

North Park University
School of Business and Nonprofit Management
SBNM 5680
Nonprofit Marketing Analysis & Consumer Behavior Syllabus
Fall 2012, Quad B

Course Instructor:

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Associate Professor

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Classroom:

TBD

Schedule:

Class Meets Mondays 6:30-9:00 PM.

Office Hours:

Before class, by appointment

Required Textbooks:

Strategic Marketing for Nonprofit Organizations 7th Edition, by Alan Andreasen and Philip Kotler, Prentice Hall

Mission-Based Marketing: Positioning Your Not-for-Profit in an Increasingly Competitive World 3rd edition (October 2010), by Peter C. Brinckerhoff, John Wiley & Sons

Required Cases

- The Cradle: Harvard Business Case
- Schuerman, M., "Attention Campers, How Girls Inc. put the power of Lancôme to work in support of mission," [Stanford Social Innovation Review](#), Summer,

Student accounts will be billed \$20 for the cases.

Introductory Comments:

Times are tough for nonprofits. With mounting competition for fundraising support, greater demand for services, increasing pressure to meet and document effective performance, nonprofits face an enormous challenge. While many nonprofits have

learned how to present their special identity and “brand,” few use strategic marketing to its fullest potential to advance their mission and achieve financial stability. Indeed, many nonprofit professionals are just beginning to learn how marketing and communication tools and strategies can be deployed in the nonprofit context to help achieve greater success.

This class is designed to help nonprofit professionals begin to fill this gap by demystifying the marketing process and showing how it can be employed in a mission-oriented setting. The class covers the steps for becoming a customer-focused nonprofit: developing a market-oriented mindset and leadership structure; assessing the external environment and competition; understanding and responding to customer needs and wants; developing a unique, differentiated position and brand identity in customers’ minds; shaping programs and services to attract and retain customer segments; developing and delivering motivating and ethical messages; and designing a cost-effective communications mix for reaching targeted audiences. The class will also explore the benefits and risks involved with approaching funders as customers to satisfy a “value exchange.” By the end of the class, students will understand how to develop a comprehensive strategic marketing plan and manage its implementation to realize the greatest possible return from marketing expenditures – and how to do so in a way that honors their organization’s mission and vision for social good.

Learning Objectives:

By the completion of this course, students will increase specific knowledge in the following areas:

1. The role of marketing in a mission-based organization
2. How organizational history, culture and philosophy affect marketing readiness
3. How to develop a strategic marketing plan for a nonprofit organization
4. Developing a differentiated position and brand identity in the nonprofit context
5. How to identify, evaluate and respond to environmental and competitive pressures affecting nonprofit performance
6. Discovering and responding to your customers’ needs, wants, values and aspirations
7. The role of product, price, place and promotion in delivering customer value
8. How to develop and deliver powerful messages that generate a response
9. Elements of a realistic, cost-effective promotional mix
10. Ethical considerations in nonprofit marketing

Course Methodology:

Students are expected to read the pertinent materials and complete assignments prior to class. The instructor will lecture briefly on the subject matter and will discuss questions about it. However, the predominant emphasis of the course will be on the application of concepts..

Academic Honesty

In keeping with our Christian heritage and commitment, North Park University (NPU) and the SBNM are committed to the highest ethical and moral standards. Just as we will

constantly strive to live up to these high standards, we expect our students to do the same. To that end, cheating of any sort will not be tolerated. Students who are discovered cheating are subject to discipline up to and including failure of a course and expulsion.

Our definition of cheating includes but is not limited to:

- Plagiarism – the use of another’s work as one’s own without giving credit to the individual. This includes using materials from the Internet.
- Copying another’s answers on an examination.
- Deliberately allowing another to copy one’s answers or work.
- Signing an attendance roster for another who is not present.

In the special instance of group work, the instructor will make clear his/her expectations with respect to individual vs. collaborative work. A violation of these expectations may be considered cheating as well. For further information on this subject you may refer to the academic dishonesty section of the University catalog (available at www.northpark.edu).

In conclusion, it is North Park’s mission to prepare you for a life of significance and service. Honesty and ethical behavior are the foundation upon which such lives are built. We therefore expect the highest standards of each student in this regard.

