

Knowledge-Based Marketing for Social Innovation in Post-Revolution Egyptian Higher Education Marketing Environment – Founding Cairo University Social Innovation Center (CUSIC)

Wael Kortam and Ghada Gad

Department Of Business Administration, Faculty of Commerce, Cairo University, Giza, Egypt
wakortam@gmail.com

Abstract: The purpose of this paper is to demonstrate how knowledge based marketing as a conceptual framework to achieve social innovation at Egyptian universities. The paper proposed founding a social innovation center that will seek to integrated multidisciplinary research, integral education and innovative community service. Research propositions argue how can the principles and tools of knowledge-based marketing can be used to create knowledge through research on burring social issues and use education to develop innovators through the acquisitions of this knowledge and apply this knowledge creatively to address this burning issues.

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1. Introduction

Post Revolution Marketing Environment in Egypt can be characterized as Crisis dominant, Opportunity sensitive, High turbulence and uncertainty, Poor feel good factor, Time sensitive, Transitional, High Risk, That Is: KNOWLEDGE HUNGRY. Thus, this research that such urgency for knowledge can be addressed through effective knowledge-based marketing through boosting the principles, mechanisms and processes of social innovation of communities and enterprises.

Marketing Knowledge Management involves the generation, dissemination and response to available and required marketing knowledge, and the subsequent planning and control of actions to develop marketing knowledge assets as to fulfill organizational objectives. Marketing Knowledge assets are all the knowledge regarding markets, needs, profiles, customer values and buying behaviors, products, technologies, resources, skills, systems, relationships, ideas and innovations that a business owns or controls and which enable it to achieve its objectives (Grant, 1996).

Social innovation is both a verb and a noun. It is the process of addressing a burning issue in society through fundamental and integral research leading to innovative, transformative action that moves a society in the direction of becoming a more sustainably just, holistic and constructive society.

Genuine Triangulation for Transformative and Integrated Social Innovation includes three main pillar venues: 1) Research leading to knowledge creation, 2) Innovation leading to knowledge application, 3) Education leading to knowledge acquisition (Mulgan, 2006).

Theoretical Background – Knowledge-Based Marketing

Marketing managers gather process and communicate knowledge for decision-making. Marketing knowledge has become a very important organizational source due to deregulation and globalization in the information age. Marketing knowledge has also become an economic factor of production as basis for marketing-based competition by knowing more through gathering and using information intelligently in a knowledge-based economy. There are four levels of Knowledge: 1) Episteme (Dictionary), 2) Techno (Descriptive/Comparative), 3) Theorem (Diagnostic/Predictive) and 4) Sophia (Normative/Prescriptive).

In a knowledge-based economy where competitiveness of organizations depends on the accumulation of knowledge and its rapid mobilization to produce goods and services characterized by: 1) Superior knowledge that is unique, 2- New ideas that is insight and 3- Applicability that is reflected through utilization and Relevance (Show *et al.*, 2001 and Kortam and Mourad, 2011).

Marketing knowledge is information within marketing stakeholders' minds. It can take the form of explicit knowledge (facts), or tacit knowledge (expertise). A knowledge-based economy is an economy based on the application of knowledge, so that organization's capabilities and efficiency in using their knowledge override other traditional economic factors such as land and capital. Marketing knowledge Management involves the identification and analysis of available and required knowledge, and the subsequent planning and control of actions to develop knowledge assets as to fulfill organizational objectives. Marketing knowledge assets are all the

knowledge regarding markets, products, technologies, resources, skills, systems that a marketing organization owns or controls and which enable it to achieve its objectives (Chaston, 2004).

There must be a motivation to share knowledge and a marketing organization may never fully realize what knowledge it possesses. Knowledge – Based Marketing aims at identification and development of informal marketing knowledge networks and recognition of marketing knowledge-related business outcomes. Since marketing knowledge is difficult to integrate, marketers should be motivated to record, share and use knowledge gained in customer contact settings. Effective motivators include organizational culture and reward systems (Duncan and Moriarty, 1998).

Knowledge-Based – Marketing lead to building and sustaining genuine marketing-based competitive Advantage in six ways (Kortam and Mourad, 2011 and Brannback, 2013):

- 1- Leveraging customer value over the value chain
- 2- Developing and diffusing knowledge-intensive products and services
- 3- Enhancing core marketing competencies
- 4- Facilitating niche marketing
- 5- Enabling cost leadership boosting marketing efficiency
- 6- Enacting strategic alliances and long term partnerships with customers and suppliers

Knowledge-Based Marketing implies managing marketing knowledge as intellectual marketing capital through (Brannback, 2013):

- 1- Building organizational marketing memory (Documentation and artificial intelligence).
- 2- Attracting and retaining marketing expertise
- 3- Encouraging innovation, creativity and organizational learning within the marketing.

