T2F - A Case of Social Enterprise Marketing
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ABSTRACT

The case is an illustration of social entrepreneurship exhibited by establishing a new café with a uniqueness i.e., providing space where people can get engaged in discussions for social change and social change movements can be started. Like other social entrepreneurs she knows with the limited funding, her options for advertising and promotion were limited. The social media has helped it gain popularity, but she needs to go a step further to help expand the business idea and get more and more people involved in the hopes of bringing about an intellectual revolution through the café and promote social awareness and tolerance in society. The question is, how can she achieve this?

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T2F- An Introduction

Opened few years ago in Karachi, The Second Floor (T2F) was a coffeehouse with a difference. In terms of its menu, and otherwise, it provides a variety of services to its customers. T2F was set up in 2007 as the original project of the not-for-profit NGO, Peace-Niche managed by a Board of Founder Members and an Advisory Council (See Appendix 1), which includes well known personalities such as Ameena Saiyid (MD Oxford University Press) and fashion designers like Deepak Pervani. The person who started this venture was Sabeen Mehmud1 who was not only an entrepreneur and social activist but also a technology consultant and a graphics designer.

Ever since she was a kid, Mehmud was extremely inquisitive and always wanted to understand and learn more about the changing world around her and with her interests in communication design, instead of relying solely on education and book she used firsthand experience to form a better understanding about the business. This was mainly why as her first venture, she wanted Peach-Niche to provide an arena where individuals from various backgrounds could come in and share their stories, experience and wisdom, and along the way help inspire others too. “We need new heroes for inspiration, she says and later continues: We are a diverse nation and I have felt we need to celebrate this diversity” she says (Masroor, 2008).

The whole idea behind T2F and its vision was to provide a space for debate, discussions, creative expression and promotion of new and modern ideas. Through the various events it hosts, T2F wants to bring about enlightenment with regards to politics, art, philosophy, social conditions and the culture of Pakistan. The variety of events that have taken place till date at the café and the large turnouts to such events were testament of the cafes success.

T2F provided a place where people got engaged in discussions with each other and social change movements can be started. ‘Through regular events such as poetry readings, book signings, workshops, talks, debates, film screenings, unplugged music sessions, and stand-up comedy, T2F wants to get people to think, question, and take action’ (The Second Floor).

The Second Floor aims to attract youngsters as well as those who were in need of an outlet for creative expression. If the aim of T2F of removing ‘intellectual poverty alleviation’ (The Second Floor) is to be achieved, then the youth, who are regarded as the leaders and

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1Sabeen Mehmud was a Pakistani human rights activist and social worker. She was founder and director of the Karachi-based café The Second Floor (T2F). On 24 April 2015, she was shot dead by unidentified gunmen on her way home after hosting a seminar at T2F.
influencers of tomorrow, need to have access to art, music, film and culture, all which were important for their development and to expand their horizons.

As Mehmud puts it, “The people of Pakistan are going through severe disasters and traumas every day. They need to recover and absorb the shocks. They need understanding and support. The ideas will spread slowly, in a ripple effect” (CIO Pakistan, 2008). The hope was to create a more aware and tolerant society where people not only accept each other’s differences, but embrace them. T2F therefore offers a very unique service when compared to other cafes in Karachi where coffee was not the only thing served, but creative thoughts and ideas were presented to patrons as well, for them to think and ponder and act upon for the betterment of society.

T2F- Features

T2F was a place where anyone can visit and literally just go there to relax, talk, read, study and utilize the time they have in the manner that they want. “I felt we needed a place where my mother, for example, could come and play Ludo, or where students could just come and hang out without a waiter lurking over their heads and a place that couldn’t be bought by a big business which would slap its brand where it was aesthetically not welcome” says Mehmud (CIO Pakistan, 2008)

People with experience and wisdom were invited to speak, hold workshops and come engage with customers at T2F. Youngsters can also come in and use the free internet, and hold project meetings or study and work without being bothered by waiters asking them to leave because they needed to clear the table to serve other customers. Therefore, customers feel utmost comfort when visiting T2F and can think of it as their second home.

