Social marketing partnerships: An instrument to solving a social dilemma

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ABSTRACT

In spite of the rapid increase in the illegal trade of rhinoceros horn in the past decade, that has led to the potential demise of a specie, solutions have proven difficult to come by in both literature and in practice regarding effective means to hinder, decrease or stop this illegal trade.

The purpose of the current research is to contribute to solving this challenge through framing the illegal poaching of rhino horn as a social dilemma that could be solved by focusing on solutions from the demand side perspective.

The research posits that large corporates can use partnership with social causes as an avenue to attain company objectives simultaneously when changing unsustainable behaviour; in this instance the destruction of a species through the rhino horn trade for traditional medicine. Specifically, the research questioned the probability of a focus on changing the behaviour. The research proposed that a sponsor enter into the traditional medicinal market with a scientifically endorsed substitute product from the sponsor company with the objective of changing the demand/behaviour. The suggestion to partner with this cause is not merely part of a passive corporate’s social responsibility to re-invest into society alone, but can also be viewed as part of a strategic intent to attain company objectives.

The results found that partnership attractiveness and viability as an investment opportunity for the sponsor company primarily needs to be aligned to a business case by the sponsee, thereby increasing the attractiveness for the sponsor to consider. The need to consider the “business case” of this type of partnership also emphasised the importance of including partnerships as part of the company’s promotional mix and to be strategically considered by the sponsor company.

In conclusion the study recommends further research into the sponsor company’s reluctance to enter into partnerships where the cause is deeply rooted in cultural beliefs and behaviours such as is the case in rhino horn consumption, as well as modern beliefs concerning status and materialism. Further recommendations include researching in the countries of origin regarding the consumption of rhino horns, namely Vietnam and China, to gain insight and access into the cultural dynamics of behaviour.
Keywords: Social dilemmas, Common Pool Resource, Social marketing, Sponsorship/Partnership (to be used interchangeably), Traditional medicinal market
DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

The name and the original signature of the student and the date should follow the declaration.

Rheinhardt Schulze

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CHAPTER 1: INTRODUCTION

1.1 Background

“Don’t it always seem to go
That you don’t know what you’ve got till it’s gone
They paved paradise
And put up a parking lot”

Joni Mitchell song “Big Yellow Taxi” (1970)

Countries go to great lengths to protect natural resources; some even contemplating the extremes—the act of war. Minerals, forests, water, and fertile land are, at times, savagely protected and are the root of many conflicts all over the world. The overuse, demise or potential loss of a country’s resources has great implications both economically and socially. As a result, resources attract great interest and investigation by academics, industries and activists regarding potential solutions to conserve, protect and sustain these assets for future use and has resulted many renowned theories. Globalisation and the opening of boarders have brought even more complexities to this challenge.

A case in point, where precious natural resources are being protected despite challenges, is the poaching of the rhinoceros (rhino) in Southern Africa. The animal is poached at an alarming rate, and is almost at the brink of extinction, with serious implications for the future of the species and the greater African eco-system. The situation has prompted academics and experts to rush for solutions to this global tragedy while waiting for South Africa’s people, businesses and leaders who find themselves at the heart of this dilemma, to prohibit the further growth of a dynamic market for a very valuable resource (the rhinoceros’ horn).

The proposed solutions to the protection of natural resources will be summarized in two approaches, namely supply and demand.
1.1.1 The Supply Spectrum

As reported in in the 2012 Traffic report, South Africa has the world’s most successful conservation record for rhinos. SA alone conserved 83% of Africa’s rhinos and nearly three-quarters of all wild rhinos worldwide, which constitute nearly 40% of all wild Black Rhinos alive today as well as 93.2% of Africa’s total White Rhino population (Emslie, 2011). South Africa has long promoted biodiversity conservation through the sustainable use of natural resources. This is supported by the country’s constitution principles, calling for: “a prosperous, environmentally-conscious nation, whose people are in harmonious coexistence with the natural environment, and which derives lasting benefits from the conservation and sustainable use of its rich biological diversity” (Milliken & Shaw, 2012, p. 8). South Africa’s rhino conservation record is now being threatened and is reliant on the market forces in Vietnam (the major consumer of rhino products).

The local South African mind-set for most of the stakeholders (government, local communities and business to name a few) is therefore supportive of the drive to conserve this resource. Yet the data available has shown an increase in illegal rhino poaching, trade and related deaths (Milliken & Shaw, 2012). Even though local stakeholders and institutions are sympathetic to the cause, no progress is being made; largely because the root of problem lies elsewhere. (Milliken & Shaw, 2012)

1.1.2 The Demand Spectrum

Vietnam’s population is 87 million. It has been projected to be one of the fastest growing emerging economies by 2025 and is expected to be within the world’s top 20 economies by 2050 (PricewaterhouseCoopers, 2011). It is shaped by many attributes of Chinese culture, including Chinese traditional medicine. Vietnam’s own vestige rhino population, the rarest of all existent subspecies, was only rediscovered as recently as 1988, but by 2011 it was recognised as extinct (Milliken & Shaw, 2012). One of the reasons for the extinction is because the rhino horns have been used as part of Chinese medicine. Vietnam is now considered to be the end-user and destination for the majority of the demand for the African rhino horn, which is considered an illegal trade.
Vietnam’s increased human population growth, intensive economic development and the absence of a strong conservation ethic combined with deep rooted cultural belief in traditional medicine propagates the illegal rhino horn trade. Most wildlife populations in Vietnam are greatly reduced and face a wide range of on-going threats that range from the destruction of habitats, rampant wildlife trade and consumption, pollution and other factors, that include the country’s rhino extinction (Nguyen, 2007). Many of Asia’s most iconic animal species are on the verge of extinction in Vietnam. The Asian Elephant, Indochina Tiger and Siamese Crocodile all represent highly endangered species that probably number fewer than 100 animals in the wild (Nguyen, 2007). Although Vietnam is one of the most important areas in the world for biodiversity, the 2004 Red Data list identified 1056 endangered species and the country’s Red List of Medicinal Plants comprised of 139 threatened medicinal plants species in 2006 (Nguyen, 2007). Overall, a large proportion of Vietnam’s biodiversity hangs in the balance and the country is on the cusp of unprecedented and irreplaceable species loss. (Milliken & Shaw, 2012). This blatant disregard of conservation and sustainable natural resource management for the benefit of cultural beliefs is being practised, to the detriment of the species. This is in sharp contrast to the South African approach to conserving the environment. Nonetheless, Vietnam’s insatiable need for medicinal products has led to the search of a new supply chain to meet their requirements, and has led them to the shores of Africa.

This emphasises the impact that globalisation has on common pool resource management. Simply stated, conflicting cultural beliefs that are continents apart are now being able to impact each other.

1.2 Relevance of the Problem

1.2.1 Role of globalisation

Many solutions regarding the poaching of the African rhino for the horns have been directed from the supply spectrum of the value chain and will be scrutinized in this study. Most of these solutions have focused on solving the social dilemma through local initiatives and approaches. However, this research seeks to prove that the root of the problem (the demand spectrum of the value chain) should be focused on solving social dilemma-specific problems, which would be much more effective. However, the
answer to the poaching problem has not been shifted to the demand across South Africa's borders namely; to Asia (Vietnam and China). The effect of the current approach appears to have less impact as the approach is not able to address the demand directly, which lies beyond local borders.

The rhino poaching case emphasises a unique and complex dimension in the study and theory of managing a CPR (common pool resource). Essentially, a local resource is suffering as a result of international demand, a dynamic brought on as a result of globalisation and open boarders to trade. This has prompted the question whether new queries needs to be made regarding older theories, given the new context.

1.3 Research Problem

“What limit can be put to this power, acting during long ages and rigidly scrutinising the whole constitution, structure, and habits of each creature, – favouring the good and rejecting the bad? I can see no limit to this power, in slowly and beautifully adapting each form to the most complex relations of life.” (Darwin, 1869, p. 465)

This study's aim is to contribute to the literature and research concerning Common Pool Resource (CPR) by answering the following question: How is a local resource dilemma solved when it is rooted and caused by international end-users' behaviour? More specifically, this research investigates the role that business could potentially play in solving this social dilemma through sponsorships as part of a Social marketing initiative, with proposed gains for both the cause and sponsor.

1.4 Aim and Objective of the Study

This study aims to extend the economic-social science theories developed in managing CPR or social dilemmas. The goal is to offer a potential “hybrid” demand approach with the core focus of reaching a solution from the demand spectrum in the form of changing human behaviour through the use of Social marketing partnerships (also referred to as sponsorships). This approach has the potential for providing the consumer a substitute product or alternative through the partnerships.
Social issues are often so complex that one agency cannot address them by itself. There is a requirement to partner with other organisations to be able to have access to resources like money, skills or channels. One means of partnering or accessing other resources is through sponsorships. The sponsorship literature covers roles, goals and elements of the partnership’s engagement process but stresses the need for more in depth research regarding the roles within Social marketing. Organisations are increasingly recognising the importance of sponsorship as a source of revenue and as a means to achieve their objectives, as has been proven in the mature understanding of sponsorship in traditional marketing. This trend in the market drives to the broader adoption of sponsorship, which has resulted in its use to pursue objectives other than those related to promotion, including those related to behaviour change and, thus, Social marketing (O'Reilly & Madill, 2007).

Thus this study’s approach is not to investigate the supply spectrum of the problem, where the debate centres on the legalised harvesting of wildlife through weighty regulation. Rather, this research aims to prove that the supply spectrum cannot be the main solution and focus but rather only a part of the solution in an attempt to decrease the overall “benefit” to the syndicate member/poacher/trader, by increasing the cost of the rhino horn. The study’s approach is to focus more on the benefit of investing time and money in decreasing the demand for the product. This can be done through the use of Social marketing initiatives by utilising sponsorships.

There are specific questions that are tested in this study. Firstly, whether both the company’s (the sponsor) traditional goals (sell products, make profits and tap new markets) can be attained through a Social marketing initiative of sponsorship. Secondly, will the change in the approach have increased benefits on the total Social marketing goal or even the supply of available sponsorship alternatives to the social initiative, given the resulted increases in the attractiveness of partnership with a cause? Thirdly the study also aims to challenge the definition by emphasising the importance of partnerships in the success of the Social marketing initiatives. Though not to limit the Social marketing approach to achieve only non-organisational goals but also to achieve the sponsor/partner’s company goals of selling more products and tapping new markets.
1.5 Limitations and Delimitations of the Study

The study might be limited to the insight into the Pharmaceutical industry’s insights and views on the topic (to be discussed in more detail in Chapter 4 and Chapter 5 when the sample characteristics are stated). Added is the sample companies’ potential in-accessibility and lack of market intelligence into the Asian market which might prove to be a limitation. This is important because of the research case (rhino poaching and horn consumption in Asian markets) where the focus will be on traditional medicinal markets; therefore the ability to provide insight into the intentions to enter/not to enter into this market might be limited to a local (South African) view. This traditional medicinal consumption’s culturally rooted behaviour of Rhino horn and the drivers of this behaviour might not be known to local experts.

1.6 Outline of the Study

1.6.1 Chapter 2: Literature Review

The literature review is dedicated to the evaluate literature regarding CPR and other concepts that were introduced in Chapter 1. The main objectives of this chapter is to provide context, arguments and perspectives from previous findings and research; thereby attempting to solve a social dilemma through the use of sponsorships in Social marketing initiative. The following framework was used to provide context, arguments and perspective from previous findings and research:

- Define and understand social dilemmas
- The tragedy of the commons
- What is literature’s answer to the management of CPR?
  - Institutions – Governing the commons
  - Game theoretic models – Anticipating the response
  - Supply Spectrum approach: Flooding the market
  - Demand Spectrum approach – The root of the problem
    - Social marketing
    - Sponsorship
    - The challenge: “Sponsorship scarcity and company goals”
- Conclusion - The Rhino Dilemma
1.6.2 Chapter 3: Research Propositions

This chapter aims to systematically investigate, challenge and explore the topic even further by posing the propositions by the researcher for analyses.

1.6.3 Chapter 4: Research Methodology

This chapter is dedicated to the research methodology used in order to research the propositions posed in Chapter 3 and is completed by describing the following points:

— Research design
— Target population (sample universe)
— Unit of analysis
— Sampling method
— Sample size
— Data collection & Analysis process
— Potential Research Limitations

1.6.4 Chapter 5: Results

This chapter provides the results of the research conducted in Chapter 4. Evidence is provided within the framework of the research propositions and a review of emergent themes is provided, as interpreted by the researcher.

1.6.5 Chapter 6: Discussion of Results

In this chapter the results are discussed in terms of the research propositions posed, and integrating the findings with literature reviewed. The goal of this chapter is to harness Chapters 1 through to 5 cohesively to promote depth and insight into the findings of the originally stated research objectives.

1.6.6 Chapter 7: Conclusion & Limitations

This chapter emphasises the main findings of the research, composing the results into a cohesive set of findings. It also includes recommendations to stakeholders, based directly on the findings; and provides recommendations for future research and managerial implications.
1.7 Conclusion

The concept of sustainably managing a natural resource can be applied to all other natural resources and is relevant to all common pool resources. “Empirically, the management of shared natural resources is one of the key challenges facing humanity and its development (e.g. Diamond, 2005; Smil, 2002; Stern, 2007; Volk, 2008)” (Bravo, 2010, p. 119). Given the fact that this natural resource is not just an African resource or a South African dilemma, but represents the majority of the world’s rhinoceros population as indicated above; “The situation currently facing South Africa remains a global challenge” (Milliken & Shaw, 2012, p. 106).
CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The current chapter analyses and reviews literature and theory that supports this study’s aim, namely “solving a social dilemma”. The approach of this study’s literature review is entrenched in the alternative solutions provided by social scientists, economists, experts and academics with the aim to avoid or solve the “tragedy of commons”. The solutions will be reviewed from two mainstream approaches namely, the supply spectrum and the demand spectrum solutions with the study’s argument being that the solutions reside on the demand spectrum’s side; thereby advocating the use of sponsorships as a tool in a Social marketing initiative.

The following diagram depicts the high level topic journey of Chapter 2 literature review:

Figure 1 High Level Literature Review Flow

2.2 Social Dilemma

Social dilemmas are defined by two simple properties: (a) each individual receives a higher settlement for a socially defecting choice that benefits the individual (like having additional children, using all the energy available, polluting his or her neighbours) than for a socially cooperative choice that benefits the group, no matter what the other
individuals in society do, but (b) all individuals are more contented if all co-operate than if all defect (Dawes, 1980).

“A common-pool resource, such as a lake or ocean, an irrigation system, a fishing ground, a forest, or the atmosphere, is a natural or man-made resource from which it is difficult to exclude or limit users once the resource is provided, and one person’s consumption of resource units makes those units unavailable to others” (Ostrom, 1999, p. 497)

Attempting to avoid or solve a social dilemma has given rise to some of the most popular and award winning theories by academics, especially in the space of economics and social sciences. Literature has a rich collection of studies undertaken dating back to 1968 with the aim of attempting to avoid the demise or overuse of a common-pool resource.

The current rhino dilemma can therefore be stamped as a social dilemma as it is a common pool resource that, through the overuse by some, is resulting in the exclusion for the other into the future. This study attempts to contribute to solving this dilemma by potentially offering a viable route to market through the use of demand side approaches.

2.3 The Tragedy of the Commons

“The Tragedy of the Commons,” is a very popular theory in the field of Social Science. It was developed by one of the pioneers in the field of evolutionary biology, Garret Hardin (1968) and explains the scenario of the management of a communal pasturage by a group of herdsmen that turns into ecological disaster when each individual, upon realising that adding extra cattle benefits him personally, increases his herd, thereby unintentionally causing the destruction of the commons (Hardin, 1968).

The tragedy of the commons has become central to the understanding of many local and global ecological problems (Van Vugt, 2009). This theory is commonly used to explain the management of a common pool resource like water, fisheries, and the rhinoceros—as an example in this case.

Hardin argued that the situation is a tragedy because a rational man is:
“Locked into a system that compels him to increase his herd without limit – in a world that is limited. Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons.” (Hardin, 1968, p. 1244)

A common pool resource, of which rhinos can be considered, is presented with an additional dilemma when the harvesters of the resource are not members of the community from which the resource is resident. That is the challenge that faces the rhino dilemma in SA; the usage source which lies outside the boundaries of control namely, Vietnam and China.

2.4 Conventional Approaches for the Management of CPR

There are many potential solutions proposed by academics and researchers to solve or avoid the “tragedy of the commons” dilemma, and the following core solution approaches as reviewed in the literature are discussed and have been emphasised for the purposes of this study:

- Institutions
- Game theoretic models
- Supply spectrum theories
- Demand spectrum theories

2.4.1 Institutions – “Governing the Commons”

It has been argued that nature favours individuals who exploit common resources at the expense of the more restrained users (Van Vugt, 2009). Hardin also noted the role of institutions in governing the resource in question and argued that by adding the voluntary contributions to create institutions for managing the “commons” often fall short because of (the fear of) free-riders. This point was later further researched and debated by Nobel prize winner Elinor Ostrom. To save the commons, Hardin therefore recommended “mutual coercion, mutually agreed upon by the majority of the people affected” (Hardin, 1968, p. 251).

Hardin’s view on the solution to this is to appoint a leader or authority to regulate the resource as the user is driven by selfish price and value optimisation. In research
completed by Mark Van Vugt (2009) concerning the necessary components for designing successful interventions to protect the environment, one of the four components defined was “institutions”. This was also argued to be Ostrom’s large contribution to Social Science. Van Vugt brings out an important point (especially in an emerging economy where corruption adds a new element to the situation) in the article *Averting the Tragedy of the Commons: Using Social Psychological Science to Protect the Environment*, namely where the role of “who guards the guards” and trust in the dynamics of an institution in governing common resources is discussed. The article also stresses the need to understand role of institutions in the management of conservation projects better and the influence decisions like sanctions as an example have on people’s trust in the institution (Van Vugt, 2009).

The assumption and perspective from Hardin, namely to have a selfish nature of individuals that are driven exclusively by narrow (economic) self-interest has been challenged by academics such as Elinor Ostrom who proved through research done that community-resource-management projects around the world, such as the maintenance of common agricultural land, irrigation systems, and lake and shore can be successful (Ostrom, 1990). She argued that renewable resources are generally overharvested. In the field and in laboratory experiments when there are no rules limiting who can harvest or how much (an open access situation), Ostrom pointed to a possible solution where the users can select their own institutional rules for governing the use of a shared resource (Ostrom, Janssen, Goldstone, & Menczer, 2008). Ostrom supported Hardin’s findings by stating that “Open access is CPRs basic social dilemma in which individuals have an incentive to harvest the resource at such a rate that, if everyone harvested at this rate, a collectively disadvantageous outcome would result.” (Ostrom, Janssen, Goldstone, & Menczer, 2008, p. 289). One of her goals was to attempt understanding the cooperation between the resource users, and signified the importance of communication and trust between the players as a factor of success in providing credibility for the institution. Her work argued that this dilemma (CPR overuse) can sustainably be managed by building endogenous institutions that create a protocol that allows for communication and mutual sanctioning to avoid overuse and motivate sustainability of the resource.
2.4.1.1 Are institutions the solution?

The assumption here is that the main source of the dilemma, which is the demand for this CPR, is that the resource lies within the authority’s jurisdiction. If the source of the overharvesting is outside of local authority’s ambit of local initiatives, although important and effective to some degree, it is not the sole solution to consider. The current study argues that this is a result of the “Vanishing Borders” which is a result of globalisation. The world is in a state of remarkable expansion in world trade, of which transnational crime is part of this expansion. The global biosphere has been deteriorating at an increasingly alarming rate and the adverse impacts of globalisation on the environment outweigh its beneficial impacts (French, 2000). Social dilemmas, as well as the management and solving of these dilemmas, such as the rhino poaching challenge have therefore become much more complex. This prompts the urgency of asking the difficult questions of the “old” theories and approaches to solving social dilemmas.

