Competition as an Effective Tool in Developing Social Marketing Programs:
Driving Behavior Change through Online Activities

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ABSTRACT

Nowadays, social marketing practices represent an important part of people's lives. Consumers' understanding of the need for change has become the top priority for social organizations worldwide.

As a result, the number of social marketing programs has increased, making people reflect more on their behaviors and on the need to take action. Competition in social marketing can bring many benefits.

The more programs initiated, the more people will start to involve in society's problems, hereby contributing to beneficial causes.

However, social organizations are in the search for competitive advantages to differentiate them on the market.

This paper aims to present the role of online communication in driving competitive advantage for social organizations.

Using the structural equation model, the paper describes the relations between four characteristics of the online communication: credibility, attractiveness, persuasion and promotion and then presents the correlations between these variables and website competitiveness.

The resulting model shows that owning a competitive advantage in social marketing can bring many advantages to both the non-profit organization and the consumer. Therefore, the online environment can be considered a good solution for better serving consumers' social needs.

Its contribution is significant especially in programs for children and adolescents, since teenagers spend more time on the Internet than adults and are more open to using the online channels of communication.

In conclusion, this article opens new opportunities for social marketers to address society's problems and supports the integration of the online communication tools in the competition strategy.

KEYWORDS: *competition, social marketing program, online environment, non-profit organization, social marketing, consumer behaviour.*

JEL CLASSIFICATION: *C52, D11, L31, M31.*

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INTRODUCTION

The growing interest in social marketing programs has determined many non-profit organizations to engage in various activities using different channels of communication. Their purpose is not only to inform people about the seriousness of a certain social problem but also to encourage the adoption of new and more responsible behaviours in the society (Weinreich, 1999).

Whether they use traditional communication channels or decide to integrate new forms of communication, non-profit organizations and private companies are constantly seeking to improve people's lives.

The rapid development of technologies and economics has persuaded many social organizations to increase their activities in the digital world.

Internet is considered nowadays an efficient channel of promotion not only because of its speed and flexibility but also because it is cost effective, dynamic and easy to use (Pollard, 2010).

Therefore, social organizations worldwide have understood its opportunities and are now focusing on developing special activities for the online consumers.

Competition in the non-profit area and funding regards social marketing programs which address a similar or the same social problem and have common market segments (Kendall, 2002).

As the society rapidly evolved, the number of non-profit organizations increased.

The online environment can differentiate them on the market and bring them benefits. In this way, many social organizations have decided to initiate online activities like: create websites, organize online discussions, promote blogs or send newsletters.

This article discusses the dimensions of competition in the social marketing field and emphasizes the role of online communication and Internet in creating long-term competitive advantages.

In this way, the article analyses the online social marketing programs in terms of credibility, attractiveness, persuasion and promotion and proposes new directions of research for social organizations involvement in online activities.

The study carried out describes the relations between these variables and website credibility.

Moreover, the study, analyses consumers perceptions about competition in social marketing programs and describes the influence of the online environment on non-profit organizations' activities.

The data obtained is analysed and a regression model is defined in E-views software programme.

Results of the study show that we are living in a world where communication is vital. People are seeking for the latest technologies in everything they buy and companies are constantly researching and to better serve their clients.
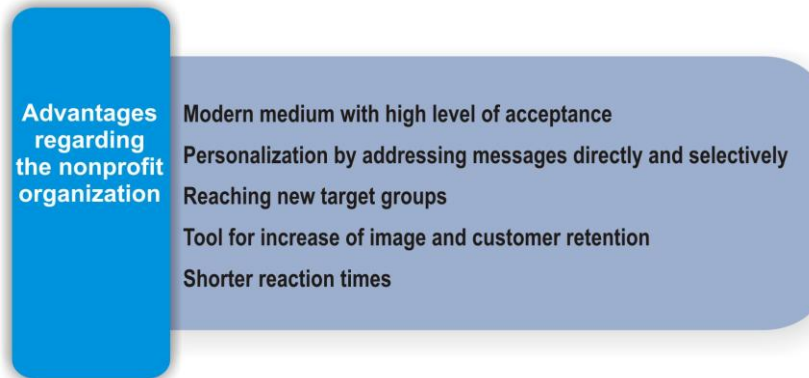
Competition is everywhere and though is beneficial for consumers, for non-profit organizations it can be crucial.

Without a good marketing strategy and a solid management plan, social organizations can easily fail.

This research shows that the online environment represents an opportunity for non-profit organizations to increase efficiency in their social programs, making it easier to reach target segments and achieve their marketing objectives.

1. SOCIAL MARKETING ACTIVITIES IN THE ONLINE ENVIRONMENT

In view of technological aspects, the online environment has come a long way in delivering the best solutions for each organization (Rice, 2001).

