Tailed	Not rejected
Appreciation of diversity and multiculturality	82	-0,413	0,680	2-Tailed	Not rejected
Ability to work in an international context	83	-1,350	0,177	2-Tailed	Not rejected
Understanding of cultures and customs of other countries	81	-2,038	0,042**	2-Tailed	Rejected
Ability to work autonomously	86	-1,061	0,289	2-Tailed	Not rejected
Project design and management	85	-1,480	0,139	2-Tailed	Not rejected
Initiative and entrepreneurial spirit	84	-3,079	0,002**	2-Tailed	Rejected
Concern for quality	85	-2,847	0,004**	2-Tailed	Rejected
Will to succeed	84	-2,676	0,007**	2-Tailed	Rejected

TABLE 1 (CONTINUED)

Students' assessment of ethical commitment and the other generic competences: self-assessment, market and university

University: Ethical commitment	N	Z	P	Test	H_0 Equality
Capacity for analysis and synthesis	87	-1,072	0,284	2-Tailed	Not rejected
Capacity for applying knowledge in practice	85	-1,107	0,268	2-Tailed	Not rejected
Planning and time management	83	-1,513	0,130	2-Tailed	Not rejected
Basic general knowledge in the field of study	84	-1,291	0,197	2-Tailed	Not rejected
Grounding in basic knowledge of the profession in practice	82	-1,516	0,129	2-Tailed	Not rejected
Oral and written communication in your native language	82	-1,072	0,284	2-Tailed	Not rejected
Knowledge of a second language	83	-2,043	0,041**	2-Tailed	Rejected
Elementary computing skills	88	-1,072	0,284	2-Tailed	Not rejected
Research skills	83	-1,529	0,126	2-Tailed	Not rejected
Capacity to learn	85	-0,996	0,319	2-Tailed	Not rejected
Information management skills	85	-0,131	0,895	2-Tailed	Not rejected
Critical and self-critical abilities	85	-1,649	0,099	2-Tailed	Not rejected
Capacity to adapt to new situations	82	-0,604	0,546	2-Tailed	Not rejected
Capacity for generating new ideas	87	-0,811	0,417	2-Tailed	Not rejected
Problem solving	84	-1,623	0,105	2-Tailed	Not rejected
Decision-making	85	-0,750	0,453	2-Tailed	Not rejected
Teamwork	83	-0,299	0,765	2-Tailed	Not rejected
Interpersonal skills	80	-0,585	0,558	2-Tailed	Not rejected
Leadership	80	-1,231	0,218	2-Tailed	Not rejected
Ability to work in an interdisciplinary team	73	-2,483	0,013**	2-Tailed	Rejected
Ability to communicate with non-experts	83	-1,475	0,140	2-Tailed	Not rejected
Appreciation of diversity and multiculturality	85	-0,266	0,790	2-Tailed	Not rejected
Ability to work in an international context	81	-1,852	0,064	2-Tailed	Not rejected
Understanding of cultures and customs of other countries	81	-1,325	0,185	2-Tailed	Not rejected
Ability to work autonomously	86	-1,613	0,107	2-Tailed	Not rejected
Project design and management	86	-0,330	0,741	2-Tailed	Not rejected
Initiative and entrepreneurial spirit	84	-0,043	0,965	2-Tailed	Not rejected
Concern for quality	87	-0,580	0,562	2-Tailed	Not rejected
Will to succeed	85	-0,998	0,318	2-Tailed	Not rejected

** Significant at the 95% confidence level. Source: Own elaboration.

At the $\alpha = 0.05$ level of significance in Table 1, there exists enough evidence to conclude there are significant differences between their perception of self-assessment in the competence "*ethical commitment*" and the other competences based on the test scores. More exactly, there are significant differences between this competence and 7 out of 10 instrumental competences (*capacity for analysis*

and synthesis, planning and time management, basic general knowledge in the field of study, grounding in basic knowledge of the profession in practice, knowledge of a second language, information management skills and *problem solving*). Also there are significant differences between this competence and 2 out of 7 other interpersonal competences (*ability to work in an interdisciplinary team* and *ability to work in an international context*). And finally, there are significant differences between this competence and 8 out of 12 systemic competences (*capacity for applying knowledge in practice, research skills, capacity for generating new ideas, leadership, understanding of cultures and customs of other countries, ability to work autonomously, project design and management* and *will to succeed*). The same happens for these students when their perceptions for the market importance of the "ethical commitment" competence and the other competences are compared. There are significant differences between this competence and 5 out of 10 instrumental competences (*oral and written communication in your native language, knowledge of a second language, elementary computing skills, problem solving* and *decision-making*). Also, there are significant differences between this competence and 7 out of 12 systemic competences (*capacity to learn, capacity to adapt to new situations, capacity for generating new ideas, understanding of cultures and customs of other countries, initiative and entrepreneurial spirit, concern for quality* and *will to succeed*). In the end, for the role of university in helping them to achieve each competence, we only find signifficant differences between the "*ethical commitment*" competence and one instrumental competence (*knowledge of a second language*) and one interpersonal competence (*ability to work in an interdisciplinary team*) based on the test scores. In Figures 2, 3 and 4, we show the results comparing the assessments for each pair of questions.

FIGURE 2
Degrees and students' assessment of ethical commitment: self-assessment, market and university

Instrumental competences and Ethical commitment	
	Only one competence is in the fourth quadrant (knowledge of a second language). All the other competences are in the first quadrant, that means that Business students recognize to have these competences in a high degree and that these competences are high valuated in the market.
	This time, the competence "knowledge of a second language" is in the third quadrant. All the other competences are in the first quadrant. So Business students recognize that they have these competences in a high degree and the University can help them very much in acquiring them.

Now, the competence "knowledge of a second language" is in the second quadrant. All the other competences are in the first quadrant, that means that Business students recognize that the University can help them very much in acquiring these competences that are high valuated in the market.

As we can appreciate from the figures included in the Figure 2, the "ethical commitment" competence is in the first quadrant for the 3 relations. However, its position can be improved in relation to some other instrumental competences that have received higher results in their assessments. In the first relation, they recognize to have this competence in a higher degree than they perceive the market to valuate it. In the second relation, they think that university can help them to achieve this competence less than they have it. Finally, in the third relation, they think that the market valuate more this competence than the university can help them to achieve it.

FIGURE 3
Degrees and students' assessment of ethical commitment: self-assessment, market and university

Interpersonal competences (Ethical commitment included)	
	All the competences are in the first quadrant, that means that Business students recognize to have these competences in a high degree and that these competences are high valuated in the market.
	Only two competences are in the second quadrant (Ability to work in an interdisciplinary team and in an international context). All the other competences are in the first quadrant. So Business students recognize that they have these competences in a high degree and the University can help them very much in acquiring and improving them.

Again, two competences are in the second quadrant (Ability to work in an interdisciplinary team and in an international context). All the other competences are in the first quadrant, that means that Business students recognize that the University can help them very much in acquiring these competences that are high valuated in the market.

As it is shown in the figures included in the Figure 3, the "ethical commitment" competence position can be improved in relation to some other interpersonal competences that have received higher results in their assessments.

FIGURE 4
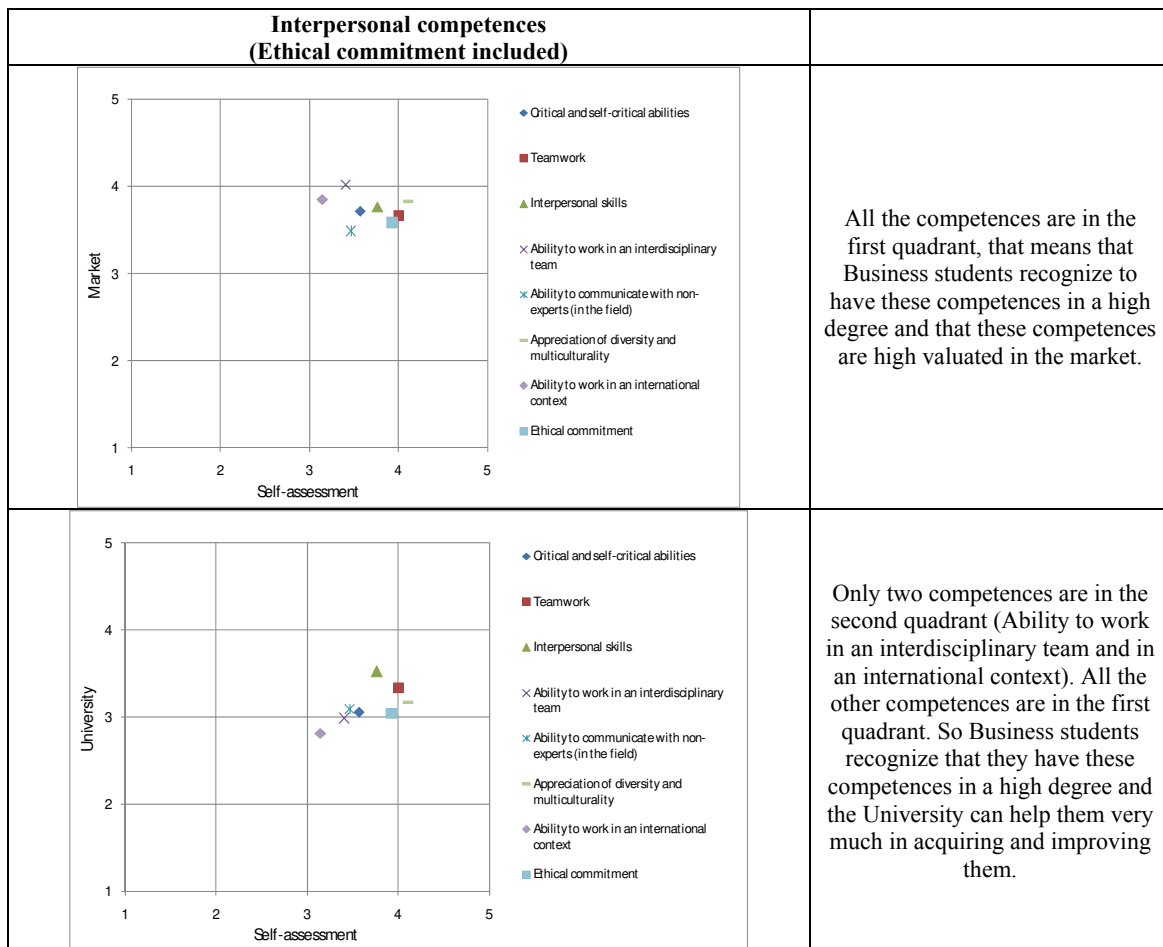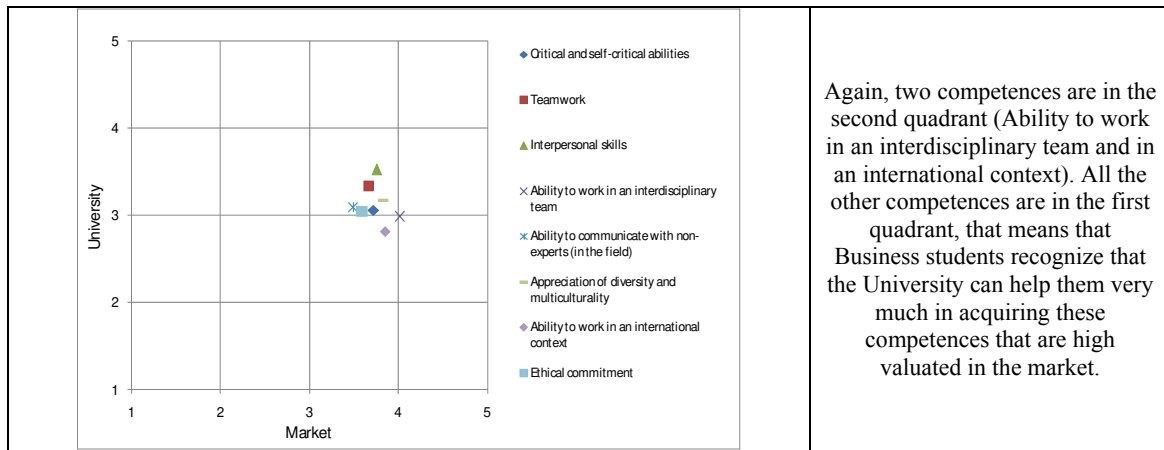**Degrees and students' assessment of ethical commitment: self-assessment, market and university**

Systemic competences and Ethical commitment	
	Only one competence is in the fourth quadrant (research skills) and all the other competences are in the first quadrant. So Business students recognize that they have these competences in a high degree and these competences are high valuated in the market.
	Again, we find "research skills" competence in the fourth quadrant and three competences in the second quadrant (leadership, understanding of cultures and customs of other countries and abilty to work autonomously). All the other competences are in the first quadrant, so Business students recognize to have these competences in a high degree and that the University can help them very much in acquiring and improving them.

Only three competences are in the second quadrant (leadership, understanding of cultures and customs of other countries and abilty to work autonomously). All the other competences are in the first quadrant, that means that Business students recognize that the University can help them very much in acquiring these competences that are high valuated in the market.

As we can appreciate from the Figure 4, the "ethical commitment" competence position can be improved in relation to some other systemic competences that have received higher results in their assessments.

4.3. Ethics commitment in Business administration versus other degrees

FIGURE 5
Degrees and students' assessment of ethical commitment: self-assessment, market and university descriptive
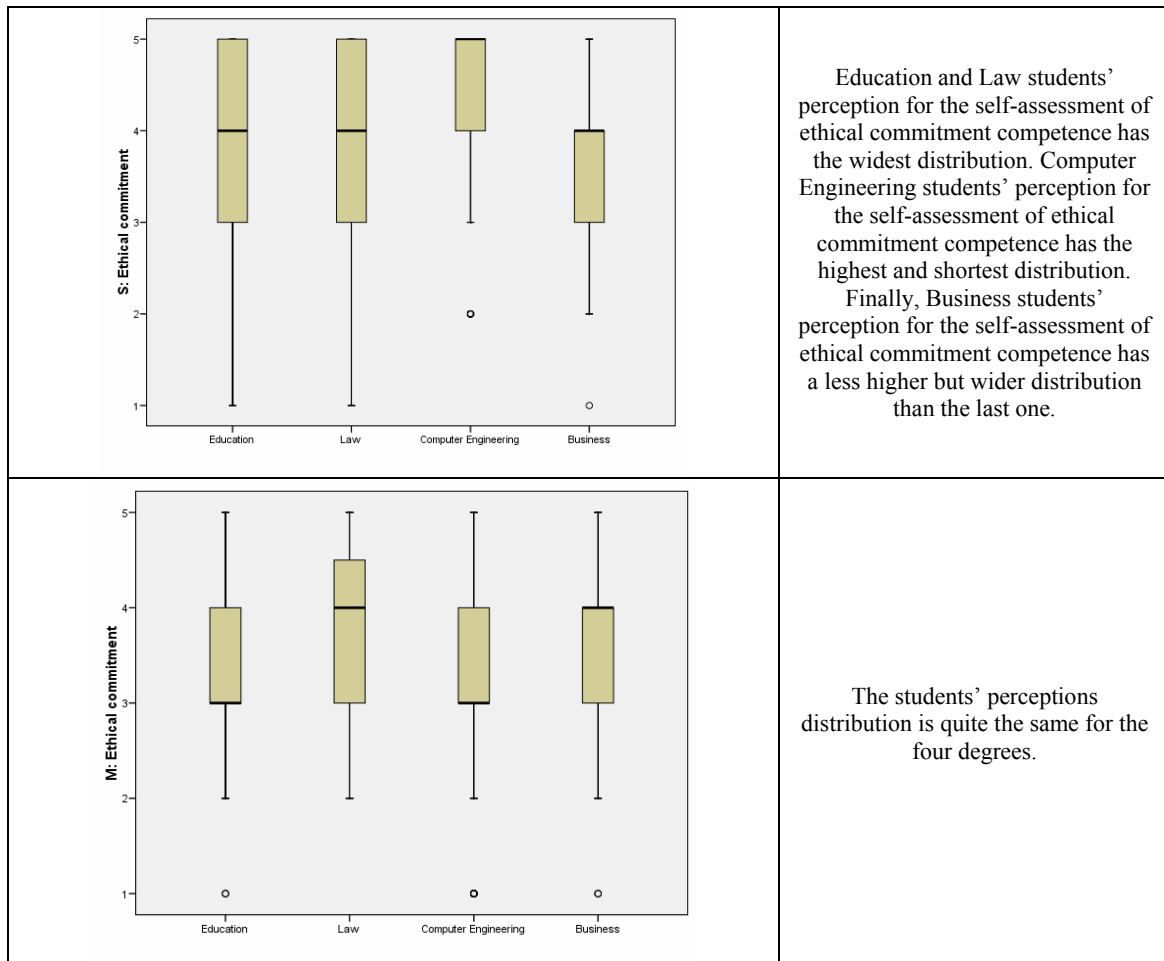
Education and Law students' perception for the self-assessment of ethical commitment competence has the widest distribution. Computer Engineering students' perception for the self-assessment of ethical commitment competence has the highest and shortest distribution. Finally, Business students' perception for the self-assessment of ethical commitment competence has a less higher but wider distribution than the last one.

The students' perceptions distribution is quite the same for the four degrees.

The distribution is quite the same for the four degrees. Only Education students' perception for the role of university in helping them to achieve ethical commitment competence has a wider distribution.
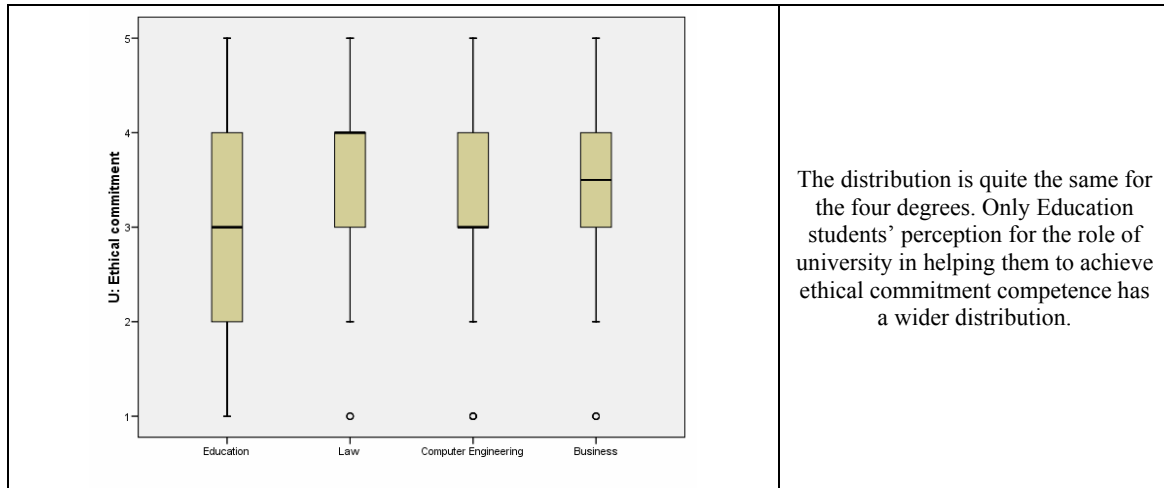
At the $\alpha = 0.05$ level of significance in Table 2, there exists enough evidence to conclude that there is a significant difference among the four degrees' students based on the test scores for the self-assessment of the ethical commitment competence. We can appreciate it graphically in the Figures 5 and 6.

TABLE 2

Degrees and students' assessment of ethical commitment: self-assessment, market and university

Kruskal-Wallis' test	N	Chi-Squared	df	Asymp. Sig.	H_0 Equality
S: Ethical commitment	262	8,762	3	0,033**	Rejected
M: Ethical commitment	262	2,579	3	0,461	Not rejected
U: Ethical commitment	262	4,994	3	0,172	Not rejected

** Significant at the 95% confidence level. Source: Own elaboration

FIGURE 6

Degrees and students' assessment of ethical commitment: self-assessment, market and university
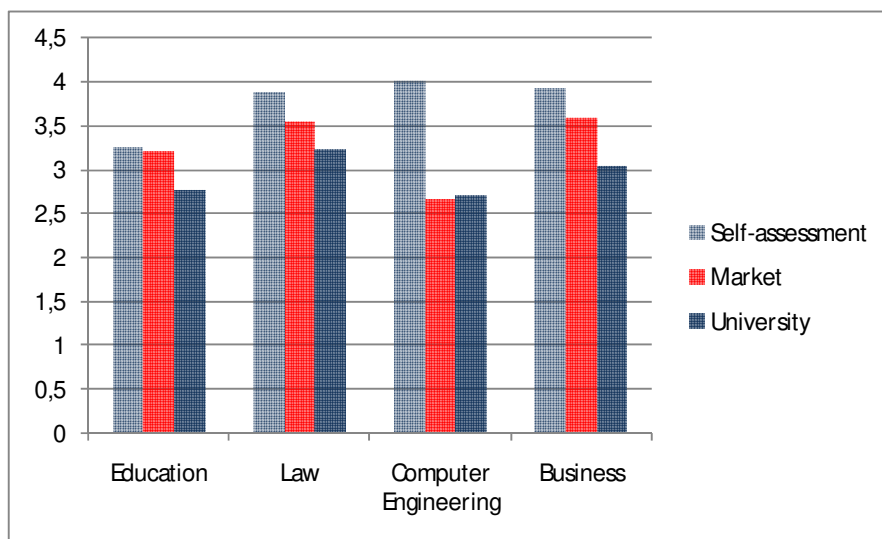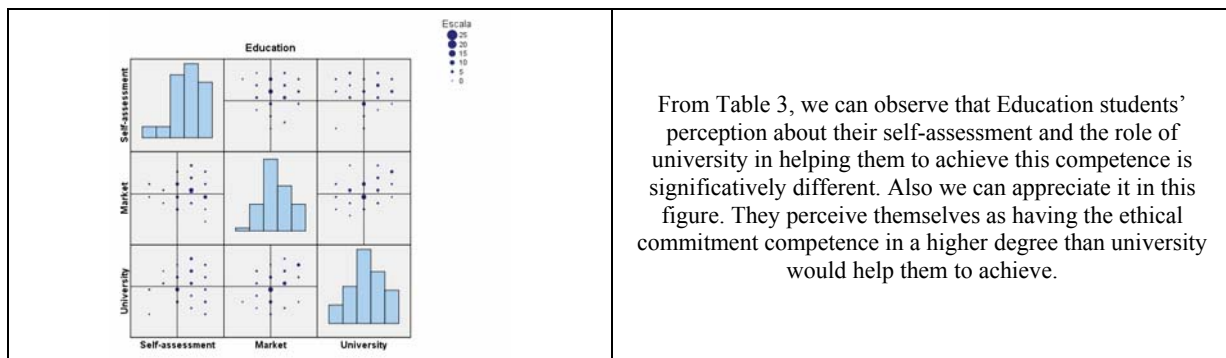
TABLE 3

Students' assessment of ethical commitment broken down into degrees: self-assessment, market and university

M: Ethical commitment – S: Ethical commitment	**N**	**Z**	**P**	**Test**	**H$_0$ Equality**
			Wilcoxon's signed-rank test		
Education	62	-1,818	0,069	2-Tailed	Not rejected
Law	70	-1,252	0,210	2-Tailed	Not rejected
Computer Engineering	62	-3,201	0,001**	2-Tailed	Rejected
Business	84	-1,355	0,175	2-Tailed	Not rejected
U: Ethical commitment – S: Ethical commitment	**N**	**Z**	**P**	**Test**	**H$_0$ Equality**
Education	62	-2,423	0,015**	2-Tailed	Rejected
Law	72	-1,183	0,237	2-Tailed	Not rejected
Computer Engineering	55	-3,555	0,000**	2-Tailed	Rejected
Business	84	-2,250	0,024**	2-Tailed	Rejected
U: Ethical commitment – M: Ethical commitment	**N**	**Z**	**P**	**Test**	**H$_0$ Equality**
Education	58	-0,945	0,345	2-Tailed	Not rejected
Law	73	0,000	1,000	2-Tailed	Not rejected
Computer Engineering	54	-1,481	0,139	2-Tailed	Not rejected
Business	84	-1,661	0,097	2-Tailed	Not rejected

** Significant at the 95% confidence level. Source: Own elaboration.

At the $\alpha = 0.05$ level of significance in Table 3, there exists enough evidence to conclude that for Computer Engineering students there is a significant difference between their perception of self-assessment and the market importance of the ethical commitment competence based on the test scores. The same happens for these students when their perceptions for their self-assessment and the role of university in helping them to achieve this competence are compared. On the other hand, for Education students there is a significant difference between their perception of self-assessment and the role of university in helping them to achieve this competence. In the end, for Business students there is also a significant difference between their perception of self-assessment and the role of university in helping them to achieve this competence. In Figure 7, we show these results graphically.