Attendance Policy

The graduate courses in the SBNM are all seven weeks in length. Missing one class session is allowed without penalty as long as all readings and assignments are made up by the student within a reasonable time period (the following week). Failing to log into an online course site for an entire week is allowed, but a penalty may be applied at the instructor’s discretion. Missing a second class session is allowed only in unusual circumstances by prior arrangement with the instructor. Since this represents almost 30% of the engagement time for the course, the student runs the risk of receiving a lower overall grade for the class. Faculty members are encouraged to drop the course grade by a full letter grade in this situation. A student who misses three classes (or the equivalent two weeks for an online class) will automatically fail the course, unless the student drops the course before the seventh week of class. Students who drop a course will be held responsible for tuition, based upon the current North Park University refund policy outlined in the University Catalog.

Disabilities

Students with disabilities who believe that they may need accommodations in this class are encouraged to contact the SBNM program office (773-244-6270). Please do so as soon as possible to better ensure that such accommodations are implemented in a timely manner. For further information please review the following website:

<http://www.northpark.edu/ada>.

Use of APA Publication Manual

The School of Business and Nonprofit Management (SBNM) has adopted the Publication Manual of the American Psychological Association (APA) as the standard and required format for all written assignments in SBNM courses.

Our goal in adopting the APA manual is to enhance student learning by:

- 1) Improving student's writing skills.
- 2) Standardizing the required format of all written assignments in all SBNM courses.
- 3) Emphasizing the importance of paper mechanics, grammatical constructs, and the necessity of proper citations.
- 4) Holding students accountable for high quality written work.

If you are unfamiliar with the requirements of the APA Publication Manual, we recommend that you purchase the reference manual and/or that you consult one or more of the suggested resources as listed on the student resources section of the SBNM website. It is your responsibility to learn and ensure that all written work is formatted according to the standards of the APA Manual. Online tutorial:

<http://www.peakwriting.com/aiu/apa6th/apa6th.html>

Grading:

Final grades in this class will be based on the following:

Attendance/Participation/Attitude: (25 points)

Group Project

- Positioning and Communication Critique (50)

Marketing Plan

- Part I (100)
- Part II (100)

Total points 275

Assignments

All assignments are due by the beginning of class (please post assignments to Moodle as Word document). All written work is expected to be typed, double-spaced with one-inch margins, and proofread. I will give feedback and return papers electronically. If you are unable to complete your assignment before the start of class due to circumstances beyond your control, please let me know and we will discuss an extension. All late papers will be penalized 10%. Students must submit a late assignment by the next week.

Marketing Plan Papers

Over the 7-week course, students will develop a strategic marketing plan for a nonprofit organization of their choice. You will use the same organization for all assignments. It is best to select an organization with which you have been or are currently involved as an employee, board member, donor, volunteer or service recipient so that you have sufficient knowledge of the organization's work and constituencies. If you are not currently involved with a nonprofit, you can select an organization whose work interests you, but you will have to base your analysis and recommendations on observation and the reasonable assumptions of an outsider. Alternatively, I can recommend an organization.

Why are marketing plans important? Without plans, organizations are like ships without lights and rudders – traveling in the dark, blown about by outside forces. The marketing plan provides a systematic process for identifying the organization's marketing opportunities and challenges, while developing strategies that will help a nonprofit advance its mission. Like the strategic plan (of which it is frequently a component), the marketing plan provides the roadmap that helps the organization understand where it is, where it is going and how it is going to get there.

There is no one right way to write a marketing plan and the style and format can vary considerably among industries and organizational types. (However, I ask students to use the outline below.) There are many different texts and workbooks on the subject that provide tools and outlines specifically geared to the needs of nonprofits. Some go into more or less depth and emphasize different aspects of the planning process. A sample outline is available at <http://www.quickmba.com/marketing/plan/>. An in-depth marketing plan outline will be posted to Moodle.

Marketing Plan Part I:

- Situation and Competitor Analysis
- Customer Analysis
- Marketing Strategy

Marketing Plan Part II

- Positioning and Communications Strategy

- Promotional Mix
- Budget
- Timetable
- Evaluation
- Executive Summary

Grading

Criteria for grading written assignment is as follows:

A/A- Well written with very few errors (spelling, sentence fragments, unclear sentences, etc.). Excellent analysis and well-supported conclusions. Demonstrates complex understanding of topics and integrates concepts covered throughout the course. Answers are fully and clearly responsive to questions asked.

