Case Studies on Social Enterprise Strategic Marketing and

Communications Planning and Practice

by

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Abstract

This study investigated if social enterprises use similar or different communications and marketing practices than either businesses or nonprofits. A case study approach was used to conduct cross-case analysis between three different social enterprise organizations. An evaluation framework that analyzed both rhetorical and strategic communications traits and best practices was used to evaluate the three case studies. Rhetorical analysis was conducted drawing from Aristotle's theory of rhetoric while communications analysis was undertaken using Integrated Marketing Communications' theoretical framework.

From a rhetorical perspective, social enterprises are designed to make successful appeals because they are attuned to their clients, or audiences. In keeping with their social nature, the social enterprises analyzed benefited from using value-based propositions with emotional, goodwill appeals. From an Integrated Marketing Communications perspective, the three social enterprises analyzed demonstrated glimpses of being strategic. All three established an outside-in approach in their communications with audiences, which is strategic in that it involves listening and responding to audiences before enacting a strategy. However, there were also indications that social enterprises may be neglecting formalized, strategic communications and marketing planning and evaluation.

Although this study did illuminate some of the unique traits of social enterprises, it also illustrated that there are opportunities for future research into social enterprises that have implemented formalized planning. There is also an opportunity to compare and contrast between similarly sized social enterprises, business, and nonprofits.

Introduction

Strategic planning for marketing and communications, also known as Integrated Marketing Communications (IMC), has been studied and applied in both business and nonprofit realms. However, there is an opportunity for further research on how hybrid organizations such as social enterprises, which combine elements of both for profit and nonprofit corporations, apply strategic marketing and communications planning and practice in their unique operating environment.

Problem

There is little available research on how social enterprise organizations, which operate in a grey area somewhere between the two current major areas of communications and marketing research—business communications and nonprofit communications.

Research Question

This study will ask how strategic marketing and communications planning and practices applied in social enterprises differ from that practiced by pure for-profit or nonprofit corporations.

Literature Review

Strategic Planning

Allison (2005) has defined strategic planning as, "...a systematic process through which an organization agrees on and builds commitment among key stakeholders to priorities that are essential to its mission and are responsive to the environment" (p. 1). Taylor, Vasquez, and Doorley (2003) have stated that this strategic approach to planning comes from business management thinking, which emphasizes, "...a cognitive orientation to organizational action and individual decision behavior" (p. 259).

Strategic planning is increasingly seen as necessary as nonprofit organizations utilize revenue-generating activities and, consequently, must use this business-planning tool to achieve success (Allison, 2005, p. 9). Strategic planning's orientation to nonprofits can be linked to stakeholder theory. Freeman (1984) originally defined stakeholders as, "...any individual or groups who can affect, or is affected by, the achievement of the firm's objective" (p. 46) Nonprofits are, in essence, organizations that exist to serve their stakeholders and, as such, their planning is intrinsically tied to stakeholders

Integrated Marketing Communications

In communications literature, Wilson (2001) has proposed that the principles of strategic planning can and should be extended to planning for communications (p. 215). Wilson places strategic communications planning in the vein of business management literature that promoted Integrated Marketing Communications (IMC) (p. 215), which strove to achieve "measurability and accountability" in communications practices. Wilson asserts that, in essence, strategic refers to any action that helps an organization

reach its goals (p. 215). Therefore, if communications and public relations are to be strategic, they must somehow demonstrate that they can contribute to an organization's end game (p. 215). Public relations practitioners have systematized their approach to achieving organizational goals by conducting research and basing communications strategies on this research (p. 216).

Since Wilson has placed strategic marketing and communications planning within IMC theory, it is worth briefly examining that theory's origins and current conceptualizations. Blackwell (1987) first attempted to distinguish IMC from "traditional marketing communications" by establishing that it reflected a more holistic or comprehensive approach to planning (p. 237). Cathey and Schumann (1996) have since asserted that integration of message and media is the definitive theme of IMC (p. 1). In contrast, Anantachart (2004) has stated that IMC is characterized by its focus on ensuring that all activities are consistently aimed at pleasing customers (p. 106). In short, IMC looks at, "...what needs to be done, rather than what was done before" (p. 106).

IMC, then, is positive for the consumer in that its motivation is to build brand equity, which results in more attempts by the corporation to build better relationships with its customers (p. 107). The end game for the corporation is that by taking this customer-oriented approach, it is increasing the value of its brand over the long haul (p. 109).

Kitchen, Brignell, Li, and Spickett Jones (2004) have suggested that IMC's distinguishing mark should be that it requires an outside-in approach to all communications, as opposed to the traditional inside-out marketing standard (p. 22). In their view, this customer-oriented approach is what makes IMC a viable theory, not its

corollary, integration. Only through an outside-in approach will organizations be able to build and maintain the brand relationship that IMC theory has promised they can (p. 23).

With this context in mind, it is evident that within the fields of public relations, marketing, and communications, strategic planning and IMC are essentially synonymous terms. Both encourage communications practitioners to scope out an organization's audiences and resources before selecting the appropriate strategies, tactics, and messages necessary to achieve its mission, goals, and objectives. As Heath states:

> The ultimate outcome of strategic planning, strategic management, and strategic communication is to lead persons to want to do 'business'—create and sustain a relationship—with the organization, regardless of whether the organization is for-profit, nonprofit, or governmental. (2000, p. 82)

IMC in Nonprofits

Guy and Patton (1989) have long held that marketing principles used to promote corporations, such as those developed in the IMC movement, should also be applied to nonprofits (p. 20). More recently, Henley (2001) has argued that many of the same marketing and communications planning principles that were created for businesses can also be leveraged by nonprofit corporations (p. 143). According to Henley, nonprofits often have a long list of stakeholders, which demands a more strategic approach to communicating (p. 143). In light of this, Henley suggests that nonprofits also need to develop a marketing communications plan that considers audiences, objectives, and strategies (p. 144).

