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The use of marketing in nonprofit organizations

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Abstract

The focus of this research is to conduct a comprehensive literature review on how marketing first began in the nonprofit sector, how it has grown and changed, and finally how nonprofits utilize marketing today using a variety of tools. All nonprofit organizations face competition in today's market whether it is from other nonprofit organizations or from the business sector. Leadership of nonprofit organizations must understand the strengths and weaknesses of different strategies; how to best utilize marketing them; and how to make them effective for their organization in order to capture their share of the market. In today's market, every single dollar counts.

The Use of Marketing in Nonprofit Organizations

A Research Project Submitted in Partial Fulfillment
Of the Requirements for the Degree
Master of Arts

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This Study by: Elizabeth Kehret

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has been approved as meeting the research paper
requirement for the Degree of Master of Arts.

Date

Dr. Rodney Dieser, Chair

Table of Contents

Acknowledgements	3
 CHAPTER 1	
Introduction	5
Purpose of the Study.....	7
Research Questions.....	8
Significance of the Study.....	8
Definitions of Terms.....	9
 CHAPTER 2	
Literature Review	12
History of Nonprofit Marketing.....	11
Social Networking.....	14
Using Persuasion.....	17
Celebrity Endorsers.....	19
Branding.....	20
Cause-Related Marketing.....	21
Social Marketing.....	23
Summary.....	24
 CHAPTER 3	
Summary Analysis	27
Researchable Questions.....	29
Marketing in Practice at Lutheran Services in Iowa.....	30
Recommendations.....	38
References.....	41

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Chapter I

Introduction

Nonprofits are often facing more and more competition in the market. This could be competition against other nonprofits, or private businesses providing similar services. More competition means more of a struggle to bring in donors and even less to share of already shrinking funds. As the competition becomes fiercer it is ever more important for nonprofit organizations to market their services in order to stand out from the crowd and to stay competitive.

Marketing is used in a variety of ways in nonprofits. It is often seen as a means to bring potential donors in. Equally important, it is also a vital tool of communication with clients and volunteers. Marketing is a way to bring light to a nonprofit organization's cause and get people involved. Nonprofits even use marketing as a way to create the change they are advocating for.

Before delving into how nonprofits use marketing, it is important to first define marketing. "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, marketers, and society at large."

(Andreasen, 2012, p. 36) Traditionally marketing has been thought as focused on the business, but it is changing in the nonprofit arena.

Essentially, marketing is about influencing behaviors. This concept can be seen in traditional advertising aimed at influencing people to purchase products or brands. An example of this is television commercials for Pepsi products. They not only encourage people to buy the beverage, but try to create an entire culture around the brand to make it appear the best. Influencing can also be seen in advertisements that encourage change in people's lifestyle. There are often billboards that encourage people to quit smoking by visualizing the negative effects of tobacco. Attempts to influence can also be seen as influencing people to find a nonprofit's cause to be worthwhile. Large nonprofits like the American Cancer Society, Humane Society, or the Red Cross often have television commercials that are bidding to get the viewer to see their cause as worthwhile.

Marketing structure in the nonprofit sector is similar to marketing in the private sector, however nonprofits frequently have to be more creative and resourceful. Nonprofits, even large ones, often have financial, staff, and time limitations when it comes to marketing. They use a variety of traditional

and innovative tools in their marketing strategies. These tools include use of social media such as Facebook, Twitter, and YouTube; persuasion advertising; celebrity endorsement; branding; and cause-related marketing. Each of these tools bring their own advantages and disadvantages and it is up to the nonprofit organization to utilize what will be the best fit for them.

Purpose of the Study

The focus of this research is to conduct a comprehensive literature review on how marketing first began in the nonprofit sector, how it has grown and changed, and finally how nonprofits utilize marketing today using a variety of tools. All nonprofit organizations face competition in today's market whether it is from other nonprofit organizations or from the business sector. Leadership of nonprofit organizations must understand the strengths and weaknesses of different strategies; how to best utilize marketing them; and how to make them effective for their organization in order to capture their share of the market. In today's market, every single dollar counts.

Research Question

- How has marketing become mainstream in the nonprofit sector?
- What types of marketing strategies are effectively used in the nonprofit sector?

