

SOCIAL RESPONSIBILITY, SOCIAL PRIVATE INVESTMENT AND SOCIAL MARKETING: WHAT IS THE DIFFERENCE?

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Abstract: With the globalization and advancement of the frontiers of capitalism, several ventures direct their efforts only to increase profitability and several other aspects are left aside, at the same time that this movement is growing, emerges the other side of the scale, companies that not only are aimed at profit, but are also attentive to the demands of society and the environment that are embedded. Based on the second movement reported, this research aims to explain the concepts in the literature on Social Responsibility, Private Social Investment and Social Marketing in order to separate their definitions from the confusion created by the inadequate use of large masses, mainly from repercussions generated by common sense, bringing to the fore the readers the clarification that can be generated from these new terms that are still in increasing evolution. For this, it is used as a research method the narrative revision, more flexible because it includes the approach of more general themes, and thus has a qualitative comparative nature, mainly for evidencing the differentiation between three themes that have near and unknown meanings of the general public, and can serve as a base text for exploratory and introductory readings. In summary, it is expected that the article can contribute to the expansion of the debate on the subject in the academic environment, in the society and in the development of new researches that will contribute to the conceptual delineation of the areas. It is noticed that although the three concepts are very similar in common sense, when looking for their characteristics and practices in the literature, the distinction between them is clearly observed. A fact of great relevance for managers, academics, students and professionals in the area of organizational management that even though they do not have such areas encompassing their final activity, are surrounded by several aspects described in the paper.

Keywords: Social Responsibility, Private Social Investment, Social Marketing.

1 INTRODUCTION

Nowadays, the social side has come from the perspective of private companies, where people are not only potential customers or a source of profit, but individuals deserving of specific attention and care. This is the goal of Marketing that aims to target typical products and services to their direct consumers or, as Kotler and Armstrong (1999) say, is delivering customer satisfaction in the form of a benefit.

However, Marketing is often used as a Machiavellian tool to induce hedonistic longing, so starting from this assumption it totally escapes from an ethical and moral perspective and starts working to show only profit rather than general well-being. Not only the marketing currency has two sides, the beneficiaries and unconscious consumers Private Investment in the social is well-seen, but associating a

brand with an improvement can generate unfair competition and significant differences in the market, when in fact the real meaning of it is its commercial effects.

Thus, this research aims at reviewing the literature on Social Responsibility, its practical concepts in the current society, its real applications and its various nuances; of Private Social Investment, how the companies relate it to its name, its importance in the social environment, the gap that fills in society deficit; and Social Marketing, its impacts on the mentality of individuals.

The understanding of the topics addressed for the creation and development of this work is of fundamental importance for any citizen in the conscious scope of consumption, consumerism; more so to the administrators, who are the ones who must use these tools in a regular way with their contacts with society, always taking the best advantage for the benefit of both.

2 METHODOLOGY

It is a work that used as a method the traditional revision of the literature, also called narrative, because it presents a thematic of open study, opposed to the systematic revisions that determine the question to be studied with precision. However, the adequacy is perceived as objectifying to treat the subjects in a comparative, non-specific and in-depth manner in each theme treated here. As for its nature, it can be classified as qualitative by means of dissertation analysis (ROTHER, 2007; CORDEIRO et al., 2007).

3 RESULTS AND DISCUSSION

3.1 SOCIAL RESPONSIBILITY

The meaning of Social Responsibility is intrinsic to social moral relations, mainly in the reflection and differentiation of the correct and incorrect acts before this one. The answer to what is really considered ethical is linked to the essential reason of social responsibility, that is, it is when the company voluntarily adopts posture, behavior and actions that favors the formation of a harmonious climate, without any incentive, only the benefit of well-being generated.

Melo Neto and Froes (2001) define Social Responsibility as an advanced stage of the exercise of corporate citizenship. An evolution of the practice of philanthropic action. It reflects the action of a company, in favor of citizenship. Its actions of Social Responsibility serve all those who are part of society - individuals,

government, companies, social groups, social movements, religious institutions, political parties and other institutions.

As the main reason for corporate action is not the fiscal incentive, it would be necessary to review existing mechanisms to strengthen the partnership between the private sector and the government against the so-called social problems. Such a need would be felt by a considerable number of entrepreneurs who identify the insufficiency of government incentives as an obstacle to their social performance.