Social Enterprises

Although business, marketing, and communications literature clearly indicate that strategic marketing and communications planning can and should be used by both for profit and nonprofit corporations, there appears to be an opportunity for further research on how these principles can be applied to social enterprises. Kerlin (2006) states that social enterprises can be, "Broadly defined as the use of nongovernmental, market-based approaches to address social issues" (p. 248). The term was first used in the early 1970s to describe any business or revenue-generating activities that were aimed at providing employment options for underemployed people (p. 251). According to Kerlin, two different definitions of social enterprises have since developed in the United States and Europe (p. 247). In North America, the definition of social enterprises is more inclusive in that incorporates both businesses that undertake activities to benefit society as well as nonprofits that generate revenue to support a social aim (p. 248). In essence, the North American definition allows for a type of "hybrid" organization that performs both business and nonprofit functions (p. 248). In comparison, European definitions of social enterprise usually distinguish organizations that call for the beneficiaries of their activities to participate in revenue-generation (p. 249). Both forms of social enterprise present an opportunity for further research in the context of strategic marketing and communications planning.

Rhetoric as Communications and Marketing Evaluation Tool

Without delving into the history of rhetoric and its menagerie of definitions, the term can be simply defined as the study of persuasion (Heath, 2000, p. 74) or more

complexly as, "…a dialogue of opinions, counter opinions, meanings, and counter meanings—the process by which interests are asserted, negotiated, and constrained" (Heath, 1993, p. 143). In the classic sense, rhetoric revolves around the idea that people make better decisions when they communicate openly about their perspectives on issues (Heath, 2000, p. 71). As such, individuals or groups assert their propositions and then debate the merits of these statements (p. 72). This process of argumentation creates dialogue and, in ideal circumstances, agreement of some sort (p. 71). In its ideal form, rhetoric shares much in common with Grunig's (2001, p. 13) two-way symmetric model of public relations in that it avoids manipulation. Of course, ask anyone on the street what they think rhetoric means and it becomes apparent that rhetoric has earned a reputation for doing quite the opposite.

As is evident in the description above, rhetoric is based on making propositions (Heath, 2000, p. 73). Propositions appear in three different forms. The most common is presenting a statement as fact. There are also value propositions that claim certain values are better than others (p. 73). A last type of proposition involves claiming that one option is simply in one's best interest (p. 73).

In modern times, the study of these persuasive attempts has moved from focusing on individual arguments used in public speaking to messages sent by corporations, governments, and other organizations. Rhetorical criticism tends to focus on issues of social justice, advocacy, and public policy where its point-counterpoint system of analysis is well suited (Heath, 2000, p. 74). Rhetorical theory is also being used as a framework for evaluating marketing and public relations campaigns (Elwood, 1995, p. 3; Hatfield-Edwards, 2006, p. 836).

In some ways, this pairing makes innate sense since both communications and rhetoric are based on persuasion and both are based on making propositions and forging agreement. Heath holds that in regard to rhetoric's role in public relations, both share the goal of on obtaining concurrence between speaker and audience (2000, p. 71). Cutlip also described the rhetorical and argumentative roots of professional communications when he stated that:

> Only through the expertise of public relations can causes, industries, individuals, and institutions make their voice heard in the public forum where thousands of shrill, competing voices daily re-create the Tower of Babel. (1994, p. ix)

Clearly, both rhetoric and public relations share a propositional and argumentative foundation. As Heath put it more succinctly, "Rhetoric is the evidence of public relations" (1993, p. 142).

However, researchers such as Hatfield-Edwards feel that there are shortcomings to using rhetorical analysis to examine public relations and communications. As she states, "Like much rhetorical research, analysis of public relations tends to focus on the communicator and message." (2006, p. 836) This well-used approach can be likened to Grunig's description of asymmetrical communications in that it tends to ignore the active role of an audience (2001, p. 13).

Shortcomings aside, like Grunig's description of varied approaches to corporate communications and public relations, rhetorical theory offers more than one framework for evaluation. In particular, Aristotle's age old rhetorical theory and its modern incarnations are more open to exploring the active role of the audience (Hatfield-Edwards, 2006, p. 837). Aristotle's rhetorical theory, in fact, provides the audience more

power to dialogue and create meaning from messages than either of Grunig's one-way and two-way asymmetrical models (Grunig, 2001, pp. 12-14). This vein of rhetorical theory posits that when one grasps understanding of audience and their place in forming meaning in the dialogue that can take place with organizations, it can highlight the importance for public relations practitioners to create messages with substance (Hatfield-Edwards, 837). These messages are the ones that audiences and stakeholders can interact and engage (p. 837). At its core, "This rhetorical paradigm adds value to organizations by increasing sensitivity to how stakeholders create interpretive frames to impose limits on their business and nonprofit activities (Heath, 1993, p. 142).

Before expounding on the virtues, or potential virtues, of using Aristotle's theory as a framework for communications and public relations inquiry, it is important to establish what his theory was, the context in which it was founded in, and the extent to which it can be extrapolated for modern use. Aristotle was, of course, ancient Greek philosopher Plato's student. Unlike his mentor, Aristotle viewed rhetoric as a set of tools for persuasion, not a means to get at absolute truth (Marsh, 2001, p. 87). In Aristotle's view, there were three key types of rhetoric and three persuasive approaches. The persuasive elements included ethos, logos, and pathos. Ethos referred to the ability of a speaker to convince others to believe in him, whether or not this belief was well founded (p. 87). Logos referred to strategic attempts to persuade an audience using intellect (p. 87). Last was pathos, which described appeals to the emotional side of an audience (p. 87).

