

SOCIAL ACCEPTABILITY IN SMALL SCALE PROJECTS:

Insights from two construction projects

Dr. Stefano Pace

Assistant Professor Bocconi University

Viale Filippetti, 9; 20122 Milano MI (Italy)

Phone: 0039 02 5836 3737; E-mail: stefano.pace@uni-bocconi.it

Prof. Bernard Calisti

Associate Professor E.M.LYON

23, Av Guy de Collongue, BP 174, 69132 Lyon Ecully Cedex (France)

Phone: 00 33 478 33 77 74; E-mail: calisti@em-lyon.com

Prof. Bernard Cova

Professor ESCP-EAP

79 Av. de la République; 75011 – Paris (France)

Phone: 0033 149 232 164; E-mail: bcova@escp-eap.net

Prof. Robert Salle

Professor E.M.LYON

23, Av Guy de Collongue, BP 174, 69132 Lyon Ecully Cedex (France)

Phone: 00 33 478 33 77 74; E-mail : salle@em-lyon.com

SOCIAL ACCEPTABILITY IN SMALL SCALE PROJECTS:

Insights from two construction projects

Abstract

Project marketing theory emphasises the importance of the societal dimension in the project offering along with technical, financial and political dimensions. This societal dimension refers to all action taken by the supplier to improve its position with civilian groups having an interest in - or against - the project (associations, users, inhabitants etc.) in order to gain social acceptability. While societal offer is already addressed by big companies for large projects, in this paper we investigate how small companies manage to propose a societal offer for micro-projects. Two case studies in the construction industry have been investigated in order to develop and refine the theory.

INTRODUCTION

Traditionally, projects were perceived as successful when they met time, budget, and performance goals. However, many recent results stress (Pinto and Rouhiainen, 2001; Pinto and Slevin, 1998; Shenhar et al., 2002) that there is more to project success than meeting time and budget which can be called project efficiency (meeting constraints). Above all it is a question of managing relations with all the actors involved: “project failure is often the result of bad handling of externalities, superficial analysis of the institutional and social milieu that surrounds the project, or a lack of understanding of complex coalition dynamics, rather than, say, how you control your contractors or do your estimating” (Miller and Lessard, 2000, p. xviii). It is in this sense, that project marketing emphasises the importance of the societal dimension in the project offering along with technical, financial and political dimensions (Cova et al., 2002): this societal dimension encapsulates all action taken by the supplier to improve his position with civilian groups having an interest in - or against - the project (associations, users, inhabitants etc.) in order to gain social acceptability (Miller and Lessard, 2000 and 2001). Some suppliers have already placed societal offer high on their agenda and they address environmental and social considerations in the design and implementation of their offers. For two decades now, Bechtel, the famous US engineering company, has incorporated components of what it calls “sustainable development” into projects around the world (www.bechtel.com). For example, on the Quezon power plant project in the Philippine, Bechtel and its affiliate InterGen worked with non-governmental organisations, local governments, and other community leaders to identify actions that would help residents economically, socially and environmentally. The Quezon project’s environmental programme included reforestation surrounding hillsides and monitoring ecology of coral reef just offshore to protect them from the effects of industrialisation and harmful fishing practices.

However, what appears to a certain extent to be easy to manipulate for big companies on large projects, i.e. actions of sustainable development targeted to highly visible actors, is not so easy to put into play for small companies on micro-projects, i.e. actions of micro-local development targeted to poorly visible actors. In this paper, we investigate how small companies manage to propose a societal offer for such micro-projects. The impact of their offer on society is supposed to be intense in terms of interest and participation in the micro-social context surrounding the project. The objective of the present study being to stress the aspects of theory development of the societal offering in project marketing rather than theory generation, a systematic approach that builds more on refinement of existing theories than on inventing new ones (Dubois and Gadde, 2002) would seem useful. Two case studies (two companies – two projects) in the construction industry have been investigated through numerous sources (interviews with company personnel; analysis of internal and external documentation; observation of development processes) in order to develop the theory. Construction industry has been chosen because it represents the typical industry that operates at a local level and that usually shows problems in social acceptability.

SARL LE STADE AND THE LA ROCHE PROJECT

SARL Le Stade is a small building contractor in South France which has been purposely created by Mr Béca in 2000 for the La Roche project. Mr Béca, manager in a company in Valence, had been looking for a house in a village near Valence since 1992. Valence is a town located approximately 100 km South of Lyon (France). In 1993 Mr Béca noticed a ‘house for sale’ sign at the window of a La Roche estate agent’s office (the Lay estate agency). The village of La Roche is located approximately 15 kilometres from Valence, with a population of 3500 inhabitants. It is

situated on an island within the Rhone River. He therefore contacted the estate agent (Mr Lay), the only real estate agent in the village. Mr Lay handled property transactions (buying and selling building land, houses and flats on behalf of the owners or purchasers) and land management (rental of flats and of houses on behalf of the owners). After having worked for a property development company, Mr Lay then set himself up as a real estate agent in 1991. Through his professional experience, he had acquired a good knowledge of the way local players operate, which enabled him to hear about lands and buying and selling opportunities of flats and houses as soon as they became available.