Advantages regarding the nonprofit organization

Modern medium with high level of acceptance

Personalization by addressing messages directly and selectively

Reaching new target groups

Tool for increase of image and customer retention
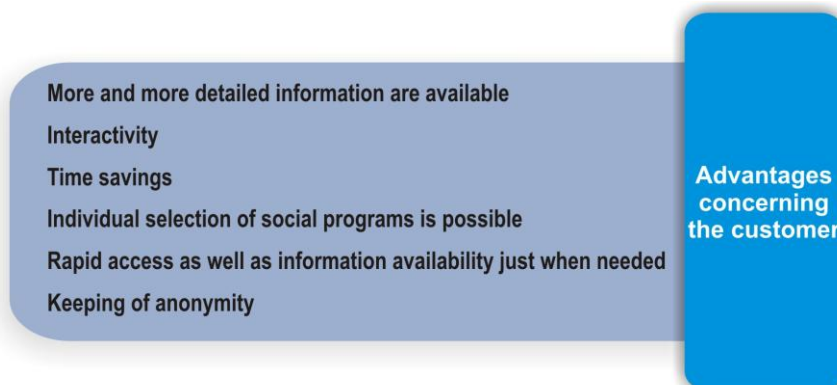
Shorter reaction times

Figure 1. Advantages of online environment for non-profit organizations
Source: adapted from Menne (2009), p. 44

His potential is considerably high especially in developing long-term relationships with customers.

That is why many non-profit organizations chose to run their activities through channels of communication online.

With regard to the marketing strategy, some advantages could be named as well for the non-profit organizations as for the customers (fig. 1 and fig. 2).

More and more detailed information are available

Interactivity

Time savings

Individual selection of social programs is possible

Rapid access as well as information availability just when needed

Keeping of anonymity

Advantages concerning the customer

Figure 2. Advantages of the online environment for customers
Source: adapted from Menne (2009), p .44

2. INTERNET AS A MEANS OF DRIVING COMPETITIVE ADVANTAGE

According to the European Commission statistics in 2009, Internet represents a channel of communication that is rapidly evolving.

Though in Romania the percentage of Internet users is smaller than in other countries, the statistics are promising (Dutta, 2006).

For non-profit organizations, Internet is a reliable communication tool, with increasing number of users and a good image among other countries.

The statistics below represent the premises for integrating online activities in the strategic marketing plan of any organization and a base for developing successful social programs.

Table 1. Internet access by households, 2006-2009 (%)

	Internet access			
	2006	2007	2008	2009
EU27	49	54	60	65
BE	54	60	64	67
BG	17	19	25	30
CZ	29	35	46	54
DK	79	78	82	83
DE	67	71	75	79
EE	46	53	58	63
IE	50	57	63	67
EL	23	25	31	38
ES	39	45	51	54
FR	41	49	62	63
IT	40	43	47	53
CY	37	39	43	53
LV	42	51	53	58
LT	35	44	51	60
LU	70	75	80	87
HU	32	38	48	55
MT	53	54	59	64
NL	80	83	86	90
AT	52	60	69	70
PL	36	41	48	59
PT	35	40	46	48
RO	14	22	30	38
SI	54	58	59	64
SK	27	46	58	62
FI	65	69	72	78
SE	77	79	84	86

Source: The Statistical Office of the European Communities, www.europa.eu

## 3. ONLINE VERSUS TRADITIONAL CHANNELS OF COMMUNICATION

Concerning the non-profit organization's aim to create and adapt its marketing strategies to the market requirements and adjust them during all phases of a relationship, a complete picture could be drawn.

Thereby, different channels of communication can be used for the interaction with customers (Hart, 2005).

In the image below, competitive goals are bridged with internal communication and external communication.

The interrelations described and the marketing framework created, represent a basis for further considerations.

They reflect the opportunities for reaching social objectives in due-time and most efficiently.
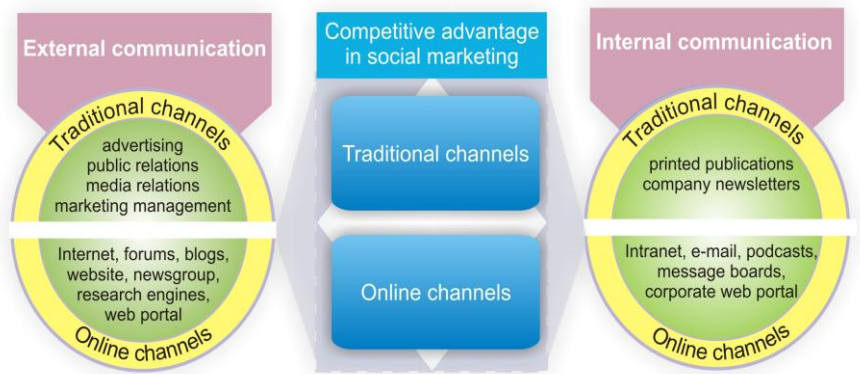
Figure 3. Integrated communication model in social marketing
Source: own research

The numerous forms of communication online, both internal and external, defines the market, the customers targeted and the competitive environment of the non-profit organization.

