

How nonprofits can boost donations using the marketing mix

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Researchers from University of California Irvine published a new paper in the *Journal of Marketing* that finds that marketing mix elements mitigate sacrifice, which serves to engage individuals in the donation task and thereby increase the likelihood that they will continue.

The study forthcoming in the *Journal of Marketing* is titled "Help Me Help You!: Employing the Marketing Mix to Alleviate Experiences of Donor Sacrifice" and is authored by Tonya Bradford and Naja Boyd.

Nonprofits contribute significant value to society with the support from the individuals who contribute to them. This study suggests that managers consider the composite of sacrifices required from individuals as they proceed through each phase of donation and employ the marketing mix to proactively and compassionately address the various types of sacrifice that emerge. The researchers use the topic of living organ donation, an extreme type of sacrifice, to explore this concept more fully.

The study identifies actions for managers to employ the marketing mix—product, place, price, promotion, people, and process—to address the types of sacrifices (psychic, pecuniary, physical) identified in the donation process. Also included are general considerations for organizations. Product is reflected most clearly in a nonprofit organization's mission statement and manifests in the offering the donation supports. Place focuses on how disparate entities are integrated to support an individual's escalation of commitment from interested to



committed as well as the delivery of the offering. Price is the component that conveys the costs incurred by donors to provide the contributions. Promotion is most often found in messages educating and persuading potential donors about the importance of the offering. An organization's people are an important factor in the entirety of the process and guide donors throughout the process.

Donation is the manifestation of the process component that includes the steps required for individuals to transform from potential to actual donor . The process we define is comprised of three phases. In the deliberation phase, individuals considering the opportunity are more involved in moving the process forward with some input from the organization. Within the decision phase, there is a balance of influence between individuals and organizations. As individuals move to the donation phase, the balance of influence shifts toward the organization. Thus, an awareness of the process and perceptions of the organization to which individuals are contributing is also important. Bradford explains, "It is imperative that organizations understand what they are asking of donors and how donors may experience sacrifice. It is also important for donors to experience a degree of success, particularly when they are not able to readily observe the outcomes of their donations. Therefore, the processes through which donors contribute should provide them with satisfaction that is in some way commensurate with the sacrifices they make." Importantly, process and people influence each phase of the donation experience and should be audited regularly to ensure that the interfaces between them and each phase, as well as the other marketing mix components, are integrated.

The integration of each of the six marketing mix elements is more likely to result in an environment where individuals feel their donations are valued and respected. Each marketing mix element should be aligned to engender the desired response to the organization: that of converting an individual into a volunteer. The study notes that marketing mix elements



mitigate sacrifice, which serves to engage individuals in the donation task and thereby increase the likelihood that they will continue. For organizations where donation may continue, the enactment of such sacrifices is likely to engender loyalty and continuity.

Organizations are not static as evident in alterations to their operations, offerings, and positioning. Similarly, nonprofit organizations may adjust their offerings to remain relevant to those they serve, thereby maintaining or growing their client base. Boyd adds, "It is important that nonprofit organizations assess how those changes may impact the degree of sacrifice required for existing and potential donors and operationalize the marketing mix to address those sacrifices. Deft employment of the marketing mix to extend the tenure of donors may lead to other organizational benefits such as confidence in operational projections, service stability, and reduction in delivery service cost."

Though these findings emerged from a particular type of donation, they are relevant to organizations that depend on contributions borne of <u>sacrifice</u> (e.g., hosts for foreign exchange students, families to adopt children, hospice care providers, or those offering compassionate care to individuals in crisis).

More information: Tonya Williams Bradford et al, Help Me Help You! Employing the Marketing Mix to Alleviate Experiences of Donor Sacrifice, *Journal of Marketing* (2020). DOI: 10.1177/0022242920912272

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