Through Mr Lay, Mr Béca met the owner of the house on sale. The negotiation lasted 3 years because the house targeted by Mr Béca was in fact occupied by a couple who was in the process of divorcing but who couldn't come to an agreement concerning the sale of the house. Meanwhile, in 1995, Mr Béca asked Mr Lay to find him a flat to buy as an investment and to rent it out. At the end of 1995 Mr Lay offered a studio flat to Mr Béca who bought it. In 1996 Mr Lay explained to Mr Béca the way the so-called 'Perissol Law' worked and its fiscal benefits. Béca was convinced and he asked Mr Lay to carry out this type of arrangement for the construction of 4 semi-detached houses with the goal to rent them out. Mr Lay found the plot for the construction; he and Mr Béca became partners in the project that in fact associated four investor-owners (one per house): Mr Lay, Mr Béca and two members of his family. It is Mr Béca who followed up the project by acting as coordinator and who supervise the trade-people. Taking into consideration the fact that he had had to manage projects in his previous professional life, he undertook the coordination of the works. In fact, at this time Mr Béca gave in his notice to his company and granted himself a sabbatical year. During this common project Mr Béca learned which are the key points to control in the construction business.

Mr Béca himself renovates part of his house thanks to Mr Fernandez, a Portuguese mason (working on his spare time, on Saturdays and Sundays), suggested by Mr Lay. During the works Mr Béca and Mr Fernandez get on well together. Mr Béca is very satisfied with the quality of the work of Mr Fernandez, which strengthens the personal closeness between the two men. Mr Béca owns a secondary residence in Ardèche (approximately one hundred kilometres from his house in La Roche). As he wants to refurbish this house, he calls on the services of Mr Fernandez. “Driving back and forward to the Ardèche, we chatted in the car”, as Mr Béca says. Mr Fernandez reveals to Mr Béca that he is not happy in the building company where he is currently employed. He thinks he is not recognised by his boss and that his boss is a “pain in the ****”. He feels exploited. The reaction from Mr Béca is to tell him “If one day you have a project, tell me. We can do something together”. In December 1999 Mr Fernandez goes to see Mr Béca telling him that he gave in his notice at the beginning of December. From there, Mr Béca looks amongst his professional contacts to see who could be interested in giving Mr Fernandez work. He starts out solo and takes on a project of extending a house. The quality of the work is excellent. Then Mr Béca creates SARL¹ Le Stade. SARL Le Stade goes on to recruit some workers and Mr Fernandez becomes the work site coordinator.

¹ SARL (société à responsabilité limitée) = limited liability company



One day Mr Lay comes to see Mr Béca and says “there is an extraordinary opportunity, the La Roche stadium is going upon sale. Numerous companies and craftsmen will be on to it”. It is important to point out that in this village, well-situated plots are rare. Moreover, La Roche village is well provided for with shops, schools, swimming pool, lake. In fact la Roche City Hall officially puts its football stadium on sale (approximately 18.000 m²) with a view to create a residential area. The bid to tender is put to different promoters. Mr Lay is in possession of the document and has the intention to reply to this bid to tender with Mr Béca. The bid has to be submitted by September 2nd, 1999. The announcement of the sale of the football stadium plot results in much discussion in the village. As soon as the inhabitants learn that the stadium will be sold and that there will be constructions, they start to complain. They go to the town council to discuss with the mayor and the municipal councillors. They also go to see Mr Lay, the only estate agent in the village, because, if there is a property development project, they must be informed. People are worried.

For one of the housing estates bordering the stadium (Les Risées housing estate situated to the North) Mr Lay asks the owners if they want to buy plots. Their reply is negative. Mr Béca suggests to Mr Lay: “Go to see them individually and ask them whether they are interested in extending their land by buying a strip of land of the stadium at the purchasing price”. Mr Lay goes to see

them individually and discover that the six owners of Les Risées housing estate are interested to this proposal. The six owners become supporter of the idea and they go regularly to the town council to try to lobby the project, because it is the only proposition of this type that they have been given by one of the companies in the running for the project. The reasoning behind Mr Béca's proposition is as follows: "If there is one competitor to oust, it is the subsidiary of the Crédit Immobilier (CI)"; "The CI is very powerful as it has built more than half of the housing estates in the region"; "The strategy of the CI is to have the maximum number of plots to construct individual houses and to have the maximum profitability"; "It is therefore necessary to plan a different project, because, if I play the same game as the CI, I am sure to lose"; "From here, I play by instinct. I am going to put my stakes on people who are close to me: the mayor (M) and the deputy in charge of the town council project (DM). I don't feel close to the deputy (DT) in charge of all the technical questions in La Roche. I have the feeling he has received backhanders!!!".

In the role of a town councillor, DT has a role of supervisor. He is in fact the Director of Technical Services of the Town of Romans, a small town situated 10 kilometres from La Roche and he is also a town councillor of La Roche ; hence the possible ambiguity. It is to be noted that, for another one of the housing estates bordering the stadium (Lotissement Sud), DT continually pushed the local inhabitants to ask for a passage to be open onto their housing estate, claiming that the mayor had said that this would be done. SARL Le Stade did not support this request.