FIGURE 7

Students' assessment of ethical commitment broken down into degrees: self-assessment, market and university

From Table 3, we can observe that Education students' perception about their self-assessment and the role of university in helping them to achieve this competence is significatively different. Also we can appreciate it in this figure. They perceive themselves as having the ethical commitment competence in a higher degree than university would help them to achieve.

	As we can see at Table 3, there are non significant differences among the three measures tested for Law students.
	From the table above we can observe that when comparing Computer Engineering students' perception about their self-assessment to the importance in the labour market for this competence, there is a significant difference. Moreover their perceptions about their self-assessment and the role of university in helping them to achieve it are significatively different. Also we can appreciate it in the figure beside. They perceive themselves as having the ethical commitment competence in a higher degree than university would help them to achieve or its importance in the labour market.
	From Table 3 we can observe that Business students' perception about their self-assessment and the role of university in helping them to achieve this competence are significatively different. They perceive themselves as having the ethical commitment competence in a higher degree than university would help them to achieve.

5. CONCLUSIONS

The objective of this research study was to examine students' perceptions about their ethical commitment competence self-assessment, the relevance in the market and the role of the university to improve this competence. We have raised three main research questions and through our research design, we have found evidence of significant differences among this competence and some of the other generic competences. We have also found significant differences among the students of several degrees. More exactly, there are significant differences among students' perceptions on ethical commitment competence for the self-assessment and 7 out of 10 instrumental competences, 2 out of 7 other interpersonal competences and 8 out of 12 systemic ones. In the case of their perceptions on market relevance, there are significant differences among this competence and 5 out of 10 instrumental competences and 7 out of 12 systemic competences. In the end, for the role of university in helping them to achieve each competence, we only find signifficant differences among this competence and one instrumental competence and one interpersonal competence. There are also differences among the perceptions of the four degrees' students for the self-assessment of the ethical commitment competence, because Education students have a much lower self-assessment for this competence.

From the results of this first exploratory study in relation to the ethical commitment competence, we observe that more emphasis should be given in our lectures to make our students conscious of their

current and future role in the society and in the managerial decisions. Moreover, university must be the place where students receive not only quality training through their degrees, but also, what is more important, the ability to be committed with ethics and to protect the human rights, the environmental life and all the economic and human resources without compromising the future of our civilization.

5.1. *Future research*

As an exploratory study, we can point out as limitations that this study has been carried out in a specific university and in a specific time, so we want to study this in other moments of time, in other universities (in Spain and abroad). We also would like to have data from other degrees. We can also extend this study by studying the specific competences.

This field keeps on being a desirable field to research as Puentes et al. (2008) emphasize the importance of fostering, promoting and disseminating corporate social responsibility both in academic and research level. Related to an academic point of view it remains a need to increase the available resources to teach ethics (Baetz and Sharp 2004). On the other hand Fleckenstein (1997) argues that ethics educating needs to be personalized based on the individual student.

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APPENDIX

Generic competences			
1	Capacity for analysis and synthesis	16	Decision-making
2	Capacity for applying knowledge in practice	17	Teamwork
3	Planning and time management	18	Interpersonal skills
4	Basic general knowledge in the field of study	19	Leadership
5	Grounding in basic knowledge of the profession in practice	20	Ability to work in an interdisciplinary team
6	Oral and written communication in your native language	21	Ability to communicate with non-experts (in the field)
7	Knowledge of a second language	22	Appreciation of diversity and multiculturality
8	Elementary computing skills	23	Ability to work in an international context
9	Research skills	24	Understanding of cultures and customs of other countries
10	Capacity to learn	25	Ability to work autonomously
11	Information management skills (ability to retrieve and analyse information from different sources)	26	Project design and management
12	Critical and self-critical abilities	27	Initiative and entrepreneurial spirit
13	Capacity to adapt to new situations	28	Ethical commitment
14	Capacity for generating new ideas (creativity)	29	Concern for quality
15	Problem solving	30	Will to succeed

EDUCATIONAL OFFER, EDUCATION DEMAND AND INSTITUTIONAL CAPACITY

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ABSTRACT

This paper studies the demand, supply and competition on the educational market, the necessity of involvement of any university in the education market mechanisms. University's managers must find solutions to solve the problem of balancing supply-demand ratio on this market and identify the market segments not covered, the competitive benefits towards the partners and competition.

KEY WORDS

Educational market, demand, supply, competition

1. INTRODUCTION

It is known that the plurality of thinking patterns implies a wide range of functional thinking patterns. Academic management and marketing studies have to be based on generative thinking patterns (patterns able to generate solutions for a wide range of originality). In this context, we talk about *intelligent patterns, creating patterns and strategic patterns,* each of them having features that provide them identity.

Therefore, *intelligent patterns* emphasize the intensive contribution of intelligence in the optimization of thinking resources and in the efficient use of the knowledge base, resulting in the hierarchization of performant solutions. They generate solutions from the multitude of existing solutions; a solution is intelligent when it gives a net advantage in comparison to the other solutions, an advantage circumscribed to quality, efficiency, time, intelligible complexity. The knowledge base of the intelligent thinking pattern is *dynamic* and *adaptive,* supposing random elements. In their turn, *creative patterns* highlight *new* elements of solutions: the solutions generated by creative thinking *explore the unknown,* supposing original approaches.

Creative thinking is by excellence *dynamic, random, non-linear,* the essential element of non-linearity expression being *inspiration*. Such a pattern substantiates the strategic management which allows to get competitive advantages in the competition environment.

Strategic patterns are substantiated in *dynamic, entropic, non-linear and random* patterns of thinking, with accent on non-linearity and creation. Their finality is in synergetic effects, opening towards creativity, development of institutional culture (organization), culture axiologically substantiated in rationality and conformity, which allow long-term adaption in the external environment, which has to provide competitive advantages for the institution.

2. EDUCATIONAL OFFER, EDUCATION DEMAND AND COMPETITION

Today, more than ever, an involvement of any university management in the market mechanism is necessary, as a consequence of prerequisites like:

- absorption of the shock caused by the financial crisis, economic recession, educational system crisis;
- adjustment to the unpredictable changes in the reference area of the higher education institution;
- drawing-up academic marketing policies, as a consequence of alterations in the demand structure on the academic market;
- increase of competition;
- expression of distortions between educational demand and offer.

It is certain that we are outside the academic marketing, and that it is necessary to *solve the problem of balancing the relation between demand and offer on the academic market.* In this context, academic managers have to *accurately assess the parameters of the academic market, to anticipate possible evolutions of these parameters,* in order to be able to allocate the available resources of the university towards the real demand of the market, *to identify market segments left uncovered, the competitive advantages compared to partners and competition.*

**A PATTERN OF STRATEGIC MANAGEMENT OF THE MARKETING ACTIVITY
AT "CONSTANTIN BRANCUŞI" UNIVERSITY FROM TARGU-JIU**
(application)

Basically:
Academic managers have to lead the institution towards meeting with the actual or potential demands of beneficiaries, with maximum of results.

FIGURE 1

| Demand | ⟷ | Offer |

Demand ↕ Assessment market parameters

Offer ↕ Allocation priority resources

Assessment market parameters → Investigation / Anticipation

Allocation priority resources ↓ Maxim of result

Investigation / Anticipation ↓ Status and role identification (uncovered segments, competitive advantages)
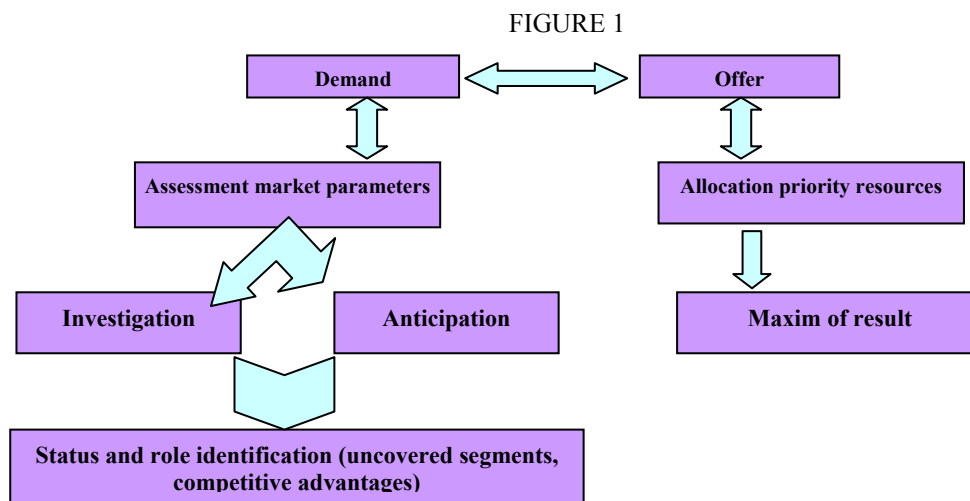
➢ Academic marketing management type depends on the academic market nature given by:
  ➢ market size,
  ➢ field of activity,
  ➢ market parts,
  ➢ geographic localization.

➢ Academic marketing management implies **activities of objectives analysis and establishment, planning, implementation and results control.** As UCB affirmation tool in efficient conditions, **marketing** is the systematic research process with the goal of previously knowing **the academic market.**

Academic market is the totality of relations that occur during the managerial process of academic marketing activity, consisting of higher education demand and offer.

➢ Any university, as environmental agent, has "market" relations with two categories of clients:
1. With regional, national, indirectly transnational agents (economic, social), beneficiaries of manpower, represented by graduates (provider of human resources);
2. With students going through the process of initial training in order to get a job (provider of educational services).

➢ Economic, social agents, etc. are important prescribers and acquirers of initial training product, being interested in taking advantages from operation manpower immediately after graduation.

Universities have to inevitably move the accent from **savoir** towards **savoir-faire** (from mere education to applied education), to have a role of avant-garde, to cause new demand segments for education, to avoid "on stock production", to direct and not remember experiences. Only through aggressive practice, that **savoir-faire** can be incorporated in agents' activity level, because their requirements increase on the segment of manpower employment with **high potential of adaptability.** Providing this type of potential means that the university considers two requirements:
- integration of economy, of the other fields where training is provided and of agents in young people's culture through the educational system (initial training),
- providing new formulas for professional completion through continuous training (professional improvement during the career).

As far as young people taking advantages in educational services are concerned, we have to say that needs are directed towards two goals:
- training need in order to get a job with as much facility as possible;
- the need of developing them as men, in order to acquire social status (acknowledgement of the relatively privileged position in the society). With that end in view, the classic activity of the university, as its own offer, is no longer enough. It has to be completed by other services like: scientific research, applied students' practice, socio-cultural services.

Like any market, the academic market as well supposes the following fundamental elements: demand, offer and competition.

2.1. Demand for higher education

Demand for higher education is the need for knowledge and skills in the field of higher education, knowledge that can be required by socio-economic agents and by persons that will follow higher education courses (individual educational demand).

We notice an extension and an increase of the complexity level of the demand in the field, characteristics given by:
- various changing needs of the agents,
- restructuring and modernizing the subsystems of the social system,
- impact of globalization and knowledge-based society on today's world,
- People's individual intrinsic needs,
- Interest for knowledge and culture,
- Societal learning need of individuals co-participating in the integration process, etc.

The management of higher education activities requires identification, description, and sizing of market segments the institution relates and connects to. **Therefore:**

1. The demand made by agents is a great **mobility,** and it has to be correlated with the demand expressed by the society as a whole, with regional development strategies, with innovation in the field etc. Any agent is interested in its own products and services competitiveness in conditions of increased competition, because competition requires higher training. Today, we notice a **hybridization of specializations** as well as their increased **fragmentation** at the level of agents. There occurs a series of difficulties for any university, especially in the conditions of dense bureaucracy which characterizes the introduction of new programmes.

Possible solution:

The university will apply programmes of study on larger fields, insisting on capacities development regarding the transfer of cognitive skills.

In order to avoid manpower markets unbalances, it is necessary to know the always diversified demand. This is for a double purpose:
- for avoiding the case in which certain social areas, characterized by social progress, may remain uncovered with experts,
- for avoiding the case in which some specializations are not of interested any longer, and the university "produces" potential unemployed people immediately after graduating the faculty (the private field is still unknown, generating incertitude).

2. The individual demand is **multi-segmented** and is generated both by extrinsic motivation and by intrinsic motivation.

Multi-segmentations refer to:
- graduates of secondary and post-secondary education (demand supported by the inclination for study, career, status self-perceived as privileged, parents' desire for children's ascension, academic degree fetish, desire to earn decent incomes, etc.)
- graduates of higher education institutions, employed or not, who, from various reasons, want to specialized in other fields as well (related or totally different from their initial specialization – the field operates being facilitated including by the social perception of prestige and by personal dissatisfaction),
- adult persons, who from reasons due to the totalitarian-communist regime, were unable to achieve their desiderate of graduating higher studies,
- senior persons, for whom the barriers imposed by mentalities should be eliminated and follow the western patterns of the so called "senior universities" supported by the permanent state of "epistemic curiosity and cultural progress".

2.2. Academic offer

It expresses the possibilities of the university to provide educational services both to economic-social agents and to individual persons.

The offer is formed during a long period of time, being "controlled" by a multitude of factors like: human and material potential, **programmes rarity and uniqueness, products acknowledgement level, research, compatibilization level of studies programmes with programmes applied in the European higher education space**, etc.

Although it has diversified a lot for the last few years, the offer of most universities is not enough restructured. On one hand, it does not cover all the segments of the demand, on the other hand it has not adapted to the novelty of the demand, to its complexity.

Administrative measures generate pure, groundless forms. The unilateralization of Romanian higher education compatibilization regarding the adaptation to European standards is both insufficient and harmful.

Compatibilization has to be made on the following coordinates:

- compatibilization with the changing regional/national environment, by finding the solutions for making the offer stay in dynamic balance,
- compatibilization with the Romanian cultural pattern, promoting national values,
- compatibilization with western standards, under the conditions established by the globalization of the academic market and knowledge-based society.

Consequence:

A modernization from top without considering the specific factors and conditions may result in – although it seems paradoxical – to institutional entropy.

The university has to transform from a hard to access axiological-epistemic "fortress" into an open one involved in the life of the fortress. The promoted offer has to consider certain realities like:

a. coexistence of the public academic education with the private education still in proliferation from various reasons (low exigency, facilities often related to disloyal competition, many people's desire to get the fetish – degree – in a short time, permissive legislation for private education, institutional incapacity of public universities to take over all the demand segments, etc.)

b. structural alterations at the level of curricula and specializations (other hierarchies compared to the period before 1990),

c. content of the formative process which requires both competences and theoretical knowledge (savoir), aptitudes and practical skills (savoir-faire) and behaviour regulations related to the internal structure of subjects (savoir être).

d. the quality of the educational process has a double impact: upon the agents interested in developing mobile and adjustable cognitive-attitudinal structures, as well as upon students for the period of their initial training.

The predominance of contents informative character to the detriment of the formative one results in a non-participative, monotonous method, to students' lack of interest; methods approach and application has to be made by valuing epistemic and didactic competences, on charisma and professional skills, on emphatic conduct. The appreciation of knowledge applicative side has to replace the appreciation of memorizing and reproducing skills.

e. Didactic and material base – both the content of the educational process and the promotion of a proactive marketing depend on its quality.

2.3. *Competition*

Competition expression fields:
Between university and substitution activities.

The message towards young people is difficult to direct: between the option of following academic courses and that of entering directly on the labour market, high school graduates should have an intermediary variant – that of student and employee.

1. Between public education and private education

The shock of involutive quality

3. Between specializations – as a consequence of successive alterations in hierarchies and options

4. Between academic centres, competition generated on one hand by the fight for supremacy between traditional academic centres and on the other hand, by the reticence of important academic centres towards academic centres incorporated after 1990.

We think that this attitude is not grounded because:

- many high school graduates as well as many other segments interested in higher studies could not attend the great academic centres especially because of the poor resources, poverty, the status of employee, and only an adequate centre allows an intermediary option (employee student),
- the incorporation of new higher education institutions has had a positive effect in the increase of the number of intellectuals and prestige of the area,
- medium and small universities can adapt more easily to the demands of the area, through academic marketing management,
- relatively young universities provide, in most of the cases, candidates for doctoral schools at traditional universities.
- the marketing of an university, through which the institution is able to win over the competition in its fields of reference, has to be based on policies able to:
  - ✓ influence the level and the structure of the demand,
  - ✓ model the offer in order for the university to be able to value the advantages it has in the area,
  - ✓ managers **be able to adequately size the provided capacities,** the level of material, human and financial resources, in order for the university to dominate competition in the area.
- The university has to make **market forecasts,** long and medium-term **estimates of demands potential, academic product design**.

UCB potential capacity is determined by taking into consideration the fact that the potential of a university can be expressed under the form of a limitation towards which met demand tends when university's marketing efforts exceed competitors' efforts.

NOTE:
If the met demand tends towards the superior limitation, the potential market becomes the actual market of the university.
Estimation method of the total potential:
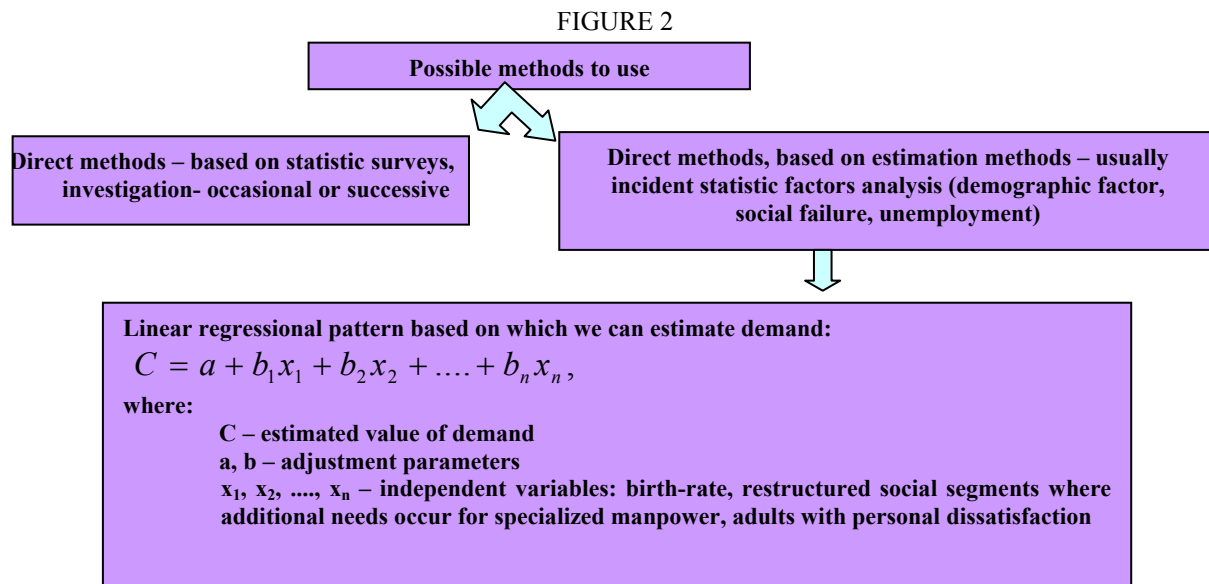$Q = N \cdot n \cdot c$ - where:
Q – the total potential of the institution
N – the total number of students
n - average number of hours /student
c - average cost /hour/ student

As far as the demand is concerned, we have to say that **current demand** has to be estimated first, but investigations can be developed regarding **future demands**.

FIGURE 2

Possible methods to use

Direct methods – based on statistic surveys, investigation- occasional or successive	Direct methods, based on estimation methods – usually incident statistic factors analysis (demographic factor, social failure, unemployment)

Linear regressional pattern based on which we can estimate demand:

$$C = a + b_1 x_1 + b_2 x_2 + \ldots + b_n x_n,$$

where:

      C – estimated value of demand
      a, b – adjustment parameters
      $x_1, x_2, \ldots, x_n$ **– independent variables: birth-rate, restructured social segments where additional needs occur for specialized manpower, adults with personal dissatisfaction**

3. CONCLUSION

Offer can be differentiated according to various criteria, but **adequate position of the institution** is important, positioning based on the knowledge of the way in which **future students define the value of the institution and choose between more offers.**

The university has to identify the **difference of perception** from potential students between what it represents and what competitors represent.

This identification is made following various relevant criteria, efficiently indicating the market, which are the elements that could positively differentiate the university from the competition.

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CUSTOMER RELATIONSHIP MARKETING FOR HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

At present, the whole economy at a global and national level is facing many changes and challenges, risks and threats. The New Context for higher education institutions has "4D" dimensions: dynamic, difficult, divers and delicate. Marketing orientation is very well applied for a long time to universities. As a strategic marketing concept, the Customer Relationship Marketing is included in the marketing objectives of the university which should be correct defined and be precise, measurable and clear. This paper proposes to apply the customer relationship management and marketing to the educational area. The main objectives are:
To identify the features of the customer relationship marketing for education;
To express the levels of educational strategy according to the new context.

