



A Social Marketing Program for Local Products and a Local Market: The Case of Setúbal, Portugal

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Learning Objectives

1. Understand the concept of social marketing from the point of view of a Municipal Market.
2. Value the role of raising awareness for greater use of local products and buying from local retailers.
3. Benchmark the promotional activities of Municipal markets.
4. Reflect on ways to increase sales of local products at Municipal Markets.
5. Structure a social marketing program for the Livramento Market in Setúbal.

1 Introduction

Many countries have indicated their growing commitment to pursue the social changes necessary to meet the United Nations Sustainable Development Goals, aiming to respond to the issues of conservation of natural resources, climate change, and the promotion of more sustainable production and consumption practices. In this regard, there is a need for more structured approaches related to social marketing coordinated by various entities, including local governments and joining the efforts

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of various local players in order to preserve and enhance the productive apparatus, ways of life, culture, existing social structure, and more sustainable attitudes and behaviors of the population.

The implementation of integrated processes of social marketing management presupposes increased planning for a structured intervention, given the complexity, diversity, and dispersion of existing marketing tools and stimuli to which consumers are subjected. Currently there is considerable diversity of means of promotion, including the Internet and digital tools that allow a more segmented interaction between organizations and the various audiences, directly and through digital influencers; more interactions between consumers, through e-word of mouth; and more digital media and thematic television channels. At the same time, consumers are subjected to increasingly sophisticated marketing actions, and it thus becomes complex for organizations to develop marketing stimuli and impactful marketing practices. Social marketing implies the coordination of different instruments that influence the behaviors and/or perceptions of a group of people, and that delivers benefits to society as a whole (Alves & Galan-Ladero, 2019).

We report herein a case study focusing mainly on SDG 11 “Sustainable cities and communities” and SDG 12 “Responsible consumption and production.” We address the challenges faced in Setúbal, a medium-sized city in Portugal. The coastal region surrounding this community is very rich in local products and has one of the most important Municipal Markets in Portugal.

2 Case Development

2.1 Local Commerce and Municipal Markets: The Case of Setúbal

Local commerce is an important and valuable axis of life in cities and regions, contributing to the preservation of many jobs and providing a supply service to the region’s inhabitants and workers. It generates movement and local animation, counteracts the desertification of city centers, improves the security of the territories, and contributes to the preservation of urban heritage and local traditions, and in some cases boosts tourism. Simultaneously, it is in the small local retailers that local products are most often found, so their dynamization is also a way to preserve the sustainability of the productive system of the region, preserving jobs, avoiding the exodus of agricultural and related activities, and generating wealth.

Local commerce has suffered significant revenue losses with the growth of large national and international retail food chains, namely hypermarkets, supermarkets, and discount stores. Nevertheless, local retailers have managed to retain their important role in supplying communities (Machado & Dores, 2018):

- Many consumers consider local retailers an integral component of the community, establishing relationships of loyalty and trust. A greater effort is observed by retailers in the search for their revitalization and preservation of their identity,

developing mechanisms to adapt to competitive developments and customer expectations.

- Many local retailers have a deep understanding of the needs and desires of local consumers, the result of a long-standing relationship. These micro-businesses often sell local products that are very representative of the identity of the territory where they are located.
- Local Governments have been taking a more active role in the modernization and promotion of local commerce, supporting small local retailers in the development of skills, promoting the sustainability of their business and the regeneration of the local economy.

Municipal markets are usually spaces of strong geographical and social centrality where, beyond the buying and selling of products, there is a great diversity of relationships and events among the elements of a community (Costa et al., 2015). Due to their size and attractiveness, they are dynamizing spaces for the economy and communities in terms of job retention, sale of local products, generation of value, and tourist attraction. They also have a very differentiated and comprehensive commercial offer, allowing customers to meet a wide range of needs in a single place.