According to Melo Neto and Froes (2001), the exercise of corporate citizenship presupposes the idea that the company will act responsibly both in the internal environment (internal clients) and in the external environment (community, suppliers, etc.). Acting in these two dimensions, the company can exercise its corporate citizenship and acquire the status of "*citizen company*". However, it is not always that this attitude of corporate citizenship and full exercise of Social Responsibility occurs, there are cases of companies that act in only one of the dimensions.

Melo Neto and Froes (2001) affirm that for the internal public, the company's objective is to motivate its employees and dependents, to perform well, create a pleasant work environment and contribute to their well-being. These actions include the recruitment, selection, training and maintenance programs of personnel performed by the companies in benefits of their employees, as well as the other benefit programs focused on employee profit sharing and attendance. Some companies extend their network of internal Social Responsibility actions to employees of contractors, subcontractors, suppliers and partnerships. With this, the company earns its dedication, commitment and loyalty.

Already for the external public, Melo Neto and Froes (2001) assert that the focus of the company goes to the community and/or place where it is located. Often corporations participate in government social campaigns, donate to campaigns, and, in the end, they go out of the way to help only their community. These actions can be carried out through donations of products, equipment and materials in general, transfer of resources in a regime and partnership to public bodies and NGOs, provision of voluntary services to the community by company employees, applications of resources in preservation activities The creation of new jobs, the sponsorship of government social projects and direct investments in social projects created by the company itself. According to Melo Neto and Froes (2001) there are 14 definitions of Social Responsibility, as can be seen in the Board 1 below:

Board 1: Definitions of Social Responsibility

TYPE	DESCRIPTION
ATTITUDE AND ETHICAL BEHAVIOR	The company regards its duty and commitment as having an ethical, responsible and transparent attitude in its most diverse relations with society as a whole.
STRATEGIC BUSINESS POSITION	It is focused on valuing the company's business. It is viewed as a strategic social action, aiming to bring positive returns to the company.
PROMOTION OF INDIVIDUAL AND COLLECTIVE CITIZENSHIP	Through its actions, the company promotes the citizenship of its employees and also of the community around them.
ASSEMBLY OF VALUES	It is seen as a set of values that incorporates not only ethical concepts, but also many others to give it sustainability.
EXERCISE OF ECOLOGICAL CONSCIOUSNESS	It is also seen as environmental responsibility. The company adopts environmental practices and values, and starts investing in educational and environmental preservation programs.
EXERCISE OF PROFESSIONAL TRAINING	It is focused on the qualification of the employees of the company and also the members of the community where it is located.
SOCIAL INTEGRATION STRATEGY	The company seeks to create conditions for achieving greater and more effective social inclusion in the country.
SOCIAL COMMUNITY DEVELOPMENT STRATEGY	The socially responsible company becomes an agent of local development along with other entities.
SOCIAL INSERTION STRATEGY IN THE COMMUNITY	It is used to improve the company's relations with the community and the society where it is inserted.
STRATEGY OF VALORIZATION OF PRODUCTS / SERVICES	In this case, it attributes its socially responsible status to its products.
HUMAN RESOURCES STRATEGY	Focuses on its employees and dependents, with the scope of guaranteeing their satisfaction and retention of talents.
STRATEGY FOR VALUING COMPANY SHARES	A company's reputation influences the value of its shares in the market.
INSTITUTIONAL MARKETING STRATEGY	The practice of is focused on improving the company's image and reputation. These are the returns that motivate the investments in social actions initiated by the company.
RELATIONSHIP STRATEGY	It is used as a relationship marketing strategy for the company, aiming to improve its relations with its different publics. Priority: customers, suppliers and distributors.

Source: Adapted from Melo Neto and Froes (2001)

For sustainable development there must be a mutual functioning between three basic principles: social equity, economic growth and environmental balance. This is the main evolution of Social Responsibility that must attend the whole environment in which man lives, relates, participates and enjoys. According to Sachs (1993), Sustainability has different dimensions that can be analyzed individually or collectively, for example:

- a) **social**: means achieving equity in the distribution of the planet's inhabitants;
- b) **environmental**: use the resources that are renewable and limit the use of non-renewable resources;

- c) **economic**: reduce social and environmental costs;
- d) **spatial**: reaching a balance between rural and urban populations;
- e) **cultural**: ensuring the continuity of the traditions and pluralities of peoples.