1. INTRODUCTION: CONTEMPORARY CONTEXT OF THE HIGHER EDUCATION INSTITUTIONS

At present, the whole economy at a global and national level is facing many changes and challenges, risks and threats. The entire environment suffers from miss implementation of strategies or even from a lack of them from a general point of view: economic, social, technological, informational, cultural, ecological and legislative.

Individuals, organisations in private and public sectors, including public administrations and governments are all learning to deal with a new decision-making process which is more difficult and unpredictable. In other words, all the subjects – no matter what their main function is – look for permanent improvements in their activities as a condition for them to remain on the market.

Some descriptors (Table 1) of the new context for the relevant subjects.

The New Context for higher education institutions has "4D" dimensions: dynamic, difficult, divers and delicate:

1)   Dynamic Context

The New Context is more dynamic than ever. Therefore the need of continuous education and permanent preoccupation for adaptation must be the main feature of the individuals and respectively, of the universities.

2)   Difficult Context

The New Context is nowadays a difficult one since the international crisis has practically and strongly slowed a basic economic law which is the scarcity of resources. Therefore, individuals must become more flexible and the labour supply more mobile, while organisations must start to think of having a second or reserve strategy in order to survive or maintain the market position.

3)   Divers Context

The New Context is an environment of diversity. There are similar institutions which do not manage similar situations in the same way. In other words, in the context of a general frame at the national level, the concrete way of doing things is very different from one organisation to another.

4)   Delicate Context

In the new context, people behave according to the situation. They have learned to be suspicious, to fight for what they want and to be persistent in their actions. Therefore, many times they are disappointed, frustrated and even confused.

A present, the contemporary context in which higher education institutions develop and implement their strategies is defined by two dimensions:
- European dimension;
- National dimension.

The European dimension of the educational environment consists of the huge set of stimuli that influence from a legislative point of view the local strategies. Although there are many European legislative documents and some of them contain recommendations for member states of the European Union, at a local implementation, these documents are considered an important starting point for the national changes in education.

Some relevant documents include:
- Decision no 2241/2004/CE of the European Parliament and Council of 15th December 2004 which consists of promoting a unique common frame for the transparency of the qualifications and competences;
- Recommendation 2006/962/CE of the European Parliament and Council of 18th December 2006 regarding the key competences for continuo's learning;

- Recommendation 2008/C111/01 of the European Parliament and Council of 23rd of April 2008 regarding the European frame of qualification for lifelong learning;
- Common Rapports of the Council and Commission regarding the working programme "2010 Education and training".

Many debates have showed the importance of a new educational system based on quality management and continuous learning, or compatibility between the competences and the qualification on the labour market.

Therefore, the most significant issues that are in the centre of the European debates and meetings include the need of:
- Correlation between the qualifications within the national system and the European frame;
- Methodology transparency for national and European correlation of qualifications;
- Promoting all interested parts according to the legislation and practice at the national level to get involved in educational changes;
- Supporting the exchange of good practices and testing in the area of initial and continuous learning;
- Common understanding for qualifications, system of qualifications, frame of qualifications sector, international sectorial organisation, learning outcomes, knowledge, abilities, competence.

The National dimension of the educational environment consists of local factors that contribute to the specific institutional strategies for higher education institutions. Many relevant documents include issues such as:
1. Professional training of adults;
2. Authorizing methodology for providers of adult professional training;
3. Evaluation and certification procedure of professional competences generated through informal and non-formal education;
4. Learning at the working place.

2. CUSTOMER RELATIONSHIP MARKETING APPLIED IN UNIVERSITIES

Marketing orientation is very well applied for a long time to universities.

The conversion from the general marketing functions to university marketing functions can be observed in the Table 2.

1) **The premise function**: The research function shows that the starting point is the understanding of the needs for the university clients such as students and potential employers. Only knowing these needs, the university can adopt study programme that are wanted and develop curricula according to the competences that are looking for by the employers.

2) **The mode function**: The dynamic connection of universities to the market requirements expresses the way of achieving the objectives. A connected university is a preoccupied institution that reflects a competitive strategic management. Therefore, the University become stable through the educational policy and has opportunities that it knows to benefit from, becoming sustainable.

3) **The objective function**: Profit Maximizing. Although for the economic environment profit maximizing deals with a financial positive result, for a university the profit is combined with the non-financial dimension such as prestige and image.

4) **The objective functions**: Students satisfaction Maximizing. The students are very easily showing their appreciation about the studies they had and their provider. They can remain students of the University or contribute as alumni to the development of specific activities or processes. More than this, the student's needs are satisfied if they find a good job or the labour market during their studies or after their graduation.

The classical marketing has been moved to a new marketing which is considered client relationship based and can be applied to the universities as well.

Comparing classical marketing and modern marketing called Customer Relationship Marketing, some features can be observed like in the Table 3.

Therefore, Customer Relationship Marketing (CRM) for higher education institution is based on a specific student relationship management which way be shown in the Figure 1.

As a strategic marketing concept, the Customer Relationship Marketing is included in the **marketing objectives** of the university which should be correct defined and be precise, measurable and clear – see Table 4.

The new educational strategy should include new strategic levels regarding an interesting essence, such as:

1. Strategy of getting students (new or existing);
2. Strategy of students involvement in the teaching learning process;
3. Strategy of failure management;
4. Strategy of competitive advantage;
5. Strategy of relationship management;

The specific features of the above mentioned strategies include the instruments that are used like the following aspects:

1. Strategy of getting students:
   - Stimulating;
   - Convincing;
2. Strategy of students involvement in the teaching learning process:
   - Attracting;
   - Motivating;
3. Strategy of failure management:
   - Promoting a second-chance;
   - Improving;
4. Strategy of competitive advantage:
   - Relationship advantage;
   - Quality advantage;
   - Innovative advantage;
   - Cost advantage;
   - Value advantage;
5. Strategy of relationship management:
   - Non-differentiating;
   - Differentiating;
   - Unique segment.

3. NEW FEATURES FOR AN ADAPTIVE UNIVERSITY

The Romanian Universities faces many institutional problems for causes that are linked directly or indirectly to the following aspects:

- Demographical decline;
- Insertion on the labor market;
- Migration of the labor force;
- Young generation expectations regarding the labor place;
- Salaries incomes.

To conclude, according to the new marketing concept applied in higher education institution, the educational strategies should be:

- Flexible;
- Adaptable;
- Market oriented;
- Global oriented;
- Long term oriented.

The University can become a Client Relationship Marketing oriented if it promotes a management adequate to entrepreneurial universities which have the NEW involved in the institutional life and university culture through:

- New study programs;
- New market manifestations;
- New teaching methods;
- New learning methods;
- New partnerships;
- New agreements;
- New relationships with the economic environment;
- New management principles.

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APPENDICES

TABLE 1
Description of the new context

Type of Environment	Main Description
Economic	• Inflation rate is high • Member of unemployed increase in all countries • Economic growth is either zero or even negative • Fluctuations in economy become more and more violent • Investments decrease • Purchasing, power diminishes • Companies incomes become very dynamic
Social	• Demographical evolution shows a decreasing natality in many countries • External migration increases people thinking to become better off • Social well fair is becoming very volatile • The level of poverty is hard to be maintained
Technological	• Rapid changes of technologies in many industries • Difficulties in extending new technologies in the activity of some companies because of the lack of resources. • Prices of new technologies increase
Informational	• In spite of all efforts, information remain imperfect in a market economy • In spite of a declared transparency many opportunities and solutions are ignored because the information is not found or used by the right subjects • Too many unusefull data are demanded by centralized bodies and neglected important aspects of real activity
Cultural	• Fundamental values become questionable • People changes their secondary values regarding the perceptions of themselves, of others, of organisations, of nature and society • Cultural differences are better understood because of the travelling and tourism opportunities
Legislative	• Too many changes of legislation in too short time • Many contradictorial normative, articles are observed • Discriminatory interpretations of the legislations

TABLE 2
The marketing functions

Marketing functions		Role of the functions
General level	**University level**	
1. Market research of the clients needs	Research of the students and potential employers of graduates needs	Premise
2. Dynamic connection of enterprises to market	Dynamic connection of universities to interested parts needs	Mode
3. Profit maximizing of organizations	Profit maximizing of universities	Objective
4. Clients satisfaction maximizing	Students satisfaction maximizing	Objective

TABLE 3
From classical to modern marketing in higher education institutions

Compared element	University marketing	
	Classical marketing	**Customer Relationship Marketing**
Principal objective	To sell a study programme	To get a student
Selling function	Selling a study programme is a final moment in the relation with students	Selling (getting a student) a study programme is a beginning of a relation with the students
Students – Universities – employers	They are independent one of others	They depend each other
Educational product	Mass education	Customizing (student-mizing) – the study programme can be personalized to the students needs
Marketing activities	They are developed by educational products and resources	They are developed by relations (networks)
Students role	Students set values from the studies	Students generate values for the university
Communication	One way communication from university to students	Bilateral communication between university and students
Student	Unknown student (only identification data are known)	Known student (more than identification data are known, such as: learning habits, learning curve, preferences, extra-curriculum talents)
Timing	Short term relationship	Long term relationship between university-student, especially through ALUMNI data base and activities

FIGURE 1
Customer Relationship Marketing
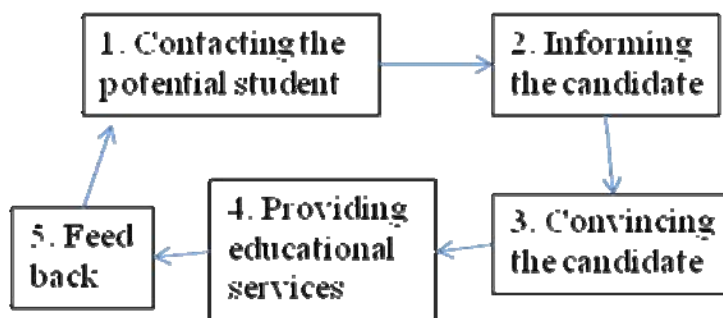
TABLE 4
Marketing objectives in Higher Education Institutions

So NO	So YES
Increasing the number of students	Increasing the number of students with 10% for the master programmes in the academic year 2010-2011
Convincing the graduate to remain students	Increasing the percentage of graduates from the bachelor with 25% to become students of master programmes, next year
Improving the access to information from class	Increasing the promovability percentage with 32% of the students of last year studies in 2010-2011 by introducing the blended learning platform

ENTREPRENEURSHIP EDUCATION: A NEW PRODUCT FOR NEW SOCIAL NEEDS

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ABSTRACT

This study aims to analyze the role of university education in the development of entrepreneurial vocations among students, reconsidering the prevalent approach of higher education institutions in the generation of human capital for society.   Specifically, we present some results of a comparison between students with high and low perceptions of entrepreneurship education in the university, analyzing the effect of this variable on their perceptions of self-efficacy to start a business, outcome expectations and preferences for self-employment. Results suggest the potential benefits of entrepreneurship education to give a better satisfaction to students' work needs in a current highly complex labour market.

KEY WORDS

University marketing, entrepreneurship, higher education

1. INTRODUCTION

In marketing terms, university academic programs are still "products" aiming society's benefit after exchange. Public universities are service organizations (Lovelock 1983; Eiglier and Langeard 1993; Litaca and Frankwik 1996; Stell and Doncho 1996; Marzo-Navarro et al. 2005) with a high capacity to generate and disseminate knowledge and to transform it into economic and social utility. It is largely assumed that the educational level acquired must qualify college students to practice a professional activity, which in turn must satisfy the demands of human capital required by the productive sector, in order to contribute to the socioeconomic welfare. From this point of view, universities have generally been institutions at the service of the labour market, including both the employment needs of students, and the qualified labour needs of public or private enterprises and institutions recruiting recent college graduates.

In this sense, most university academic programs in Spain are mainly centred on training wage-earner professionals, this prevalent approach becoming insufficient given the new structure and dynamic of the Spanish labour market in the last decade. In the public sector, given the privatization of many enterprises and the reduction of the civil servant posts available in the administration, the employment offer is inevitably under the high demand of public work. Similarly, employment in private organizations is becoming increasingly complex, because of the high requirements of professional experience imposed in most selective processes, which exclude lots of young people without a sound work background. Thus, as life expectancy and average permanence in professional posts get longer, the possibilities of access to the labour world decrease considerably for new generations of working people.

As a consequence, most recent university graduates who face the search of a first job, find high unemployment levels, monotonous, unstable and bad-paid jobs, and scarce professional development options. For instance, unemployment rates of university graduates younger than 30 years old in Spain exceed those of graduates from lower educational levels (García-Montalvo 2005, 2007) and, at the same time, salary dispersion between both groups has decreased in the last years (OCDE 2009). In the same line, more than 70% recent superior graduates depend on temporary contracts in their first employment, and near 30% perceive that their educational level is over the job exigencies (García-Montalvo 2007, 2009). It is also worth mentioning that university students seem to be aware of the real situation of the labor market, thus maintaining a negative vision of the usefulness of superior education (Mora 2003a; García-Montalvo 2007).

For this reason, in the middle of the process of adaptation of the Spanish university system to the requirements of the new European Space for Higher Education, it is important to reconsider whether the transformations undertaken, both in the university aims and in the way in which these must be reached, will enable an adequate marketing strategy for giving a better response to the social needs and expectations frequently assigned to the public university. In this context of change, higher education institutions face the challenge of orienting its formative offer to the new socioeconomic demands (Llano 2003; Mora 2003b; Ponce 2003; Flavián and Lozano 2004; Michavila 2009; Zabalda 2009), since an adequate marketing strategy involves a full coverage of the needs of all university users and, by extension, the society. In short, it is important that the own university system looks for innovative ways to make the most of the human capital generated and transform it in economic and social utility. Looking for this purpose, entrepreneurship can be seen as a promising option of work insertion and professional development of recent university graduates, at the service of broader objectives of sustainable socioeconomic welfare.

From this framework, this paper is organized as follow. First, we review the guidelines marked by the European Union (EU) Commission with regard to the inclusion of entrepreneurship competences as part of university academic curricula. Second, we provide a global description of the current training of entrepreneurial contents in European and Spanish institutions of higher education. Next, we present an empirical study carried out in the University of León, in Spain, aimed to analyze the role of higher education in the development of entrepreneurial vocations among students. Finally, conclusions and implications of the study are discussed.

2. ENTREPRENEURSHIP EDUCATION IN THE UNIVERSITY

European governments have become increasingly aware of the relevance of new venture creation as source of sustainable development, at both economic and social levels. On one hand, entrepreneurship is a major driver of innovation, competitiveness and growth. A positive and robust correlation between entrepreneurship and economic performance has been found in terms of growth, enterprise survival, innovation, employment creation, technological change, productivity increases, and exportations (e.g. Acs 1992; Carlsson 1992; Reynolds et al. 1995; Baumol 2002; Van Stel et al. 2005). On the other hand, entrepreneurship is also conceived as a mean to reach social aims, such as employment generation, increase of the purchasing power of citizens, labour insertion of marginal collectives and, at the end, improvement of the quality of life in a community.

This governmental interest in entrepreneurship began to be explicit in the Lisbon European Council, in March 2000, which set the objective of developing a dynamic enterprising culture and fostering new firm creation as source of sustainable competitiveness in Europe. From this framework, it was contemplated, between others, the need of revising the European educational system and including entrepreneurship into the group of basic competences to be taught from the primary education to the university. Later in the same year, the European Chapter for Small Enterprises (European Commission 2000) also stressed the objective of encouraging entrepreneurial initiatives by young people and developing training programs for small enterprises by educational institutions, particularly at secondary and university levels, in so far as they are focused towards service of individuals and society. From this view, we argue that the inclusion of entrepreneurship in academic curricula seems to be a useful way to improve the university's marketing actions.

This first steps were followed by many other initiatives in Europe, aimed to specify supportive action plans and guidelines to foster the integration of entrepreneurial skills as part of university programs and develop an entrepreneurial culture through higher education. Finally, in December 2006, the European Parliament and the Council recognized entrepreneurship as key competence for the lifelong learning, and specified an operative definition for its training along the regulated education.

2.1. Entrepreneurship as a key competence for lifelong learning

A key competence can be defined as transferable, multifunctional package of knowledge, skills and attitudes that all individuals need for personal fulfilment and development, inclusion and employment (Rychen and Salganik 2001). This definition involves that such a kind of competences can be applied in a variety of situations and contexts, and are necessary and useful for each individual in order to be successful in life. In short, we are talking about essential competences in three spheres of life:

Private life, promoting personal fulfilment and coping with the practicalities and challenges of a modern and complex society and environment;

Professional life, securing income and contributing to quality of life;

Social life, contributing to its further development by being an active citizen at various levels.

From this view, entrepreneurship as key competence acts as source of personal and professional self-realization, active citizenship and social inclusion for individuals. Furthermore, entrepreneurship education should not be directed only to foster new venture creation, innovation and economic growth, but entrepreneurial spirit is a key factor for all persons, wage- or self-employed, which turn young people into more creative, self-confident and socially responsible. And that's why they should be developed by the end of compulsory school or training, and should act as a foundation for further learning as part of lifelong learning.

According to the European Parliament and the Council (2006), the definition of the entrepreneurship competence and the essential knowledge, skills and attitudes related to it are summarized in Table 1.

TABLE 1
Entrepreneurship competence: knowledge, skills and attitudes

Definition	Entrepreneurship has an active and a passive component: the propensity to bring about innovation oneself, but also the ability to welcome and support innovation brought about by external factors. Entrepreneurship includes welcoming change, taking responsibility for one's actions (positive or negative), setting objectives and meeting them, and having the motivation to succeed.
Knowledge	- Knowledge of available opportunities in order to identify those suited to one's own personal, professional and/or business activities.
Skills	- Skills for planning, organizing, analyzing, communicating, doing, de-briefing, evaluating, and recording. - Skills for project development and implementation. - Ability to work co-operatively and flexibly as part of a team. - Being able to identify one's personal strengths and weaknesses. - Ability to act proactively and respond positively to changes. - Ability to assess and take risks as and when warranted.
Attitudes	- Disposition to show initiative. - Positive attitude to change and innovation. - Willingness to identify areas where one can demonstrate the full range of enterprise skills – for example, at home, at work and in the community.

Source: Adapted from European Council and Parliament (2006).

According to this specification, European guidelines remark three fundamental objectives of entrepreneurship training programs in the university (DG Enterprise 2002, 2008a):

1. Developing entrepreneurial drive among students and raising their awareness of self-employment as a career option.
2. Providing the technical and business skills that are needed to identify and exploit business opportunities, set up a new firm and manage its growth.
3. Promoting the development of personal qualities that are relevant to entrepreneurship, such as creativity, risk-taking and responsibility.

On the other hand, it is assumed that programs and courses should be adapted to different target groups, by level and field of study (DG Enterprise 2008a). By academic year, the rule seems to be that the higher the level of studies, the more complex and closer to business real life the content of teaching should be. From this framework, it seems reasonable that, at the beginning of higher studies, programs and activities should be directed to stimulate students' interest in self-employment and business start-up, insisting on awareness and motivation elements, whereas future graduate and post-graduate students will probably need practical tools and concrete support for their business ideas.

There is also a growing awareness of the convenience of orientating entrepreneurship education according to the needs of students with different academic background. In this sense, entrepreneurship within business schools and economics studies should have a very narrow focus, since the other business competence studies are offered separately (marketing, management, etc.). Thus, entrepreneurship education should stress the start-up phase and the growth of small enterprises.

On the other hand, non-business university students are usually very good in technical aspects, and frequently have very strong product ideas, but they are weak in specific business knowledge and abilities. In this case, the goal should be that whatever the graduates are working on, they always keep an eye on new business opportunities. For example, entrepreneurship education within science and technology studies should be concerned with exploiting intellectual property, creating spin-off companies and venturing, and offer courses on issues such as management techniques, marketing, commercializing and selling of technology-based ideas, etc. In the same line, for students in social sciences and humanities, the focus could be on self-management and on social entrepreneurship, which is an emerging area of growth and provides opportunities to make a difference to social and community contexts.

2.2. *Entrepreneurship education in European and Spanish universities*

From the previous revision follows that in most European countries there is nowadays a firm political commitment to promote entrepreneurship. However, it has until now been unclear whether this commitment has resulted in making entrepreneurship a widespread subject in higher education systems, as no clear statistical picture of entrepreneurship in higher education institutions across European counties exists. The few available studies suggest that entrepreneurial activity at European universities is significantly lacking behind when compared with the United States and Canada. Based on the results of the *Survey of entrepreneurship in higher education in Europe* carried out with samples of most European countries (DG Enterprise 2008b), it is estimated that more than half of Europe's students at the higher educational level don't even have access to entrepreneurial education. This means that about 11 million students have no opportunity to engage in in- or extra-curriculum activities that can stimulate their entrepreneurial spirit.

The survey also leads to conclude that entrepreneurship education seems to be influenced by type of institution, years of experience with entrepreneurial education and geographic location. As expected, European students are more likely to obtain access to entrepreneurial education if they attend either a business school or a multidisciplinary institution with a business school department. Moreover, the way in which these institutions conduct entrepreneurial education also seems to be different and more elaborate. This can be explained, to some degree, by the fact that these types of institutions have been frontrunners in taking on entrepreneurial education and have therefore worked with it for a longer period of time.

In the same line, time is a factor for implementing entrepreneurship in higher education in Europe, in the sense that the longer an institution has been engaged in entrepreneurial education, the more elaborate the entrepreneurial education is.

And with regard to geographic location, the survey also points to a difference in access to entrepreneurial education according to the students' country of residence. In general, students in the countries members of the EU have better access to entrepreneurial education than students in non-members countries or in those which have recently joined the EU. In short, more institutions in Western Europe offer entrepreneurial education compared to Eastern Europe.

However, the study doesn't support the expectation that entrepreneurial education in the last countries is less elaborate than in the former. In fact, it seems that more institutions in Eastern Europe have a broader model of entrepreneurial education, with more institutions having entrepreneurial professors and degrees, placing the strategic responsibility at the top-management, and providing recognition for achievements in entrepreneurial education. However, more resources seem to be allocated to entrepreneurial education in institutions in Western Europe.

The Spanish educational system has begun to take the first steps toward the fulfilment of the purposes marked by the European Commission with regard to entrepreneurship. Thereby, many public universities have developed and implemented specific actions to give support to potential entrepreneurial initiatives emerged from the heart of the own university fellowship, including students, graduates, academics, researchers, and staff. In this sense, university spin-off programs have been acknowledged as useful means for knowledge transmission to society, and public universities destine a great amount of resources to this performance (Rodeiro et al. 2008). Moreover, in the last few years, some private enterprises have fostered the creation of Entrepreneurship Chairs in the university, which are devoted to research and training activities with regard to new venture creation.

At the same time, different public universities rely on specific institutional programs about entrepreneurship. For example, the LEGIO Plan, promoted by the University of León in 2001, has become one of the pioneer and referential experiences in Spain. As concrete goals, this plan aims to optimize creative, enterprising and labour potential of everybody being part of the university fellowship, and stimulate new sources for socio-economic development in the close environment of the educational institution.