B/B- Moderately well-written with few errors. Good analysis and well-supported conclusions. Demonstrates solid understanding of concepts and answers are responsive to questions asked.

C/C- Content may show average/below average understanding of material or lack of effort in completing assignment. Inadequate support of conclusions. Answers may not fully address questions asked.

D/D- Poor overall effort with respect to comprehension of material, analysis, grammatical errors, and responsiveness to questions asked.

F- Work not submitted or of extreme inferior quality.

Criteria for assessing class participation:

We have a lot to cover in a very short time, so attendance is expected and will be considered in assigning the class participation grade. On time attendance is the starting point for the participation grade but additionally, a subjective judgment of the quality of your inputs to each class discussion will be made by the professor after each class. However, it is recognized that the exigencies of health and other emergencies occasionally preclude attendance and the professor will make allowances for these if explained. We will begin classes on time and expect all students to be there ready to go to work. Those who are late will have their participation grade reduced accordingly.

A/A- Contributes in a significant way to the classroom discussion by regularly adding own insight, integrating with or relating concepts to real-world applications, other topics in this and other business classes, and draws relevant and appropriate observations from readings and assignments.

B/B- Active participation, may answer only when called on, but demonstrates good understanding of concepts and application of the material to real-world situations.

C/C- Minimal participation. Answers only when called upon with little understanding of material.

D/D- Present but does not involve oneself in class session. Answers with little more than "I don't know."

F- Absent

Course Outline

Week #1 (October 22): Marketing and the Mission-Driven Organization

Student Learning Objectives:

By completion of this session, students will:

- Be able to define marketing and understand how it applies in the nonprofit environment.
- Understand why nonprofit organizations are increasingly employing strategic marketing to meet their goals in a competitive world and how adopting a “customer-focus” can help nonprofits advance their mission.
- Recognize some of the historical and attitudinal barriers to marketing that exist for nonprofits and discover how to achieve a balance between marketing- and mission-based priorities.
- Understand how nonprofit leadership and organizational structure can help or hinder the development of a marketing orientation.
- Know the importance of having a unique, inspiring well-defined mission as the foundation for a strong position in the marketplace.

Required Readings (before class):

- Brinckerhoff, Ch 1–3
- Kotler, Ch 1

Week #2 (October 29): The Strategic Marketing Planning Process

Student Learning Objectives:

By completion of this session, students will:

- Increase their understanding of the strategic marketing planning process and of how to employ it to achieve financial, organizational and programmatic goals.
- Learn the importance of engaging in a comprehensive situation analysis that begins with a careful and honest evaluation of the organization’s mission, culture, internal strengths and weaknesses.
- Learn how to assess opportunities and threats to the organization presented by uncontrollable external force.
- Understand how the changing needs of customers such as clients and donors can impact the organization.
- Understand the reality of competition in the nonprofit environment and learn how to identify, analyze and address competitive pressures.
- Grasp the importance of setting realistic, measurable objectives and putting mechanisms in place for tracking and evaluating marketing outcomes to ensure that performance goals are being achieved.

Required Readings (before class):

- Brinckerhoff, Ch 4, 5, 7, 12

- Kotler, Ch 3
- “Porter’s Five Forces: A Model of Industry Analysis,” online at <http://www.quickmba.com/strategy/porter.shtml>
- “PEST Analysis,” online at <http://www.quickmba.com/strategy/pest/>
- “SWOT Analysis,” online at <http://www.quickmba.com/strategy/swot/>

Week #3 (November 5): Becoming Customer-Focused

Student Learning Objectives:

By completion of this session, students will:

- Learn how to analyze their customer base and its current and potential relationship to the organization and its mission.
- Learn how to use primary and secondary research to gain greater understanding of the needs, wants, values and aspirations of customers and to define value through their customers’ eyes.
- Discover low-cost, high-return research techniques for marketing planning, monitoring customer satisfaction and assessing organizational performance.
- Learn how to measure and identify segments that can be targeted for programs and services, professional referral, fundraising, board development, volunteering and other goals.
- Understand the role of demographics, psychographics, enriching characteristics and buyer behavior in customer profiling and segmentation.
- Explore customer-focused fundraising and issues raised in the donor-nonprofit value exchange.