The tenders are submitted on September 2nd, 1999. At this time, Mr Béca and Mr Lay are positioned as property promoters by creating a SARL (called SARL Le Stade). First of all on the tender they do not construct, but they merely carry out the promotion of the property. The tender submitted by SARL Le Stade is as follows:

- 17 plots to build villas around a 7-metres wide, ring-shaped access road,
- Assignment of plots to the local inhabitants of the Risées housing estate,
- 2 small one-storey buildings and 6 flats of a good standing,
- 8% of open areas and park areas.

In fact, in this arrangement, SARL Le Stade is positioned as a promoter servicing the land: road network, drainage, lighting, electricity, gas and water supply, evacuation of waste water, tracing out of plots, realisation of green areas. The town council is indifferent to whether the promoter realises the houses and buildings or not. In any case, the town council has the control over the characteristics of the buildings via the granting of the building permit.

Seven other property companies are candidates for the construction on this land. Countering SARL Le Stade is a large property promoter: CI, which has realised nearly 60% of the buildings in the Rhone valley and which is backed by the Crédit Immobilier for the financing. The projects submitted have one characteristic: they all want to maximise the occupation of the land. The other projects put forward a fish-bone construction. This type of construction is problematic because it is very difficult for rubbish trucks to do their rounds as they have to manoeuvre a difficult U-turn. From the beginning, the design of the SARL Le Stade project integrates large roads and a ring-shaped access road to avoid trucks from having to make U-turns. This element is important, because the inhabitants would otherwise put their rubbish in a collect point at the entrance of the housing estate. Numerous discussions are undertaken to explain the project to the town council and to illustrate the reasoning behind the choices.

Then, the town council of La Roche carries out a comparison of the submitted projects. An intense activity takes place between the purchasing decision centre of the town council, the competitors

still in the running and the inhabitants. After several reviews, two projects remain: that of the subsidiary of the CI and that of SARL Le Stade. DT tries to put a spanner in the works. He is so ambitious that he positions himself for the future elections by wrestling against the existing town council. He begins to challenge the mayor and set up his team of candidates. However, at the beginning of 2000, SARL Le Stade wins the contract. Then, SARL Le Stade decides that the plots will be sold and each co-owner will themselves address the constructor of their choice. The villas must be built in 2002-2003. The construction of the two small buildings must begin in May 2004.

SARL Le Stade approach has technical, financial and especially political dimensions. Over and above this, there is also a procedural construction to the societal offer (Cova and Hoskins, 1997; Skaates and Tikkanen, 2000). This is constructed as the different groups of non business stakeholders, in reaction to the La Roche project, emerge. There is not only a specifications document defined by the contractor, but also a *hidden agenda* of the project. This is set up progressively with the materialisation of non-customer players as they voice their concerns/desires to the Mayor. One concern is the translation of a desire of certain inhabitants (Les Risées housing estate) to conserve the quality of their personal living conditions as they were when the stadium existed. If we take this group of players into consideration, we can see that on the whole the personal interests of each are along the same lines. A particular desire is however carried by other inhabitants (the South housing estate – Lotissement Sud) who would like to take advantage of the situation to obtain a passage which will enhance *their* quality of life. There too, if we take this group of players into consideration, we can see that on the whole their personal interests are along the same lines, though different from the former group. In both cases, we can see how the emergence of non-customer players tears down the boundaries of, and hence enlarges, the buying centre.

This so-called "enlarged" buying centre (Bansard et al., 1993) or project network (Cova et al., 2002) is both an opportunity and a threat for all project marketers. Sometimes, the value which would be very important for one of the key players is not directly connected with the project under study. In this context, the notion of value creation for the customer appears to be the critical task on which a supplier's very existence depends. While this notion of value creation is now relatively easy to seize for business to consumer marketing and in many business to business situations, it becomes less easy to manage in complex business situations such as project activities. In project business, the members of the project network come from different entities within -and sometimes outside- the customer's organisation. Each of these entities is likely to have its own rather parochial view of the expected value of the project that often conflicts with those of other entities. It should be interpreted by a supplier as a major opportunity to use various scenarios to influence the project network. Each scenario will depend on the agenda, potential risk and rewards of the members of the project network acting as individuals with sometimes contradictory motives but linked by the same group dynamic of solving a local problem. In fact, in any case of project offer, there inevitably remains a good deal of uncertainty surrounding the participants in the enlarged buying centre (who?), their specific requirements in terms of expected value (what?), the timing (when?) and the manner in which the project will be delivered (how?).

SARL Le Stade chose to follow a scenario which determines the societal part of their offer. To respond to the concerns of the first actors and not to the desires of the second. They recognised to value of bringing the non business stakeholders into play. They did this in a reactive manner by permanent adaptation: alignment with and empowerment of the non-customer players of the Risées. The societal part of SARL Le Stade offering is not the sustainable development for the

village community as a whole but much more the development of the interest of several specific non business stakeholders. It enables SARL Le Stade to develop a good relational position with regards to the project.