A solution to international dilemmas would be solved by Ostrom’s theory by international collaborative institutions. It would not appear a feasible solution due to the poor track record of the national parties (Milliken & Shaw, 2012). This is especially relevant to developing countries of which the major players in the current dilemma are Vietnam, China and South Africa. However, there are several reasons to believe that conservation may be adversely affected by corruption that is prevalent in developing countries (Transparency International, 2013). Attempting to avert the current biodiversity crisis would rely heavily on financial resources (Balmford & Whitten, 2003), law enforcement (Leader-William, Albon, & Berry, 1990), and political support (Myers, 1998), and these efforts are hampered whenever such resources are lacking (Smith, & Walpole, 2005). Added to this, corruption is most prevalent in developing countries with low government salaries, weak regulatory institutions, high political patronage and almost non-existent accountability (Kaufmann, 1997; Laurance, 2004). Yet such countries are often those with the greatest remaining natural resources as proven in the case of the rhino poaching. This suggests that many biodiversity elements may be at risk due to poor governance (Smith, Muir, Walpole, Balmford, & Leader-Williams, 2003).
An additional obstacle for institutions that are responsible for solving this social dilemma of the developing country’s levels of corruption and mismanagement of local resources would be the compound effect of trust (Chipp, 2007). Trust is a crucial variable to the function of an institution and with the high levels of corruption come lower levels of trust. Trust is a core element in any social relationship (Fiske, 2004). Confidence in the benevolence of other individuals and institutions lies at the heart of any collective effort to protect the environment. Commons users generally trust others to exercise voluntary restraint, but if institutional changes are necessary (for example, during a resource crisis) they want leaders and authorities that can be trusted to oversee the common good. To gain trust, authorities must employ fair decision-making rules and procedures (Van Vugt, 2009). Social dilemmas, in Rothstein’s view, serve as reminders that groups do not always have the norms that would be most functional for their needs and interests. Often this is the result of a lack of social capital—individuals do not trust their institutions or each other and so fail to co-operate with either. Not all can be blamed on social systems, however, as individuals are not merely cultural ‘dupes’, subject to the relentless working of their culture and society (Rothstein, 2000, p. 489).

2.4.2 Game Theoretic Models – Anticipating the Response

Other means to resolve conservation crises are game theoretic models, particularly the model of the “conservation game” (Colyvan, Justus, & Regan, 2011). The value of game theory applied to environmental decision lies in the fact that it provides a “framework for analysing environmental decisions, one that adopts a dynamical approach to decisions and naturally lends itself to an appreciation of the on-going and far-reaching consequences of major environmental decisions” (Colyvan, Justus, & Regan, 2011, p. 1252).

“Decisions involving groups with competing interests—community delegates, conservation agencies, governments, industries, etc.[sic] — are modelled as decisions of a single agent attempting to maximize satisfaction of different objectives representing those interests: preserving indigenous land-use, protecting biodiversity, ensuring recreational access to natural areas, minimizing economic cost, etc. [sic]. Such formal models presuppose intra- and inter-group consensus exists about relevant
probabilities and utilities, which would ensure the optimal single-agent decision accurately reflects the best group outcome.” (Colyvan, Justus, & Regan, 2011, p. 1246)

Game theory, therefore, like the commons dilemmas of Hardin (1968), Ostrom (1990) and van Vught (2009) require consensus which could be reliant on community homogeneity and trust, as explained by Hardin’s notion of users being “selfish optimizer(s)”.

The game theory approach to conservation management provides an additional lens of the user’s goal. The core assumption of theory is that the goal is to gain maximum economic value and therefore indirectly notes the impacting elements of corruption, punishment/incentive and enforcement costs, for example, could have on the end price/value (cost-benefit analysis). This would therefore also have a direct effect on demand/supply and could lead to non-cooperation as a result of end value enhancement for that user, the “free rider” (Colyvan, Justus, & Regan, 2011).

Such institutionally based models have the assumption that both parties and authorities acknowledge their role/part in the demise of this resource. In terms of rhino poaching, the Vietnamese government must accept their role and take steps to question and regulate the support of traditional medicines with at least 48 hospitals and institutes, over 240 departments in central and provincial hospitals, and more than 9000 health centres reportedly licensed to practise traditional medicine (Milliken & Shaw, 2012, p. 14).

2.4.3 Supply Spectrum Approach: Flooding the Market

Managing the commons has analysed the supply spectrum’s approaches. Legalising the harvesting and trade of rhino horn and flooding the market with stockpiled products are some of the attempts of this approach in reducing price/benefit by increasing supply (Damania & Bulte, 2007). The proposed solution is a highly controversial application of economics’ supply and demand theory, in this case the supply theory has been extensively researched and scrutinised by Erwin Bulte and Richard Damania, amongst others. The core assumption made in the application of the supply approach was that the trade is characterised by perfect competition and that assumptions around the strength of institutions create the presence of institutional
voids (Damania & Bulte, 2007) and the lack of management of corruption (Colyvan, Justus, & Regan, 2011) leaves the model imperfectly dealing with the core of the problem.

A dilemma such as wildlife conservation faces illegal trade in wild animal products which is controlled by groups of criminal networks specialised in trafficking illegal commodities across borders, such as in the case of rhino horn (Damania & Bulte, 2007). These traders have a substantial grip on the market for wildlife commodities and earn high profits by exercising control over supplies and prices reference. Thus, the illegal trade in endangered species is characterised by imperfect competition (Bulte & Damania, 2005). The 2012 Traffic Report namely; “The South Africa – Vietnam Rhino Horn Trade Nexus: A deadly combination of institutional lapses, corrupt wildlife industry professionals and Asian crime syndicates”, underscores the lack of control institutions have over the trade itself (Milliken & Shaw, 2012).

In conclusion, academics and literature sound caution to the validity of “flooding the market” (by using stockpiles or substitutes) approaches which could be counter-productive as supply side solutions only fuel demand. As can be seen in Figure 1, (a) represents the demand and supply of wildlife commodities. Extra supply from stockpiles lowers the price of the wildlife good from $s$ (price level that balances demand and supply) to $S$ (new, lower market price). This “affordability” of a once expensive product could spur on an increased demand that could potentially not be met with supply.
The researcher argues that as long as there is demand and the price is viable given the cost, the syndicate member/poacher will find a way to obtain supply. Currently, supply spectrum initiates are in place in South Africa and although these have had significant success in conservation in the past (Milliken & Shaw, 2012), they are unlikely to address the problem as the demand is unlimited.

2.4.4 Substitutes in the market

Regarding the study’s propositions there are two possible ways to generate additional supplies and lower wildlife prices (Bulte & Damania, 2005):

1 Prices can be pressured by developing substitutes for commodities obtained from the wild.
2 As a temporary solution, prices may be lowered by sales from stockpiles as presented above (See Figure 2 Demand and Supply Model for Wild Stock).

Research undertaken by Von Hippel and Von Hippel (2002) compared the legal trade in three wild animal products:

- Velvet from reindeer antlers
- Harp seal
- Hooded seal penises

These were products prescribed as aphrodisiacs in traditional medicine market. The time that Viagra went on sale during 1988 and 2000, trade in all three commodities
declined by 70%. The result therefore suggested that because of the availability of a less expensive and scientifically endorsed substitute the demand for the wild animal product has almost totally been eliminated. There are two significant elements to this topic, namely:

- Cultural beliefs and traditional medicines; the same origin as the rhino horn case.
- Scientifically endorsed substitute; this is where the pharmaceutical company as the sponsor comes to play.

Another possible route is to influence (change) the demand for wildlife commodities, through publicity campaigns that speak to the demand side approach of changing the behaviour. “It is often argued that burning stockpiled ivory by former Kenyan president Daniel arap Moi in 1989 had a profound effect on demand for ivory” (Bulte & Damania, 2005, p. 462).

### 2.4.5 Demand Side Spectrum – The Root of the Problem

In contrast to economics and psychology, social marketers have come to the conclusion that the fundamental objective of Social marketing is not promoting ideas (Kotler & Zaltman, 1971) but rather influencing behaviour (Andreason, 1994). Social marketing has been successfully used in health promotion, injury prevention, community mobilisation and environmental protection during the years (Lee & Kotler, 2008). The researcher argues that conservation efforts should be geared toward reducing the benefits of harvesting or increasing cost as a result, namely altering user preference or changing human behaviour: “Raising consumer awareness and altering human preferences, however, are difficult and time-consuming and often have only limited impact” (Bulte & Damania, 2005, p. 1223) but the argued course of action, as propounded by the researcher, is behavioural change and is the ultimate goal and to ensure successful protection of the resource, not merely attitudinal change and superficial awareness.

#### 2.4.5.1 Who is the “culprit”?

Value systems are entrenched in human behaviour, and are difficult to change. In fact, the most obsessive usage of rhino horn today is completely unrelated to illness (Milliken & Shaw, 2012), but the practise of using the product is rife.
Several disciplines have offered models of the human decision-making process.

“However, humans are not Homo economicus (Persky 995), i.e. purely rational beings weighing up the costs and benefits of each and every decision in an economic framework. Social-psychological characteristics of the decision maker (e.g. their personal attitudes), and the pressure that they perceive to behave in a certain way (subjective norms also influence decision making, particularly when considering broader decisions such as livelihoods and land use (Willock et al., 1999; Rounsevell et al., 2003). Such considerations are the realm of social psychologists (St John, Edwards-Jones, & Jones, 2011)

Collectively, this group (rhino horn “consumers”) personifies the cultural concept of “face consumption”, whereby extravagant usage of something rare and expensive becomes a means to flaunt wealth, status and success amongst friends and associates (Veblen, 1973). This behaviour is described by Thorstein Veblen, who argued that people seek status through conspicuous consumption (Veblen, 1973). This sort of consumption derives its value, not from the intrinsic worth of what is consumed but from the fact that it permits people to attempt to set themselves apart from others by their consumption (Veblen, 1973).

These consumers probably account for the greatest volume of rhino horn used in Vietnam today and procurement usually transpires through informal channels, including internet distributors and social networks, often with links to government officials. Popular websites drive this usage with an endless stream of slick inviting slogans: “to improve concentration and cure hangovers”, “rhino horn with wine is the alcoholic drink of millionaires”, and rhino horn is “like a luxury car” (Milliken & Shaw, 2012, p. 15). This consumer group generally uses rhino horn in the absence of a doctor’s advice, and secondary industries supply paraphernalia for self-medication as example (Milliken & Shaw, 2012).

Another consumer group represents a recent trend amongst middle to upper income young mothers. They keep rhino horn close for home preparation to treat high fever, that especially occurs in children. This usage also represents self-medication, but it transpires within the general framework of traditional medicine and may include some degree of consultation with medical practitioners (Milliken & Shaw, 2012). The social
nature in this trade indicates the relevance of this study's argument, which is to approach this demand through the use of Social marketing initiatives.

2.4.5.2 Growing conspicuous consumption in emerging markets fuelled by the new money (or nouveau riche) of the emerging middle class:

Asian countries like the giant China; has a middle class much smaller in size when compared to the lower income working class, and smaller in wealth when compared to the upper class. Even so, China is ranked as one of the world's largest economies. Its middle class earns much less than those of other top global economies like the USA (Worldbank, 2012). Nonetheless, the middle class Chinese consume relatively “expensive” luxury goods in increasing numbers (KPMG, 2012). The Asian middle class uprising are typically characterised by an “appetite” for expensive products; this is directly related to the increase in the use of the expensive products such as the rhino horn product.

“Confucianism is not merely treated as an old political ideology or a social economic system, but primarily as a religious or philanthropic tradition, open both to the modern world and the future” (Yao, 2000, p. 3)

Face is a concept rooted in traditional Confucian values that is a reflection to one's reputation; losing face denotes damaging one’s reputation (Lu, 2008). This can be “obtained through personal qualities or derived from non-personal characteristics such as wealth, social connections, and authority through personal efforts,” or lost “when conduct or performance falls below the minimum acceptable standard, or when some essential requirements corresponding to one’s social position are not satisfactorily met” (Yau & Oliver, 1994, p. 74). Face is therefore given by others, but can also be lost when one does not meet others’ expectations of behaviour or expectations. The concept of Face is embedded in interpersonal relations or guanxi. Maintaining guanxi through building personal and professional connections is an important social value (Lu, 2008). A major aspect of managing interpersonal relations is doing favours or giving gifts, a “‘social investment’ for which handsome returns are expected” (Yau & Oliver, 1994, p. 73). Collectivism is associated with low self-efficacy and high group efficacy (Chiou, 2001). Social harmony ties into collectivism, another Confucian value that plays into Face, guanxi, and gifting. Face can be collectivist in nature because one can gain or lose Face on behalf of others. Regarding the point of luxury
consumption, gifting of high-end or luxury goods can help maintain guanxi and maintain Face. The Asian cultural dynamic is also prevalent in the status gift giving of rhino horn products and therefore relevant to understand (Milliken & Shaw, 2012).

2.4.5.3 Why the consumption?

Belief in rhino horn’s detoxification properties, especially following excessive intake of alcohol, rich food and “the good life”, has given rise to an affluent group of habitual users, who routinely mix rhino horn powder with water or alcohol as a general health and hangover-curing tonic (Milliken & Shaw, 2012). There is a strong, socially-bonding element to such consumption which typically unfolds at group functions, including so-called “rhino wine associations” in which other Asian expatriate business elites participate (Milliken & Shaw, 2012). The use of rhino horn as an aphrodisiac in Asian traditional medicine has long been debunked as a denigrating, unjust characterisation of the trade by Western media, but such usage is now, rather incredibly, being documented in Vietnam as the media myth turns full circle. (Milliken & Shaw, 2012)

2.4.6 Social marketing

Wiener and Doescher (1991) identified and expanded social dilemma theory as a potential source for successful Social marketing strategies. Previously, social dilemma theory rested largely within the domains of psychology and economics. In the ensuing decade, this initially small group of researchers went on to establish the validity of this theory and the marketing strategies they derived from its premises. Social marketers have successfully applied this theory to public goods and resources such as pro-environmental behaviour (Kim & Choi, 2005)

This study emphasises the fact that the current dilemma’s demands are engrained in social behaviours, and therefore argues that behaviour change should be the goal by using Social marketing. The origin of the term Social marketing was developed by one of the fathers of marketing, Philip Kotler:

“Social marketing is the application of the principles and tools of marketing to achieve socially desirable goals, that is, benefits for society as a whole rather than for profit or other organizational goals . . . and includes the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product
Chipp, (2007) noted that Kotler’s broadening of marketing was met with substantial derision by marketing scholars who felt that marketing was to be strictly applied to markets and profit enterprises. Not surprisingly then, initially social marketers adhered to the application of established marketing concepts to social issues, notwithstanding the fact that marketing itself constantly borrowed theory from other disciplines. Social marketing arose out of a belief that marketing theory and practice could as equally be applied to non-commercial activities as it could be used for for-profit commercial gain (Chipp, 2007). Andreason (2003) argued that the unique challenges presented by Social marketing (in relation to marketing), should motivate bolder ways in which social marketing lessons can be transferred back to the private sector. “We should not think of ourselves as the little brother or sister but, rather, a special offspring that has much to teach the ‘parent’.” (Andreason, 2003, p. 299)

2.4.6.1 “Changing the behaviour”

The core feature of the Social marketing definition is to change behaviour (Andreason, 2003; Niblett, 2005). Peattie and Peattie (2009) noted potential benefits of Social marketing namely; customer orientation, emphasis on behaviour change, flexibility, partnership opportunities and opportunities to demark unsustainable behaviour. The latter two are of relevance to this study, namely partnerships and change of unsustainable behaviour. This supports this study’s approach to analyse the potential mutual benefits (perceived and potential) that both company and cause can gain from this relationship by changing the illegal or unsustainable behaviour.

As coined in the definition by Kotler and Zaltman, Social marketing is the application of the principles and tools of marketing. It is therefore crucial to the success of achieving Social marketing goals to understand the tools at the disposal of the marketer to achieve Social marketing success.

To change unsustainable behaviour as part of the Social marketing initiative, the primary focus is on the consumer. The social marketer should aim to understand what people want and need rather than trying to persuade them to buy what is produced. The elements available to understand the consumer is coined the “marketing mix.” This refers to decisions about 1) the conception of a Product, 2) Price, 3) distribution
(Place), and 4) Promotion. These are often called the "Four Ps" of marketing. Social marketing also adds a few more "P's", namely: Publics, Policy, Purse strings and Partnership (also referred to as sponsorship) (Weinreich, 2006).

2.4.7 Sponsorship

2.4.7.1 Sponsorship a tool for achieving Social marketing goals

Limited research has been done on sponsorships in Social marketing with the exception of some available literature (e.g. Giles - Corti et al., 2001; Holman et al., 1996; Jalleh et al., 2002; O’Reilly and Madill, 2007) and the topic remains significantly under researched (Lefebvre, 2006). Therefore terminology, terms and concepts relevant to this area of research are important to understand.

Social marketing has made use of many marketing tools to solve social ills. Nevertheless there are fields of which whose social applications to resource pool dilemmas have not been fully exploited; one of these areas is sponsorship. Madill and O’Reilly (2010) are some of the leading researchers on the topic of sponsorships in Social marketing according to the literature reviewed and they defined the major role players in the partnership to be the sponsor and sponsee:

Sponsors

These are the organisations that provide cash and/or in-kind products/services to a sponsee in return for opportunities to create links with that sponsee in the minds of consumers and potential consumers (Madill & O’Reilly, 2010).

Sponsees

This is an organisation, team, programme, or event that requires and receives resources in order to accomplish its objectives (Madill & O’Reilly, 2010).

Sponsorship

Sponsorship is “corporation (or other investor) [that] creates a link with an outside issue or event, hoping to influence the audience by the connection” (Rifon, Choi, Trimble, & Li, 2004). There are many definitions of sponsorship also referred to as partnership in Social marketing. But the one most relevant to the current CPR study is the following definition of “partnership” by (Niblett, 2005, p. 13): “A partnership is a
voluntary collaboration between two or more private sector, non-profit (or government) institutions that has 1) a written agreement; 2) goal of mutually benefit; 3) resource transfers; and 4) substantive purpose.”

The study emphasises the two constant elements, namely: (a) the mutually beneficial exchange of sponsor resources (cash or in-kind product/services) in return for promotional value, and (b) the sponsor's association with the sponsee (Ali et al., 2006; Crompton, 2004) and would also argue that the definition’s important element to focus on for the sake of this study would be, "a goal of mutual benefit". This study would then base the study’s propositions on this element.

2.4.7.2  How do partnerships work

In concluding their literature review done on sponsorships in Social marketing, Madill and O’Reilly (2010) summarised that the sponsor could benefit by associating itself with the Social marketing cause, and the sponsee may benefit in two main ways: (a) using the resources to pursue Social marketing objectives, and (b) by gaining credibility through association/linkage with the sponsor/partner. Furthermore, the authors argued that either or both the sponsee and/or sponsor in a Social marketing partnership would seek Social marketing objectives as well as additional objectives outside of the Social marketing initiative through this partnership (Madill & O’Reilly, 2010). The literature therefore stresses a potential mutual gain from both partners in this partnership.

The sponsorship initiative could offer sponsees the opportunity to generate revenue and the opportunity to be associated with the sponsor (Cornwell, Roy, & Steinard II, 2001). Sponsorship provides both parties (sponsors and sponsees) with various leveraging opportunities (Ludwig & Karabetsos, 1999) like exclusivity and the benefits of image transfer (Walliser, 2003) where both the sponsor and the sponsee bring their own specific image values, which in turn can be transferred--in the minds of consumers--through the resulting associations (Meenaghan & Shipley, 1999)

2.4.7.3  Why are partnerships relevant

As indicated in Figure 2, global sponsorship spending in 2013 is expected to reach $53.3 billion. This overall estimate perhaps masks the scale of sponsorship activity by individual companies and indeed the importance of sponsorship to individual rights
holders. According to International Events Group (IEG), the Top 10 US sponsors in 2011 spent between $135 million and $345 million, with the top sponsor, Pepsi Co, estimated to have spent between $340 million and $345 million (IEG, 2012).