Hunt has argued that the rhetorical approach is particularly useful in analyzing how persuasive and effective organizational websites are (2003, p. 530). In particular,

Hunt holds that Aristotle's principle of ethos, which refers to an appeal that uses the "credibility or reliability" of a speaker, is helpful in analyzing websites from a rhetorical perspective (p. 520). Hunt maintains that:

> On the Web, establishing *ethos* involves situating the organization's values in a specific social context, a context in which those values, experienced and shared by users who "enter" into the organization's virtual site, become realized. (p. 521)

In essence, corporate branding efforts on websites and other communications materials are appeals made based on ethos.

Within these three rhetorical categories, there are three different types of audiences—deliberative/political, forensic/legal, and epideictic/ceremonial (Hatfield-Edwards, 2006, p. 840). Aristotle arrived at these three types because he believed that messages should be determined by the type of listeners to which they were directed (p. 840). In brief, a deliberative/political audience is characterized by its need to make a decision (p. 840). These audiences are usually the targets of political of public information campaigns (840). A forensic audience, in contrast, is asked to judge whether an action is right or wrong (840). In the corporate world, forensic audience can be found in customer relations communication and other areas of direct client interaction (841). Lastly, an epideictic/ceremonial audience, "…is asked to judged the speaker, not the subject of the speech" (840). In business terms, epideictic audiences are evaluating branding messages as organizations attempt to position themselves within a market (841).

All of this is to say that a rhetorical, or more specifically, a neo-Aristotle approach to evaluating integrated marketing and communications requires recognizing how different audiences require different appeals to arrive at different choices to suit different

situations. It is both cognizant and attuned to the fact that other types of audiences perceive rhetorical propositions and their presentation differently. Moreover, this approach views audiences as vital participants in figuring out what messages from organizations mean and whether they merit forming a relationship with those organizations as a result. As Heath points out, "This rhetorical paradigm adds value to organizations by increasing sensitivity to how stakeholders create interpretive frames to impose limits on their business and nonprofit activities" (1993, p. 142).

Objective

This study aims to conduct exploratory research on strategic marketing and communications planning practices within social enterprises. In essence, it attempts to ascertain how planning conducted by social enterprises is similar to or different from that practiced by for profit and nonprofit organizations.

Methodology

Rhetorical methods provide a logical framework to evaluate communications and marketing efforts of social enterprises because rhetoric studies social issues and the persuasive dialogue surrounding those issues (Heath, 2000, p. 74). Since social enterprises make the unique attempt to meet social aims using business means, attempts to analyze and decipher their marketing and communications necessitate a social evaluation tool such as rhetoric.

Participants

The lone participant consisted of a communications and marketing practitioner located through researcher contacts. Two other social enterprise organizations were analyzed through secondary sources, such as their corporate websites. This purposive sample consisted of organizations that the researcher identified and chose for their unique social enterprise characteristics.

Design and Procedure

This study involved a hybrid approach in which organizations were examined and case studies were constructed in two ways. In the first way, a communications and marketing practitioners in a participating social enterprise organizations was interviewed by telephone. The participating practitioner was questioned in a semi-structured interview format on how they have approached strategic communications and marketing planning within their respective organizations (Appendix A). The interview questions focused on how the participant organization was able to balance the promotion of social goals through advertising, marketing, and public relations activities while simultaneously striving to generate revenue for their organizations.

Due to constraints in obtaining other interview participants, the researcher also gathered communications and indirect, publicly available data from two other social enterprise organizations to form short case studies on their communications and marketing practices. This information was obtained on publicly available corporate websites and news media. Websites were chosen both because of their ready availability as well as their aptness for being analyzed through a rhetorical lens (Hunt, 2003, p. 520).

This methodology represents a collective case study approach. Transcripts and the data they contained were analyzed according to a framework established on rhetorical theory and Integrated Marketing Communications theory (Appendix B). The framework was constructed by taking the key terms, questions, and categories found during the literature review. These key terms were further organized by separating them into two types of analytical perspectives—rhetorical theory and Integrated Marketing Communications. This framework allowed the researcher to apply a cross-case analysis

by comparing how the case study organizations each fared in the same analysis categories (Creswell, 207, p. 163). To make these comparisons, the researcher coded the first case study's interview transcript and the second and third case study website printouts using the key terms or categories delineated in the evaluation framework. By using this framework and comparative, cross-case analysis, the researcher was able to detect patterns, direct interpretations, and naturalistic observations, all of which are recommended forms of data analysis for case study research (p. 163).

Findings

Case Study 1: Employment Placement Organization

The first and only organization interviewed is a nonprofit that sells social and employment services to government agencies and private corporations. As such, it is the quintessential social enterprises in that its existence lies squarely in between the nonprofit/government world and the corporate sphere. Inherent to this position, it finds itself marketing to and competing with businesses without the same funds. In many ways, it seems that its lack of funds is linked to its social nature and the sometimes difficult sales pitch it has to make to secure clients without the necessary marketing and advertising dollars to do so.

In terms of marketing and communications practices, the organization utilizes an array of different strategies and tactics. According to the practitioner interviewed, the organization cannot afford to spend money on traditional advertising. Consequently, most of the organization's efforts are low-cost methods aimed at using networks to start and maintain new client relationships. For instance, the organization markets itself to government agencies by holding brief presentations for them, answering questions, and providing brochures. Another example is simply calling and meeting with different nonprofit organizations that are partners in helping people with disabilities who require income support. To reach employers, the organization hires marketers whose only task is to make contact with employers, ask if they require employment placement services, and provide a brief description of those services to those employers. The organization also attempts to send each employee to a networking or social mixer with either business or

nonprofit groups within the city. Lastly, the practitioner sees email marketing campaigns as one of the primary new ways the organization is and will continue to find and communicate with potential clients.