All these are effective mechanisms for achieving a differential advantage and a better alignment with emergent parties in the network. Some companies (Cova et al., 2002) may even not hesitate to mobilise public opinion against a competing project which is either environmentally unfriendly or un-aesthetic to give the impression of being a white knight which will solve the problems of society and those of the politicians grappling with the same public.

ANDRIA AND THE LAMIZZO PROJECT

Andria is a small residential building contractor in North Italy. It was founded as cooperative in Correggio (Reggio Emilia, Italy) in 1975.² In the 1980's, the Italian housing market experienced a severe slump. On the one hand, demand for the principal dwelling (that had characterised the market before the crisis) was being exhausted, while, on the other, the cost of houses was greater than the purchasing power of many families and rising unemployment added further uncertainty. From the second half of the 1980's and in the course of the 1990's, the market recovers, albeit showing profoundly changed characteristics with respect to the past. Demand for residential housing highlights features tied to major socio-cultural changes. The home is no longer a question of interiors, but also of exteriors, of social life in the neighbourhood, of services which facilitate connections between the neighbourhood and the surrounding area. The home is also a store of memories, passions and activities which need to be customised. The role of the public sector also changes. The detailed measures included in the 'Council Housing Plans' become broader,

territorial planning. Moreover, the public sector finds it difficult to forecast ever more complex needs, and requires suppliers who do not merely execute projects with pre-set restrictions, but suggest new and original housing and town planning solutions.

At its origin, Andria's aim was to satisfy the housing needs of its customers (who are also its members) by building good houses at reasonable costs. When the market crisis occurred, the cooperative ran into notable financial difficulties which forced it to improve the mix of social and business objectives. Indeed, the crisis stimulated the creativity of the people working in the cooperative in an effort to free themselves, as far as is possible, from the cyclical nature of the sector. It is in this phase, that the foundations were laid for a new path, for the assertion of the philosophy and managerial style which still today characterises the cooperative. Indeed, it is in the 1990's that the cooperative takes on the name 'Andria', the name of an ideal town imagined by the Italian writer Italo Calvino in one of his stories. Calvino's description of this fantasy town reproduces the approach that the co-operative pursues. Andria is a town in which movements and changes produce similar changes in the galaxy of stars, in a natural resonance between man and the heavens. Calvino writes: 'Of the character of the inhabitants of Andria, two virtues are worthy of being recorded: self-confidence and prudence. Convinced that any innovation in the town affects the design of the heavens, they would calculate the risks and advantages for themselves as well as for all places and worlds before taking a decision.' These words reflect the co-operative's attention, in all its building projects, to the local area, conscious of this fabric of social interaction, for which a well-designed neighbourhood brings benefits both to the residents and to the rest of the area.

² Its initial name was Cooperativa di Abitazione Unicoop Casa.

Andria operates on two distinct and interconnected levels: one ideal and from the point of view of town planning and neighbourhood creation, the other technical in terms of an individual house for a specific customer. The ideal/town planning level involves giving value to areas which are often derelict and problematic through quality building projects and an approach which stimulates the imagination of the present and future residents. An example is the 'Le Corti' project, a neighbourhood developed in a former industrial area of Correggio which was so contaminated by toxic chemicals that it was nicknamed Chernobyl (after the site of the nuclear disaster in Ukraine) by the locals. Once the area had been decontaminated, Andria with the contribution of a local author of children's fairytales, Giuseppe Pederali³ recreated a fairytale of the area which banished any frightening associations with the concepts of pollution and contamination and gave a new personality to the location.

The second level at which Andria operates is that of the individual family dwelling. The questions that must be addressed in this case are necessarily of a technical and building nature. The house has technical characteristics of living and comfort which engineers, architects and works foremen must address. The engineer takes the place of the writer. Even at this level, however, communication plays an important role. Andria should smooth the customer's unrealistic

³ Giuseppe Pederali is a writer from Emilia, Italy, who has published about twenty novels and a similar number of texts for children. Pederali is listed in "L'Enciclopedia della Letteratura Garzanti" and "L'Enciclopedia Rizzoli-Larousse". His style is a successful combination of the real and the enchanted. His stories often have a historical and anthropological basis which refers the situation to a reality hovering in fantasy.

expectations that usually accompanies a house's construction and that can impinge on the customer's satisfaction.⁴



One of the projects which best illustrates the Andria fantasy approach is 'Lamizzo', a neighbourhood created by Andria in Lemizzone, 5 km from the centre of Correggio, in Emilia-Romagna, a region of Central Italy. Being some way from the main roads, the locality suffered from continuing de-population which has been halted by the construction of the Lamizzo neighbourhood. Work began in the year 2000 and is expected to end in 2005, resulting in a total of 82 housing units. The houses are on two floors and are painted in the typical colours of the local tradition. Around the neighbourhood-village, a 35.000 square metre public park has been realised, within which there is a centre for infants, a social club, a small square and a sports unit.