Madill & O'Reilly (2010) noted that Social marketing sponsorships have grown in importance in other countries around the world and include such examples as Beyer Health Care and its Aleve Brand's sponsorship of the Arthritis Foundation in the United States as well as numerous Australian examples (Holman et al., 1996; Jalleh et al., 2002; Lee et al., 2005; Lefebvre, 2006).
Some subject matter experts like Gregory Niblett argued that partnerships are significant in almost every Social marketing project; these experts also argued that they are even more important to social marketers than to commercial marketers. The social marketers tend to lack the resources and infrastructure that commercial marketers have in selling a product, namely: a sales force, established channels of distribution, pricing history, a history of promotional results, research and development, and manufacturing capacity to name just a few of the most important elements (Niblett, 2005).

2.4.7.4 Current use of sponsorship in marketing

Traditionally, sponsorship is used most extensively in the sport sector. However, as sports sponsorship opportunities saturate, other properties such as causes, entertainment and the arts are receiving more attention from sponsors (Madill & O'Reilly, 2010).

Madill and O'Reilly (2010) noted the relative immature nature of theoretical and academic research done on sponsorship in Social marketing. Their paper attempted to illuminate the literature and theory on this topic and as a result recommended further research to be done on this topic (Sponsorships in Social marketing), given its lack of empirical research.
2.4.8 The Challenge: “Sponsorship Scarcity and Company Goals”

Research on sponsorship has shown that the sponsorship’s context has changed significantly as a result of some of the following: changing patterns of expenditure (focus moving away from only sport to elements like social dilemmas), increasingly regulated environment, the scale of investment, the demand for greater accountability, the change in goals from the sponsor (ROI) and strategic importance of the sponsorship decision (Meenaghan, 2013).

Added to this changing context, Madill and O’Reilly (2010) argued that in the current competitive marketplace, sponsees compete for limited sponsorship opportunities from a variety of sources in an environment where the demand from sponsees for sponsorship resources is significantly greater than the supply of interested sponsors (O’Reilly & Madill, 2007). Sponsorship research and theory suggests that sponsorships are most typically formed when sponsees approach sponsors in order to attract the resources that they require to implement programs and events, while in larger commercial sponsorships, agent intermediaries play a significant role in brokering sponsorships by bringing the sponsees together with sponsors (O’Reilly & Madill, 2007). This stresses the scarcity of available resources/potential sponsors to sponsees.

The shortage of sponsors is a question not adequately addressed because there is either a lack of companies with Social accountability or the company’s drive to satisfy the shareholder’s goal’s (make profits) outweighs the social responsibility. Attention to the business case for CSR is expounded by Carroll and Shabana (2010) and they note the gain of noticeable consideration for this matter. They also point to the observation made by Lee (2008) in a trend in the evolution of CSR theories that reveal “a tighter coupling between CSR and the organizations financial goals”. This literature points to the fact that the focus of CSR theories has shifted away from a purely ethics focus to a performance orientation, meaning that outcomes must achieve organisational goals.

Many studies on commercial sponsorships investigate and report on the objectives that various stakeholders bring to sponsorships (Crompton, 2004). Literature about sponsorship revealed more than 50 distinct sponsor objectives, ranging widely from the relatively simple to the very complex, such as building brand equity in a specific target market (Gladden & Funk, 2002) or achieving a target ROI (Crompton, 2004).
This is reflected in both the sponsees and agent/intermediaries that are involved in any given sponsorship where they have their own objectives which they seek to achieve through the sponsorship.

Therefore, it remains to be realized whether the potential of a proposed organisational goal benefit (new markets, sell of products and profits) increases the company’s willingness to enter such a sponsor initiative/partnership. This partnership could now yield a potential measurable ROI other than brand awareness, brand engagement, loyalty and social accountability, especially given the fact that the measurement of social project success and ROI is a challenging and immature area in terms of available standard models and frameworks.

2.4.9 Conclusion - The Rhino Dilemma

This literature reveals that the link to the use of rhino horn (the demand) is cultural, traditional or social behaviour and beliefs states the relevance in addressing this behaviour change approach with Social marketing as a tool.

The illegal “unregulated” use or killing of the rhino by the Asian syndicates for the satisfaction of international demand and consumption excludes the benefit from the South African/local party from the use or future use (for example tourism) of this resource. This can be mirrored in the current dilemma facing the rhino: Poachers do not have property rights to the resource. Although they may recognise that excessive harvesting today curtails the scope for hunting tomorrow, they also are cognisant of the fact that any wildlife left unharnessed today (an investment decision) will not be available to them for future use but instead will be taken by another poacher (Bulte & Damania, 2005).

Current proposed solutions are fraught with their own problems. The supply spectrum approach to conservation, for example, advocates the provision of cheaper substitutes for wildlife commodities in an effort to lower the price of those same commodities and reduce harvesting pressure. Literature has also shown that this type of ambiguity may be eliminated when policy makers restrict quantities of farmed output through a quota system; in that case, introducing wildlife farming will unambiguously promote conservation. In the absence of such accompanying regulation, however, policy
makers should be careful when stimulating wildlife farming and be aware of potentially adverse consequences (Bulte & Damania, 2005).

Literature also distinguished a concern that the traditional “protectionist” approach to conservation is expensive and insufficient to deliver the desired environmental outcomes (Damania & Bulte, 2007). Supply spectrum policies to conserve endangered species have garnered support. By generating supplies from captive-bred animals, wildlife commodity prices are expected to fall, thereby lowering the incentive to poach species in the wild. Supply side policies, however, often neglect the institutional framework within which the wildlife trade takes place, and ignore the potential strategic responses of economic agents, a framework that cannot be ignored given the added obstacles to the institution theory for a developing country, namely corruption and trust. Furthermore, data and research has shown that the increase of supply could lead to an increase in demand as a result of decreased price which is unsustainable for the supply to satisfy, especially given the growing middle class consumption of expensive goods in Asia (Worldbank, 2012).

Given the supply spectrum solution’s inability to solely solve to social dilemma faced, as is the case for the rhino, the study promotes the solution from a demand spectrum, namely “changing the behaviour” through the use of sponsorship in a Social marketing initiative.

One of questions asked in this study is whether both the company’s (the partner/sponsor) traditional (sell products, make profits and tap new markets) goals can also be attained through a Social marketing partnership. Would the change in approach have increasing benefits regarding:

- The total Social marketing goal?
- The supply/market for available sponsorships to social initiatives, thereby making partnerships for social causes more attractive?

This study aims to challenge Kotler’s (1971) original definition and the revised one from Andreason (2003) of Social marketing to include the importance of partnerships in the success of the Social marketing initiatives. The research study also aims not to limit the Social marketing approach to achieve only non-organisational goals but also the sponsor/partner’s company goals of selling more products and tapping into new markets.
CHAPTER 3: RESEARCH PROPOSITIONS

3.1 Introduction

Propositions are the statements concerned with relationships among concepts and concepts, in turn, being the basic units of theory. Therefore, a proposition aims to explain a link among concepts. This chapter provides propositions that the research investigates. These propositions have been developed based on the literature and previous research covered in the previous chapter (Zikmund, 2003).

In attempting to answer the question posed in the beginning of this proposal: “How is a local resource dilemma that is entrenched and caused by and international end-user’s consumption behaviour solved?” The researcher proposed to answer that there is no single solution; neither the supply spectrum approach nor the demand spectrum in its singular form could address this complex dilemma but an “optimised” hybrid of strategies might possibly provide the answer.

The study does however attempt to recommend the focusing of the approach to be on the demand spectrum by attempting to solve this social dilemma. The study emphasises the major role partnerships in Social marketing initiatives can play with the goal of attempting to change international behaviour (decreasing the demand for the CPR product). This study questions the possibility of this change in behaviour, through the provision of the ability of the sponsor to meet organisational goals through the offer of a substitute private good as part of this social cause partnership.

3.2 Proposition 1

The potential of the sponsor to meet company goals (sell products, tap new markets and make profits) as part of the Social marketing partnership’s end benefits will increase the appetite/attractiveness for a sponsor to enter a partnership of social cause.

Following O’Reilly and Madill (2007), the authors reasoned that objectives for Social marketing sponsorships are likely to be different from objectives for commercial sponsorships in that they will necessarily include Social marketing objectives. The
authors also propose that Social marketing objectives may not be the only objectives in a Social marketing sponsorship; rather, they will be utilised in combination with the more traditional objectives found in commercial sponsorships--such as building awareness, branding, promotion and reaching new target markets, among others.

3.3 Proposition 2

Sponsor and sponsee’s goals and expected benefits out of the partnership should be aligned. The cause or NGO drives the “soft” reasons and the sponsor searches for the business case, like ROI. The Sponsee should align the partnership to that of a business case.

Although these “super-valuable” sponsees are in the enviable business situation of having interested sponsors bidding for their property rights, the majority of sponsees who seek resources struggle to attract, satisfy, and maintain sponsors (Hoek & Gendall, 2002).

3.4 Proposition 3

Partnerships with Social marketing campaigns must be pro-actively considered as part of the company’s marketing strategy (seen as part of the promotional mix available to the decision maker’s toolset) other than an ad hoc Social investment “invest if we have budget” approach.

The growing acceptance of sponsorship as part of the promotional mix (Mullin, Hardy, and Sutton 2000), is one of the factors pointed out by (O’Reilly & Madill, 2007).

3.5 Proposition 4

The entry into the traditional medicinal market through the offer of the sponsor’s scientifically endorsed product (for example, natural medicine) as a substitute is a viable option for consideration by the sponsor company.

The goal of this proposition is not to reduce the price of the rhino horn product but rather to focus more intently on the demand spectrum to attempt to change the
behaviour consumers who use the illegal rhino horn product and coax them into changing to a scientifically endorsed legal trade product (Bulte & Damania, 2005).
CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

“Not everything that counts can be counted, and not everything that can be counted counts.”

- Albert Einstein, Sign hanging in Einstein's office at Princeton.

The purpose of this chapter is to discuss and articulate the research methodology that was followed in gathering and analysing the data set obtained.

The nature of this study supports the selected approach, “exploratory research is about discovering general information about a topic that is not understood clearly by the researcher” (Saunders & Lewis, 2012, p. 110). In spite of increasing professional interest and involvement, the existent literature concerning Social marketing sponsorships remains “scant” (Madill & O'Reilly, 2010, p. 133). The fact that this area of research is relatively immature in content, as professed academics, also supports the need for the chosen approach which is exploratory in nature. As noted in the literature review this topic/field, namely sponsorship in Social marketing or more specifically, solving a social dilemma through the use of this approach, to date was limited to empirical research done by academics and a body of knowledge is not yet well-established and therefore supports the need for an a exploratory approach (Madill & O'Reilly, 2010).

This study aimed to answer the propositions or questions posed organically; by not directing the question to the propositions but by asking general questions to experts in a qualitative fashion.

The goal was to surface naturally the insights on the posed topic, or even better, unveil other trends or questions not considered in the initial proposition. This could then possibly lead to recommendations for further research.

Therefore this study argues that a qualitative nature would help address this study’s propositions and potentially prompt questions not yet asked in this field within the relatively fresh research context.
4.2 Research Design

“In qualitative research, we do indeed dig deep: We collect numerous forms of data and examine them from various angles to construct a rich meaningful picture of a complex, multifaceted situation” (Leedy & Ormrod, 2001, p. 147)

This study was undertaken through the use of a qualitative research method approach in data collection. According to Zikmund, (2003), the exploratory research provided greater understanding concepts and helped crystallise a problem, rather than providing a precise measurement or quantification. Qualitative research for this study was the selected method as it met the purpose, which is the interpretation as it enabled the researcher to gain new insights (Creswell, 1994). Qualitative research, as a method, characteristically generates in-depth and detailed data of a small number of people and cases, by emphasising processes and meanings rather than using numerical data.

The qualitative data was obtained through the use of expert interviews as a method of data collection was through a semi-structured interview strategy.

The expert interview was conducted through a semi-structured form by deciding (in advance) the ground to be covered and the main questions to be asked. This then allowed the interview to flow organically and the rest of the format was worked out during the interview. The respondent had the freedom to speak openly, decide how much information they wanted to share, and how to express that information. Semi-structured interviewing is a very flexible technique for small-scale research (Drever, 1995) and would therefore meet the two major requirements of this research methodology, which was to explore and organically understand.

4.3 Research Population and Sampling

4.3.1 Primary Population

The population included any company or potential company that would consider or that currently has a partnership initiative in place or in a Social marketing project. Companies had to be in possession of a potential substitute product for the resource in question (African rhino horn). Companies were also included that currently compete
with the CPR product consumption for market share or could potentially benefit from a new market opportunity for their products (the market of consumption). A sample industry of pharmaceutical companies relevant to this market was chosen.

The pharmaceutical companies that were chosen conduct business through prescription medicines, over-the-counter dispensaries and generic varieties of medicines. The Pharmaceutical companies were qualified as part of the sample universe regarding whether they served animals or humans as the end consumer. These have already acted as agents of resource substitution as seen in the Viagra instance (von Hippel & von Hippel, 2002). And is therefore argued to be a relevant target for research as the link to the traditional medicinal market (the market where rhino horn consumption resides) has been proven in previous research.

Pharmaceutical companies were chosen as a factor to determine the sample because the research case (rhino poaching and horn consumption in Asian markets) is focused on traditional medicinal markets; therefore there might possibly interest for the pharmaceutical companies to enter this market.

4.3.1.1 The secondary universe

Social marketing and marketing experts within the sample universe that could provide insight into the pharmaceutical industry’s reasons, objectives and motivations for Social marketing partnership strategies and goals were sought out.

4.3.2 Unit of Analysis

The unit of analysis specifies at what level the data will be analysed (Zikmund, 2003). The decision to sponsor a cause was the unit of analysis for the purposes of this study.

4.3.3 Sampling Method

Non probability sampling approach was used. This type of sampling technique is relevant when the researcher does not have a complete list of the population, which is the case of the current sample. Due to this challenge, the researcher could not randomly select respondents from the population and was not able to determine the probability of each member being selected (Saunders & Lewis, 2012).
A combination of purpose sampling and snowball sampling was used; snowball sampling is “a type of non-probability sampling in which, after the first sample member, subsequent members are identified by earlier sample member” (Saunders & Lewis, 2012, p. 139). Whereas purpose sampling creates the opportunity for the researcher’s judgement to be utilised to select sample members based on the range of possible reasons and premises (Saunders & Lewis, 2012). By accessing a current company expert within the researcher’s client network the researcher was able to be referred or informed of other industry platforms and experts for whom the research topic is of relevance to, and these individuals were then added to the study.

These methods were appropriate to the current research as emphasises by Atkinson and Flint (2001) where they noted that even though snowball sampling contradicts many of the assumptions underpinning conventional notions of sampling, it has a number of advantages for sampling populations. The snowball method allowed for referrals and links to other possible experts who were not known to the researcher. Furthermore, the judgmental approach allowed for the definition of expert criteria that was suitable to the study.

4.3.4 Sample Size

The study was qualitative by design. Ten interviews with experts in the pharmaceutical marketing field were conducted to retrieve sufficient data that was analysed for any trends, themes or assumptions from the population. An appropriate sample size for a qualitative study is one that adequately answers the research question (Marshall, 1996). Marshall (1969) also noted that for simple questions or very detailed studies in qualitative research, in the sample size might be less than ten. This is was definitely the case with the “specialist” topic of this topic being concerned with African rhino horn and rhino poaching.

The 10 experts were interviewed across seven industry leading pharmaceutical organisations that fulfilled expert roles in the areas of marketing, like the following:

- Marketing Executives
- Marketing Directors
- Marketing Managers
- Market Research and Consumer Insights Managers
• Marketing and Product Managers
• Heads of Communications
• Head of Key Accounts
• Business Unit Managers

These roles span across leading pharmaceutical companies in the providers of human and veterinary medical products, like:

• Aspen
• Cipla-Medpro
• Glaxo Smith-Kline (GSK)
• Merial
• Sanofi-Aventis
• Sandoz
• Servier

This allowed for a rich interrogation of data across the pharmaceutical industry. Marketing experts at the other-end of the partnership, namely the NGO stoprhinopoaching.com also allowed for total spectrum analysis of the sponsorship or relationship (Rhino Conservation Awards 2012, 2012). More detailed sample characteristics are in Chapter 5.

4.3.5 Data Collection & Analysis Process

Through the use of mp4 audio recordings and extensive note taking, the data collected in the face-to-face expert interviews was recorded. This data was then transcribed, analysed and interrogated for potential trends, themes and insights through the use of QDA Software namely, Atlas.ti.

4.3.6 The Research Process

The researcher recorded the interview using an mp4 audio file to facilitate analysis of the data at a later stage and did not have to rely entirely on writing notes during the interview. Blumberg, Cooper and Schindler (2008) stated that unstructured interviews provide a significant amount of information that is difficult to make note of during the interview and therefore the interviews are usually recorded. This method could also
be applied to semi-structured interviews, which was the selected method for this study. The interviews were transcribed by an independent company preferred by the sponsor of the research project, namely the Transnet Development Project. The interviewer checked the transcriptions against the recording for accuracy and completeness (Cohen, Manion, & Morrison, 2000).

The recordings allowed more time and focus of interrogation of the data and also reduced distraction to avoid losing momentum of the imminent topics discussed during the interview. The data collection consisted of the following major points:

The creation of key themes and questionnaire groupings that were covered as per the result of pilot questions posed to initial expert.

- The study of the interviewer’s notes.
- Listening and of the interview recording and making additional notes after the interview.
- Allowing the mp4 recording to be transcribed.
- Analysing the data using the Atlas.ti Qualitative Software analysis tool.

4.3.7 Expert Interviews

4.3.7.1 Ethical Consideration

Informed and signed consent was obtained from all the interviewees prior to conducting the interviews. The companies and experts were assured that this study would adhere to confidentiality of persons being interviewed, as well as which companies the respondents represent (Appendix C: Interview Consent Form).

4.3.7.2 Semi-Structured interview & questionnaire

The interview questionnaire framework (see Appendix B: Interview Guide) was developed with the research propositions as the core drivers to ensure the data collected would be able to effectively address the research propositions. It was evident from the semi-structured questionnaire that the interview was based on the groupings or themes as proposed in Chapter 3. This was also based on pilot questions asked to experts to understand what the potential groupings of expertise would be in order to allow the interviewee to add value in the area of expertise as categorized. The interviews were semi-structured to allow the interviewee to share his or her
perspectives while the instrument was an interview guide (Blumberg, Cooper, & Schindler, 2008).

The nature of the semi-structured process helped plan for the unstructured part of this process, and ultimately led to a more structured interview. The unstructured part allowed the respondents to talk about their interpretations and opinions on the topic freely and thereafter more structured questions helped guide the discussion into the “proposition themes”. The interview did not conform to a strict questionnaire sequence or schedule but allowed the experts to focus on areas where their expertise added most value to the study if that was the case, therefore the interview questionnaire served as a guideline rather than a fixed schedule.

The interview started with general questions around the pharmaceutical industry’s role in solving social dilemmas and then submerged into more topic proposition specific questions of relevance. Alternatively, the expert’s area of expertise led the development of the interview by providing relevant information concerning the research topic.

4.3.8 Atlas.ti Qualitative Data Software Analysis Tool

Data analysis software, Atlas.ti, was used to code and analyse data acquired from the semi-structured expert interviews. Major themes and concepts were extracted from the interviews conducted through the use of coding and quoted as part of the functionality of the tool. As noted, the semi-structured interview methods were used and due to this type of interview approach, various themes were grouped relevant to the research propositions where appropriate, through both open and closed ended questions. The content of the interviews were analysed using Atlas.ti to identify themes and interpretation of the data.

4.3.8.1 Atlas.ti - Coding process

The data that was collected for this study was systematically coded after collection and transcription, using open and axial coding. This afforded the researcher the ability to code the data into groupings to identify potential interrelationships and interrogate underlying themes.
Open coding is “breaking data a part and delineating concepts to stand for blocks of raw data at the same time, one is qualifying those concepts in terms of their properties and dimensions.” (Corbin & Strauss, 2008, p. 195). Axial coding “is a process of relating concepts to each other or cross cutting” (Corbin & Strauss, 2008, p. 195).