Significance of the Study

Marketing in the nonprofit sector affects the organization in not just one critical element, but two. The first is that marketing influences the consumers that seek out the organization for services. Secondly, marketing is important to nonprofits as it builds relationships with donors, gets word out about the cause, and gets people involved. It is critical that nonprofit organizations best utilize marketing to attract both populations in order to keep their doors open. Nonprofit organizations also have the greater challenge of justifying why part of their budget is going towards marketing as opposed to going towards the cause. In this same sense, they must also balance between budgeting for effective marketing, but also being a good steward of their funds.

Definition of Terms

Branding a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Stride & Lee, 2007, p. 108)

Cause-related Marketing links a firm's marketing activities to an nonprofit organization's mission and identity, satisfies societal expectations for social engagement, while maintaining a focus on the firm's profit generation (Runte et al., 2009, p. 256)

Celebrity Endorser any individual who enjoys public recognition (actors, athletes, entertainers, models, politicians and singers, among others) and who uses this recognition on behalf of a consumer good by appearing with it in an advert (del Mar Garcia de los Salmones et al., 2013, p. 101)

Guilt Appeal the arousal of guilt as an advertising tactic (Hibbert et al., 2007, p. 724)

Marketing the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, marketers, and society at large (Andreasen, 2012, p. 36)

Other-benefit Appeals appeals that highlight that the main beneficiary of support is some other individual or organization (White & Peloza, 2009, p. 109)

Nonprofit Organization an organization that is incorporated for any lawful purpose not involving pecuniary profit or gain for its directors, officers, shareholders or members (Pope et al., 2009, p. 185)

Self-benefit Appeals appeals that highlight that the main beneficiary of support is the donor (White & Peloza, 2009, p. 109)

Social Marketing the adaptation of commercial marketing technologies to programs designed to influence the voluntary behavior of target audiences to improve their personal welfare and that of the society of which they are a part (Andreasen, 1994, p.110)

Social Networking Sites sites driven by user participation and user generated content (Waters et al., 2009, p. 103)

Chapter II

Literature Review

History of Nonprofit Marketing

Marketing in the business sector has been common place for some time now. However it was slower to be used in the nonprofit sector. An article published in 1979 by Philip Kotler introduced marketing in the nonprofit sector as an up and coming idea. In his 1979 article "Strategies for Introducing Marketing into Nonprofit Organizations" Kotler refers to an earlier article that he coauthored ten years prior. He stated that at the time, marketing in nonprofit was fairly controversial and nonprofit organizations paid little attention to it. However as nonprofits struggled, marketing became more widely accepted and used.

"Marketing lagged, except where the nonprofit institution experienced a decline in clients, members, or funds. As long as institutions operated in a sellers' market as colleges and hospitals did throughout the 1960s marketing was ignored, but as customers and/or resources grew scarce the word "marketing" was heard with increasing frequency, and organizations suddenly discovered marketing or reasonable facsimiles thereof." (Kotler, 1979, p. 38)

Some in the nonprofit sector felt that marketing was a negative concept and that it would negatively affect their organization. The concern may be that if they are an upscale organization, like a university or a fine arts organization, they would appear low brow by seeking out consumers. However Kotler also notes in the article that nonprofits market whether they think of it that way or not.

Today marketing is a large part of the nonprofit sector. In the article "Transferring "Marketing Knowledge" to the Nonprofit Sector" Alan R. Andreasen, Ronald C. Goodstein, and Joan W. Wilson share that they believe it is due to four major areas. First is that nonprofits wish to be more in control of their finances. Second is that nonprofits have learned the value of marketing through cause marketing relationships with for-profit businesses. Third is pressure to use marketing. Lastly is that the nonprofit sector has many large organizations with large budgets that can afford to allocate money for marketing (Andreasen, Goodstein, & Wilson 2005, p. 47). The article also notes several of the pressures placed on nonprofits when it comes to marketing. These pressures include nonprofits often having smaller budgets, that they are often promoting changes to their target audience, and that they are under more scrutiny.

June Marchand and Sylvie Lavoie explore in their 1998 article "Non-profit Organizations' Practices and Perceptions of Advertising: Implications for Advertisers" how some nonprofit organizations address the pressures placed on them in untraditional ways. They found that many nonprofits fund marketing under other budgets or that they tend to look for free avenues of advertising. (p.34) An example of this is that they may use public service announcements rather than paying for air time.