From a rhetorical analysis perspective, how a speaker or organization displays sensitivity towards audiences is a good indicator as to how effective they are in establishing a relationship with audiences and, correspondingly, how well they may fare in persuading audiences. Throughout the case study interview, the communications practitioner demonstrated a keen sensitivity to the organization's various audiences and clients. One would expect as much from a social enterprise, which was created, in essence, to serve.

The organization serves and appeals to three key stakeholders audiences. First and foremost, it was created to serve the individuals it finds employment for. In serving this group, it is fulfilling its social mandate. Secondly, it appeals and sells employment services to employers throughout a large metropolitan area. Lastly, it acts as an intermediary between government agencies that want to accomplish social aims by paying the participating organization to help unemployed individuals find employment.

All three audiences could be described as deliberative audiences in that the organization is asking them to make decisions. In the case of clients with disabilities, they are being asked to decide on whether to enlist the services of the employment placement organization. With respect to the business audiences, they are being asked to decide whether or not to hire someone referred by the employment placement organization. Finally, government agencies are being asked if they should contract the employment placement service to find employment for individuals with disabilities and disadvantages.

Throughout the interview, the communications practitioner gave evidence that the organization was aware of these different audience groups and conscious of the need to customize appeals to them. However, the organization appeared to adjust its strategies and expend its marketing energy in varying amounts depending on the audience. In an odd way, the primary audience, as defined by the organization's mandate, received the least amount of attention from the organization's communications and marketing practitioner. According to the organization's website, its mandate is, "To assist individuals to maximize their independence by offering a continuum of skill development opportunities." In sum, the organization was created to help those with disabilities find and excel in employment. Although the practitioner affirmed that this audience represented the organization's reason for existence and provided the meaning behind the organization's name, it was rarely referred to again. Perhaps this is simply due to the fact that the organization already has a system to help clients find the organization that does not require direct marketing attempts, but it is worth noting that this internal audience did not appear to be a focus of the communications practitioner's.

Nonetheless, the communications practitioner revealed that the organization and its communications and marketing activities were very much aware of and responsive to their audiences. Although this trend will be explicated in more detail in the Integrated Marketing Communications analysis to follow, it is important to note that the practitioner was insistent on only making appeals to the organization's audiences in a way that suited and respected them.

For instance, the practitioner noted that the organization refuses to market its clients with disabilities as charity cases when it appeals to businesses. This stems from its

clients' desire to succeed on their own merits. In this sense, the organization customized

its propositions to be fact-based in nature. As well, according to the practitioner,

businesses were desperately in need of skilled workers. They were looking to the

organization to fill real business needs, not to make a public demonstration of any sort of

charitable efforts. In that sense, the organization was making and customizing self-

interest-based propositions to businesses.

On the opposite end of the spectrum, the practitioner was quick to point out that

the organization goes out of its way to highlight the social impacts of its employment

placement efforts when it is making presentations to government agencies and officials

who are, obviously, just as interested in seeing societal benefits from these placements as

they are in seeing business growth. In this case, the organization was tailoring value-

based propositions to its government audiences.

Therefore, in light of these three instances, the organization evidenced that it is

both sensitive and responsive to its respective audiences. As such, from a rhetorical

analysis perspective, this organization is well-positioned to engage its audiences with its

communications and marketing strategies, tactics, and messages.

From an integrated marketing and communications perspective, the organization

revealed glimpses of the forethought that characterizes strategic communications, but was

never wholly committed to a strategic planning process. For instance, when the

practitioner was asked which marketing and communications they used and what their

future plans were, they had clearly thought through this question before. The practitioner

indicated that the organization primarily used one-to-one marketing and direct pitches to

reach the community and business networks they were trying to reach. The practitioner

also cited an example of how the organization had made a direct appeal to the local

Chamber of Commerce to place employment ads on its website. In exchange for this free

service, the Chamber of Commerce received the benefit of being associated with a social

enterprise with positive social outcomes for the business sector. The practitioner was

certain that this basic strategy was quite effective in raising awareness about their

organization in the regional business community.

However, the organization's strategy appeared to be limited similar short-term,

relationship-based tactics such as hiring telephone marketers to pitch local businesses,

sending staff members to different community networking meetings every month, and

setting up a booth at local career fairs. In the practitioner's own words, "So that's how we

generally market our agency." The word general is telling in that the practitioner did

seem to have a general strategy for where the organization should aim its

communications and marketing efforts, however there was little evidence of specific and

defined planning.

Even more telling was the practitioner's response when asked if the organization

had any long-term marketing or communications strategy in place or if they had ever

undergone an evaluation of their marketing and communications practices. The

practitioner responded, "No we don't have the money for that. We've never done

anything formal like that." The conversation that followed revealed that the practitioner

saw great value in being more strategic, but it was simply a matter of money and time. As

the practitioner described it, this was the awkward position that being a social enterprise

put her organization in. Instead of developing, executing, and evaluating detailed

communications and marketing strategies, the practitioner was instead spending a large

amount of time on writing government grant applications and proposals for new government programs. In the lack of formal planning and preoccupation with appeals to government, it appeared the organization oriented itself towards nonprofit approach in how it developed communications and marketing strategies.

