

6. SCALING & DISSEMINATION

6.1. Objectives

Module six contains information about pathways of scaling social impact – reaching more communities.

6.2. Background

Social entrepreneurs should think about scaling their social impact from the beginning of the idea of a social enterprise. This scaling will be very helpful while looking for investors in order to prove that the enterprise has a clear strategy and ambitious vision of its future. Social entrepreneurs are usually people with a strong social awareness and imagination, who adapt their business model to deliver the most effective solution to a social problem. Scaling the impact is not always connected with the growth of the enterprise.

Social entrepreneurs should think about scaling their social impact from the very start. First of all, not many investors will want to invest in an organization that does not have an ambitious vision of the future. Developing the social enterprise, they learn from the market and from their social target group (beneficiaries), adapt their model and aim to deliver the most effective solution to a given social problem. They are usually people with high level of social awareness and a strong sociological imagination; therefore they want their idea to reach as many people in need as possible. This can happen in multiple ways. Scaling the impact of a social enterprise does not necessarily require the growth of its size.

A social enterprise can change the way a community thinks about a social problem and **create a social movement**. Maybe with time the local government would change its policies to better address the social problem. That is indirect scaling of social impact.

Some social enterprises choose to grow organically and slowly extend their reach. A quicker way to grow and enlarge the scale of social impact might be **impact investing**. Some social enterprises might be looking for impact investors to bring in capital necessary to enlarge the scale of their operations.

Some social entrepreneurs will be happy that their ideas are being replicated. Social enterprises are rather cooperative than rival in character and very often replication is welcomed in the social entrepreneurship sector. Entrepreneurs share and exchange ideas and practices, thus scaling their social impact. A formal way of replication is **social franchise**. Social franchise relies on principles of commercial franchising to expand the reach of socially beneficial programs. In 2015 The International Centre for Social Franchising along with London School of Economics has developed a Social Replication Toolkit, providing guidelines for other social enterprises, which wish to scale its impact through the franchise scheme (<https://www.springimpact.org/>). Social franchise provides the opportunity to replicate best social entrepreneurship practices across different communities faster and with lower transaction costs. It provides revenue to both franchisees and the social entrepreneur, the franchiser. This scheme of replication assumes that once joining the network, the franchisee has the right to implement a well-tested social enterprise model, while adhering to a range of requirements and obligations such as meeting quality and pricing standards, obligatory

training or financial and social impact reporting. A network of social enterprises within a social franchise scheme can take benefit of large scale operations cost efficiencies in areas like supply chains, advertising or worker training.

Rules of effective scaling:

1. Social entrepreneurs must think big right from the beginning. Without a bold vision of the future a social entrepreneur will not be credible as a social change maker, will not attract seed capital nor impact investors and will not be able to develop engaged employees or volunteers.
2. In order to scale its social impact, a social enterprise must have strong and reliable relationships with its partners, suppliers, customers and beneficiaries. Engaging in partnership and alliances with organizations sharing the driving social goal can bring multiple advantages and create synergies. Partnering with non-profit organizations can gain access to their experience with the social problem, to target beneficiaries, while partnering with for-profit businesses can create valuable CSR programs.
3. The third rule refers to retaining accountability as a social enterprise grows. As the scale of operations increases, a social enterprise must remain true to its social mission and true to its target social group, the beneficiaries. Staying close to the grassroots and listening closely to the target social group will enable to fine-tune the operations and activities to the changing environment and changing social condition. Large organizations can become over formalized with procedures and bureaucracy, which can impact negatively its public image and accountability.

6.3. Useful questions

What is your vision of the future of your enterprise?

How can you create strong and reliable relationships?

How can you avoid overformalizing and keep your accountability?

How can you measure the social impact of your enterprise?

Do you know any organizations that support social entrepreneurs?

6.4. Module content

Marketing & PR

Pathways of scaling

Insemination: replication / organic growth / social franchise

6.5. Useful links



Co-funded by the
Erasmus+ Programme
of the European Union

<http://scalingpathways.globalinnovationexchange.org/>

<http://www.ensie.org/>

<https://esela.eu/>

<http://www.socialeconomy.pl/>

<http://www.gsen.global/>

<http://euclidnetwork.eu/>

<http://socialinnovation.lv/en/european-social-franchising-network/>

<https://www.springimpact.org/>

6.6. Case study

We would like to ask our Indonesian partners to prepare a case study for this part. A case study about a small social enterprise that grew big 😊

JAVARA: promoting Indonesia's indigenous farming cultures



The company

JAVARA (which means champion in Sanskrit) is one of Indonesia's leading purveyors of artisanal food products. JAVARA works across agricultural value chains from production to distribution in order to preserve biodiversity and bring community-based organic products to broader markets. The organisation oversees the marketing and distribution of more than 640 artisanal products from 50,000 smallholder farmers, from organically grown vegetables and gluten-free flour to gourmet salt and coconut cooking oil across Indonesia.

By doing this, they also help farmers move up the value chain, get necessary income to get out of poverty, improve workplace safety, as well as marketing products nationally and internationally to secure premium prices for the farmers and processors.