However, there are reasons to think that efforts made to develop specific entrepreneurial competences and foster favourable attitudes toward entrepreneurship in the university community are yet insufficient and unsatisfactory. Without a doubt, most university academic programs are much more focused on training wage-earner managers or technicians, than offering qualified and responsible entrepreneurs and enterprises to society (Vázquez et al. 2006).

To be precise, formal instruction in knowledge and abilities concerning new venture creation is usually limited to academic plans of degrees related to business and economic sciences, it being practically absent in the curriculum of other knowledge areas, specially within humanities and social sciences. In most cases, starting a new firm isn't even considered as possible labour option for students, thus there is no awareness of the need of teaching basic entrepreneurial competences in the lecture hall, neither a structured action which allows students to learn them in a regulated way. All of this leads to a lack of receptivity and support to potential entrepreneurial initiatives of students, and lots of brilliant business ideas are forced to oblivion.

It must be joined with the lack of an entrepreneurial culture in the university, in the sense that the own structure of teaching-learning situations (i.e., too many students per classroom, rigidity of the evaluation criterions, etc.) often prevents students to internalize personal qualities such as creativity, proactiveness or risk-taking, what makes very difficult the development of useful skills to behave entrepreneurially.

This lack of entrepreneurship education in Spanish universities is due to many factors affecting most institutions of higher education in European countries (DG Enterprise 2008a):

- The shortage of human resources and funding for this type of education. Action-oriented teaching is labor-intensive and costly and requires specific training.
- The low implication of professors in education of entrepreneurship competences. As research remains the main promotion criterion, it is currently difficult to motivate them to invert efforts in entrepreneurship teaching.
- The limitations imposed to business activity in professors, which prevent them to show interest in entrepreneurship issues.
- The own internal organizational structure of higher education institutions, in the sense that faculties and departments tend to work quite separately, with many obstacles for students who want to move and for teachers interested in establishing cross-disciplinary courses.
- The rigid curriculum structure is often an impediment to inter-disciplinary approaches, which are the most properly ways to teach entrepreneurship.

As a consequence of these factors, entrepreneurship teaching as part of academic curricula is very difficult, and a deep restructuring, both in the own internal structure of institutions and in the mindsets of the university fellowship is needed in order to make the change possible.

2.3. *Entrepreneurship education and development of entrepreneurial vocations*

The lack of receptivity and support given to potential entrepreneurial initiatives of students can be hindering the appropriate detection and satisfaction of the needs of those interested in starting their own business. In fact, a previous study carried out in the University of León, related to the LEGIO Plan, threw light on three important issues on this matter (Vázquez et al. 2006). First, students perceived a general underconsideration of entrepreneurship issues in the university agenda, and expressed a global desire of a greater consideration of such a kind of issues. Second, there were evident differences between perceived and desired importance regarding the promotion of an enterprising spirit in the university, the generation of a climate of entrepreneurship support, and the introduction of entrepreneurship contents in all academic programs. Finally, it was observed that students of all type of faculties and degrees showed a clear interest in specific activities on entrepreneurship to be performed in the university, especially courses on the subject, workshops, assistance, thematic info points and game & leisure activities, and location facilities.

Results from a more recent research are more worrying yet. When comparing students in their first and last academic year at the university, the former showed higher expectancies of entrepreneurship education in the university and better attitudes and preferences for self-employment as career choice than their future graduated pairs, thus concluding a poor effect of the transit through university on the entrepreneurial vocations of students (Vázquez et al. 2009).

Therefore, it is not surprising the poor involvement of young university students in entrepreneurial initiatives. For example, in Spain, only 8% of new enterprises created in 2008 were initiated by entrepreneurs younger than 25 years old, and the average age of entrepreneurs were nearly 40 years old. What is more, despite that 30% of Spanish entrepreneurs rely on superior studies, they tend to start the business years after finishing the university degree (Instituto de Empresa 2008).

From this evidence, it should be a priority concern the development of practical models which help to identify the curricular mechanisms and institutional supports needed to articulate a new marketing strategy in the university aimed to facilitate the emergence of entrepreneurial interest and initiatives among students. Many previous studies suggest that learning experiences provided by formal educational systems affect the development of entrepreneurial interest and vocations in students (e.g., Smith et al. 2006; Soutaris et al. 2007; Matlay 2008). Nevertheless, there are less evidence about the specific mechanisms though which higher education impacts on the entrepreneurial preferences and choices of people.

Social Cognitive Career Theory by Lent et al. (1994) provides a suitable framework to understand the meditational processes in the effect of formal learning experiences on the development of career interests and choices. Based on the Bandura's Social Cognitive Theory (1986, 1997), the model emphasizes the relevance of two psychological variables in explaining the establishment and development of career goals: self-efficacy and outcome expectations.

Self-efficacy refers to "people's judgments of their capabilities to organize and execute courses of action required to attain designated types of performances" (Bandura 1986: 391). That is, self-efficacy is an attribution of personal competence and control in a given situation. It is linked to initiating and persisting at behavior under uncertainty, to setting higher goals, and reducing threat-rigidity and learned helplessness (Bandura 1986, 1997).

In the context of careers, self-efficacy refers to the perceived personal capability to do a specific job or set of tasks. That's why the level of self-efficacy predicts career choice and occupational interests (Bandura 1997), including the entrepreneurial option. People avoid careers and environments which they believe exceed their capacities, and undertake careers for which they consider themselves capable (Krueger and Dickson 1994).

From this view, entrepreneurial self-efficacy has been defined as the person's belief in their own abilities to perform in the various skill requirements necessary to pursue a new venture opportunity (De Noble et al. 1999). Some research studies have demonstrated the predictive power of entrepreneurial self-efficacy beliefs in relation to the formation of entrepreneurial intentions (e.g. De Noble et al. 1999; Zhao et al. 2005; Moriano et al. 2006). Moreover, entrepreneurial self-efficacy has frequently been used as predictor of new venture performance and entrepreneurial success (e.g. Baum and Locke 2004).

Whereas self-efficacy beliefs are concerned with ones's response capabilities (i.e., "can do this?"), outcome expectations involve the imagined consequences of performing particular behaviours (i.e., "if I do this, what will happen?"). Several theories place a heavy emphasis on the relation of expected outcomes and action. For example, Vroom's (1964) model view choice behaviour as being largely dependent upon the subjective probability that certain acts will produce particular outcomes, together with the value one places on those outcomes.

Based on these arguments, Social Cognitive Theory suggests that "people act on their judgments of what they can do, as well as on their beliefs about the likely effects of various actions" (Bandura 1986: 231). In this respect, Bandura (1986, 1997), distinguished between several classes of outcome

expectations with potential to affect career behavior, such as the anticipation of physical (e.g., economic incomes), social (e.g., approval), and self-evaluative (self-satisfaction) outcomes.

Personal attractiveness of starting a business has been one of the variables more linked to the development of entrepreneurial intentions and actions, together with the personal attitude towards the feasibility of starting a new firm (Shapero 1982; Kolvereid 1996; Krueguer et al. 2000).

On the other hand, some previous works assume that both entrepreneurial self-efficacy and outcome expectations can be easily enacted by educational situations (e.g. Segal et al. 2007). According to Bandura (1986, 1997), self-efficacy and outcome expectations in an activity such as entrepreneurship develops through four processes: (1) enactive mastery or repeated performance accomplishments, (2) vicarious experience or modeling, (3) verbal persuasion, and (4) autonomic or physiological arousal. University classroom related activities should provide the opportunity for each of these four processes to be realized, through practical exercises about business start-up, conferences driven by successful entrepreneurs as role models, encouragement to self-employment by professors, etc.

From this framework, the main aim of this study is to justify a call for attention to entrepreneurship education in the university, since it represents a students' professional option at the service of social and economic welfare. Taking into account the university's responsibility as source of progress and growth through the professional training of qualified labour for the diverse functions required by the socioeconomic reality, it would be expected that university provide the formative resources and institutional supports needed to favour competence and control feelings of students when considering the alternative of starting an enterprising project. Also, academic curricula should encourage students to view new venture creation as work option highly desirable and beneficial in an increasingly complex labour market.

In short, a suitable marketing action by public universities regarding entrepreneurship should involve perceived entrepreneurial self-efficacy, positive outcome expectations and high entrepreneurial preferences among students. Thus, this study follows the purpose of determining the extent to which these variables differ between students with high and low perceptions of entrepreneurship education in the university, making clear the potential benefits of this "new product" in the development of entrepreneurial vocations adapted to the new social needs.

3. METHOD AND RESULTS

3.1. Sample

Self-report data was collected through a structured questionnaire from a total sample of 1156 students at the University of León. The subsample of first-year students was comprised of 661 participants, this figure clearly over the required 328 size for a representative 95% (being $e = \pm 5\%$; $p = q = 0.50$). By gender, this sample was comprised of 266 males (40.2%) and 395 females (59.8%). Following the usual distinction on studies orientation, 46.7% of respondents indicated a main academic background on legal & social disciplines, 3.6% on humanities, 40.1% on experimental & health, and 9.6% on technical & engineering.

On the other hand, it was collected data from a sample of 495 university students in their last academic year, the required size for a representative 95% being in this case of 318 (being $e = \pm 5\%$; $p = q = 0.50$). Among the total, 166 were males (33.6%) and 329 were females (66.4%). By studies orientation, 42.5% of respondents indicated a main academic background on legal & social disciplines, 5.1% on humanities, 34% on experimental & health, and 18.4% on technical & engineering.

3.2. Procedure

A questionnaire was administered to the total sample in programmed university classes, randomly selected for each knowledge area and academic year. All participants answered the questionnaire on a voluntary basis, which consisted of the following sections.

Perceived entrepreneurship education. Respondents were presented five items about their perceptions of entrepreneurship motivation and training in the University. Examples of item are: "In my studies, treatment of entrepreneurship issues is adequate" and "My professors have encouraged me to start a business". Respondents were asked to report the degree of accordance with each item on a eleven-point Likert-type scale form 0 ("strongly disagree") to 10 ("strongly agree"), and an overall measure was obtained by averaging the five items. The scale obtained adequate internal consistence, with a Cronbach's alpha value of .87, over the accepted .70. For data analysis purposes, we then categorized total punctuations in two levels expressing high and low perceived entrepreneurship education in the university.

Entrepreneurial self-efficacy. We used two items to ask students about their perceptions of personal and professional competence to become entrepreneurs. Responses were ranged on a Likert point scale form 0 ("completely incapable") to 10 ("perfectly able"). For analysis purposes, each item score was treated independently.

Outcome expectations. Participants were presented three items about their expectations to obtain economic incomes (physical outcome), social approval (social outcome), and personal satisfaction (personal outcome) by becoming an entrepreneur. Responses were ranged on a Likert point scale form 0 ("strongly disagree") to 10 ("strongly agree"). For analysis purposes, each item score was treated independently.

Entrepreneurship preference. Participants were asked about their preference for starting a new business as work option when finishing their superior studies on a eleven-point Likert-type scale ranging from 0 ("minimum preference") to 10 ("maximum preference").

3.3. Results

Table 2 presents the means, standard deviations and correlation coefficients among the study variables. All variables were positively correlated, thus showing a significant relationship between perceptions of entrepreneurship education in the university, entrepreneurial self-efficacy, outcomes attributed to enterprising careers, and preferences for self-employment.

TABLE 2
Means, standard deviations, and correlations

Variable	1	2	3	4	5	6	7
1. Entrepreneurship education	--						
2. Personal competence	.25*	--					
3. Professional competence	.18*	.58*	--				
4. Economic incomes	.28*	.45*	.34*	--			
5. Social approval	.33*	.29*	.23*	.35*	--		
6. Personal satisfaction	.29*	.39*	.26*	.47*	.55*	--	
7. Entrepreneurship preference	.33*	.47*	.31*	.47*	.36*	.51*	--
M	4.81	5.19	4.27	5.42	5.28	6.69	4.41
SD	2.16	2.61	2.56	2.47	2.69	2.65	2.81

Note: * p < .01.

An inspection of mean scores discloses a poor assessment of the formative resources, support, and encouragement given by the university to satisfy the entrepreneurial aspirations of students, with an average score of 4.81 in the education scale, under the intermediate value of 5. In the same line, students showed low perceptions of professional competence to start a business ($M = 4.27$), although they felt relatively confident in their personal attributes to become entrepreneurs, with an average score of 5.19. Furthermore, students reported a generalized low preference for entrepreneurship as career choice, the mean value being in this case of 4.41.

On the other hand, students showed better scores in the outcome expectations items. Specifically, participants assessed positively the economic and social outcomes attributed to entrepreneurial careers, with average scores of 5.42 and 5.28, respectively. Nevertheless, the outcome more positively assessed was the anticipated personal satisfaction of becoming an entrepreneur, with a mean score of 6.69.

Next, we performed a one-way between-groups multivariate analysis of variance (MANOVA) to investigate the effect of perceived entrepreneurship education (independent variable) on the items regarding perceived entrepreneurial self-efficacy, outcome expectations, and self-employment preference (dependent variables). As displayed in table 3, results showed a statistically significant difference between students with low and high perceptions of entrepreneurship education on the combined dependent variables: $F (6, 1084) = 23.58$, $p < .001$; *Wilks' Lambda* = .885; *partial eta squared* = .115.

TABLE 3
Results from MANOVA

| Variable	Wilks' Lambda	F	Partial Eta Squared	F	Partial Eta Squared
Personal competence				53.56*	.047
Professional competence				30.63*	.027
Economic incomes	.885	23.58*	.115	47.60*	.042
Social approval				83.56*	.071
Personal satisfaction				73.69*	.063
Entrepreneurship preference				89.27*	.076

Note: * p < .001.

When results for the dependent variables were considered separately, differences in all items were statistically significant according to a Bonferroni adjusted alpha level of .008. *F* and *partial eta squared* values are shown in Table 3.

Average scores of students with high and low perceptions of entrepreneurship education in the university are shown comparatively in Figure 1. As expected, students with positive perceptions of entrepreneurship motivation and training in the university had higher average scores in the variables analyzed than their pairs with a negative vision of the role of the university in the education of entrepreneurship, thus concluding a significant effect of education on the development of entrepreneurial vocations in the university.

By one hand, students in the high perceived entrepreneurship education group showed mean values over the intermediate score of 5 in most variables. In short, they perceived themselves as personal qualified to start a business ($M = 5.81$), attributed favorable outcomes to enterprising careers in terms of economic incomes ($M = 5.96$), social approval ($M = 6.07$) and self-satisfaction ($M = 7.42$), and showed a moderated preference for self-employment ($M = 5.26$). Despite of this, entrepreneurship education seems not to affect the feelings of professional competence of students in a properly way, these students not perceiving themselves as well-qualified professionals to start a business ($M = 4.74$).

FIGURE 1
Differences between students with high and low perceptions of entrepreneurship education
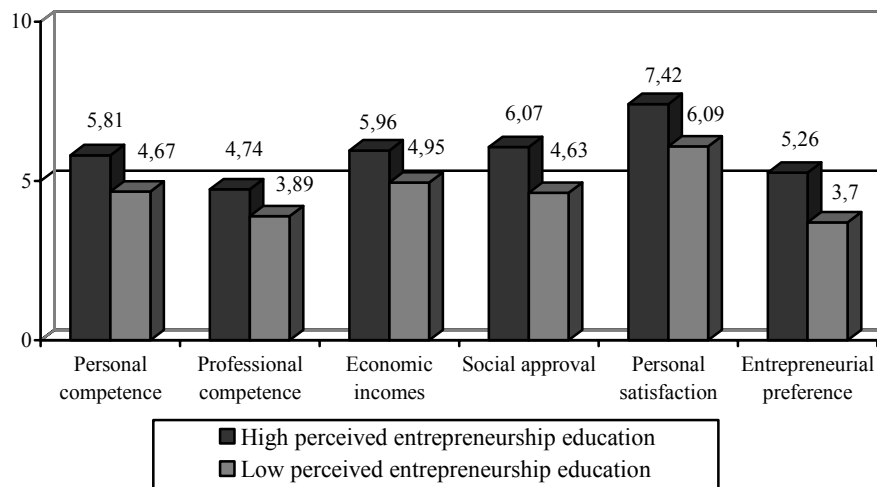
On the other hand, students with low assessments of entrepreneurship education in the university failed most items, with average scores under 5. These students showed low perceptions of personal (*M* = 4.67) and professional competence (M = 3.89) to start a business, attributed negative outcomes to enterprising careers in terms of economic incomes (*M* = 4.95) and social approval (*M* = 4.63), and showed low preference for self-employment (*M* = 3.70). Paradoxically, they assessed positively the consequences of entrepreneurship in self-evaluative terms, agreeing the link between starting a business and personal satisfaction outcomes (*M* = 6.09).

4. CONCLUSIONS

Entrepreneurial activities act as one of main driving forces for economic and social development world around. European governments have become increasingly aware on this matter in the last decade and a great amount of political measures have been suggested to include the formal education of entrepreneurship competences as part of academic curricula in higher education institutions. However, most high level programs seem to be much more centred on training wage-earner managers or technicians, than offering qualified and responsible entrepreneurs and enterprises to society.

In this context, the principal aim of this paper is to justify a call for attention to entrepreneurship as marketing strategy of university academic curricula. Specifically, we have presented some results of a comparison between students of different knowledge areas with high and low perceptions of entrepreneurship education in the university with the purpose of determining the effect of this variable on the development of entrepreneurial vocations.

In sum, results state a clear underconsideration of entrepreneurship education in the university and, as a consequence, students don't feel completely qualified to become entrepreneurs, and aren't entirely aware of the potential economic, social and personal outcomes of starting their own business. Moreover, students show a low preference for self-employment as work option when finishing their higher education. From this view, universities seem not to be satisfying neither the real human capital needs of the productive sector and the society, nor the work insertion needs of future college graduates.

In this sense, the results obtained in this study suggest the benefits of education to foster the entrepreneurial spirit in the university. To be precise, conclusions point out that:

- Entrepreneurship education influence on student's feelings of personal competence to start a self-employment career, one of the most important variables in the prediction of entrepreneurial

behaviour. Paradoxically, students don't trust their professional competences for entrepreneurship, education not fostering an acceptable level of self-efficacy in students. These results prove the inexistence of a regulated and structured initiative to teach entrepreneurial competences in a formalized way in all university academic curricula.

- Second, motivational elements of entrepreneurship education help to build a more positive vision of enterprising careers in students, lead them to consider the potential benefits of entrepreneurship in terms of economic rewards, social approval and self-satisfaction, three important predictors of career choice. In this sense, students seem to be especially aware of the personal outcomes of developing an entrepreneurial career.

- As consequence of the former, entrepreneurship education in the university has a significant effect on students' preferences for self-employment, thus making clear the potential role of university academic programs in the change of the prevalent "wage employment culture".

These conclusions point out the need of incorporating entrepreneurship training and motivation in the university marketing strategy in several ways. Fist, given the changes of the labour market, it seems reasonable to specify entrepreneurial competences, including both specific knowledge and skills to start a business, and train them as part of the academic curricula. Moreover, it should be a priority concern the development of an entrepreneurial culture in the university, allowing the transmission of positive values and attitudes toward entrepreneurial initiatives through the own implicit curricula. And finally, all these should be complemented with a greater receptivity to entrepreneurial vocations through specific institutional measures of support to entrepreneurial initiatives of students. The process of adaptation of the Spanish university system to the requirements of the new European Space for Higher Education is a good context to take the first steps towards this performance.

In short, modern public universities should be conscious on the real necessity of updating any educational program according to society requirements at any moment. Considering entrepreneurship as source of sustainable socioeconomic welfare, it has a great potential to contribute to marketing of university academic curricula.

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SESSION 10

MARKETING COMMUNICATION DECISIONS – ABOVE (ADVERTISING) AND BELOW-THE-LINE (PROMOTION, PR) IN PUBLIC AND NONPROFIT FIELDS

Chaired by:
Dan Lazăr, *Babeş-Bolyai University of Cluj-Napoca, Romania*
Maurice Murphy, *Cork Institute of Technology, Ireland*

Marketing communications comes down to four main actions: differentiate, reassure, make aware, and persuade. It embraces a large area of activities, like mass media advertising, sales promotion, personal selling, public relations, direct-response communication, sponsorship, branding and so on. The session addresses all the four components of the marketing communications process, namely the communicator, the channels, the audience and the massage.

MARKETING THROUGH THE EYE OF THE LAW

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ABSTRACT

The present article brings into discussion economic and ethical responsibility the producer should have – the key character which is obliged to give a great attention to consumers' interests on the market of goods and services. Reviewing in a synthetic manner, the structure of consumers' field and the role of the key characters in elaborating and implementing the consumers' protection policy, the authors develop, based on Romania's conditions, an analysis approach of the report which should exist between the marketing actions developed by a company and the ethical principles which it should respect in the spirit of the special legislation promoted.

KEY WORDS
consumers' protection, consumers' movement, consumer rights

1. INTRODUCTION

If the marketing function at organization's level is to gain market share and then to efficiently exploit it, the altruism isn't its essence. The company's marketers present the product or/and the service they promote as the best product, enriching it with all the qualities and virtues, being ready to use all the means in order to beat their opponents. We understand that they push the rules of law, trying to sell to those who don't want to buy or those willing to buy something else. The marketing professionals dream to a world in which the products are conceived and presented in such manner, that these suit the consumers' needs, and sell by themselves.

"The guiding principles for consumers' protection" initiated and promoted by UN General Assembly have to assure the governments a framework that could be used in consumers protection's politics and legislation substantiation and consolidation. The concept of consumer protection envisages an ensemble of disposals regarding public and private initiative, conceived to ensure and continuously improve respecting the consumers' interests. The movement of protecting consumers' rights, especially that from USA and France, became more and more active starting with 50's and 60's (Perconte 1997: 12).

Consumers' politics represents, naturally, a strategic objective for EU too. The EU politics regarding the application field consumers' protection have suffered a lot of changes. Obvious that Romania had to line up at this global movement of protecting the consumers' rights, promoting, in the pre-adhesion period at EU, legislation and an institutional infrastructure converging to the common internal markets' practices.

The present article brings in discussion a series of legal constraints promoted by Romanian's legislation, regarded from these consumers' protection guiding principles point of view, having consequences on the marketing mix at company's level.

2. THE STRUCTURE OF THE CONSUMERS' PROTECTION ACTION FIELD

During the activity of buying and using goods and services, citizens of a country, as consumers, have to beneficiate from a legal frame, in order to access the goods and services they need and want. This frame refers to consumers' fundamental rights as it directly stem from UN Consumer bill of Rights. The fundamental consumers' rights refer at (Fundatura 1997: 12-15):

1) The consumer freedom to choose the products and services he appreciate as being the most suitable to satisfying his needs or his own tastes regarding at:
   - product quality and durability;
   - using area;
   - price;
   - color, aspect and design;
   - brand name;
   - experience and tradition in using that product/service.