The greater dynamism of the Livramento Municipal Market has a tremendous social impact in the region, contributing to the preservation of jobs and local production, improving the skills of small economic agents, preserving the livelihoods of local residents, avoiding the abandonment of fields and farms, and improving the attractiveness of the region. From the point of view of sustainability, we also highlight the possibility of educational programs (e.g., study visits and work in collaboration with schools, aiming to raise awareness for better eating habits, recycling, and eliminating waste), the promotion of more sustainable and authentic lifestyles and consumption (e.g., seasonal products, local products, organic products), the appreciation of history, culture, and local ways of life (e.g., through storytelling and local animation actions), the inclusion of activities and operators with vulnerabilities (e.g., partnerships with social organizations), and the valuing of fair trade practices.

As references/models for these features we can look to the Barcelona Markets (Fig. 1) in Spain, which develop educational activities aimed at schools and young people to promote the purchase of healthier, fresh, and better-quality products in the markets by helping them to discover the specificities of these spaces, also inviting them to work and share purchasing and consumption experiences. Within this framework, several pedagogical materials have been developed that can be used in the research and teaching of these themes.

When looking at practices in other Portuguese regions, we find for example that the Matosinhos Municipal Markets (Portugal) organize “showcooking” events, called “From the Market to the Plate,” at which well-known chefs cook and share recipes using local and seasonal products that can be found for sale in those same municipal markets (Fig. 2). They also publish recipes and promote many other events, notably through their Instagram page.



Fig. 1 Educational program of the Barcelona Markets. Translation: “we eat healthy, we eat from market.” Source: *Ajuntament de Barcelona* (2022)

In recent years, an effort has been made to revitalize many of these spaces, modernizing the infrastructure and the range of products and services they sell, often aiming to enhance the value of local products and traders and attract new, younger, sustainability-oriented audiences and tourists. Several international projects supported by local governments and the European Union have contributed to this improvement, adding value to these spaces, including the Urbact (2012–2015), Central Markets (2012–2014), and Marakanda (2009–2012) projects.

Fig. 2 Matosinhos Market Showcooking Program.
Source: *Município de Matosinhos (2022)*



Data from 2008 identify approximately 25,000 of these Markets in the European Union, with more than 45,000 traders, one million jobs, and a turnover of over 40 billion euros (Costa et al., 2015).

The local commerce and namely the Municipal Markets are important actors for the sustainability of the territories, as they are able to provide high-quality local products in the city centers while also being leisure and cultural spaces, generating employment and wealth for the community.

In the city of Setúbal, there is some traditional commerce, with small stores in the city center. There is also a space where many small producers and local traders are concentrated—the Livramento Market of Setúbal. The Livramento Market is the

most emblematic commercial space in the city. In addition to its commercial activity, it is a meeting point for traditions and residents of different generations. Existing since 1836, its building has been adapted and modernized, and currently has approximately 170 points of sale (a mix of stalls and stores). Most of the stores sell fish (53%), fruits and vegetables (30%), cheese (5%), and bread (5%). This is one of the main national municipal markets and also has substantial international relevance. In 2014, it was described as one of the most important fish markets in the world by the publication *USA Today*.

Over time, Setúbal's Livramento Market has preserved much of its identity, retaining traditional customers and attracting tourists visiting the city. Data show that many local inhabitants visit it often and show great satisfaction with their purchases and experiences.

2.2 Local Products and the Livramento Market in Setúbal

The demand for local food products has been growing in recent years, with an increasing number of consumers willing to pay a higher price for them (Willis et al., 2013). Their choice is related to some of their intrinsic factors such as quality, taste, freshness, appearance, uniqueness/authenticity, health benefits, and reasons related to supporting local producers, traders, and communities (Skallerud & Wien, 2019). Other factors such as the search for new experiences, the sense of belonging to the community, environmental concerns, traceability of food origins, food safety, proximity, and accessibility are also pointed out as being valued.