The Story

The first time Helianti Hilman visited the indigenous farmers of the West Java town of Garut, she was asked to remove her shoes before entering their fields. Her surprise grew when the farmers quizzed her on her mood – they didn't want her upsetting the plants.



"That's when I realised that their approach to agriculture was much more than just growing organic," says 44-year-old Hilman, an Indonesian entrepreneur and former lawyer. "It was a whole way of life. That's when my perspective changed."

JAVARA was founded by Helianti Hilman in 2008. Originally trained as a lawyer who advised the Indonesian government on international development, Helianti brings her passion for community-based business and expertise in agribusiness to grow her social enterprise to the next level.

According to Indonesia's national indigenous people's organisation, Aliansi Masyarakat Adat Nusantara (AMAN), around one fifth of the country's 250 million people classify as indigenous. With statutory efforts to establish collective rights to customary lands yet to be officially sanctioned, rural communities remain vulnerable to the frequent land grabs made by palm oil producers and other forest users.

Given that most Indonesian farmers live in abject poverty, there is a clear moral and developmental case for supporting them. But there are compelling sustainability reasons too, Hilman insists.

During Indonesia's "Green Revolution" of the 1970s, farmers were encouraged by the government to adopt commercial agricultural practices. However, many indigenous people avoided this wave of modernity and still use traditional methods, and so-called heritage or heirloom seeds.

"Back in the 1960s in Indonesia, we used to have over 7,000 different rice varieties. People have forgotten this today. They are used to buying just red, white or black rice," says Hilman. The heritage plants grown by Javara's network of farmers offer a wide range of distinctive nutritional properties. And with their greater diversity comes greater resilience. Hilman cites rice varieties, for example, that can grow everywhere, from forest shade and swamps to inland lakes and saline coasts.

"This isn't just for the foodies," she argues. "These varieties are very relevant for climate change [but] we are losing them before our eyes without even knowing it."

Hilman's entry point came by way of the Integrated Pest Management Farmers' Association, a nonprofit network representing more than 1 million indigenous and smallholder farmers in Indonesia. She was invited by a group of rice growers close to her parents' home in central Java to help with marketing their produce.

She struck lucky in 2009 when she persuaded Ranch Market, a premium supermarket in Jakarta, to stock two-dozen varieties of the farmers' rice. Orders from high-end hotels and restaurants quickly followed.

Over time, Javara has sought gradually to overcome the knowledge gaps of its affiliated producer groups through basic management training and production advice. For the large collectives in its network, it also provides assistance with organic certification and credit for the purchase of equipment.

"We started very small as a micro enterprise, and are fortunate to have grown exponentially every year in such a way that within our 6th year we already accomplished many things (growth of exports, awards, media attention, etc.). However, scaling up into medium size enterprise exposed us to a different game, including about the fundamental differences of how the market work in US compared to EU, the different playing ground when we started to play large volumes. Every day is a challenge for us on how to fit in and ensuring the integrity of our social mission into the global business reality"-tells Helianti.

Volume is the biggest sticking point. Indonesia's indigenous farmers traditionally have small plots and grow mixed crops. The notion of mono-crop production or intensive cultivation is anathema to them. One community even forbids the sale of its rice varieties, permitting only barter instead.

Hilman's solution has been to take the farmers' specialty crops and use them to create inventive, value-added products. "A buyer might ask us for a container of turmeric, and we

simply don't have that much," she explains. "But we have enough turmeric to blend it with heritage rice to create turmeric-infused rice."

"And we're not just selling the products," she adds. "We're selling the story and benefits behind the products."

Take the tale of "bee whispering", for instance. Practitioners of this ancient art herd bees towards particular flowers to influence the final taste of their honey. Clove, cotton and rambutan (a tropical fruit) are just some of the single blossom flavours in Javara's honey portfolio.

Volume is also an issue on the demand side. Indonesia's premium domestic market is limited, so four years ago Hilman shifted the organisation's focus to exports. Javara's international sales, which include Japan, Korea, the US and 11 European countries, now comprise around 85% of its total revenues. Over 3,000 food artisans are trained by JAVARA to reach and maintain high food safety and quality standards. These processors source from these collectives and add value through processing. When there is strong local capacity, the farmer collectives handle the processing operations. JAVARA then purchases, markets and distributes these products. This model ensures transparent pricing structures and allows all involved stakeholders to benefit from selling value added products.

The Impact

Her sense of urgency is echoed by the International Union of Forest Research Organizations (IUFRO), an Austria-based nonprofit group. In a report released in May, the IUFRO emphasised the role that indigenous communities can play, both in protecting forests and enhancing food security.

"Working with farmers to combine the best of traditional and formal scientific knowledge offers tremendous potential [and] this contribution needs to be acknowledged and incorporated into management practices and policy," the report states.

In Indonesia, that is easier said than done. For a start, its indigenous communities often live in remote areas – the country comprises nearly 1,000 permanently settled islands. Years of marginalisation has also left them distrustful of outsiders and unfamiliar with how mainstream markets work.