T2F-Services Offered

T2F was a place where people can not only enjoy great food, coffee and company, but can also be very comfortable and express themselves freely in a welcoming and open environment, and can also just sit back and relax. There’s a wide selection of puzzles, books, magazines and board games to choose from as well as free internet connectivity that helps patrons pass their time in a leisurely manner at the café.

A number of events were held at T2F for people of all ages that include drawing and art classes, training sessions, classical singing classes, photography lessons, comedy nights, tabla classes, karaoke nights, book launches as well as new events being arranged constantly. There was always a flurry of activity at T2F. Recent events held at the café include tribute to
the legendary band The Beatles as well as film making workshops by Nofil Naqvi, both of which saw huge turnouts.

Housing over 500 books, T2F’s collection includes novels, political pieces, autobiographies, poetry, fiction, art, philosophy, music and science. A rare collection of contemporary Urdu novels and poetry can also be found here. The café has a fascinating feature of a ‘bathroom blackboard’ which allows customers to indulge in self-expression where they can chalk out their thoughts and ideas to share with other customers. The café also hosts its own gallery by the name of Farrar Art Gallery where new talent as well as more established photographers and artists can display their new creations.

**T2F-Menu Offering**

The café offers a variety of very reasonably priced menu items that includes coffee, freshly baked items and sandwiches. It also offers an all-day breakfast, with French toast, omelet, granola and milk. In terms of hot beverages, customers can choose from espresso to lattes as well as hot chocolate, all prepared according to individual customer preferences. Its baked items include moist brownies baked to perfection as well as delicious chocolate cupcakes, peanut butter cookies, oatmeal & chocolate chip cookies and banana bread which were just some of the items on the menu.

Customers were assured that all items in the kitchen were made from scratch and only fresh and high quality ingredients were used, and all items were prepared daily at the café, including the sandwiches and all baked items. Coffee was freshly brewed at the time the order was placed and all menu items were delivered within 30 minutes of order placement. All this helps keep customers satisfied and encourages them to frequent the café regularly. The menu was deliberately kept simple and includes everyday items that people enjoy.

**T2F- Pricing**

Being a non-profit organization surviving on little funding, Peace Niche faces the challenge of balancing the best of business practices with the social benefits that it hopes to achieve by using the café as a platform for intellectual discussion and debate, and not focusing merely on the bottom line of the business.

As such, the tickets for all events were kept at minimal charges, either free or between Rs. 100-250 which was extremely affordable when compared to ticket prices for events at other cafes in Karachi. The menu prices were kept to simply meet the operating costs of the business and were extremely affordable. The pricing strategy then was for the café to be able
to make payments on rent, salary of staff and other overheads with any surplus going directly back into the café to help it hold more exciting and thought provoking events.

**T2F- Ambiance**

The ambience and environment at T2F was cozy, friendly and extremely comfortable. The café has orange and white walls with paintings and artistic posters hung around the café. It was located on two floors, with the lower floor hosting events and exhibitions and the upper flow where food and drinks were served.

The staffs was friendly and were available for assistance, while they still give customers the feel of independence to move around the café, observe art, play games, or read without being pestered by waiters constantly circling the tables.

Previously, T2F was located on the second floor of an office building on Khayaban-e-Ittehad and many skeptics wondered if such a concept of a café featuring poets discussing revolution, or a scientist arguing in favor of evolution could attract audiences and customers, but after 612 days of opening, T2F had hosted over 150 events with huge turnouts, all of which indicated its success in overcoming such criticism. However, T2F soon had to leave these premises at Khayaban-e-Ittehad and after a period of around 8 months of trying to find a new location, on 22nd December, 2009 T2F was reopened at Defence, Phase 2 where it obtained a larger space where a gallery could be set up and a greater number of patrons could be entertained.

**T2F- Promotion**

In terms of promoting its services, T2F has primarily focused on online media and word of mouth to spread knowledge about the café and its events and offerings. When launching the café, Mehmud’s main source of promotion was Facebook and a Facebook group was created where her own friends were initially invited to help build awareness about the concept of the café, its features and location. Soon, through the online social networking website, the word spread, and more and more people started joining the group as curiosity spread about how this café was different from every other café that had opened up in Karachi. On the Facebook group, the link for the café’s official website was also given where people could go and learn more about the café.

