

**HOLISTIC MARKETING PRACTICES, ORGANIZATIONAL  
CHARACTERISTICS, EXTERNAL ENVIRONMENT AND PERFORMANCE OF  
NON- GOVERMENTAL ORGANIZATIONS IN NAIROBI CITY COUNTY, KENYA**

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## DECLARATION

This Doctoral Thesis is my original work and has not been presented to any University for any award.

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## **DEDICATION**

To my wife Mary Njau, my daughter Delight Wanjiru and Life Reformation Centre Community

## **ACKNOWLEDGEMENT**

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## ABSTRACT

The aim of this study was to examine the effects of holistic marketing, organizational characteristics, and external environment on performance of non-governmental organizations in Nairobi City County, Kenya. The research problem was based on contradicting views regarding adoption of holistic marketing in not for profit organizations and the fact that many non-governmental organizations were facing financial, program sustainability and institutional problems that hampered their delivery of services. The specific objectives were to establish the effect of holistic marketing on performance of NGOs; determine the effect of organizational characteristics on performance of NGOs; evaluate the effect of external environmental factors on performance of NGOs; establish the influence of organizational characteristics on relationship between holistic marketing and performance of NGOs; determine the influence of external environmental factors on relationship between holistic marketing and performance of NGOs and to examine the joint effect of holistic marketing, organizational characteristics and external environmental factors on performance of NGOs. The study is anchored on the holistic marketing theory, relationship marketing theory, integrated marketing theory, internal marketing theory, social marketing theory and the marketing of services model. The study was guided by positivistic philosophy and adopted descriptive cross-sectional survey design. The target population of the study was 1241 NGOs located in Nairobi City County. A sample size of 153 NGOs arrived at through Cochran's formula was selected but only 122 participated representing a response rate of 79%. The study used simple regression analysis to test hypothesis where holistic marketing was found to have a significant effect on performance of NGOs with beta coefficient 0.765 p value = 0.000. Organizational characteristics had statistically significant effect on performance of NGOs with beta coefficient 0.433 p value = 0.000. Similarly external environmental factors had significant effect on performance of NGOs with beta coefficient 0.138 p value = 0.012. The study further used stepwise regression analysis and failed to reject the hypothesis that holistic marketing, organizational characteristics and external environment jointly significantly affect performance of NGOs. However the study rejected hypothesis that organizational characteristics has significant moderating effect on the relationship between holistic marketing and performance of NGOs. Similarly the study rejected the hypothesis that external environment had significant moderating effect on the relationship between holistic marketing and performance of NGOs where the interaction term had an insignificant beta value. The study concludes that holistic marketing strongly influences performance and that considering the joint effect of the variables would result in better performance of NGOs. The study recommends that managers of NGOs should embed holistic marketing in their organizations to improve performance. In addressing specific challenges on performance, the study recommends that appropriate components holistic marketing should be emphasized. Regarding the non-significant relationships, the study recommends more studies to be carried out to determine factors that moderate the relationship between holistic marketing practices and performance of NGOs.

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## **ABBREVIATIONS AND ACRONYMS**

<b>AIDS</b>	Acquired Immuno-Deficiency Syndrome
<b>BSC</b>	Balance Score Card
<b>CBOs</b>	Community Based Organizations
<b>CEO</b>	Chief Executive Officer
<b>CSR</b>	Corporate Social Responsibility
<b>HIV</b>	Human Immuno-Deficiency Virus
<b>IM</b>	Internal Marketing
<b>KSPS</b>	Kenya Social Protection Sector
<b>NCC</b>	Nairobi City County
<b>NGOs</b>	Non-Governmental Organizations
<b>NPO</b>	Non-Profit Organizations
<b>NSNR</b>	National Survey of NGOs Report 2009
<b>ORG</b>	Organization
<b>PBO</b>	Public Benefits Organizations
<b>PCA</b>	Principal Component Analysis
<b>PESTEL</b>	Political, Economic, Social, Technological, Ecological Legal
<b>SMEs</b>	Small and Medium Enterprises
<b>UN</b>	United Nations

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# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

The challenging and competitive business environment of the twenty first century calls for a new approach and philosophy in the way marketing activities are carried out. Holistic marketing practice is one of the newest philosophies and approaches in business that has emerged in response to fundamental changes in the current marketing environment (Boundless, 2014). Among the key forces, influencing organizational activities that necessitate a different approach to marketing comprise globalization, deregulation, privatization, heightened competition, industry convergence, retail transformation and disintermediation (Kotler & Armstrong, 2008). Success of any organizational strategy largely depends on the philosophy held and advocated for by management. Kotler and Armstrong (2008) further noted that marketing activities in an organization are guided by a certain philosophy or orientation.