The internal online channels, including Intranet, e-mail podcasts and message boards, are meant to facilitate the cooperation between all employees. Another category is represented by the external communication tools.

The purpose of the external communication tools, like Internet, forums or blogs, is to present a favorable image of the non-profit organization and its social products to customers.

In choosing the right channel of communication one must consider the nature of the message delivered, the image by which the organization will be associated, and the potential effect of the social program initiated (Smith, 2004).

Moreover, results will not appear unless organizations will invest a significant time to create appealing online messages and will constantly maintain a fresh, interesting content of their online instruments.

4. STUDY ABOUT ROMANIAN CONSUMERS' PERCEPTION ON THE IMPORTANCE OF THE ONLINE ENVIRONMENT FOR NON-PROFIT ORGANIZATIONS IN SEARCH FOR COMPETITIVE ADVANTAGE

4.1 Purpose

The main purpose of this research is to examine Romanian consumers' perceptions about competition between non-profit organizations and, the extent to which, the online environment can be considered a competitive advantage in social marketing.

4.2 Objectives

The study proposes the following objectives:

(a) Determine the number of consumers who believe credibility of online social programs is higher than the credibility of traditional social programs.

(b) Identify the number of consumers who consider that social programs attractiveness is higher in the online environment than in the offline environment.

(c) Determine the number of consumers who consider that online social programs have a power of persuasion higher than the offline programs.

(d) Identify the number of consumers who believe that online social programs are better promoted than the offline programs.

(e) Determine the number of consumers who consider website competitiveness to be a real advantage for non-profit organizations.

4.3 Hypotheses

We defined the following hypotheses:
H1) Website competitiveness depends directly on credibility.
H2) Website competitiveness depends directly on attractiveness.
H3) Website competitiveness depends directly on persuasion.
H4) Website competitiveness depends directly on promotion.

4.4 Methods

In this research, it was applied a questionnaire based on 5 variables: credibility, attractiveness, persuasion, promotion and website competitiveness, one dependent variable – website competitiveness and four independent variables.

The study was conducted in September 2010 and included respondents.

A proportional scale with 5 steps was used in order to interpret the questions. In this scale, 1 equalled strong disagreement and 5 equalled strong agreement.

The research was carried online and most respondents were aged between 23-26 years old, live in Bucharest and belong to the academic environment.

4.5 Data analysis and research

Data analysis was carried in E-views software program.

A regression model was built based on four independent variables: credibility, attractiveness, persuasion, promotion and a dependent variable: website competitiveness.

The table below shows us a direct relationship between website competitiveness and two independent variables: attractiveness and persuasion.

Moreover, since the probability, Prob (F-statistic), is 0 and the determination coefficient, R-squared, is close to 1 we can consider the model valid.

Table 2. Features of multiple regression model

Dependent Variable: WEBSITE_COMPETITIVENESS
Method: Least Squares
Date: 09/30/10   Time: 13:39
Sample: 1 53
Included observations: 53

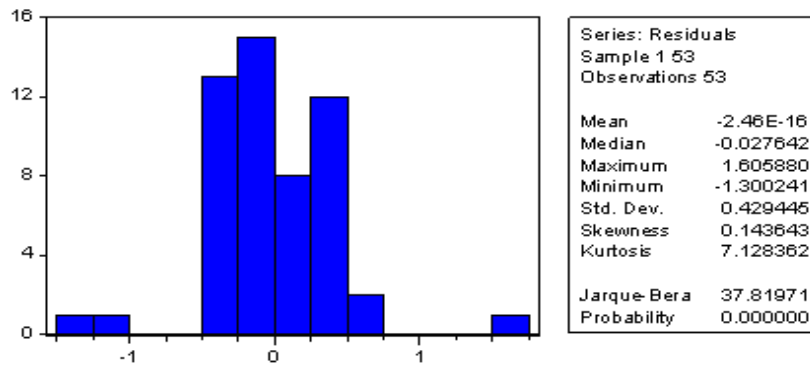| Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.704426	0.420561	6.430525	0.0000
CREDIBILITY	-0.323146	0.063145	-5.117516	0.0000
ATTRACTIVENESS	0.146753	0.066589	2.203864	0.0324
PERSUASION	0.773059	0.082839	9.332027	0.0000
PROMOTION	-0.613535	0.079739	-7.694284	0.0000
R-squared	0.734446	Mean dependent var		4.188679
Adjusted R-squared	0.712317	S.D. dependent var		0.833358
S.E. of regression	0.446981	Akaike info criterion		1.316986
Sum squared resid	9.590006	Schwarz criterion		1.502863
Log likelihood	-29.90013	F-statistic		33.18855
Durbin-Watson stat	2.312435	Prob(F-statistic)		0.000000