Being hybrids organizations, social enterprises are not so easily boxed in to either nonprofit or corporate categories, though. In contrast to all of the time spent on appeals to governments for funding, the practitioner was insistent that the organization purposely does not market or publicize itself as a social organization in its appeals to business. According to the practitioner:

I really like to do it more from a business side. When we do it from the social side, I feel that devalues our clients. It becomes like, here's a charity case for you. Not what we want. That's not the image we want to have.

Although in some ways this attitude is surprising, in other ways it makes perfect sense. One would expect that a social enterprise would appeal to its social side as much as possible given that audiences and potential clients are likely to appreciate the value in a good social cause. However, in this case, by avoiding the social appeal the practitioner is, in the truest sense, using the outside-in approach that characterizes strategic Integrated Marketing Communications. In fact, the outside-in approach is being applied in two different ways. First, the practitioner stated that her clients with disabilities did not want to be treated like charity cases. They did not want to be hired simply because they had a disability and an organization felt it would look good by hiring a person with a disability or would be performing some public service by hiring them. According to the practitioner,

They want to be treated like any other person looking for a job, it's just that they

need extra help—they might night some support to get things set up. So we try to

be as professional and business-like as we can.

The practitioner saw this approach as a key distinguishing mark between their social

enterprise organization and nonprofit organizations that were trying to raise money

through donations. The organization even chose a name that sounded like a business, not

like a charity, in order to avoid any confusion between the two. This purposeful business

attitude represents an outside-in approach in that it is solely based on the needs of its

clients, even if at times it may mean passing up convenient communications and

marketing opportunities based on making value appeals to businesses and the public.

This approach is also outside-in because it is based on the needs of its second

primary client group and audience—businesses. As the practitioner tells it, the city where

the organization is based is undergoing an extreme shortage in both skilled and unskilled

labour. "Employers are thinking, you know, 'Where can we find people?'" said the

practitioner. "You know, in the last year we've had employers come to us and ask if they

can come and present their job opportunities. That would not have happened a couple

years ago because they didn't have to do that." In other words, the organization's

business clients are not looking for a charitable cause, they are looking for contributing

employees. As such, the organization is marketing its services to specifically meet that

need. The practitioner later noted that if the local economy were to change, the

organization would consider changing its appeal to more of a social pitch if it felt that

clients and businesses would be better reached by that appeal. By basing its marketing

and communications messages almost entirely on both its internal and external clients

needs, the organization is going out of its way to use an outside-in approach.

Case Study 2: Cosmopolitan Industries Limited

Cosmopolitan Industries Limited is a Saskatoon-based, registered, nonprofit

charity founded in 1970 by the Saskatchewan Association for Community Living and the

Mental Health Saskatchewan Abilities Council (Cosmo, 2008). According to its website,

its mission is, "To enhance the quality of life for adults with intellectual and/or multiple

disabilities" (Cosmo, 2008). It is a true social enterprise in that all of its revenue is put

back into providing services for adults with disabilities. This admirable organization is

primarily known for employing people with disabilities in a paper pick-up and recycling

business. In addition to providing the only major recycling service program in the city, it

is well-known for improving the life skills of the program participants that it trains and

employs in its recycling plant.

By way of comparison, Cosmopolitan Industries bears many similarities to the

first case study organization in that its primary goal is to find and create employment

opportunities for people with disabilities. However, Cosmopolitan distinguishes its

approach in that it clearly positions itself as a more of a charitable organization that offers

business services. As is evidenced on its website, it is not hesitant to use its social nature

and cause to market and communicate its skills training and business services to both

potential program participants and business clients.

In light of rhetorical analysis, Cosmopolitan demonstrates a similar audience

awareness to the organization in the first case study. Upon viewing its website,

Cosmopolitan's primary audience is people with disabilities. The businesses and organizations that these people provide recycling and other services to are the other major audience that Cosmopolitan directs its online messages toward. Similar to the employment placement organization in the first case study, both of its audiences are deliberative in that they are being asked to make decisions. People with disabilities and their caregivers are being asked if they want to join Cosmopolitan's skills training and employment programs. Businesses and other clients are being asked to decide if they should contract Cosmopolitan to handle their recycling or a variety of other tasks.

Rhetorically, the major difference between the employment placement organization and Cosmopolitan is the type of proposition that each uses in appeals to audiences and clients. While the employment service organization primarily uses fact-based and self-interest based appeals, Cosmopolitan uses more value-based propositions with far fewer self-interest-based claims.

For example, Cosmopolitan prominently displays its mandate, with its intent to provide a better quality of life for this with its disabilities, on its homepage. (Cosmo, 2008) However, it goes on step further than the employment services organization by featuring a large photo of a women with a disability working in the Cosmopolitan's recycling plant (Cosmo, 2008). This type of value-based appeal to an audience's sense of charity and humanity is repeated on nearly every webpage on Cosmopolitan's website. The only instance when other types of propositions, such as self-interest, occurs on the business services page. On this webpage, Cosmopolitan targets private sector businesses self-interested search for savings by stating, "We will do what we can to help lower your costs and improve your service to your customers" (Cosmo, 2008). This type of

proposition makes perfect sense given the business audience. What is striking when making the comparison with the employment services organization is that Cosmopolitan only makes this appeal once on its main web pages, with the remaining main web pages consisting of value-based or fact-based/informational propositions. In contrast, the employment services organization has attempted almost the exact opposite in its communications and marketing activities. It has tried to avoid stigmatizing the people with disabilities that it serves and, as such, avoids making many value-based propositions to potential business clients.

When comparing the employment placement organization and Cosmopolitan Industries from an integrated marketing and communications perspective, the two share an obvious outside-in approach. Both were created to serve people and they have each maintained this approach in both their mandates and in their communications and marketing practices. Although Cosmopolitan's website only represents part of its communications and marketing activities, its outside-in approach is evident nonetheless. As outside-in approaches are used by strategic organizations, it is arguable that Cosmopolitan Industries is being strategic in its marketing and communications, to a certain degree.

