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It's Time to Become More Marketing-Oriented

By Jim Mintz

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A number of years ago, I was asked to make a presentation to the Ottawa Chapter of the Canadian Society of Association Executives (CSAE) on the topic of marketing for not-for-profits with an emphasis on associations. My contact at CSAE felt that marketing should be a major focus of associations but was under the impression that it was rarely applied to any significant degree.

At that time, I looked at some of the key functions associations undertake, and made a connection between marketing and these functions.

Here are some of the areas where I felt that marketing is relevant to an association.

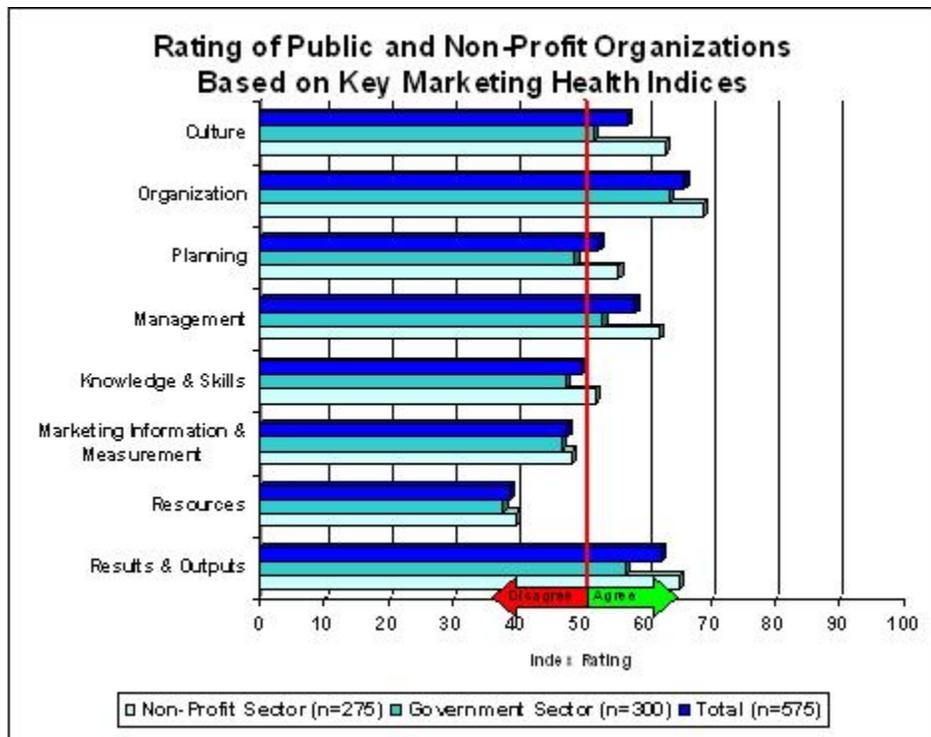
- Defining what product/program/service an association can offer to its clients as well as getting customers/clients to buy or use them (i.e. sales strategies)
- Revenue generation, including fundraising, alternative revenue strategies through sponsorships and affinity programs and commercial partnerships
- Advocating/lobbying policies to key stakeholders (e.g. government)
- Training staff to be client friendly
- Executing attitude/behaviour change campaigns e.g. social marketing/public education/outreach
- Executing integrated marketing communications campaigns: direct/database marketing, advertising, promotional activities, on-line/digital marketing, event marketing, exhibiting/trade shows, public relations publicity, education materials, print, videos etc.
- Enhancing the image and branding of an association
- Marketing campaigns to retain existing members, find new members and volunteers
- Communications programs to existing membership (newsletters, e-letters etc)

As you can see, many of the principles that were applicable close to a decade ago are still very much aligned to today's not-for-profit environment. It is also clear that associations face even greater challenges such as demands for improved service delivery under tight budgetary constraints, the number of new associations resulting in enormous competition for people's time, attention and dollars and a need to improve communications and services with clients, constituents/stakeholders, volunteers and donors.