Historians say that the name Lemizzone derives from 'Limes', i.e. the area at the edge of the system of land divisions used by the ancient Romans. However, Pederiali, Andria's author, provides a more fantastic etymology of the name. He creates the name and the story of Lamizzo, an imaginary Longobard king. The legend is that of the 'good and happy king', who passing

⁴ The language of the two levels is different: fantasy for one and technical for the other. However, the two levels are interconnected. It is part of Andria's culture not to see customers as isolated figures, but to integrate them into the global building perspective of the neighbourhood. The fairytale neighbourhood and the brick house are a single entity in Andria's approach.

through the Po valley of the 5th century whiled to appreciate the tasty libations that the local cuisine offered, and then decided to stay indefinitely. Appreciating the quiet and amenable environment, Lamizzo began to build a castle, where he would finally rest his venerable frame from the continual warring of the age. Until the castle was completed, Lamizzo lived in a peasant's house and reigned from a throne of straw. Surrounded by hens, geese and other animals from the local farms, Lamizzo dispensed justice prudently, earning fame for great magnanimity. He was a happy king. Despite his age, he played cheerfully with the children and did not disdain to flirt with the maids. He carried with him a small silver box riddled with holes, from which the sound of the movement of feet could be heard. It was said that the box contained a pair of Ladybirds of Happiness, insects so rare that only a king could afford them. Having happily reached the age of 99 years, 9 months and 9 days, Lamizzo passed away at nine o'clock with a smile on his lips. His successor was not similarly illuminated. He thought that the village was too far from the centre of life of the period, and so decided to move to a large Longobard city, Pavia or Milan. Without Lamizzo and their king, the peasants filled the ditch which was to be the foundation of Lamizzo's castle with earth and sowed the field. As the years passed, the memory of King Lamizzo, the good and happy king, dimmed, but the name of the place that recalled such a happy story and such a great king remained: Lemizzone. In this same ground, who knows where, the gold buckle which held the king's cloak is buried. In the same place, there is the silver box. The ladybirds are no longer inside, they have multiplied outside, finding a favourable environment and still today populating the fields, meadows and gardens of Lemizzone. What we see on these fields today are Ladybirds of Happiness or common ladybirds? Nobody knows for certain, because a Ladybird of Happiness can take on the form of a common ladybird. However, if you look carefully, the spell repeats itself and the ladybird brings joy.

The illustrator Giulio Taparelli has decorated the story of King Re Lamizzo with ‘truly false’ drawings of the king. The legend takes on real not only written form. The houses proposed by Andria are still available from the drawing board. For some time, the demand has generally exceeded the availability of houses, and draws have to be made to assign the properties. In the case of the Lamizzone neighbourhood, all those who have taken part in the draws received a present from Andria of a jewel in the shape of a small ladybird in a box. Talking to the winning families, you often hear that that little ladybird did in fact bring good luck in being assigned the house. The residents continue to keep the legend alive. They spontaneously organise a carnival in costume which evokes the legend of Lamizzo. Andria is still involved and is happy to support the initiative. Strolling through the small streets of Lemizzone, the observer perceives the sense of community and of a small village that has been created. We reach the culmination of the legend in a corner of the central square of the village. Here stands the tomb of King Lamizzo, a jolly and fantastical tomb which, like the rest of the story, is ‘truly false’.

Andria thus reveals a playful side to its projects and exploits fantasy and the child that remains in adults. It is therefore natural that children were the inspiration for a research and building project dedicated to young people. In collaboration with two infant schools in the Correggio area, Andria carried out a four-year research project on 700 children. The project involved 20 architects, 20 teachers and 2 pedagogic scientists. The study revealed the living needs of the youngest members of the population, needs which are often overlooked as the house is considered to be a question for the adults and too serious to be left to the whims of children. Andria has developed the “Manifesto of the living needs of children”, not with a view to building a play-house similar to an entertaining

theme park, but with the serious intention of also adapting building projects to the needs of children.⁵

Andria is one of those suppliers which has distanced itself from the traditional approach emphasising merely the technical, financial and political dimensions of the offer, and has concentrated the best part of its competitive advantage on the societal dimensions. With regards the social aspects, the rationalistic and positivistic approach should be very evident in an industry such as the building sector, traditionally managed by figures and by engineers' calculations. Nevertheless, Andria gives a lot of 'space' to imagination. Lamizzo reveals the present role played by the imagination elements in both the company and its customers. Andria's attention to its members and to all of local society is characteristic of the cooperatives micro-social focus. Such a focus on the micro-social level of consumption (Desjeux, 1996), i.e. that of actual social actors which is the result of real interactions among members, must be traced back to a post-modern vision of consumption known as re-enchantment (Firat and Venkatesh, 1995) which goes beyond the mere aspect of sustainable local development which has become a classical feature of the management of projects (Miller and Lessard, 2000). We recall here that the word re-enchantment was first used by sociologists (historically Max Weber) to signal the forcedly regressive return of the magical and of religious mysticism in Western society in a break with the modern disenchantment which had rationalised our lives and made measurable in terms of usefulness. It is currently used in marketing in the term 're-enchantment of consumption' to indicate the

⁵ Precisely for the Coriandoline project, Andria received in 2001 the 5th Peggy Guggenheim Company and Culture Prize for the most innovative project. The prize is in recognition of the creative approach and enterprise expressed by Andria.

liberalisation from the rationalist yoke (the satisfaction of consumer needs) and, as its corollary, the assertion of a revendication of the consumer's senses.