The Setúbal region has an enormous wealth of agricultural products, fisheries, dairy products, wines, etc., that are—or could be—represented in the Livramento Market. Some of these crops and activities have a small scale, which makes it difficult to market them on a large scale, but still allows for their presence in the Market, thereby increasing the attractiveness and exclusivity of the location and the satisfaction of the customer experience.

2.3 Marketing Management of the Livramento Market

The Livramento Market is owned by Setúbal Municipality (Local Government), which has the responsibility to promote and ensure the conditions of hygiene, safety, and comfort, and to interact with, attract, supervise, and value the small traders who carry out their activity there. It is also in the Municipality's interest to attract and retain customers through an appropriate marketing plan.

Although there are no significant resources allocated to the marketing management of the Livramento Market, efforts are made to promote it to national and international audiences (tourists), focusing on (1) the history, traditions, and physical characteristics and centrality of the building, (2) the richness of its offer, especially of fish and high-quality local agricultural products, (3) the inclusion of the Livramento Market in the gastronomic tourism route of the region, and (4) the use



Fig. 3 Flash mob at Mercado do Livramento. Source: Município de Setúbal (2022)

of the Livramento Market as an educational space that involves the entire community and enhances local traditions.

The marketing actions of the Setúbal Livramento Market are usually developed in conjunction with the traders, as their involvement is beneficial in the preparation and operationalization, so that communication can be more effective and include the cooperation of different stakeholders. The process of converging the wills of so many stakeholders is sometimes a challenge, given the heterogeneity of expectations, priorities, and constraints of the various stakeholders. Among the actions taken, we highlight the organization of study tours and educational activities with schools in the region, the organization of visits by national and foreign journalists, efforts to include the Livramento Market in photographic and cinematographic productions and television programs (e.g., the soap opera “Mar Salgado”), the realization of flash mobs (Fig. 3), and other actions/features such as billboards, book publications, etc.

Retailers also develop an autonomous marketing activity, including the management of their Point of Sale—namely, the selection of the product range, merchandising, customer service, promotional activity, and in some cases the use of digital marketing tools for promotion and interaction with their customers. It should be noted that the use of social networks (especially Facebook, Instagram, and WhatsApp) was significantly enhanced by the mobility constraints related to COVID-19, despite the difficulties among most retailers related to their limited (or lack of) digital marketing skills.

Despite the lack of a structured marketing plan for the Setúbal Livramento Market, the difficulties in coordinating the marketing activities of all stakeholders, and the limitations of existing resources, the Livramento Market plays an important role as a central space in the life of the city, in the promotion and enhancement of

local and regional products, in supplying the population, and in attracting tourists to the city, as shown in the feedback obtained from customers (see Appendix 1) and in its inclusion in tourist guides and travel websites. On the Tripadvisor website, for example, a visit to the Livramento Market is considered the second most popular activity in the region, after the visit to the Arrábida Natural Park.

Regarding social marketing, a diverse range of actions have been carried out periodically, but sometimes without a systematized planning. These have included:

- organization of study visits of students from different study cycles, addressing various topics such as local products, sustainability, trade, culture, and traditions, among others
- awareness for traders and consumers to deepen recycling and circular economy practices, encouraging the maximum use of resources and reducing waste, as well as the development of cleaner fishing practices
- actions to enhance sustainable fishing, by promoting the catch of more abundant and/or less popular species, through the organization of showcooking and tasting, and sharing recipes and other informative elements
- promotion of healthier living habits through the dissemination of recipes
- creation of a permanent or seasonal space for local small-operation artisans to exhibit and sell their products, to allow for greater visibility and interaction with local products and producers, promoting greener purchasing and consumption behaviors
- social solidarity actions in collaboration with organizations that can use the market to hold occasional events.

2.4 The Competitive Situation of the Livramento Market in Setúbal

2.4.1 SWOT Analysis

Throughout 2021, an exhaustive diagnosis of the situation of the Livramento Market in Setúbal was carried out through focus groups with the various market stakeholders. It was possible to identify its main strengths, weaknesses, threats, and opportunities.

