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International Journal of Business and Common Market Studies is published bi-annually by Development Universal Consortium. The Journal deals with contemporary and emerging issues of business, economics, finance, marketing, management, strategies and practice as they relate to the third world countries. It is a multi-disciplinary journal, global in nature, integrative in approach and policy oriented.

The Journal is a refereed publication which fosters the exchange of information and good ideas among professionals and academics, economists, management scientists, financiers, development experts, students, policy makers, staff members of research institutions and international agencies.

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* International Journal of Science and Technology Research
* International Journal of Economics and Development Issues
* International Journal of Language and Communication Studies
* International Journal of Business and Consumer Market Studies
* International Journal of Labour and Organizational Psychology

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* Business and Development in sub-Saharan Africa.
* Gender and Cultural Impediments in Nigerian Society.
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NON-PROFIT MARKETING: SYNTHESIS OF APPLICATION

OMOTAYO, OYENIYI ROWLAND, E. K. W.

ABSTRACT: Contemporary developments indicate that the more globalized the world becomes, the more marketing thoughts pervade all spheres of human endeavours. The customary frontiers of marketing (the profit based organizations) have now been extended to include nonprofit organizations since the application of marketing techniques in their quest for survival is undeniable. This study is therefore an attempt at establishing the indispensability of marketing in the activities of nonprofit organizations (thereafter NPOs), and to show how lapses can be made up where they so exist.

INTRODUCTION

Many organizations today suffer from what Marketing scholars (like Theodore Levitt and Jerome McCarthy) have referred to as “marketing myopia”. This is because they think of marketing in relation to organizations that are involved in commercial activities. This is reminiscent of old (narrow) view of marketing, which circumscribes marketing activities to more exchanges of economic goods and services. But the broad contemporary view of marketing goes beyond this level to indicate that marketing encompasses the dissemination of ideas, values, and programmes of religious, educational, military, political, social services and other types of institutions for the mutual benefit of all concerned (Achumba, 2000).

From the foregoing, marketing has become a vital component in strategic survival of many non-profit organizations such as School, Churches, Hospitals, Museums, Performing Arts groups, and even Police departments. While corroborating this view, Kotler et al (1999) observed that churches have developed effective marketing strategies to stem the falling number of church goers. Increasing in Nigeria, preachers are using the press, television, and video to advertise crusades, conferences, special meetings to the public. Religious groups have started establishing their own radio and television stations.

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organizations like the Red Cross, the Salvation Army, the Boys' Scouts are all modernizing their missions and services to attract more donors and members. Government agencies have also been known to embrace marketing programmes to enlighten the public.

The major theme of this study is the evaluation of the application of marketing strategies in non-profit organizations. The idea is to show how NPOs appreciate marketing as a survival tool in their ever-growing activities.

The future trend in the activities of Nonprofit Organizations will possibly require the use of marketing tools. Another theme of this write-up, therefore, is to evolve guidelines that will sharpen the future application of marketing techniques in the running of Nonprofit Organizations. In pursuit of the above theme, we shall explore the concept of Nonprofit Organizations as well as the marketing process of the Nonprofit Organizations. Also, the taxonomy of Nonprofit Organizations as service organizations will be examined against certain parameters. Finally, we shall discuss the possibility of an integrated approach to the execution of marketing programme for Nonprofit Organizations.

**MARKETING PROCESS IN NON-PROFIT ORGANISATION**

Marketing process in non-profit organization begins with the identification and analysis of constituents. Constituent refers to the component targets of the Nonprofit Organizations. These are beneficiaries, donors, divisions of the Nonprofit Organizations. Beneficiaries are those who consume the services of the Nonprofit Organizations. Donors are those who sponsor or provide financial support to the Nonprofit Organizations. Divisions refer to the various subsidiaries of the Npos created to meet the requirement of the sponsoring agencies. For example, a donor who wants to support a foundation may just require that his money be channelled to orphanage upkeep. The foundation will have no choice but to create an orphanage subdivision that will see to that. After the identification and analysis of the constituent market to be sure that there is a need to fill

