

# Social Enterprise in Adult Day Care: Marketing and Sustainability

Dr Madeline Powell

Madeline.Powell@York.ac.uk



## Outline of presentation

- What is marketing?
  - The importance of relationships rather than transactions in marketing
- About the study
  - What is a social enterprise?
  - Examination of the contribution marketing can make to sustainable public services
- Key Findings
  - Narrow view of marketing detrimental to service sustainability
  - Importance of networks amongst service users
  - The potential of social media as a relationship-building medium



# What is Marketing?

"The best marketing doesn't feel like marketing."

— Tom Fishburne



## Myths about marketing

- Marketing is advertising
- Marketing is selling
- Marketing makes people buy things they don't need
- Marketing is just one of the departments of an organisation
- Marketing is only for large organisations
- Marketing is expensive





## **Relationship Marketing**

In traditional marketing, the emphasis is on a one-off exchange (buying a washing machine) In relationship marketing, the focus is on building long-term relationships with a customer (eating at a favourite restaurant).

Building long term relationships rather than focusing on short term transactions is important for public services and is critical for fundraising (Powell and Osborne, 2015).

It's all about relationships

# **Existing Marketing Practise in Public Services**



- Marketing is often confused with "marketization" (Nemec and Kolisnichenko, 2006; McLaughlin et al, 2009).
- Many public service organisations that have adopted a transactional marketing strategy embraced a 'selling' focus (Powell and Osborne, 2015).
  - BUT public services are not manufacturer products.

Relationship marketing focuses upon the centrality of relationships both to marketing and service sustainability (Morgan and Hunt, 1994).

- Primary objective is to secure new and maintain existing relationships.
- Takes a long-term perspective.
- Producing a quality service is a concern for all internal stakeholders
- Focus is upon generating value for key stakeholders

# **Important Concepts in Marketing**



- People deliver and receive the service (part-time marketers!)
  - Determine the level of service quality
  - Determine how well a "moment of truth" went
- Services are delivered in ecosystems that include service users, public service staff, significant others, local communities, etc) (Osborne, 2018).
  - Services provide resources that service users integrate with their own need and expectations. This is facilitated by service staff to co-create value in users' lives.
  - Services can destroy value as well as create it.



# **Research Questions**

RQ1: Is there any evidence of marketing contributing to the sustainability of Social Enterprises delivering Adult Day Care Services?

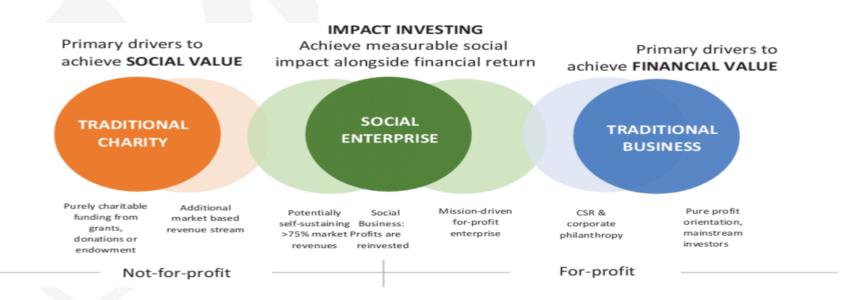
- What type of marketing is being utilised by the day care services?
- Is marketing being used as a means to develop relationships with their key stakeholders?
- What factors moderate their use of marketing?

RQ2: Can social enterprises balance their organisational tensions and hence become sustainable providers of public services?