2) The right to be protected against the risk of buying a product that could harm his health, security or even life, or to affect the legitimate rights or interests; for that:
   - The products and services have to posses all the means, tools, devices, spare parts which ensure consumers' protection, in order to protect their health and life;
   - The products and services do not harm the environment which could harm the consumer;
   - The products and services have to have clear and easy understandable instructions regarding using, keeping and storage;
   - The validity and warranty terms have to be clear and on sight specified on the products;
   - The consumer has to be informed, educated, prepared and trained on the manner in which he can appreciate the risk he takes, and the way in which he can prevent an accident.

3)   The consumer right to be completely, correctly, and precisely informed about the essential characteristics of the products and services, so that the decision taken about buying a product fits his needs; in this way, the consumer has to know:
- The principal elements which define the commercial quality of the product: design, color, processing way, package, finishing;
- The principal elements which define the functional quality of the products and services: technical and/or technological functions, the extent in which these respond the purpose they were created for, the safety and operating maintenance;
- The principal elements which characterize the fundamental quality and combine the products' quality parameters, establishing a certain order so that the final consumer may see the buying through technical and technological parameters that he appreciates most.

4)   The consumer right to have free access at the markets, shop, suppliers which provide him an wide range of products and services and give him the possibility to choose those he consider the best; in this context:
- The consumer may ask and the seller is forced to show him all the existing products in the store;
- The customer may ask supplemental information about the wanted product or service, especially about the new ones, regarding performances, price and reliability;
- The consumer may request the shortening of the time he waits, the seller being obliged to take measure in order to reduce the waiting, presentation and exposing time.

5)   The consumer right to be compensated for the prejudices caused by the products' inadequate quality; for this purpose, the consumer has the right to:
- to reclaim the bought products and services' deficiencies, asking for their repairing;
- to receive a new product of the same type or analogous in exchange for the inadequate one and compensations for the damages produced during the utilization of the older one;
- to receive moral compensations, as result of consuming inadequate products bought from the market.

6)   The consumer right to organize in various types of associations as:
- Associations;
- Foundations;
- Socio-economical groups;
- Counsels;
- Unions and federations.

3. THE IMPLIED CHARACTERS AND THEIR ROLE IN CONSUMER PROTECTION POLICY

The new European preoccupations (The Maastricht Convention) about the consumers' rights show two major features:
- The legal and doctrinary plurality of the concept;
- The oneness of the politics and consumer's right.

The doctrinary and legal plurality is underlined by the participants diversity (Figure 1) implied in elaborating and implementing the consumer's protection policy:
- The legislative bodies, national, regional and local administrative authorities having the mission of elaborate and applying the consumer's protection policy, adopting and assuring the strictly compliance with a package of specific laws and regulations;

- The authorized instances have to have a decisive role in helping people receiving compensations supported by the traditional law principles or specific regulations;
- Associations and consumer groups have the explicit goal to mobilize, educate, inform, protect and ensure individual consumers' representation;
- The distributors which have to be more sensitive towards the consumers' exigency and criticism;
- The companies implied (mostly producers), having a common goal, that of promoting the consumers' interests on goods and services market.

FIGURE 1
Participants diversity
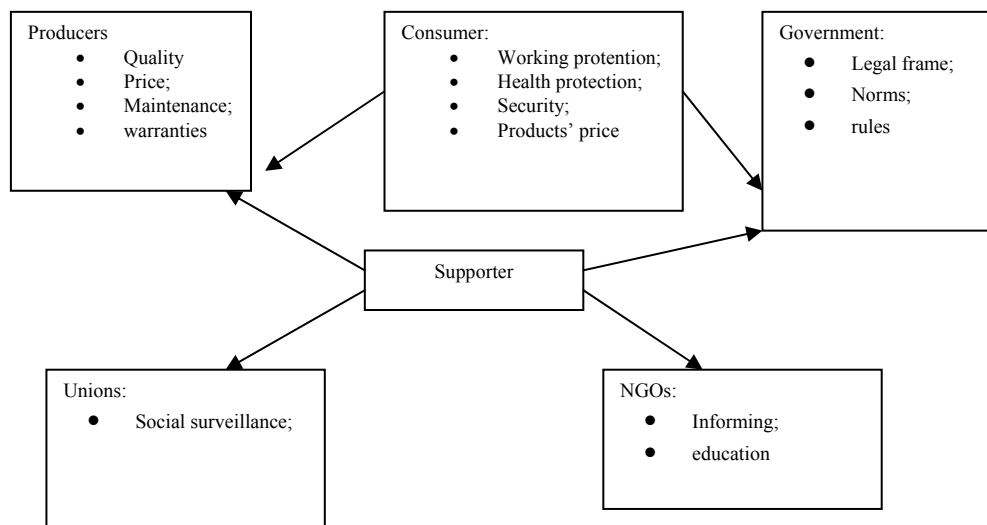
The oneness of politics and consumer's right focuses on the consumer and conditions in which he acts. On the basis at that politics sits a person who has rights and not the consumption act or the neutral process of some defective goods or services' existence.

4. MARKETING'S ETHICS AND THE LEGISLATION

Until the marketing was born the buyer and the seller were equal. The buyer didn't have to be protected. The marketing development imposed a new concern, that of protecting consumers. The law giver conquered every component of the marketing mix: product, price, promotion and distribution.

4.1. Ethics and product

It is known that a principle of action of the marketer is that of looking to know the potential consumers' needs and satisfying them. His role, in this direction is to bring on the market the product that fulfils the customers' needs. *The question is: what needs are we talking about?*
From law maker point of view, the product has to conform to the following request:
  a) To be lawful. The law induces free circulation of goods, stating that everything is in trade could be sold if special laws don't forbid that (as in the case of drugs, weapons etc.).
  b) To have some quality and security criteria. Through the law, producers, distributors and importers are forced to deliver on the market only safe products. The main foresights stemming from the law about selling products and services on Romanian market are presented in the Trader Guide (Romanian Government, National Agency for Small and Medium Enterprises, Bucharest 2004). Thus, it is forbidden to enter the market without quality

documents, accordingly with the current laws. The products have to be sold inside the warranty terms. Also, the law imposes rules about labeling and packaging the products, as a result of respecting the consumer's fundamental right to be informed about all necessary parameters for making a buying decision. However, if the state's agencies discover such products, they may penalize the sellers and withdraw those products from the market.

c) Do not be prejudicial to somebody else's rights. The product, package, label, brand could be easily forged or imitated. The law punishes forgers, first of all being the implied producers.

4.2. Ethics and price

The specialists bring into discussion the ethics regarding the price: consumption ethics and competition ethics (Gastaldy 1995).

Consumption ethics isn't a liberal ethics. In a liberal system, the competition will bring the best prices into reality. But the consumption ethics could respond to a controlled vision of social justice. The state looks to control the prices for economic prosperity instead of obtaining social peace. This conception is no longer accepted. The prices control on the Romanian market disappeared (excepting those of compensated drugs and electricity) and the market is the one who fixes the right prices.

Competition ethics suppose respecting everybody's chances and welfare. Even though the companies have total freedom in establishing the level of the prices, they are asked to apply the prices equally in order to maintain everybody's chances intact. If the rupture with the former regime's policies is obvious and total, the law maker established some exceptions from the applicable rule. Despite these exceptional circumstances, where the common interest demands that, the marketer may exercise his freedom. He could take, according with his activity domain –manufacturing, distribution, services– whatever initiative he wants. Nobody can constrain him to set a certain level of the price. By reciprocity, the competition has to beneficiate from the same advantage.

The exceptions imposed by the law are related with forbidding those practices which constituted efficacies selling procedures:

a) Forbidding prices' enforcement. On a certain market every company is free to set every price wants, but it cannot directly or indirectly impose minimum reselling price or a commercial margin. Forbidding the imposed prices allows competition development and, consequently, consumers' protection.

b) Forbidding artificial prices' decreasing. When prices' decreasing is provided by a selling technique, the ethics of marketing actions is very strong. There are some un-ethical or even illegal practices. Among these, there is one which announces very low prices for certain types of products, but when the customers want to buy one, they're told that those products are out of stock and recommended to buy other similar products, more expensive. The reselling in loss could lead to getting out of the market of small resellers and may damage the producer's image, because it harms its brand name and reduces the buyers' interest for its products.

c) Forbidding prices' agreements. Free determination of the prices is the foundation of whole liberal philosophy. Any limitation to this freedom may corrupt the market.

One of the existence conditions of competition is informing the buyers –professionals or end users– especially about the price. Hence results the duty of every seller to indicate the prices of every product on the market. The transparency obligation which applies for professional buyers has as an additional objective checking if the equality, treatment principles are fulfilled. Actually, the transparency arm is used as a tool in the battle against corruption. If the opacity of transactions may favours corruption, their transparency has not the ability to prevent it. The corruption hides frequently behind a lawful approach.

4.3. Ethics and promotion

The marketing activity of a selling company is almost entirely directed towards the consumer. It's about the individual ethics of company's liaisons with the consumers. From this perspective the threat is constituted by being seduced or even forced to buy the product the seller proposed. We could talk

about a sort of violence in the case of seduction through some selling techniques, advertising or credit. For the seller, to be ethical means to succeed in obtaining the buyers commitment and do not abuse from its conscience. To protect a buyer who cannot handle such aggressive marketing policies, the law forbids those selling techniques which are considered too dangerous (OG 99/2000 regarding selling products and services, approved by the Law 650/2002). We can talk about:

a) Seduction through selling techniques. Thus, there are forbidden:
- Conditioned selling(if you buy a product you are forced to buy a certain quantity or buy another product together with it);
- Lotteries which could lead the buyer to make additional expenses.

b) Seduction through advertising. The advertising gives the products a certain power; many people consider that advertising has a baneful influence over the buyer whose dreams are captured and dreams taken away. The law regulates advertising, forbidding any form of advertising which may misdirect the customers. Thus, the Law 148/2000 regarding advertising, forbids advertising which:
- misleads;
- is subliminal;
- brings prejudices to public dignity and ethics;
- includes discriminations based on race, sex, language, social origin, ethical identity or nationality;
- endanger religious or political beliefs;
- brings prejudices to people's image, honor, dignity and private life;
- exploits superstitions, credulity or fear;
- endanger people's security or urges to violence;
- encourages a misconduct regarding the environment;
- disadvantages some products or services' selling. In this case, the examples are tobacco and beverages, where the law maker looks to restrain their promotion, forbidding advertising in some media channels, imposing that the advertising having some sanitary messages like "smoke can cause heart diseases".

c) Seduction through credit. Without contesting the essential role of consumer credit in developing an economy, in this area could appear some ethical problems. The law intervenes in order to help the customer who uses the credit payment to have all necessary information for taking a clear decision. There are some rules as:
- The seller has to have an written offer, which could be examined in a certain period of time;
- The offer must contain some information to allow the buyer to benchmark that offer with competition's offers. This information is: total cost, monthly principal, number of installments, settling date.

4.4. Ethics and distribution

Any producer is free to choose its distribution policy, either through selling points or without selling points.

a) In case of selling through selling points, depending on the type of distribution networks (opened or closed), the ethical rules intervene in order to answer two questions: may the distributors impose rules about entering and exiting from a selling network? It is possible to buy free or refuse to buy when it represents an important buying power? In EU countries, the rule is to have free access in choosing the distribution network respecting the condition that the network doesn't follow wrong selecting criteria, doesn't apply unjustified exclusions, or to prevent the competition entering new markets. In Romania, there is a must that the activity of

great international distribution chain be ruled by a law in order to avoid monopoly positions, and excluding from business of small distributors.

b) Direct selling represents long distance selling or at customers' homes and is regulated by laws which envisage the consumers' safety. There is a law -OG 130/2000-, and additional -MO 431/2000- regarding the legal conditions of distance contracts. According to this law, the seller has to inform the consumer in time, correctly and completely before closing the contract about some element as: the essential characteristics of the product, product's price, delivery expenses, payment methods, delivery methods, unilaterally denunciation of contract, price or offer's validity period, minimum period of contract. The buyer has the right to denounce the contract within 10 days from buying without penalty or without invoking any reason. Home selling is regulated by OG 106/1999 regarding contracts sealed outside commercial spaces (Law 60/2002). Any engagement obtained during home visits, abusing of one person's weakness or ignorance, is punished. Therefore, the buyer has the right to renounce unilaterally within 7 days from closing the contract. If the seller omitted telling the buyer about its rights, the term will increase at 60 days. The seller has to refund all the sums paid by the customer within 15 days.

5. CONCLUSIONS

A major characteristic of the consumer's protection policy is the law and doctrinarian plurality, which is underlined by the diversity of participants in elaborating and applying the policies in this domain. In this context, developing marketing activities and diversifying of selling methods on Romanian market need a new concern from everybody, that of protecting the customers at each marketing mix component level: product, price, promotion, distribution.

But an active policy regarding the consumer's right doesn't have to limit only at protecting consumers by strictly respecting certain legislation, but to follow promoting consumers' interests by:

- educative programs, information systems and legal consultancy, having as purpose making the consumers aware of their rights and obligations;
- improving the laws regarding contracts, rules regarding responsibility, competition, prices, marketing methods, leading to protecting consumers against abusive behavior;
- introducing a larger control over the goods and services' quality, looking to protect the integrity and life of every citizen;
- making essential improvements of law, looking forward to offering the means and institutional structures in order to protect their rights.

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- xxx Law 449 din 12/11/2003 on selling goods and their associated guaranties
- xxx Law 60/2002 for approving GO 106/1999 on regime of the contracts closed outside the commercial areas
- xxx GO 99/2000 on trading goods and market services, approved by Law 650/2002
- xxx GO 130/2000 on the legal regime of distance contracts, with the subsequent amendments (Official Gazette 431/2000)
- xxx Law 148-2000 on advertising, with the subsequent amendments.

THE IMPORTANCE OF COMMUNICATION POLICIES FOR PROMOTING ENERGY SAVING

ARMINDA DO PAÇO

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ABSTRACT

One of the greatest concerns of modern society is the deterioration of the environment. Individuals are becoming increasingly aware of the level of pollution existing on the earth and the imminent shortages of non-renewable energies. The aim of this study is to find which factors most influence the behaviour of individuals in relation to energy saving. At the same time, an attempt is also made to understand whether advertising campaigns, seeking to raise awareness about the need to save energy resources, exert any influence over behaviour, and whether or not the claims are favourably received and perceived.

KEY WORDS

Energy Saving, Green Marketing, Communication, Consumer Behaviour

1. AN OVERVIEW ABOUT ENVIRONMENT AND ENERGY RESOURCES

The consumption of energy resources has significantly increased in over the years. One of the sectors where this increase has been most notorious is in the domestic sector. Such a situation is probably due to the improvement in the standard of living and people's greater demands in terms of comfort and well-being. Given the environmental and economic costs that this tendency brings with it, it has become necessary to reduce energy consumption, with each citizen being responsible for contributing to a more efficient use of their daily consumption of energy resources.

Individuals are becoming increasingly aware of the level of pollution existing on the earth and the imminent shortages of non-renewable energies, such as oil and coal, for example. Not surprisingly, there has recently been a much more active demand for alternative energy sources.

Once consumers are responsible for a large percentage of energy consumption, they have been encouraged to take part in the saving of energy resources. Firms are also beginning to adopt "environmentally friendly" practices with regard to the saving and rational use of energy resources, because they see their energy, mostly the electricity, bill increasing.

In order to make the various economic agents more aware of this problem, social marketing activity, and more concretely green marketing, has made a great contribution by promoting a cognitive and behavioural change in our relationship with the environment. The social concept of marketing implies that two fundamental aspects should be taken into account: concern for all those individuals who may be affected by the activities of an organisation and the long-term satisfaction of clients, which means that their social needs must also be taken into consideration (Stanton et al. 1991). This social aspect of marketing calls for an adaptation to new contexts, such as helping consumers to know better this thematic.

Given the expected exhaustion of fossil energy resources within a relatively short period, it is crucial that we can count upon new energy sources which, unlike oil, do not cause irreversible damage to nature, cannot become monopolised in the hands of just a few companies and are practically inexhaustible. Since, in some countries, the production of nuclear power is not allowed due to the danger of accidents, renewable energies must be seen as the most viable option for gaining access to a new level in the development of civilisation (Ortega 2004).

There are still currently a number of obstacles impeding the full application of policies relating to the use of renewable energy resources. As such, other solutions have been sought to safeguard the environment. Saving energy resources is one of these.

In this sense, the need to reduce energy consumption became evident and, in order to achieve this aim, consumption had to be rationalised and superfluous consumption banned. It became necessary to use technologies requiring lower levels of energy consumption, which had not been used before then because they were more expensive.

The main aspects to be taken into account when seeking to save energy resources in the home are lighting, insulation, air conditioning, the use of energy efficient appliances, the habit of turning off appliances when they are not being used and maximising the potential of electrical household appliances (e.g. fully loading washing machines and dish washers).

Research into the efficient management of energy resources (in this case electricity) through the use of marketing strategies, is still in its early stages. At the same time, the influence of advertising on the saving of resources has tended to be somewhat overlooked by researchers, so that it makes sense to make an approach to the study of this problematic.

In this sense, an attempt will also be made to analyse individual perceptions of the advertising campaigns that focus on "environmentally friendly behaviour", more specifically those designed to raise awareness about the need to save energy resources.

This paper begins by outlining the question of energy resources and its relationship with the preservation of the environment, which will also include the question of saving these same resources. After this contextualisation, stress will be laid on the important role played by the consumer market in the adoption of environmentally friendly behaviour at the level of energy resource saving. In the next section the most important methodological aspects of the research will be presented. Finally the study presents the empirical results and respective conclusions.

2. THE GREEN CONSUMER AND THE ENERGY SAVING BEHAVIOUR

There is increasing concern being shown towards the theme of the environment, not only by consumers, but also by companies and governments. Green marketing arose in response to this trend, thus representing an opportunity for expansion on the part of organisations.

Within this context, the concept of the green consumer has also appeared. Being a green consumer involves adopting attitudes and behaviours that are designed to minimise adverse effects on the environment. The consumer is faced with a variety of choices that represent different degrees of greenness, but which call for an assessment of the environmental impact of the choice that is made of either a product or service and a change in behaviour in the purchase, consumption and post-consumption use of the product (Banerjee *et al.* 1995).

To Pickett *et al.* (1995), it was in the 1970s that the first studies appeared with the aim of defining the green consumer market. Demographic aspects (age, gender, place of origin, social class and education) were the ones given greatest consideration (Cleveland *et al.* 2005). After many years and much research, it proved impossible to arrive at a generally accepted conclusion regarding the characteristics of this market. Many of the studies reached contradictory results, namely with regard to the profile of the green consumer. An example of this is the fact that, in some of the research undertaken, the demographic variables were found to be related with a concern for the environment whereas, in other studies, there was no direct or significant relation established with some variables.

Age was one of the first variables to be studied. The conclusion shared by most of the studies was that younger individuals show a greater propensity to adopt a more environmentally friendly behaviour (Getzner *et al.* 2004). Straughan and Roberts (1999) justify this statement by the fact that these individuals grew up in a period when greater attention was paid to environmental concerns and issues.

Gender was another factor that merited attention, but it was not possible to establish a relation between this factor and green consumption, since much of the research carried out was contradictory (Getzner *et al.* 2004). However, Mainieri and Barnett (1997) maintain that women tend to be more pro-environmental than men, since they buy more green products and play a more active role in the separation of packages for recycling. Nonetheless, no significant differences were found between the sexes in terms of their participation in activities for the conservation of natural resources or in environmentalist groups.

Factors related with income and education are, in most cases, linked to environmental concerns. Individuals with higher income levels are more predisposed towards supporting the extra costs associated with buying green products (Laroche *et al.* 2001) and, in general, they have a more environmental friendly behaviour (Granzin and Olsen 1991).

The positive relation between education and environmental attitudes is confirmed by many studies, since it is to be expected that individuals with higher levels of education are more attentive and alert to questions related with the environment (e.g. Samdahl and Robertson 1989; Zimmer *et al.* 1994; Roberts 1996).

As far as psychographic variables are concerned, personality may strongly influence energy saving behaviour. However, according to Black and Stern (1985), it does not appear to have such a strong influence on the activities that involve making investments in energy efficiency. In the case of values,

despite their recognised importance for analysing consumer behaviour, Neuman (1986) notes that they have been largely ignored as a factor affecting energy saving.

Within the sphere of behavioural segmentation, people's attitudes towards the environment are of particular importance. According to Kinnear and Taylor (1973), the environmental concern that is displayed by an individual is related to his or her attitude and behaviour. It is influenced by personal experiences, the experiences of other individuals and the media. It results in an environmentally friendly behaviour that is conditioned by a number of factors, such as price, product performance, social standards and knowledge about the environment.

However, consumers do not always translate their concerns into effective purchasing behaviour. For example, in the studies of Yam-Tang and Chan (1998), the levels of concern displayed by individuals are not reflected in their environmental purchasing habits, nor even in other environmental behaviours. The same may also happen in the case of energy saving. Sometimes, the economic factor and the need to lower costs outweigh the importance of affect and environmental concern (Paço *et al.* 2009).

3. THE IMPORTANCE OF COMMUNICATION POLICY: THE CASE OF GREEN ADVERTISING

The role played by marketing communications in the process of sustainable development is highly important, since most economic activity is encouraged through marketing strategies, which offer and stimulate consumption opportunities that will satisfy the needs and wishes of individuals. However, according Kotler and Keller (2008), a marketing approach that seeks to serve the natural desires of consumers by increasing the volume of goods, without any attempt to maximise the quality of life, is akin to "mortgaging the future" of the new generations to come.

Since the social concern with protecting the environment has been increasing, organisations have sought to communicate with consumers who are sensitive to environmental issues (Carlson *et al.* 1993).

When the organizations are implementing communication campaigns, if a promotional strategy is being developed based around environmental and social issues, a number of aspects should be analysed: the dimension and characteristics of target markets; the level of emphasis required in corporate communication and product communication; the promotional mechanism containing the correct information; the communication tools used; the level of consumers' understanding of energy labelling programmes; and the use of comprehensible terms and claims. For example the terms "recyclable", "environmentally friendly", "harmless to the ozone layer" and "biodegradable" have become commonplace in advertising. Sometimes the consumers who are exposed to these appeals tend to show some resistance and skepticism (D'Souza and Taghian 2005).

The strategies and claims made by the firms must be based on relevant research and information. Information must be communicated constantly to customers and other stakeholders. If claims are erroneous and unproven, then negative publicity will be attracted. In this sense it is crucial that the needs of the target audience be sufficiently researched and defined and the organization have a clear vision of the audience's understanding of the issues (Carlson *et al.* 1995; Shrum *et al.* 1995; Schlegelmilch and Bohlen 1996).