JAVARA strives to encourage, maintain and promote:

- stories behind the products;
- branding of the product origin using local packaging materials;
- equitable trade with all supply chain partners;
- safer working conditions and social security insurance for farmers and food artisans; and
- youth farmpreneurship and the teaching of entrepreneurial best practices to farmers.

JAVARA works hand-in-hand with local indigenous farmers, food artisans and biodiversity warriors to revive and sustain the existence of the heritage. In accordance with its mission, JAVARA preserves Indonesia's food biodiversity with strong impacts on smallholder farmers' livelihood improvement.





inspire

DISSEMINATION & SCALING



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Module six contains information about how to build a brand and pathways of scaling social impact – reaching more communities. It touches upon marketing, communication and building a community around your social enterprise.

DEVELOPING A BRAND POSITIONING

- Positioning
 - The act of designing a company's offering and image to occupy a distinctive place in the minds of the target market
 - Value proposition



DEFINING BRAND EQUITY

- Brand equity
 - Added value endowed to products with consumers

TABLE 11.1

Marketing Advantages of Strong Brands

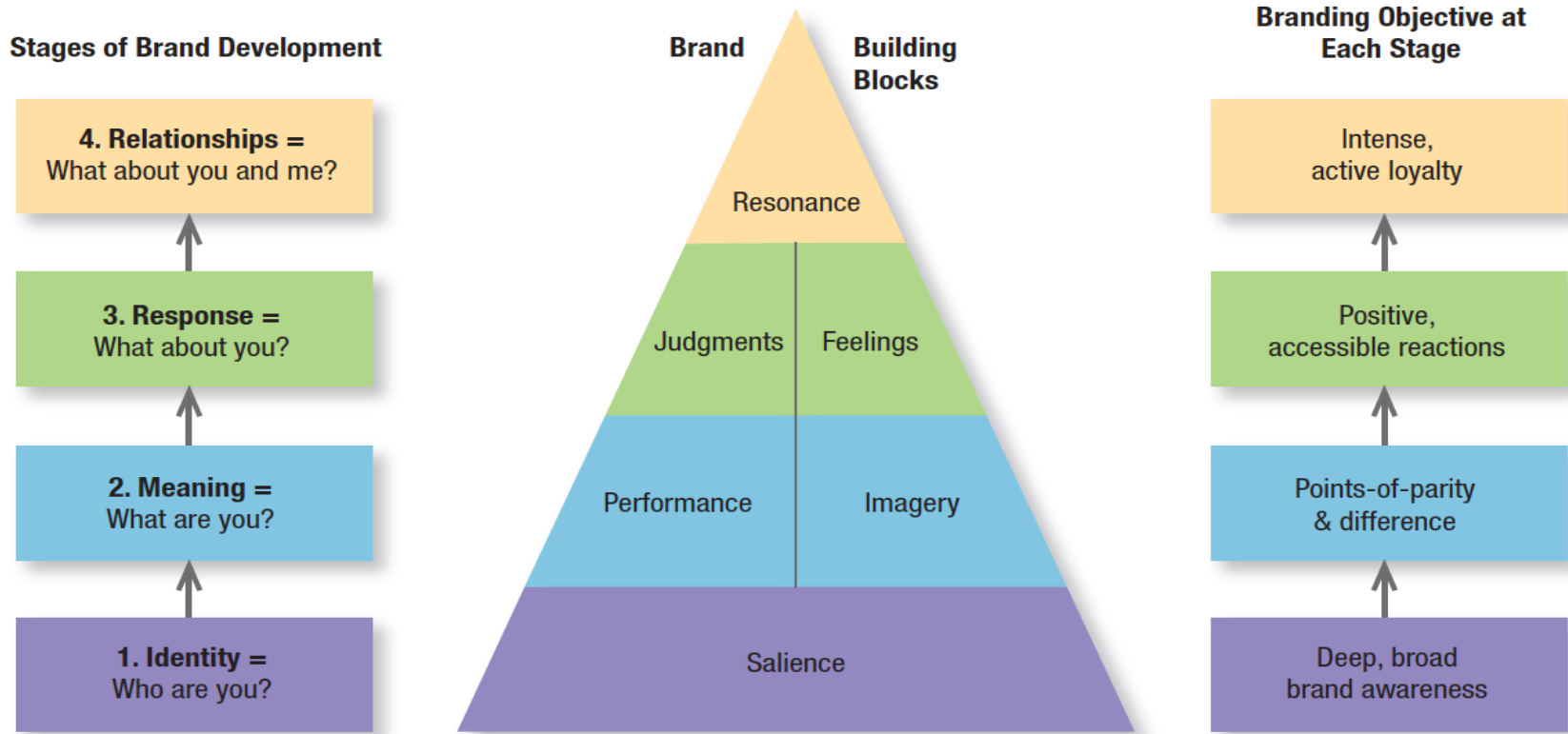
Improved perceptions of product performance	Greater trade cooperation and support
Greater loyalty	Increased marketing communications effectiveness
Less vulnerability to competitive marketing actions	Possible licensing opportunities
Less vulnerability to marketing crises	Additional brand extension opportunities
Larger margins	Improved employee recruiting and retention
More inelastic consumer response to price increases	Greater financial market returns
More elastic consumer response to price decreases	