The next important step is to set some marketing goals which the NPOs will want to accomplish. Goals help the organization to be focused and determine success. There are two sets of goals (action goals and image goals). Action goals are those related to measurable marketing efforts that are meant to produce specific results. Image goals, on the other hand, involve establishing or changing the ways the organization is perceived. The organization can do by building an enviable image, adding a new programme to enhance image, attempting to re-engineer an outdated image or evolving as an organization. Acceptable image helps the organization to win goodwill and attract sympathetic donors. In all cases, the goals should strike a balance between what is possible and what the organization really wants to accomplish. Certain limitations, however, should be considered. For example, limitation of time, beyond the control of the organization.
Figure 1: Marketing Process in Non-Profit Organisation

All NPOs have constituents that must be satisfied. A thorough analysis of the constituents market will enhance the setting of appropriate goals. A market, in our context, is the set of all potential recipients of what the organization has to offer. The process of market analysis involves the use of segmentation, market targeting, and market positioning. These three variables are discussed below:

Segmentation: The market must be segmented for NPOs to choose appropriate strategies for serving the chosen segments (Etzel, 1997). There is no way to reach all consumers in a given market at the same time and in the same way. Hence, segmentation which is the subdivision of a market into distinct and meaningful subsets of customers who might merit separate marketing and efforts. All markets consist of many types of customers, products, services and needs. The organization should determine the best segments which offer the best opportunity for achieving the organizational goals. Certain parameters can be used to segment a market to identifiable groups. These include geographic, demographic, psychological and behavioural factors. A market segment consists of consumers who respond in a similar way to a given set of marketing efforts. It will be difficult to develop one marketing message to satisfy different segments of the market, consumers buy the product or service for different reasons. Such reasons should be identified to aid in packaging the product towards the satisfaction of wants.

Targeting: Targeting is the evaluation, selection and concentration on those markets segments than the company can serve more effectively. Each segment should be evaluated and appraised to show its attractiveness with a view to selecting one or more segments.
to enter. According to Kotler (1982), NPOs particularly should enter or serve a segment in which it can generate its greatest customer value and sustain it overtime.

Similarly, Morden (1991) suggests that an organization might choose to serve several related segments, perhaps those with different kinds of customers but with the same basic want. Most organizations enter a new market by serving a single segment. If successful attempts are made to add other segments. Once a segment is targeted, a complete profile of customers, the people that segment should be developed. This profile will aid decision making in the areas of product/service positioning and marketing promotions.

**Positioning:** Positioning refers to establishing a segment and communicating a product key of distinctive benefit to the segments. It is widely argued in the marketing literature that Nonprofit Organisations generally compete against one another whether or not they are of the same type. Each NPO attempts to get to the constituents’ contribution list. From the onset, therefore, a decision needs to be made on what position an organization is placed or occupied relative to the competitors in the consumers mind. Where Nonprofit Organisations offer services or attractions exactly like another in the market, consumer will have no reason to support it. It can use market positioning which consists essentially in arranging for an organization or its services to occupy a clear distinctive and desirable place in the minds of target customers relative to competing organizations. This is the strategy of fitting market needs. In an attempt at positioning itself, the nonprofit Organisations must identify possible competitive advantages upon which to build its offer. To do this effectively, the organization must offer greater value to chosen segments. This approach is the strategy if fitting product features.

**CHARACTERISTICS OF NONPROFIT ORGANISATIONS**

The Process of marketing of goals and services including those of Nonprofit Organisations are essentially similar and in some cases the same. These processes include analysis of the target market and designing of a coordinated marketing mix strategies to ensure competitive advantage. According to Stanton (1981) there are four services characteristics, these are: intangibility, inseparability, heterogeneity and perishability. However, Etzel (1997) adds the service consumer to make the characteristic five.

**Intangibility:** All services possess the attribute of intangibility, that is, impossible to taste, feel, see, hear or smell a service before purchase (Kotler, 2000). The promotional efforts of the organization should be clear about the benefits of the service. To enhance want satisfying attribute, the organization should involve: visualization; this relates the benefits of the service that shows people enjoying the service example, depicting people praising God in joyous mood in the church or happy looking graduates of a university. Association; service can be connected with tangible people, goods, object or place.
example. Red Cross service can be associated to helping people solving problems or challenges related to crises area example, wounded soldier being evacuated from a war zone. Physical Representation: the use of symbols, colors or signs to depict stability, confidence, quality and dependability, and Documentation involves the showing or citing of facts or figures and pictures to show performance, care and safety.