## What is a social enterprise?

Social Enterprises are "organisations with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community rather than being driven by the need to maximise profit for shareholders and owners" (DTI, 2002)



Ryder, P and Vogeley, J. (2017). Telling the impact investment story through digital media: an Indonesian Case Study. Communication Research and Practise. 4(4), 375-395



# Methodology

- 12 Case Studies of social enterprises operating within the Adult Social Care Sector within Yorkshire:
  - Semi structured interviews with managers;
  - Observations;
  - Document Analysis
- A mixture of early phase social enterprises (started within the last 5 years) and later phase social enterprises (been in operation for more than 5 years).
- All day centres operate within adult social care sector assisting people with some form of disability



# The Case Study Organisations

Case Study	Day Service	Training/Work Projects
Case Study 1	Individual Service Contracts	Furniture Upcycling, print Service
Case Study 2	Individual Service Contracts	Making and selling craft items, sublimation Printing
Case Study 3	Individual Service Contracts	Café, local sandwich round
Case Study 4	Individual Service Contracts	Sell craft items, art work and photography
Case Study 5	Individual Service Contracts	Gardening service
Case Study 6	Individual Service Contracts	Cafe, furniture upcycling
Case Study 7	Individual Service Contracts	Printing service, selling craft items and café
Case Study 8	Block Contracts	Gardening service and garden centre
Case Study 9	Individual Service Contracts	Selling craft items
Case Study 10	Block Contracts	Gardening service, garden centre and selling craft items
Case Study 11	Individual Service Contracts	Gardening service, wood, plants, vegetable selling service
Case Study 12	Individual Service Contracts	Music and lighting service



# Key findings (1)

- Narrow view of marketing
  - Marketing seen as a selling activity;
  - Do not want to view service users as commodities,
  - Seen as manipulative,
  - Something only marketing professionals can help with.

<u>BUT</u> SEs have multiple users/stakeholders – service users, community members, social care services, families and significant others....

How can they effectively communicate with these different users/stakeholders?

"we're restricted with funding and nowadays marketing is a big market out there so we can't have you know, a big flash marketing campaign, its restricted to what we can achieve with the funding we have"

"we don't market to the service users I think there would be massive difficulties and ethical issues I think in trying to market to a client to say you know we want you to spend your personal budget here."



# **Key Findings (2)**

- Relationships are key in marketing
  - Networks of service users
  - Community embeddedness
  - Collaboration not competition
- Social media is a key way to build relationships with stakeholders which is cost effective

"it's a word of mouth thing. Peer pressure because you know I have 90 people with a learning disability, they all go and socialise together, one will say "oh its alright working at Farm Enterprise" ... it would be no good us giving the students a rubbish service because they wouldn't want to come"



# Key findings (3)

- Highlighted the potential of social media to help day centres to effectively communicate with their multiple stakeholders:
  - Further penetrate service user networks
  - Helps to generate positive word of mouth
  - Raise awareness within the local community
  - Effective communication medium to tell stories
- Gives a "personality" to your day centre
  - Helps to foster key relationships with multiple groups
  - Can help to raise awareness in local community

Especially useful in the current pandemic crisis to virtually create and maintain relationships

# Boosting your Social Media Presence







Identify what the objectives of your social media strategy are.

- Engaging and creating awareness in the local community?
- Boost donations?
- Volunteer recruitment?

59% adults with disabilities have used social media in the last 3 months (ONS, 2019).

- Opportunity to penetrate service user networks.
- Helps to create a safe online forum for service users.

#### Speak with your volunteers

- Why do they volunteer with you?
- Will help you to establish how your day service is viewed externally.
- Is this how you want to be viewed? I.e. your "personality?"

#### Remember:

- You don't need to be on every single social media platform.
- Instagram and Facebook are linked.
- You need to try to post at least one a day.
- Be creative with hashtags to further your reach.

# Creating a personality on social media



#### Create a story narrative

- Post pictures/YouTube videos which portray a story of your service users.
- Engage parents of service users.
- How have your service users flourished since being at your day centre?
- Be as visual as you can.

#### Spotlights on your volunteers

- Helps reaffirm internal marketing
- Potential to act as part time marketers
- Makes volunteers feel valued
- Contributes to the personality you are portraying on social media