- Brand promise
 - The marketer's vision of what the brand must be and do for consumers



BRAND EQUITY MODELS

- Brand Resonance Pyramid



Source: Pearson Education Ltd. 2016

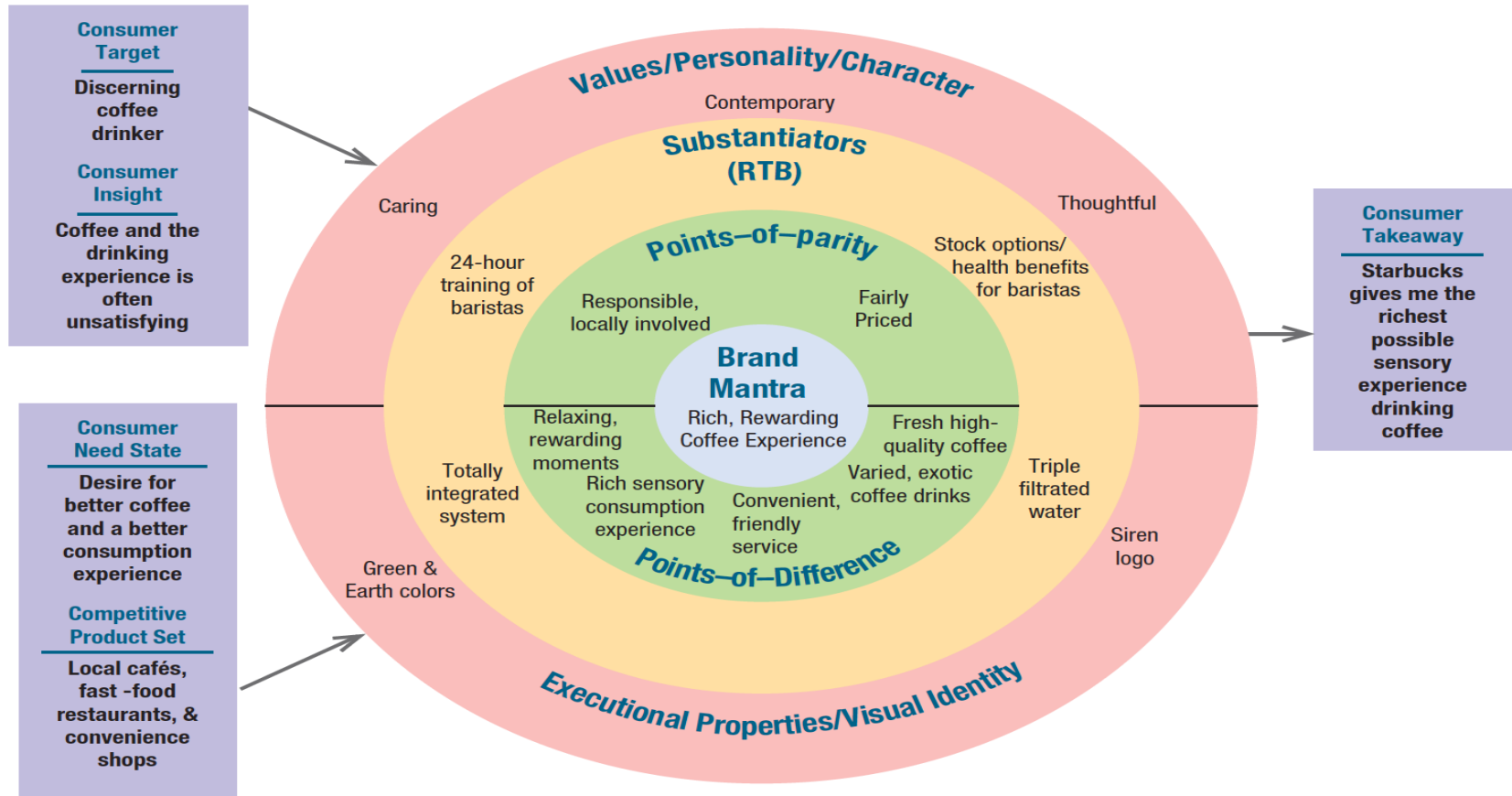
BRAND MANTRAS

Communicate

Simplify

Inspire

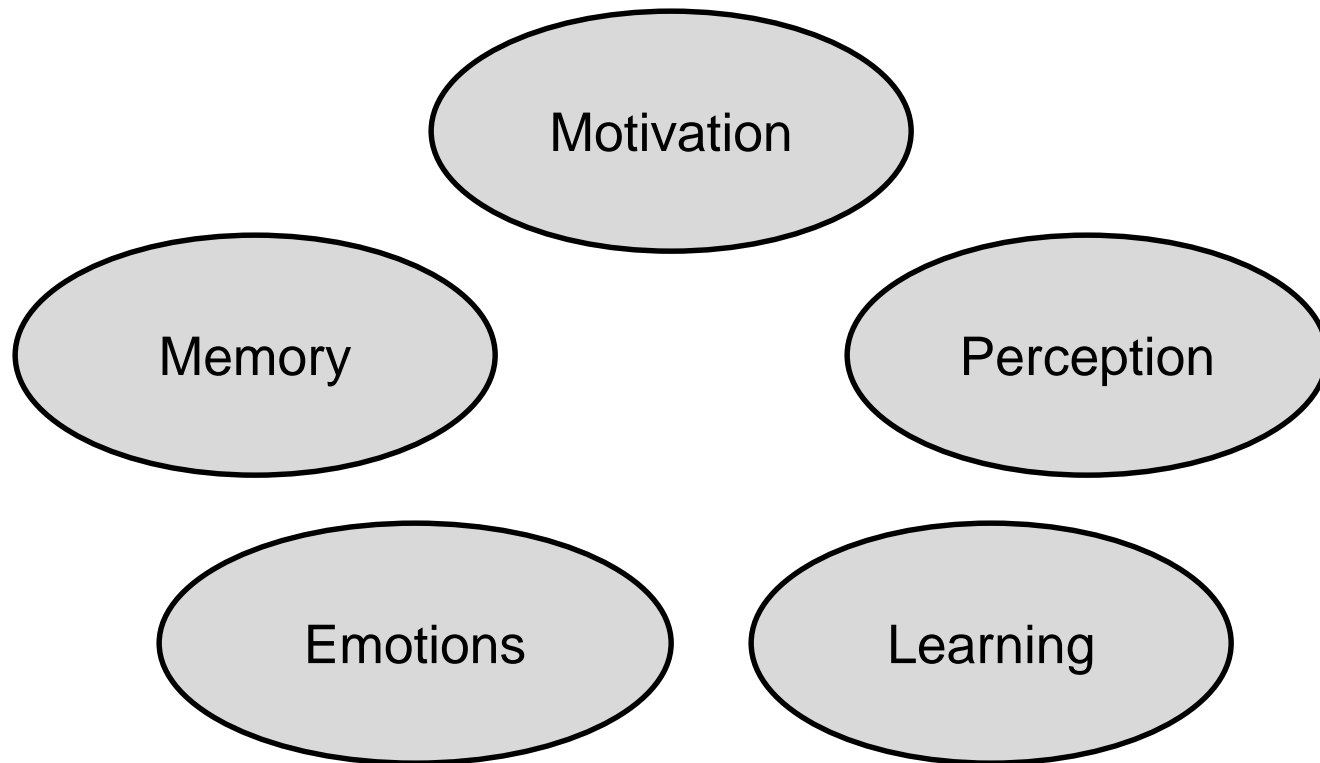
BRAND POSITIONING BULL'S EYE



A Hypothetical Example of a Starbucks Brand Positioning Bull's Eye

Source: Pearson Education Ltd. 2016

KEY PSYCHOLOGICAL PROCESSES



- Emotions
 - Many different kinds of emotions can be linked to brands → story telling



- Golden Circle
<https://www.youtube.com/watch?v=I5Tw0PGcyN0> (5'55)

- The driving force of the business
- Primarily future oriented
- A nearly „impossible“ dream
- Personal conviction of founders
- Significant change of current status quo
- In close connection to the strategic orientation

MISSION

- What is our business?
- Who is the customer?
- What is of value to the customer?
- What will our business be?
- What should our business be?

GOOD MISSION STATEMENTS

- Focus on a limited number of goals
- Stress the company's major policies and values
- Define the major competitive spheres within which the company will operate
- Take a long-term view
- Are as short, memorable, and meaningful as possible

- Good and bad examples for vision statements

<https://www.youtube.com/watch?v=6KPtVcU7nSs> (5'28)

ASSIGNMENT

Create a *vision & mission* for your social business.

Time: 20 minutes

Presentation: 5 minutes each



Interact closely with customers

Develop loyalty programs

Create institutional ties

BRAND COMMUNITIES

- A specialized community of consumers and employees whose identification and activities focus around the brand





- Social networking
 - Welcoming, empathizing, governing
- Impression management
 - Evangelizing, justifying
- Community engagement
 - Staking, milestoneing, badging, documenting
- Brand use
 - Grooming, customizing, commoditizing



