SOCIAL ACCOUNTING AND SOCIAL MARKETING: TWO INDICATORS FOR SOCIAL ACCOUNTABILITIES.

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Abstract

Social Accounting and Social Marketing differ from the other prevalent points and subjects in marketing and accounting as they concentrate on the posterity's interests and welfare. Social Accounting and Social Marketing attempt to make use of the real cultural and valuable subjects in marketing and accounting topics. These two both try to balance the company's customer's benefits, satisfying the social long period interests, satisfying the expense and organizational targets and economic institution. In this paper, we have tried to offer the definitions for Social accounting and Social Marketing and Social Accountabilities. We have tried to explain the goals and elements of each one completely and then discuss about the important aspects of each subject. At the end, we will state the role of Social Marketing and Social Accounting as two main indicators in social accountabilities completely.

Keywords: Social accounting; Social marketing; Social accountabilities.

JEL Classification Codes: M410.

1. Introduction:

The last few years have witnessed a growth in interest, research, and practice in social Accounting and Social Marketing by accountants, policy makers, practitioners, and health professionals in the world. Evidence of the growing interest in Social Accounting and Social Marketing is abundant. Recent years have witnessed a significant increase in the number of major companies in Europe, the USA and Australia proclaiming their Social Accountability credentials, and backing up their claims by producing substantial paper, or web based, environmental, and more recently, social and sustainability reports (see, for example, KPMG, 2005). Perhaps not surprisingly in view of the fall-out from Enron and similar affairs, reputation building appears to provide a primary motivating factor for companies going down the Corporate Social Accountability path.

Thus, for example, Business in the Community’s (2003) ‘business case’ for CSR notes that it offers: ‘. . . a means by which companies can manage and influence the attitudes and perceptions of their stakeholders, building their trust and enabling the benefits of positive relationships to deliver business advantage.’(p. 3) However, questions arise as to whether exclusive reliance on the ‘business case’ to encourage such initiatives is capable of promoting institutional reform sufficient to empower organizational stakeholders, so that this potential heightened accountability may be realized (Owen, Gray, & Bebbington, 1997). Influential standards and guidelines which increasingly inform leading edge reporting practice, notably the Global Reporting Initiative (GRI) and Accountability's AA1000, unequivocally suggest that it can.

The former, for example, notes that: ‘A primary goal of reporting is to contribute to an ongoing stakeholder dialogue. Reports alone provide little value if they fail to inform stakeholders or support a dialogue that influences the decisions and behavior of both the reporting organization and its stakeholders.’ (GRI, 2002) For AA1000, a quality reporting process is quite simply governed by the principle of accountability, which is itself underpinned by the principle of inclusivity, i.e. accountability to all stakeholder groups. ‘Inclusivity concerns the reflection at all stages of the . . . reporting process over time of the aspirations and needs of all stakeholder groups – those groups who

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affect and/or are affected by the organization and its activities. Stakeholder views are obtained through an engagement process that allows them to be expressed without fear or restriction.’” (Accountability, 2003) Accountability’s subsequently issued Assurance Standard further underlines the stakeholder accountability credentials of the reporting process in promulgating the principles of materiality, completeness and responsiveness. The materiality principle requires the assurance provider to state whether the reporting organization has included in its report information required by stakeholders to enable them to make informed judgments, decisions and actions, whilst the completeness principle calls for an evaluation of the extent to which the organization can identify and understand material aspects of performance. Finally, and most fundamentally, the responsiveness principle requires that, "...the Assurance provider evaluate whether the reporting organization has responded to stakeholder concerns, policies and relevant standards and adequately communicated these responses in its report.” (Accountability, 2003).

2- Accountability and its theoretical underpinnings

As Sinclair (1995) points out, accountability is a somewhat multi-faceted and, indeed, 'murky' term that does not lend itself to precise definition. Not only does it have discipline specific meanings, but even within the accounting domain there is a distinct lack of consensus as to what being held accountable actually entails. In this paper we start from the premise that accountability is considered as ‘the duty to provide an account (by no means necessarily a financial account) or reckoning of those actions for which one is held responsible’ (Gray, Owen, & Adams, 1996). The question remains, however, to whom is the account made?