Open coding and axial coding complement each other through the fact that open coding allows the data to be “attributed” to enable the raw collected data to provide high level “categorized” information and then used to retrieve a lower level insight through relating concepts or groupings to each other (Corbin & Strauss, 2008).

4.3.9 Pilot Questions

Pilot questions were posed as part of the initial “snow ball stage” to ensure the effectiveness of the semi-structured questionnaire design. This was completed in the form of a discussion with an industry expert, explaining the planned questions to in order to understand what would be appropriate and answerable, given the highly regulated nature of the pharmaceutical industry. This discussion enabled the researcher to define certain categories of questions relevant to the study’s propositions to allow the isolation of areas of expertise and then questions pertaining to that expertise. Based on this feedback, the framework of the questionnaire was finalised.

4.3.10 Potential Research Limitations

Because of the nature of the case of rhino horn consumption in traditional medicinal markets in a cross boarder location, namely Asia, the potential limitation might exist where pharmaceutical companies in South Africa (even if they are part of international corporations) might not have sufficient insight into decisions regarding Asian markets entry, strategy or goals. The decision to pursue Asian market entry might lie outside of the authority of the local stakeholder company. This might lead to the recommendation of future study of the research topic. The results in Chapter 5 confirm whether these limitations were found.
CHAPTER 5: RESULTS

5.1 Introduction

This chapter provides the results of the research conducted, as discussed in Chapter 4. Evidence is provided within the framework of the research propositions and a review of emergent themes as interpreted by the researcher is delivered.

5.2 Sample Characteristics

The 10 experts where interviewed across seven industry leading pharmaceutical organisations and one NGO was interviewed that fulfilled an expert role in the areas of marketing.

The sample allowed for insight into four major perspectives:

- A human product focused (consumption) pharmaceutical company.
- A veterinary product focused pharmaceutical company.
- A sponsor company.
- A sponsee company.

5.2.1 Marketing Orientation of the Company

To better understand the approach of marketing efforts it is important to understand who the companies’ targeted audiences are. It is imperative to understand whether the company focuses on the “mass” end user of their products or whether there is a more specialized focus on the “middle man” or specialist. The primary reason for this distinction is to further comprehend the marketing direction of the company, namely:

- The end-user: This allows for focussed marketing efforts and strategies for the end user of the product, but more specifically the marketing of over-the-counter (OTC) products.
- The specialist: This would be focussed marketing efforts and strategies on the “middleman”, also referred to as the specialist. For example, the doctor or nurse who makes the recommendation to the end-user regarding what product to use. This would be mainly relevant to prescription medicines.
5.2.2 Understanding the Consumer of the End-Product

This describes the target market or end-user of the pharmaceutical companies’ products. It was relevant to note whether the company was manufacturing products for human or veterinary consumption, because there is the potential that the type of cause the company choose to invest in is relevant to the product’s consumer. An example is that a veterinary pharmaceutical would be prone to partner with “animal” causes and *vice versa* for the human pharmaceutical company. This could indicate the relevance of the cause to associate with the company’s market focus.

5.2.3 Global Presence

This describes the footprint of the company in terms of the market’s reach. It was important to discern whether the companies had only a local (South African) presence or whether the products that are manufactured are distributed internationally. This could indicate whether the expert’s opinion is relevant to the limitation noted in Chapter 3; which is that the local South African company might not have insight into the international Asian market.

5.2.4 Partnership Role

This describes the role the companies currently have within the partnerships.

- Sponsor: Provider or resources
- Sponsee: Receiver and use of resources
Table 1 Company Sample Summary

<table>
<thead>
<tr>
<th>Company</th>
<th>Experts Interviewed</th>
<th>Marketing Orientation</th>
<th>Consumer of end Product</th>
<th>Product Orientation (Bold = Main focus)</th>
<th>Presence</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>End Consumer &amp; Specialist</td>
<td>Human</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>End Consumer &amp; Specialist</td>
<td>Human</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>End Consumer &amp; Specialist</td>
<td>Human</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>Specialist</td>
<td>Human</td>
<td>Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>5</td>
<td>3</td>
<td>End Consumer &amp; Specialist</td>
<td>Human</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>Sponsor</td>
<td>n/a</td>
<td>n/a</td>
<td>Local</td>
<td>Sponsee</td>
</tr>
<tr>
<td>7</td>
<td>1</td>
<td>End Consumer &amp; Specialist</td>
<td>Human</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
<tr>
<td>8</td>
<td>1</td>
<td>End Consumer &amp; Specialist</td>
<td>Animal</td>
<td>OTC &amp; Prescriptions</td>
<td>Local &amp; International</td>
<td>Sponsor</td>
</tr>
</tbody>
</table>

5.2.4.1 Summary and Findings: Sample characteristics

The majority (6/8) of the companies interviewed focused on both OTC and prescriptions medicines, which allowed for a broad based (not specialised in one specific medicinal channel) scope from a marketing perspective. All of the experts’ companies except the NGO interviewed, had a global footprint, supporting the relevance of their opinion on the topic which results in a local impact with an international source. This resulted more assurance and relevance to the expert's opinions on the topic, contrary to the limitation noted in Chapter 4, which was the potential that market intelligence into foreign markets might be a limitation.

5.3 Data Results: Interrogation Structure of Presentation

The following section provides the structure that will be followed in presenting the results, based on the outcome of the interviews. These are main themes that came out of the 10 interviews conducted and can also be seen in the structure of the
Appendix B: Interview Guide. These themes were grouped into network diagrams of relationships for discussion. Below are the comprehensive core topics, as explored in the interviews:

Figure 4 Core Interview Topics

Social Dilemmas

Social Marketing & Partnerships

Marketing Strategy & Toolset
Inclusion

Propositions
specific themes

These topics were then dissected into more detailed themes in support or not support of the relevant propositions.

Below is a two dimensional chart. The horizontal separators (rows) represents the data results and the vertical swim lanes (columns) represent the Propositions. The prevalence of a box shows where the results relate to the propositions.
The diagrammatic models were developed based on the core themes that resulted when the core topics where discussed in the exploratory interviews. This is partly a result of the interview guide designed to group general questions into the elevated topics presented in “Appendix B: Interview Guide”. The mappings were made possible.
through the use of the QAD software’s network functionality, to illustrate the links and prevalence of the themes to topics.

5.3.1 Data-theme structure – Company Role in Solving Social Dilemmas
In order to explore the research propositions comprehensively, the researcher explored the roles that the companies perceive to have when solving social dilemmas.

Figure 6 Diagrammatic Network - Company Role in Solving Social Dilemmas

5.3.2 Data-theme structure – Challenges Relevant to Topic
The challenges relevant to this topic were organically grouped based on themes presented as interpreted by the respondents. These were challenges relevant to industry, company, traditional medicinal markets and partnerships.

Figure 7 Diagrammatic Network - Challenges Relevant to Topic

5.3.3 Data-theme structure – Partnerships
Once there was an understanding of the general role and challenges, the study delved into sponsorships. The respondents shared their opinions regarding current partnership initiatives, perceived goals and benefits that should arise from
partnerships and factors that would increase or decrease attractiveness to enter into a sponsorship with a cause.

These themes or attributes allowed the study to recognise the perspectives of both the potential sponsor and sponsee regarding the drivers for entering or not entering into a partnership. Essentially, the researcher examined the factors that lead to a partnership as an attractive investment as well as what the parties would desire from partnerships. These attributes and groupings of results were not defined before the interview but were illuminated after the interviews, in the form of common themes found in the results.

Figure 8 Diagrammatic Network - Partnerships

5.3.4 Data-theme structure – Marketing Strategy

To better understand the role sponsorship and Social marketing plays within the company’s strategic marketing toolset, the following data results addressed the active/passive role partnership plays in sample companies. The data also addressed the potential future roles that partnerships could play.
5.3.5 **Data-theme structure – Market Entry and Substitution**

More specific to the propositions, the following then addressed the sample's feedback on:

- The offering of their products as substitutes to rhino horn products

Entering the traditional medicinal market (the reasons, pros and cons)

5.3.6 **Method of Presentation**

The researcher used a QAD tool, Atlas.ti, to code and group themes and then built networks of relationship within the networking functionality. It was then presented using Microsoft Visio's process mapping software. This allowed for the presentation of core themes that emanated from the analysis of the data to be presented in a network/diagram form and was easily remapped or adjusted as new findings occurred during the analysis process. This demonstrated the linkage of certain themes to the topics covered and the ability to conceptually present the relationship as explored during the interview.
5.3.7 The Company Role in Solving Social Dilemmas

In order to explore the research propositions fully, the researcher began with an exploration of what companies perceive their role to be when solving social dilemmas.

Figure 11 Diagrammatic Network - Company Role in Solving Social Dilemmas

When the respondents were asked the question, “What does your company see their role is to play in solving…?” or “Do the company see themselves having a role to play in solving a dilemma?” the responses varied between:

- If there is a business case for the company
- It is the company’s social responsibly to assist
- Both business case and social responsibility

The majority of experts noted the importance of answering to the company’s social responsibility to assist/play a part in solving a social dilemma.

Table 2 Respondents’ Perceptions of Role in Solving Social Dilemma

<table>
<thead>
<tr>
<th>Company/Expert</th>
<th>Perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company1_Expert1</td>
<td>“I think it’s something we do consider if you think of the way we pitch medicine it’s improving quality of life so I think well-being is how do feel internally and also what are your surroundings so I think it is a logical fit”</td>
</tr>
<tr>
<td>Company2_Expert2</td>
<td>“Can I tell you what we do from a company point of view, we cannot be in every avenue so what we do is that we align ourselves to our environment…”</td>
</tr>
<tr>
<td>Company5_Expert5</td>
<td>“Ja, 100% it is something that obviously touches everyone. From our personal perspective though it would need to fit in with some sort of a business case. From a marketing perspective what would always be looked at because we already have that as a CSI project from a key marketing side it would only be looked at unfortunately if there a business opportunity for us in terms of some sort of return.”</td>
</tr>
</tbody>
</table>
Company5_Expert6: “we definitely see social responsibility as a key element because I mean you impacting people’s lives in a positive way whether it be with health also impacting people’s lives on a day to day basis.”

Company5_Expert7: “Yes, yes I mean in our field if you think about it we don’t just want to focus on selling medication …“

Company7_Expert9: “[I think] I think we have to be in it [Play a role in solving social dilemmas]”
“I think primarily you’ve got to give back to the community I think it’s important…”

Company8_Expert10: “There’s a responsibility that we as a company have to give back”

However while the majority of the sample supported the notion of playing an active role in solving social dilemmas, there seemed to be a differentiation between general social causes and this particular social cause which is entrenched in deep cultural dynamics. The researcher asked whether this is potentially because it is an animal cause that is not aligned to the company’s product, which is focused on the human consumption(to be discussed in more detail in later sessions).

Table 3 Respondents’ Differentiation to Particular Social Dilemma of African Rhino Horn Consumption

Company3_Expert3: “So I think there are 2 sides of the story, I think firstly you have to look at [Company] missions and globally [Company] mission is all about letting people do or feel better and live longer so it’s very people focused so I wouldn’t say Rhino poaching is quite aligned…As a [Company] initiative I think we would focus more on people but ja not to say it [other dilemmas] would be excluded.”
5.3.7.1 Summary and Findings: The company role in solving social dilemmas

The data displayed that the companies see themselves as playing an “active” part in solving social dilemmas such as the rhino dilemma case presented to them; they see it as their “responsibility”. The researcher does however note that when expressing their [company’s] role to play, the experts link this back to the company’s social responsibility, the responsibility to invest and give back to society. Therefore the company does not approach their role in solving the social dilemma as a potential market opportunity but rather as a passive investment back into society. This alludes to the fact that the company has not grasped their roles in solving social dilemmas as a strategic tool/opportunity to enter into new markets.

5.3.8 Company, Industry and partnership challenges

The following are challenges relevant to this topic as interpreted by the sample experts, this will be challenges the expert reasoned are relevant to industry, company, traditional medicinal markets and partnering with initiatives.
Figure 13 Diagrammatic Network - Challenges Relevant to Topic

The expert sample noted many challenges that is important understand and consider in the four different contexts when considering a partnership with a cause. These contexts were grouped into the following:

- Company – What are challenges specific to the company
- Industry – What are challenges that are specific to the expert sample industry, namely pharmaceutical?
- Partnership - What are challenges specific the actual partnership?
- The traditional medicinal market - What are challenges specific to the market the social dilemma finds itself in?

The most prevalent 10 challenges regarding the points (challenge theme) raised during the interviews by the eight companies are tabulated below:

Table 4 Theme - Challenges Ranked by Amount of Times Mentioned

<table>
<thead>
<tr>
<th>Challenges (Company, Industry, Partnership and Market)</th>
<th>TOTALS (Count of challenge noted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Medicinal Market: Beliefs Hard to Change</td>
<td>12</td>
</tr>
<tr>
<td><strong>Challenge Company: South Africans are Socially Aware</strong></td>
<td>11</td>
</tr>
<tr>
<td>Industry Challenge: Highly Regulated</td>
<td>10</td>
</tr>
<tr>
<td><strong>Challenge Company: ROI Measurement</strong></td>
<td>9</td>
</tr>
<tr>
<td>Industry Challenge: Educated Consumer</td>
<td>7</td>
</tr>
<tr>
<td><strong>Challenge Company: Budget</strong></td>
<td>6</td>
</tr>
<tr>
<td>Traditional Medicinal Market: Lack of Research Contradiction</td>
<td>6</td>
</tr>
<tr>
<td><strong>Challenge Company: Cost Cutting on Budgets</strong></td>
<td>5</td>
</tr>
<tr>
<td>Industry Challenge: Claims</td>
<td>5</td>
</tr>
<tr>
<td>Traditional Medicinal Market: Unregulated</td>
<td>3</td>
</tr>
</tbody>
</table>
The challenges that are presented in a bold font in the above table ranked amongst the top challenges that were noted as being the primary concern for the company to substantiate the **business case** for partnership investment. This relates directly to proposition 1 and 2 as it gives support to the need for a business case or link to the sponsor company's goals.

A challenge is anything that creates a barrier (or creates complexity) to the company entering into the partnership with the cause.

### 5.3.8.1 Pharmaceutical Industry challenges

The sample industry has its own set of challenges.

- **Highly Regulated (Claims)**

The pharmaceutical industry is highly regulated in terms of what the companies are permitted to communicate or market. The companies are required to be cognisant of the product schedule to be able to understand what they are allowed to claim.

<table>
<thead>
<tr>
<th>Table 5 Company Regulation in Terms of Marketing</th>
</tr>
</thead>
</table>
| **Company1_Expert1**: "Pharma industry is we ideally would like to promote to patient but it's a **heavy regulated industry**...global marketing regulations" "global marketing regulations, global initiatives, global campaigns"
| **Company2_Expert2**: "the **Marketing Code limits us from our engagements**...you can advertise to a consumer in South Africa anything from unregistered medicine to schedule ‘1’ maximum."
| "The registered route goes via the Medicine Control Council or in future will be known as **Medicine Regulatory Authority and it regulates all registered medicine where you make a claim** so if I say to you that I’m going to be using a drug for treatment of erectile dysfunction I’m making a claim and it's got to be registered...**very regulated environment so you cannot make any of these types of claims**"
| "very limited in what I can say here because it's a treatment, if I **use the word ‘treatment’ it’s got to be registered**...if I make that claim it’s a registered medicine" |

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5.3.8.2 Company challenges

When the companies consider the propositions, which are to use sponsorship as a tool in Social marketing initiative, the respondents noted the following challenges that would be experienced or would have to be considered. This could potentially lead to the decrease in attractiveness of partnership with a cause, which is key to the propositions of this study.

- The educated consumer

Table 6 Educated Consumers

| Company1_Expert1: “consumer is getting more educated, the consumer is doing more research the consumer wants options” |
| Company5_Expert7: “have access to the internet through their phones or anywhere else that they have so they research things.” |
| Company6_Expert8: “we’re in the information age now where people believe they have access to all information, should have access to all information and because of that they want more information” |

In South African businesses, the South African consumer is already more socially aware and has the ability to interrogate and compare. As the companies based in a culturally and socially aware society, they are faced with additional challenge that require consideration. The researcher argues that this is a case for companies in South Africa to consider partnership to solve social causes, especially as South African based companies.

Table 7 South African Market Contains Educated Consumers

| Company1_Expert1: “South Africans more than any, my opinion well anywhere else are very aware of social responsibilities” |
| Company2_Expert2: “South Africa’s population is becoming more educated…” |
| Company3_Expert3: “Very relevant topic right now [the rhino dilemma] and it is close to a lot of South African hearts” |
| Company7_Expert9: “I think also in South Africa it’s slightly different to anywhere else in the world because in some cases it’s sort of linked to sort of BEE points too so there’s that element too which everybody has to have but I think if |
you think about our industry if anything we’re an industry that people love to hate purely because when they buy 1 of our products it’s a grudge purchase”

Company6_Expert8: “Being part of a bigger system in part of the world and cares about things like this that are important to South Africans”

This researcher argues that this demonstrates the relevance of Social marketing and partnering for causes in the local environment and therefore relates to proposition 3. This is no longer just a “soft” case for answering to the company’s social responsibly but has become a consumer requirement that needs to be strategically considered and proactively included in the marketing strategy.

- **Cost cutting on budgets**

Proposition 1 refers to acquiring budget to validate the investment of a sponsorship, which is a huge challenge for companies. This could be as a result of the ensuing challenge, which is the difficulty to show a Return on Investment. And the opposite is then also true for inflated budgets, where the companies decide to filter money into relatively meagre sponsorship causes.

Table 8 Budget Relevance to Sponsorship

<table>
<thead>
<tr>
<th>Company1_Expert1:</th>
<th>“budget…not taking major price increases so our prices remain in constant costs are going up there’s a huge drive to say ‘invest in R1.00 what are you getting back’ and it’s quite measurable in other areas but in social responsibility there’s no quantum.”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company3_Expert3:</td>
<td>“Budget!…Yes because companies ja like I said are here to you know where they’re for a commercial purpose so if we need to invest money to get return you know it might be a short term strategy to put it into pricing or coupons or something like that rather to get the short term results rather than the long term of a sponsorship where your equity is improved your image of your brand like that. It depends on the budget…”</td>
</tr>
<tr>
<td>Company5_Expert6:</td>
<td>“think pharmaceutical companies have gone through in the last 2 years budget, budget wise and that I thinks it's and the stress that they’re under I think it is taken a back seat in consideration”</td>
</tr>
</tbody>
</table>
Company5_Expert5: "no it would probably be more ad hoc…So 70% of your budget you put behind trial trusted ways of doing things, things that you know is going to return money in invest you know and returns but 20% you’ll put behind sort of less traditional ways of doing things etc. I think promotions, Social marketing that kind of thing or a sponsorship Social marketing that sort of thing is probably falling within that 20%.”

In attempt to secure budget for Social marketing partnerships, the fact that companies need to compete with other investments emphasises the need for the business case of the opportunity cost to be stated.

- **ROI measurement**

The Return on Investment was propounded as important by all respondents. All respondents explained that the measurement or justification of a clear ROI is a great challenge for a company to valid the investment and needs consideration from the NGO/cause’s perspective.