- Customer relationship management (CRM)
 - The process of carefully managing detailed information about individual customers and all customer “touch points” to maximize loyalty
 - Customer value management (CVM)

- Personalizing/permission marketing
- Customer empowerment
- Customer reviews/recommendations
- Customer complaints



GROWTH STRATEGIES

- Building your market share
- Developing committed customers and stakeholders
- Building a powerful brand
- Innovating new products, services, and experiences
- International expansion
- Acquisitions, mergers, and alliances
- Building an outstanding reputation for social responsibility
- Partnering with government and NGOs

GROWING THE CORE

Make the core of the brand as distinctive as possible

Drive distribution through both existing and new channels

Offer the core product in new formats or versions

ASSESSING GROWTH OPPORTUNITIES

- Intensive Growth
- Integrative Growth
- Diversification Growth

INTENSIVE GROWTH

- Management should first review opportunities for improving existing businesses



INTEGRATIVE GROWTH

- A business can increase sales and profits through backward, forward, or horizontal integration within its industry





- Diversification growth makes sense when good opportunities exist outside the present businesses
 - The industry is highly attractive and the company has the right mix of business strengths to succeed

SCALING SCENARIOS

- Creating a social movement
- Influencing government policies
 - Organic growth
- Strategic impact investor (individual or through social venture fund)
 - Replication
 - Social franchising

RULES OF EFFECTIVE SCALING

- Think big right from the beginning
- Have strong and reliable relationships with your partners, suppliers, customers and beneficiaries
- Retain accountability as the social enterprise grows

ASSIGNMENT

Think about scaling options and choose the growth options that best fit your social enterprise. Fill in the beneficiary model canvas.