In sum, while in many ways similar to the employment placement organization in the first case study, Cosmopolitan appears to use a much more socially oriented approach to marketing and communications. It is a charitable organization and it attempts to use the goodwill associated with its cause to make many of its value-based appeals to both potential participants and prospective business clients. Whether this approach is more or less effective than the business and self-interest-based approach of the employment

services organization is debatable. More specific information on how it plans marketing and communications activities would be needed to make any sort of judgment of that nature.

Case Study 3: Saskatchewan Abilities Council

The Saskatchewan Abilities Council is a nonprofit organization that was formed in 1950 by a group of parents who had children with cerebral palsy in an effort to provide better education and services for these children (Saskatchewan Abilities Council, 2008). Since then, the organization has grown to the point where it now has more than 5,000 members. It has moved past providing simple support services to children. Now it focuses on four key areas of service—support services, employment training, supported employment, and employment opportunities. In terms of services provided, its "supported employment" sector (Saskatchewan Abilities Council, 2008) is remarkably similar to the employment placement organization of the first case study.

In analyzing its website, it is evident that the Saskatchewan Abilities Council is markedly different than the first organization in how it depicts itself as an organization and how it appeals to its respective audiences. Saskatchewan Abilities Council is much further along the spectrum toward portraying itself as a purely charitable organization than either the employment placement organization or Cosmopolitan Industries. Foremost, the Saskatchewan Abilities Council makes numerous appeals for donations throughout its website. It also clearly indicates that it is a charitable business that requires a donation in the form of a membership purchase. Lastly, it makes numerous propositions to website viewers to become volunteers, as opposed to clients.

In terms of types of audiences, the Saskatchewan Abilities Council demonstrates a similar awareness and attentiveness. It appears to be appealing to similar audiences as the previous two case studies—individuals who can benefit from support services and businesses looking to contract services—only it is more attentive to prospective donors than the employment placement organization or Cosmopolitan Industries. However, on perusing the website, the audience focus seems squarely centered on the first group as well as any stakeholders, such as potential donors. In comparison with the website as a whole, the few pages devoted to commercial services are sparse on details or appeals. It is difficult to determine if the Saskatchewan Abilities Council is making appeals to deliberative, forensic, or epideictic audiences since it rarely directly asks its website audiences to make decisions or judgments. The closest it comes to asking for a decisions is when it makes pitches to website visitors to donate to its charitable cause or to become volunteers. In that sense, it is appealing to a deliberative audience.

In keeping with its more distinct social nature, the Saskatchewan Abilities Council predominantly uses value-based appeals over fact-based or self-interest-based propositions. Perhaps the most poignant example of this is that it prominently displays its organizational value statements on the website (Saskatchewan Abilities Council, 2008). More subtly, it also features photos of people with disabilities on most web pages on the website. This is quite strategic in the sense that the Saskatchewan Abilities Council is obviously appealing to potential donors and volunteers who are interested in supporting a social cause. If follows then that an emotional or value-based appeal is more well-suited when appealing to this type of audience than a purely fact-based or business-like proposition.

From an integrated marketing communication point of view, the Saskatchewan Abilities Council is much alike the first two case study organizations in its use of an outside-in approach. Again, this is in keeping with the essence of social enterprises that are, in essence, created to serve people or groups. Like the other two organizations, it is easy to see which audiences it is appealing to on its website and how it is taking their needs into consideration. However, the Saskatchewan Abilities Council makes more attempts than either of the first two organizations to solicit feedback from its audiences. On nearly every page, numerous points of contact are listed and on many pages website viewers are directly asked to provide feedback and ask questions. In addition, the Saskatchewan Abilities Council goes much further than the first two case study organizations in trying to address what Sethi (1977, p. 58) called the "legitimacy gap" between audience expectations and results. For instance, the Abilities Council devotes a major portion of its website—seven pages—to providing answers to frequently asked questions and offering points of contact in case audience members have additional questions (Saskatchewan Abilities Council, 2008). Further to this, the Saskatchewan Abilities Council devotes an even larger portion of its website—twelve pages—to a "Did you know?" section (Saskatchewan Abilities Council, 2008). The section and the fact-based propositions made in it are aimed at countering any misconceptions audience members may have about the organization. In addition, these factoids highlight that the Saskatchewan Abilities Council's commercial arms are high performing and offer high service levels to their clients. These types of fact-based propositions are seemingly aimed at countering any hesitations or perceived legitimacy gaps that potential business clients may have about working with a charity.

With these examples in mind, the Saskatchewan Abilities Council is firmly planting its strategies in an outside-in approach with the goal of creating and sustaining donor, volunteer, and business relationships. Without more information from the Saskatchewan Abilities Council's marketing and communications staff, it is impossible to know just how strategic the organization really is in terms of its communications and marketing activities. With that being said, its website demonstrates that it has many characteristics of an organization that is being strategic in its communications and marketing planning and activities.

Discussion

When it comes to marketing and communications, social enterprises have an advantage. They start at positive point when they negotiate meaning with their publics because they are, in essence, good organizations trying to impact society for good. There is no need for vacuous or deceptive messages since they have nothing to hide. They are, at their core, trying to make society better in some way. Heath holds that this goodness is the essence of successful communications in that, "To be an effective communicator, each organization needs first to be good—to seek to know and achieve the highest standards of corporate responsibility" (2000, p. 76).