A variety of approaches can be taken using a range of promotional tolls, but to the campaign be successful all communication is that it must be appropriate, consistent and co-ordinated. The main tools are (Charter *et al.* 2002):

- Media advertising: it is necessary to choose what newspapers, magazines, television and media cover better the target and confirm if the environmental and social campaigns scrutinized carefully before being launched and how can claims be effective.

- Public relations: an effort should be carried out in order to communicate something about the character of the organization. Other aspects as the development of clear communications for the stakeholders and the conduction of environmental and corporate social responsibility projects should be checked.

- Personal selling: when trying to market sustainable products to targets it is essential that the salespeople understand the complexities of the "green". It is also important the development of relationships with the customers, the promotion of ethical behaviour in sales, the professional training and the incentives to positively promote sustainable products.

- Direct marketing: the greening of direct mail is a precious way to reduce paper and therefore environmental impact and costs. The development of email, internet and website communications means that marketers can offer more targeted information to customers and as such allow for more successful two-way communication.

When developing an advertising campaign, it is necessary to take into account the fact that consumers tend to pay attention to messages that are useful for either solving a situation or satisfying a personal need (Pratkanis and Greenwald 1993). Hassan *et al.* (2007) reinforce this idea, claiming that consumers who are deeply involved with the message are more likely to act in accordance with what is suggested by the advertisement.

According to Hassan *et al.* (2007), there are two components that sustain people's attitudes towards an advertisement: knowledge (perceived usefulness) and effect (the feelings evoked). Cognitive models deal with rational information processed by the receiver, whereas effect models assume that attitudes may be developed through emotional responses.

The aim of this research is to analyse the perception of individuals, not in relation to advertising campaigns for green products, but instead in relation to campaigns that focus on "environmentally friendly behaviour", as far as raising awareness about the need to save energy resources is concerned.

4. METHODOLOGY OF THE EMPIRICAL RESEARCH

The aim of this study is to discover which factors most influence the behaviour of individuals in relation to energy saving. At the same time, an attempt is also made to understand whether advertising campaigns seeking to raise awareness about the need to save energy resources exert any influence over behaviour, and whether or not they are favourably received and perceived.

In order to target this aim two research questions were formulated:

- Which factors most contribute to energy saving?

- What importance is given to advertising campaigns seeking to change attitudes and behaviours towards the saving of energy resources?

The data were collected through a survey of Portuguese consumers. The model of data collection was a survey conducted by self-administered questionnaire. The questionnaires were distributed in several places by the researchers. Thus a convenience sample was used and the final sample was composed by 300 individuals aged over 18.

The questionnaire is composed of two main sections. The first part examines the environmental dimension: concern, use of renewable energy, energy saving behaviour, factors that could influence that behaviour and questions about green advertising perceptions. The scales used to measure these dimension were Likert scales (min 1, max 5), where 3 is the indifference value and other five-point scales (1 = Never; 2 = Rarely; 3 = Sometimes; 4= Frequently; 5= Always). In the second part, data are collected about the demographic characteristics of respondents.

After collection, the data were statistically analysed and interpreted using the statistical software SPSS 17.0 (Statistical Package for Social Sciences). A descriptive analysis was undertaken (frequencies, cross tabulations and central tendency statistics), together with nonparametric tests.

5. RESULTS AND DISCUSSION

The sample used in this study consisted of 300 individuals, of whom 49.0% were women and 51.0% were men. Ages ranged from 18 to 87 years of age, with a predominance of relatively young individuals, and with an overall average age of 33. 32.0% of the respondents' households had an average monthly income of between 1000€ and 1999€. As far as educational levels were concerned, most respondents had fully completed their secondary school education (37%) or held university degrees (39.7%).

Besides this socio-demographic description of the sample, it was also considered pertinent to characterise individuals according to their levels of energy saving, with the process described below being used for this purpose.

Variables were selected that related to energy saving behaviour, or, in other words, which focused on the use of electrical household appliances and other electrical equipment, air conditioning and lighting. Next, the values of the answers relating to 14 selected questions were added together and the scores were then analysed. In this case a five-point scale was used: 1 = Never; 2 = Rarely; 3 = Sometimes; 4= Frequently; 5= Always.

It was decided to consider as "environmentally friendly" ("Savers") those individuals who scored more than 50 points, and as less "environmentally friendly" ("Non-carers") those who scored lower than this. The first group comprised 208 individuals (69.3%) and the second group 92 (30.7%).

In order to measure the reliability of the group of variables related with energy saving, Cronbach's Alpha coefficient was estimated. The value that was obtained (0.729) shows that the scale presents satisfactory levels of internal coherence.

5.1. Factors influencing the saving of energy resources

As far as the factors influencing the saving of energy resources are concerned, the following variables were considered: cost of electricity bill; advertising campaigns; other communication activities; available information; environmental concern; social responsibility; and influence of others.

Analysing the means of the scores obtained from the answers (Table 1), which were measured using a 5-point scale, it can be seen that they all present values close to or higher than 4 points, which means that individuals consider that all the factors are important and influence their energy saving behaviour.

TABLE 1
Descriptive statistics

Itens	Mean	Standard deviation
Cost of electricity bill	4,50	0,803
Advertising campaigns	3,68	0,959
Other communication activities	3,66	0,864
Available information	3,97	0,760
Environmental concern	4,55	0,623
Social responsibility	4,38	0,759
Influence of others	3,51	0,969

The factor that presents the highest score is "environmental concern" followed by the "cost of the electricity bill". The lowest mean score is represented by the variable "influence of others". Bearing in mind the value of the standard deviation, the variable "environmental concern" is the one that shows least variability. The one showing the greatest range of answers is the "influence of others".

It can be seen that "environmental concern" presents scores that are very close to those of the variable "cost of the electricity bill". The choice of the cost of the electricity as one of the most important factors may also be justified by the current economic situation and by the successive increases that have occurred in the prices of energy resources.

In an attempt to understand whether the listed factors exert different influences on energy saving behaviour, it was decided to analyse the significance of the relationships between these variables by performing the Pearson Chi-Square test. The statistical significances of all these factors correspond to 0.000, so that all the factors influence the energy saving behaviour of individuals to some extent.

5.2. *Importance of advertising campaigns*

The importance of advertising campaigns for encouraging energy saving will now be examined. In an attempt to understand whether there was any difference between "Savers" and "Non-carers" with regard to the influence of advertising campaigns, data cross tabulation was carried out, as well as the nonparametric Mann-Whitney U test (Table 2).

TABLE 2
Advertising campaigns and energy saving behaviour

Importance of the advertising campaigns		Savers	Non-carers	Total
Importance of the advertising campaigns	Completely unimportant	11 (69%)	5 (31%)	16
	Unimportant	10 (56%)	8 (44%)	18
	Neutral	38 (76%)	12 (24%)	50
	Important	123 (69%)	54 (31%)	177
	Completely important	26 (67%)	13 (33%)	39
Total		208 (69%)	92 (31%)	300

Mann-Whitney U………10541,000

Sig………………………0,552

As can be seen, "Savers" consider the influence of advertising campaigns on their energy saving behaviour to be more important than do "Non-carers". However, from the statistical significance of the Mann-Whitney U test, it can be seen that advertising campaigns are not a significant factor for distinguishing those consumers with a greater tendency for energy saving from other consumers.

Nevertheless, to Zinkhan and Carlson (1995) the influence of advertising campaigns is not very important in determining the behaviour of individuals with regard to the saving of energy resources. This situation may be due to various factors, such as, for example, a certain saturation and scepticism in relation to advertisements.

When asked about the capacity of advertising campaigns for making individuals more aware of the need for energy saving, most respondents (91.3%) were of the opinion that this is an effective medium. As regards its capacity for changing energy saving behaviour, again most respondents (71.7%) were of the opinion that advertising does in fact succeed in changing behaviour (Table 3).

TABLE 3
Perceptions about advertising

Questions	Yes		No		Don't know	
	n	%	n	%	n	%
Advertising is a good way of raising awareness about the need for energy saving	274	91.3	18	6.0	8	2.7
Advertising succeeds in changing individual behaviour towards energy saving	215	71.7	39	13.0	46	15.3

Advertising campaigns are highlighted by individuals as a good way of raising awareness about the need for saving energy resources, although they do not tend to indicate them as the factors that most influence their energy saving behaviour. This situation is perhaps due to the fact that, despite the various contingencies (e.g. its rejection by some consumers and the decrease in investments), advertising continues to be a commonly used medium for the dissemination of information, which, because of its general nature, reaches a wide range of different audiences.

As a result of this analysis, it was considered interesting to discover the reasons why advertising may contribute towards changing individual behaviour (Table 4). The information that is transmitted by advertising was highlighted by respondents as the most important factor (80.6%), which leads us to think that this may be the most effective factor in persuading individuals to save energy resources.

TABLE 4
Reasons why advertising can change the energy saving behaviour

Itens	Yes		No	
	n	%	n	%
It is informative	174	80.6	42	19.4
It is persuasive	96	44.4	120	55.6
It clarifies doubts	115	53.2	101	46.8
It appeals to the emotions	92	42.6	124	57.4
It exemplifies real situations	104	48.1	112	51.9
It shows a reduction in the electricity bill	101	46.8	115	53.2

This situation may be due to the need that individuals feel for knowing more about the theme of energy saving. Furthermore, they may consider that advertising campaigns of an informative nature are more believable than those of another type.

6. CONCLUSIONS

In this study the individuals were classified into two groups: the more "environmentally friendly" ("Savers") and the less "environmentally friendly" ("Non-carers"), according to their energy saving behaviour. The first group included 70% of the individuals in the sample. This finding ends up being somewhat surprising in a country that is highly deficient in terms of education and environmental information. Yet, on the other hand, it seems less strange if one considers that the act of saving energy brings with it an underlying factor that is extremely appealing: a reduction in economic costs.

The factors that most influence behaviour with regard to the saving of energy resources are the "cost of the electricity bill" and "environmental concern". However, "advertising campaigns" are also seen

to have some importance in terms of the influence on individual behaviour. The results show that "Savers" attach more importance to advertising campaigns than do "Non-carers". However, the factor that most influences energy saving behaviour is not advertising campaigns, but instead the cost of the electricity bill.

Or, in other words, advertising campaigns are highlighted by individuals in general as a good way of raising awareness about the need to save energy resources, even though they do not point to this as the factor that most influences their energy saving behaviour. Although advertising is a good way of raising the awareness of individuals, it is not considered sufficiently motivating to change their behaviour with regard to saving energy resources.

One of the methodological limitations of this study has to do with the use of a sample of convenience. However, the greatest constraint on the research is the limited number of studies available related to the saving of energy resources, especially in the area of marketing, which may have imposed limitations on the theoretical framework, as well as on the comparison of results.

The use of a non-validated scale for measuring the level of individuals' energy saving may raise some doubts. Thus, one of the targets of future research studies must be to work on the validation of a scale for measuring the behaviour that is related to the saving of energy resources. To this end, it is proposed that specific models for the study of energy saving behaviour should be constructed and/or replicated, in which the relationships of interdependence between the variables are tested, using for this purpose other statistical procedures such as structural equation systems.

Another form of research that may usefully be carried out is one that has a more multidimensional aspect and includes the analysis of other variables, such as lifestyles, values, environmental knowledge and the type of housing in which individuals live, amongst other aspects. An effort should also be made in order to understand the individuals' opinions about the green (energy saving) advertising claims.

In the future, the theme of renewable energies will certainly have enormous research potential. However, the use of renewable energy still seems to have a long road to follow before it becomes a current practice, not only because of the technological difficulties involved, but also because of consumer mentalities (and the consequent behaviour of individuals) and because of the costs that are associated with this form of energy. Thus it could be relevant to explore if the green advertising could contribute to better inform and persuade the individual to use these energies.

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UNIVERSITY PROMOTION – KEY FACTOR OF THE ADAPTABILITY, COMPETITIVENESS AND PERFORMANCE OF THE HIGHER EDUCATION SERVICE

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ABSTRACT

The permanent provision of a high standard of the educational services allows the reaching and maintaining of the competitive success of the universities whose secret consists of implementing the marketing vision.

The research conducted aims to illustrate the manner of using and the impact of one of the four instruments of the marketing mix, namely promotion, by the state and private universities in Romania, from the perspective of consolidating their position on the market they serve.

The current stage of research indicates, however, an initial use of this instrument, despite its valences, which, once potentiated, would ease the creation of a competitive market of higher educational services.

KEY WORDS

University promotion, marketing mix, educational service, educational market, promotion instruments

1. INTRODUCTION

The need to align the Romanian higher education system to the level of the European Union member states, both from the perspective of the academic exigency, and from the perspective of insuring the quality standards, as a consequence of Romania's accession to the Bologna Process, has generated deep transformations, with significant legislative, managerial, economic-financial, cultural etc. impact on this system, already quite *tried,* especially on the grounds of the strong competition between the state and the private university systems.
This competition is also due to the fact that the wide range of careers offered by the private university system enjoys increasing prestige.
Our country's obligations and development priorities, deriving from the quality of EU member state, according to the requirements for Romania's integration within the EU, target a series of fields and subfield, out of which we emphasize *human resources development; promotion of occupation and social inclusion and strengthening administrative capacity; diminishing the development disparities between the country's regions.*
In order to ensure the success of reaching this convergence with the EU, according to the programmatic documents, is guaranteed by the development of human capital on four directions[1]:

Life-long education and professional training;

Stimulation of research-development and innovation with significant impact on the economy;

Flexibilization of the work force and minimizing the bureaucratic constraints, elimination of discriminations, social inclusion, social protection;

Improvement of the public health systems.

In the Government document „ Romania's Post-Accession Strategy, for the period 2007-2013"[2] is specified the fact that the strategic directions of education and professional training for this period are:

Adaptation of education and professional training to the requirements of society and the work force market;

Ensuring the quality of education and the harmonization of the national teaching system with the European standards, by introducing at the national level of the key competences promoted at the EU level, but also by promoting the valuable traditions of Romanian education;

Decentralization and increase of the autonomy degree of the educational system;

Reform of early education;

Provision of equal access to education and professional training.

The setting of the Romanian education on new basis, determined by Romania's inclusion in the European Space of Higher Education, imposes the need to provide the correlation between the **educational offer** of higher education and the **labour market**, apt to facilitate the gaining of the key competences promoted at the EU level and the responsibilization of the social partners in education related issued.

2. EDUCATIONAL MARKETING

2.1. The marketing mix

The capacity of the higher education and research systems to continuously adapt to the requirements and expectations of society and to scientific progress, consequence of the recognition of the principle

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[1] CNFCIS (National Council for Financing Higher Education) Document, *Financing of Higher Education in Romania*, p.20, available at the address: http://www.cnfis.ro/documente/FinantareIS.pdf
[2] http://x.gov.ro/obiective/200701/strategie_post_aderare2a.pdf.

of university autonomy within the *Bologna Declaration*[3], should reflect at institutional level, *and* within the organizational strategies elaborated and implemented by these institutions, in order to empower the *invisible* component of these strategies, *the competitive edge* of the teaching institution.

In the last 20 years it has been stated ever more often that the competitive success of an organization consists in the implementation of the marketing vision, understood as a new optic that offers the best perspectives in obtaining performance in the activity performed.

This vision imposed more and more, with the passing from the *traditional* concept of marketing based on only two components, **production** and **sale**, to a **new concept of marketing**, operative, highlighted by means of its specific – **orientation towards the market**, in the center of its preoccupations being placed the *care towards the customer* and materialized through the *marketing mix* (Matei 2006: 368-369), which incorporates four basic instruments or fundamental policies, namely: product, price, distribution and promotion.

One of the fundamental traits of modern marketing, universality, allowed its application to different field, thus settling the multiple problems of society, the field involving this research being that of educational marketing.

In this field, the *market* is constituted by the need of youngsters, their families and society, to educate the young population and, at the same time, endow them with skills and knowledge useful to society.

2.2. Promotion

Given the wide competitive context in which the state and private universities are inserted in our country, the promotion policy implemented by these universities must relate not only to the external environment, but also to the organizations' internal environment.

In what concerns its external component, the promotion policy, as instrument of operationalization of the strategic level, must comprise the following objectives with respect to its *customers* (Vázquez Burguete and Placer Galán 2000: 64):

> *Increase of the knowledge level* in what concerns the *problematic* inherent to the *educational offer* presented by the university;

> *Education*, such as the choice of a certain career to have as basis a rational decision;

> *Obtaining* an active participation as wide as possible within the social management of the university offer;

> *Mobilization and guidance* in choosing an offer as close as possible to their need.

As a result of the strengthening of the need to use the marketing vision, the research performed aims to show within the state and private universities in Romania, the manner of using and the impact of one of the four instruments of the marketing mix, namely *promotion*, from the perspective of improving, **qualitatively and quantitatively**, the manner of *spreading the information* by a university with respect to everything meaning its *public interaction*, for the purpose of *stimulating* those interactions, in a *direct or indirect* manner *(*in accordance with the *actual instruments used: advertisement, public relations etc.)* (Vázquez Burguete and Placer Galán 2000: 65).

From the perspective of the lessons learned through experimenting, the research attempts to indicate the negative and positive aspects captured and to show the main proposals of measures that would aid in making the objectives set more transversal.

3. THE STAGES OF RESEARCH METHODOLOGY

Identification of the problem: The permanent provision of a high standard of the educational services for the students of the Romanian universities imposes on the part of the universities the achievement and provision of quality services, by means of the planning, establishment, control, improvement and certification of this quality.

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[3] „The Field of European Higher Education", Common Declaration of the Ministers of Education in Europe, convened in Bologna, on the date of June 19th, 1999, to which Romania participated as a signing state, available at the address: http://www.cnfis.ro/fd/bologna/documente/bologna.pdf.

Following the ascending trend recorded in the quality of the European teaching systems, in its turn, the Romanian higher education accepted change as a challenge, introducing a new entry system at the level of each high educational cycle.

In this context, analyzing the experience of the last years, a series of **problems** were identified: for the bachelor degree cycle, the **decrease of the level of quality of the Baccalaureate examination** (high passing degree, but the results do not reflect the knowledge of the future university students); the **considerable increase of the number of places offered by the universities** and of the weight of the grades on the Baccalaureate examination, respectively during high school, in the computation of the entry average, increasing the possibility to have a place „ensured" in the university; the **difficulty of compiling the application file by the candidate** (high number of documents, enrolment fees); weak organization of the entry process; **absence of the data centralization modern technology**; slow entry process; **high number of candidates** ; **difficult communication of information** in what concerns the entry.

Purpose of the project: Identification and explanation of the strategies, respectively, and of the marketing measures that contribute to a better anchoring of the position of the higher education institution and that have lead to the improvement of the attraction, as well as to the maintaining of the students already enrolled.

In order to achieve this goal, the following **project objectives** are set:
   Illustration of the degree to which the educational institutions are known on their *market*;
   Measurement of the impact of image within their *customers* (potential and current);
   Presentation of the manner in which the *customers-current students* were attracted;
   Identification of the subjects' opinion regarding several characteristics of the educational institutions: experience and tradition; degree of trust; national and international recognition; prestige of the teaching staff; study and housing conditions; advertisement.
   Identification of the subjects' opinion regarding the specializations offered by the universities, in relation to the labour market demands;
   Presentation of the suggestions and dissatisfaction of the subjects interviewed towards the activity of the educational institutions;
   Systematization of actions, initiatives and good practices;
   Configuration of future objectives and drawing of the action directions necessary for the objectives proposed.

The methodological process comprises several stages. First, a theoretical and conceptual identification of the educational market and of the variables used in research is being performed (Table in the Annex), which will serve to outline the object of the research.

Thus, **the educational market** is defined through the 87 universities in Romania (56 state-owned superior education institutions and 31 accredited private superior education institutions), the candidates for admission to the universities, the persons attended classes within the university (graduate students, master students, PhD candidates).

Subsequently, starting from the model proposed in the specialty literature (Matei 2009: 34-43), is elaborated the *questionnaire for the assessment of the manner of promoting university values and the image of the universities*, which will be transmitted to the 87 higher education institutions targeted by the research. Within each university, the questionnaire will be applied to a sample of 15 candidates during the registration stage, for the admission to each of the three university cycles (bachelor degree, master, doctorate).

It comprises a set of 10 questions, the key-questions of the questionnaire targeting **3 main objectives**: *dimensioning of the university's image perceived by the candidates, identification of the manner in which the candidates were attracted by the university, and the degree of trust granted to the university by the candidates*.

In the current socio-political and economic context, the demand of the educational market is constituted of high pressure on a large number of universities/faculties in different specialization fields, which must adapt to the exigencies of the beneficiaries of the educational service and to the demands of the labour market.

In order to process the information obtained from the questionnaire, the research focused on the field of administrative sciences, taking as reference the **Faculty of Public Administration** within the **National School of Political Studies and Public Administration**, hereinafter called **FPA-NSPSPA**.

In order to complete the information, other indirect sources are used, such as the **web site, the activity reports of different university structures or of structures involved on the educational market, decisions of the university senates** (ex: regarding the offers of scholarships and services), a.s.o. The **web site** was used for the purpose of identifying the pro-active behaviour, in which the web must represent the basic pillar.

In the last stage, a quantitative and qualitative analysis of the information gathered is performed and proposals are formulated for the improvement of the positions of the Romanian educational institutions on the educational market.

4. STAGE OF RESEARCH

Before analyzing the dimensions investigated, there must be mentioned the fact that the difficulties occurred during the information gathering process have made the research strenuous (ex: password-protected access to certain information on the web sites, partially filled questionnaires), and for this reason certain aspects could not be captured at this stage of the research.

The descriptive and comprehensive analysis by means of the web site monitored, until the present, solely the modality of *capturing* the interest of future students, for the first university cycle, of bachelor degree.

The analysis of the section dedicated to the **admission** process outlined and followed as **elements-criteria** others than the ones established by law as an obligation (*educational offer, methodology of admission* etc), namely: the use of promotional materials, existence of the national or international certification of the quality of the educational services provided (ex: *high degree of trust*[4]), existence of collaborations with similar educational institutions, research units or other organisms in the country or abroad in the interest fields, the presentation of the resources assigned for a good developing of the entire educational process, the possibility to simplify the admission process through the admission online, implemented partially or at the level of the entire university, the presentation of the employment perspective and possibilities after completion of studies and graduation, use of marketing strategies/instruments, use of a high weight of the criterion *the average outranks the option* for admission to the bachelor degree university cycle.

Out of the **87** universities analyzed, a number of **19** state universities and a number of **12** private universities have the **Marketing specialization** included within faculties, and out of the latter, only a very low number (**2 state universities, respectively 3 private ones)** use as marketing instruments the opinion poll and the questionnaire online and only **one state university** presents on its own web site the promotion campaigns regarding the educational offer.

All three state educational institutions and **one** private university that use marketing instruments received, following the evaluation by RAQAHE[5], the certificate of *high degree of trust*.

The other **56** universities (**37** state-owned and **19** private) **do not use** marketing strategies or instruments for the promotion of the educational offer.