Holistic marketing is a philosophy meant to address fundamental organizational performance challenges anchored on the premise that everything matters and contributes significantly to profitability and sustainability of any organization. The marketing environment has recently experienced dramatic changes arising from macro environmental forces that eventually have an effect on organizational competitiveness, performance and sustainability. Brien (2004) observes that organizational performance is highly impacted positively by holistic marketing, which have the ability to turn a company's fortune.

Holistic marketing draw heavily from relationship marketing theories such as commitment trust theory, interfirm relationship marketing theory. In addition, holistic marketing draws from internal marketing theories, integrated marketing communication theory and social marketing theories. From an organizational perspective, these theories demand development of strategic relationship with all stakeholders in order to efficiently and effectively achieve its goals. The theories consider the effect of resources within an organization, influence of external environment and the kind of relationship that must be developed for effective organizational performance. Holistic marketing approach has application in both for profit and not for profit organizations as an effective and efficient strategy for sustainable organizational performance in a competitive environment. An attempt to embrace this concept has been made by profit making organizations but their counterparts non-profit are lagging behind (Andreasen & Kotler, 2008; Mullatahir, 2010).

In Kenya, Non-Governmental organizations (NGOs) are non-profit making organizations that have been identified as key government partners in achieving Kenya's vision 2030 (Kenya Social Protection Sector Review , 2012). To play their role, NGOs require access to funding, human resource and other necessary resources that must be sourced from very a competitive environment. Literature has shown that NGOs in Kenya are facing many challenges such as inability to access donor funding, identity and image crisis, corruption and incompetent personnel that hamper their performance (Odembo, 2010; Brass, 2008; Kanyinga & Mittulah, 2007). These problems could be associated with poor NGOs relationships with their internal and external stakeholders and would require a holistic marketing approach to address them. However, limited studies have been done on marketing for not-for profits (Adreasen & Kotler, 2008) especially on holistic marketing in developing countries. This is what motivated the carrying out of this study in Kenya to determine the influence of holistic marketing, organizational characteristics and external environment on performance of NGOs.

### **1.1.1 Holistic Marketing Practices**

Holistic marketing implies a way of thinking and carrying out marketing activities taking into account the interest of all stakeholders and not just customers. Kotler and Armstrong (2008) define holistic marketing as marketing based on the development, design and implementation of marketing programs, processes and activities that recognize their breadth and interdependencies. On the other hand, Boundless (2014) defines holistic marketing as a system that functions as whole and its different areas cannot be fully understood solely in terms of their separate parts. Agarwal (2012) maintains that holistic marketing not only considers the fact that stakeholders have varying requirements but also caters for their individual requirements as well. This approach takes into consideration the various stakeholders of a business including the customers, employees, suppliers, shareholders, and the wider community. This study define holistic marketing as an organizational marketing strategy that considers the interest of all its stakeholders in its operations with an aim of meeting all their needs profitably.

Holistic marketing has four main approaches namely internal marketing, relationship marketing, integrated marketing and social responsibility marketing. These dimensions capture the interests of all stakeholders in an organization. It is only when the resources of the entire organization are mobilized towards a common objective that a firm can expect to survive in the current hyper-competitive marketing environment. The study considered internal marketing,

relationship marketing, integrated marketing and social responsibility marketing as the main constructs constituting holistic marketing.

### **1.1.2 Organizational Characteristics**

Organizational characteristics refers to demographic and managerial variables that comprise part of organizations internal environment (Zou & Stan, 1998). Ragowsky, Stern & Adams (2000) view organizational characteristics as conditions under which organizations operate that influence their performance. On her part Waithaka (2014) defined organizational characteristics as internal features that have the capacity to influence organizational performance either positively or negatively. De waal (2007) focused on organizational characteristics that influence performance citing organizational design, structure, processes, technology, leadership, people, and culture Lampkin and Raghavan (2008) identify size, age and type of service offered as organizational characteristics that affect performance. They further allude that these characteristics have a significant effect in attracting funds from both the government and public. On his part, Erwin (2013) views productivity, efficiency, complexity, structure, maturity and legitimacy as key organizational characteristics that influence organization productivity. This study considered size, structure and processes as key organizational characteristics that have influence on performance.