<table>
<thead>
<tr>
<th>Company1_Expert1:</th>
<th>“There is no quantum to measure return on your investment on CSI”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company2_Expert2:</td>
<td>“I’m not going to get a direct return”</td>
</tr>
<tr>
<td>Company5_Expert6:</td>
<td>“You know what I mean what business is going to do anything if it doesn’t benefit them?”</td>
</tr>
<tr>
<td>Company5_Expert6:</td>
<td></td>
</tr>
<tr>
<td>RESPONDENT:</td>
<td>Money!</td>
</tr>
<tr>
<td>MALE INTERVIEWER:</td>
<td>Money okay, return investment money?</td>
</tr>
<tr>
<td>RESPONDENT:</td>
<td>That’s it.</td>
</tr>
<tr>
<td>Company7_Expert9:</td>
<td>“so it might not necessarily translate into sales of products, it may, it’s difficult to you see it’s people to measure you can’t”</td>
</tr>
<tr>
<td>Company8_Expert10:</td>
<td>“At the moment the enquiries is more than what we can deliver and then we look at you know then have to look at return on investment because then it becomes a bit of a thing of ‘will I then get brand awareness around</td>
</tr>
</tbody>
</table>
that’ so I would then get to them and say ‘listen would you be able to put our logo in your newsletter or would you’"

Company5_Expert5: “CSI project from a key marketing side it would only be looked at unfortunately if there a business opportunity for us in terms of some sort of return…demonstrated or clear return on investment or something that can be measured…ROI or how we’re going to measure success what will the KPIs look like.”

The fact that both ROI and budgetary constraints are challenges, supports proposition 1 and 2 because these support the need to present a business case, one that shows how company goals are attained in this partnership.

5.3.8.3 Challenges for partnerships

The sample emphasised the following challenges that would be specific to partnering with the rhino cause.

- **Market intelligence - China**

This also proves as evidence for the limitation mentioned in Chapter 4.

Table 10 Chinese Market Insight

Company2_Expert2: “You see we wouldn’t be able you know we’re not in that Chinese market so how are you going to convince you know it’s all to do with belief.”

- **Cause Funds mismanagement**

Table 11 Cause Funds Mismanagement

Company5_Expert5: “not wanting to get involved is the amount of mismanagement that is taking place with social causes”

5.3.8.4 Challenges for the market in which the rhino dilemma find itself in - Traditional medicinal market

The traditional medicinal market carries many unknowns and challenges to the game. Even so, the sample also stressed the relevance and potential in the natural medicine market (which would be the closet link to the traditional medicinal market). The sample experts emphasised the growing importance and potential of this market [traditional
and natural medicines], although it is still very under researched and unknown to the industry.

- **The cultural reluctance and unknown**

Cultural issues and their possible impact on market share seem to make large corporates very reluctant to take action.

Table 12 Cultural Limitations

| Company2_Expert2: “but here at this stage I don’t think you would want to peg up you see to go up against the Chinese they’ve got now certain people that have now used these things and in their minds they now believe, I don’t know how you’re ever going to change their minds to come out of this horn thing” |
| Company5_Expert7: “there isn’t a proper structure to be able to engage at” |
| Company7_Expert9: “CAMS which is Complementary and Alternative Medicines and part of that sort of group of medicines you’re dealing with, you are dealing with some natural products but it’s nowhere near, you don’t want to ever venture close to that Sangoma type traditional stuff.” |

When discussing the cultural elements of this market, like the difficulty in changing beliefs and traditions, the experts seemed to be hesitant in generating actions against these unknown factors.

Table 13 Industry Reluctance regarding Cultural Concepts of Traditional/Natural Medicine

| Company1_Expert1: “the biggest challenge for the demand as you mentioned is the status it’s the elite… I mean your biggest challenge on demand is the status thing if there’s money involved someone is going to get it.” “because status of it you just want to be seen taking it you’re not really worried about the clinical benefits.” |
| Company2_Expert2: “I don’t think you would want to peg up you see to go up against the Chinese they’ve got now certain people that have now used these things and in their minds they now believe, I don’t know how you’re ever going to change their minds to come out of this horn thing” |
| Company3_Expert3: “is very difficult to change that behaviour because it’s part of their belief system exactly” |
Company5_Expert6: “his is going back I don’t know centuries into tradition which is difficult to break into and you as a white person with your ideas coming in and telling them what to do.”

Company8_Expert10: “to change tradition and beliefs”

Company6_Expert8: “deeply rooted traditional values, its cultural stuff you know passed down from generation to generation”

Company6_Expert8: “it’s very hard to change attitudes and perceptions and beliefs once people are adults”

This was also clear in the lack of market intelligence regarding the traditional medicinal market.

Table 14 Lack of Market Intelligence concerning Traditional Medicine Market

Company4_Expert4:” I’m not sure how much, we have investigated how much, what is the lost revenue I suppose to people preferring to go to the traditional healers. I think it’s not something you’re going to, that I know of, that could be investigated. And it would be very tough to do.”

Company5_Expert6: “We would have to do research to see 1st”

Company5_Expert7: “No I don’t think so because we still need to understand exactly what happens because no-one really knows.”
The sample presented many potential “barriers to entry” into the partnership with a cause; especially this research’s particular cause, because it is involved in a culturally sensitive issue of traditional medicine. It was very strongly evident through the research themes that challenges are the companies’ requirements to see the business case when decisions are made. These challenges, the researcher argues, present increased opportunities for business cases that support partnerships with a cause, rather than against it. The researcher has grouped the challenges presented in four main themes:

1. **The socially aware consumer:**
   The consumer information at their fingertips, and they have become much more educated in the administering medicines or alternative therapies or products. This has presented new challenges to companies as they no longer provide the information to the customer, even though the customer has it available to compare. This has made the product consumer more demanding and therefore increased the difficulty to satisfy consumers on the part of the pharmaceutical companies. The researcher observed two main elements to this educated consumer, as noted by the sample; 1.) Products need to be superior and 2.) The consumer expects much more than merely quality. The company’s image and social responsibility are more important than ever. The experts also noted how this was even more pertinent in the local South African context, where the point was made that the South African consumer is even
more socially aware than any other market due to the socially displeasing past current emerging climate.

2. The business case

The experts noted that a great challenge to justify the investment into any opportunity is first, the initial return on investment analyses model/framework and secondly, the ability to prove the business case. No longer can companies merely invest; they require thorough understanding of the potential gain from this investment before it is carried out. The researcher interprets this as:

- The heightened need for presentation of the business case when considering the partnership as an investment.
- The greater relevance of partnering with causes in the South African context given the “socially aware” consumer.
- The cultural threat and consequent brand position.

3. The nature of the industry

The highly regulated nature of the pharmaceutical industry was evident by the experts’ discussion of potential challenges. This is contrasted by the unregulated and black market nature of the proposed market. The sample noted that should there be a potential in the market, it would only be able to be explored in the regulated/“ethical” route. This could potentially be solved through the use of Game theory.

The researcher noted the regulated access to this market is that of natural medicine (a regulated product channel) which most of the companies do have access to currently. This is not, however the market were the rhino trade resides. But the researcher speculates that this regulated channel could be used to access the traditional medicinal market. This regulatory challenge is not specific to the sponsorship with a cause, however, and the researcher therefore also argues that these challenges are experienced when considering all marketing opportunities.

4. The nature of the unknown (traditional medicinal markets)
Themes like “Veblen goods driven by status”, “Unregulated environment”, “It is Unknown” are all part of the expert’s emphasis of the challenges posed by the unknown traditional medicinal market. Expert respondents stated the relevance of the social responsibility and the historic prevalence of the traditional medicines in the market, yet there is a lack of insight and market intelligence which shows a contradiction. In fact there seems to be a reluctant and hesitant perspective expressed when culturally sensitive issues such as the Rhino horn trade case were made as they threaten the companies’ market share. The sample seems to note the threat these cultural driven trades have on their markets but do not seem to have a clear path or strategy to address it.

5.3.9 Partnerships

The sample noted the following on current initiatives, perceived goals and benefits that should arise from this partnerships and drivers/factors that would increase/decrease attractiveness to enter into a sponsorship with a cause.

**Figure 15 Partnerships Factors**

Out of the eight companies interviewed (except for the NGO/Sponsor) all were currently involved or had been involved in some sponsorship or Social marketing initiative with a cause. The partnership initiatives ranged from:
• Creating Awareness
• Building Houses (society)
• Ensuring Compliance
• Donations and Fund Raisers
• Education
• Providing Food and Blankets
• Providing their Products
• Shows
• Social Grants
• Sponsor Events - Awareness of Cause
• Training

5.3.9.1 Small Scale Nature

In all these instances, what was noticed was the “small scale” nature of most of these investments or initiatives. This was rather unexpected, given these are some of the largest pharmaceutical companies in world with at least two (Sanofi and GSK) of the sample companies ranking under the Top Six Pharmaceutical Companies in the world, based on revenue in 2012 (PharmExec, 2013). The initial statement that solving social dilemmas is part of the responsibility of the company was small scale in terms of:

• the investment
• scope or impact of the initiative
• relevance and consideration by the company

As proven in examples below:

Table 15 Small Scale Nature of Social Investments

| Company1_Expert1 | “we’ve got a fleet of scooters in the Eastern Cape that are branded with [Company] and these people deliver the medication to the outline patients so those things we sponsor and we do, we do that. Other initiatives we do a lot of factory specific stuff at our factory we take interns going into medicine and pharmaceuticals, they go round our factory, we sponsor lunches and do talks those type of things” |
| Company2_Expert2 | “Can I tell I did 1 of those things, what I did is and it was purely very low profile we sponsored 2 professional ride/cyclists under the
umbrella of [the company] and they entered into a Cape Epic they came in the top 10 the 2 ladies the South African ladies the team and she sponsored a SPCA as a cause and it was specifically a branch of the SPCA in and so she on her outfit she had her obviously [the company] kit and I allowed her to put her SPCA logo, that is as much but I didn’t do any vehicle of PR for her. She could use the avenue of PR herself I didn’t do any of that.”

**Company3_Expert3:** “Ja small scale and what we also look at doing we do CDI projects where for example the [brand] has a knitting project so we for winter because it’s a winter brand we knit for underprivileged people…”

**Company7_Expert9:** “help these stray dogs”

**Company8_Expert10:** “breeder shows”

**Company5_Expert5:** “Cape Epic”

**Company6_Expert8:** “handing out pairs of boots do you know what I mean like to rangers kind of thing so

### 5.3.9.2 Drivers and reason for partnership entry

From the sample it was clear that the companies’ product focus (veterinary or human medicine) was also important to determine the initial consideration from the company. The company that provided veterinary products (animals are the end user of the product) was more inclined to consider causes relevant to animals, such as the rhino, whereas the other companies focusing on human consumption opted to partner with causes that were more focused on human initiatives as this had a much more directed link to the value offering. This supports the proposition that the driver for partnership decisions is closer to their business objectives It can therefore be assumed that elements to consider by the NGO/Cause when approaching the potential sponsor is the relevance of the cause to its [the company] end consumer, like:

- Animals consumer
- Human consumer

**Table 16 Factors Effecting Attractiveness**

**Company3_Expert3:** (Human pharm company) “As a [company] initiative I think we would focus more on people but ja not to say it would be excluded. I can’t think of any [company] initiative for animals or anything like that.”
**Company4_Expert4**: (Human pharm company)

INTERVIEWER: “Is that also a true reflection for you to say your focus is more, if you decide to partner in solving a social dilemma, that you would be more prone to partner with a cause that is more about the people than about animals?”

EXPERT: “Ja, absolutely. So, what we do is, all of our sponsorship is focused on basically health care…link where it would be relevant”

**Company7_Expert9**: (Human pharm company) “it does link back to our brands it’s because the people, we’re dealing with people at the end of the day, its people that take our products”

**Company8_Expert10**: (Veterinary pharm company) “I think we obviously when we do sponsor it’s normally a drive where animals are involved …so ja I wouldn’t say necessarily people”

**Company5_Expert5**: (Human pharm company)”Ja, more than likely as well [be focused on the people] I mean that’s actually a very, a very fair point and I can understand why [a Veterinary pharmaceutical company] would be more intrigued with that [a cause such as the rhino dilemma focused on an animal dilemma].“

The results demonstrate that five out of the seven pharmaceutical companies noted this as an important driver to consider with a 100% support of the relevance of the cause to its [the company] end consumer. Of the five:

- Four were companies providing drugs for human consumption. All four supported the driver for partnership selection towards human cause partnerships.
- One were a company providing drugs for animal consumption. The company supported the driver for partnership selection towards animal cause partnerships.

**5.3.9.3 Perceived/Expected Goals & benefits from the partnership**

The sample emphasised the following as being perceived/expected “returns” from this partnership. This can be interpreted as reasons for entering into a partnership with a cause.
The “Theme Prevalence in sample” percentage is calculated based on the “Perceived Goals & Benefits” theme’s prevalence across the sample. As an example, if all 10 companies noted a specific goal as a “Perceived Goals & Benefits”, there would be a 100% “Prevalence” across the sample.

Table 17 Benefits from the Partnership

<table>
<thead>
<tr>
<th>Perceived Goals &amp; Benefits</th>
<th>Company 1</th>
<th>Company 2</th>
<th>Company 3</th>
<th>Company 4</th>
<th>Company 5</th>
<th>Company 6</th>
<th>Company 7</th>
<th>Company 8</th>
<th>Theme Prevalence in sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional message</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 13%</td>
</tr>
<tr>
<td>BEE rating</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 13%</td>
</tr>
<tr>
<td>Branding</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 25%</td>
</tr>
<tr>
<td>Customers Expect it</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 25%</td>
</tr>
<tr>
<td>Brand Awareness</td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 25%</td>
</tr>
<tr>
<td>Internal Staff moral</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 38%</td>
</tr>
<tr>
<td>Image to the community</td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 38%</td>
</tr>
<tr>
<td>Word of Mouth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td>Yes 38%</td>
</tr>
<tr>
<td>Brand Equity</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes 38%</td>
</tr>
<tr>
<td>Loyalty not new markets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td>Yes 38%</td>
</tr>
<tr>
<td>Government Tenders</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td>Yes 38%</td>
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<td></td>
<td>Yes</td>
<td>Yes 38%</td>
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<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td>Yes 50%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td>Yes 88%</td>
</tr>
</tbody>
</table>

The majority of these expectations could be linked to creating a business case for the partnership. Two themes or “Perceived Goals & Benefits” are evident in the above table as more the half of the sample noted it as a factor, namely:

- **Government Tenders**

The expected goal to attain yet another business imperative out of the partnership is related to the propositions 1 & 2 in the sense that the companies enter into the partnership in the hope of attaining stakeholder (the Government in this case) gains/favour or meeting the requirement through alignment with local business objectives.
Table 18 Government Tenders

**Company1_Expert1:** “Government Tender process is probably 95% based on the price that you submit okay. I’ve experienced it where we have decided to with our submission you know not have the cheapest price for various reasons but do a lot of corporate social responsibilities stuff sponsorships, bursaries those types of things branding, **donations you know to bolster up the disease entity in the community and create awareness** and we’ve still lost tenders on that basis … ‘well it’s not the good business route to take’ which is unfortunate, it’s unfortunate.”

**Company5_Expert6:** “healthcare giver to **align with Government** because we had Minister of Health there to open for 1 of the new schools and you’re aligning yourself in a positive light with Government which will influence your State Tendering as well”

**Company8_Expert10:** “**maintain the market share** that’s really it.”

**Company6_Expert8:** “hey’re not sincere then there’s no interest on our side you know but we haven’t got ours yet but there are some companies that do make investments so that they can get **18A certificate.**”

It seems that to some degree, the government tender process and regulations seems to **push** the companies to comply to receive favour. This could be seen to favour human causes.

**Company5_Expert5:** “Department of Health wouldn’t care because **their mandate is not looking after the Rhinos** their mandate is to improve healthcare for the average South African out there”

- **Loyalty more than new markets**

The experts noted that it the partnership is used more to increase current client loyalty more than a method of entering new market. Therefore the partnership is more focused on the current client then the potential client. This is another company imperative driver that speaks to Proposition 1 and 2.
Table 19 Loyalty Rather than New Markets

Company1_Expert1: “so it’s about the loyalty of the current client more than potential”

Company3_Expert3: “Your sponsorship is not directly going to translate into sales straight away because there’s no direct correlation with sales but in the long term you probably increase brand loyalty decrease repertoire usage all of that and you lock people into your brand and also you know the strength of a brand is, a brand is how people perceive it and the image that that brand has with that consumer.”

Company8_Expert10: “maintain the market share that’s really it.”

5.3.9.4 Factors affecting attractiveness

The following were factors noted by the experts when the question was asked “what would increase the attractiveness to enter into a partnership with a cause?”

Table 20 Factors Affecting Attractiveness

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Association</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>Long Term benefits</td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>Prevalence of the disease</td>
<td>Yes</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>38%</td>
</tr>
<tr>
<td>Business case</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td>Fit and align with brand</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td>75%</td>
</tr>
<tr>
<td>Company Value Offering Link</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

The result exhibited a clear theme that the relevance of the cause to its [the company] product, brand or company value offering is vital for the attractiveness of partnership selection. Therefore the researcher emphasises the NGO/Cause’s need to be able firstly, be aware of these factors and secondly, to make that link to the cause to increase the attractiveness of the partnership. All eight companies noted that this [alignment to business case] is a significant factor that requires consideration.

- **Link to Company Value Offering and Alignment with brand**
Table 21 Alignment of the Cause with the Brand

<table>
<thead>
<tr>
<th>Company1_Expert1</th>
<th>&quot;I think it’s something we do consider if you think of the way we pitch medicine its improving quality of life so I think wellbeing is how do feel internally and also what are your surroundings so I think it is a logical fit”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“…must in a global perspective have term an element of customer centricity, what does this campaign mean to the customer so it’s also a question of ‘who is a customer and who is not a customer”</td>
</tr>
<tr>
<td></td>
<td>“We’re in a position of improving people’s lives”</td>
</tr>
<tr>
<td></td>
<td>“…current company brand the initiative need to be linked”</td>
</tr>
<tr>
<td>Company2_Expert2</td>
<td>“what we do is that we align ourselves to our environment”</td>
</tr>
<tr>
<td></td>
<td>“…we are a responsible company”</td>
</tr>
<tr>
<td>Company3_Expert3</td>
<td>“I think firstly you have to look at [company’s] missions and globally [company’s] mission is all about letting people do or feel better and live longer so it’s very people focused so I wouldn’t say Rhino poaching is quite aligned”</td>
</tr>
<tr>
<td></td>
<td>“I think you just need to see brand fit”</td>
</tr>
<tr>
<td>Company4_Expert4</td>
<td>“that’s, the way that our company sees it is that is a contribution to humanity…”</td>
</tr>
<tr>
<td></td>
<td>“So, what we do is, all of our sponsorship is focused on basically health care”</td>
</tr>
<tr>
<td></td>
<td>“if there was something, if there was a link, a final link, that would associate, that would show alignment to be beneficial in terms of associating our brand with that cause, and it would make sense to whomever we were exposing that to”</td>
</tr>
<tr>
<td>Company5_Expert6</td>
<td>“it’s promising healthcare to all South Africans so it links back to your vision mission.”</td>
</tr>
</tbody>
</table>
**Company5_Expert7:** "Yes, yes I mean in our field if you think about it we don’t just want to focus on selling medication"

“I'm using [Company] products that means they’re of good quality and they’ve done something in my community, I trust them because they’re looking after us more than they look after; you know making money’ but there is no direct correlation.”

**INTERVIEWER:** “So linking back to your promise your brand promise…”

**RESPONDENT:** “Yes!”

“always on the lookout for opportunities that are out there in the market that would actually be aligned to our strategies.”

- **Company7_Expert9:** “It links it is no it does link back to our brands it’s because the people, we’re dealing with people at the end of the day, its people that take our products”

“Listen you guys are 1st and foremost a prescription pharmaceutical, stick with what you know.”[Expert speaks in the 3rd person]

- **Company8_Expert10:** “Well we had a big focus on flea control because of the [brand] so we focus on I’m trying to educate owners about you know how to control fleas”

“If you were to ask me there’s 3 different causes they’re all for Rhino Poaching and I had to evaluate which one I would like to support I most probably from a business perspective also look at something that would promote my brand”

- **Company5_Expert5:** “Is it going to help drive sales obviously are we going to get some sort of return on it ja purely from a marketing perspective that’s absolutely it because you know for them to put money into a project like Rhino horn for example is fantastic but unless it’s going to create a lot of good will so there’s 2 things with it, you could obviously look at the return on investment you could speak on you know consider the goodwill.”