Theoretical Background - Social Innovation At Universities

In an effort to bring universities to individual and communal life, some scholars aimed to co-create an understanding of the way in which the theory and practice of social innovation is linked with research and education. Social innovation needs to be manifested in an enterprise or community, set within the context of a particular culture. Such reconceived, innovation-laden enterprises and communities then serve to contribute to the transformation of an entire society and the world. The vision for social innovation initiatives at Egyptian universities should be expected to strive for the following vision as ultimate destinations (Kanter, 2010):

- 1- Universities envision a true democracy for Egypt serving the will of the people

- 2- Universities envision healthy, happy and inspired Egyptian people

- 3- Universities envision a sustainable Egyptian market economy

- 4- Universities envision a clean Egyptian environment

Realizing this ambitious vision will require substantive research leading to sustainable, socially innovative, ‘practical’ solutions to the many intractable problems facing Egypt as it charts a course toward democracy and the New Egypt. Robust research leading to social innovation has never been more critical for Egypt and the entire Middle East region. Genuine Tringulation For Transformative and Integrated Social Innovation include (Phills *et al.*, 2009): 1- Research For Knowledge Creation, 2- Innovation For Knowledge Application and 3- Education For Knowledge Acquisition.

Social innovation is both a verb and a noun. It is the process of addressing a burning issue in society through fundamental and integral research leading to innovative, transformative action that moves a society in the direction of becoming a more sustainably just, holistic and constructive society (Mulgan, 2006).

In many universities education is a very static process; one involving the mere transfer of existing knowledge and information in such a way that students can retain that knowledge long enough to successfully complete an exam, which ostensibly is designed to “test” their knowledge. In this way universities are preparing students to “fit into” the existing careers and jobs in what has become an increasingly broken society, thus perpetuating the social challenges the world faces rather than actively transforming them (Fairweather, 1967).

Through founding Social Innovation Centers at universities, such entities will deliberately plan to transform the moribund educational status quo. Rather than simply transferring existing knowledge to students, the aim would be to engage them in an active learning process. This involves introducing them to research at an early stage appropriate to their rank and capabilities, thus facilitating actual knowledge creation by students, resulting in education that is facilitated by “doing” as opposed to simply “listening” (Mulgan *et al.*, 2013).

Social Innovation Centers at universities will ensure that students and faculty are equipped to engage in such knowledge creating activities, particularly as it relates to the theme of social transformation. The ultimate goal is building human capacity for societal transformation leading to a better more sustainable Egypt and, indeed, world.

Additionally, Social Innovation Centers at universities will engage in independent research projects focused on addressing the critical issues of society, creating the knowledge necessary to bring transformation. This knowledge will then be used to further develop the university's curriculum as well as being shared with society at large to further the transformation of society.

Such an interconnected and organic perspective challenges the existing form of contemporary universities, most of them focusing narrowly on mono-cultural communication, analytical education, social research devoid of innovation, and indeed lacking activism as well as enterprise. HSIC positions itself clearly as an antidote to this mainstream. As such Social Innovation Centers at universities are seeking to attract social innovators to be, who are not seeking merely to promote themselves individually (thereby further feeding the individualistic paradigm) but rather seeking, within the context of a like-minded, cross-cultural community, to transform enterprise and community and to thereby promote societal renewal. Social Innovation Centers at Universities should be expected to serve to transform individuals, organizations and society, turns social research into innovation, thus serving to release a particular individual, organizational and societal GENIUS.

Today, in the wake of the Arab Spring revolutions, the entire Middle East has become rife with unrest, as citizens demand their freedom and opportunities to participate in the global economy. People live in a tinderbox of global conflict on an unprecedented scale, where the slightest spark could fuel a conflagration the likes of which the world has never seen. The global community is in desperate need of profound reconciliation that strikes at the roots of conflict, not merely superficial political platitudes and posturing. Israeli versus Palestinian, Sunni versus Shiite, North Korea versus South Korea, the terrorists against the West; China versus Taiwan, and an Iran ambitious for nuclear capabilities versus the rest of an anxious world.

How many universities are engaging the burning issues of the world with strategic, robust, comprehensive, innovative social research as the foundation? Multiple billions of dollars are invested every year around the globe in technological research toward innovation, all so that people might have a better iPod, flat screen T.V., or game console. But this is not the type of research that will address the burning issues the world faces; in fact often these technological innovations create new, unforeseen challenges. Universities must engage in aggressive and robust scholarly research leading to social and economic transformation (Mcelroy, 2002).

The time has come to fundamentally rethink the way in which organizations are run, how organizations engage with their societies, and how individuals within organizations engage with both their organizations and their societies. Why? The world's economic and socio-political landscape has changed dramatically in less than a generation. Climate change (and its concomitant economic and social consequences) requires a new understanding of nature and its impact on organization. Food insecurity, global pandemics, energy and financial crises, failures of democratic governance, transnational crime and corruption, 'civilization' schisms, unprecedented inequity and grinding poverty, migration and mal-integration, and intractable conflict are increasingly interlinked and globalized in their causes and consequences. They demand entirely new and innovative responses from all organizations. Further, on the business front, corporate and credit scandals, consumer activism and globalized civil society mobilization against certain corporate practices are putting unprecedented pressures on businesses, and forcing corporations to rethink their interaction with their employees, consumers and civil society (Mulgan *et al.*, 2013).