“People began landing on the T2F website even before the actual launch... an email opt-in subscription (was created) which would allow people to plug in their email address, so they would know what our updates were” says Mehmud. The pre-launch hype was pretty amazing
for T2F. There was no printing of promotional flyers on paper as Mehmud felt nobody even reads them as there was just too much distraction for people to deal with. (CIO Pakistan, 2008)

T2F promotes their messages now through their opt-in mailing list (which allows permission based marketing where only those customers who want to receive updates about the T2F services were sent notifications), the T2F website, unsolicited media or bloggers writing about the café, Facebook, Twitter and word-of-mouth. (See Appendix 2). Using online media as the main communication vehicle helps the cafe keep costs low and reach a larger percentage of audiences.

With limited funds, it was not possible for T2F to reach everyone or for it to use expensive mass media marketing avenues such as Television advertising. However, events which receive coverage by the daily Dawn newspaper and the Express Tribune helps promote the café among new audiences and cost the café nothing.

**T2F- Competition**

There was no direct competition for T2F in Karachi as such as it has a very clear unique selling proposition that helps differentiate it from every other café located in the city. Perhaps the closest competitor of T2F was the Base Rock Café located in Defence which hosts musical evenings, karaoke nights and other similar events.

Apart from this, there were a number of other cafes that have opened up in Karachi, including Café Coffee Day, Espresso, Ciao and Latte Lounge, each providing customers with a great selection of dishes and ambiance, but lacking in terms of being unable to host events comparable to that of T2F.

‘T2F has beaten The Arts Council and successful clubs in bringing together activities that were important for the intellectuals in Karachi. The other restaurants and clubs located at fancy locations do not offer the kind of social and intellectual atmosphere that exists at T2F. This new forum has moved beyond being a coffee shop to a multi-dimensional platform.’ (Zaidi, 2010)

**T2F- Challenges**

Being a non-profit organization, T2F generates funds only through donations (and the coffee shop), which was later utilized for the payment of the staff members and the rent. Mehmud herself had not received a salary in a year although she was also working for an organization
called South Asian Foundation and earns a nominal amount from there to help meet her daily expenses. Mehmud was extremely dedicated to this project and has high plans for the youth and people of this country. However, she needs to plan for the future now to ensure that a place like T2F survives and can attract and promote its business.

Mehmud knows with the limited funding, her options for advertising and promotion were limited. The social media has helped it gain popularity, but she needs to go a step further to help expand the business idea and get more and more people involved in the hopes of bringing about an intellectual revolution through the café and promote social awareness and tolerance in society. The question is, how can she achieve this?

Appendix 1: The Peace Niche Board (The Second Floor)

Founder Members

Mahenaz Mehmud [Chairperson]  Director Program Development, Teachers’ Resource Centre  
Academic Coordinator, Institute of Early Childhood Education

Sabeen Mehmud [Director]  COO, Beyond Information Technology Solutions (b.i.t.s.)  
Member, Governing Council, The Indus Entrepreneurs (TiE)  
Founder Member, All Pakistan Music Conference  
Founder Member, Citizens’ Archive of Pakistan

Seema Malik [Treasurer]  Director, Teachers’ Resource Centre  
Principal, PECHS Girls’ School

Nuzhat Kidvai  Education Technology Advisor, Beaconhouse School System  
Women’s Rights Activist

Ghazala Aziz  Dermatologist  
Managing Trustee, Accident & Emergency Foundation, Jinnah Hospital

Zaheer Kidvai  CEO, b.i.t.s.  
Board Member, Virtual University & Textile Institute of Pakistan  
Advisor, Beaconhouse National University  
Education Technology Consultant
Sonia Rehman  Actor and Producer

Advisory Council

Asif Farrukhi  Writer, Translator, Critic, and Publisher
Ameena Saiyid – OBE  MD, Oxford University Press
Arshad Mahmud  Composer, Musicologist
Zafar Masud  Barclays Bank
Deepak Perwani  Fashion Designer
Saqib Malik  Film Maker
Faraz Minai  Investment Banker
Musadiq Sanwal  Editor – DAWN Internet Edition Producer, Musician, Actor, Journalist
Mohsin Sayeed  Journalist
Mohsin Siddiqui
Ayesha Tammy Haq  TV Anchor, Lawyer
Naveen Naqvi
Junaid Zuberi
Shoaib Zaidi  Ag. Chair, Department of Electronic Engineering at NED
Abdul Jabbar Gull  Sculptor and Painter