**Business case (company goals)**

Once again, the experts strongly suggested that there must be a business case to the partnership. The researcher found this contradicting during the interview process as the experts initially noted the partnership goal is purely social responsibility of the company, yet when probed further, they continued to refer back to the need for a
business case for the company. This relates to the proposition made of the company’s need to obtain company goals, namely Propositions 1 and 2.

Table 22 The Business Case and Company Goals

<table>
<thead>
<tr>
<th>Company1_Expert1:</th>
<th>“Unfortunately it’s got to be a business reason… I think it’s always going to be business benefit however you slice and dice it”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company4_Expert4:</td>
<td>“It was definitely linked to a business imperative”</td>
</tr>
<tr>
<td>Company8_Expert10:</td>
<td>“If you were to ask me there’s 3 different causes they’re all for Rhino Poaching and I had to evaluate which one I would like to support I most probably from a business perspective also look at something that would promote my brand” “…definitely that will ultimately because I have to motivate to my counterpart’s”</td>
</tr>
<tr>
<td>Company5_Expert5:</td>
<td>“Is it going to help drive sales obviously are we going to get some sort of return on it ja purely from a marketing perspective that’s absolutely it because you know for them to put money into a project like Rhino horn for example is fantastic but unless it’s going to create a lot of good will so there’s 2 things with it, you could obviously look at the return on investment you could speak on you know consider the goodwill. If there would be clear demonstrated returns and ways to measure impact and things like that you know because a lot of the times it tends to be quite fluffy and you know. At the end of the day the way [Company] drives in this it’s hard it’s all about the business…” “…commercial viability” “…a lot of people come and they’re looking for sponsorships or get involved with us etc. which is fantastic, where they miss out on completely is the business case.”</td>
</tr>
</tbody>
</table>

Contradicted by this is the sponsee, that fails to recognise this “business transaction” consideration and is driven by passion for the cause and the hope of finding a sponsor that also has the same passion.
Table 23 Sponsee’s Perspective on Business Case

NGO_Expert: "we work with the one’s where we believe have got good intentions and where we believe we can you know achieve something together" 
"all the successful corporate social investment projects I see have been driven by people who really care about that cause you know…” 
“driven by the right intentions will fail because it’s a hellava lot more work than people realise.” 
“build up those long term relationships then they feel a real part of something they get see what they did” 
“it’s more rewarding for them you know.” 
“we don’t try do little fly by night projects.” 
"We work with companies who want to make a difference" 
“But it’s not what it’s about for us. We want to work with people who care so for us we wouldn’t ever want to sell the cause on that basis.”

The sponsee therefore is not driven by business “Key Performance Indicators” (KPIs) but by alternative goals. The researcher argues that this is partly because of the NGO business model, which is volunteer based and not business driven, and is dependent on the sponsors' willingness to help the cause. The NGO executives are not even motivated to achieve business goals.

Table 24 NGO Perspective

“You know the challenge with any NGO organisation you’ve got to always split your time I mean our focus from the frontlines out there it can take you a day to drive to a reserve, 2 or 4 days spend there managing what your managing and then another day to drive back or whatever, you’ve only got so much time on your hands so we’re all volunteers. No-one in the organisation gets a salary nothing”

The researcher argues it is important to note that this is one of the most recognised NGOs is South Africa and Won the best GRAA NGO award 2012 (Rhino Conservation Awards 2012, 2012) and could therefore act as solid “benchmark” of what similar types of NGOs are doing.
5.3.9.5 Strategic fit of Partnerships within the company

The researcher emphasises the lack of clarity within the sample, regarding under who's role and responsibly (budget and decision making silo) the role of sponsorship in a Social marketing initiatives falls. There is an expressed disconnect between Corporate Social Investment and Social marketing sponsorship initiatives. It seems that when discussing sponsorships, the samples tended to relate this back to a social investment rather than a strategic tool for attaining company goals that are consistently considered as a marketing tool, with “contradicting” statements like those mentioned below:

<table>
<thead>
<tr>
<th>Company2_Expert2:</th>
<th>“Sponsorships I think you’re going to have to separate them because sponsorships I see as we [marketing] do not get involved in sponsorships so from a sponsoring we do not sponsor anything…”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“The CSI thing is specifically driven, we’ve got a CSI Manager for the organisation and that CSI Manager coordinates all investments and obviously triages and reviews whatever they want to be investing…”</td>
</tr>
</tbody>
</table>

| Company3_Expert3: | “we have a CSR committee and we do, we have different fund raisers and donations that go to different homes, different home around…” |

| Company5_Expert5: | “CSI project from a key marketing side it would only be looked at unfortunately if there a business opportunity for us in terms of some sort of return.” |

<table>
<thead>
<tr>
<th>Company5_Expert5:</th>
<th>INTERVIEWER: “Does it lie more in the CSI side or more in the marketing side?”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RESPONDENT: “It depends…”</td>
</tr>
</tbody>
</table>

This finding relates to the relevance of Proposition 3; to understand the strategic role that this tool [partnership] should play in the company and who should be responsible for the implementation thereof.
### Summary & Findings: Partnerships

**Figure 16 Cross functional flow chart - Partnerships - Proposition and results matrix**

<table>
<thead>
<tr>
<th>Partnerships</th>
<th>Results Theme Structure</th>
<th>Proposition 1 - Partnership attractiveness and the business case</th>
<th>Proposition 2 – Alignment of goals and expectations between sponsor/sponsee</th>
<th>Proposition 3 - Marketing strategy and a strategic tool</th>
<th>Proposition 4 – Traditional Meds Market entry and product substitution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involved or not involved</td>
<td>Involved or not involved</td>
<td>The goals and benefits brings to light the expectation of partnership meeting the sponsor company goals</td>
<td>The sponsor is driven by other goals and does not attempt to align to meeting the sponsor expectations</td>
<td>The factors specified to increase/decrease attractiveness, supports the business case for the sponsor</td>
<td>The lack of market intelligence</td>
</tr>
<tr>
<td>Perceived Goals &amp; Benefits</td>
<td>Perceived Goals &amp; Benefits</td>
<td></td>
<td></td>
<td></td>
<td>The small scale nature of current initiatives shows the &quot;reluctance&quot;, fear and lack of confidence in partnerships</td>
</tr>
<tr>
<td>Drivers for entry into partnerships</td>
<td>Drivers for entry into partnerships</td>
<td></td>
<td></td>
<td></td>
<td>Which is not proactively considered by the sponsee</td>
</tr>
<tr>
<td>Factors of attractiveness for entry</td>
<td>Factors of attractiveness for entry</td>
<td></td>
<td></td>
<td></td>
<td>Currently the strategic role of partnerships is unclear</td>
</tr>
<tr>
<td>Strategic fit in company</td>
<td>Strategic fit in company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Linking back to the initial results which demonstrated the companies’ roles are to play an active part in solving social dilemmas and also the need to show a business case when selecting the cause to partner. The initiatives currently in place with the sample companies were argued to be very “small scale” in nature and did not align with the statements made on their role play. The data showed that companies tend to align themselves with causes that support the company goals and that are aligned to either their brand, product or company offering (what the company stands for) or that if the cause can in some way prove or ensure this the attractiveness/potential of the partnership will be highly increased (proposition 1). This was a point highlighted by all of the experts and is also relevant to the proposition of the study that correlates with the NGO/cause or sponsee’s approach to the partnership offering.

The current perceived benefits from the partnership were related to compliance and image more than marketing drivers. The soft goals such as “awareness”, “image” and “creating loyalty” also confirmed that not only are companies’ seeing these initiatives as their social responsibility to give back, but also as a way to attain company benefits from this partnership to achieve traditional company goals. And as expressed consistently throughout the interviews; the need to present the “business case” for the partnership, or the ability of the cause/NGO/sponsee to indicate the potential benefit
the sponsor will gain from this investment is very important in determining the decision to invest.

This was contradicted by the view of the NGO who continuously expressed the main selection criteria of the sponsor to be more about passion for the cause than the business case. This emphasises the misaligned expectations (Proposition 2) and goals in this partnership. Essentially, there is a dichotomy, where the sponsor operates from purely a business perspective and seeks numbers to substantiate this investment of resources as there is an opportunity cost to their money. The NGO, on the opposite end, is driven by passion and volunteers not business KPIs. This stresses the need for the sponsee to be aware of the perceived/expected benefits from the relationship and factors that would affect the attractiveness/reason for entry into the relationship. The sponsee is required to align this with the initial engagement/offering and attempt to satisfy the company with a business case for the partnership other than that of a social responsibility to society.

The researcher argues that the role under which partnerships fall will determine the approach taken regarding the social dilemma of African rhino horn and rhino poaching. It remains to be concluded whether the dilemma will be seen and managed as a strategic tool in attaining company goals or whether it is viewed as an ad hoc social investment back into society.

5.3.10 Marketing Strategy

The role sponsorship and Social marketing plays within the companies’ marketing toolsets within the sample of companies is discussed in Chapter 6. The data also addresses the potential future role that partnerships could play. The following were major themes that emerged from the interviews with respondents:
5.3.10.1 The importance of Sponsorship – Adding to the company’s promotional mix

When discussing the importance of sponsorship and asking whether it is valid and includes the sponsorship as part of the marketing mix, only one of the experts explicitly said “no” to include sponsorship to the promotional mix. Therefore, the remainder of the respondents confirmed the relevance and importance of sponsorship and the need to be actively considered as part of the companies’ promotional mixes.

Table 26 Importance of Sponsorship

| Company3_Expert3: "I think it becomes important, I think it is important because what you can do with sponsorship is it depends on what you sponsorship is a 2-way thing. If you are sponsoring a cause so that image of that cause also rubs off on you so you can benefit from that cause as well." |
| Company5_Expert6: "It is ja." |
| Company5_Expert7: "It should be I mean in the past it used to be the least thing in any company if they decided to cut budget that would be the first thing that they cut out you know but now because like I said that most of the patients now they want to do it they want to understand as a reason now and as pharmaceutical companies we’re venturing into social media for instance which is something that we never thought will be because of the restrictions of what we can and what we can’t do but now you see now more and more pharmaceutical companies are going into the social to the digital space you know so you really cannot separate it, it has to be a full spectrum of what you do. I always say that make it a part of your mix ..." |
| Company5_Expert5: "Yes definitely most definitely." [The expert’s answer when posed the question: whether it valid including the sponsorship as part of the marketing mix] |
Therefore, if the majority of the experts support for its importance and the need to include it in strategic tool consideration for attaining company goals, the company need to revisit the [Partnerships] place in the company (Marketing versus CSI).

5.3.10.2 Part of strategic marketing toolset

The respondents noted the importance of the inclusion of sponsorship as a part of Social marketing initiatives in the corporate marketing toolset.

Table 27 Marketing Strategy & Toolset Relevance

<table>
<thead>
<tr>
<th>Part of Marketing Toolset</th>
<th>Comp any::1</th>
<th>Comp any::2</th>
<th>Comp any::3</th>
<th>Comp any::4</th>
<th>Comp any::5</th>
<th>Comp any::6</th>
<th>Comp any::7</th>
<th>Comp any::8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Strategy &amp; Toolset::No</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing Strategy &amp; Toolset::Potentially</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing Strategy &amp; Toolset::Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Table 28 Respondents Explanations of Strategic Relevance of Sponsorships

<table>
<thead>
<tr>
<th>Company1_Expert1</th>
<th>Company3_Expert3</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I think we don’t do it but we do, do it subconsciously.”</td>
<td>“Yes depending on the brand for example on the [brand] I do want to change behaviour I want to educate people to, so we do educate them on effective dosing so day and night and I think there is a commercial benefit for us as well so we do, do education around that.”</td>
</tr>
<tr>
<td>“It depends on the budget and…”</td>
<td>“I think for you to make it sustainable and for you to build your brand you need to do it consistently”</td>
</tr>
<tr>
<td>Company4_Expert4</td>
<td>Company5_Expert6</td>
</tr>
<tr>
<td>“It’s part of it.”</td>
<td>“It’s on the back burner”</td>
</tr>
<tr>
<td>Company5_Expert7</td>
<td>Company7_Expert9</td>
</tr>
<tr>
<td>“Yes part of the strategy.”</td>
<td>“…it’s part of our strategy. We put budget aside for it every year ja.”</td>
</tr>
<tr>
<td>Company8_Expert10</td>
<td>Company5_Expert5</td>
</tr>
<tr>
<td>“it’s a definite it’s always there.”</td>
<td>“no, it would probably be more adhoc”</td>
</tr>
</tbody>
</table>
5.3.10.2.1 A way of tapping of new markets

Given that this could be a potential tool to use to attain company goals, the question was asked whether sponsorship can be used to enter new markets.

Table 29 Potential for tapping new markets

<table>
<thead>
<tr>
<th>Company</th>
<th>Comp::1</th>
<th>Comp::2</th>
<th>Comp::3</th>
<th>Comp::4</th>
<th>Comp::5</th>
<th>Comp::6</th>
<th>Comp::7</th>
<th>Comp::8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tapping New market::Yes potentially</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 30 Respondents Explanations of Sponsorships as Means for New Market Entry

**Company3_Expert3:** “Yes to get to new target markets so for example if I would take [Product] now and okay it’s not a sponsorship to a cause but I would sponsor the Rugby and I would probably be targeting my brand at a new target market so potentially get more sales so you would weigh that off, the cost of sponsorship the cost of getting people and things like that so yes I think it is definitely something you do look at.”

**P 5: Company5_Expert6:**

INTERVIEWER: “… would it increase the …if there’s the potential to go into a new market with the sponsorship or cause so you have the ability to enter into a new market or sell more product that would, would that be something that increases the appetite?”

RESPONDENT: “Definitely!”

**Company7_Expert9:** “I think it can it depends who you’re trying, is it sponsoring in general or just in across the board or because I think for us it’s a bit tricky” “Sometimes there might be an avenue or channel of sponsorship you’re going down where you know again it’s not going to be you’re not going be a financial return but however there will be good exposure again … but in most cases the sponsorship is that we would hope to see some financial return because we’re also having, there’s money going in and in some cases the money must also have come back in a way.” “I think yes I think it is we can use sponsorship to that degree.”

**Company8_Expert10:** “If it’s done properly and I think that’s something that we’re now going to as far as for instance as sponsorships towards the breeders and the
shows we would like to drive it more effectively to say if it’s done in a proper manner, if you say ‘I would like to have this exposure that exposure in return for this’ and you make sure that that happens then definitely it can be a very good tool”

Company5_Expert5: “Yes, yes it would because it would fit in with a clear business case example you know so you’d kind of like you know like do the social you know responsible thing and don’t use Rhino horn use our product rather you know save the Rhinos but at the end of the day you’re using more of our product investing ourselves and from that perspective it becomes a communication vehicle to further the cause but further your business at the same time.”

5.3.10.3 Summary & Findings: Marketing strategy

The results indicate that experts observe the relevance and growing importance of considering partnership with causes as a crucial tool for companies. This is mirrored in the experts’ support of adding this to the standard promotional mix for active inclusion and periodic consideration by the company. The data also reveals that this is a tool to be able to proactively plan and use as part of the marketing toolset to obtain marketing and business goals even though it is currently on the “back-burner” and not proactively considered across the majority of the companies. Therefore the experts’ see the future role this tool [partnership with causes] plays in attaining company goals. This is also shown in the sceptic but mainly agreed on feedback when discussing the use of a partnership with a cause to tap a new market. The experts noted the potential and viability of this option but admitted it is not currently used for this reason. This result therefore supports Proposition 3.
5.3.11 Market entry and traditional medicinal markets

More specific to the propositions, the following addressed the samples feedback on:

- The offering of their products as substitutes to rhino horn products
- Entering the traditional medicinal market (the reasons, pros and cons) substituting it with western medicine

These propositions allowed for the experts to discuss the traditional medicinal market and resulted in revision of the original two propositions.

As the propositions made the study propose that pharmaceutical companies enter into the traditional medicinal market by partnering with the cause, such as rhino causes and thereby position their product as a substitute to the traditional medicine/rhino horn (initial Proposition 4). The sample’s response to this proposition was interpreted as contradictory by the researcher. Initially the major rise and potential of this market was noted (in the form of the regulated natural medicines) yet when probed further, the respondents explained that the lack of research and “resistance” as a result of the fearful unknown and lack of market insight into this market acted as barrier to consideration which lead to the revised Proposition 4.

5.3.11.1 Natural Medicine – The link to the traditional medicinal market

- Natural Medicine market is on the rise

Table 31 Respondents Explanations of the Natural Medicine Market

| Company1_Expert1: "Vitamins, natural medicines, traditional medicines are definitely on the rise on the increase" |
Company2_Expert2: "that’s a very interesting market because the growth is coming out of it"

Company5_Expert6: "ethical drugs so CHC as such only contributes 6% to its total [company] turnover at the moment but of course its envisioned to grow CHC which is your Consumer Healthcare to 25% over the next couple of years obviously because there is risk with scheduled medicines and their patent clips in that so we would like to grow it."

- **Pros for the traditional medicinal market**

Table 32 Respondents Explanation of the Benefits for Traditional Medicine Market

<table>
<thead>
<tr>
<th><strong>Company2_Expert2:</strong></th>
<th>“We do well we’ve got a huge market in that area”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“you’ve got no regulations in terms of pricing”</td>
</tr>
<tr>
<td></td>
<td>“the traditional market there is no price controls”</td>
</tr>
</tbody>
</table>

| **Company3_Expert3:** | But the difference is where schedule ‘0’ and ‘1’ you can or schedule ‘0’ you can advertise freely and it is available in retail stores so it’s from a schedule ‘2’, a ‘1’ can also advertise a schedule ‘2’ can’t.” |

5.3.11.2 **Product substitution**

“Do traditional medicines supplement your offering? Or do they replace it? Would the expert’s company consider competing directly with a traditional medicinal product? Do traditional medicines erode the market share of your products? What would you do if they did?” These are the types of questions asked to explore and direct the discussion on the consideration or option to compete directly with the traditional medicinal product like rhino horn and provide the company’s product as a substitute.
When exploring the potential to compete directly with the traditional medical market with one of the sample companies’ products as a substitute, the response was mixed and did not provide concise support for or against this option. The major reason noted for reasons not to consider this as an option was because of:

- The company’s responsibility to act in the ethical medicinal products.
- To enter markets through a regulated channel.
- The unknown factors of this market.

The researcher argues that given that this market/product is noted to be a threat to their products, it should valid more insight, understanding and consideration.

Table 34 Respondents Explanations for the Hesitancy for Entering Traditional Medicine Market

```
Company3_Expert3:”I think in certain markets they are more of a threat because if they using traditional medicines because they’re not educated to know that there is a western medicine out there then they are less of a threat because we can use education but if they are so entrenched and it’s part of their belief system and culture then it’s more difficult... look there are lot of for example there’s a product called “Stameta” and that’s a drink that they’ve created and it gives you strength it enters your body and who knows what’s in there and it’s a registered medicine, it
```
looks like a medicine it makes claims like a medicine and a product like that can erode your market share definitely so yes it can in certain ways yes.”

Company4_Expert4: “If there was, if we found that you were losing massive amounts of business because people were preferring to go to a traditional healer and taking something else relative to our drug, I suppose we would then think about it, but the difficulty would be we wouldn’t be allowed to engage with the traditional healers how to serve the public”

Company5_Expert5:

MALE INTERVIEWER: “Okay and do you see them as a threat, are they a threat to your market?”

EXPERT: “Yes absolutely, absolutely”

5.3.11.3 Summary & Findings: Market entry and traditional medicinal markets

The results express the future potential this type of market holds in the form of the natural medicine market and is compounded by an educated consumer willing to self-diagnose. Combined with the rise in the market it conveys much less obstacles than the highly regulated product channels take. Lower barriers to entry from a marketing regulatory point of view as well as no price controls makes this a very attractive market to enter into, which provides more business case to enter for a pharmaceutical company.
5.4 Propositions’ Journey

The research propositions’ “journey” is stated below for ease of reference and flow into Chapter 6. The initial four propositions stated in Chapter 3 have evolved into what the researcher argues is now the four final propositions, as supported by the data. The original four propositions allowed the interviews to be directed into the right direction by asking relevant questions and this then allowed the results to shape the final four propositions. More specifically, Proposition 4 was changed to reflect the results:

- **Pre-results proposition 4.0:**
  The entry into the traditional medicinal market through the offer of the sponsor’s scientifically endorsed product (for example, natural medicine) as a substitute is a viable option for consideration by the sponsor company.