Later, this work will more accurately define the concept of the Third Sector and its social importance, but as a model of Social Responsibility it is worth quoting a great example in Latin America, the Latin American Quality Institute (LAQI). Already in São Paulo, resolution number 05/1998 proposed by the councilwoman Aldaíza Sposati was approved by the City Council on October 15, 1998, thus creating the day and the *Empresa Cidadã* (Company Citizen) seal.

LAQI is a private non-profit organization founded in Panama City. Its purpose is to encourage and support the competitiveness of Latin American companies and organizations, promoting a culture of Total Quality, Social Responsibility, Sustainable Development, Fair Trade and Educational Quality. These principles underpin the 40+10 Total Responsibility Actions program, where companies who participate develop ethical attitudes that help in the improvement of their productive process, relationship, motivation, qualification, etc.

The purpose of the Citizen Company Seal is to stimulate the realization of the Social Balance, an instrument by which the company describes its efforts in the search for a new level of civility, emphasizing quality of life, preservation of the environment, equity and human development of employees, their families and the community. The award is an incentive created to spread the social responsibility of companies operating in the city of São Paulo and reward those that stand out by the progress of the quality of its social balance sheet. In addition to the seal, October 25 was elected *Citizen Company Day*.

One of the obstacles today to the advancement of Social Responsibility is the confusion both in the business environment and in the academic environment with the concepts: philanthropy, social action and Corporate Social Responsibility. Melo Neto and Froes (2001) explain that philanthropy is based on "assistencialism", on the moral and ethical duty of those who practice it. It arises from the desire and individual will to help poor, helpless, disadvantaged, miserable, excluded and sick. Social Responsibility, however, is different, it seeks the development of all society, individual and collective citizenship. Mobilizer, it promotes social inclusion and recovers civility. It is a transformative action of direct intervention that seeks solutions to social problems. In addition, because it is a strategic

action, the company expects a social, institutional and/or tax-fiscal economic return.

After a period in which the idea of innovation has been almost exclusively linked to the technological domain, in recent years the concept of social innovation has gained increasing importance and emerged in a wide range of fields. The distinction between technological and social innovation is not always clear. In the first phase, between the 1960s and 1980s, social innovation was very confined to the domains of learning (education and training) and employment (organization of work). Later, from the 1980s, but still along the same lines, social innovation also arises in the field of social policies and spatial planning.

These first concepts of social innovation associate it with institutional processes, developed by dominant agents. Ultimately, they are linked above all to strengthening the competitiveness of enterprises and territories. Technological innovation focuses on the object and the first conceptions of social innovation are focused on the context (employment, qualification, social security, territory, etc.) a different focus, converging intentions. The most recent perspectives permanently remove social innovation from technological innovation, attributing it a non-commercial nature, a collective character and an intention that not only generates but also aims at transformations of social relations.

However, it is within the framework of attitudes that social innovation assumes greater relevance. This is because two of the three attributes that we associate with social innovation are attitudes: social inclusion and the empowerment of the "weak", marginalized agents. The very idea of social change as a transformation of power relations is clearly associated with attitudes. We think that the most illustrative realization of these attitudes concerns the mobilization of people who for any reason are socially marginalized, from the homeless collectives to the gay communities, driven by the intention of finding a response that allows their inclusion and the establishment of social relations based on criteria different from those of the order that provokes their marginality.

3.2 PRIVATE SOCIAL INVESTMENT

The creation of the term "Private Social Investment" originated in Brazil to designate a new model of philanthropy developed by companies and citizens, with the aim of discharacterizing the traditional philanthropy strongly linked to the churches, to charity and charity. For Schommer (2000), the option for the expression "Private Social Investment" had apparently a double objective: conceptual precision and novelty in terms of communication, strengthening a term that was not used in any relevant

way by any other similar group. In this way, the expression differed from the welfare actions of traditional philanthropy, clearly delimiting the social action structured within Corporate Social Responsibility.

Social responsibility is not synonymous with philanthropy, but it represents its evolution over time. While philanthropy deals with corporate actions through participation in isolated campaigns or random donations made to social institutions, the concept of Social Responsibility has a much greater breadth. In exercising corporate social responsibility, the company places all its products, services and financial resources at the service of the community, becoming jointly responsible, together with the public power, for its development.