Benston (1982) identifies “shareholders, stakeholders and society in general” as three possible recipient groups and concludes that the free market (for goods and services, for finance and corporate control and for managerial services) alongside ‘monitoring services’ will serve shareholders and other contractual stakeholders well. Benston’s free market view of corporate accountability privileges shareholders and has its philosophical foundations within neoclassical economic theory. Roberts (1996) concludes that “dialogue as a process and practice of accountability” has the potential to “restore the balance”, such that the “instrumental pursuit of power and profit” cannot be undertaken “without regard to the wider social or environmental consequences of the pursuit of such interests”. More recently, Roberts (2003) has argued that what is needed is an “extra-corporeal accountability” through dialogue “with those most vulnerable to the effects of corporate conduct” (p. 263).

Bailey, Harte, and Sugden (2000) emphasize that this conception of accountability requires not only the provision of information, but also its value in terms of ‘facilitating action’ (p. 203). Thus, in addition to our concerns as to whether stakeholders are able to enter into some form of purposeful communicative action with corporations, we also consider the potential for new corporate environmental and social disclosure initiatives to enhance stakeholder accountability via empowerment, in terms of facilitating action on their part. The standpoint adopted is, therefore, avowedly normative (Cooper & Sherer, 1984).

3. Social accounting

Accounting and the accounting profession can both reflect and influence society, and ultimately effect societal change when change is required. Social accounting is broadly understood as involving the preparation, presentation and reporting of information about ‘social’ factors or conditions, with the ‘social account’ being juxtaposed or competing with economic factors and values (Cooper, C., Taylor, P., Smith, N., & Catchpowle, L. 2005). The practice of social and ethical accounting is emerging as a key tool for companies in the 1990s to respond to calls for greater accountability to a range of stakeholders, and also as a means for understanding and managing companies in increasingly complex situations where social and environmental issues count for more in securing business success.

Social accounting definitions and concepts

The concept of "Social Accounting" has become more important as a result of industrial growth, which has brought in prosperity as well as problems to society. If an organization has to function effectively, it has to be accountable to the public at large.
Social Accounting is the branch of accounting which measures, analyzes and records the society and the enterprise itself both in qualitative terms. Social Accounting includes such information disclosed in the annual report viz., Statement on Human Resource Accounting, Statement of Value Added, Report on Foreign Currency transactions revealing balance of payment position and Accounting for various social objectives. Social Accounting is defined by Richard Dobbins and David Fanning as "the measurement and reporting of information concerning the impact of an entity and its activities on society".

Social accounting is based on a critique of the limitations of financial accounting, particularly the limited range of items that it considers, its exclusion of items that do not have an established dollar value (no monetized), and its focus on shareholders and other financing providers to the exclusion of other stakeholders, employees, users or consumers of the service, society, government, volunteers, and members. We define social accounting as “a systematic analysis of the effects of an organization on its communities of interest or stakeholders, with stakeholder input as part of the data that are analyzed for the accounting statement” (Quarter, Mook, and Richmond, 2003). All the definitions emphasize the broadening of the domain of items under consideration and include a broader array of stakeholders. Earlier, some U.S. accountants attempted to create social accounting financial statements that would broaden the domain of items considered and that also attempt to relate financial statements to a broader group of stakeholders (Abt and Associates, 1974).

The objectives of Social Accounting are:

a. to identify and measure the net social contribution of an individual firm internally, but also those arising from external factors affecting the different segments of the society.

b. to determine whether the individual firm’s strategies and practices are consistent with widely shared social principles.

c. to make available, in an optimal manner, relevant information about the firm’s goals, programmes, performances, use of and contribution to scarce resources, etc (Roberts, J. 2003).

Another important objective for Social reporting would be to meet the information needs of society and particularly of consumers. With the Social awareness, several public interests groups are closely watching the activities of corporations. Further, consumers are connected about the safety product. Firms, expecting reaction from consumers as well as public interest groups with regard to their activities, are willing to provide social information to the users so that they can evaluate the corporate activities in a proper perspective. The main objective in providing such social reports would be to show that the social benefits from the firm’s existence are greater than the social costs, and that the firm’s products are safe.

Measurement Problems for Social Reporting
Measurement of Social Costs and Benefits is a crucial problem for reporting of Social information to outsiders. If proper measurement tools and techniques are not available, the usefulness of social reports will be limited. In the absence of relevant information’s technology, it would be a difficult task to capture social costs or benefits in a way that would reflect net social benefits to society. Despite several efforts, the development of measurement techniques has not advanced very much. The various problems involved in developing the measurement techniques are discussed briefly as under (Bailey, D., Harte, G., & Sugden, R. 2000).

