

Lecture 7: Understanding and Engaging with Your Stakeholders



MK355 Marketing for Not-for-Profit
Organisations

Review

- Lecture 1 – the Australian not-for-profit sector
- Lecture 2 – Not-for-profit marketing distinctives
- Lecture 3 – Marketing research
- Lecture 4 – Strategic marketing planning for NFPs
- Lecture 5 – Branding



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Stakeholders

NFPs want to have maximum impact but can't be all things to all people.

There are usually many stakeholders concerned about the NFP's existence and continued success. Their relative importance depends on the NFP itself.

NFPs often feel an aversion to segmenting.

There is a need to accept the reality that most people don't care about the NFP and they never will.

If NFPs research, understand stakeholders, prioritise them, segment and target audiences, they will spend less money and be more effective in the long run.



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Consider your
chosen NFP.



List your
stakeholders.

Insight: How to make people care



Join in your
community



Communicate in
images



Invoke emotions
with intention



Create meaningful
calls to action



Tell better stories

Target audiences

Most organisations pursue two types of target audiences:

1. Those who use the services
2. Those who pay for those services / programs



Target audiences

Customers and clients

Individual donors

Volunteers

Employees

Board members and advisory members

Corporate donors and foundations

Government funders

Referral agents

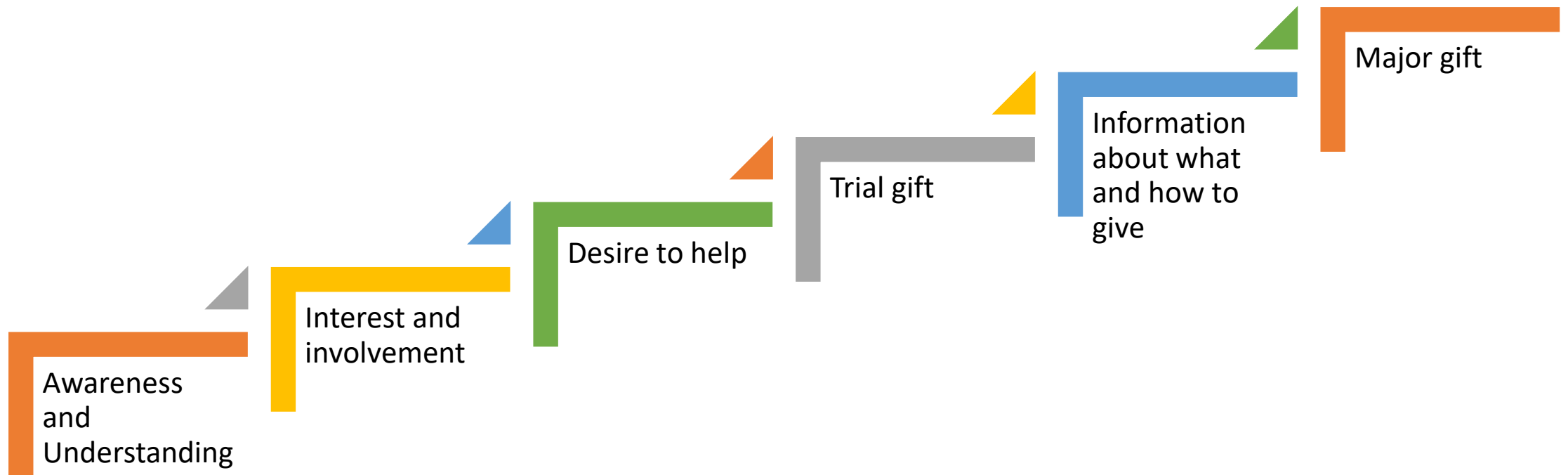
Community



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INSIGHT: Attracting major gifts

The AID-TIM model



Segmentation



Dividing markets into meaningful, similar, and identifiable sectors in order to uncover opportunities



The opportunities can come from additional donations, new donors, more volunteers, or new constituents



Segmentation allows an organisation to tailor marketing mixes to meet the needs of one or more of these market segments

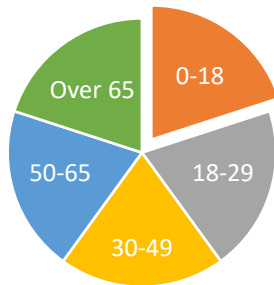


Used to be resisted by NFPs. But done well makes you more efficient and effective.