Large business owners create and maintain other Foundations, such as the Bill and Melinda Gates Foundation, centered on Education. In Brazil: Boticário Foundation, Roberto Marinho Foundation, Bradesco Foundation, Cultural Itaú Institute, Banco do Brasil Foundation, etc. One of the pioneers in Private Social Investment was the Rockefeller Foundation, created in 1913 in the United States by John Rockefeller himself, whose mission is to stimulate public health, teaching, research and philanthropy in developing countries; and despite leaving Brazil in 1942 left great legacies in the provision of the public health service.

Another precursor that was generated from a successful entrepreneur was the Ford Foundation, created by Henry Ford in 1936, to fund programs for democratic promotion and poverty reduction, currently operating with more than sixty partners throughout Brazil, mainly associated with Federal universities and other local foundations.

Corporate philanthropy, when investing in society, is not doing favors, or donating benefits. The new corporate social action is looking for some return, collaborating with the social development of the country and demonstrating that the private initiative must be conscious, must have a social responsibility in relation to the problems that affect the society and not only sporadic contributions, as practiced in philanthropy.

Fernandes (1994) defines the Third Sector as a set of private organizations and initiatives that aim at the production of public goods and services. This is the positive meaning of the expression. "Public goods and services", in this case imply a dual qualification: they do not generate profits and respond to collective needs. It is also worth mentioning the characteristics of organizations that are part of the Third Sector, based on the concepts determined by Salamon and Anheier (1997):

- a) **formalization:** have records in the competent bodies and be legally constituted;
- b) **private nature:** institutionally separated from the State, although they may receive resources from it;
- c) **non-distribution of profits:** if there are financial dividends resulting from its activities, these can not be distributed, in any case, among its members, and must be invested in the final activity itself;
- d) **self-management:** being able to control the management of its activities independently;
- e) **volunteers:** they must present some degree of volunteerism, both in work and in financing.

According to Melo Neto and Froes (2001), the increase in the participation of the third sector is due to the fact that the State, the main provider of social services of the citizen, was unable to maintain social welfare. The low quality of services and their high costs only increased the legion of the excluded. The State is responsible for social welfare, but over the years its actions have only increased social inequality through income concentration, elite favoring, and social exclusion.

Inefficient, precarious and insufficient state action is replaced by the emergence of a strong, active community action that claims and mobilizes and would be able to provide basic social services. Finally, the concept of Salvatore (2004), which defines the three sectors according to the definition given by Fernandes (1994), is generically exemplified in Board 2, below:

Board 2: Settlement of agents by purpose

Nomenclature	Sector	Purpose	Agents
First Sector	State	Public	Public
Second Sector	Market	Private	Private
Third Sector	Third Sector	Public	Private

Source: Adapted from Fernandes (1994)

- a) **First Sector:** it is formed by the State, represented at its various levels: prefectures, state governments and federal government, each with its departments (municipal and state secretariats/ministries). This sector raises its funds through taxes from citizens and reinvests them in benefits and improvements for society;

b) **Second Sector:** the market is formed by private companies that through their activities raise their funds through the sale of products and services, the profit generated by the owner of the enterprise and for private use;

c) **Third Sector:** it appears as a way that transits between these two universes (government and companies). It is formed by private entities that collect their funds through donations of individuals and/or legal entities, incentives/tax exemptions, agreements with the First Sector, partnerships with the Second Sector, or the commercialization of their services (following Including legislation for this). It is notable that this sector can establish relations with the two sectors mentioned above, simultaneously or not, since it contemplates agility in decision making, providing a better cost/benefit relationship, which is characteristic of the Second Sector.

3.3 SOCIAL MARKETING (MARKETING 3.0)

The book Marketing 3.0 was written by Philip Kotler, renowned author of the area of Marketing Management, with two Indonesian co-authors: Herman Kartajaya and Iwan Setiawan. The combination of authors from the East and the West already brings an expectation of convergence and a more inclusive vision between thoughts, which can account for how to act strategically in the current scenario. The book attracted great public attention and was the title of the best-selling Marketing area in Brazil in 2011.

According to the authors, these three phases coexist in the current management, that is, Marketing 1.0 and 2.0 still have relevance and may be sufficient according to the development and competitiveness of each market. The evolution to Marketing 3.0 brings the importance of simply evolving from the strategy of "differentiation" (classic model of market positioning) to the concept of "making a difference" in the localities in which the organization operates, creating responsible practices that reach new markets and consumers, contributing to social inclusion and the sustainable development of communities. That is, it is necessary to create new ways of interacting with people, adapting the actions of the organization to the values and beliefs of the community, acting locally and according to specific contexts, even in an increasingly globalized world.