#### Post daily updates

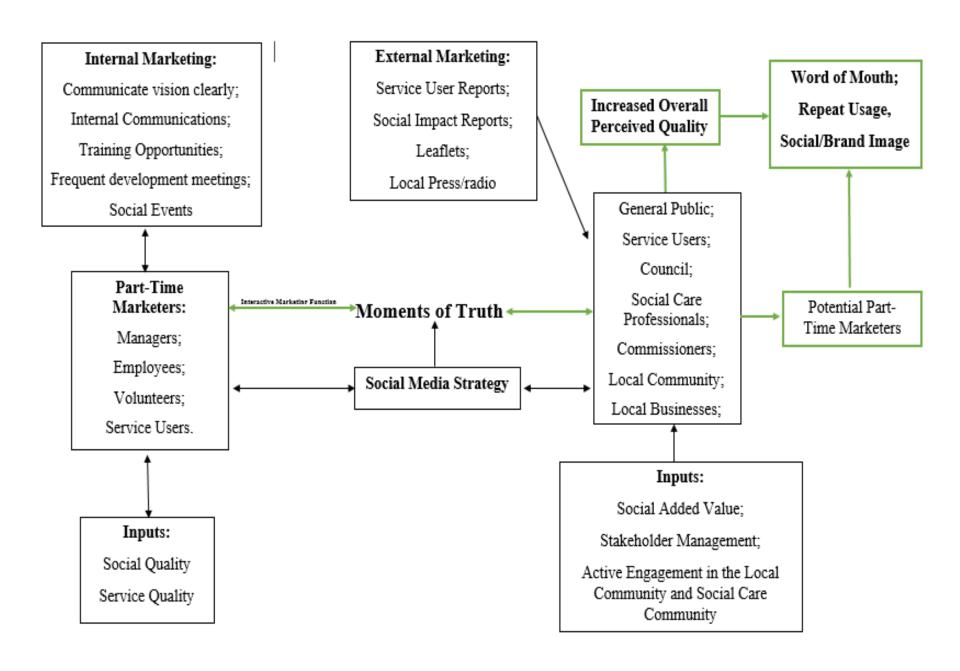
- What have you service users done?
- Have you engaged in any activities which have benefitted the local community?
- Any positive reviews you could post?

#### Engage the local community

- Join or follow local community groups and post in them.
- Establish as a community asset.
- Helps to foster a sense of community ownership.
- Political Support

Engage and follow local businesses.

Potential donors if you run an appeal.



# Four Key Routes to Sustainability



- 1. Building relationships
- 2. Addressing and communicating to *all* stakeholder constituencies
  - Social Media as a means to help facilitate this process
- 3. Seeing all staff, users and stakeholders as key to creating value through a public service
- 4. Adding value to relationships through social impact.

# What does this mean for you?



- Remember marketing is not advertising, you are not trying to "sell your service" to your service users, rather create value for them through quality of service.
  - Increases the potential for word of mouth.
- Examine your key relationships.
  - How can you create value for them?
  - Collaboration not competition
  - Penetrate local community groups
- Marketing is a concern for all internal stakeholders
- Utilise social media to build a personality to your service.
  - BUT make sure you have an underlying policy regarding data protection and safe online practise.
  - How will you seek consent to share information about people?

### Want to find out more?

#### All available for free download at researchgate

The current issue and full text archive of this journal is available on Emerald Insight at: www.emeraldinsight.com/1750-8614.htm



Revised 27 June 2014

Accepted 13 October 2014

# Can marketing contribute to sustainable social enterprise?

Madeline Powell

The York Management School, University of York, York, UK, and

Stephen P. Osborne

Business School, University of Edinburgh, Edinburgh, UK

#### Abstract

Purpose – This paper aims to explore the role of marketing as a route to sustainability for social enterprises providing public services. It examines the tensions between the economic and social objectives, both of social enterprises and of marketing. It concludes by offering a new model of the role of marketing for sustainable social enterprises.

Design/methodology/approach – This paper used the case study approach which included four cases. Semi-structured interviews were conducted with the chief executives of each social enterprise. The cases were classified by are.

Findings - The paper demonstrates that while marketing potentially has much to offer in terms of organisational resilience for social enterprises, its application is currently undermined by its misunderstanding in practise within a "product-dominant" business logic. Despite this, the study finds a strong element of the unconscious application of marketing by social enterprises.

Originality/value – The implications of this are discussed in the context of the "public service-dominant" business logic that is currently emerging in public management, and recommendations are made for policy and practice as to how to enhance the contribution of marketing, both to sustainable social enterprises and to public services delivery.