Time: 45 minutes

Presentation: 5 minutes each



CASE STUDY- JAVARA

JAVARA is one of Indonesia's leading purveyors of artisanal food products. JAVARA works across agricultural value chains from production to distribution in order to preserve biodiversity and bring community-based organic products to broader markets.



CASE STUDY QUESTIONS

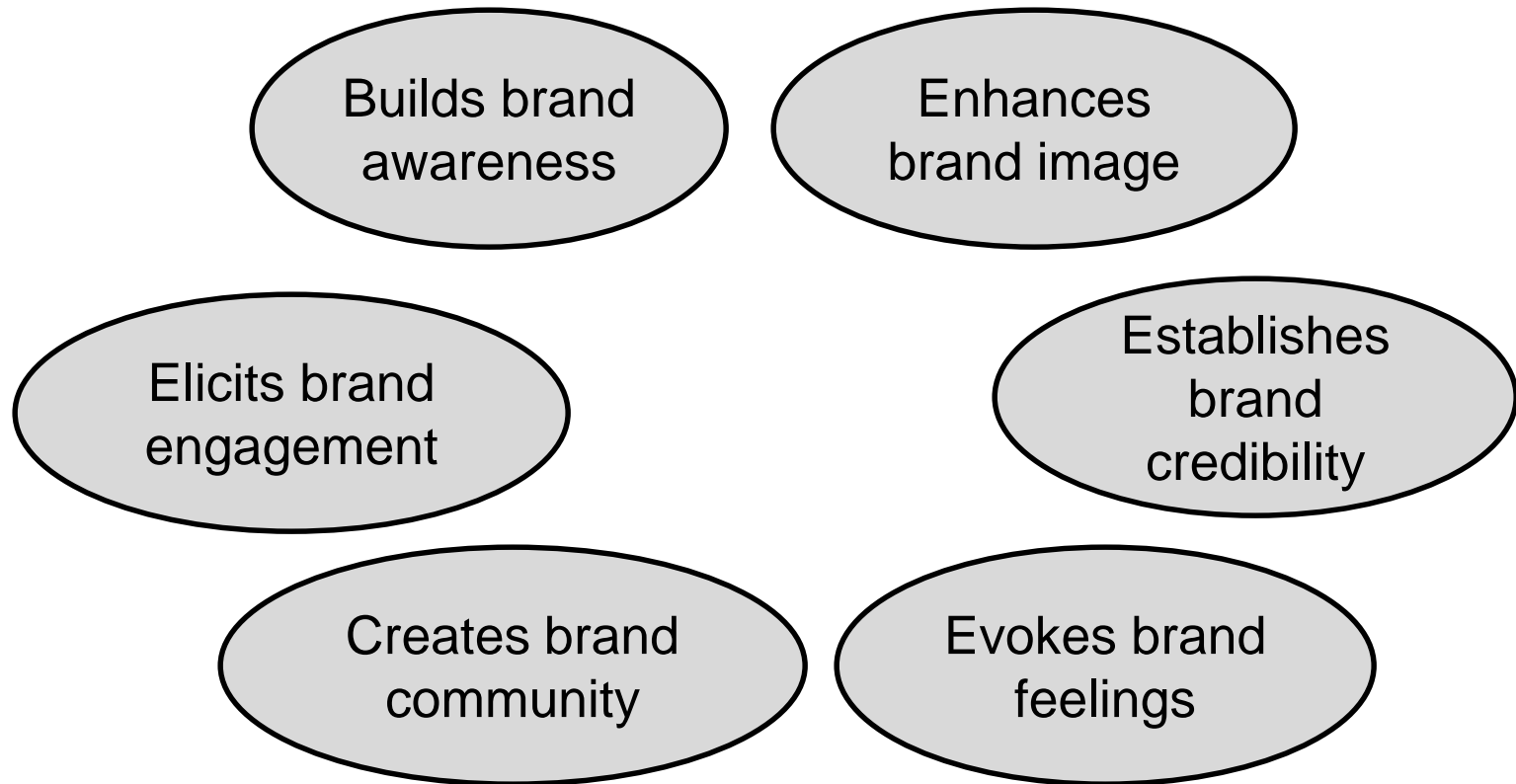
- 1) How did Javara expand?
- 2) Does a social enterprise need to grow in size to expand its social impact?
- 3) How does Javara promote its brand?
- 4) Which difficulties did Javara encounter during their growth phase?
- 5) How does Javara manage its relationships with the members of its network?