Even with the additional pressures placed on nonprofits in regards to marketing, the practice continues to grow. The American Marketing Association now holds conferences for nonprofits, selling out in only its second year in 2004. (Andreasen, Goodstein, & Wilson 2005, p. 47) However, Andreasen states in a later article that he doesn't believe that marketing in the nonprofit sector has come as far as it should have in past several years. He states, "The field has not yet adequately responded to Kotler, Levy, and Zaltman's urgings 40 years ago to broaden to encompass nonprofit and social marketing." (Andreasen 2012, p. 37)

Many nonprofits continue to struggle to reach their full potential with marketing. Pope, Sterrett Isely, and Asamoah-Tutu (2009) sent out 100 surveys to nonprofits. They found several

factors in which they felt that nonprofits could better market themselves. This included not only the previously discussed lack of resources, but also lack of support. They also found that many had a lack of knowing their target markets as well as understanding their competition. Some of the nonprofits surveyed were concerned about low brand recognition. Lastly they found that many nonprofits failed to properly use online marketing. (p. 193-194)

Social Networking

Nonprofits have accepted marketing as an acceptable business practice in today's world and embraced it. This includes utilizing the continuing trend of using social networking. They use this platform to market programs to target populations, publicize current job openings, share success stories, and fundraising.

In 2009, Richard Waters, Emily Burnett, Anna Lamm, and Jessica Lucas explored how nonprofits had utilized Facebook since 2006 when Facebook first allowed organizations to create pages. In their article, "Engaging stakeholders through social networking: How nonprofit organizations are using Facebook" they conducted a study that analyzed 275 random sample nonprofits and the content on their Facebook pages. The study identified how much information the nonprofit organization disclosed about

itself on its Facebook page, including organizational description, history, and mission statement. They also observed how much the organization was utilizing functions such as photographs, videos, and web links. The results found that nonprofits did understand the importance of disclosing information on Facebook with the majority posting a description of their nonprofit and the administrators were listed. Out of 275 nonprofit Facebook pages sampled, only 60 had a history of their organization included and only 119 had their mission statement on their page. Additionally Waters noted that many nonprofits were not utilizing Facebook to their full advantage. Using the message board was the most popular use of Facebook with 74% using it. However only 56% utilized the ability to put up photographs and only 24% uploaded videos. (p.104) Waters noted that many nonprofits may not have the resources available in order to keep a Facebook page updated. In another study in 2012 Waters and Lo looked at nonprofit organizations from the United States, Turkey, and China. This time they looked at 225 organizations equally split among the three countries. In this study they were looking for cultural influences between disclosures. They found mixed results with some results complying with what was expected from the culture, but some not. They suggested that this may be because of a new "virtual"

culture. (Waters & Lo 2012 p. 312) Once again many nonprofit organizations were not using Facebook to its full potential.

As many as nine out of ten nonprofits had a Facebook account in 2011 according to the article "It's Time to Get Serious About Using Social Media" by Allison Fine. She also discusses in her article that many organizations are training their employees to use social media. This allows for everyone in the organization to be a part of marketing rather than maybe a select few in a disconnected marketing department who may or may not really know what's going on in the trenches.

Facebook is not the only social networking platform used by nonprofits to market themselves. Kristen Lovejoy, Richard Waters, and Gregory D. Saxton (2011) looked at how they were using Twitter. In conducting their study they found that 73 of the "Nonprofit Times 100" had a Twitter account. They analyzed how they used their Twitter account for one month. They found that even basic statistics varied greatly with one nonprofit having 46,723 followers to the lowest on the list having only 3. They also found that use varied greatly with one nonprofit tweeting 289 times during that month and one organization did not send out any. (p. 4-5)

Among all of the nonprofits observed there were 4,655 tweets sent out over the month. The nonprofits utilized twitter

in a variety of ways 68% of the tweets contained hyperlinks and only 61 of the links were to the photo site Twitpic.com. Nonprofits retweeted only 16.2% of the time compared to 27.8% retweets of the general population of Twitter. Finally 30% of nonprofits tweets contained hashtags. (p.6)