It came as no surprise, then, that all three case study organizations fared well under the scrutiny of rhetorical analysis and its focus on presenting believable, engaging propositions to audiences. All three case study organizations met Heath's goodness criterion and Aristotle's ethos standard for speaker character and trustworthiness (Ihlen, 2002, p.261). After going through rhetorical analysis, it was clear that they all use this advantage in their marketing and communications strategies. For instance, all three organizations used value-based propositions in some form. The first case study organization used value-based propositions the least, Cosmopolitan Industries more, and the Saskatchewan Abilities Council the most. Although it seems almost out of character for a social enterprise, the first case study organization used value-based tactics less because it was primarily appealing to business clients and did not feel that portraying a charitable cause would be an effective communications strategy. In this sense, it was being strategic by adopting an outside-in approach to suit one of its primary audiences. The other two case study organizations used more value-based strategies because they

were primarily appealing to clients with disabilities and potential donors who would be more inclined to listen to these appeals from charitable organizations. In these cases, it could be argued that these two organizations were equally strategic in that they also were applying outside-in approaches, but they were using them to adapt to different audiences than the first case study organization.

Differences aside, all three used value-based appeals effectively in some sense. Although businesses certainly make value-based propositions all the time, it can be argued that social enterprises are more suited, and perhaps more successful, in making them because people may be more receptive to these emotionally-laden propositions coming from a nonprofit or charitable organization. If German was correct in saying that public relations goes beyond sending messages by creating relationships (1995, p. 284), then these organizations are all well on their way toward successful communications and marketing in that most of their propositions go beyond information and are aimed at creating relationships with their primary audiences. As mentioned previously, they have a distinct advantage over businesses in conveying these messages and establishing these relationships because they do not have to convince as many in their audiences that they are, in fact, good organizations.

Beyond messages types, all three demonstrated excellent rhetorical strategy in that their communications appeared very attuned to their audiences' interests, needs and values. This is another advantage for social enterprises in that they are founded to help their audiences in specific ways, therefore it is in their best interest to be continually aware of their audiences. They are not trying to sell widgets for the sake of selling widgets—they are trying to meet peoples' needs. In this sense, from a rhetorical

perspective they are in good stead with their audiences and are, therefore, much more likely to create strategies and messages that their audiences find engaging.

However, even with these engaging messages and distinct advantages from a rhetorical perspective, social enterprises such as these case studies also face the daunting challenge of pitting their marketing messages and communications propositions in a much larger and more diverse marketplace than either businesses or nonprofit organizations. Typically, businesses only compete against other businesses to sell their products and nonprofits only compete with other nonprofits to secure donations. In the case of social enterprises, their messages and arguments have to win out in both arenas.

The first case study practitioner, being in more direct competition with businesses, noted many times that the organization did not have the budget to develop communications strategies, undergo communications audits, or develop advertisements like competitors. Instead, the practitioner's time was devoted to securing government grants to supplement the organization's income and sustain its operations just a little longer. While one could argue that many businesses face the same sort of challenges, the first case study made clear that social enterprises are put in a much more awkward position as they try to balance between the corporate and nonprofit worlds. The communications and marketing side of social enterprises appears to be affected the same as any other aspect of the organization. In communications practitioners' situations, they are faced with the challenge of competing against businesses and nonprofits without adequate resources. Strategic communications planning appeared to suffer as a result of being in this position. Advertising and marketing plans are not created or evaluated because there is no budget for advertisements or marketing in the first place. Public

relations campaign strategies are not launched and evaluated because there is no budget to hire a full-time practitioner or knowledgeable consultant to execute them. Budget issues aside, the interview with the first case study practitioner revealed that perhaps because of social enterprises unique hybrid position, they do not place the same importance on communications that both successful businesses and nonprofits do. Many businesses employ marketing and communications practitioners because they believe their strategies will help them gain more business. Many nonprofits hire marketing, fundraising, and public relations specialists because they believe they will bring in more donations to support their cause. But for some reason, the same logical links did not appear to be made during the interview with the first case study organization.

All that being said, perhaps the most interesting finding in analyzing these three case studies is the diversity in how they approach communications and marketing. The first case study organization made every attempt to distance itself and all of the messages that it communicated from the nonprofit sector. It was aiming its efforts at being perceived as a business selling services to other businesses and, as such, its strategies and messages were different in many respects. The other two case study organizations took the opposite approach by positioning themselves and nonprofit, charitable organizations that used commercial services to benefit the lives of their members. With that framework in place, it followed that many of their messages were much more value-based and geared toward eliciting positive emotions, and donations, from their audiences. In the social enterprise spectrum between corporations and nonprofits, there appears to be an array of ways for social enterprises to use marketing and communications strategies to position themselves at different points along this spectrum.

In terms of professional practice, it would appear that social enterprises are good at establishing credibility and using it as a basis for their communications and marketing campaigns. If anything, give the rhetorical strength that credible organizations have, it could be argued that social enterprises could consider value-based and credibility-based appeals as best practices. However, this study also revealed that social enterprises are as diverse as the businesses and nonprofits they serve. They have to be aware that if their audiences are primarily businesses, emotional appeals based on their social nature may not be appropriate. In fact, emotional appeals to a business based on a social enterprise's charitable status may prove to be detrimental in that potential business clients may not be willing to seriously consider them to provide business services. Lastly, although social enterprises are being strategic by using an outside-in approach as a best practice, this study highlighted that there may be a need for social enterprises to take their communications and marketing practices more seriously. For instance, implementing a strategic communications plan would require a minimal investment on the part of the social enterprise, but it could pay huge dividends. Such a plan would allow a social enterprise to monitor how successful communications and marketing activities are in reaching key audiences, how much they are costing, and if there are opportunities to improve them.