CAUSE RELATED MARKETING

- Links the firm's contributions toward a designated cause to customers' engaging directly or indirectly in revenue-producing transactions with the firm
 - Is part of corporate societal marketing (CSM)



CAUSE RELATED MARKETING



CAUSE RELATED MARKETING

- Align focus area with your mission
- Evaluate institutional “will” and resources
- Analyze competitors’ cause positioning
- Choose partners carefully
- Don’t underestimate program name
- Develop cross-functional strategy team
- Leverage your assets with partner(s)
- Communicate through every channel
- Go local
- Innovate

- Social marketing by nonprofits or government organizations furthers a cause





TABLE 23.3

Some Possible Social Marketing Program Objectives

Cognitive Campaigns

- Explain the nutritional values of different foods.
- Demonstrate the importance of conservation.

Action Campaigns

- Attract people for mass immunization.
- Motivate people to vote “yes” on a certain issue.
- Inspire people to donate blood.
- Motivate women to receive a Pap test.

Behavioral Campaigns

- Demotivate cigarette smoking.
- Demotivate use of hard drugs.
- Demotivate excessive alcohol consumption.

Value Campaigns

- Alter ideas about abortion.
- Change attitudes of bigoted people.

Source: Pearson Education Ltd. 2016

- ✓ Choose target markets ready to respond
- ✓ Promote doable behavior in simple terms
- ✓ Explain the benefits in compelling terms
- ✓ Make it easy to adopt the behavior
- ✓ Develop attention-grabbing messages
- ✓ Use education-entertainment approach

MARKETING CHANNELS

- Marketing channels
 - Sets of interdependent organizations participating in the process of making a product or service available for use or consumption
 - Intermediaries: merchants, agents, and facilitators



- Value network
 - A system of partnerships and alliances that a firm creates to source, augment, and deliver its offerings
 - Demand chain planning



THE DIGITAL CHANNEL REVOLUTION

- The digital channels revolution
 - Customer support in store/online/phone
 - Check online for product availability at local stores
 - Order product online to pick up at store
 - Return a product purchased online to a nearby store



- Analyzing customer needs and wants

- ✓ Desired lot size
- ✓ Waiting and delivery time
- ✓ Spatial convenience
- ✓ Product variety
- ✓ Service backup

E-COMMERCE MARKETING PRACTICES

- E-commerce
 - Uses a Web site to transact or facilitate the sale of products and services online
- Pure-click vs. brick-and-click companies



- Mobile channels and media can keep consumers as connected and interacting with a brand as they choose
 - Advertising and promotion
 - Geofencing
- Privacy issues



THE ROLE OF MARKETING COMMUNICATIONS

- Marketing communications
 - The means by which firms attempt to inform, persuade, and remind consumers about the products and brands they sell



MARKETING COMMUNICATIONS MIX

- Advertising
- Sales promotion
- Events and experiences
- Public relations and publicity
- Online and social media marketing
- Mobile marketing
- Direct and database marketing
- Personal selling

COMMON COMMUNICATION PLATFORMS

TABLE 19.1

Examples of the Eight Common Communication Platforms

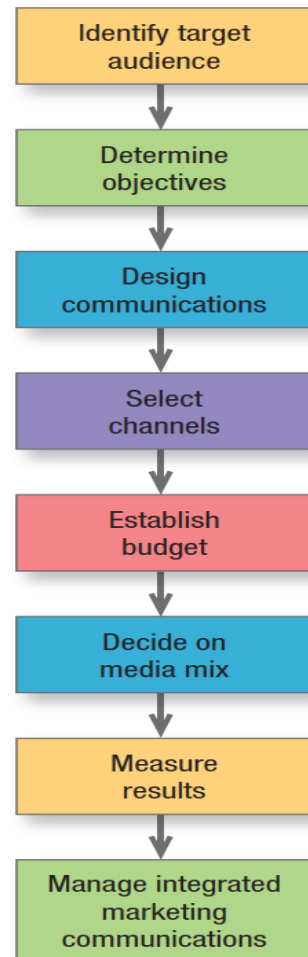
Advertising	Sales Promotion	Events and Experiences	Public Relations and Publicity	Online and Social Media Marketing	Mobile Marketing	Direct and Database Marketing	Personal Selling
Print and broadcast ads	Contests, games, sweepstakes, lotteries	Sports	Press kits	Web sites	Text messages	Catalogs	Sales presentations
Packaging—outer	Premiums and gifts	Entertainment	Speeches	E-mail	Online marketing	Mailings	Sales meetings
Packaging inserts	Sampling	Festivals	Seminars	Search ads	Social media marketing	Telemarketing	Incentive programs
Cinema	Fairs and trade shows	Arts	Annual reports	Display ads		Electronic shopping	Samples

Source: Pearson Education Ltd. (2016)



- **With an ideal ad campaign:**
 1. The right consumer is exposed to the message at the right place and time
 2. The ad causes the consumer to pay attention
 3. The ad reflects consumer's level of understanding of brand
 4. The ad positions points-of-difference and points-of-parity
 5. The ad motivates consumers to consider purchase
 6. The ad creates strong brand associations