YouTube is another social media site used by nonprofits. Waters and Jones (2011) looked at the most popular videos of 100 official nonprofit channels on YouTube. They wanted to answer "What is the primary purpose of nonprofit videos?" and "What content are nonprofit organizations using to represent their brand and develop their identity in their YouTube videos?" Their final question was "How are nonprofit organizations using YouTube and their organizational videos to engage their stakeholders?" Overwhelmingly they found that the primary purpose was to educate and inform viewers about the mission of the organization and its programs and services. Additionally they found that nonprofits were able to brand by including their logo in some way or form in the video. They also found that 11 of the videos had the primary purpose of engaging stakeholders. (p.256)

Using Persuasion

Most of the focus research of persuasion is in reference to the private sector with brands and selling products. However,

it does affect the nonprofit sector as well. Nonprofits are now equally concerned with creating brands and persuading influence. One method of persuading influence is guilt appeal which is the arousal of guilt as an advertising tactic. (Hibbert et al., 2007, p. 724)

Sally Hibbert, Andrew Smith, Andrea Davies and Fiona Ireland looked at guilt as an influence tactic used by charities in order to get people to give donations. Their study concluded that eliciting feelings of doubt did increase donor contributions. The study also stated that "23% of the explained variance in donation intention can be attributed to the indirect and direct impact of persuasion knowledge. Somewhat unexpectedly, manipulative intent had a direct and positive influence on donation intentions as well as an indirect influence through feelings of guilt." (Hibbert, Smith, Davies, & Ireland 2007 p.737)

Another important form of persuasion is using self-benefit and other benefit appeals. Self-benefit appeals are appeals that highlight that the main beneficiary of support is the donor. Other-benefit appeals are ones that highlight that the main beneficiary of support is some other individual or organization (White & Peloza, 2009, p. 109) An example of self-benefit is appealing to the altruistic feeling received by

donating. An example of other benefit would be helping a girl scout reach her goal of attending summer camp by purchasing cookies from her. A study in 2009 by White & Peloza looked at the effectiveness of self-benefit appeals compared to other benefit appeals. They found that nonprofit organizations not only use one or the other, but also use a combination of both. Their results concluded that organizations found a more positive donation intention from self-benefit appeal strategies when the donation intentions were private. On the other hand they found a more positive donation intention from other benefit appeal strategies when the donation intentions were made public.

(p.113-114)

Celebrity Endorsers

Celebrities are rampant as endorsers for nonprofits today. They may be used to bring light to a cause or used to attract donors. Think of Michael Fox speaking out for Parkinson 's disease or Sara McLaughlin singing in the background of Humane Society commercials. Several NFL players appear in advertisements for Play 60 to encourage children to be active for 60 minutes every day. Arguably these celebrity endorsers are attractive to nonprofits because they are attractive to donors. Celebrities are often comfortable with fundraising activities due to the nature of their profession. They are most

likely comfortable speaking in front of groups or appearing in campaigns.

Maria del Mar Garcia de los Salmones, Rafael Dominguez, and Angel Herrero conducted a study to find out if celebrity endorsement was of benefit to the nonprofit organization. They found that it depended on the sincerity of the celebrity endorser and the perceived fit of the celebrity. (p. 110) For example a celebrity who is affected by a condition and is advocating for research for a cure may be perceived as more sincere than a celebrity who was recently involved in public scandal and may be perceived as trying to improve their image and make a comeback into the limelight.

Branding

Branding is ingrained into many of us whether we know it or not. Do Cheerios taste any different than the store brand of similar cereal? Why do kids have to have the newest top of the line shoe, when the knock off is just about the same? The answer is branding. Branding is more than the name or a logo, it is the identity of the organization and the psychological associations that go along with it. Think of well-known organizations like The Red Cross, The American Cancer Society, or The Girls Scouts. You know the name and can picture the

logo, but you also *know* what the organization is about and how you feel about it.

Branding has been around for some time and in the 1960's the American Marketing Association (AMA) defined brand as "a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors." (Stride & Lee 2007 p. 108) However, like marketing in general, this is an area where the nonprofit sector is not taking advantage of as well as the business sector. (Voeth & Herbst 2008 p. 93) Voeth and Herbst actually found that the research was so lacking in the area of nonprofit organizations and branding that they had to create their own measurement of nonprofit brand personalities for their study. The researchers did acknowledge that most of the studies that had been done were in the United States, but they did not feel that these studies were broad enough to be relevant across cultures.