Quantification of Social Information
Social information expressed in monetary terms is no doubt the most appropriate for evaluating the firms social performance. “Social Income Statement” and “Social Balance Sheet” are used. Though not well accepted. The reason for their rejection of such report could be lack of accuracy of these figures and monetary figures contained in these reports would be arbitrary and thus may lead to confusion and consequently they may lead to confusion and consequently they may become vulnerable to misinterpretation. (Bailey, D., Harte, G., & Sugden, R. 2000).

Valuation Dilemma
After quantifiable becomes feasible, the next problem relates to valuation of these activities. For example the management will have to decide whether the social report should reflect true economic value or the cost of resources should be used as a surrogate for the value.
How are we going to achieve this? (Cooper, C., Taylor, P., Smith, N., & Catchpowle, L. 2005).
It is difficult to set out indicators to assess how successful we have been in achieving our objectives.
As in any activity we could measure ourselves in terms of input, output, outcome and impact.
Just to refresh memories here: Input is the resource we have put into our work output is what we do,
outcome is what people take away from us and impact is the impact that their experience has on their
organizations. Impact is the most important indicator of success but the hardest to measure. The
diagram on Figure (1) sets out the relationship between these measures and each of our stakeholders,
for each of which there are inputs, outputs and so on. The shaded areas show where we have worked.
This time our engagement with stakeholders has focused on our customer’s outcomes with some
developing assessment of impact.

![Figure (1)-Relationship between measurement and stakeholders](image)

<table>
<thead>
<tr>
<th>Indicator level</th>
<th>Areas requiring indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input</td>
<td>Staff team, suppliers and Directors</td>
</tr>
<tr>
<td>Output</td>
<td>Numbers of courses and programmes against targets</td>
</tr>
<tr>
<td>Outcome</td>
<td>Assessment of outcomes by stakeholders against our objectives</td>
</tr>
<tr>
<td>Impact</td>
<td>Change in their organizations</td>
</tr>
</tbody>
</table>

**Inputs**
The stakeholders that drive the organisation are the Directors, the staff team and suppliers, in particular
the suppliers who we work with in developing and running events. This is detailed ‘Who are our stakeholders?’

**Outputs**
Out main output is the number of courses and programmes we have run against agreed targets, these
are details in ‘What did we do?’ The remainder of this report deals with what we have done with our
stakeholders to assess outcomes and impacts.

**Outcomes**
We take evaluations seriously and the outcomes of assessments made by our stakeholders against our
agreed objectives are how we judge our outcomes. This is detailed in ‘What did our customers say?’

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We are dependent on subjective assessment by stakeholders. Proxy indicators include:

- Levels of bookings – although these vary, all our core events have always been sold out and we have waiting lists.
- Feedback from customers – this is constantly good and we seek feedback from all of our events and work to improve our products via feedback from customers.

**Impact**

We have, through this report been able to establish what actual changes people have made to their organizations as a result of The Cat's Pyjamas. This is detailed in the section named ‘What did our customers say?’

**Social Accounting Statement**

In Social Accounting, two major constituents are social cost and social benefit. Social cost is sacrifice or detriment to society whether economic, internal or external; social costs are the sacrifices of the society for which the business firm is responsible like environment pollution, deficiency due to bankruptcy, depletion and destruction of animal resource, deforestation, monopoly and social losses, production of dangerous products, etc.

Social benefit is a compensation made to the society in the form of increase in per capita income, a forestation, development of educational facilities, construction of public roads, protection of natural resources, employment opportunities, etc. Corporate social performance is usually measured through a social cost-benefit analysis. The various categories of social concern are grouped into four broad items namely community involvement, Human resources stewardship, physically resources and stewardship, product or service contribution.

A format of Social Accounting Statement is shown below considering the conventional income statement.