The main *strengths* identified were the range and quality of products sold; the historical relevance and tourist appeal; the local and regional centrality; the close relationship between traders and customers; the levels of proficiency of traders in key skills (e.g., product knowledge, communication, or customer advice).

The main *weaknesses* identified were the short opening hours; the difficulty regarding car parking; the aging of the merchants; the low level of innovation; the lack of a systematized management system and marketing management (social marketing in particular).

The main *opportunities* identified were the trend toward a healthier and more sustainable lifestyle, with implications for healthy eating and the demand for local/authentic products; the growth of tourism and the attractiveness of the municipal

markets among many national and foreign visitors; the growing attractiveness of the city as an important gastronomic destination; the increasing importance of new concepts of promotion and sales (e.g., digital); and the support programs for the development of skills (e.g., vocational training).

The main *threats* identified were the growth and increased sophistication of the competition; the danger of some loss of authenticity; and the difficulty to attract new and innovative merchants.

2.4.2 Axes of Strategic Action for the Market

Considering the internal and external analysis of the Market and the expectations of its different stakeholders, *sustainability was considered as the focal point of the whole strategy and action of the Livramento Market in the future.*

In the specific case of the Setúbal Livramento Market, sustainability is articulated with several areas, namely:

- with the expectations of Setúbal's customers and residents, who want to preserve the exclusivity of this space
- with the growing trend for healthier eating habits
- with the expectations of merchants who have a great deal of experience in this area and some resistance to change
- with the expectations of tourists who seek to interact with the local people and habits in authentic and differentiated experiences
- with the growing centrality of these themes in central and local public policies

Regarding its marketing management, it was determined that the Livramento Market should center its priorities around the improvement of the shopping experiences, and interaction, learning, and discovery on the part of its customers. Thus, with the development of a specific Social Marketing program we can seek to improve the level of knowledge that the residents of Setúbal and visitors to the Livramento Market have about local products and about the Market, enhancing the value of these products and the shopping experience at this point of sale, increasing the consumption of local products, and promoting the sustainability of these economic activities.

This strategy assumes a clear investment in improving the promotion of local products and producers. The valuing of the market, traders, and products should be based on their specificity and exclusivity. Investment should be made in differentiated marketing actions that value these elements and reinforce the exclusivity of their range of products when compared to the large chains of food retailers.

Appreciation of local productions, producers and their commercial performance has a strong impact in the pursuit of SDGs regarding the sustainable development of the region and the country, namely in SDGs 11 and 12.

3 Discussion Questions

Considering the positive perception of local consumers toward local products and the Livramento Market in Setúbal as well as the potential to enhance the attractiveness of local producers in the region's sustainability practices, in the preservation of the productive apparatus and employment, in the dissemination and preservation of commercial traditions, and based on the sequential approach proposed in Chap. 1 for the design of a Social Marketing program, the following actions should be undertaken:

Question 1—Identify a relevant target audience for the Livramento Market in Setúbal and indicate what the main social marketing objectives associated with the Market should be, justifying your answer.

Question 2—Considering the proposed social marketing objectives, briefly elaborate a social marketing plan for the Livramento Market in Setúbal.

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Appendix: Setúbal Livramento Market: Results of a Consumer Survey

A questionnaire survey was conducted among the residents of Setubal over 18 years old, in order to analyze their perceptions about the Setúbal Livramento Market, the impact of their consumption options, and the purchase of local products. A 5-level Likert scale was used (from 1—strongly disagree to 5—strongly agree). The results obtained (Table 1) allow us to conclude that the respondents expressed considerable

Table 1 Consumers' perception of sustainability by age (average)