Organization size may be viewed from degree of formalization or the number operations. The size of organization has a strong bearing on the way it interacts with its immediate environment. Size often characterizes the scale of the work being conducted. Organization's size is determined by number of its employees, the largeness of its operation, and its market reach and share. Organizational structure is the framework of the relations on jobs, systems, operating process and people with a common objective (Minterzberg, 1972). Organizational structure is a set of methods dividing the task to determined duties and coordinates them. Organizational structure may be examined from the Span of control level centralization, degree of specialization and formalization among others. Organizational processes are the architecture of services, describing the method and sequence in which service operating systems work and how they link together to create the service experiences and outcomes that customers will value. The design of a service can make it effective or frustrating to employees and customers in delivery of services. Organizational size, structure and processes are interlinked and have an effect on performance. Other researchers such as Waithaka (2014) and Njeru (2013) considered these characteristics in their studies.



### **1.1.3 External Environment**

Richard, Devinney and Yip (2008) define external environment as those elements existing outside the organizations boundaries such as political, economic, social technological, natural and legal factors (PESTEL) that influence its performance. An organization's environment is defined by the elements existing inside or outside its boundaries that have the potential to affect organizational performance (Daft, 2000). Internal, specific or task environment consists of forces that management have some degree of control over; while external or macro environment consist of forces where organizational management have little or no influence.

Mohamed et al (2011) observed that a firm has no control over dynamic forces shaping new trends in the environment and that it faces uncertainty. They argue that government policies, economic conditions, competition, technology, markets, and resources were environmental factors that have an effect on organizations' performance. Pagell, Krumwiede and Sheu (2007) on their part consider environmental dynamism and hostility as key components that influence firm performance. Rogers (2009) holds the view that environmental complexity made up of unpredictability, uncontrollability and being inefficient in the short term is a strong factor influencing organizational performance. From the foregoing discussion significant environmental factors considered in this study include complexity, political-legal factors, economic conditions, market competition, social-cultural factors and technological factors.

### **1.1.4 Organizational Performance**

There are diverse views on what constitutes organizational performance. Tardive and Viassone (2010) define organizational performance as the degree to which a system realizes its objectives. On the other hand, Richard, Davinney and Yip (2008) define organizational performance as encompassing financial market and shareholders return. They further assert that organizational performance captures internal outcomes and external measures that stretch beyond economic valuation. Richard et al (2008) definition is more appropriate for this study as it more explicit and captures internal and external dimensions significance in this study.

Several models of measuring organizational performance have been developed. Balanced Scorecard (BSC) was developed in early 1992 by Kaplan and Norton and has been used in measuring performance especially in profit-oriented firms (Kaplan, 2010). The BSC is a conceptual framework for translating an organization's vision into a set of performance indicators distributed among four perspectives namely: financial, customer; internal business

processes and learning and growth. Each perspective includes strategic issues, goals, and a measurement index.

Anderson and Alamos (2005) developed a general model of measuring performance that took into account effectiveness, efficiency, quality, timeliness, productivity and safety. On the other hand, Santos and Luiz (2012) developed a six-order dimension model that took into account profitability, growth, customer satisfaction, employee satisfaction, social performance, and environmental performance as the measures of organizational performance. Considering these aspects, this study took into account measures of organizational performance as efficiency, effectiveness, growth, relevance and financial viability. Njeru (2013) and International Development Research Centre [IDRC] (2002) of Canada used similar measures in assessing organizational performance.