Required Readings (before class):

- Brinckeroff, Ch 6, 8,
- Kotler, Ch 4, 5, 8, 16

Assignment

The Cradle Society: Harvard Business School Case Study, 1999. Read the case study on [The Cradle](#) and be prepared to discuss the following questions:

1. How did [The Cradle](#) evaluate and respond to the changing environment? Which environmental factors most affected their marketing strategy?
2. How did [The Cradle](#) use market research and segmentation to achieve their marketing goals?
3. How did [The Cradle](#) respond to their customers in terms of the design and delivery of the "product." What other changes did they make to the marketing mix (price, place, positioning) to advance their mission?

Week #4 (November 12): Shaping the Marketing Mix to Deliver Customer Value

Student Learning Objectives:

By completion of this session, students will:

- Learn how to translate their understanding of the internal and external environments, competitive forces and consumer behavior into a workable marketing strategy.
- Learn to develop realistic, measurable strategic objectives and create systems for evaluating results.
- Discover how to identify, select and target the most fertile market segments and how to leverage the “Four Ps” (product, price, place and promotion) to attract and retain current and potential customers.
- Learn how developing new and enhanced products and services, increasing value and reducing barriers related to participation or referral, and developing new service delivery channels can contribute to marketing success.
- Explore techniques for delivering customer service that enhance the relationship between a nonprofit and its customers.

Required Readings (before class):

- Brinckerhoff, Ch 11
- Kotler, Ch 8, 10, 11, 12,
- “Competitive Advantage,” online at www.quickmba.com/strategy/competitive-advantage

Assignment

Complete Part I of Marketing Plan before class

Week #5 (November 26): Developing and Delivering Motivating Messages

Student Learning Objectives:

By completion of this session, students will:

- Understand the importance of establishing a unique, differentiated position relative to the competition in the customers’ mind.
- Gain new insight into the role of communications in building brand awareness, establishing and deepening customer relationships, increasing community support, stimulating giving and changing behaviors.
- Learn how to use the “communication strategy” to develop and deliver high-impact, “sticky” messages that connect with customers’ deeply felt needs and motivations.
- Explore various types of arguments and execution styles that help to achieve marketing-related objectives.
- Consider ethical issues related to message development and nonprofit marketing.
- Examine the role of education in nonprofit marketing and learn what kind of information is most valued by various customer groups.
- Appreciate how appropriate spokespersons, arresting visuals, uncluttered design, concrete offers and interactive elements can enhance communications effectiveness across a wide range of media (print, broadcast, point of service, internet, etc.).
- Learn about the value of building a strong nonprofit brand identity.

Required Readings (before class):

- Brinckerhoff, Ch 9, 10
- Kotler, Ch 6, 13, 14

Week #6 (December 3): The Nonprofit Promotional Mix and Budgeting**Student Learning Objectives:**

By completion of this session, students will:

- Understand the mix of media nonprofits that can be employed to reach and communicate with customer segments (advertising, direct marketing, publications, publicity, personal selling, etc).
- Discover similarities and differences in the media mix for nonprofits versus their for-profit counterparts.
- Learn how to evaluate and choose media and messages based on audience reach and response rates.
- Grasp the value of consistency, repetition and strategic integration of communications vehicles.
- Gain an overview of typical approaches to budgeting and evaluating a nonprofit's return on marketing expenditures.
- Discover the value of testing and setting realistic expectations about marketing results, particularly for nonprofits with limited resources.
- Learn how allocating adequate resources and allowing sufficient lead time contributes to successful nonprofit marketing.

Required Readings (before class):

- Kotler, Ch 15, 18, 19

Week #7 (December 10): Working with the Private Sector**Student Learning Objectives:**

By completion of this session, students will:

- Understand the potential benefits and pitfalls of working with the private sector to achieve marketing goals.

Required Readings (before class):

- Kotler, Ch 17
- Read Lancome Case before class, be prepared for class discussion

Assignment

- Complete Part 2 of Marketing Plan before class