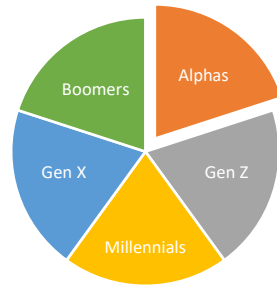


Segmenting by Demography

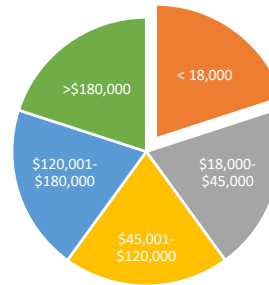
Age



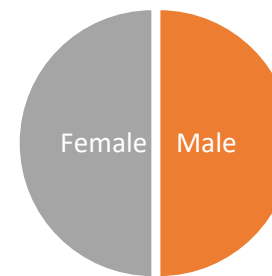
Generation



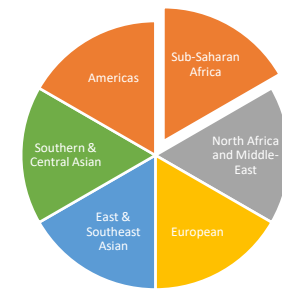
Income



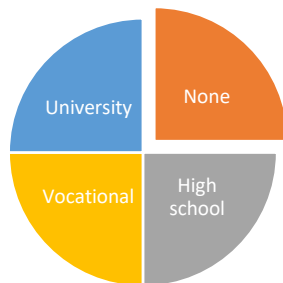
Sex



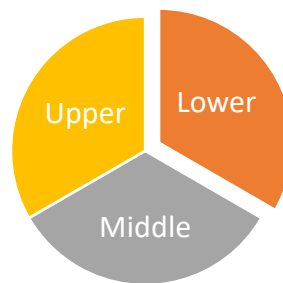
Ethnicity



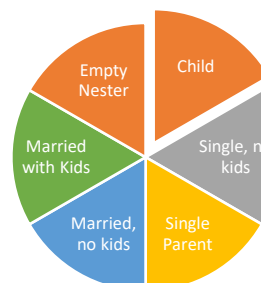
Education Level



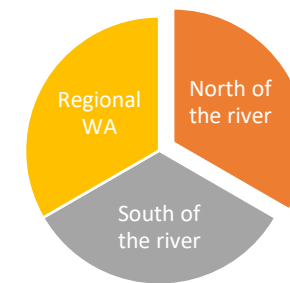
Social Class

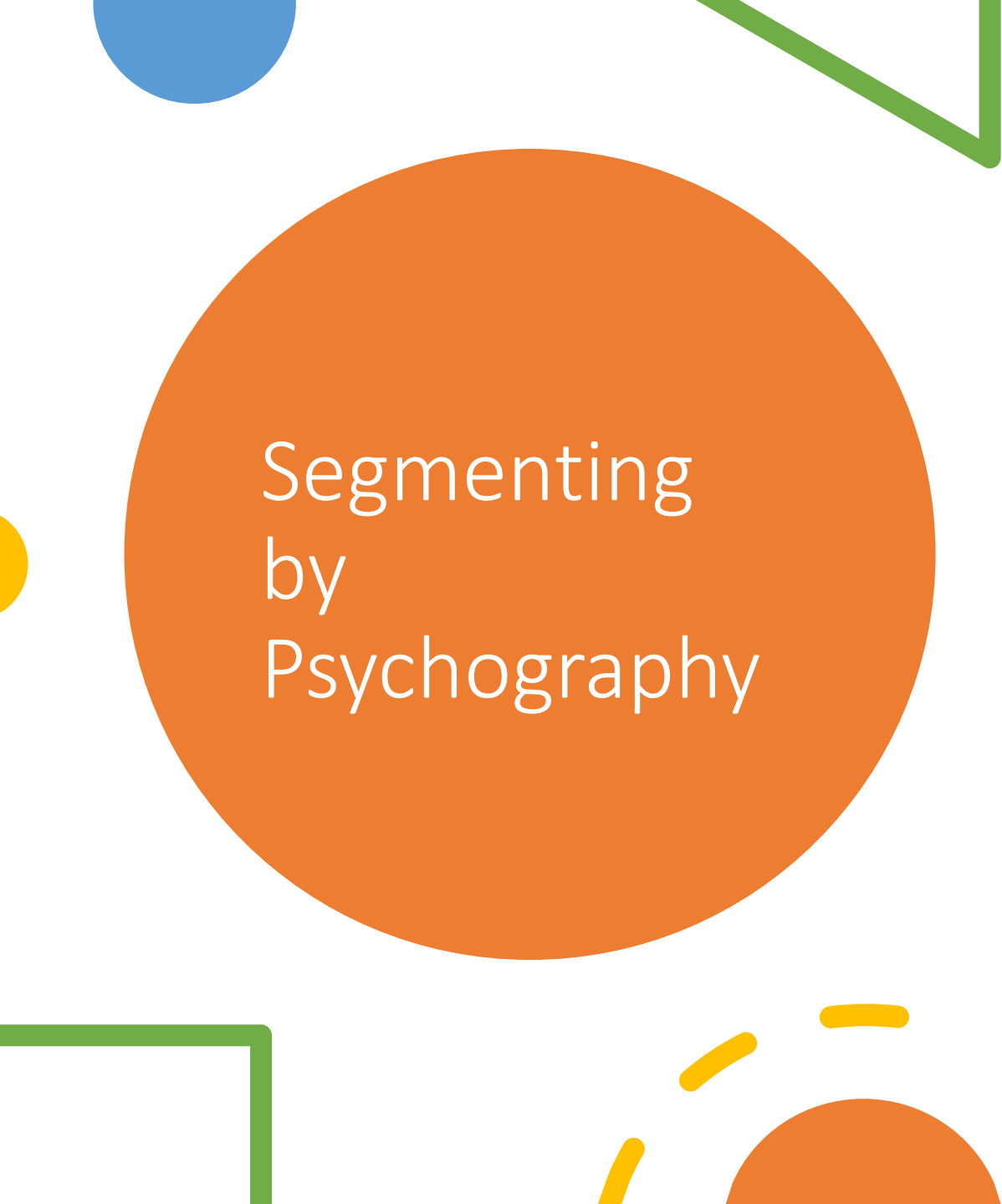


Family Life Cycle



Geography





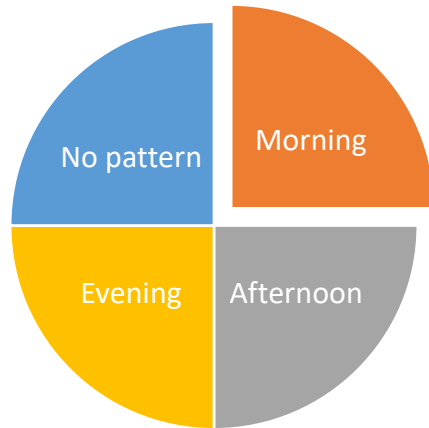
Segmenting by Psychography

- Attitudes
 - Interests
 - Opinions
-
- Usually difficult to access because it requires primary research.

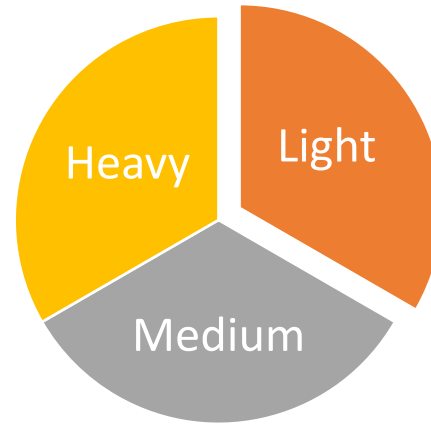


Segmenting by Behaviour

Occasion



Usage rate



Loyalty





ACTIVITY

- Consider your NFP.
- How could you segment your target market?

Stages of Behavioural Change



Precontemplation

Person hasn't heard about issue or doesn't think it is relevant to them. Focus on creating awareness of the need for personal change



Contemplation

Person is weighing costs and benefits of change. Focus on communicating benefits and reducing costs.



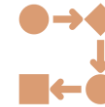
Preparation

The person is ready to act but hasn't yet followed through. Focus on building confidence.



Action

The person makes the change. Focus on affirmation.



Maintenance

The person is trying to maintain the changed behavior. Focus on making it easier for people to continue.

The Targeting Process



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1. An undifferentiated targeting strategy
 - No segmenting – a mass market philosophy
2. Multi-segment targeting
 - Focusing on several well-defined segments
3. A niche or concentrated targeting strategy
 - Selecting one market and concentrate efforts on understanding that segment



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Creating Personas

- A persona = a fictional representation of the target audience.
- Compiled from demographics, psychographics and behavioural data
- This approach uses descriptions and stories to help the target audience come alive





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A Sample Persona