### **1.1.5 Non-Governmental Organizations in Nairobi City County**

Non-Governmental Organizations (NGOs) are also referred to as Civil Society Organizations (CSOs) or Public Benefit Organizations (PBOs). They are defined differently at both national and international level. Lewis (2009) states that these are self-governing, private, not for profit organizations that are geared to improving quality of life for disadvantaged people. The United Nations (2014) defines non-governmental organizations as not-for-profit groups, principally independent from government, which are organized on a local, national or international level to address issues in support of the public good. The Kenya NGOs Co-ordination Act (1990) defines a Non-Governmental Organization as a private voluntary grouping of individuals or associations not operated for profit or other commercial purposes but organized nationally or internationally for the benefit of the public at large (National Survey of NGOs Report [NSN], 2009). According to The Public Benefit Organizations Act 2013, a Public Benefit Organization (PBO) is a voluntary membership or non-membership grouping of individuals or organizations, which is autonomous, non-partisan, non-profit making and which is organized and operated locally, nationally or internationally; engages in public benefit activities and is duly registered by the authority.

In Kenya, these organizations primarily focus their efforts on economic welfare of citizens, governance issues and environmental matters. The NGOs sector is a key partner to Kenyan government in achieving vision 2030. It contributes an average of approximately KES 80 billion per year to the economy (Brass 2016). The Kenya Vision 2030 emphasizes the value of civil society as foundations for national transformation and development. The sector provide

between 45-50 per cent of all health-care services and over 50 per cent of all family planning services (NGO Coordination Board – Strategic Plan 2014-2017). This makes the sector essential for development of Kenyan economy. As of 2014 there were 1241 NGOs operating in Nairobi City County (NCC) most of which deal with children rights, health, education and governance matters among others (NGO Coordination Board, 2014). Kenya government has put in place PBOs act 2013 to govern their activities. There is also self-regulation through the umbrella of NGOs council.

Performance of NGOs in Kenya remains a major challenge due to both internal and external factors. According to the NGO coordination board strategic plan 2014-2017, poor governance practices in the public sector; lack of appreciation of the sector, understanding of the roles of NGOs, inadequate brand distinction, lack of sustainability; dwindling funding from traditional donors, corruption in the country; and reduced government funding as some of key challenges facing NGOs in Kenya.

## **1.2 The Research Problem**

Holistic marketing is a modern marketing approach that addresses organizational philosophies, issues and activities as a whole by considering all aspects of marketing and the interest of all stakeholders. Under this philosophy, all organizational activities in all departments are market oriented thereby addressing most of marketing challenges facing an organization. While profit making organizations apply marketing philosophies to address marketing challenges and improve performance, not-for-profit organizations such as NGOs are yet to embrace core marketing concepts and especially holistic marketing (Andreasen & Kotler, 2008). Application of marketing principles in not-for-profit organization has foundation on Three Dichotomies Model (Hunt, 1976). The model categorizes marketing activities along three dimensions namely: profit sector/not-for-profit sector, micro/macro and positive/normative dichotomies. The model provides a useful framework for assessing the usefulness of marketing philosophies for not-for-profit organizations.

The extent to which NGOs and other nonprofit organizations apply marketing concepts and in particular, holistic marketing philosophy is debatable. Eikenberry and Kluver (2004) dispute application of marketing in not-for-profit organizations claiming that “marketization” of the sector is not healthy for the civil society. They argue that this would lead to potential deterioration of the distinctive contributions that not-for-profit organizations make in creating and maintaining a strong civil society. Cooley and Ron (2002) argue that in particular the

“marketization” of official NGO funding tends to work against NGO efficiency, in contrast to the efficiency enhancing effects expected by the proponents of marketization. Sanders (2010) on his part argue that it is difficult for not-for-profit organizations to pursue financial imperatives of the market without compromising their social mission. Bhati and Eikenberry (2016) observed that NGOs faced the challenge of developing advertisements for fundraising campaigns for children in India as they felt that their dignity was comprised by being displayed as hungry, unhappy and naked. They wanted to be displayed as jovial and clean which could not catch the attention of donors.

On the other hand, Rosenbaum (1984) and Galaskiewicz and Bielefeld (1998) strongly support application of effective marketing strategies by not-for-profit organizations in order to compete for donor funding that is in short supply and to build good reputation in the market place. Further, Light (2000) as well as Jed and Fey (1996) assert that NGOs must embrace sound marketing management strategies in order to attract donor-funding necessary for survival. The fact that there are opposing views on the role of marketing in not-for-profit organizations and more so in NGOs calls for a rigorous study in this area.

