

# Is Marketing the Answer to Declining Populations?

## A Case Study of Societal Marketing

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**Abstract** – Declining populations are creating a number of social problems in countries where this phenomenon is occurring. In many places and over many years governments have created programs and used promotional messages to encourage people to have a child or to have more children than they would perhaps otherwise choose to have. This case engages students for the purpose of increasing awareness of the ways that marketing activities are being used in an attempt in a number of countries to deal with an insufficient birthrate to grow, or even maintain, the population of a country. More than that, it gives students an opportunity to put themselves in the position of decision makers who are seeking to maximize the results of these marketing activities. The case examines common reasons for the population declines, the negative societal impacts of population decline, and the efforts governments have made to reverse the trend.

**Keywords** – *Societal Marketing, Consumer Behavior, Promotional Strategy, Attitude, Attitude Change Strategy*

**Relevance to Marketing Educators, Researchers and Practitioners** – This case is most relevant to marketing educators, but is also relevant to government policy and decision makers. Regarding educators, instructors in Consumer Behavior and Promotional Strategy classes can use the case to assist in teaching key concepts regarding attitude and attitude change as well as in the creating of promotional messages that are more effective as a result of first identifying what appeals are likely to have substantive and lasting impacts and which are not.

### Introduction

Countries have to deal with population fluctuations and the consequences that follow. For example, the post-WWII baby boom dramatically increased the US population and created a population bulge that has had, and will continue to have, a cradle-to-grave impact on every aspect of the US society. Today, however, many countries of the world, including the US, are facing a different situation as a result of declining birthrates.

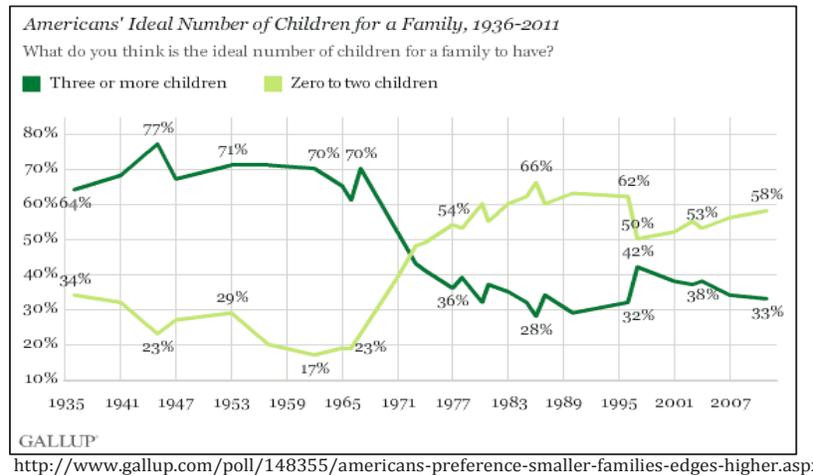
The use of marketing campaigns, particularly by governments, to stimulate population growth has been motivated by the potential for negative societal impacts such as declining economic growth and undesirable changes in population age ratios across the citizenry. Countries with aging populations and low birthrates are riddled with uncertainty about their economic and social futures. To mitigate these concerns and attempt to stimulate population growth, a number of governments have attempted to influence the reproductive decisions of citizens through promotional campaigns and by offering financial incentives that reduce the cost of having children--costs in terms of money, time, and impacts on lifestyles and careers.

The outcomes of the tactics, as a general rule, have not been consistent or especially successful. The varying, and often temporary, impacts on birthrates suggest the culture of the country, the factors and motivations that lead to a decision to have a child, or more children, matter greatly.

### Reasons for Declining Birthrates

In many countries, particularly in the higher developed and wealthier regions of those countries, more and more people are choosing not to have children. Many are making a decision to live childfree lives and are able to so do due to advances in societal norms and expectations, technology, and developments in medicine that make this choice easier to fulfill. Figure 1 shows the changing US attitudes over time concerning family size.

Figure 1  
Changing US Views of Family Size



The changing views of family size and having children is not a phenomenon limited to the US. For example, socio-economic factors have greatly changed the way young professionals in Japan, France, and many other countries view parenthood. The current work-centric lifestyle and de-emphasis on the family unit have caused many in the age groups usually involved in child rearing to focus on other life choices. In Hong Kong, most married couples have very stressful work circumstance. This, in combination with the high cost of raising a child, has contributed to the trend of lower national birth rates (Achenbach & Jackson, 2014).

In a very comprehensive and international examination of the reasons for and impacts of declining populations, Jonathan V. Last (2013) has identified a long list of reasons for population decline. Included among these are: the legalization of abortion, the availability of effective contraceptives, the decline of the influence of religion in many societies, the decline of marriage as an institution, the later ages of marriage for those that choose to marry as well as a later average age of birth of a first child, the higher education levels for women and greater career opportunities for women in modern societies.