- **Post-results proposition 4.1:**
  The rise and potential of the traditional medicinal market is characterised by behaviour driven by entrenched cultural and traditional beliefs. The results demonstrate reluctance from large corporates to act on strategically. The study therefore proposes there is a lack of intelligence into this “unknown” culturally driven market as a result of a hesitant company approach to social dilemmas rooted in cultural beliefs.

Below is the summary of the relevant themes found in the interviews and the relevance of the results to each proposition, paired with the comprehensive conclusion of results.
Figure 22 Cross Functional Flow Chart - Post-Results - Proposition and Results Matrix

Post-Results and Proposition matrix

<table>
<thead>
<tr>
<th>Results Theme Structure</th>
<th>Proposition 1 - Partnership attractiveness and the business case</th>
<th>Proposition 2 – Alignment of goals and expectations between sponsor/sponsee</th>
<th>Proposition 3 - Marketing strategy and a strategic tool</th>
<th>Proposition 4 - Reluctance to act because of culturally rooted market opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post-Results and Proposition matrix</td>
<td>Companies acknowledge their role to play</td>
<td>The need to be able to present a business case/ justification to invest in this partnership is a challenge. This shows the need to link the partnership to company goals.</td>
<td>The drivers to enter into a partnership supports the business case for the sponsor. The drivers to enter into a partnership supports the business case for the sponsor.</td>
<td>The lack of market intelligence</td>
</tr>
<tr>
<td>Prop 1 - Social Marketing &amp; Partnerships</td>
<td>Perceived Goals &amp; Benefits</td>
<td>The goals and benefits brings to light the expectation of partnership meeting the sponsor company goals.</td>
<td>The factors specified to increase/decrease attractiveness, supports the business case of the sponsor.</td>
<td>The small scale nature of current initiatives shows the &quot;reluctance&quot;, fear and lack of confidence in partnerships</td>
</tr>
<tr>
<td>Prop 2 - Marketing Strategy</td>
<td>Strategic fit in company</td>
<td>The need to link the partnership to company goals.</td>
<td>The factors specified to increase/decrease attractiveness, supports the business case of the sponsor.</td>
<td>Currently the strategic role of partnerships is unclear</td>
</tr>
<tr>
<td>Prop 3 - Reluctance to act</td>
<td>The social awareness of the South African consumer motivates the importance to include social marketing and partnership as part of a strategic consideration</td>
<td>The need to be able to present a business case/ justification to invest in this partnership is a challenge. This shows the need to link the partnership to company goals.</td>
<td>The social awareness of the South African consumer motivates the importance to include social marketing and partnership as part of a strategic consideration</td>
<td>Cultural reluctance to enter the market because of the unknown of the market</td>
</tr>
<tr>
<td>Prop 4 - Market entry</td>
<td>Cultural reluctance to enter the market because of the unknown of the market</td>
<td>The lack of market intelligence</td>
<td>The small scale nature of current initiatives shows the &quot;reluctance&quot;, fear and lack of confidence in partnerships</td>
<td>Cultural reluctance to enter the market because of the unknown of the market</td>
</tr>
</tbody>
</table>

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CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

In this chapter the results are discussed in terms of the research propositions posed and by integrating the findings with the literature that was reviewed in Chapter 2. The objective of this chapter is to consolidate the preceding chapters of this research study to depict depth of insight into the findings and refer to the originally stated research objectives.

The propositions made in Chapter 3 are presented with the support or state of:

- literature reviewed
- data results

This chapter is structured to address each proposition separately, and will follow the following structure:

- General discussion
  - Solving social dilemmas and the role of the company
- The Four Propositions (each one addressed individually)
  - Proposition goal
  - Literature and data results
  - Conclusion

6.2 Solving social dilemmas and the role of the company

The data revealed that the companies see themselves [companies] as playing an “active” part in solving social dilemmas such as the rhino dilemma case presented to them, and see it as their “responsibility” to solve.

Table 35 Respondents Explanations regarding Role in Solving Social Dilemmas

| Company2_Expert2: | “what we do is that we align ourselves to our environment…” |

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The researcher notes that when expressing the companies’ roles, the experts associate it with the companies’ social responsibilities, namely the responsibility to invest and give back to society. Therefore they do not see the social dilemma as a potential market opportunity. However, these positive results from the data, including the practices that are currently in place (quality and quantity of partnership with causes) provide the researcher with the notion that it does not reflect this majority vote of support for their role to play in solving this dilemma. The small-scale nature (relative to the “giants” in the sample pharmaceutical companies) of initiatives in play hints towards the fact that this might just be a way of “ticking the box”, the “socially responsible company” box. Another potential hidden agenda, like attaining government tender favours and meeting minimum requirements, is worth noticing because the tender process driver was quite apparent; the companies did not seek to hide this. These results support Proposition 1 and 2, where the commitment to proving the business case is merely another business goal to obtain favour in the tender process (Gladden and Funk, 2002; Crompton, 2004; O'Reilly & Madill, 2010; Carrol & Shabana, 2010; Serban, 2011).

Literature, as is the case with companies interviewed, recognised that “Empirically, the management of shared natural resources is one of the key challenges facing humanity and its development” (e.g. Smil, 2002; Diamond, 2005; Stern, 2007; Volk, 2008; Bravo, 2010, p. 119). Yet, the results exhibited that there is still need to present a business case of obtaining company goals when playing this [solving social dilemmas] role. Furthermore, it was noted that not all social dilemmas are seen to be part of the companies’ scope to solve. Rather, the dilemmas where the link to the company’s brand or environment is clear will be considered and more attractive for consideration.

The question whether it is a human or animal social dilemma was an important determent of attractiveness for the sponsor and disclosed that a company is more prone to partner with causes where this link has been made. Therefore the sponsee’s ability to align its partnership opportunity to this finding could increase to probability of investment/partnership with the cause. Added to this, the reluctance or hesitant perspective was clear with specific reference to the culturally rooted dilemma, such as the rhino horn case presented. The experts seemed much more prone to become active concerning “known” social causes.
Table 36 Experts Explanations Regarding Unknown Cultural Factors Pertaining to Medicine

**Company7_Expert9:** “you don’t want to ever venture close to that Sangoma type of traditional stuff.”

Literature on “Problems and Challenges in Social Marketing” also reflects that many social behavioural issues are either too high involvement or too low involvement. In this case, cultural practices could be argued to be too high involvement and therefore too sensitive for a multinational corporation to stomach (Bloom & Novelli, 1981) The traditional medicinal market contains many “unknowns” that the sample seem to choose to ignore, even when there is a potential threat to the companies’ market share.

Table 37 Experts Explanations on the Threat of Unknown Factors on Market Share

**Company3_Expert3:** "I think in certain markets they are more of a threat...it looks like a medicine it makes claims like a medicine and a product like that can erode your market share definitely so yes it can in certain ways [Be a threat to market share].”

It can therefore be argued that the companies see the rhino horn product as a substitute to some of its own products which supports the business case to enter. (Bulte & Damania, 2005)

The companies managed to recognise the social dilemma as being the responsibility of the company to be part of the solution, which is argued to be only the first step to playing a proactive role in solving a social dilemma. The second step is putting action into practice (investment) and then, most importantly, the researcher argues that companies should be able to strategically use partnership as a tool to differentiate and attain company goals that will be the differentiating step.

### 6.3 Proposition 1 – Partnership Attractiveness – The Business Case

The potential of the sponsor/company to meet company goals (sell products, tap new markets and make profits) as part of the Social marketing partnership’s end benefits increases the appetite/attractiveness for a sponsor to enter a partnership of social cause.
The study proposed that pharmaceutical companies should consider the potential of using the partnership with a cause to change behaviour (Social marketing) as this could lead to attain of business goals. Therefore, not only to use the partnership investments as part of the company’s social responsibility to achieve social goals; but also to pro-actively use a way to attain access to new markets and sell more products. As a derivative, this proposition alludes to the increase in attractiveness of this partnership as companies have more “business case” justification to use this form of investment. Socially responsible companies’ aim is to primarily achieve traditional company goals like increasing market share, selling more products, increasing of brand equity for example, and the social objectives having a secondary role. (Şerban, 2011)

Following O’Reilly and Madill (2007), the authors reasoned that objectives for social marketing sponsorships are likely to be different from objectives for commercial sponsorships in that they will necessarily include social marketing objectives that have been proven in the current study’s results. The data revealed that Social marketing objectives would not be the only expected objectives in a Social marketing sponsorship, rather, they would be utilised in combination with the more traditional objectives found in commercial sponsorships--such as building awareness, branding, promotion, reaching new target markets amongst others (O’Reilly & Madill, 2007).

The data supported the literature when the respondents noted many expected objectives for the partnership that are not associated with the specific social goals. However, the main factors that could increase attractiveness were revealed to be that of:

- **Providing a “Business case” to the sponsor company**; attention to the business case for CSR initiatives are important to understand and consider (Carroll & Shabana, 2010).

- **Showing how the partnership will “Fit and align with brand” of the company and be able to valid a “Company Value Offering Link”**– to be able demonstrate the relevance or alignment of the cause to the company’s consumers, offering connections to the literature that discuses more than 50 distinct sponsor objectives, ranging widely from the relatively simple to the very complex, such as building brand equity in a specific target market.
(Gladden & Funk, 2002) or achieving a target ROI (Crompton, 2004). The results also supported an observation made by Lee (2008) on the trend in the evolution of CSR theories that reveals a tighter coupling between CSR and the organizations financial goals, shifted away from a purely ethics focus to a performance orientation. In effect meaning that outcomes (of the partnership) must achieve organisational goals. Literature is therefore supported by the study at hand and also extended through the finding of the need to align the partnership to these goals.

Table 38 Respondents Explanations Regarding Social marketing Partnerships as a Business Case

| Company1_Expert1: | “Unfortunately it’s got to be a business reason… I think it’s always going to be business benefit however you slice and dice it” |

Furthermore, the authors Madill and O’Reilly (2010) argued that either or both the sponsee and the sponsor in a Social marketing partnership will seek Social marketing objectives as well as additional objectives outside of the Social marketing initiative through this partnership, which was the case in the sample. The definition of sponsorship supported the importance of the companies’ goals considerations when one of the constant elements in the definition of sponsorship across the literature reviewed was (a) the sponsor's association with the sponsee (Crompton, 2004; Ali et al., 2006) that indicated the companies’ imperative, other than purely social goals.

6.3.1 Conclusion

Attention to the business case for CSR was emphasised by Carroll and Shabana (2010) and they noted the gain of noticeable consideration for this matter. More recent literature and data therefore supports the proposition made; by increasing the partnership’s ability to satisfy business goals the attractiveness of entering into a partnership with a social cause will increase. This then challenges Kotler’s definition on the objective of Social marketing (Andreason, 2003):

“Social marketing is the application of the principles and tools of marketing to achieve socially desirable goals, that is, benefits for society as a whole rather than for profit or other organizational goals... and includes the design, implementation and control of programs calculated to influence the
Andreason (1994) also reasoned a need to challenge this definition and added that the definition of social marketing should meet the following criteria.

- apply commercial marketing technology
- have as its bottom-line the influencing of voluntary behaviour, and
- Primarily seek to benefit individuals/families or the broader society and not the marketing organization itself.

The fact that the company goals is not mentioned as a goal in the initial definition from Kotler and Zaltman (1971) is argued to be crucial, as purely the achievement of social goals are stated. However Andreason’s (2003) definition highlighted “behaviour change” as the core of the definition and again does not highlight the importance of company goals but only eludes to it being a secondary goal to that of achieving the “behaviour change” (Andreason, 2003). Even though there has been a life cycle growth in maturity of the definition the study argues it is still open for challenge to include to importance/potential of the company goals.

The results and literature denote the requirement from the sponsor for company goals to be achieved for partnerships to be a considered option, which would increase the appetite for consideration. However, the current image of Social marketing in business is defined to be the achievement of only Social goals and behaviour change and does not highlight the potential business case. This is argued to deter potential big corporates driven by the need for a business case.

Therefore, the ability of the partnership to meet the sponsor company’s goals or to be able to demonstrate a potential alignment to the company’s customer (which is a factor of attractiveness) would make this a more attractive investment to the company (the potential sponsor) to consider.
6.4 Proposition 2 – Partnership – Alignment of Goals and Expectations

Sponsor and sponsee goals and expected benefits out of the partnership needs to be aligned. The cause or NGO drives the “soft” reasons and the sponsor is only concerned with the business case, for example, an return on investment.

The proposition is supported by the results that displayed a contradicting goal for the partnership in a social cause (from the perspectives of both the sponsor and sponsee). The study therefore proposed that the NGO understands the expectations from the potential sponsor and attempts to position/align the partnership opportunity accordingly, thereby satisfying the sponsor company’s need for a business case.

Although these highly valuable’ sponsees (speaking about NGOs or causes for example, looking for willing big corporates to partner with) are in the enviable business situation of having interested sponsors bidding for their property rights, the majority of sponsees who seek resources struggle to attract, satisfy, and maintain sponsors (Hoek & Gendall, 2002). The study therefore argues that the sponsee can no longer drive their own goals to partner in attempts to secure sponsors and therefore needs to be smarter and more “business case” focused in attracting corporates to partner by then aligning to that driver. The data showed that this is the case; the leading NGO interviewed provided reasons for partnering that were far removed from the expectations of the sponsor, which was also confirmed by the sponsor.

Table 39 Respondents Confirmation of Disconnect with Sponsee

| Company5_Expert5: “…a lot of people come and they’re looking for sponsorships or get involved with us, which is fantastic, where they [NGO’s/Sponsee] miss out on completely is presenting the business case.” |

Given that the sponsee is the initiator and manager of Social marketing sponsorships (Madill & O’Reilly, 2010), it is argued that it is important that the expectations from the sponsor are understood to allow the sponsee to meet or attempt to align to those expectations, as the researcher argues “the appetite for the sponsorship needs to be enticed by the initiator”.

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The NGO interviewed proved that the expectations were not driving business imperatives, yet it was driven by passion for the cause and the buy-in of the potential sponsor’s support of this passion, which was argued to be a result of the NGO volunteer business model. The literature reviewed explained that building efficient B2B partners is one of the most difficult tasks in sponsorship. The alignment of goals is significant in ensuring strong partnerships (Renard & Sitz, 2011). The authors Renard and Sitz proposed that partnerships should be able to work in both ways and that a strong B2B partnership should enable not only the sponsor to take advantage of the cause but also for the sponsee to benefit from the partner’s expertise. Therefore with the sponsee as the initiator (Madill & O’Reilly, 2010), it is crucial that the goals of the sponsor are aligned to that of the partnership “opportunity”/investment (Renard & Sitz, 2011). It could therefore be suggested that South African NGOs are very far behind in international best practice in general and social marketing in particular.

The data exposed a strong expectation and thereby a significant disconnect from the sponsor to be presented a business case to validate securing budget and investment to partner with a cause.

One of the major reasons why activating a sponsor relationship is difficult was found to be the lack of a strong identity of those entities requesting a sponsorship in order to attract the right sponsor and offer a fair potential return on investment (ROI) (Renard & Sitz, 2011). This was also the case in the sample results, where the ability to justify an ROI was seen to be one of the major challenges. This strong business expectation was intensely contradicted with the disregard from the NGO to acknowledge this. When speaking to the NGO about the need to approach this partnership with a business frame work in mind, the researcher experienced the expert’s summation of the proposed misalignment:

Table 40 Respondents’ Explanation of Misalignment between Sponsor and Sponsee

| NGO: “But it’s not what it’s about for us. We want to work with people who care so for us we wouldn’t ever want to sell the cause on that basis.” |

6.4.1 Conclusion

The study argues that given the difficulty and the scarcity of sponsors and the massive reliance from sponsees on these resources to attain their social cause’s goals, the
sponsee is not in the position to ignore the “business case” need from the sponsor. The proposition is therefore a relevant one as the sponsors and sponsee’s goals and expected benefits from the partnership are not aligned as shown in the sample results. The study questions whether the NGO volunteer based business model has not hindered this from happening.

| Table 41 Respondents’ Explanation Regarding the Association between Sponsor and Sponsee |
| Company4_Expert4: “[Talking to what would make partnerships more attractive] if there was something, if there was a link, a final link, that would associate, that would show alignment, to be beneficial, in terms of associating our brand with that cause” |

6.5 Proposition 3 – Partnership – Marketing Strategy and a Strategic Tool

Partnerships with Social marketing campaigns must be pro-actively considered as part of the company’s marketing strategy (seen as part of the promotional mix available to the decision maker’s toolset) rather than an ad hoc Corporate Social Investment where the company takes an “invest if we have budget” approach. Essentially, the sponsor should have the same (and reciprocal) attitude towards the sponsee, which is that they are integral to business processes rather than discretionary and tangential.

The study proposed that the role of Social marketing partnership be seen as a strategic tool and should be proactively considered as an element to the companies’ marketing strategies.

Research exposed that traditionally, sponsorship has been used most extensively in the sport sector. However, as sports sponsorship opportunities saturate, other properties such as causes, entertainment and the arts receive more attention from sponsors (Madill & O’Reilly, 2010). However, experts in the science of sponsorship in Social marketing, Madill & O’Reilly (2010) noted that Social marketing sponsorships have grown in importance in other countries around the world (Madill & O’Reilly, 2010). This has potentially led to the growing acceptance of sponsorship as part of the promotional mix (Mullin, Hardy, & Sutton, 2000). Yet, the data showed a concerning lack of understanding and application in practice in South Africa.

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However when the question on whether the inclusion of the sponsorship as part of the marketing mix is a valid statement, was asked to the sample only one of the experts explicitly said “no” and the rest supported this. The researcher also argues that given the fact that the importance of sponsorship’s role evolved into the consideration in the promotional mix, it could also be considered as part of greater marketing strategy.

Table 42 Respondents’ Explanation for Sponsorship as Part of Marketing Mix

| Company5_Expert7: “It should be I mean in the past it [Social marketing partnerships] used to be the least thing in any company if they decided to cut budget that would be the first thing that they cut out… I always say that make it [Social marketing partnerships] a part of your mix …” |

6.5.1 Conclusion

Literature confirms the results of this study, with the majority of the experts supporting the importance and the need to include sponsorships as strategic tool for consideration when attaining company goals, and therefore argues the company needs to revisit the place of partnership within the company (Marketing or CSI).

This was also proven when it was agreed to be a tool to use in entering new markets by four of the eight companies and six of the eight companies; noting the strategic role that partnership in Social marketing can play. Even though it is not currently considered as such, it is noted by the expert to have this potential.

Table 43 Experts’ Explanation of Partnership for Sponsorship of Social Dilemmas

| Company1_Expert1: “I think we don’t do it [currently consider it pro-actively] but do it subconsciously” |

Because of the increasingly socially aware customer, especially in South Africa.

Table 44 Respondents’ Explanation for Socially Aware Consumers

| Company1_Expert1: “South Africans more than any, my opinion more than anywhere else are very aware of social responsibilities” |

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It can be argued that Social marketing partnerships are even more important to strategically consider as part of the company’s marketing mix.

6.6 Proposition 4.1 – Partnership – Reluctance to Act Because of Culturally Rooted Market Opportunity

The rise and potential of the traditional medicinal market is characterised by behaviour driven by deep cultural and traditional beliefs (Milliken & Shaw, 2012). The results show reluctance from large corporates to act strategically. The study therefore proposes there is a reluctance into this “unknown” culturally driven market as cultural practices are deep rooted and could result in outright market rejection. This stymies a proactive and innovative approach to markets as global citizens and cosmopolitans who wish to align with ‘modern’ as opposed to ‘anachronistic’ paradigms. It is not surprising then that social dilemmas entrenched by cultural beliefs (as is the case with the Rhino dilemma) are shunned by corporates.