According to The Public Benefit Organizations Act 2013 of Kenya, NGOs play an important role in serving the public good; are viewed as key strategic government partners in improvement of social wellbeing; and are expected to play a major role in achievement of Kenya’s development blueprint (Kenya Vision, 2030). However, NSN (2009) report shows that performance of NGOs in Kenya is hampered by institutional, financial and program sustainability problems making it difficult for them to deliver on their mandate. The survey further indicated that 41% of NGOs cited financial challenge as their biggest hindrance to performance followed by the level of community participation (21%) and technical capacity (13%). It is also notable that tremendous growth in the number of NGOs from 836 in 1997 to over 7080 in 2014 has resulted in stiff competition for dwindling funds from donors and government (NGOs Council, 2014). According to Mbote (2002), global economic recession and political transformation has also resulted in intensive competition over scarce resources available to NGOs in Kenya. On his part Odembo (2010) argues that NGOs in Kenya are facing identity, credibility and image crises and that most of them could not attract donor funding which was their main source of revenue. These challenges point to a need for study to address them effectively.

Several studies done on holistic marketing in the international scene reveal that inclusion of all stakeholders in organizational plans and activities improve performance. For instance, Carlson

et al (2004) carried out an empirical study on holistic marketing and tourist sites in both USA and Ireland and concluded that there was positive impact of holistic marketing in attracting tourist. Their model captured only economic, social and environmental perspectives but failed to incorporate both integrated and internal marketing dimensions. Sarbabidya (2014) carried out a study on Sustainable development of mobile phone telecommunication industry in Bangladesh using holistic marketing approach and observed that its adoption would lead to sustainability. However, his study used a judgmental sampling technique, which is non-probabilistic, and therefore the finding may not be generalized. Mullatahir (2010) carried out a study that included 71 NGOs operating in Kosovo and found out that NGOs management were not aware of holistic marketing. Tushi (2014) conducted a study on holistic service marketing strategies and corporate objectives of firms with technology as the moderating factor in Nigeria. This study concluded that only holistic service marketing strategies could guarantee sustainable customers' satisfaction and in turn realize corporate objectives.

In Kenya, few studies have been done on some components of holistic marketing. Kanyinga and Mittulah (2007) carried out an empirical study on status of not-for-profit sector and acknowledged that there are very limited systematic studies carried out in Kenya on this sector. Wangombe (2012) carried out an empirical study to examine application of relationship marketing in nonprofit organizations in Kenya and found out that there was no evidence to support its practice. These studies indicated a need for more rigorous study on all dimensions of holistic marketing in Kenya. Most of these studies have been carried out in developed countries and in profit making organizations and as such, there exists a knowledge gap in respect to the context of study, and nature and extent of variables studied. It is also evident that some of the studies used methodologies that do not permit generalizations of their findings. There was therefore need to carry out empirical studies on holistic marketing among NGOs in developing countries and apply scientific methods that allow for generalizations of the findings. Empirical studies both internationally and locally supports the view that external environment and organizational characteristics have moderating effect on organizational performance. For instance, Kenneth, et al (2012) reveal that environmental monitoring of both suppliers and customers has positive impact on understanding environment trends, which, in turn, directly influences organizational performance. Njuguna (2013) carried out an empirical study in Kenya on strategic marketing and performance of Community Based Organizations (CBOs) and identified organizational characteristics such as age, size, structure and type of service or product offered to have strong influence on performance of nonprofit organizations.

In view of the foregoing discussion, several knowledge gaps were identified. First, the opposing views on application of marketing concepts in NGOs and other not-for-profit organizations needed to be addressed. Second, there was need to determine the extent to which holistic marketing could be applied in addressing myriad challenges facing NGOs in Kenya. Third, there was a need for a study that incorporates all dimensions of holistic marketing in the context of a developing country to determine its effect on performance especially of NGOs. Finally, there was no empirical evidence to support relationship between holistic marketing and performance of NGOs while taking into account the influence of organizational characteristic and environmental factors. This study was guided by the research question: What is the effect of holistic marketing, organizational characteristics and external environment on performance of NGOs?

### **1.3 Research Objectives**

The general objective of this study was to establish the effect of holistic marketing, organizational characteristics and external environment on performance of Non-Governmental organizations (NGOs) in Nairobi City County.