Cause-Related Marketing

As previously stated, the nonprofit sector has been slow to catch up with the business sector when it comes to marketing. When these two sectors team up it becomes cause-related marketing. Cause-related Marketing links a firm's marketing activities to an nonprofit organization's mission and identity,

satisfies societal expectations for social engagement, while maintaining a focus on the firm's profit generation. (Runte' et al., 2009, p. 256)

Cause-related marketing has been going on for some time, but it flourished after American Express'1983 campaign to raise money for the Statue of Liberty's restoration. American Express donated one cent to the restoration every time someone used its charge card. As a result, the number of new cardholders grew by 45 percent, and card usage increased by 28 percent. (Andreasen 1996 p.49)

Both the for-profit and nonprofit organizations aim to benefit from these partnerships. The nonprofit may be looking for fundraising, awareness, event support, or using the business as a resource. The business organization improves their reputation and may be seen in a more positive light. Runté, Basil, & Deshpande (2009) looked at goals and outcomes for the nonprofit organizations in these partnerships and found that the outcome met the goal in the "event support" and "business as a resource areas." The outcomes did not meet the goals in the "fundraising" and "awareness" areas. They also found that the number of experiences the nonprofit manager had with cause-related marketing the more their outcomes exceeded their goals. This may be related to a nonprofit manager having one bad experience and removing him or herself from future partnerships. It would make sense then that if a

nonprofit manager had good experiences they would continue to engage in future relationships.

Cause-related marketing can also be used with guilt appeals. A study done in 2011 by Chun-Tuan questioned whether or not guilt appeals would have a stronger effect on donation with cause-related marketing than with no guilt appeal. Chun-Tuan found that it did positively affect the amount donated (p. 605)

Social Marketing

Sometimes nonprofit organizations use marketing as the tool to create the change that they are trying to achieve. Think of the Just Eliminate Lies (JEL) campaign that encourages teens to quit smoking by showing graphic pictures of people affected by tobacco on television advertisements or on billboards. Or the Save the Stork campaign that encourages preventing unwanted pregnancy by showing images of how a baby affects a lifestyle. These campaigns have been going on for some time, but the term social marketing wasn't defined until 1971. And Andreasen challenged the definition and offered a new definition for social marketing in 1994 as "the adaptation of commercial marketing technologies to programs designed to influence the voluntary behavior of target audiences to improve their personal welfare and that of the society of which they are a part." (p. 110)

Social marketing can benefit the individual or society, but it does not actually directly benefit the organization doing the marketing. Andreasen (1994) laid out general criteria for what defines social marketing.

- Apply commercial marketing technology
- Have as its bottom line the influencing of voluntary behavior
- Primarily seek to benefit individuals/families or the broader society and not the marketing organization itself (p. 112)

Andreasen points out that these characteristics are generalized and that there are additional criteria for a higher standard. Andreasen also points out an interesting ethical concern about social marketing in his article. He stated that the idea of what is "for the good" of society is completely in the hands of the organization doing the marketing and therefore the marketing tactic could be used for both pro-choice and pro-life organizations or extremist organizations such as the Klu Klux Klan.

Summary

This literature review has revealed that marketing has come a long way in just a short amount of time in the nonprofit

sector. At first it was seen as something just for the business sector and possibly even deplorable in nonprofit organizations, but then became an acceptable business practice in the nonprofit sector. Now marketing is widely used as a way to increase participation by the target population and to raise funds so that organizations are more self-reliant financially.

Nonprofit organizations are using a variety of tools in their marketing strategy. They are using social networking sites such as Facebook, Twitter, and Youtube to communicate with both donors and clients. They also use them to build their brand. Nonprofit organizations are also using other marketing strategies that are commonly used by the business sector like branding, persuasion, and celebrity endorsements. Organizations are using social marketing to influence change for the better of society. Nonprofit organizations are even working with the business sector using cause-related marketing that benefits both sectors.

One common theme throughout analysis of how nonprofits use marketing is that they may not be using any of the tools to their full potential. This could be due to nonprofit organizations playing catch up to their business sector partners in marketing. Some tools may not be used to full potential due to limitations of resources such as time, people, or finances.