Indeed, many of the elements of Andria's societal offering for Lamizzo can be related to the so-called re-enchantment in BtoC marketing strategies (Firat and Venkatesh, 1995):

- *Construction of authenticity.* From the retro fashion to the demands for authenticity, from the return of the religious to the recovery of national or regional culture, the fascination of the past and of proximity seems ever more to have the better of a luxurious future on an interconnected planet. This gives rise to the idea of retromarketing approaches (Brown, 2001a) which seek to direct the creation of products and services towards a re-integration with the past and not a break, legitimating this re-integration with all possible means of authenticity. A classification in three dimensions is used to qualify the different levels of retro-marketing (Brown et al., 2003): *Repro*, when the product or service are the exact or almost exact reproduction of a product or service from an abandoned era; *Repro nova*, when the product or service are a re-interpretation of an old model in function of the tastes of today's technologies; *Repro de luxe* when the product or service integrate a number of references without discrimination to produce something which has an old air, but never really existed. With its 'truly false' or 'falsely true' stories like that of Lamizzo, Andria is typically positioned in a *Repro de luxe* approach.
- *Give value to the tribal or local ties.* In a postmodern vision, individuals seem to see consumption as a direct means to give a sense to their lives, but also as a way to tie themselves to others, or to develop interpersonal relations in an ephemeral or imaginary manner. Commercial products, services and places act as supports in the search for neo-tribal links and aggregations (Maffesoli, 1988). The consumption system is still not perceived as a primary system which uses interpersonal links, but as something secondary and at the service of ties

between people: ‘the link is more important than the thing’ (Cova and Cova, 2002). The search for the social link fits well with the increasingly strong need in Western society for re-rooting, to extend the value of the tie not only to people in the present, but also to those in the past and to everything that symbolises them: objects, places, stories, etc. This leads to the following definition of the linking value of the product/service offered: the linking value of a product or service is given by the value of this good or service in constructing or strengthening, albeit in an ephemeral way, the ties between past or present, real or imaginary people. The linking value of one of Andria’s building projects is particularly high: everything is done in a real and imaginary way to strengthen the community spirit of the residents;

- *Re-sanctification and re-ritualisation.* For Mircea Eliade, modern man has deprived the world of all significance and points of reference, impeding the collective production of myths as a source of meanings, as ways to accept death. According to Eliade, only a re-sanctification of the world will save man from this state of loss of meaning. If this analysis certainly rapidly abandons modernist mythology, it confirms a need for sanctification in Western society, a need found equally in the field of post-modern consumption. The rehabilitation of the sacrifice as a positive element in consumption (Brown, 2001b), together with the re-insertion of rituals in obtaining, possessing and living with objects and places are part of today’s marketing strategies. Andria often works with the segments that clearly have this sense of sacrifice, e.g. young couples searching for a home. Brown (2002) even goes as far as to claim that today Potter marketing (referring to the success of the magician Harry Potter) is better than Kotler marketing! Andria is close to Potter marketing, because it multiplies the rituals and ceremonies (carnival, feasts in historical costume, sports events), re-sanctifies places by means of the reconstruction of local legends and the creation of cult sites, such as King Lamizzo’s tomb, and cult objects like the little ladybird.

DISCUSSION AND THEORY IMPROVEMENT

Andria and SARL Le Stade are two of those suppliers which have distanced themselves from the traditional approach in project marketing emphasising merely the technical, financial and political dimensions of the offer, and have concentrated the best part of their competitive advantage on the societal dimension. However, where SARL Le Stade mobilizes, in a rather utilitarian fashion, the interest of some of the people surrounding the project, Andria, in a non utilitarian fashion, speaks to the collective imagination through a kind of reenchantment of the offer (Firat and Venkatesh, 1995). This reenchantment of the offer goes beyond the mere aspect of sustainable local development which has become a classical feature in the management of projects to construct a new shared reality for a local community. Andria multiplies the rituals and ceremonies (carnival, feasts in historical costume, sports events) and re-sanctifies the place by means of the reconstruction of local legends and the creation of cult sites in order to gain superior social acceptability of the project. A second difference between the two marketing procedures resides in the fact that Andria anticipates the collective interest by constructing a representation of life in the housing estate (they jointly construct the housing estate and the life that goes with it) whereas SARL Le Stade adapts itself to the individual interest of some people peripheral to the housing estate to be built (they jointly construct the acceptance of the housing estate by the neighbouring environment). Andria is therefore on a project of life and lived experiences and SARL Le Stade is on a territorially-acceptable construction project.