The evolution to the philosophy proposed by the concept of Marketing 3.0 translates the contemporary desire to humanize relations between people and organizations, who live in an increasingly rational, complex and technological environment. In addition, this concept seems to be a way to make possible the

performance of companies that need to grow in a world with contrasting situations: saturated and depressed markets on the one hand, and huge emerging markets, on the other hand, which demand new inclusion practices through consumption, Which requires a sustainable evolution in the vision and practices of Marketing. According to Melo Neto and Froes (2001), there are several ways to work Social Marketing, namely:

- **philanthropic marketing:** it is based on the donation made by the company to an entity that will benefit;
- **marketing of social campaigns:** means to broadcast messages of public interest through product packaging, to organize a sales force for a given percentage or day of sales to be used for entities, or to broadcast on television media such as in novels;
- **marketing of sponsorship of social projects:** sponsorship may be to third parties, with companies acting in partnership with governments to finance their social actions, such as the Community Solidarity Program (current *Fome Zero* Program), as well as sponsorship itself, in that companies, through their institutes and foundations, create their projects and implement them with their own resources;
- **relationship marketing based on social actions:** uses the company's sales staff to guide customers as users of social services:
- **social marketing of the product and the brand:** the company uses the name of an entity or logo of a campaign, adding value to its business and generating sales increase.

About evolution, Kotler, et al. (2010) defines an evolutionary timeline in Marketing:

Board 3: Evolution of Marketing

	Marketing 1.0: Product-Focused	Marketing 2.0: Consumer-Driven	Marketing 3.0: Guided by Values
OBJECTIVE	Sell Products	Meet and retain customers	Make a better world
FORCES	Industrial Revolution	Information Technology	Technology of a new era
MARKET	Bulk Buyers - Physical Needs	Consumer with Heart and Mind	Consumer with Heart, Mind and Spirit
KEY CONCEPT	Product Development	Differentiation	Values
MARKETING AREA FUNCTION	Product Specification	Product and Company Positioning	Mission, Vision and Values
PROPOSITION OF VALUE	Functional	Functional and Emotional	Functional, Emotional and Spiritual

CONSUMER INTERACTION	One-to-Many Transactions	One-to-One Relationships	Many-to-Many Collaborations
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Source: Adapted from Kotler et al. (2010)

The main objective of the first era of marketing is focused on selling only products, driven by forces from the industrial revolution, where the consumer market was characterized only by being mass buyers and demanded a value proposition based on the functional use of a product, so marketing was only dedicated to the development of the product as a key concept of its performance, so the interaction with consumers was typical one-to-many transactions, where there was a concentration of production in one or a few agents disseminated their production to all.

The second era of marketing can be seen as a phase of transition into the third age by blending the values of its extremes. Changes began to be noticed as organizations began to seek to satisfy and retain their customers through new information technologies that came up at all times, so it was not enough to meet the customers' physical needs, but rather to win their minds and hearts, that is, the empire of differentiation begins and the explosion of niches in the market, each customer is seen as a different target, so the marketing has an organizational function to position the product and the organization. In all this, value propositions began to take into consideration proposals of both functional and emotional value in a one-to-one relationship.

Finally, the third era of Marketing breaks with previous paradigms and assumes the purpose of building a better world from cutting-edge technologies where the consumer is engrossed by multidimensional forces involving functional, emotional, and spiritual aspects in a complex and mutual environment where organizations need to have the values of their clients at their core and marketing assumes the role of defining the organization's mission, vision and values.

4 CONCLUSIONS

In common sense, the three concepts presented in the present research work seem to deal with the same theme, however when comparing with the discussions in the literature and with the examples applied in society, a conceptual difference can be noticed that separates them, are related and can be used in practice, simultaneously, by organizations and entrepreneurs in order to positively impact society and the environment to which they are inserted.

It is noticed that although the three concepts are very similar in common sense, when looking for their characteristics and practices in the literature, the distinction between them is clearly observed. A fact of great relevance for managers, academics, students and professionals in the area of organizational management that even without having such areas encompassing their end-activity, are surrounded by several aspects described here.

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