The decision to not have children is not one equally made across the population of a country. For example, birthrates vary dramatically from state-to-state in the US and vary across the major ethnic groups of the country. At present Hispanics have the highest fertility rates in the US followed by, in order, the Black and White population segments. Economic standing is another factor where dramatic, and perhaps surprising, differences in fertility are found.

### Adverse Impacts of a Declining Population

An aging population in declining birth-rate countries raises economic and social concerns, including an inability to replace an aging workforce as they begin to retire and a shortfall in the tax revenue that enables a government to support an aging population. In addition, there can be a shortage of needed caretakers as the population ages and a time of declining birth rates.

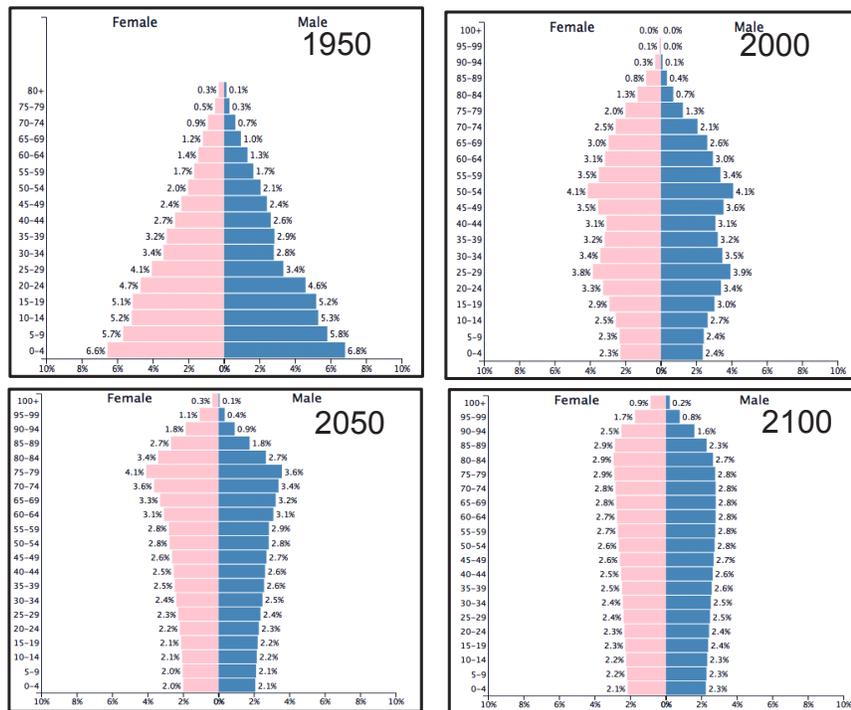
Countries such as Sweden and Denmark have growing welfare and retiree populations while facing a decline in the number of (taxable) younger citizens. Similarly, it has been noted that by 2050 there will be only 1.3 Japanese workers to support every Japanese senior citizen. It is projected that by 2026, Japanese social security costs will rise to 22.4 percent of GDP. Sociology professor Masahiro Yamada has predicted that “Japan’s social security program will probably collapse (Ghosh, 2014).”

A series of population pyramids are included in Figure 2 that shows the changing age distribution for the Japanese culture from 1950 through the projections for 2050 and 2100. As the pyramids have become inverted over time,

a shrinking younger population has had to, and will continue to have to, replace in the workplace and support a growing older population. Figure 3 shows that this is not a problem limited to Japan, but is one that is, and will continue to be, a problem for much of the world.

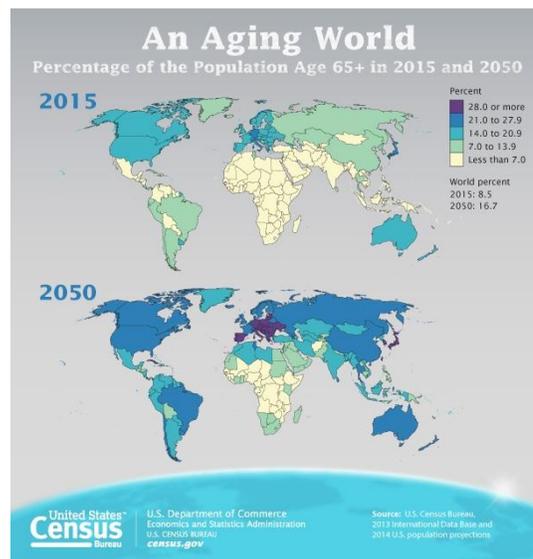
In addition, the life expectancy in many advanced countries is longer than it has ever been due to medical advances and better preventative care. Combined with falling birth rates and where immigration is limited, social services will be stretched, in some cases to the breaking point, and, as stated earlier, the pool of new employees to take the jobs vacated by aging and retiring workers will not be large enough to provide a sufficient workforce.