The specific objectives were to:

- i) Establish the effect of holistic marketing on performance of NGOs in Nairobi City County.
- ii) Determine the effect of organizational characteristics on performance of NGOs in Nairobi City County.
- iii) Assess the effect of external environment on performance of NGOs in Nairobi City County
- iv) Establish the influence of organizational characteristics on relationship between holistic marketing and performance of NGOs in Nairobi City County.
- v) Determine the influence of external environment on relationship between holistic marketing and performance of NGOs in Nairobi City County.
- vi) Examine the joint effect of holistic marketing, organizational characteristics and external environment on performance of NGOs in Nairobi City County.

### **1.4 Value of the Study**

This study has made significant contribution to theory and practice of holistic marketing. On theory part, first, the study has provided a framework that interlinks holistic marketing and performance of NGOs. Secondly, the study has shown that by combining the effect of

organizational characteristics and external environment with holistic marketing, there is significant improvement on performance of NGOs. This further forms a good basis upon which knowledge is expanded. Existing literature had pointed to the need for more studies on application of marketing in nonprofit organizations especially for theory development and this work has contributed in narrowing the gap.

The study would add value to policy makers in regulation of NGOs in Kenya and other developing nations where works of NGOs greatly complements government efforts in delivering services. Creating a harmonious working relationship between government agencies and NGOs call for clear understanding of the roles and responsibility of each. This work provides basis for developing sound philosophy, which would enhance working relationship between these institutions.

For those working in third sector such as managers and leaders of NGOs especially in developing countries, this work provides useful insights in making decisions regarding programs and operations of their Organizations. NGOs face myriad of challenges such as stiff competition, financial sustainability, and dwindling resources in their operations. This study has provide guidelines based on empirical evidence on ways to address these challenges and therefore improve their overall performance.

### **1.5 Organization of the Thesis**

The thesis report is divided into five main chapters. Chapter one constitute the background of the study where key variables of the study that include holistic marketing, organizational characteristics, external environment performance and Non-Governmental Organizations are defined. The chapter has further discussed the research problem, objectives of the study and value of the study.

Chapter two comprises theoretical foundation of the study where theories such as commitment trust theory, social marketing theory and internal marketing theory. Further, the chapter has detailed empirical review on relationship between holistic marketing and performance of NGOs. The chapter concludes by identification of knowledge gaps, conceptual model and hypothesis of the study.

Chapter three contains methodology that was followed in carrying out the study. Positivistic philosophy was identified as the most appropriate for guiding the study. Descriptive Cross sectional survey and stratified sampling technique was adopted. The chapter also discusses

methods used to test validity and reliability test as well as operationalization of the study variables.

Chapter four constitutes the findings of the study. The chapter begins by looking at response rate followed by descriptive statistics of participating NGOs. The chapter also contains results of testing of various hypothesis developed in the study. The chapter concludes by a discussion and interpretations of the findings of the study.

Chapter five is the summary and conclusion of the study. The chapter contains summarized discussion on the major findings and managerial implications for the study. The chapter also has the conclusions and recommendations made to improve performance. Finally the chapter examines areas for further research.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter contains theoretical framework and empirical review on holistic marketing practices, organizational characteristics as well as external environment and performance of Non-governmental organizations. The chapter further discusses research gaps, conceptual framework as well as conceptual hypothesis.

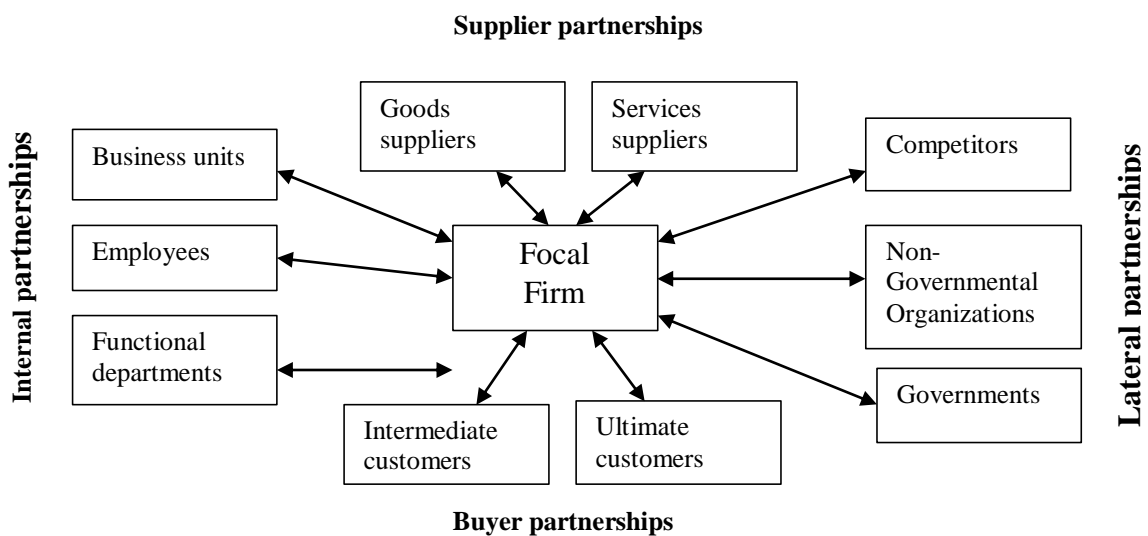
#### 2.2 Theoretical Foundations of the Study