The results of the statistical processing used within the analysis of the criteria seen by means of the web site of each of the 87 universities analyzed are centralized in **Table 1**:

TABLE 1
Weight of the criteria analyzed within the promotion of the educational offer

Educational institution/ Criteria	1	2	3	4	5	6	7	8
State universities	20.37	50.00	35.19	37.04	7.41	66.67	5.56	25.93
Accredited private universities	14.29	3.57	60.71	92.86	10.71	89.29	10.71	32.14

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[4] National qualification which confirms the fact that, from the institutional point of view, there is a management that ensures the quality of the study programs and that the academic standard for granting the graduation diplomas are observed.
[5] Acronym – Romanian Agency for Quality Assurance in Higher Education (in original, ARACIS).

Legend:
Criterion 1= promotional materials
Criterion 2= quality certification (high degree of trust)
Criterion 3= domestic and foreign collaborations
Criterion 4= resource presentation
Criterion 5= online admission
Criterion 6= high weight of *average outranks the option*
Criterion 7= marketing strategies / instruments
Criterion 8= presentation of perspectives

Also, the universities did not have the capacity to transform the opportunities on the educational market, in order to properly react to the changes occurred in the dynamics of this market, a relevant example in this sense being given by the greatest educational event in Romania and Eastern Europe, **Romania International University Fair (RIUF),** which has been organized in Romania since year 2005. According to their own evaluation reports[6], during the 5 editions organized in Romania, a very small number of Romanian universities attended, as can be seen from Table 2.

TABLE 2
Evolution of the participation of Romanian universities to RIUF in the period 2005-2009

University year	2005	2006	2007	2008	2009
No. of Romanian universities exhibiting at RIUF	3	8	9	17	No data available.

Following the application of the questionnaire, within **FPA-NSPSPA,** on a sample of **150** candidates for the bachelor degree university cycle, for the 3 periods of admission, respectively for the university years **2007/2008, 2008/2009, 2009/2010**, the centralization of the answers related to the main objectives targeted by the questionnaire is illustrated in **Tables 3, 4 and 5**.

TABLE 3
You found out about our Faculty from...?

University year	friends/ family members	Schoolmates	Teachers	Web page of the Faculty/ University	Mass-media	Other sources
2007/2008	40 %	22%	28%	28%	10%	2%
2008/2009	50%	24%	18%	36%	8%	2%
2009/2010	38%	22%	28%	28%	10%	2%

TABLE 4
Which is the degree of trust you grant the university, from the perspective of the educational offer, level of prestige of the teaching staff, offers of scholarships and discounts, quality of the conditions of study and housing?

University year	High	Average	Low	Very low
2007/2008	50%	30%	16%	4%
2008/2009	54%	34%	10%	2%
2009/2010	66%	20%	14%	0

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[6] Ex-post evaluation reports of the RIUF editions, organized by the **Educativa Group** (a partnership between the public and private sectors, which promotes the projects, services and products meant to support young Romanians in identifying and making use of the personal development opportunities), available at: http://www.riuf.ro/index.php?page=old_facts_and_figures.

TABLE 5
How do you consider the overall image of the university?

University year	Very favorable	Favorable	Satisfying	Unfavorable
2007/2008	40%	38%	16%	6%
2008/2009	46%	40%	14%	2%
2009/2010	50%	48%	2%	0

5. CONCLUSIONS

The comparative analysis executed on the **87** state and private educational institutions, outlines an *incipient* use of **promotion**, in its quality of instrument of the marketing-mix, in spite of its valences, which once potentated would facilitate the creation of a competitive market of the educational higher education services.

For a **very low** number of universities (**5.56%** state-owned, respectively **10.71%** private) se there can be identified the **effort** to the design and use a series of strategic marketing measures, by means of which the position on the *market* served to be consolidated.

Although each of these institutions aims both at the promotion of the educational offer, and at the assurance of a correlation between this offer and the labour market, a high percentage, of **39.08%** of them, present in the online section dedicated to the admission, **only** *the educational offer and the methodology of admission* and a very low percentage, of **25.93%** focus on presenting the *finality,* meaning the perspectives after completion of the studies and the employment possibilities after graduation. Also, only a percentage of **35.19%** of the universities promote the possibility of modeling the communication skill by means of Erasmus mobilities with the purpose of stimulating the professional capacity and training and the development of the human personality.

This situation is preponderantly seen in universities with a consolidated position on the educational market, due to advantages, among which we can mention: *geographic location and the supply of an educational offer in a field of specialization* in which the university has no competition.

The dysfunctionality occurred as a consequence of this incipient use of promotion is reflected in **tables 4 and 5**, where we can notice that only an average of **45.33%** of the percentage of candidates computed for the three university years consider that the university they choose has a *very favourable* **image** and only an average of **56.66%** of percentage of candidates for the same time interval grant, according to *personal perception*, a *high* **degree of trust**.

This qualification measured on the basis of the candidate's perception must not be confused with the qualification of *high degree of trust* granted by RAQAHE, since there is a difference between the set of criteria substantiating the *candidate's perception* and the *set of criteria* used in the RAQAHE assessment.

The inexistence of a marketing strategy is also confirmed in Table 3, where the two **formal sources of information**: *the web page of the Faculty/University and Mass-media*, obtained an average of the percentage for the three years which was **very low**, of only **30.66%**, respectively **9.33%**, the predominant source of information that remained high for the three years analyzed being the **informal source** (*friends/family members*), obtaining an average of the percentage situated at the level of the value of **42.66%.**

As can be seen from **Table 2**, the weak participation of Romanian universities within promotion events run on the national educational market indicates the fact that these educational institutions **have not reached** the maturity level in using marketing instruments.

On the basis of the results obtained, the research will concentrate its efforts on a comparative analysis similar to the one presented for the bachelor degree university cycle *and* for the other two university cycles, master, respectively doctorate, for reaching the objectives proposed within the project.

However, one can easily see, as a **generally-valid** conclusion, the need for the universities to become aware, in a time-frame that should be very close, of the *use and impact* of using the **marketing-mix** instruments, especially **promotion**, within marketing strategies that would confer upon them *adaptability, competitiveness, performance* and, implicitly, would ensure them the *maximum audience* for the educational service supplied.

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APPENDIX

TABLE

Conceptual and operational definition of the variables used in the research:

Variable	Conceptual definition	Operational definition
0	1	2
1. Degree of knowledge of the university	Notoriety of the university within the subjects	Well known/little known/unknown
2. University image	How the subjects consider the overall image of the university	Very favorable/ favorable/ satisfactory/ unfavorable
3. Manner in which the customers were attracted to the university.	How the subjects interviewed became customers of the university	Recommended by acquaintances/educational offer more attractive, in comparison to other universities/due to advertisement/by accident/ other reasons.
4. Degree of trust, level in the top of universities in Romania; level of prestige of the teaching staff, level of offers of scholarships and discounts, level of quality of study and housing conditions	Opinion of *customers (potential and current)* vis a vis several characteristics of image of the university	High/ average/ low/ very low
5. Number of specializations offered by the university	Manner in which the subjects perceive the degree of adaptation of the educational offer with the labour market	Small/ acceptable/ high/ don't know
6. Passing percentage	Number of students and graduates of the university cycles	Low/ average/ high/ don't know
Identification variable	**Natural persons**	
7. Occupation		Employee / owner / student/ pensioner/ housewife/ unemployed
8. Citizenship		Romanian/ EU member state/ non-EU state
9. Age		under 20 yrs./21-30 yrs/31-40 yrs/41-50 yrs/ 51-60 yrs/ over 60 yrs
10. Gender		Female/ male

DRIVEN TO EXCESS: AN ANALYSIS OF THE CAUSES OF YOUNG MALE DRIVER DEATHS AND INJURIES

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ABSTRACT

2009 was the safest year on record on Irish roads since records began in 1959. There were 240 deaths on Irish roads, which represent a 14% reduction from 2008 figures. Despite these improvements, 40% of all road deaths in 2009 occured in those aged under-25 years of age. Globally road traffic collisions represent the principal cause of ill-health and premature death for men aged between 15 – 44 years. In 2004, 75% of road fatalities in the EU were male drivers and 20% of road fatalities were road users aged from 18-24. This paper analyses the role that speed, alcohol, dangerous driving, drug taking, fatigue, mobile phones, seat belt wearing and music play in shaping young male driver behaviour. The aim should be to understand these variables and how they interact in order to develop better social marketing campaigns aimed at changing the attitude and behaviour of young male drivers.

KEY WORDS

Social marketing; Young male drivers; Speed; Alcohol; Dangerous driving; Fatigue

1. INTRODUCTION

Approximately 1.18 million people died on roads worldwide in 2002 which equates to an average of 3,242 road fatalities every day (Jacobs et al. 2000). The World Health Organisation estimate, from statistics analysed in 2002 that road traffic crashes injure or disable between 20 and 50 million people worldwide every year. These estimates are based on previous research (Jacobs et al. 2000). Road traffic crashes ranked as the eleventh leading cause of death and accounted for 2.1% of all deaths globally in 2002 (Peden et al. 2004).

FIGURE 1
World road traffic deaths by sex and age group in 2002
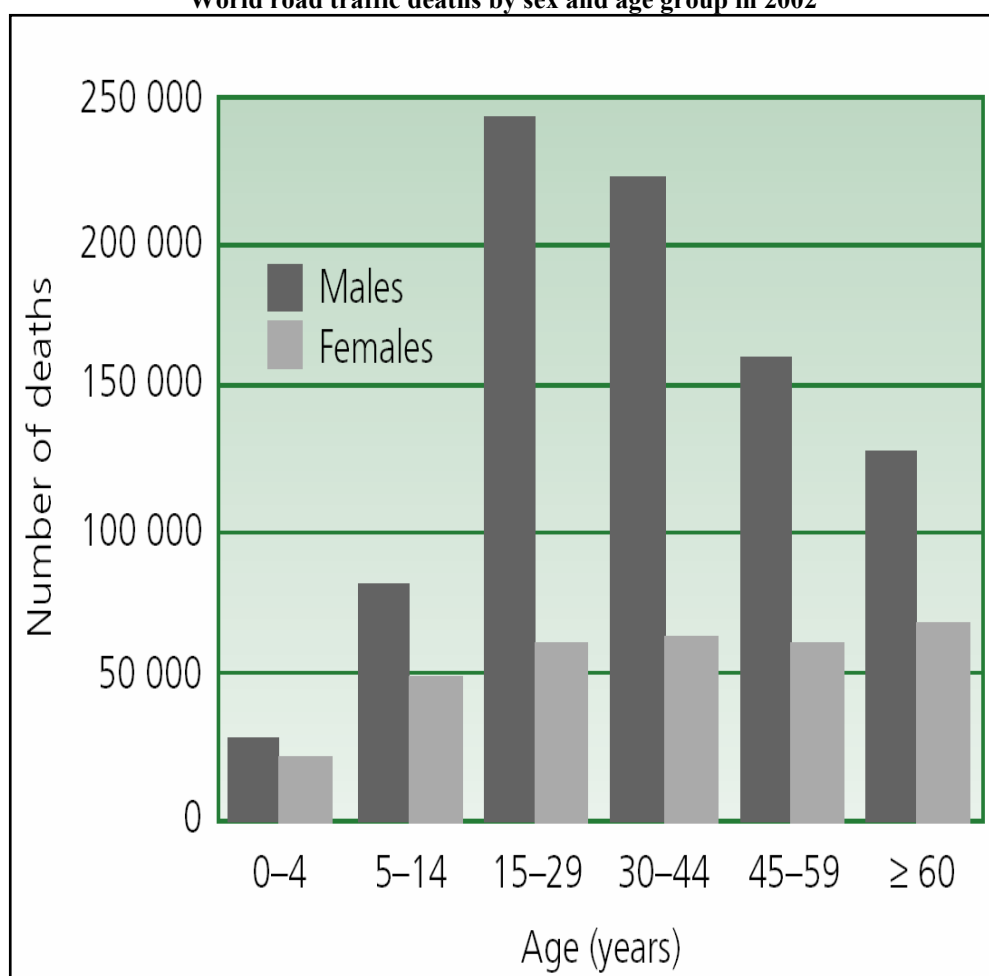
Source: World Health Organisation, 2002.

Road traffic injuries were the second largest cause of the burden of disease in 2000 among young males aged between 5 - 29 years of age (Peden, McGee and Krug 2002). The "global burden of disease" is a tool used by the WHO to measure the health of a population. It is measured in "disability-adjusted life years" (DALYs)[1]. The term can refer to the overall impact of diseases and injuries at the individual level, at the societal level or may refer to the economic costs of the diseases. Road traffic accidents were found to be the ninth leading cause of the burden of disease globally in 1998; fifth in high income countries and tenth in low and middle income countries (Murray and Lopez 1996). By 2020, road traffic injuries are expected to rise to sixth place among the major causes of death

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[1] Disability-adjusted life years (DALY) are defined as "a health-gap measure that combines information on the number of years lost from premature death with the loss of health from disability". WHO "Global Burden of Disease" study (Murray and Lopez, 1996a).

worldwide. It is also projected that road collisions will represent the third leading cause of DALY's lost by 2020 (Murray and Lopez 1996). Men aged between 15 and 44 years of age accounted for over half of all road deaths globally as depicted in figure 1 (Peden, McGee and Sharma 2002).

2. THE YOUNG MALE DRIVER

Definitive figures relating to road fatalities and injuries worldwide are impossible to compile. Only 75 of the 192 countries worldwide report annual data on road traffic injuries. However the WHO estimates that 73% of all traffic fatalities are male road users (WHO 2002). These figures were derived from the WHO Mortality Database as well as studies conducted by the Transport Research Laboratory and the World Bank (Kopits and Cropper 2003; Jacobs et al. 2000). Road traffic collisions represent the principal cause of ill-health and premature death for men aged between 15-44 years (Peden, McGee and Sharma 2002).

According to the European Road Safety Action Programme Mid Term Review, there were 50,000 road fatalities in 2001 within countries which represent the EU25. The review estimated there were approximately 41,600 road fatalities in the EU25 for 2005. This figure represents a marked improvement (17.5% reduction) since 2001. However this rate of improvement is considered too sluggish over the four year period. Unless the rate of improvement accelerates dramatically the goal of a fifty per cent reduction in road deaths within the EU by 2010 will not be achieved (Directorate General for Energy and Transport 2006).

In 2004, 76% of road fatalities in the EU were male drivers. The high representation of men in road fatalities is a longitudinal trend that is observed each year across the EU (Directorate General for Energy and Transport 2006). Figure 2 provides a breakdown of EU road fatalities by road user age. Twenty per cent of road fatalities were road users aged from 18 - 24 years in 2004 and nearly 60% were aged within the 18 – 49 age group (Directorate General for Energy and Transport 2006).

FIGURE 2
EU15 fatalities by age in 2004
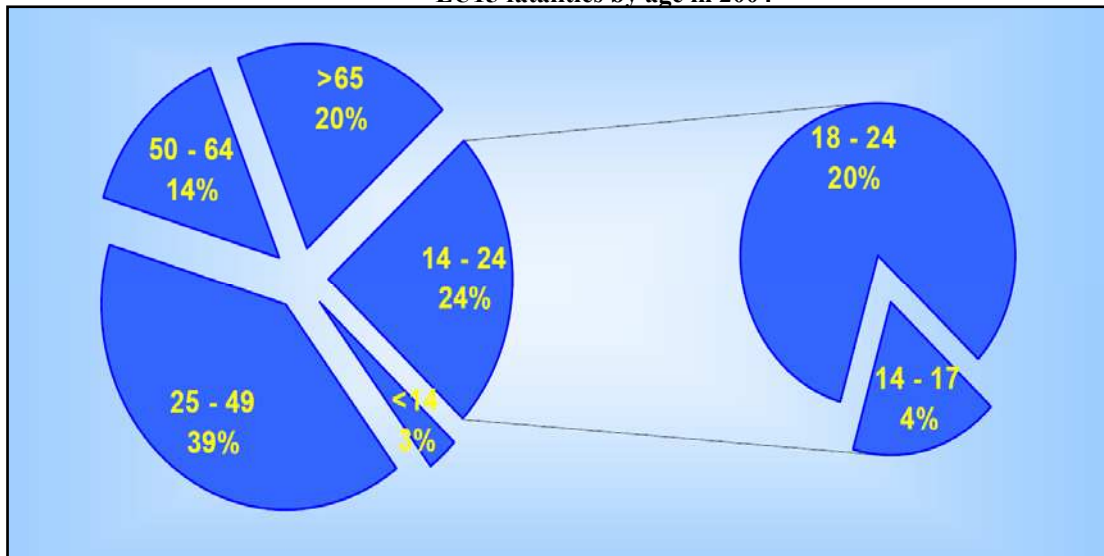
Source: Directorate General for Energy and Transport, 2006.

There are elevated risks associated with young car drivers between 18 - 25 years of age. This narrow age profile is over-represented in road fatality figures across Europe. The high car dependency rates in the EU result in high fatality figures among car drivers. In 2004, 67% or 2 in every 3 road fatalities

were car users. Seventy per cent of road fatalities among 18 - 25 year old road users, within the EU in 2004, were the result of car accidents (Directorate General for Energy and Transport 2006).

TABLE 1
Road fatalities in member states by gender and age in 2002

	16-25	26-40	41-60	61-99	Female	Male
Belgium*	26%	34%	24%	17%	21%	79%
Denmark	22%	35%	21%	22%	21%	79%
Greece*	20%	34%	31%	16%	8%	92%
Spain	22%	36%	27%	15%	14%	86%
France	28%	29%	25%	19%	22%	78%
Ireland	27%	35%	17%	20%	24%	76%
Italy**	23%	32%	25%	20%	15%	85%
Luxembourg	13%	53%	29%	5%	16%	84%
Netherlands	34%	27%	22%	16%	19%	81%
Austria	31%	28%	23%	18%	21%	79%
Portugal	24%	37%	26%	14%	15%	85%
Finland	23%	22%	32%	22%	19%	81%
Sweden	21%	23%	29%	27%	15%	85%
UK	31%	29%	21%	19%	23%	77%
Total	26%	31%	25%	18%	18%	82%

* Data from 2001   Source: CARE Database / EC
** Data from 1998   Date of query: February 2005

Table 1 provides a breakdown of road fatalities by age and gender in a number of EU member states. It serves to highlight the over representation of male drivers in road fatalities across Europe. This cross-sectional glimpse at road fatalities in 2002 (unless where stated) gives an indication of the problem throughout Europe. The data finds that male road users are between 3 and 6 times more likely to be killed than female road users (SafetyNet 2004).

Clarke et al., (2002) and Ward et al., (2005) found that a high number of young drivers were involved in loss of control crashes during night time hours. The authors concluded that young drivers (17 - 19 year old drivers in particular) were the most likely to be involved in a road accident at night time and on rural roads. Research by Laapotti and Keskinen (1998) also found that fatal, loss-of-control collisions among young drivers were most prevalent in the evening and at night. Ferguson (2003) however could find no evidence of fatigue being a causal factor in night time driving. The research by Clarke et al. (2002) found high incidents of drink driving among 23-25 year old drivers. The study showed that incidents of speeding increased among young drivers at night. It was also observed that while certain crash types disappeared quickly with experience (e.g. right hand turns), crash figures for loss-of-control accidents during hours of darkness were particularly slow to improve. The authors concluded that darkness per se was not the reason for the higher crash rates but rather the purpose of the trip and mindset of the driver during these night time trips.

3. ADDICTION TO SPEED

To demonstrate the escalating effects of speeding, an example is perhaps the clearest method of explanation. For car occupants in a collision with an impact speed of 80km/h (50mph) the likelihood of death is about 20 times higher than that found at an impact at 30km/h (20mph). A 50km/h (30mph) impact is equivalent to dropping a car from a two storey building. A 100km/h impact is equivalent to

dropping that same car from an 11 storey building. Finally, a 150km/h (90mph) impact is equivalent to dropping the car from a 30 storey building (NSC 2005).

It should be noted that there is a well established link between speeding and fatalities (NSC, 2005). If a pedestrian is knocked down by a vehicle travelling at 20mph, the person has a 95% chance of survival. If struck at 30mph, the pedestrian's chance of survival drops to 55%. However, if struck by a vehicle at 40mph, the person only has a 15% chance of survival (NSC, 2005). Drivers exceeding the speed limit cause about 33% of all fatal and serious accidents. A 3 kilometre reduction in average speed would save 5,000 to 6,000 lives per annum in Europe and eradicate 120,000 to 140,000 collisions on EU roads each year. The positive economic effect alone would be €20 billion for the EU (Directorate General for Energy and Transport 2003).

An online survey by the National Safety Council in April 2003 found that Irish drivers are prone to speeding. Male drivers were found to be particularly likely to engage in speeding (NSC 2003). The survey found 46% of respondents admitted to regularly breaking the speed limit in urban areas. Similarly, almost 50% of 17 - 24 year old drivers admitted to breaking the urban zone speed limit and the majority of these drivers did so regularly. On national roads, 27% of respondents admitted to regularly breaking the speed limit. Again male drivers were found to be more likely to break the speed limit with 32% of males regularly breaking the speed limit compared to 14% of female respondents. The same trend was also observed on motorways where 26% of male respondents admitted breaking the speed limit as opposed to only 13% of female drivers (NSC 2003). The most frequently occurring error among young male drivers involved in fatal, two vehicle collisions is excessive speed. Speed accounted for 41% of all contributing factors to young male driver crashes on Irish roads in 2000. Young drivers were also more likely to engage in "improper overtaking" than older drivers (NRA 2000). This activity is especially hazardous on rural roads (where most fatal crashes occur).

Since male drivers and in particular young male drivers are over-represented in road collisions it seems reasonable to conclude that these drivers are prone to driver error. Inexperience and inappropriate speed are considered major contributors to road collisions. Much of this dangerous driving takes place on rural roads which are particularly hazardous. Ireland still has a particularly high proportion of rural, regional and local roads. Other European countries have more extensive motorway networks and are less reliant on rural roads (EuroRAP 2005).

David Watson, a safety campaign manager for the British Department of Transport contends that speeding is still a "live debate", whereas the moral debate has been won in relation to drink driving and seatbelt wearing. Therefore, while drink driving and non seatbelt compliance are now considered shameful activities, speeding still remains reasonably acceptable. During a workshop at the *Speed 2006* conference in London some of the reasons behind the enduring nature of this "live debate" were discussed. One of the problems identified with speeding is that quite often it is an unconscious act, unlike drink driving and not wearing a seatbelt, which are chiefly a question of choice. Psychologist Steve Stradling believes "…they (people) are lulled by the cocoon effect... cars are getting more and more comfortable, more and more relaxing" (Faith 1997).

4. SEATBELTS

Seatbelts have a large role to play in saving lives on European roads. Research suggests approximately 10,000 of the 22,500 car occupants killed in the EU every year could survive if they were wearing their seatbelts (ETSC 2006).