Source: own research

4.6 Checking the validity of proposed model

The following assumptions were tested:

(1) The assumption of the normality of errors
In testing this hypothesis, we considered the value of Jarque-Bera test which, in this case, is lower than the reference value of 0.5.

This means the errors do not follow a normal distribution.

Series: Residuals
Sample 1 53
Observations 53

Mean	-2.46E-16
Median	-0.027642
Maximum	1.605880
Minimum	-1.300241
Std. Dev.	0.429445
Skewness	0.143643
Kurtosis	7.128362
Jarque-Bera	37.81971
Probability	0.000000

Figure 4. Error Histogram
Source: own research

(2) The assumption of errors homoskedasticity

To test the lack of equal dispersions between residuals, also known as the heteroskedasticity (Stancu, 2009), we considered the value of the determination coefficient ($R^2 = 19,46$).

Table 3. White Test

White Heteroskedasticity Test:				
F-statistic	3.200078	**Probability**		0.005984
Obs*R-squared	19.49455	**Probability**		0.012427

Dependent Variable: RESID^2
Method: Least Squares
Included observations: 53

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.652830	1.875518	-0.348080	0.7294
CREDIBILITY	-0.839796	0.244260	-3.438123	0.0013
CREDIBILITY^2	0.190287	0.048150	3.951938	0.0003
ATTRACTIVENESS	-0.475579	0.286199	-1.661706	0.1037
ATTRACTIVENESS^2	0.052889	0.043954	1.203288	0.2353
PERSUASION	1.363547	1.183378	1.152250	0.2554
PERSUASION^2	-0.187793	0.143536	-1.308332	0.1976
PROMOTION	-0.168593	0.617904	-0.272847	0.7862
PROMOTION^2	0.088924	0.147953	0.601025	0.5509

R-squared	0.367822	**Mean dependent var**		0.180944
Adjusted R-squared	0.252880	**S.D. dependent var**		0.452222
S.E. of regression	0.390883	**Akaike info criterion**		1.112703
Sum squared resid	6.722733	**Schwarz criterion**		1.447280
Log likelihood	-20.48662	**F-statistic**		3.200078
Durbin-Watson stat	2.008799	**Prob(F-statistic)**		0.005984

Source: own research

Since the value obtained is higher than the reference value, we can say there is no heteroskedasticity between errors.

(3) The assumption of errors autocorrelation

The assumption of errors autocorrelation was analyzed in E-views through the Durbin-Watson test.

The value of Durbin-Watson test, found in the table which describes the multiple regression model (Table 2), is 2.31. This value means that the errors are not auto-correlated (Andrei, 2010).

(4) The assumption of errors multicollinearity

The assumption of errors multicollinearity is analyzed through the correlation matrix in E-views software program.

The correlation matrix shows a positive relationship between website competitiveness, credibility (0.021) and persuasion (0.615), and a negative relationship between website competitiveness, attractiveness (-0.262) and promotion (-0.457).

Table 4. Correlation matrix

	Website_competitivity	*Credibility*	*Attractiveness*	*Persuasion*	*Promotion*
Website_ competitivity	1.000000	0.021845	-0.262382	0.615662	-0.457647
Credibility	0.021845	1.000000	0.229138	0.291885	-0.327988
Attractiveness	-0.262382	0.229138	1.000000	-0.300656	0.161227
Persuasion	0.615662	0.291885	-0.300656	1.000000	0.001890
Promotion	-0.457647	-0.327988	0.161227	0.001890	1.000000

Source: own research

In view of these assumptions, we can conclude the regression model considered is valid.

CONCLUSIONS

In this paper, the author tried to examine the relationship between competition in the non-profit world and the online environment.

The study described the nature of this relationship and analyzed the impact of four independent variables: credibility, attractiveness, persuasion and promotion on website competitiveness.

The regression model obtained was tested and four assumptions regarding the residuals were applied.

To conclude, the article extended the area of research for competition and demonstrated the superiority of the online environment in driving competitive advantage.

Some limitations of the article were the sample of the study, consisting of mainly students and the limited economic literature on this topic.

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