Simultaneous Production and Consumption: It is difficult to separate the service provided from the provider or creator, this is so because of the nature of creation, dispensing and consumption of service, which are done simultaneously (Lanchester, 1995). For Example, the pastor of a local church requires the members to dispense all the service at the same time in, preaching, worshipping, praying, and performance of miracles. This service is provided at the "factory floor" of the provider (the providers premises) where he is involved in production and marketing efforts. This attribute limits the process of distribution that is most times limited to direct sale (service) at the same service cannot be sold in many markets at the same time.

Less Standardization and Uniformity: Standardization of service may be difficult; each "unit" of service of NPOs is different in some ways from every other unit. This is because of the human factor involved. The quality of service cannot also be judged in advance before the enjoyment of service. It is difficult to think of level of enjoyment or satisfaction derived from a university lecture or sermon. One remedy of this problem is specification of standard of quality of the service-planning and implementation stage.

Perishability: It is impossible to store services. Service must be used or consumed immediately they are produced otherwise it will perish. For example, empty seat in the church auditorium during service is benefit lost forever. Patronage of Nonprofit Organisations service and the marketing efforts vary considering from time to time. Combine effects of perish-ability of Nonprofit Organisations service and fluctuation in demand creates serious marketing strategies challenge.

**Integrated Marketing Programmes for NPOs**

Marketing Mix elements make up the marketing programmes of the NPOs; and marketing mix is a set of controllable elements that help to produce a desired response within a target. Morden (1991) defined marketing mix as combination of detailed strategies, tactics, operational policies, programs, techniques and activities to which resources may be allocated such that the company’s marketing objectives are achieved. Nonprofit Organizations have six elements to consider when developing marketing programme. These are product, public, price, place, promotion and production.

**Product:** NPOs product refers to programmes and services that are offered. Nonprofit Organisations are mission driven as opposed to product driven. The product offered to
the client typically is a service (education, health care, religion, cultures etc), a person (in politics), a cause (stop smoking or don't be involved in drugs) and a cash grant (research foundation). Service is a deed, a performance, and effort. When services are purchased, there is generally nothing tangible to show for it. Service is consumed not possessed. Performance of service according to the New World Dictionary of America Language (1974) is supported tangibles. Intangibility indicates two things: that the service cannot be touched, impalpable, and that the service cannot be easily touched, formulated or grasped mentally.

Quality guarantee for NPOs services take the form of offering unique services that meet the specific needs of the constituent and ensuring that a greater percentage of the monies raised go directly to their cause. The key to determine what service to offer will be based on two things: what business (needs) the organization have in mind to, and what client markets the organization want to reach. This definition help in marketing segmentation, positioning and target. According to Etzel (1997), several product mix strategies can be developed, which can include expanding the Product line (for example a university may add adult night course like the Distance Learning Institution (DLI) of university of Lagos: Off-Campus Extension Programmes concentrated between semester course) and strategy for product differentiation. NPOs can make use of difficult marketing features such as 'branding' and quality management. The objective is to develop a total theme, which includes more than just a good 'brand' name.

Public: The element of the public deals with the proposed client the NPOs want to serve. The public may include the board members, constituent; prospects, individuals, corporations and foundations of the Nonprofit Organizations plan to exchange its service with. The intending public must understand or be made to understand the programmes and their benefits to them. This will eliminate possible misunderstanding of intention and programmes.

Price: The pricing strategy of NPOs requires a great deal of managerial skill. This is because the service offers are perishable, they cannot be stored, and the demand for them often fluctuate greatly. Pricing is an important element in the marketing mix because it establishes a perceived value for a programme service. A more expensive product is purchased at times if the perception offered by the service is of greater value. The peculiar nature of Nonprofit Organizations pricing is that profit making is not a goal. Nonprofit Organizations is faced with the special nature of pricing in the donor market and in the client market.

In some Nonprofit Organizations, the contribution set prices when they decide how much they are willing to pay (donate) for the benefit they expected to receive. However, in client market, some Nonprofit Organizations face the same pricing situation as profit-making firms. For example, the cost of providing a given service may not be fully covered entirely by anticipated revenue and contributors always make difference.
business and nonbusiness organizations. It is important for all organization (business and particularly Nonprofit Organizations) to appreciate the impact of marketing efforts on their organizations. The difference in the level of success attained by most Nonprofit Organizations can be attributed to the impact of the application of marketing strategies. Reduction in the level of financial assistance and donations received by Nonprofit Organizations, the increasing level of competition in the Nonprofit Organizations environment.

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