Figure 2  
Population Pyramids for Japan, 1950, 2000, 2050, & 2100



<https://www.populationpyramid.net/ja>

Figure 3  
The Aging World Population



[https://www.census.gov/library/visualizations/2016/comm/cb16-54\\_aging\\_world.html](https://www.census.gov/library/visualizations/2016/comm/cb16-54_aging_world.html)

## **Population and Marketing**

As a country begins to experience a population decline, the primary governmental responses are to increase immigration rates, to issue a call to action by the nation's citizens to have more children, and providing financial incentives to promote procreation. The use of such tactics is not a recent phenomenon. Sweden faced a decline in population in the 1930's. The response was to establish social reforms to support larger families, including maternal and child health-care, maternity and housing benefits, as well as cost-free child delivery services. As a result the birth rate increased. In following decades, other programs were implemented when birth rates again declined, showing that properly implemented government programs can impact the rates of childbearing and result in an increase of a countries population, at least temporarily.

Different countries have used a variety of motivating appeals in an attempt to increase birthrates. Russia, for example, has used patriotic recognition through the issuing of medals to women if they have a certain number of children. Financial rewards have also been offered for those who have children. In Japan the government has used a robot called Yotaro to provide people with something of a parenting-like experience with the hope that the experience would carry over and create a desire to actually have and nurture a child. Go to the following link for more information.

<http://www.telegraph.co.uk/news/newsvideo/weirdnewsvideo/7505847/Robot-baby-aims-to-increase-birthrate-in-Japan.html>).

In addition, as in Russia, financial incentives have been offered to those having children. A number of European countries are facing population declines and have used a variety of government sponsored assistance programs to make it easier to be a parent as far as the monetary costs of being a parent as well as the difficulties and expenses of juggling a career and parenting. Denmark used some creative campaigns to appeal to Danes to help out their country and to make their mothers happy by having a baby. Go to the following links for more information.

[https://www.washingtonpost.com/news/morning-mix/wp/2014/03/27/do-it-for-denmark-campaign-wants-danes-to-have-more-sex-a-lot-more-sex/?utm\\_term=.c9ff37a3b620](https://www.washingtonpost.com/news/morning-mix/wp/2014/03/27/do-it-for-denmark-campaign-wants-danes-to-have-more-sex-a-lot-more-sex/?utm_term=.c9ff37a3b620)

and

<http://www.independent.co.uk/news/world/europe/denmark-s-bizarre-series-of-sex-campaigns-lead-to-baby-boom-a7062466.html>).

Despite these efforts and the expenditure of governmental resources, these campaigns have had, at best, only a limited positive impact.

## **Discussion**

Marketing activities largely involve the stimulating of demand, most typically to increase demand, such as the demand for products. In other cases, marketing activity is used to diminish demand, both for legal and illegal products, such as cigarettes and drugs. Another scenario is the use of marketing activities to achieve some desirable social behaviors – such as encouraging people not to drink and drive, to exercise care with fires, and even to have a child or more children.

What is the proper role of marketing in society and to what extent can marketing concepts, tactics, and activities be employed to achieve a desired end result? Kotler and Levy (1969) proposed that marketing is a “pervasive social activity that goes considerably beyond the selling of toothpaste, soap, and steel” and proposed that “marketing principles are transferrable to the marketing of organizations, persons, and ideas.” In a rejoinder to Kotler and Levy, Luck (1969) took issue with the idea of such a broadening of the concept of marketing and argued that the boundaries for marketing activities should be within “. . . those processes or activities whose ultimate result is a market transaction. Marketing is concerned with markets, of course, and markets must be characterized by

buying-and-selling.” Bagozzi (1975), posited that the most useful way to judge the expanding role of marketing in a society is to view marketing, including social marketing activities, through the lens of exchange. This expands the idea of marketing from a limited process that necessarily involves buying-and-selling to the view that marketing involves many types of exchanges in which various entities, such as governments, may employ measures to bring about desirable social outcomes.