### Table (2) – Social Account Statement

<table>
<thead>
<tr>
<th>Social Account for the year ended</th>
<th>Rs.</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Benefit:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product and services</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Provided</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Payment of suppliers</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Payment of employees</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Dividend and interest</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Protection of environment and its</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Improvement</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Conservation of health and education improvement</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td><strong>Total Social Benefit (P):</strong></td>
<td></td>
<td>****</td>
</tr>
<tr>
<td><strong>Social cost:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product and services</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Acquired</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Public services and facilities</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Environmental quality deterioration</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Bad customer service</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Production of explosive and hazardous goods</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Lack of employment opportunity</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Deforestation</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td><strong>Total social cost (Q):</strong></td>
<td></td>
<td>(***)</td>
</tr>
<tr>
<td><strong>Social income (P-Q):</strong></td>
<td></td>
<td>****</td>
</tr>
</tbody>
</table>

Social profit may be defined as the **excess** of social benefits received by the society over the cost born by the society distributed to the same firm. The objective of Social Accounting is to inform the general public about the social welfare measures by the enterprise and their effects on the society. Social Accountability Reporting (SAR):
"SAR is supposed to be a rational assessment of and meaningful reporting on the measurement and reporting of information of a business enterprise activities those have social impact". The SAR should be desirably posses the following qualitative characteristics:

(i) The report should contain a statement of its objectives, which helps one to assess the basis of data collection and the reasons for adopting the particular form of presentation.
(ii) The objective of such a report should be to discharge accountability towards society.
(iii) Information provided should be directly related to the user's need.
(iv) Information should not be Social Accounting manipulated and be presented in a manner understandable to non-technical people (Seidler, Lee J. and Lynn L. Seidler).

With the increase in social pressure to corporate social Accountability in the 1960's social disclosure have become gradually popular through out the world. Processes for development of this reporting technique are going on allover the world, but no concrete shape has yet been taken.

**Social Accounting Matrix**

One of the fundamental elements of the social accounting method, especially the macroeconomic analysis and planning in the developed market economies is the Social Accounting Matrix (SAM) The Social Accounting Matrix is prepares so as to serve this purpose. The Social Accounting Matrix could be defined as a system of accounts integrated in the form of matrix, consistently including data on production and income generation on one hand, and on the revenues and expenditures of various institutional groups and classes in society on the other. Hence, the Social Accounting Matrix provides detailed (disaggregated), presentation of the input and output of factors of production generated in the domestic production, of the (re)distribution of income of factors of production of domestic and foreign origin to certain institutional groups in the society, expenditures of various classes and groups for consumption and investments, as well as their savings. Taking into account the fact that the Social Accounting Matrix includes all the stages of the production process, enabling presentation of the data at any level of disaggregation, it is clear that this statistical and documentary framework has greater potential from analytical point of view, compared to other systems of economic data such as national accounts and input-output tables. SAM has two main objectives: (Pleskovic, B. & Trevino, G.2003).

1) to enable synthesizing and organization of information on the economic and social structure of the country
2) to enable analytical and documentary basis for preparation of a macroeconomic model of analysis of the functioning of the economy and anticipate the effects from the implementation of macroeconomic policy measures.

**Basic components of the SAM**

The fundamental principle of SAM is balancing within the series of national accounts, whereby revenues and expenditures are presented for each individual account. SAM follows the principles of "single entry" and presents a series of accounts presented in the form of matrix. SAM consists of rows and columns marked with identical titles. The rows and columns present different accounts in the economic system. For each account, and hence, for each pair of row and column, the data in the row shows the revenue (inflow) on the account, and the data in the respective column is an expenditure (outflow) on that same account. Expenditures in one account are revenues in the other and vice versa. In sum, within each economic system, all revenues must correspond to the respective expenditures, i.e. the correspondent rows and columns must be equal. In other words, each component (data) of SAM is a revenue for the account in the row, and expenditure for the account in the column.

The basic structure of SAM means eight basic types of accounts: (King, B. B.1988)

1) Goods and services account;
2) Production account;
3) Income generation account;
4) Allocation of primary income account;
5) Allocation of secondary income account;
6) Use of disposable income account;
7) Capital formation account;
8) Rest of world account.
AA1000 standard (www.AccountAbility.org.uk)

AA1000 is described as “a foundation standard”, which comprises principles and a set of process standards. In recognition of the still early stage of development that SEAAR is at, AA1000 has not been positioned as a certifiable compliance based standard, but rather as a set of key principles which should “stimulate innovation above an agreed quality floor, rather than encouraging the development of a more rigid compliance oriented culture.” Focused around engagement with stakeholders, AA1000 seeks to link the defining and embedding of an organization's values to the development of performance targets, thus tying social and ethical issues into the organization's strategic management. Organizational learning and improvement is seen as central to the approach as is the link between organizational accountability and developing trust with stakeholders. As a process standard, rather than performance standard, AA1000 specifies the processes that an organization should follow to account for its performance, not the levels of performance the organization should achieve. The advantage of the AA1000 process is that it enables stakeholders, if the organization is willing, to highlight their concerns and informs the questions asked by the organization. These concerns might otherwise be missed by compliance based approaches where lists of criteria are pre-determined. However in both circumstances the will of the organization to improve, not just comply, is critical.