In this transformed context, 'business as usual' no longer works. Corporate Social Responsibility and Social Investment have now become so clichéd and fragmented that the time has come to take a step beyond them in fundamentally rethinking and re-enacting "enterprise in society."

What will such a task require? How can universities constructively and innovatively engage these burning issues in a way that might contribute to positive and sustainable societal transformation?

It is clear that world class research paradigms need to move beyond purely positivistic and empirical approaches to research methodologies. Such timeworn methods and methodologies may contribute to social and economic innovation, but they clearly cannot do it alone. There is a need for a new integral approach to research that is rooted in, and takes account of, all four corners of the globe – not just the pragmatic, positivistic West, but also the relationally-based, humanistic South, the interconnected and holistic nature of the East, and the thoughtful rationalism of the North (Kanter, 2010).

Additionally, though a multi-cultural perspective is vitally important for successfully addressing these burning issues, universities must transcend simple multi-culturalism (many cultures) to approach social research from a *trans-cultural* (integral unity-in-diversity) perspective that integrates all of the best traits, characteristics and contributions from all cultural perspectives.

All too often organizations and societies tackle these challenges from different, and sometimes divergent, ideological and cultural perspectives. Therefore, organizational responses tend to be segmented, fragmented and lack integration. It can be argued, that fundamentally revised forms and functions for “enterprise in society” are needed, including a new cross-sectoral and cross-cultural orientation, which would provide an integrated and holistic response to these global and local challenges.

Endeavoring to adopt a *Four World Approach* illustrates how each world region has developed its particular cultural strengths and set of local capacities, that, if successfully activated, form the basis for local transformation processes and social innovation. This particular strength can then contribute to global solutions, if brought in balanced interaction with other cultural capacities. The *Four World Approach* is a framework for such creative interaction, allowing each society, each organization and each individual to identify its particular strengths and the strengths of “the others.” It is remarkable to see how the *Four World Approach* – as an “archetypal” representation – equally resonates on the level of the global cultural landscape, as well as on a societal, organizational and individual level. The approach illustrates the cultural strengths of each of the four worlds. It can be argued, that while each “world” has developed over time a particular set of strengths, it also always embodies the other three worlds; in fact, it needs to continuously reach out to the other worlds, in order to be in an integrated state of “dynamic balance” (Fairweather, 1967).

This Four World Archetype has led to the development of a revolutionary new approach to social research called Integral Research that creates a unique research path for each of the four worlds. Each research path is then comprised of four integrated levels: pre-conventional method, conventional methodology, reformative critique, and transformative action research (Shaw *et al.*, 2001 and Kortam *et al.*, 2008).

Knowledge-Based-Marketing For Social Innovation – Triggering Cairo University Social Innovation Center (CUSIC)

‘Social Innovation’ is a hot topic today. Institutions such as Stanford University’s Graduate School have established centers for social innovation while still others have developed programs on Philanthropy, Ethical Wealth and Social Innovation. However, no higher education institution is actually integrating research, innovation and education for the purpose of advancing social innovation toward social societal transformation on a broad scale (Mulgan *et al.*, 2013).

A proposed Cairo University’s Social Innovation Center (CUSIC), in conjunction with the existing research, education and community entities of Cairo University and its many partner organizations (as well as future collaborations now in progress), will be the first collaborative association to use integral research, education, and social action focused on social transformation to address the burning issues of our world. Using action research methodology CUSIC’s research partners, faculty members and student innovators will implement their research in local, national, or international settings in an attempt to provide sustainable solutions to indigenous problems. Case studies will be generated chronicling successes and failures. These case studies will be brought to the research element of CUSIC for further study to improve the innovative process for the initial and other related settings. This circular feedback loop would ensure fresh approaches to complex societal problems.

The Center will provide a vehicle through which the burning social, economic, and environmental issues organizations and societies face today can be addressed through a transformational approach towards conducting research, that leads to innovation, resulting in genuine, transformational education.

The prioritization of all research projects will be evaluated based first and foremost on how they will practically impact Egyptian society as it moves into a new future. The next priority will be how the proposed research will impact the Middle East region. A third area of priority will be how the research will impact Africa and finally, how it might impact the world.

Conclusive Research Postulates/ Research Propositions

This research concludes by arguing that Knowledge-Based Marketing Postulates in the form of research propositions for augmenting social innovation in post revolution Egyptian higher education marketing environment to be the guiding philosophy and ideology for the proposed CUSIC’s strategic intent and activities as follows:

Research Proposition One: Knowledge-Based-Marketing is the scientific Extreme to implement social innovation research at Egyptian universities

Research Proposition Two: Knowledge-Based Marketing is means to multidisciplinary ends of social innovation research at Egyptian universities

Research Proposition Three: Knowledge-Based-Marketing is the information supplier to social innovation applications at Egyptian universities

Research Proposition Four: Knowledge-Based-Marketing a problem solver through social innovation applications at Egyptian universities

Research Proposition Five: Knowledge-Based-Marketing is an opportunity seizer through developing education for social innovation at Egyptian universities

Research Proposition Six: Knowledge-Based-Innovation is a planned Form Of social change through integrating education for social innovation at Egyptian universities

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