Appendix 2: Promotional Material
(Email Notifications with such attachments were sent to customers to update them about upcoming events at T2F, Source: http://www.t2f.biz)

(Facebook event page was created for the Tribute to The Beatles Event at the T2F
(Source: http://www.t2f.biz)
Teaching Note

Abstract

This case was based on the complexities and problems faced by social entrepreneurs and managers of small fast food restaurants in Pakistan. The case was all about establishing a new café with a uniqueness i.e., providing space where people can engage in discussions with each other and social change movements can be started. She knows with the limited funding, her options for advertising and promotion were limited. The social media has helped it gain popularity, but she needs to go a step further to help expand the business idea and get more and more people involved in the hopes of bringing about an intellectual revolution through the café and promote social awareness and tolerance in society. The question is, how can she achieve this?

Target Audience

This case was written for undergraduate students taking course(s) in any one of the subject area namely Entrepreneurship, Social Entrepreneurship, Principles of Marketing and/or Services Marketing. It is more like an illustration of Entrepreneurship/ Social Entrepreneurship and/or marketing practices and it does not require greater involvement of students for decision making.

Teaching Objectives

1. To illustrate the concepts of Entrepreneurship and Social Entrepreneurship.
2. To appreciate the need of marketing acumen in social entrepreneurs.
3. To illustrate application of marketing tactics to set-up a new organization.
4. To appraise the importance of unconventional marketing tactics.

Case Methodology

A case study is a common research methodology in social science and it may be descriptive or explanatory in nature. It is based on an in-depth investigation of a single individual, group, or event (Yin, 2009). All facts and figures have been taken from the official website of the university (umt.edu.pk) otherwise all other secondary sources are mentioned and appropriately acknowledged. Principally this case is a teaching case and written solely for class room discussion and academic purposes only. It doesn’t intent to illustrate either effective or ineffective handling of managerial situation. Materials or statistics provided
cannot be used by third party as evidence. This strategy has been proved fruitful in describing fundamental concepts through case study design in many marketing cases (Siddiqui & Fahim 2014; Sibghatullah, Siddiqui & Siddiqui, 2016, Latif, Sibghatullah, & Siddiqui, 2016). More recently some Entrepreneurship concepts have been illustrated through a single case study design like Launching Pompei Station – A case of Entrepreneurial Marketing (Siddiqui, 2016); The Citizens Foundation – A case of Social Entrepreneurship (Siddiqui, 2016); Launching School of Professional Advancement - A case of Intrapreneurial Marketing (Latif, 2016)

This case was written solely for class discussion and academic purposes and does not intent to illustrate either effective or ineffective handling of managerial situation. All names have been disguised to protect the individual's identity and privacy. Also names of people and designations mentioned in this case do not imply or hold them responsible for anything. Materials or statistics provided cannot be used by third party as evidence. All facts and figures have been taken from the official website of the restaurant (http://www.t2f.biz/), otherwise cited as secondary source.

This case was written a couple of years ago and taught in various business schools in Pakistan. This was selected to present in case conference in remembrance of but Sabeen Mehmud who was shot dead recently.

**Suggested Class Plan - 75 Minute**

- **Introductory remarks by the instructor (05 minutes)**

Instructor may start the class with general definitions of Entrepreneurship, Social Entrepreneurship and Women Entrepreneurs.

- **Entrepreneurship** is the process of starting a business, a startup company or other organization.

- **Entrepreneurs** develop business plans, acquire the human and other required resources, and are fully responsible for its success or failure.

- **Social entrepreneurs** are individuals with innovative solutions to society's most pressing social problems. They are ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change.

Instructor can also provide some examples from the same region:
• Akhtar Hameed Khan – Founder of grassroots movement for rural communities and low-cost sanitation programs, Orangi Pilot Project, Pakistan.
• Muhammad Yunus - Founder of Grameen Bank, Bangladesh
• Vikram Akula – Founder of SKS Microfinance, India
• Harish Hande, Founder of SELCO, India

[Hint: Instructor can also show the evolution of social entrepreneurs throughout the world.]