This study is anchored on holistic marketing theory, which comprises relationship marketing theory, internal marketing theory, integrated marketing communication theory and social marketing theory. The theories provide a theoretical foundation upon which holistic marketing practices in relation to organizational performance was examined.

##### 2.2.1 Relationship Marketing Theory

At the centre of holistic marketing practices is the belief of building enduring relationships with key stakeholders. “Relationship marketing refers to all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges” (Morgan & Hunt, 1994). The theory of relationship marketing as envisioned by Morgan & Hunt (1994) considers ten types of relationship which are further classified into supplier partnerships, internal partnerships, buyer partnerships and lateral partnerships (figure 2.1).

**Figure 2.1 Forms of Relationships**



*Source: Morgan & Hunt, 1994*

The theory further considers eight factors that influence relationship namely: relational factors, resource factors, competence factors, internal marketing factors, information technology factors, market offering factors, historical factors and public policy factors. The theory as described by Hunt, Arnett and Madhavaram (2006) considers trust, commitment, cooperation, keeping promises, shared values and communication as pillars of successful relationship.

Berry and Parasuraman (1991) argue that relationships are built on foundation of mutual commitment. They further posit that relationship commitment and trust develop when firms attend to build relationships by providing resources, opportunities, and benefits that are superior to the offerings of alternative partners. Hamilton and Sherman (1996) assert that the biggest stumbling block to the success of alliances is lack of trust.

The theory of relationship marketing forms a strong foundation for the study as it captures relationship, integrated internal and corporate social responsibility marketing dimension of holistic marketing. It is envisaged that NGOs that would build relationship with the stakeholders would increase their competitiveness, offer products and services that are more relevant to their target market and improve their market place position and, in turn, their performance. These relationships were tested empirically in this study.

### **2.2.2 Internal Marketing Theory**

The concept of internal marketing was first developed by Berry (1981) when he highlighted the importance of treating retail-banking employees as internal customers. Ballantyne (2003) defines Internal marketing as a relationship development strategy for the purpose of knowledge renewal. He further clarifies that knowledge renewal is the purpose of internal marketing and that it gains legitimacy through external market relevance. On their part, Spiros, Aikaterini and Chatzipanagiotou (2010) argue that the principles of applying marketing internally mirror those of applying marketing externally and that application of marketing internally helps employees (front-desk and back-office alike) to meet their needs. They further argue that the scope of internal marketing is externally oriented because it complements the company's overall marketing strategy regarding what customers to target and what service promises to make, given the company's employees' skills and willingness to serve the customer.

At the centre of this study is consideration that relationships within an organization will have a strong bearing on external interaction with all stakeholders. According to Ogunnaike (2012) internal marketing theory holds the view that satisfied internal customers when motivated will consequently offer quality services to external customers leading to customer satisfaction.

Internal marketing activities must support and be aligned with external marketing efforts to ensure the latter is a success. The theory of internal marketing considers aspects of hiring, training and motivating employees; coordination of all marketing functions from the customer's point of view and the need for vertical alignment with senior management coupled with horizontal alignment within departments for effective organizational performance. This implies that if NGOs carried out effective recruitment, training and motivated their employees, coupled with well-coordinated activities would result in better performance. It also implies that if NGOs staff are satisfied, the same would be transferred to external customers through interactive marketing. This theory therefore capture strongly this aspect of holistic marketing which is particularly significant in this study.