Other nonprofits may be utilizing tools however they can to best stretch their already thin marketing budget. Other tools are only limited by the nonprofits themselves and how they use them. With nonprofits still being relatively new to the marketing arena, it could be foreseen that they will continue to grow and excel their marketing strategies.

Chapter III

Summary Analysis

The purpose of this research was to conduct a comprehensive literature review on how marketing first began in the nonprofit sector, how it has grown and changed, and finally how nonprofit organizations utilize marketing today using a variety of tools. This chapter will provide analysis of the literature review, present questions to further research, offer practical application in a nonprofit organization, and finally recommendations.

In analyzing the literature review there are some common themes that develop; nonprofit organizations are playing catch up to the for-profit sector in all things related to marketing; and nonprofit organizations often have to be more creative in their marketing strategies in order to account for less resources.

Nonprofit organizations are able to do so many of the same marketing activities that for-profits are often known for in their marketing strategies. When one thinks of branding, celebrity endorsement, or persuasion as a marketing activity thoughts may automatically turn to huge corporations that are ingrained into our culture. The truth is nonprofit

organizations are focusing on these activities as well. In fact research presented in the literature review shows that nonprofits are more than capable of doing these activities. It comes down to each individual organization's ability to focus on these activities.

The ability to focus on a marketing strategy may be the obstacle to overcome for many smaller nonprofit organizations. These activities may be seen as unnecessary by those determining budgets; there may simply be no resources available; as well as it may be seen as taking away resources from the important mission of the organization. Those nonprofits that do see the benefit, but may have stretched resources, have learned to be more creative in their marketing plans. Those nonprofit organizations that do see the value may be inexperienced in marketing strategies and may suffer from a lack of knowing their target market or understanding their competition. This inexperience may undermine what effort or resources they do put into marketing.

Many nonprofit organizations have embraced social media as a platform for marketing, connecting with the community, and spreading their mission. There are several platforms that are free of cost that can reach a great number of people. However, the research suggests that even this valuable free tool is being

underutilized by so many agencies. While they may have a presence on a social networking site they are most likely not taking full advantage of all of the tools available on them. This could be once again lack of resources such as a knowledgeable person to lead the project or lack of time from the employee with the skills.

Researchable Questions

This literature review had a large breadth of research within the field of nonprofit marketing. Many different topics were covered and explored in order to gain a variety of tools to explore in the subject matter. The reoccurring theme of lack of resources creating creativity brought about questions for further research. Many nonprofit organizations that have no marketing department and limited marketing resources are still compelled to complete marketing activities in order to best operate their organization. These questions would provide greater depth into one specific topic of nonprofit organizations' marketing strategies.

1. What marketing activities are nonprofits conducting that they may not categorize as marketing?
2. What marketing strategies are the most cost effective (or have the greatest return value) for nonprofits?

3. What are some of the most ingenious ways nonprofits are stretching already limited marketing resources?
4. How are agencies without a formal marketing department delegating marketing activities?
5. How can nonprofit organizations overcome barriers to help them take full advantage of marketing tools?

These questions may be most informative if conducted in a pool of smaller nonprofit agencies. These agencies who may not have a marketing professional on staff or do not have much budgeted towards marketing activities. That setting may produce a more honest return on information on the true struggles that nonprofit agencies go through.

Marketing In Practice At Lutheran Services In Iowa

In the literature review many tools were identified that nonprofit organizations are using in their marketing strategies. Lutheran Services in Iowa is currently or has previously used many of these tools in their own marketing plan. Additionally, Lutheran Services in Iowa is familiar with many of the struggles that other nonprofit organizations have endured and overcome some of the same barriers. Lutheran Services in Iowa has only recently begun to classify some of their activities as "marketing" by officially creating a marketing department. Additionally this organization is familiar with the common

problem of having to be creative with marketing plans and stretch resources in order to be good stewards of funds in a nonprofit organization.

Lutheran Services in Iowa was proud to celebrate 150 years of service last year in 2014. It is currently one of the largest nonprofit human service agencies in the state of Iowa. It provides services for refugees, people with disabilities, early childhood, mental health counseling, and residential treatment along with others. Lutheran Services in Iowa operates in 23 communities throughout Iowa with many of those providing services to a multi county area.

