

Marketing Basics

Marketing is the art of bringing like-minded people together to achieve common goals. In nonprofit organizations, these people include program participants, donors, and volunteers.

Segmentation is the process of grouping people according to their demographics, interests, attitudes, motivation, social affiliations, and/or lifestyle. For instance, you might segment your donors by amount/frequency of gifts, income/wealth, level of involvement in your organization, or age. You could segment volunteers by the type of service or their educational background. Segmentation will help you develop appropriate marketing strategies and tactics that appeal to and have meaning for your target markets, ultimately resulting in increased participation and contributions.

A **target market** is a segmented group of people that desires or needs your products and services. **Niche marketing** satisfies an unmet need in the community in a unique way.

The Marketing Mix

Place - Where your target market experiences, purchases, or consumes your product or service.

Product - The actual or perceived ('image') product or service that is offered to the public.

Price - The amount of time and money required to experience the product or service.

Promotion - The process of educating and exciting your target market about your products and services through advertising, public relations, sales, and promotions.

Marketing Channels are the personal or impersonal spaces that connect your organization with your target market. Channels include your office, the Internet, email, mail, meetings, phone, stores, events, and publications.

Marketing Research can help you identify and gain a deeper understanding of the characteristics of your target markets, community needs, competitive programs, and opportunities for innovation. It can help you identify and investigate problems, assess a program's impact, or measure the effectiveness of a campaign. **Primary research** is original research designed, executed, tabulated, and analyzed for the first time. Examples include surveys, interviews, experiments, observation, and focus groups. **Secondary research** is already in existence; examples include census data or health statistics. **Qualitative data** is descriptive in nature while **quantitative data** is concrete and can be interpreted as a number.

Use the *Target Market Analysis Worksheet* on the next page to take a closer look at the people who support your organization so that you may better understand and serve their needs. Complete one sheet for donors, one for volunteers, and another for program participants. Derive at least two distinct target market groups for each category. Define each target market's characteristics. Develop a marketing mix that is appropriate for each target market.

Marketing Planning is the process of analyzing your marketing program, setting goals for each target market, and developing an action plan to meet those goals. Use the *Marketing Planning Worksheet* to put your marketing goals in writing and construct marketing strategies.