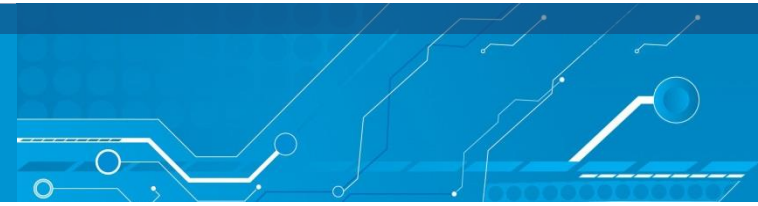
DEVELOPING EFFECTIVE COMMUNICATIONS



Source: Pearson Education Ltd. (2016)



- Identify the target audience
- Set the communications objectives
 - Establish need for category
 - Build brand awareness
 - Build brand attitude
 - Influence brand purchase intention



- Design the Communications

Message strategy

Creative strategy

Message source

- Select the communications channels
 - Personal communications
 - Nonpersonal channels



MARKETING COMMUNICATIONS MIX CHARACTERISTICS

- Advertising
 - Pervasiveness
 - Amplified expressiveness
 - Control
- Sales Promotion
 - Ability to be attention-getting
 - Incentive
 - Invitation



MARKETING COMMUNICATIONS MIX CHARACTERISTICS

- Events and experiences
 - Relevant
 - Engaging
 - Implicit
- Public relations and publicity
 - High credibility
 - Ability to reach hard-to-find buyers
 - Dramatization



MARKETING COMMUNICATIONS MIX CHARACTERISTICS

- Online and social media marketing
 - Rich
 - Interactive
 - Up to date
- Mobile marketing
 - Timely
 - Influential
 - Pervasive



MARKETING COMMUNICATIONS MIX CHARACTERISTICS

- Direct and database marketing
 - Personal
 - Proactive
 - Complementary
- Personal selling
 - Customized
 - Relationship-oriented
 - Response-oriented



- Events objectives
 1. To identify with a target market or lifestyle
 2. To increase salience of company/product name
 3. To create/reinforce key brand image associations
 4. To enhance corporate image
 5. To create experiences and evoke feelings
 6. To express commitment to the community or on social issues
 7. To entertain key clients or reward employees
 8. To permit merchandising/promotional opportunities

- Major sponsorship decisions
 - Choosing events
 - Designing sponsorship programs
 - Measuring sponsorship activities



MEASURING SPONSORSHIP PROGRAMS

- Measure outcomes, not outputs
- Define/benchmark objectives on front end
- Measure return for each objective
- Measure behavior
- Apply assumptions/ratios used by other departments
- Measure results of emotional connections
- Identify group norms
- Include cost savings in ROI calculations
- Slice the data
- Capture normative data

- Creating experiences
 - Experiential marketing



ASSIGNMENT

Think about the *marketing & communication channels* you can use to promote your product / service to customers and beneficiaries. Fill in the customer model canvas.

Time: 45 minutes

Presentation: 5 minutes each



- All the activities of designing and producing the container for a product





Used as a marketing tool

- Self-service
- Consumer affluence
- Company and brand image
- Innovation opportunity

Packaging objectives

- Identify the brand
- Convey descriptive and persuasive information
- Facilitate product transportation and protection
- Assist at-home storage
- Aid product consumption



TABLE 13.3

The Color Wheel of Branding and Packaging

Red symbolizes excitement, energy, passion, courage, and being bold.

Orange connotes friendliness and fun. It combines the energy of red and the warmth of yellow.

Yellow, as the color of the sun, is equated with warmth, joy, and happiness.

Green, as the color of nature, connotes health, growth, freshness, and renewal.

Blue, as the color of the sky and sea, is associated with dependability, trust, competence, and integrity.

Purple has symbolized nobility, wealth, and wisdom. It combines the stability of blue and the energy of red.

Pink is considered to have soft, peaceful, comforting qualities.

Brown, as the color of the earth, connotes honesty and dependability.

Black is seen as classic, strong, and balanced.

White connotes purity, innocence, and cleanliness.



- Labeling
 - Identifies, grades, describes, and promotes the product
- Warranties
 - Formal statements of expected product performance by the manufacturer
- Guarantees
 - Promise of general or complete satisfaction

USEFUL QUESTIONS

- What is your vision of the future of your enterprise?
- How can you create strong and reliable relationships?
- How can you avoid overformalizing and keep your accountability?
- How can you measure the social impact of your enterprise?
- Do you know any organizations that support social entrepreneurs?

USEFUL LINKS

- <http://scalingpathways.globalinnovationexchange.org/>
- <http://www.ensie.org/>
- <https://esela.eu/>
- <http://www.socialeconomy.pl/>
- <http://www.gsen.global/>
- <http://euclidnetwork.eu/>
- <http://socialinnovation.lv/en/european-social-franchising-network/>
- <https://www.springimpact.org/>
- <https://www.youtube.com/watch?v=I5Tw0PGcyN0>
- <https://www.youtube.com/watch?v=6KPtVcU7nSs>

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