• What is a Social Enterprise? How it is different from social work and business entities? (10 minutes)

[Hint: Instructor can draw the following grids on board and ask students to place T2F appropriately]
• **Differentiate between Social Entrepreneur & Business Entrepreneur? (10 Minutes)**

A social entrepreneur is someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change. Whereas a business entrepreneur typically measures performance in profit and return, a social entrepreneur focuses on creating social capital. Thus, the main aim of social entrepreneurship is to further social and environmental goals. However, whilst social entrepreneurs are most commonly associated with the voluntary and not-for-profit sectors, this need not necessarily be incompatible with making a profit. [Hint: Instructor can also draw a comparison on board between Social Entrepreneur & Entrepreneur]
• **List the characteristics of a successful Women Entrepreneur (10 Minutes)**

[Hint: With the participation of students instructor may list down following traits of successful women entrepreneurs on the board.]

A successful woman exhibits the following ten traits.

- She has a positive attitude.
- She can overcome obstacles.
- She is strong-minded.
- She is soft-hearted.
- She has integrity.
- She has balance in her life.
- She sets goals.
- She is driven by a cause.
- She is a teacher.
- She's focused on the next step.

• **Analyze the personality traits of Sabeen Mehmud? (05 Minutes)**

Sabeen Mehmud was an entrepreneur, social activist, technology consultant and a graphics designer. Class might be divided on the personality traits of Sabeen. A good classroom discussion may result in 8/10 of above mentioned personality traits.

[Hint: Instructor may put ( √ ) for Sabeen Mehmud on the list of traits of successful women entrepreneurs as listed earlier on the board; Class must conclude that she had all the required traits needed to become a successful women entrepreneur]

• **Analyze the board and advisory council of Peace Niche (appendix – A)? (05 Minutes)**

Answer: Peace Niche was governed by a group of visionary individuals, including writers, poets, activists, musicians, designers, bankers, educators, and doctors.

[Hint: Students must learn that high level of credibility is needed for social enterprises.]
• List the barriers for local women entrepreneurs in starting new ventures? (10 Minutes)

[Hint: With the participation of students instructor may list down following barriers for local women entrepreneurs in starting new ventures on the board.]

- Lack or Freedom
- Earlier marriage
- Limited resources
- Lack of family support
- Lack of decision making power
- Personal Security
- Fewer opportunities
- Govt. Policies and Regulations
- Independency
- Lack of Technical Education
- Minority in workplace
- Scare of getting loan from outside
- Islamic Issues
- Lack of business management Skill

• What barriers Sabeen was facing as a women entrepreneur in starting T2F? (05 Minutes)

A good classroom discussion may result in 10/14 of above mentioned barriers valid for this case. [Hint: Instructor may put ( √ ) for Sabeen Mehmud on the list of following barriers for local women entrepreneurs in starting new ventures as listed earlier on the board; Class must conclude that she had all the possible barriers for local women entrepreneurs in starting new ventures]

Sabeen Mehmud was brutally shot dead by unidentified gunmen on her way home after hosting a seminar at T2F. Link this debriefing with the list on the board.
• How Sabeen was managing her financial needs? (05 Minutes)

Sabeen herself had not received a salary in a year although she was also working for an organization called South Asian Foundation and earns a nominal amount from there to help meet her daily expenses.

[Hint: Students must learn entrepreneurs normally work somewhere else to support their new start-ups]

• Evaluate the marketing mix for T2F? (05 Minutes)

[Hint: T2F has reasonable match of marketing mix with the target market]

• Evaluate the competition for T2F? (05 Minutes)

There was no direct competition for T2F in Karachi as such as it has a very clear unique selling proposition that helps differentiate it from every other café located in the city.

• Conclusions & Recommendations

[Hint: Ask students to submit written conclusions and recommendations in the next class.]

References

Sibghatullah, Siddiqui, & Siddiqui (2016). Repositioning Virtual University of Pakistan, Developing Country Studies 5 (6), 98-108