Opportunities for Further Research

After analyzing these three brief case studies, there appears to be opportunities for further research on how social enterprises plan and execute communications and marketing. One such opportunity is to extend research from a rhetorical perspective by

going beyond Aristotle's theory of rhetoric and applying other rhetorical theory

frameworks, such as Kenneth Burke's (Ihlen, 2002, p. 262).

Another opportunity could be to, either through case studies or surveys, analyze

strategic communications and marketing planning in organizations that have

implemented formal plans and evaluations. This would provide more opportunities for

accurate comparison between social enterprise organizations. If evaluations were

conducted, analysis of success and finding best practices would be easier to ascertain.

A last opportunity for further research would be a comparison between similarly

sized social enterprises, businesses, and nonprofit organizations. Although this study was

able to identify and analyze traits and practices of social enterprises, it is difficult to

discern how effective they are without comparing them to different types of

organizations. Furthermore, comparison with both pure businesses and nonprofits may be

able to better illuminate any differences in communications and marketing practices

between the three different types of organizations.

Conclusion

This study set out to ascertain if social enterprises employed similar or different communications and marketing planning and practices than other types of organizations. After analyzing an interview with one social enterprise and the websites of two others, certain strategies, traits, and best practices were evident.

From a rhetorical analysis perspective, social enterprises are built to make successful propositions and appeals because they are designed to be aware of and attentive to their audiences and clients. In keeping with their social nature, the social enterprises analyzed primarily used ethos-based propositions with credibility appeals and pathos-based emotional appeals to goodwill. However, this cross-case analysis also illustrated how social enterprises have to be adaptable because they are appealing to a variety of different audiences. In certain cases, social enterprises may actually avoid pathos-based emotional appeals to their charitable status if they are trying to sell business services to businesses. Social enterprises may lose credibility if they make pathos-based propositions founded on their social nature because businesses may not find these kinds of statements credible or appropriate for the corporate sphere.

From an Integrated Marketing Communications perspective, the three social enterprises analyzed demonstrated glimpses of being strategic. All three established that they use an outside-in approach in their communications with audiences, which is strategic in that it is based on listening and responding to audiences before enacting a strategy. However, the in-depth interview with the employment placement social enterprise indicated that there was a lack of formalized, strategic communications and marketing planning and evaluation. Social enterprises may need to consider

implementing strategic communications and marketing planning as a best practice. If they did so, they may find that some low cost planning and evaluation tools can help them get more out of their communications and marketing activities, no matter what their budget may be.

Given these insights, there appears to be room for further research. Specifically, the use of a rhetorical analysis framework could be extended to using more modern rhetorical theories, such as Kenneth Burke's. There are also opportunities to look at social enterprises that have implemented and evaluated formalized marketing and communications plans, since the organizations analyzed did not appear to have strategic plans in place. Lastly, there is an opportunity to compare and contrast between similarly sized social enterprises, business, and nonprofits. Such a comparison could provide a more secure basis for elucidating different strategic marketing and communications planning and execution differences between the three types of organizations.

In summary, although this brief analysis was only able to make tentative conclusions about the different communications and marketing communications practices employed by social enterprises in comparison with other organizational types, it was able to provide some brief glimpses into the unique nature of social enterprises. Social enterprises are, like nonprofits, constructed to meet social aims and support social causes. They are able to use this intrinsic goodness and their built-in credibility as a basis for making well-founded and engaging propositions when communicating and marketing their services to businesses and the general public. Lastly, and perhaps most importantly, social enterprises have room to greatly improve their communications and marketing practices if they begin to apply more formalized strategic planning and evaluation.

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Appendix A: Sample Interview Questions

- How does your organization plan its communications and marketing activities?

- Does your organization have a communications or marketing strategy in place? If so, can you explain how it was developed and used?

- Has your organization ever undergone a communications or marketing audit? If so, can you explain how it was developed and used?

- Do you feel that your organization's communication and marketing strategies and activities are more similar to those of a traditional business or a nonprofit organization?

- Do you feel that your organization's communication and marketing strategies and activities differ at all from those of a traditional business or nonprofit? If so, can you explain why you feel this way?

- Do you feel that your operating environment is more complex than that of a traditional business or nonprofit? If so, can you explain how?

- Do you feel that there is any pressure in balancing the needs of potential clients/customers and the needs of your organization's stakeholders (eg. Board of directors, donors, etc.)

- Is there anything else that you would like to add about your organization's communications and marketing plans and activities?

- Would you be willing to provide any examples of your organizations communications and/or marketing strategies and/or products?

Appendix B: Evaluation Framework

Rhetorical Analysis:

- Audience focused: Sensitivity to how audiences and stakeholders create meaning.

- Customize messages to three types of audiences:
    o Deliberative/Political
        ▪ Audience needs to make a decisions.
    o Forensic/Legal
        ▪ Audience has to judge whether an action is right or wrong.
    o Epideictic/Ceremonial
        ▪ Audience is asked to judge the speaker, not the speech.

- Appeals

    o Ethos
        ▪ Credibility-based
    o Pathos
        ▪ Emotional-based
    o Logos
        ▪ Reason-based

- Propositions: Three types of propositions aimed at securing trust.

    o Fact
    o Value
    o Self-interest

- Influence level: Does the speaker, or organization, have any influence over the audience? (Heath, 1993, p. 151)

    o Is the influence one-way or two-way?

Integrated Marketing Communications Analysis:

- Outside-in approach: Focus on considering the customer's needs first.

    o Audience analysis is an integral part of planning.
    o Attempt to address any "legitimacy gap" between what the audience expects and what is returned in terms of products and services. (Sethi, 1977, p. 58)
    o Goal is to create and sustain a relationship.

- Strategic: Planning involves creating goals, objectives, strategies, tactics, and evaluation.