Here we can ask ourselves a question: do these two approaches correspond to two stages of evolution of the societal offer for a company? SARL Le Stade puts forward a classical societal offer as explained in the best practices of project marketing; Andria puts forward a more

sophisticated second generation offer foreshadowing the future approaches of SARL Le Stade. To answer this question, it is important to distinguish the factors which influence the choice of one or the other approaches.

Firstly, there is a difference in terms of material context surrounding the projects. Most often, Andria works from a context which is relatively difficult, even devastated (as in the case of Le Corti, neighbouring Lamizzo) and which requires a physical rehabilitation but also an image. He imagines a possible and positive future for sites denoted negatively. On the other hand SARL Le Stade takes support from a site (an island) which is relatively sought after and strongly denoted positively and which does not require any rehabilitation but a successful integration to avoid any depreciation. The first example therefore concerns an environment which requires re-enchanting, the second example concerns an enchanting environment.

Next, there is a difference in terms of the social context surrounding the projects. Andria operates in zones where modest social classes with relatively limited revenues are over-represented. SARL Le Stade, on the other hand, operates in a old village which becomes a residential area and holiday resort for the better-off classes of the large neighbouring city of Valence who often tend to show more utilitarian behaviour than those of Andria.

Moreover, there is a difference in the history and the values of each company. Andria clearly affirms its cooperative and utopian roots through its links with the works of Italo Calvino and through the fact that it is directed by a visionary architect. SARL Le Stade is first of all a company, created in an opportunist manner, headed by a businessman who has experience in creating businesses.

Finally, there is a big difference between the firms in terms of their experience of this type of market. Andria has been in operation for 30 years and has constructed 1,279 dwellings for 4,065 members, in 13 different sites. SARL Le Stade is a brand new company whose experience on the construction market is practically non-existent and who has currently no references.

While differences do exist, we can underline also similarities between the two enterprises and their approach. Both Andria and SARL Le Stade did not have enough power to impose their project. SARL Le Stade was a newborn small company facing a big competitor like Crédit Immobilier. Andria – although it has now has become bigger - started to develop its more innovative projects in a period of tough industrial crises and under fierce competition; it remains a small cooperative in terms of number of employees in comparison with the big building groups.

This lack of power compelled Andria and SARL Le Stade to negotiate with all the constituencies, rather than being in collusion with those who were in a position of strength. According to Mr Béca's suspicions, some of his competitors may have backhanded the city hall officials. This behaviour shows an approach to business that focuses on some stakeholders (the City Hall commission) and neglecting the others. Andria and SARL Le Stade, opened the field to all the constituencies, acknowledging the social 'milieu'. In particular, SARL Le Stade let the North estate owners enter the decisional process, Andria gave a central voice to the final customers, the families. They play a role of mediator among the different (and sometimes conflicting) aims and goals of many local constituencies.

This mediating role and the networking approach is shown by the linking value that the projects bring. An actor that orchestrates many requirements eventually finds a solution that satisfies all of them. The value created by SARL Le Stade does not belong totally to it, but it is shared with the owners that reside North of the site; they get more land thanks to the project. The general community gets green public areas, while alternative projects would have exploited the entire lot.⁶ In the case of Andria, the interventions bring benefits for the families in terms of living in a high quality residential area with affordable prices, while the advantages for the public body is to grant fair accommodation to everyone under its jurisdiction (a politically relevant goal for welfare-minded local administrations).

Thanks to its long-lasting experience and innovativeness, Andria – starting as a small cooperative - eventually became a sort of added counsellor of local authorities' residential planning. One may forecast that the same path will be followed by the younger SARL Le Stade. Its innovativeness in approaching the business, the ties developed at the time of the project and the solution provided for the stadium site can give SARL Le Stade a relevant role in the local community. Both companies play roles as mediators among local constituencies and then they become constituencies themselves. The risk of this evolution is that the creativity shown by the two companies can be substituted by a more isomorphic behaviour. The mediating role can be played by an actor that is in some way external to the usual network. When embedded into the core of the institutional network this mediating role may deteriorate.

⁶ Actually the estates located South of the stadium site did not get the wished roads, but this was a requirement solicited by the Deputy of Technical Affairs for purposes external to the project.

The managerial competencies necessary for the Andria and SARL Le Stade approaches are locally rooted: the two companies know very well the community’s constituencies, even the single persons, they are implanted in the territory.⁷ These competencies are developed after many years, during which the managers ‘learn the ropes’ of the local business and social environment. Mr Pantaleoni (the architect whose ideas are at the base of the Andria’s success) thought of his first innovative residential projects during his University years, before joining Andria; then he managed the cooperative in a ‘classical’ way until the crisis came to disrupt the usual way of doing business. Analogously Mr Béca joined the business gradually, through the introductory role of Mr Lay (commercial side) and Mr Fernandez (construction competencies). This confirms that the societal approach can be applied to different contexts, but its execution heavily depends on the knowledge of the local dynamics. This is coherent with the theory here advocated: the company should live the environment before addressing its issues with sound projects.

The following table compares the main features of the SARL Le Stade and Andria project approach with that of a classical project marketing.