TABLE 2
Seatbelt wearing rates in the EU in 2004

Country	Wearing rate, front seats (%)	Wearing rate, rear seats (%)
Austria	77	56 (adults)
Belgium	66	n/a
Cyprus	n/a	n/a
Czech Republic	75 (driver)	n/a
Denmark	84	63
Estonia	75	21
Finland	89	80
France	97	68
Germany	94 (driver)	90 (adults)
Greece	40 (2003)	15 (2003)
Hungary	59	20 (2003)
Ireland	85 (2003)	46 (adults, 2003)
Italy	n/a	n/a
Latvia	n/a	n/a
Lithuania	n/a	n/a
Luxembourg	88 (driver)	72
Malta	95 (driver)	43
Netherlands	86 (2003)	63 (2003)
Poland	71	49
Portugal	88 (driver)	25
Slovakia	n/a	n/a
Slovenia	81	40
Spain	86 (2003)	42 (2003)
Sweden	92 (driver)	79
UK	93 (driver)	83

Source: European Transport Safety Council, 2006.

Table 2 shows the seatbelt wearing rates in the EU in 2004. Ireland has an 85% front seat wearing rate but only 46% compliance rate for back seats. In 2003, a study found that universal seatbelt use in the original EU15 member states could prevent 6,000 deaths and 380,000 injuries each year (ICF Consulting 2003). Other research estimates suggest that approximately 7,000 lives could be saved each year if seatbelt wearing rates could be increased to the best international rate. Research indicates that half of the people killed in road accidents within the EU were not wearing seatbelts (Directorate General for Energy and Transport 2003). Past research into non seatbelt compliance has indicated that young drivers and particularly young male drivers display low seatbelt compliance rates (Beirness and Simpson 1997). Research carried out in the US found that those who chose not to wear seatbelts tended to have low academic qualifications, engaged in other dangerous driving behaviours and were more likely to have previous traffic convictions (Preusser et al. 1991).

5. ALCOHOL

It is estimated that almost 10,000 road users (pedestrians, passengers or non-drinking drivers) are killed by drink drivers each year in the EU (Anderson, and Baumberg 2006). However more conservative estimates suggest between 5,000 and 7,500 road fatalities are attributable to drink driving every year in the EU25 (Directorate General for Energy and Transport 2006). In any case, alcohol continues to be a significant contributing factor in road crashes worldwide. The extent of alcohol involvement in road accidents varies among countries. In low income countries, alcohol was found to be involved in between 33% - 69% of accidents that resulted in a driver fatality (Odero and Zwi 1995). The research also found that in many high income countries approximately 20% of fatally injured drivers had a blood alcohol level (BAC) that exceeded the legal limit.

The Irish police estimate that alcohol is the primary causal factor in 25% of all road collisions and accounts for roughly 33% of fatal collisions in Ireland (An Garda Siochana 2005). However the National Safety Council estimate that alcohol accounts for 40% of road deaths and at least 30% of all road accidents in Ireland each year (DOHC 2004). A review of surveys from various EU countries concluded that at any given time, between 1% and 3% of drivers are under the influence of alcohol while driving on EU roads (ETSC 2006). These drink drivers account for 40% of all road fatalities in the EU. The research also suggests that in countries where anti drink driving enforcement is low, a reduction of up to 15% in road fatalities is achievable through increased anti drink driving enforcement activities. If Random Breath Testing levels were increased throughout the EU to the current EU average (1 breath test per 16 inhabitants) between 2,000 and 2,500 lives could be saved per year (ETSC 2006).

The Global Burden of Disease study in 2000 found that alcohol ranked as the third largest contributing factor to European ill-health and death. The report, found that alcohol related deaths and disabilities accounted for 9.2% of all the burden of diseases worldwide (Murray and Lopez 1996). The report also concluded that one in four deaths among young men (15 - 29 years) in Europe were alcohol related. Nearly half of alcohol related fatalities among young males were the result of a motor vehicle accident (Rehm et al. 2004). In 2002, 73% of road deaths worldwide were male road users (Murray and Lopez 1996).

Based on a review of existing studies, the total tangible cost of alcohol within the EU in 2003 was estimated to be €125 billion. This is equivalent to 1.3% of the Gross Domestic Product of the EU. The cost of alcohol related traffic accidents in terms of property damage alone was estimated to be €10 billion within the EU in 2003 (Anderson and Baumberg 2006).

Ireland has a well established drink culture. However in recent years the level of alcohol consumption in Ireland has increased dramatically. From 1989 – 1999 there has been a 41% increase in the consumption of alcohol in Ireland. The average alcohol consumption in the EU was 9.1 litres of pure alcohol per capita in 2000. Ireland's average alcohol consumption in 2002 was 14.2 litres of pure alcohol per capita (DOHC 2004). Ramstedt and Hope (2003) found that 58% of drinking occasions among Irish men evolved into binge drinking sessions. Irish men were found to be the most prolific binge drinkers in Europe. The study defined binge drinking as (75/80 grams of pure alcohol ingested per drinking session) which corresponds to at least one bottle of wine, seven measures of spirits or four pints of beer. Binge drinking is particularly pronounced among young Irish men between the ages of 18 - 29 years. The data suggests that Irish male teenagers carry on the learned habits of binge drinking even as they grow to driving age. The average number of drinks consumed before injury was sustained was found to be 15 drinks for males and 11 drinks for females (Hope et al. 2005). This data has grave implications for road safety in Ireland as a new generation of binge drinking adolescents come of driving age.

The risk involved in drink driving increases with both the amount of alcohol consumed and the frequency of high volume drinking occasions. The risk also rises in tandem with blood alcohol concentration levels (Hingson and Winter 2003). The legal blood alcohol concentration (BAC) for drivers in Ireland is 80mg/100ml. However at a fraction of this (BAC) level, driver impairment is found to result. The Grand Rapids study by Borkenstein et al., (1964) laid the foundation for the widely adopted 0.08g/dl (80mg/100ml) BAC seen in many countries including Ireland. However new research findings (as seen in Figure 3) suggest that the risk of an accident is much higher than previously estimated (Compton et al. 2002; Moskowitz et al. 2002).

FIGURE 3
Relative risk of driver involvement in police-reported crashes
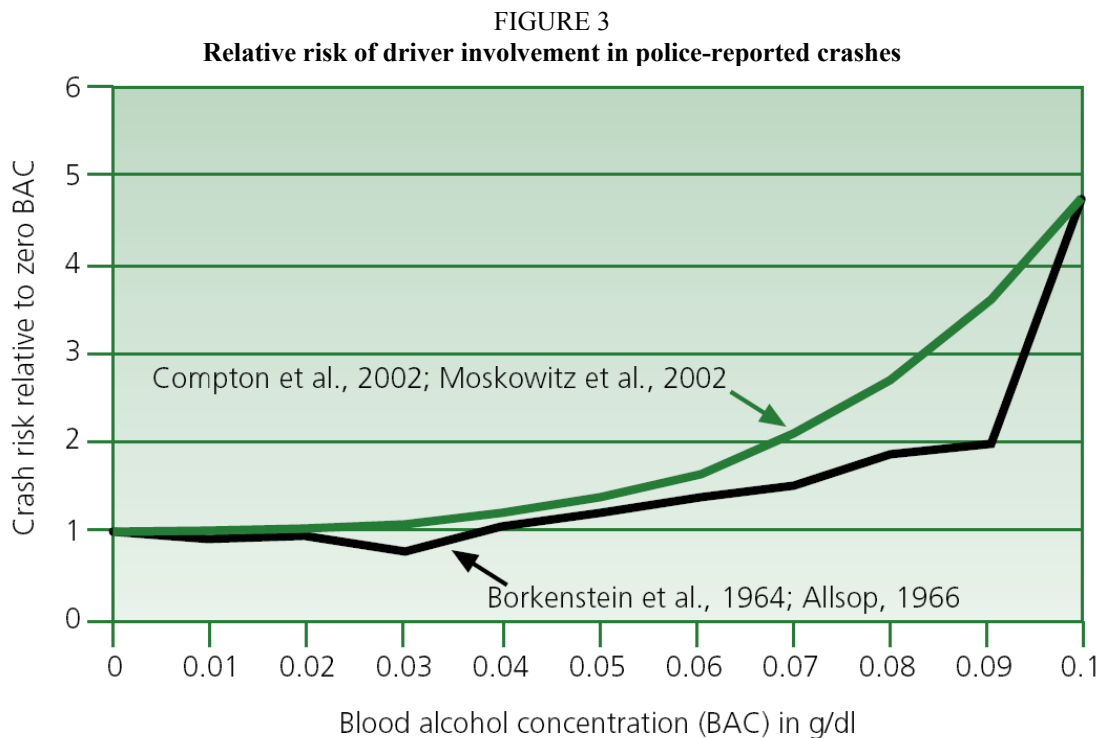
Research has found that male and female drivers of all ages who had a BAC of between 20mg/100ml and 49mg/100ml were at least 3 times more likely to be involved in a fatal single vehicle crash than sober drivers. This risk was found to increase to at least 6 times with BAC between 50mg/100ml and 79mg/100ml and 11 times with a BAC between 80mg/100ml and 99mg/100ml (Zador et al. 2000). Even a relatively low BAC (20mg/100ml of alcohol) can impair driving if the driver is suffering from sleep deprivation (Anderson and Baumberg 2006: 146).

At one eighth of the legal Irish BAC limit (10mg/100ml) a driver's ability to divide their attention between two or more tasks is reduced according to National Safety Council literature[1]. At one quarter of the legal Irish BAC (20mg/100ml) the driver can experience drowsiness and retardation in cognitive skills such as sign reading. Psychomotor skills such as body balance and body movement which dictate the driver's perceptual ability to control the car are also compromised (Moskowitz and Fiorentino 2000). A study by Borkenstein et al. (1964) found that in high volume traffic, where elevated levels of attention and concentration are required, a BAC of between 10mg/100ml and 40mg/100ml is associated with an increased risk of an accident.

The research by Moskowitz and Fiorentino (2000) suggests that at a BAC of between 20mg/100ml - 50mg/100ml, judgement levels are already impaired. Rudimentary decisions such as gauging distance and the speed of oncoming vehicles is affected. As a result the driver is more likely to engage in risky

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[1] "Impairment and blood alcohol concentration by behavioural area" fact sheet.

overtaking manoeuvres. At a 50mg/100ml BAC level there is twice the chance of a road traffic collision occurring in relation to the crash risk associated with a zero BAC level. The research found that reaction times are slower among drivers with a BAC of between 50mg/100ml and 80mg/100ml. Driver perception is also impaired as are the vigilance levels of the driver. At roughly three quarters of the Irish legal BAC (50mg/100ml) the driver's tracking ability (includes the ability to negotiate the vehicle within the driver's lane) is adversely affected. Having reviewed 112 studies Moskowitz and Fiorentino found that 80mg/100ml was the BAC level at which 50% of behavioural tests indicated consistent driver impairment. The review provided strong evidence to indicate that driver impairment results with any departure from a zero blood alcohol concentration level (Moskowitz and Fiorentino 2000).

There were 301 fatal crashes resulting in some 335 road fatalities in the Republic of Ireland in 2003. Of these 301 fatal road crashes, the study found that 110 (36.5%) of these crashes were alcohol related (Bedford et al. 2006). The study also found that 64 (34%) of the drivers killed in 2003 were over the legal alcohol limit. Furthermore, the research indicated that 76 (40.3%) of the drivers killed had blood alcohol levels in excess of 20mg/100ml. The results of the study indicated that 89.7% of the drivers who were involved in fatal, alcohol related collisions were male drivers (Bedford et al. 2006). Male drivers between the ages of 19 - 34 years were found to be the most likely to be killed on Irish roads whilst under the influence of alcohol. The report also found that young male passengers between 15 - 24 years of age exhibited the highest mortality rates of all passengers. The data established that 46% of male passengers were killed in crashes where a driver's alcohol level was a contributory factor in the crash. In 2003, approximately one in five of all road fatalities was a passenger (20.9%). Male passengers represented 55.7% of all passengers killed in 2003 (Bedford et al. 2006).

6. DANGEROUS DRIVING

There are a variety of dangerous driving behaviours that can be perpetrated by a driver. Some of these dangerous behaviours are more prevalent among young drivers. The SARTRE 3 study profiled the most dangerous drivers on European roads. The study found the most dangerous drivers on European roads were 18 - 24 year old drivers. It found that, on average, 10% of young drivers (18 - 24 year olds) believed they are dangerous drivers. This is over twice the perceived rate found among any other age profile. These drivers were usually single students who had a secondary education and drove cars with an engine capacity of between 1300cc - 1900cc (INRETS 2004). Young male and female drivers were found to drive vehicles that were between 6 - 10 years old. The age of the vehicles is speculated to contribute to the elevated fatality rates among younger drivers given that older cars typically offer the occupants less protection than newer cars.

While young drivers shared many personal characteristics, gender specific differences did manifest themselves in the data. It was found that young male drivers were more likely to admit to driving in a dangerous manner than their female counterparts. There was also a marked contrast in the levels of driving experience between the two sexes. High risk female drivers were generally found to have driven less than 5,000km a year while high risk young male drivers usually drove in excess of 30,000km per year. Therefore it has been suggested that there are different reasons why both sexes consider themselves to be dangerous drivers. In the case of female drivers the most probable reason is a lack of confidence which stems from their perceived lack of driving experience. Therefore female drivers may feel that they are dangerous drivers due to a general underestimating of their driving ability. The same cannot be said for young male drivers who often drive over 6 times the distance of female drivers. Young men who contend that they are dangerous drivers are more likely to base this opinion on their driving style rather than any deficiency in driving experience. Therefore young male drivers, in contrast to young female drivers are more likely to overestimate their driving skills. This often results in dangerous driving behaviours (INRETS 2004).

7. MOBILE PHONES

Research by the National Highway Traffic Safety Administration (NHTSA) suggests that driver distraction and inattention could play a role in 20% - 30% of all road crashes (Wang, Knipling and Goodman 1996). A survey of 1,000 drivers in the UK found that 30% of drivers used a mobile phone while driving and 33% of these drivers often did so. The study found that young male drivers and high mileage drivers were most likely to use a phone while driving (Green Flag 2000). Observational studies in the US, Australia and the UK found that there are typically between 1% - 4% of drivers using a mobile phone while driving at any given time of the day (TRL 2004). These studies consistently showed that male drivers and young drivers (younger than 30 years of age) tended to use their mobile phones more frequently while driving than any other drivers. Drivers under thirty years of age were almost twice as likely to use a mobile phone while driving when compared to older drivers (TRL 2004).

An extensive three year study of 223,137 road crashes in the state of Oklahoma between 1992 and 1995 found that both the presence of, or use of a mobile phone in a car, statistically increased the risk of a traffic fatality. The study determined that drivers who used their mobile phones while driving were roughly 9 times more likely to be involved in a fatal crash than drivers who refrained from using their phones (Violanti 1998). A literature review of mobile phone studies concluded that there are five readily identifiable effects of mobile phone use on driving performance. The five most commonly occurring effects in the data are; slower reaction times to traffic signals and signs, decreased general and situational awareness, risky decision making, slower reaction times in braking situations, and risk compensating behaviours (Dragutinovic and Twisk 2005).

8. FATIGUE

Numerous studies have established a link between fatigue and road accidents (Mahowald 2000). Some estimates suggest that up to approximately 20% of crashes can be linked to fatigue (Horne et al. 2003). Research has established that young drivers are particularly susceptible to fatigue related road accidents (Lyznicki et al. 1998). Male drivers have been found to be more frequently involved in night-time car accidents (Lyznicki et al. 1998; Horne and Reyner 1995). This is possibly due to young male drivers being the largest driver group on the roads during the early morning hours (Horne and Reyner 1995). While truck drivers are a high risk group in terms of sleep related accidents, research by Lyznicki et al. (1998) found that young drivers represent a much larger risk group among night-time drivers. Studies suggest that young drivers are 4 times more likely to be involved in a crash where the driver falls asleep at the wheel than other drivers. The research also found that young drivers account for nearly 66% of all sleep related crashes (Horne and Reyner 1995).

Data from a range of studies suggests that young male drivers under thirty years of age are predisposed to early morning sleep related crashes (Lyznicki et al. 1998; Horne and Reyner 1995). Young drivers (18 - 24 years of age) are 5 - 10 times more likely to crash at night than during the afternoon (Akerstedt and Kecklund 2001). Research suggests that fatigue related crashes are likely to be more severe and display higher mortality rates than other accident types (Akerstedt and Haraldsson 2001). Summala and Mikkola (1994) suggest that young drivers' inexperience and scant knowledge of fatigue coping strategies may account for the relative high fatigue related crashes among young drivers. However research indicates that when drivers become very tired it is impossible to counteract sleep and coping strategies become redundant (Dinges 1992).

9. DRUG TAKING

From 2000 – 2001 the Medical Bureau on Road Safety conducted a nationwide study on drug driving. The survey tested 1,000 samples that were found to have an alcohol level over the Irish legal limit and 1,000 samples found to be under the Irish legal limit. Both groups were tested for the presence of drugs so as to facilitate a comparative analysis. The survey found that 60% of those samples with

essentially zero alcohol levels (less than 10mg/100ml) tested positive for one or more drugs. Ninety per cent of the samples in the study were taken from male drivers whom the Irish police had stopped. This high representation of male drivers in the survey suggests that the Irish police are focusing their detection efforts on male drivers whom they consider to be a high risk group (Cusack et al. 2003).

As the levels of alcohol increased in the tested samples a general downward trend in drug taking was observed in driver samples (Cusack et al. 2003). Only 11.1% of drivers with a blood alcohol level of greater than 200mg/100ml tested positive for other drugs.

FIGURE 4
Prevalence of drug taking by age in Irish drivers
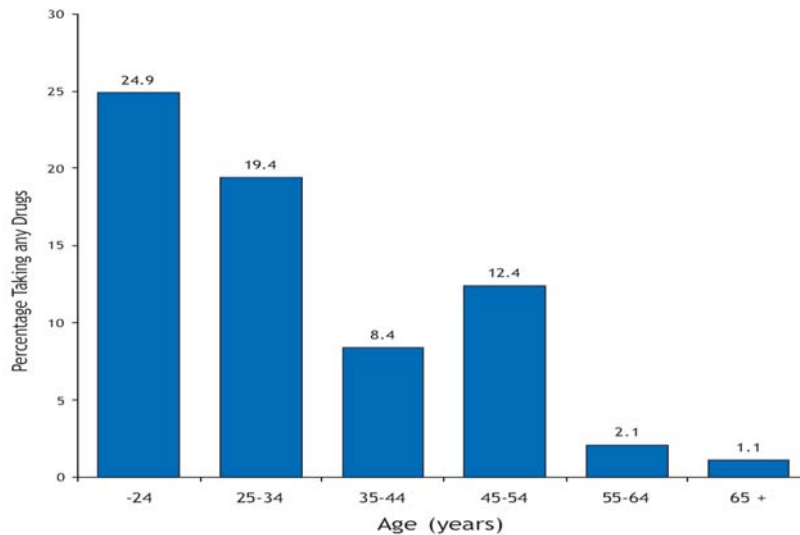
Source: Cusack et al., 2003.

Figure 4 highlights the high trend in drug taking among young Irish drivers when compared to older Irish driver demographics. Young drivers (under 24 years of age) were found to represent 24.9% of all drug taking drivers (Cusack et al. 2003). According to the MBRS, the typical drug driver is a young, sober, urban, male driver out driving between the hours of 6 a.m. - 9 a.m. (Cusack et al. 2003).

10. ROLE OF MUSIC

Research has suggested a link between loud music and impaired driving (Beh and Hirst 1997). Their research involved evaluating sixty subjects between the ages of 20 - 28 years. The subjects were asked to perform simulated driving tests in a driving simulator under three different noise conditions; silence, rock music played at 55 decibels (quiet music) and the same rock music played at 85 decibels (loud music). The results showed that when listening to quiet and loud music the test subjects stopped 50 milliseconds quicker at red lights than when driving in silence. The experiment also found that drivers listening to quiet music responded to objects in their central field of vision 50 milliseconds faster than those driving in silence. However those who drove while listening to loud music were found to be 100 milliseconds slower than those listening to quiet music and 50 milliseconds slower than drivers who drove in silence. When the drivers were tested for their reaction times to objects entering their periphery vision, the subjects showed a delayed reaction time of 100 milliseconds when listening to loud music. The overall results suggest that quiet music has a beneficial arousal effect which translates into faster reaction times. By contrast, loud music acts as a distraction and retards reaction times especially in difficult driving situations where there is a high mental load on the driver.

There has also been research to suggest that high tempo music promotes dangerous driving (Brodsky 2002). It was found that drivers listening to high tempo music (up to 120 beats per minute) were more likely to engage in risky driver behaviour and were twice as likely to run red lights. Accidents were also more prevalent among the subjects who listened to faster tempo music. The experiment also

found that drivers listening to music did not experience the same fluctuation in heart rate as those drivers who drove without music. It was concluded that music makes drivers less alert to driving hazards and as a result their heart rate remained low throughout the simulated journey (Brodsky 2002). Due to the limited nature of the experiment (driving simulator) and the small sample size (twenty eight subjects) the findings must be treated with caution.

11. CONCLUSIONS

This paper has shown the reasons why young male drivers are over-represented in road traffic collisions, fatalities and injuries. These reasons are seen in all developed countries. There is no one cause for this trend and as the paper shows, it is a mult-faceted area. Therefore social marketers will have to consider a complex mix of variables when analysing an appropriate strategy to target this segment.

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The 9th International Congress of the International Association on Public and Nonprofit Marketing (IAPNM 2010) is organized by the National School of Political Studies and Public Administration (NSPSPA), in Bucharest, Romania, on 10 – 11 June 2010. The public and nonprofit marketing are witnessing a great development in Europe and the world, with regard to both the theoretic and normative framework and the practices' framework, which in the Europeanization and globalization context gain the signification of "good practices".

Therefore, the Congress's general topic that we are advancing is "*Regulation and Best Practices in Public and Nonprofit Marketing*".

On one hand, the topic will embody an interdisciplinary approach but, at the same time, comprehensive enough to cover the highly present issues of extending the best practices and regulations to the academic and public affairs environments in Europe and the world.

As a young university, the National School of Political Studies and Public Administration (NSPSPA), Bucharest, is and will be the promoter of new development trends of public and nonprofit marketing in Romanian and, with priority, in other South-Eastern European states.

Organizing the 9th International Congress of IAPNM represents a recognition of NSPSPA prestige and contribution inside IAPNM as well as in the more general framework of the inter-university cooperation in the field of the public affairs' programs. The program of the Congress will be joined by an attractive social program that will contribute to a better knowledge of the Romanian beauties and hospitality.

For this Congress's organization, we have been supported and still are supported by the President of IAPNM, José Luis Vázquez Burguete, to whom we present our peer thanks, and we express our hope that through our cooperation and of all the other members of IAPNM we will reach the expectations of students, professors, researchers and practitioners in the field of public and nonprofit marketing.

Congress President
Professor Lucica Matei