As has been common theme in the nonprofit sector, the Marketing part of the Marketing and Communications department is a fairly recent part of Lutheran Services in Iowa's 150 years of history. In fact prior to 9 years ago when the current director of the department, Amy Juhnke, was hired, it was simply the Communications department.

The department assists the rest of the organization with electronic and printed brochures, flyers, and marketing materials; newsletters; graphic design; web design; web updates and maintenance; media relations; writing, proofreading and editorial support; marketing plans; advertising; brand

management; electronic presentations; social media; and internal communications.

The Marketing and Communications department at Lutheran Services in Iowa employs five people. These roles are comprised of the Marketing Communications Director and the four Communications Coordinators. Each of the four Communications Coordinators has different responsibilities. The Graphic Designer creates visually engaging marketing materials in print and digital format. This includes brochures, flyers, invitations, direct mail campaigns, multiple websites, email campaigns, intranet projects etc. This position spends about 65% of time on philanthropy projects. The Writer is a skilled writer who creates content for multiple websites, writes copy for printed materials such as brochures, newsletters, direct mail campaigns, web copy, and a wide variety of miscellaneous projects like making job vacancy postings more attractive. This position also performs project management for Iowa KidsNet projects, a contract that Lutheran Services in Iowa provides all marketing materials and services for a collection of staff from different agencies across the state. The Digital Media position creates video and creates back-end web design, as in functionality that makes web pages work. This position also creates professional videos, long and short, to be used on

multiple platforms (web, device-based, email etc.). Also automates e-mail campaigns and analytics. Finally, the Public Relations and Social Media position writes press releases, contacts local media across the state to try to get coverage for the organization, manages crisis communications, places paid advertisements for Lutheran Services in Iowa and Iowa KidsNet, manages Facebook, Twitter, and Linked In accounts. This position also performs all project management for all philanthropy projects. This position has about 70% of the time devoted to philanthropy.

It is important to note that Lutheran Services in Iowa has a separate Philanthropy department from the Marketing and Communications department, but many of their projects overlap. For example, one of the Marketing and Communications departments most effective marketing strategies are electronic campaigns, according to Marketing and Communications Director Amy Juhnke. However she notes that it is most effective when combined with consistent one-on-one interactions, as in a representative from the Philanthropy department.

Lutheran Services in Iowa uses a variety of techniques for its marketing plan. These include advertisements on billboards and buses, television commercials, providing press releases on success stories, encouraging leadership to have a community

presence, cause-related marketing, and utilizing social networks. They have determined that approximately %20 of their projects is work for their donors. In the first 4 months of 2015, Lutheran Services in Iowa's Marketing Department completed 188 projects for the organization. This statistic is likely to be an accurate representation of average productivity, however they have only recently began to accurately track this statistic.

In 2010 Lutheran Services in Iowa set a cause-related marketing plan into motion with Prairie Meadows in the Des Moines metro area. A plan was drawn up to have joint advertisement during the month of October. National Disabilities Employment Awareness Month is observed during October. These advertisements that included billboards and television advertisements would focus on Lutheran Services in Iowa's services for people with disabilities as well as Prairie Meadow's support.

In 2011 Lutheran Services in Iowa got a branding makeover when they started using a new logo and tagline. They had already been exploring a new tagline since the previous fall when a major marketing firm, Strategic America, reached out to them and offered the organization pro bono services. The organization suggests that the development of a new logo and

tagline would normally cost \$40,000 to well over \$100,000, but they were able to complete this project internally, with no external costs. Like many other organizations, nonprofit or otherwise, Lutheran Services in Iowa has specific policies in place to ensure that their logo is used correctly, there by ensuring their brand, by stating how and when the logo is to be used.

Other marketing ventures by Lutheran Services in Iowa have not had positive outcomes. In 2014 Lutheran Services in Iowa created a new position called "Community Outreach Manager." This was a sixth position in the Marketing and Communications Department. The function of this position was to help get the word out to the Waterloo, Iowa service area and potential clients about services available through the organization. The Community Outreach Manager attended community events to represent Lutheran Services in Iowa and speak about the services available. Less than one year later, the professional who had been hired for this position decided that the position was not a good fit for her and chose to leave. Lutheran Services in Iowa chose to not fill the vacant position and it was effectively eliminated.