	<i>Traditional Project Mktg</i>	<i>SARL Le Stade and Andria’s approach to projects</i>
<i>Object</i>	The project	The local context
<i>Stakeholders</i>	Narrow definition: the customer – and its network - requiring the project	Broad definition: the extended community around the project
<i>Tools</i>	Hard: economic bidding, technical figures	Soft: social relationship, hidden agenda discovery
<i>Value</i>	Belongs to the company and expressed in economic terms	Shared with the local community and partially expressed in economic terms

⁷ Even physically: Andria’s headquarter is located inside one of their buildings and near one of their major intervention (Le Corti). Mr Béca starts his business almost randomly, buying a house for himself in the region.

CONCLUSIONS

The two cases do confirm and refine the societal concept in a different and deeper sense with respect to the traditional multiple case study methodology. Societal offer is confirmed as a 'universal' theory in a postmodern sense, where the universe is the village: the theory applies to each case, but only when the contingencies and the contextual parameters are taken into account by the actors. Two identical cases, paradoxically, would have disconfirmed the theory; in fact there are no identical local situations and the successful company must adapt itself to the local contingencies, still keeping strong the tenets of societal concept in project marketing theory.

These contextual features confirm the idea that society means local community for small business (while larger aggregations would work only for bigger issues). While mass marketing was born, as the name itself shows, to address a product to a mass market, project marketing traditionally focuses on the specific needs of the customer and the requirements of the project. The two cases and the societal approach open the field to a customer broader interpreted as the local community, where anyone that has a stake (economic or not, small or big) in the project is taken into account and satisfied by the company. By this way, BtoB marketing is going close to the recent approaches of BtoC marketing that sees the tie among subjects, rather than their individualistic needs, as a central tenet for the marketer.

References

- Bansard, D., Cova, B. and Salle, R. (1993), "Project Marketing: Beyond Competitive Bidding Strategies", *International Business Review*, Vol. 2, N°2, pp. 125-141.
- Brown, S. (2001a), *Marketing: The Retro Revolution*, London, Sage.
- Brown, S. (2001b), "Torment Your Customers (They'll Love It)", *Harvard Business Review*, October, pp. 83-88.
- Brown, S. (2002), "Marketing for Muggles: The Harry Potter Way to Higher Profits", *Business Horizons*, Vol. 45, N°1, pp. 6-14.
- Brown, S., Kozinets, R.V. and Sherry, J.F. (2003), "Teaching Old Brands New Tricks: Retro Branding and the Revival of Brand Meaning", *Journal of Marketing*, Vol. 67, July, pp. 19-33.
- Cova, B. and Cova, V. (2002), "Tribal Marketing: The Tribalisation of Society and its Impact on the Conduct of Marketing", *European Journal of Marketing*, Vol. 36, n° 5/6, pp. 595-620.
- Cova, B., Ghauri, P., and Salle, R. (2002), *Project Marketing: Beyond Competitive Bidding Strategies*, Chichester, John Wiley & Sons.
- Cova, B. and Hoskins, S. (1997). "A Twin-Track Networking Approach to Project Marketing", *European Management Journal*, Vol. 15, N° 5, pp. 546-556.
- Desjeux, D. (1996), "Scale of Observation: A Micro-Sociological Epistemology of Social Science Practice", *Visual Sociology*, Vol. 11, n° 2, pp. 45-55.
- Dubois, A. and Gadde, L.E. (2002), "Systematic Combining: An Abductive Approach to Case Research", *Journal of Business Research*, Vol. 55, pp. 553-560.
- Firat, A.F. and Venkatesh, A. (1995), "Liberatory Postmodernism and the Reenchantment of Consumption", *Journal of Consumer Research*, Vol. 22, December, pp. 239-267.

- Maffesoli, M. (1988), *Le temps des tribus: le déclin de l'individualisme dans les sociétés de masse*, Méridiens Klincksieck, Paris (English translation, *The Time of the Tribes*, Sage, London, 1996).
- Miller, R. and Lessard, D.R. (2000), *The Strategic Management of Large Engineering Projects: Shaping Institutions, Risks, and Governance*, Cambridge, Mass., MIT Press.
- Miller, R. and Lessard, D.R. (2001), "Understanding and Managing Risks in Large Engineering Projects", *International Journal of Project Management*, Vol. 19, pp 437-443.
- Pinto, J.K. and Rouhiainen, P.K. (2001), *Building Customer-Based Project Organizations*, New York, John Wiley.
- Pinto J.K. and Slevin, D.P. (1998), "Critical Success Factors" in Pinto, J.K. (ed.), *Project Management Handbook*, San Francisco, Jossey-Bass.
- Shenhar, A.J., Dvir, D., Levy, D. and Maltz, A.C. (2002), "Project Success: A Multidimensional Strategic Concept", *Long Range Planning*, Vol. 34, pp. 699-725.
- Skaates, M.A. and Tikkanen, H. (2000), "Focal Relationships and the Environment of Project Marketing", Proceedings of the 16th IMP Conference, 7-9 September, Bath, UK.