The data did not show clear support for or against the initial Proposition 4 and therefore argued that the initial proposition is not clearly supported. What was evident was the proposition was almost too “mature” at this point and needed to be re-designed before the actual company decision to enter the market with a substitute can be considered. The data showed that the sample companies in a stage of inaction and the proposition should focus on the reluctance to take action by companies or put a plan in place to enter because of this cultural “unknown” of this type of market, namely the traditional medicinal market of the rhino horn. Thus positioning is vital; companies need to find tones of nature conservation and change within cultural practices in order to avoid this resistance and meet fire with fire

Proposition 4.0:

Supply spectrum academics recommended “flooding” the market for wildlife goods with farmed varieties (Brown & Layton, 2001) or with other substitutes such as stockpiled goods. However, the researcher was not convinced that this was a viable solution. The other option of potentially providing a chemical substitute (Mills et al., 1995) for example, Viagra, has affected the trade in velvet from reindeer antlers, harp seals, and hooded seal penises—all commodities prescribed as aphrodisiacs in
traditional Asian medicine (von Hippel & von Hippel, 2002) and this further propounds the current research’s proposition. This researcher steered the interview into the discussion around the sponsorships with a cause’s potential to not only assist in the creation of awareness and education around the cause but to potentially provide a substitute in the market for the traditional medicine that could benefit the cause, as well as the sponsor. The results, however, were not clear in support for or against this proposition with only two of the eight companies seeing this as a possible option and the rest “uncertain”. The uncertainty or reluctance to consider this as an option is argued to be in the nature of the “unknowns” of the traditional medicinal market as shown in the results.

Table 45 Reluctance of Companies to Venture into Traditional Medicine Market

| Company6_Expert8: “[the traditional medicinal market] deeply rooted traditional values, its cultural stuff you know passed down from generation to generation” |

And this results in an “unknown” lack of market intelligence for companies riddled by values, beliefs and age old cultures (Milliken & Shaw, 2012).

Table 46 Reluctance to Understanding of Traditional Medicine Market

| Company5_Expert7: “we still need to understand exactly what happens because no-one really knows.” |

Proposition 4.1:

1. The data noted the threat of this market to their market share with three of the companies’ recognising that there is a potential for this market to erode their market share:

Table 47 Expert’s Agree to Threat of Market Share regarding Traditional Medicine

<table>
<thead>
<tr>
<th>Company5_Expert5:</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE INTERVIEWER: “Do you see them [traditional medicinal market] as a threat, are they a threat to your market?”</td>
</tr>
<tr>
<td>EXPERT: “Yes absolutely, absolutely!”</td>
</tr>
</tbody>
</table>
2. The data noted the rise of this market and consequent potential:

<table>
<thead>
<tr>
<th>Company1_Expert1:</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Vitamins, natural medicines, <em>traditional medicines</em> are <em>definitely on the rise on the increase</em>”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company2_Expert2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>“that’s a very interesting market because the <em>growth is coming out of it</em>”</td>
</tr>
</tbody>
</table>

3. The data noted the additional benefits to this market. With an industry constrained by heavy regulations on pricing and marketing and the sample rating this challenge to be classified with the top three main challenges posed to pharmaceutical companies, industry and partnerships. This market could therefore prove to be a major opportunity as this market removes these challenges:

<table>
<thead>
<tr>
<th>Company2_Expert2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>“you’ve got <em>no regulations in terms of pricing</em> [in the traditional medicinal market]”</td>
</tr>
<tr>
<td>“the traditional market there is <em>no price controls</em>”</td>
</tr>
</tbody>
</table>

6.6.1 Conclusion

In research done in South Asia on what makes for successful execution of Social marketing programmes, one of the implications of the study was that it had targeted and innovative distribution strategies, that *consider* community characteristics, location, product requirement and cultural issues; and these may be appropriate for an effective execution of a social marketing programme (Saini & Mukul, 2012). Therefore the cultural consideration of the market is crucial for the success of the Social marketing program and should not be the reason for avoidance of the market. Successful entry into the traditional market has been proven by literature, as was the case with the example of the “aphrodisiac” (von Hippel & von Hippel, 2002).

The study questions why, given the points discussed, the companies are so reluctant to create strategic actions for the Traditional Medicine Market in an effort to solve the social dilemma of the African rhino horn and rhino poaching. Furthermore, six of the
seven sponsor companies interviewed chose to use the “complexity” of the cultural dimension or changing beliefs and values in this market (such as the rhino dilemma) a significant reason more not taking action.

Table 50 Respondents’ Explanation for Remaining Inactive Regarding Solutions to Social Dilemmas

| Company6_Expert8: | “it’s very hard to change attitudes and perceptions and beliefs once people are adults” [when discussing entering into this market] |

It is therefore argued that companies such as the large corporates interviewed are hesitantly decision-less as a result of a culturally characterised market (like the rhino case). This is noted as a crucial point given the results’ findings of threat and the potential it holds for the companies. This leads to the develop Proposition 4.1.
CHAPTER 7: CONCLUSION

7.1 Introduction

This chapter emphasises the main findings of the research, pulling the results together into a cohesive set of findings. It also includes with recommendations to stakeholders based directly on the findings; gives recommendations for future research and managerial implications.

7.2 Research Objectives and Findings

The study's core findings are presented below in a conceptual model. The core findings are centered on three result sets:

- Partnership – Attractiveness drivers
- Partnership - Strategic importance to the sponsor company
- The social dilemma – The reluctance of companies to enter into certain partnerships

Figure 23 Findings Summary – Partnership and Social Dilemma Interaction

* "P1-P4" refers to the Propositions 1-4 relevance to the findings
The main aim was to investigate whether business can play a role in solving a social dilemma, such as the rhino horn dilemma.

Companies recognised a role to play in solving social dilemmas. However, it was apparent that this was not a simple case for dilemmas such as the rhino horn case that was presented to the experts. As a result of this, the unknown market and the fear that this culturally rooted (Behaviour driver) type of social dilemma bring emphasised reluctance from corporates to take action or play in this market,

Which lead to propose of potentially providing the consumer a substitute product or alternative through the partnerships as proven to be a successful method to change demand (von Hippel & von Hippel, 2002).

The results, however, were not clear in support for or against proposition 4.0. The uncertainty or reluctance to consider this as an option is argued to be as a result of the nature of “unknowns” the traditional medicinal market brings which lead to the development of Proposition 4.1 (See 6.6 Proposition 4.1 – Partnership – Reluctance to Act Because of Culturally Rooted Market Opportunity). This was an important finding as there were definite pros and reasons (See 5.3.11 Market entry and traditional medicinal markets) noted by the sample for the sponsor to enter this market.

The results supported the literature reviewed and therefore suggested that partnerships with Social marketing campaigns must be pro-actively considered as part of the company’s marketing strategy (seen as part of the promotional mix available to the decision maker’s toolset) (Mullin et al., 2000; Weinreich, 2006; O’Reilly and Madill, 2010). This was proven in Chapter 6 (Proposition 3),

Whether both the company’s (the sponsor) traditional goals (sell products, make profits and tap new markets) can be attained through a Social marketing initiative of sponsorship. Will the change in the approach have increased benefits on the total Social marketing goal or even the supply of available sponsorship alternatives to the social initiative, given the resulted increases in the attractiveness of partnership with a cause?

From the results it was clear that there is a major need for a business case for the partnership to be presented to the potential sponsor (Gladden and Funk, 2002; Crompton, 2004; O’Reilly & Madill, 2010; Carrol & Shabana, 2010; Serban, 2011).
This was shown to be a crucial driver to the attractiveness of this investment. Added to what makes the partnership more attractive was the alignment of the sponsee (NGO/Cause) to that of the sponsor’s goals and expectations. This is argued to be crucial, as literature demonstrated there to be a shortage of supply relevant to the demand for sponsors and the cause’s strong reliance on these resources from the sponsor to be able to attain the goals of the cause (Hoek & Gendall, 2002).

7.3 Research Limitations

The study was limited to that of the Pharmaceutical industry and therefore the viewpoint on propositions/topic might have been framed by the challenges and dynamics specific to this industry.

It must be noted that 20% of the experts confused Social marketing with social media and used these terms interchangeably; which questions the credibility of the experts’ insights on the current topic and eludes to the potential gap/infancy state in the South African market on best practices of Social marketing. This also denotes the great confluence of Social marketing with social media, which is the bane of many social marketers’ lives.

There were cases in the sample companies, even though they have global footprints, that noted a lack of market intelligence into the market of consumption (Asian markets like Vietnam and China). This supports the expressed potential limitations discussed in Chapter 1.

7.4 Managerial Recommendations

The study therefore suggests the use of “Figure 24 Partnership Attractiveness Quadrant” presented below. This quadrant was developed as an output of Chapter 6 and depicts the two fundamental drivers to attractiveness, namely; 1.) To recognise the sponsor’s need for a business case and 2.) To be able to align this partnership to the business case. It suggests that where both are true (top right quadrant) the attractiveness of the partnership to the sponsor is maximized. This would be beneficial to the cause/NGO/Sponsee as it would allow for a framework in approaching the potential sponsor with a partnership opportunity.
Figure 24 Partnership Attractiveness Quadrant

From Chapter 6 it is was concluded that the current sample could be plotted in the bottom right quadrant (not optimising attractiveness of the partnership), as the NGO did not consider the sponsor’s need for a business case and attempted to align the partnership to other goals. These goals were not aligned to the requirement from the sponsor, which is the “the business case”.

7.5 Academic Consideration

Relating specifically to “Chapter 6 - Proposition 1”, the study emphasised the fact that the company goals are not mentioned as a goal in the original definition of Social marketing (Kotler & Zaltman, 1971) and is also the case in the revised definition of Andreason (2003). The definition purely denotes the achievement of social goals, and later behaviour change, as the core outcome and begs the question whether this definition needs to be revisited, yet again. In describing the “The Life Trajectory of Social Marketing”, Andreason (2003) hinted to room for development of the definition:
“Early adulthood is a time where a person experiences a marvellous confluence of maturity and self-confidence, a limited history of mistakes and a wide world stretching out ahead to conquer. But we in social marketing must be conscientious and diligent if the field is to reach its full potential. There are important roles for all of us – academics and practitioners alike – to keep the young field learning and testing its environment – and growing into middle age!” (Andreason, 2003, p. 300)

Alluding to the fact that even though the definition of Social marketing has grown significantly into a “mature” state, there is still further room for development. This leads to the main academic contribution of the current study; the results and literature delineates the requirement from the sponsor for company goals to be achieved for this to be a deliberated option, which could lead to the increase of appetite for consideration (Gladden and Funk, 2002; Crompton, 2004; O'Reilly & Madill, 2010; Carrol & Shabana, 2010; Serban, 2011). Added to that, literature has also proven Social marketing partnerships as an avenue to attain company goals (von Hippel & von Hippel, 2002). Therefore, this study proposes challenging the latest definition of Social marketing to include, as part of a core driver of “Behaviour change” (Andreason, 2003) the potential of a business case driver - to attain company goals.

7.6 Recommendations for future research

Added to academia’s’ plea to continue research concerning Social marketing and sponsorships (Andreason, 2003; Lefebvre, 2006; Madill & O'Reilly, 2010) this study recommends the following specific areas:

The study recommends continuing the research of the initial proposition 4.0 posed (providing a substitute in the market of consumption), with the research to be done in the market of consumption, namely Asia. This is argued because of the following main reasons: The results from the sample was not concrete (neither support nor opposition of this proposition) and could potentially have been affected by the following future research recommendation…To research the “reluctance to enter into partnership with Social marketing initiatives where the behaviour (in market of consumption) is rooted in cultural behaviour”, such as the rhino dilemma presented. The study recommends future research to focus on understanding why market behaviour driven by cultural
systems brings a reluctance and fear to enter or to be strategically considered as a partnership opportunity by corporates. Hopefully, this allows direct access to the cultural dynamic to answer the question whether Western products and can be used as substitution to Eastern beliefs.

7.7 Conclusion

Literature has raised concerns on using only supply-side solutions to address the rhino dilemma (Damania and Bulte, 2007; Colyvan et al., 2011; Milliken and Shaw, 2012). All the more so when the consumption of the product lies outside of the “control” of the institution implementing the supply initiative (as is the case with rhino consumption; lying mostly in Asia) (French, 2000). This has led to the study’s proposition to address the demand side; not suggesting that the supply side should be ignored but rather to be used in conjunction with the core focus on the demand side where the source of the unsustainable behaviour lies.

The research topic’s focus on partnerships in Social marketing initiatives allowed the interviews with the expert sample to be directed in an exploratory nature and consequently led to an understanding of the potential role large corporates view themselves playing in solving social dilemmas through partnerships. However, this research elucidated the following:

- Lack of maturity and application of what Social marketing is by South African marketing experts.
- Lack of business focus by NGOs – The South African NGO volunteer business model’s shortcoming.
- Lack of broad thinking by corporates and reluctance to own social problems.
- Lack of strategic fit of the role of Social marketing partnerships within the company.
- Most importantly, a reluctance to partner with specific causes such as the culturally rooted rhino horn consumption, which led to recommending further research into the cultural dynamic of behaviour lying outside of the known
borders (Vietnam and China) of the supply side authority (South Africa) and the fearful affect it has on big corporates appetite to partner.

Finally, regarding the propositions that this research study sought to defend and prove; the study argues that traditional corporate social responsibility (CSR) fails to deliver, for both companies and society. (Browne & Nuttall, 2013). Therefore the study suggests that companies (both the sponsor and sponsee) can no longer engage (or not even consider engaging, for that matter) into a partnership for non-business case driven reasons (Gladden and Funk, 2002; Crompton, 2004; O’Reilly & Madill, 2010; Carrol & Shabana, 2010; Serban, 2011), for the following core reasons as supported by the study’s data:

- Sponsor case - Consumers are becoming more socially aware,
- Sponsee case - Sponsors seek a business case justification,

And therefore conclude that current passive approaches to partnerships’ roles in solving social dilemmas and in the companies be redefined and revisited by both parties (sponsor and sponsee) but more importantly be completed with a strategic business intent as the company does not only have a responsibility to shareholders, but also its stakeholders.
REFERENCES


http://www.professormarkvanvugt.com/files/CoreMotivesinCommonsDilemmas.pdf


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Appendix A: Trade chain flow from rhino poaching, illegal acquisition of stockpiled horn and legally-hunted White Rhino in South Africa to Vietnam
## Appendix B: Interview Guide

**Semi Structured – Questions framework**

* “Your company” – the company the interviewee has insight into.

<table>
<thead>
<tr>
<th>General Questions</th>
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<tbody>
<tr>
<td>&quot;Introduction to Thesis&quot;</td>
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<tr>
<th>Questions</th>
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<tbody>
<tr>
<td>Is your company an “Over-The-Counter” pharmaceutical company or prescriptions pharmaceutical company?</td>
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<tr>
<td>What does your company see their role is to play in “solving” Social dilemmas?</td>
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<tr>
<td>What forms of Sponsorship initiatives are your company currently involved in? If not will you your company consider? If not why not?</td>
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<tr>
<td>What Social marketing initiatives are you involved in (Social marketing is the active use of marketing tools to foster behaviour change)</td>
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<table>
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<tr>
<th>Set 1 Questions Context</th>
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<tbody>
<tr>
<td>&quot;Social marketing &amp; Sponsorship attractiveness&quot;</td>
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<table>
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<th>Questions</th>
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<tr>
<td>Are your company currently involved in any form of Sponsorship/Partnership as part of Social marketing initiatives?</td>
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<td>If one of them are considered to be part of your marketing strategy, What are the reasons/drivers for this decision?</td>
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<td>What are the expected benefits for your company to enter this partnership?</td>
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<td>What goals must the initiative serve?</td>
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<td>Would the potential of tapping into a new market, sell more products increase the appetite of entering into a partnership in a Social marketing campaign?</td>
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<tr>
<td>Why would your company not consider entering into a partnership or a Social marketing initiative?</td>
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<td>What benefits would make entering into a partnership more probable?</td>
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<th>Set 2 Questions Context</th>
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<tbody>
<tr>
<td>&quot;Sponsorship Goals &amp; Benefits&quot;</td>
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<td>What are your company's perceived goals and perceived benefits of a sponsorship in a Social marketing campaign?</td>
</tr>
<tr>
<td>What are your company's perceived goals and perceived benefits of entering into a Social marketing campaign?</td>
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<th>Set 3 Questions context</th>
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<tr>
<td>&quot;The potential of a substitute products and new markets&quot;</td>
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<td>Does your company see traditional medicinal markets as a potential new market?</td>
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<td>Do traditional medicines supplement your offering? Or do they replace it?</td>
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<td>Who is your end market, the end user/consumer or the reseller (for example doctors or hospitals)</td>
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<tr>
<td>Questions</td>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>Do you see the traditional medicinal markets as a threat to your products i.e. Does traditional medicinal markets erode your market share?</td>
</tr>
<tr>
<td>What are your company’s drivers to enter a new market?</td>
</tr>
<tr>
<td>Would your company consider competing directly with a traditional medicinal product? (like for example using rhino horn curing headaches from alcohol consumption)</td>
</tr>
<tr>
<td>Do traditional medicines erode the market share of your products?</td>
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<tr>
<td>What would you do if they did?</td>
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**Set 4 Questions Context**

"Marketing Strategy & Social marketing Sponsorship"

**Questions**

- Does your company see sponsorship with a cause to be a potential tool to tap into new markets, reach consumers and reach traditional company goals?
- Is Social marketing part of the company's strategic toolset and part of your company's marketing strategy i.e. Does it get considered to be an option?
- Is sponsorships in Social marketing part of the company's strategic toolset and part of your company's marketing strategy i.e. Does it get considered to be an option?
- Do you think the statement "The growing acceptance of sponsorship as part of the promotional mix" is a relevant statement?
- What benefits or goals sets priority on marketing strategy selection?
Appendix C: Interview Consent Form

Letter of consent

My name is Rheinhardt Schulze and I am currently busy with my thesis in completing my final deliverable for my MBA at GIBS (University of Pretoria).

My thesis will attempt to contribute to the question of how to “solve social dilemmas” or more specifically what role corporate sponsorships/partnerships could play as a tool in solving social dilemmas

The key points to my research are:

1. **Social marketing** – trying to change behaviour (behaviour mostly associated with causes for example the consumption of rhino horn) through marketing initiatives

2. **Sponsorships** - as a Social marketing tool to partner with a cause or initiative to change the behaviour with potential benefits for both the sponsor and sponsee

3. **Social Dilemmas** – for example the traditional medicinal markets, like the consumption of rhino horn to the detriment of a Common Pool resource.

This will be interviews with Social marketing and/or marketing experts like yourself that could give insight into pharmaceutical company’s reasons, objectives and motivations on their Social marketing (if any) partnership strategy, goals and direction. More specifically, this study will focus on the pharmaceutical companies relevant to my study’s case; which is that of rhino horn consumption/traditional medicine markets.

Given the difficulty of getting access to qualitative data my method is going to be a “snowball” approach, hoping to get access to many Social marketing experts/decision makers through referral by one...this is where your help is crucial will also be much appreciated.

I am very grateful that you have agreed to participate in my research. I have to repeat that your participation is entirely voluntary and you can choose to withdraw at any time. In line with normal practice all data collected will be kept confidential and used in an aggregated format to protect your identity and that of other people involved in this study. If this data/research will be used in the future it will be purely for academic purposes.
I appreciate the fact that you understand that your honest answers, opinions and perceptions be communicated to me during our interview and that you feel free to contribute at any point even though you might feel it is not questioned directly.

I have given you the contact details for my supervisor whom you may contact at any time should you have any queries or need for clarification.

SIGNATURE OF PARTICIPANT: __________________________________
DATE __________________________

SIGNATURE OF RESEARCHER: _________________________________
DATE __________________________
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CELL SUPERVISOR +2782 330 8759

Kind Regards & Many Thanks for your participation,

Rheinhardt Schulze