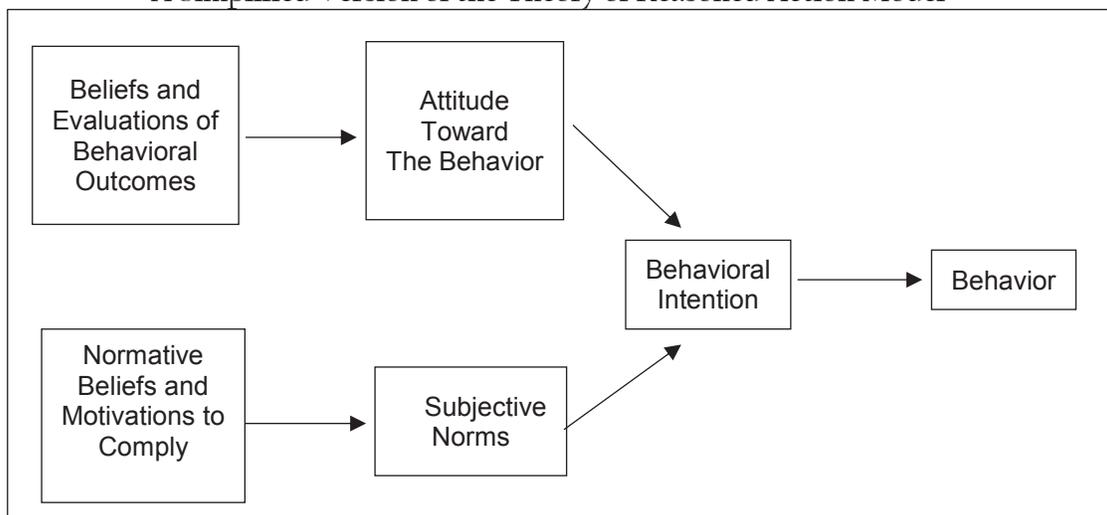
**Critical Thinking Exercises for Students**

Look online for examples of the kinds of actions governments have taken in an effort to increase birth rates. Summarize the actions taken to attempt to increase birthrates and the results of those efforts. Then use the information found to answer these questions.

1. Can governmental activities intended to increase birth rates be viewed as part of an exchange process with its citizens? How? What do the exchange parties involved each other in the exchange process?
  
2. What products are produced by governmental activities aimed at a countries population to increase birth rates? Try to think beyond the immediate answer. That is, what products is a government buying through attempts to increase birth rates?
  
3. Evaluate the potential of marketing activities to have a significant and lasting impact on the decision to have a child or to have more children. That is, based on what various countries have tried and in light of an analysis of these activities, as well as activities that have not been tried, is it wise for a government to attempt to increase birth rates? Explain. Why or why not?

Note: A useful way to conduct this evaluation is to use the Theory of Reasoned Action Model in Figure 4 to evaluate the parenthood decision in the two ways posited by the model as the way people form Behavioral Intentions: (1) Beliefs regarding the important consequences of a behavior and how each consequence is Evaluated (good/bad, important/unimportant, etc.) and (2) the influence of important people in the life of the decision maker regarding what those people think a person should or should not do and how motivated the decision maker is to comply with the wishes of others. See Figure 4 below and fill in the blanks of the worksheets that follow.

Figure 4  
A Simplified Version of the Theory of Reasoned Action Model



Adapted from Icek Ajzen and Martin Fishbein, *Understanding Attitudes and Predicting Social Behavior* (Upper Saddle River, NJ: Prentice Hall, 1980, 84.

Fill in the following spaces with perceived consequences of having children--financial consequences, career consequences, lifestyle consequences, etc. Then for each identified consequences, indicate if this consequence would typically be viewed as a positive or negative consequence by those contemplating having children.

Attitude Toward the Behavior	
Top Ten Beliefs about the Consequences of Having Children	Evaluations of Beliefs of the Consequences--Typically Positive/ Typically Negative?

Fill in the following spaces with people/groups that exert some degree of POSITIVE influence on the decision to have children--family, friends, coworkers, faith group, etc. Then for each identified source of social influence, indicate if this influence would typically be one with which people would likely to comply or not comply.

Subjective Norms	
Most Influential Social Influences in the Decision to Have Children	Significance of Social Influences- Significant Influence/Insignificant Influence?

1. Of the consequences listed and the way they are typically evaluated, which ones, if any, are ones that promotional messages and support programs from governments are likely to positively influence decisions to have children, particularly a lasting impact rather than a temporary impact? Why?
2. Of the social influences identified, which ones, if any, are likely to exert a significant positive influence on the decision to have children? How can this be used in promotional messages to encourage citizens to have children?
3. Based on the answers to questions 1 and 2, what advice would you give to decisions makers in government regarding the use of promotional activities to increase fertility in a country?
4. Design two promotional campaigns. In the first one, create a campaign that has an appeal based on changing beliefs regarding the consequences of parenthood and/or the way the consequences of parenthood are evaluated (from, say, negatively evaluated to positively evaluated). For the second campaign, create an appeal that is based on the influence of other people in the lives of potential parents.
5. Regarding the two campaigns created, which one is likely to be more effective in promoting parenthood in

terms of increasing fertility and in terms of creating lasting cultural attitude change about parenthood? Explain.

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Figure 2 – <https://www.populationpyramid.net/japan>

Figure 3 – [https://www.census.gov/library/visualizations/2016/comm/cb16-54\\_aging\\_world.html](https://www.census.gov/library/visualizations/2016/comm/cb16-54_aging_world.html)

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