Outline Summary of Accountability 1000 (AA1000)
The principles of AA1000 are summed-up in Figure (2), below. These identify the characteristics of a quality process. The governing principle of accountability is addressed by inclusivity within the process, reflecting all organizational stakeholder groups. The principles that support accountability and inclusivity within the process are divided into the three groups of: the scope and nature of the process; the meaningfulness of information; and the management of the process on an ongoing basis.

![Figure (2) - The AAA 1000 Principle (www.AccountAbility.org.uk)](image)

The process model of AA1000 aims at continuous improvement through iterations over time. It can be summarized as figure 3, below. The planning phase involves defining and reviewing organizational values, objectives and targets as well as recognizing the different stakeholder groups of the organization. Having then defined the scope of the process, the accounting phase involves the collection and analysis of information against performance targets. This is accompanied by the development of plans for improvement and the revision of relevant targets.

A report of the information gathered is prepared and externally audited, before being disseminated to stakeholders. Central to all phases is an ongoing engagement with stakeholders around what is to be measured and the capturing of stakeholder “voices” to be included in the report. Over time, support structures and systems are developed in order to embed the process into the organization's activities. Within this model, a set of twelve steps are identified that should be taken in order to satisfy the AA1000 quality principles and a set of guidance notes assist in their interpretation (Accountability, 2003).
4. Social marketing

Social marketing is not a theory in itself. Rather, it is a framework or structure that draws from many other bodies of knowledge such as psychology, sociology, anthropology and communications theory to understand how to influence people’s behavior (Kotler P, Zaltman G). Several definitions of social marketing exist, but one of the most useful describes social marketing as follows:

‘Social marketing is the application of commercial marketing technologies to the analysis, planning, execution and evaluation of programs designed to influence the voluntary behavior of target audiences in order to improve their personal welfare and that of society’. (Andreasen A, 1995) The unique feature of social marketing is that it takes learning from the commercial sector and applies it to the resolution of social and health problems. Four key features are illustrated in this definition. The first is a focus on voluntary behavior change: social marketing is not about coercion or enforcement. The second is that social marketers try to induce change by applying the principle of exchange the recognition that there must be a clear benefit for the customer if change is to occur (Houston FS, Gassenheimer JB, 1987). Thirdly, marketing techniques such as consumer oriented market research, segmentation and targeting, and the marketing mix should be used. Finally, the end goal of social marketing is to improve individual welfare and society, not to benefit the organization doing the social marketing; this is what distinguishes social marketing from other forms of marketing (McFadden L, Stead M, Hastings GB).

The emphasis on society as well as the individual also illustrates another key point about social marketing: it can apply not only to the behavior of individuals, but also to that of professionals, organizations and policymakers. As well as downstream, social marketing can be applied ‘upstream’. It might seek to change the behavior of professionals (encourage GPs or dentists to be more proactive in prevention, for example); the behavior of retailers (make them more compliant with the law on selling tobacco or alcohol to minors, or persuade them not to stock confectionery at checkouts); and the behavior of policymakers and legislators (convince them to pass smoke free legislation, improve housing policy, or to restrict advertising to children) (Hastings GB, MacFadyen L, Anderson S).
Social marketing in theory

“Social marketing” relies on the possibility of “communicating consistent messages about health” (DH, 2004, p. 21), from, ideally, “proven scientific evidence”. Such techniques are familiar from national anti-smoking campaigns, sexual health education and most recently in the UK, the Food Standards Agency’s ‘Sid the Slug’ campaign to reduce salt consumption and Sport England’s ‘Everyday Sport’ campaign. As the White Paper’s authors claim, “we will bring together messages that raise awareness of health risks with information about action that people can take themselves to address these risks” (2004). Social marketing relies on the same formula or ‘marketing mix’ as its commercial cousin: product, price, promotion and place. The relative mix of each of these components varies with the goods and services being sold, or in this case, the ultimate social goal of population health improvement (Hastings, 2002). Social marketing is a tool to induce sustained behavior change in line with scientific health targets. Consequently, when such behavior change also relies on promoting environments where people are able to “choose health” then the prioritization of ‘place’ within the marketing mix is crucial. It is also important to note that while health promotion and education have long been tools of government – especially in relation to smoking, HIV and drink driving – social marketing has emerged largely from the recognition of the novel challenges presented by obesity prevention. These challenges are manifest most obviously in the contentious link between body weight and health that is used as the “scientific evidence” undergirding and justifying prevention efforts. Social marketing draws on this feeling of accountability and culpability and, through market segmentation, tailors risk communication messages to audiences identified by their consumption habits. This inevitably means that “the formulation of messages, products and services is hampered by the intangible quality of much of what health promotion is attempting to market” (Lefebvre, 1992).