Keywords Marketing, Sustainability, Public service-dominant logic, Public services, Relationship marketing, Social enterprises

Paper type Research paper



#### Review of Administrative Sciences



Social enterprises, marketing, and sustainable public service provision International Review of Administrative
Sciences
2020, Vol. 86(1) 62-79
⑤ The Author(s) 2018
Article reuse guidelines:
sagepub.com/journals-permissions
DOI: 10.1177/0020852317751244
journals.sagepub.com/home/ras

#### Madeline Powell

Sheffield Management School, University of Sheffield, UK

#### Stephen P. Osborne

University of Edinburgh – Business Department, Edinburgh, Scotland

#### Abstract

This article explores whether social enterprises are capable of fulfilling the public policy rhetoric surrounding them, to become sustainable providers of public services. It does this by examining their marketing activity within North-East England and focuses on social enterprises delivering adult social care public services. It finds that social enterprises are employing a product-dominant approach to marketing rather than a service-oriented, relationship marketing, approach. This undermines their ability to build the enduring relationships with all their key stakeholders that are the key to effective service management and fatally weakens their potential as sustainable public service providers. The article subsequently uses service theory to build an alternative model of marketing and business practice predicated precisely upon the need to build such relationships.

#### Points for practitioners

This article points to the need for public service practitioners to embrace a service orientation to the management of public services, rather than a product-dominant one







#### Sustainability in social enterprise: hybrid organizing in public services

Madeline Powell<sup>a</sup>, Alex Gillett<sup>b</sup> and Bob Doherty<sup>b</sup>

<sup>a</sup>Sheffield Management School, University of Sheffield, Sheffield, UK; <sup>b</sup>York Management School, University of York, York, UK

#### ABSTRACT

It is commonly assumed that social enterprises (SEs) are able to meet social outcomes and also be financially viable; however, little research supports this claim. Using hybrid organizing as a lens to analyse case study interview data from ten SEs delivering adult day-care services, we identify three factors which affect an SE's ability to simultaneously achieve social outcomes and financial sustainability and thus create value-spillovers for society. These are diverse income streams to strengthen financial viability and reduce reliance on service-level agreements and grants; delivering social quality (quality of social impact) as well as service quality, and a hybrid workforce.

KEYWORDS Social enterprise; hybrid organizing; public service delivery; sustainability

#### Introduction

Public services within England and in other nation states have undergone radical changes during recent decades (Pollitt 2013). The role of the Government in social welfare has diminished, whilst communities and individuals have been encouraged to play a more active part in the alleviation of social problems (Dey and Teasdale 2015). More emphasis has been placed upon collaboration between organizations from government, non-profit and private sectors to deliver social welfare (Osborne and Brown 2005; Gillett 2015, 2016) and perhaps as a result there has been growth in the number of organizations operating at the intersections of these sectors. Such organizations, often called social enterprises (SEs) primarily pursue a social mission whilst





# Thank you for listening, do you have any questions?



Any questions after the event? Please email me: madeline.powell@york.ac.uk



## References

- McLaughlin, K., S. Osborne, and C. Chew. (2009). Developing the marketing function in U.K. public service organizations: The contribution of theory and practice. *Public Money & Management*, (29,1), 35-42.
- Morgan, R., & Hunt, S. (1994). The Commitment-Trust Theory of Relationship Marketing. *Journal of Marketing*, 58(3), 20-38.
- Nemec, J., and Kolinsnichenko, N. (2006). Market-based Health Care Reforms in Central and Eastern Europe: Lessons After Ten Years of Change. *International Review of Administrative Sciences*, 72(1), 11-26.
- Osborne, S.P. (2018). From Public Service-Dominant Logic to Public Service Logic: Are Public Service Organisations capable of co-production and value co-creation? *Public Management Review*, 2, 225-231.
- Powell, M., and Osborne, S.P. (2015). Can Marketing Contribute to Sustainable Social Enterprise? *Social Enterprise Journal*, 11(1), 24-46.