- Gretchen is a junior nursing student. During her internship at a domestic abuse centre close to campus, she became interested in helping the centre on a more regular basis.
- Although she wants to work on a personal basis with these women, she also knows that she does not have the credentials yet to do so. That said, Gretchen is quite skilled at her hobby, web development, and wants to help redesign the centre's website.
- She values autonomy and making a connection with the organisation. She is interested in long-term volunteer opportunities if the work is rewarding.



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ACTIVITY

- Consider the NFP you have chosen for your marketing plan
- Create a sample persona that represents your target market

Positioning

- Positioning is the process that influences potential customers' overall perception of the brand, product line, or organization in general.
- To determine positioning:
 - Identify the stakeholders current views of the organization and the competition
 - Find the attributes used to judge these organisations



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Potential Bases for Positioning

- Organisational attributes
- Price or quality
- Use or application
- Product user
- Product class
- Competition
- Emotion



Positioning Strategies



Ensure that the positive attributes it possesses are those that are valued by shareholders



Search for unique position that the organisation can hold relative to competitors



Reposition the competition



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ACTIVITY

- Consider each other's NFP.
- Brainstorm together how you might position each NFP.



How Volunteers Make Decisions

A general disposition to volunteer and/or support the target cause is influenced by:

Personal factors

- Personality – often higher self-esteem and/or empathy
- Values and beliefs – priorities are determined by values
- Personal experiences – whether they have volunteered before
- Life stage – includes variables like age, marital status, occupational status, age of children

Interpersonal factors

- Social connectedness with others already volunteering
- Customary patterns of behavior or attitudes within social groups
- Parents attitudes towards volunteering