

Marketing Challenges Study
for the Women's Division of Utah Valley Chamber of Commerce

Rachael Solomon

Marylhurst University

Authors Note

Rachael K. Solomon, Master of Business Administration student, Marylhurst University.

Correspondence concerning this article should be addressed to Rachael Solomon, solomon.rachael@gmail.com

Abstract

This paper will discuss two of the marketing challenges that are unique to nonprofit organizations introduced by Andreasen and Kotler in *Strategic Marketing for Nonprofits 7th edition* (2008); the first being that, the influence that a nonprofit may influence primarily benefits a third party, the second being that often times nonprofits promote “behaviors” that are self-rewarding and may have taken a lot of effort on the part of the organizations members. This paper will also discuss how the following three characteristics of service, intangibility, inseparability, and the dependence on the target audience involvement and how they apply to the services of the Women’s Division of the Utah Valley Chamber of Commerce. It will also propose ways in which the organization can overcome these challenges.

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“Marketing has been described as a facilitator of exchange between two or more parties... To facilitate exchange, marketing strategists generate variations in the marketing mix. The goal is to manage this mix in such a way so as to elicit a meaningful exchange and favorable response from the consuming marketplace.” (Ponzurick, et al, 1992) The marketing mix is the “planned mix of controllable elements of a products marketing plan. These are usually referred to as the product, price, place and promotion, or the 4 P's.” (Businessdictionary.com) In regards to nonprofits, this means what does the organization offer? The usual offerings of nonprofit organizations are services. This makes marketing challenging for nonprofits. Andreasen and Kotler list twelve unique challenges that nonprofits have with regard to what their organizations strive to fulfill.

This paper will discuss two of the twelve challenges: the influence that a nonprofit may influence “primarily” benefits a third party, the second being that often times nonprofits promote “behaviors” that are self-rewarding and may have taken a lot of effort on the part of the organizations members. It will also discuss three of the five characteristics of a service as defined by Andreasen and Kotler as they relate to the Women's Division of the Utah Valley Chamber of Commerce (WDUVCC) and ways in which to overcome them.

Two of the Marketing Challenges Unique to Nonprofit Organizations

Two of the marketing challenges that are unique to nonprofit organizations introduced by Andreasen and Kotler in *Strategic Marketing for Nonprofits 7th edition* (2008); the first being that, the influence that a nonprofit may influence primarily benefits a third party, the second being that often times nonprofits promote “behaviors” that are self-rewarding and may have taken a lot of effort on the part of the organizations members.

The mission of many organization benefit third parties. In other words by influencing a group of people to perform an action that action doesn't benefit that person it benefits another person or group of people. A great example is Habitat for Humanity. This organization elicits the help of the community to help others in need of a home and shelter. This action doesn't benefit the people that are doing the work, unless the recipient is helping on the project. The benefit that the participant receives is the good feeling, or the self-reward, of having helped someone that is in need. The WDUVCC is also a great example of both of these challenges. This organization asks for donations from community members to help fund the monthly grants that it gives to local nonprofit organizations.

How 3 of the 5 Characteristics of Service Listed by Andreasen and Kotler

Apply to WDUVCC

The three characteristics of service that will be discussed here are intangibility, inseparability, and the dependence on the target audience involvement. According to Andreasen and Kotler (2008), and supported by its definition (dictionary.com), intangibility relates to services particularly because "they cannot be seen, tasted, felt, heard, or smelled before they are bought." (p. 197) This relates to the WDUVCC because of the product mix that it provides, support for local nonprofit through grants and service projects. When the organization holds its yearly fundraising gala the participants are not just buying a ticket for a fabulous lunch and some entertainment, they are also buying a new computer for the local free reading center, or the ability for an organization to send 20 new prosthetic legs for amputees in third world countries through the efforts and ingenuity of local college students.

When Andreasen and Kotler discuss the inseparability their assertion is that a service provided by a source cannot be separated from that source. For example, the WDUVCC provides grants for local nonprofit organizations. The service it provides is the fund raising efforts to be

able to provide the grants it gives to the recipients, without the WDUVCC there are no grants provided.

The third characteristic of service, target audience involvement, will be discussed next. The WDUVCC has several target audiences, its donor group those outside of its regular donors that sponsor the organization's philanthropic efforts, its members, the local nonprofit organizations that benefit from the grants. In order for the WDUVCC to be able to provide its monthly grants, it must generate enough interest from outside the organization to have enough donations and ticket sales for the yearly gala to be able to fund all of the grants and to cover the minimal operation costs for the following year. The members need to be told of upcoming events in order to promote them to possible new members and generate interest in the organization. The last target audience would be the local nonprofit who ultimately benefit from the efforts of the organization. This last target audience's participation would be to make the effort to apply for the grant, but the organization needs to make the availability known so that they can take advantage of the opportunity.

Ways to Overcome Those Challenges to Service

I think that the best way for the WDUVCC to overcome these challenges is to use its members and the board of directors first of all to spread the word about the organizations monthly meeting and its grant opportunities, the more people that know about the organization the more opportunities that the organization will have in promoting its efforts. To make the organizations ultimate deliverable, the grants that the organization is able to give, more tangible for donors and the organizations members, the organization needs to make an effort needs to announce what groups are receiving the funds, and what these organizations have used the grants for. One idea that the group is working on for the gala is to create a video vignette to be played

during the gala that tells about this year's recipients, who they serve and what they have done with their grant funds. This will help the donors and organization members know what they have been a part of and where their efforts have been realized. These suggestions are excellent ways in which the WDUVCC can overcome all of the three challenges, intangibility, inseparability, and target audience involvement.

Conclusion

This paper has discussed two of the twelve challenges: the influence that a nonprofit may influence "primarily" benefits a third party, the second being that often times nonprofits promote "behaviors" that are self-rewarding and may have taken a lot of effort on the part of the organizations members. It has also discussed three of the five characteristics of a service as defined by Andreasen and Kotler as they relate to the Women's Division of the Utah Valley Chamber of Commerce (WDUVCC) and ways in which to overcome them through visually relating the actions of the organization to the donors and members, through the actions of members and board members in recruiting new members and word of mouth marketing to new members and local nonprofit organizations, and by nonprofits learning about grants and applying for them.

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