Social Marketing Concepts

The American Marketing Association defines marketing as “an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.” (American Marketing Association, 2007) Marketing is unique because it creates beneficial products and services for a customer, communicates their availability and desirability in a persuasive manner, and then delivers these products and services at low cost with high accessibility. In return for receiving something of value, the customer provides something of benefit to the organization and its stakeholders. Marketing is applicable to the achievement of social as well as commercial goals.

The application of marketing to social goals (“social marketing”) enables a change leader (e.g., an infection control professional or a manager) to be effective in persuading an audience of HCWs (health care workers) (this article will refer to HCWs as the “audience” rather than the “customer”) to adopt a desired behavior that benefits the organization (e.g., a hospital or clinic) and its stakeholders (e.g., patients or health care payers). The preceding definition of marketing dispels the popular misconception that marketing is merely advertising. Although promotion is an important activity of marketing, other equally important aspects include audience focus and research, segmentation and targeting, creation of an exchange mechanism, competitive analysis and product positioning, the marketing mix, and partnerships (Table 3). These concepts are described in subsequent paragraphs, and further details can be obtained elsewhere (Annual Social Marketing, 2005).

Table 3. Summary of core social marketing concepts

1. Audience focus
   All marketing decisions take into account the perspectives of the people who must perform the behavior.
2. Exchange
   The mutual transfer of tangible or intangible entities that are valued by 2 parties. A social marketer offers enhanced benefits and reduced costs in exchange for performance of the behavior by a target audience.
3. Marketing research
   Qualitative and quantitative research performed to identify market segments, develop and pretest the acceptability of a social exchange, and evaluate the marketing campaign.
4. Segmentation
   The practice of dividing an audience into smaller groups on the basis of similar desired benefits, barriers to performance, or readiness to behave.
5. Targeting
The practice of selecting 1 or a few audience segments for a marketing intervention. Targeting enhances marketing efficiency and effectiveness.

6. Competitive analysis
The study of the benefits and costs of behavior choices that are different from a desired behavior. Competitive analysis facilitates product positioning.

7. Product positioning
The promotion of a desired behavior as superior to competing behaviors on the basis of greater benefits and/or lower costs.

8. The marketing mix
The marketing strategy that is based on the elements of product, price, place, and promotion. Marketers seek to offer a beneficial product at a low price that is accessibly placed and compellingly promoted.

Elements of social marketing
Social marketing may provide an innovative and compelling framework for teaching medical students to be sensitive to the needs of patients with different degrees of health literacy and diverse backgrounds. Social marketing uses concepts from commercial marketing (Table 4) to inform the planning and implementation of health promotion programs. With regard to the development of a patient education program or brochure, for instance, social marketing experts would consider key elements of the background, abilities, and desires of a particular group of patients in their efforts to “market” a specific health related outcome to this “target audience” (Cairncross, S. 2004).

<table>
<thead>
<tr>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Explicit definition of the desired health behavior as an “item” to be “purchased”.</td>
</tr>
<tr>
<td>Person</td>
<td>Careful analysis of the “target audience” of the message, considering the audience’s demographic and psychological characteristics, including age, gender, race/ethnicity, socioeconomic status, and “stage of change” with regard to a chosen health behavior.</td>
</tr>
<tr>
<td>Price</td>
<td>Consideration of the resistance to change and the particular barriers between the person and the product, with subsequent promotional attempts to minimize this “price”.</td>
</tr>
<tr>
<td>Place</td>
<td>Creative choice of placement of messages to maximize exposure of the target audience to the promotional messages.</td>
</tr>
<tr>
<td>Promotion</td>
<td>Use of specific strategies to engender the specific healthy lifestyle (“product”) chosen, including consideration of what types of pictures, phrases, fonts, ideas, formats, and related elements will be most successful given the objective and the target audience.</td>
</tr>
</tbody>
</table>