The organization is also familiar with the use of persuasion in advertising. As many nonprofit organizations

often do, Lutheran Services in Iowa often publishes "success stories" of clients that have benefitted from the programs that they offer. This could be a teen from foster care that eventually graduated high school and is now enrolled in college. Another story could be of a single mother who was unemployed, homeless and struggling with raising a newborn and went on to become a self-sufficient nurturing mother. Lutheran Services in Iowa is also familiar with using guilt tactics. In a recent response to reduced grant funding, the organization produced literature on how this would affect those who are currently served by the program. This literature, that discussed the dire consequences, was distributed to encourage advocacy as the grant award decision was appealed.

Lutheran Services in Iowa has a strong presence online and in social networking. The organization has a website, a Facebook page, Twitter account, Google+ page, Pinterest, and a YouTube channel. They embrace social networking and use its potential to connect with the community. Lutheran Services in Iowa proudly displays that it joined Facebook on March 23, 2009 on its 150th anniversary timeline and now boasts over 2500 "likes" as of June 2015. Similar to their policy of maintaining their brand through logo use, Lutheran Services in Iowa has a policy regarding the use of social networking. Once again this

policy ensures that Lutheran Services in Iowa is represented correctly in all forms of marketing. Additionally, in order to maintain an online presence, the Marketing and Communications Department strives to make a social media post daily or at the least three times a week.

The organization also recognizes the value of using social media in order to stretch the marketing budget. For example, Lutheran Services in Iowa uses social media for employee recruitment which is frequently a large need for the organization. Lutheran Services in Iowa has used target advertising on social media to reach people that have relevant degrees and in an environment where they are not necessarily looking for a job. This has been an effective way to advertise job fairs and individual position openings for the organization. Another way that they have stretched the marketing budget is creating e-mail campaigns targeting college and university staff who advise or teach students in need of jobs in their field of study. Marketing to one person who has access to hundreds of potential clients is much more cost and time efficient than running a \$500 to \$1000 ad in the paper. Additionally, focusing on these people and others who rely on outcomes regarding student employment provides a win-win situation for Lutheran Services in Iowa and the school.

These are just a few examples of how Lutheran Services in Iowa has effectively used marketing research to promote their agency and services. Plans for cause-related marketing, branding, and persuasion continue to keep Lutheran Services in Iowa as one of the largest human service organizations in Iowa. Like any agency it has had successes and set backs but continues to market itself in order to continue to bring in revenue and donations in order to keep fulfilling Lutheran Services in Iowa's mission "to respond to the love of Jesus Christ through compassionate service."

Recommendations

Lutheran Services in Iowa is ahead of some other nonprofit organizations as it does have an entire department devoted to Marketing and Communications. They have both the resources and talent available to them in order to best utilize many marketing tools for the better of the organization. However, they also still feel the same strain that many other organizations of having to stretch dollars in order to be good stewards of resources.

All nonprofit organizations would do well to stay ahead of marketing trends utilizing the tools available to them to the best of their ability. As the literature review suggests, nonprofit organizations are capable of utilizing many of the

same marketing strategies as for-profits. The largest obstacle is that the nonprofit organization must be willing to dedicate the resources or at least prioritize marketing as a valued part of their organization.

As part of prioritizing marketing, nonprofit leaders would benefit from either having some marketing knowledge themselves or someone with that skill on staff. It is important to not only have marketing on the radar, but to also have some knowledge of the target market and being able to understand the competition.

Further, nonprofit organizations would benefit from identifying the ways that marketing best fits into their organization and how they are able to utilize any and all strategies to minimize cost or stretch resources. Using resources such as social media and public service announcements could go a long way for some smaller organizations. The fact is nonprofit organizations will always be held to a higher standard than for-profit and what percent of the budget dedicated to direct versus indirect costs will always be scrutinized. Being able to utilize the most cost effective tools will reflect well on the nonprofit organization as good stewards of their resources.

Taking these measures towards marketing will only help nonprofit organizations towards meeting their goals and helping to spread their mission. Nonprofit organizations need marketing to communicate with their donors and target populations. In reaching these audiences, they will be able to continue their work.

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