Recognizing the growing importance of marketing in the public and non-profit sectors, the Centre of Excellence for Public Sector Marketing and Phase 5 conducted a study in May 2006 to

assess the health of the marketing function. You can get the full report at www.publicsectormarketing.ca/resources

We surveyed 600 professionals in marketing-related positions in government and non-profit organizations across Canada. What we found was that both of these sectors are more focused on tactics and implementation rather than on strategic marketing and planning; they do not employ a proactive, systematic approach to identifying high value, client-centered ideas and turn those ideas into new products, programs and services; they tend not to measure or improve results and ensure accountability of marketing expenditures; they do not support the marketing function either in terms of funding or culture; and they have difficulty attracting, training and retaining staff with marketing skills given the culture and lack of organizational support.



We also found that:

- There is a strong need to educate executives in these sectors about strategic marketing management principles. This requires recognition of the value of marketing, in terms of the potential impact on the effectiveness and efficiency of programs, services and outreach campaigns, as well as the benefit to the organization overall;
- Most not-for-profits are familiar with the promotion and communications aspects of marketing but seem to lack an understanding of product/service management, channel management and pricing;
- There is rarely a marketing function in not-for-profit organizations, although this is changing. Marketing in most of these organizations tends to be synonymous with communications and most marketing functions and activities tend to be tied to the communications function;
- For marketing to be successful in a not-for-profit environment, it is necessary to assign responsibility for a separate marketing function to a senior manager with influence in the organization's decision-making environment; and that,

- Most people performing marketing functions in not-for-profits do not have formal training in marketing. This suggests a clear need for training programs which focus on marketing for this sector (e.g. “Professional Certificate in Public Sector and Non-Profit Marketing” given by the Sproul School of Business at Carleton University).
<http://www.carleton.ca/ppd/indepth/cpsm.htm>

So what are the implications for associations? There is clearly a need to examine the process by which associations develop and manage products, programs and services. Marketing management systems and practices must be adopted from the planning level on down. Measurement systems must be put in place to track success against marketing objectives and make necessary adjustments to improve performance.

Many associations identify marketing with revenue generation and communications. While marketing can assist in these areas, it may be more valuable for other objectives of associations such as improving relationships with members, and serving clients better and more importantly being more strategic in implementing programs. Marketing can offer associations a comprehensive, integrated and innovative approach to improving levels of client satisfaction, attraction of resources (both financial and human), and improving the uptake of products and services – in short, a better way to manage associations.

CHARACTERISTICS OF CLIENT-CENTERED MARKETING

- Focus on client and not itself
- Not bureaucratic
- Rely heavily on market research
- Focus on coordinated/integrated programs
- Bias toward segmentation
- Define competition broadly
- Focus on branding and positioning
- Focus on behavior change as bottom line
- Sustainable for the long run
- Strategic rather than tactical
- “Big picture” thinking
- Commitment to planning (systematical, long term strategy and specific tactical decisions)
- Strategies involve all 4 p’s (not just promotion)
- Committed to measurement of outcomes rather than outputs

- Willingness to take “reasoned risks”
- Visionary, motivating, flexible

AN ASSOCIATION MARKETING PLAN SHOULD ANSWER THE FOLLOWING QUESTIONS:-^[1]

- What are the target market(s)?
- What are the key segments within these markets?
- What are the needs of each market segment?
- Who are the key clients and stakeholders?
- Who are the key competitors?
- Who are potential partners?
- What is the organization’s mission?
- What “business” do stakeholders/clients think the organization is in?
- How much interest or awareness do the organization’s activities generate?
- How satisfied are the current stakeholders/clients with output?
- What are the major strengths or weaknesses that could either limit or enable expansion?
- What opportunities are presented that will enable an expanded resource base?
- What benefits does the organization have that will allow a different position from others in the field?
- Are there segments “open” from competition that would allow the organization to excel?

^[1] Source: Successful Marketing Strategies for Nonprofit Organizations, Barry J. McLeish