Costs and consequences of social marketing: what does the extra expense purchase?
A further issue relates to the effects of social marketing in comparison with the additional costs incurred. Typically, in developing countries social marketing projects are implemented with donor funds, which are used to support the costs of a project infrastructure, distribution system, advertising and promotion and, in some cases, a price subsidy. Consumers are usually expected to contribute to the cost of the products purchased, and the user and project contributions together may exceed the price of a net purchased through the private sector. The justification for this donor investment is usually in terms of additional public health benefit achieved compared with a pure commercial sector approach (Armand, 2003). This outcome must be compared with those of alternative distribution systems, but public health benefit may not be adequately captured by simple measures of population coverage or the number of nets sold.
First, the social marketing programme may lead to higher coverage of target groups (for example, pregnant women and children under 5 years) by the intervention than would be achieved by an unassisted commercial sector. Second, it may lead to a higher level of coverage in the lowest socioeconomic group. Third, it may cause the distribution system to have greater reach into more peripheral areas, compared with a pure commercial sector model.

**Impact of social marketing on market equilibrium**

Typically, social marketing intervenes on both the demand and supply side of the market to shift from a low- to a high-coverage market equilibrium. On the demand side, it may involve promotional activities to encourage an outward shift of the demand curve, and price subsidies to allow a movement along a given demand curve. On the supply-side, it often involves the development of a branded product which is introduced into the market—either for an entirely new product (e.g. in the case of insecticide for treating mosquito nets) or where the existing product range is narrow and high priced (as in the case of interventions in condom markets in many countries). In addition, the distribution chain is created or reinforced to ensure availability of products to meet this new demand. Frequently, efforts are focused on expanding the distribution chain to be accessible to lower socioeconomic groups (e.g. shops in low-income residential neighborhoods) and/or to nontraditional outlets (Donovan, R., & Henley, N. 2003)

5. Conclusion and Suggestions

We see the further development of social accounting and social marketing, however, as fundamentally constrained by the failure of managers and (particularly) accountants to engage more fully with their moral accountability towards a just society.

It is quite impossible to envisage stakeholder accountability being established in a situation where company directors acknowledge enforceable duties only to shareholders and pursue a pre-occupation with maximizing shareholder value. There would need to be a clear recognition that there are other normatively legitimate stakeholders than simply equity shareholders alone. Other groups after all, particularly employees, make firm specific investments and incur risks in the same way in which shareholders do.

We believe that with respect to corporate social reporting, the distinction between commercial and political speech has little value. Instead, the principle of optimal truthful disclosure is a sound basis for setting public policy with respect to social reporting, in dramatic contrast to the arbitrary and awkward commercial/political speech dichotomy. the ability to file reports with the SEC(Security Exchange Commission) enhances the credibility of firms, when they choose to be involved in debates on matters that affect not only public policy but also their performance in consumer and financial markets. Under this voluntary system, firms are free to make statements based on information that is not included in a social report. Stakeholders are, of course, free to discount these statements and rely only on social reports. Over time, we hope the incentives will be sufficient for nearly all firms to engage in social reporting and the policy goal of optimal truthful disclosure will be achieved.

The concept of social accountability introduces new dimensions and new problems. There is not generally accepted concept of the social accountability of business enterprises. social accounting, social marketing and reporting is still in a transitional stage and no standard norms have measuring, reporting and evaluating the social performance of a corporate enterprise. Different experts have suggested different models for this purpose. But none of them has found general acceptance so far.

In this regard there will be some suggestions:
1. For stakeholder accountability to be established, a far more pluralistic form of corporate governance would be required.
2. The research and study about social Accounting and social Marketing should be encouraged and developed in all aspects.
3. The introduction of Green Accounting and Marketing should be performed via administrative managers and responsible persons.
4. Narrative disclosure in footnotes to financial statements of information concerning environmental issues and efforts made (The American Accounting Association).
5. Non-monetary information on pollution control facilities and emission (Marlin).
6. A sophisticated social audit report with sections dealing with the company and the shareholders, the employees, the clients, the general public and the community (ABT).
7. A comprehensive report providing all the social benefits and the social costs resulting from an entity activity.
8. A comprehensive social cost benefit model that matches the direct benefits and the direct cost generated by an organization and shows the resulting net surplus or deficit to society.

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