	18–34 Y	35–54 Y	> 54 Y	AVG
(1) I am concerned about the depletion of resources on the planet.	4.3	4.6	4.3	4.4
(2) I would describe myself as environmentally responsible.	3.9	4.2	3.9	4
(3) My buying habits are influenced by my concerns about the environment.	3.7	3.9	3.7	3.8
(4) I believe that the products on sale at the municipal markets are fresher than the products on sale at supermarkets and hypermarkets.	4.2	4.4	4.2	4.3
(5) I believe that the products on sale at the municipal markets are of higher quality than the products purchased at supermarkets and hypermarkets.	4.2	4.3	4.2	4.2
(6) I trust the products sold at municipal markets.	4.4	4.5	4.4	4.4
(7) I intend to buy more and more local products (produced in the region).	4.4	4.5	4.4	4.4

concern about sustainability issues, and a high preference for local products and for shopping at the Setúbal Livramento Market (responses close to or higher than 4).

Teaching/Classroom Notes

Synopsis

The valuing of local products will allow a better management of sales channels and the establishment and consolidation of close relationships with consumers, which may boost sales, loyalty levels, and recommendations (word of mouth). The greater propensity of the population to prefer local products and fair trade, along with the efforts of local governments to promote local production/trade and sustainable development goals (SDG) create conditions to support producers in their marketing efforts through the establishment of social marketing programs that value them and inherently promote the sustainable development of the community.

It is intended that students contribute to the development of a social marketing program that promotes the purchase of more regional products in local markets, supporting these economic agents in the preservation of the local productive apparatus and in the promotion of the consumption of local products having higher quality and a smaller environmental footprint.

Potential Audience and Instructor's Material

This case has been developed for use in the framework of Marketing and Business Administration courses in general and Marketing and Digital Marketing in particular. The potential audience for this case is undergraduate students pursuing degrees in Business Administration or Marketing Graduate students pursuing the master's degree in Marketing and Digital Marketing

Learning

1. Understand the concept of social marketing from the point of view of a Municipal Market.
2. Value the role of raising awareness of greater use of local products and purchasing from local retailers.
3. Benchmarking of promotional activities in Municipal markets.
4. Reflect on ways to increase sales of local products in Municipal Markets.
5. Structuring a social marketing program for the Livramento Market in Setúbal.

Time Frame for Class Discussion

This case can be taught in one session of 90–100 min, and it is recommended that students develop some preparatory work (reading and analyzing the case).

Introductory debate. To summarize the case and to briefly start the discussion, teachers may propose a 15 min debate on the following topics: (1) what do you think the potential is for local products and local markets? (2) how can those products be made more attractive through a structured marketing plan? (3) what are the potential benefits of the use of Digital Marketing in this specific case? (4) what kind of synergies may occur between a local producers' marketing program and a Municipal Market activity?

Suggested Discussion Questions

Question 1—Identify a relevant target audience for the Livramento Market in Setúbal and indicate what the main social marketing objectives associated with the Market should be, justifying your answer.

Question 2—Considering the proposed social marketing objectives, briefly elaborate a social marketing plan for the Livramento Market in Setúbal.

Analysis

Answer to Question 1—*Identify a relevant target audience for the Livramento Market in Setúbal and indicate what the main social marketing objectives associated with the Market should be, substantiating your answer.*

This is a topic with a free response (there are no correct or incorrect answers). Each student or group of students can give their opinion. The most important aspects of this question are that students know the concept of a target group and can identify different possible targets (e.g., local young consumers, tourists, families). They also should be able to identify specific social marketing objectives that are linked to the selected target group.

Answer to Question 2—*Considering the proposed social marketing objectives, elaborate a social marketing plan for the Livramento Market in Setúbal.*

This is a topic with a free response (there are no correct or incorrect answers). Each student or group of students can develop a proposal for their social marketing plan, considering (1) the coherence between the proposed objectives for the Market and suggested activities, and (2) the necessary steps for the development of such social marketing plan, in line with the approach identified in Chap. 1.

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