### **2.2.3 Integrated Marketing Communication Theory**

Integrated marketing communication refers to “the interactive and systemic process of cross-functional planning and optimization of messages to stakeholders with the aim of communicating with coherence and transparency to achieve synergies and encourage profitable relationships in the short, medium and long-term” (Porcu et al.2012). Smith et al. (1999) hold the view that integrated marketing communication involves the strategic analysis, choice, implementation and control of all elements of marketing communications which efficiently (best use of resources), economically (minimum costs) and effectively (maximum results) influence transactions between an organization and its existing and potential customers, consumers and clients. The theory of integrated marketing communication considers seven (7) types of integrations namely: vertical objectives integration, horizontal/functional integration, marketing mix integration, communications mix integration, creative design integration, internal/external integration and financial integration Smith et al (2002). The theory hold that when all elements of marketing communication are integrated the results is building of sustainable long term relationship, realization of synergy as well as affecting of behavior.

This theory is critical in the study as it incorporates integrated marketing aspect of holistic marketing. NGOs that integrate their marketing communication aspect are likely to achieve financial viability and improved general performance. The aim of marketing in NGOs is more often than not to change the behavior of target population. Consistency on marketing mix decisions on product, price and place with the promotion decisions is crucial for success. This theory therefore provides basis for testing effect of holistic marketing on NGOs performance. All elements of this theory were tested empirically in the study.

#### **2.2.4 Social Responsibility Marketing Theory**

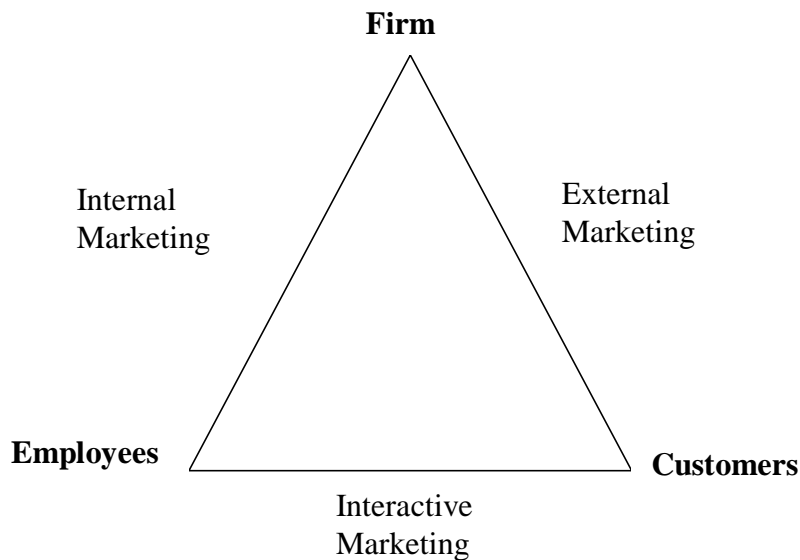
Kotler and Zaltman (1971) pioneered this theory and defined social marketing as the design, implementation, and control of programs seeking to increase the acceptability of a social idea or practice in a target group. Social marketing is the adaptation of commercial marketing technologies to programs designed to influence the voluntary behavior of target audiences to improve their personal welfare and that of the society in which they are a part of (Andreasen 1994). Social marketing seeks to influence social behaviors to benefit target audiences and the wider societies of which those audiences are a part. According to Lefebvre (2013), social marketing involves utilizing the marketing framework to help deal with many of lives most challenging, perplexing and difficult social problems including health and environmental issues in varying cultures, economies and countries around the world. On one hand, this is particularly important to this study as it seeks to find out the extent to which holistic marketing is applied in NGOs and how this would affect their performance.

Social marketing theory combines both upstream and downstream social marketing. Downstream Social marketing concerns changing the knowledge, attitudes and ultimately the behavior of individuals and groups (Andreasen, 2003). Upstream dimension is concerned with influencing the behaviors of those who shape the structural and environmental conditions within society, including politicians, policy makers, civil servants, decision makers, regulators, managers, educators, those who fund programs and the media. Ideally, this requires recognition that these groups are target audiences, with influences, motivations, needs and wants, barriers and incentives, and specific behavioral goals, just like downstream audiences. By using social marketing approaches, behavior change among power brokers can be encouraged so that social structures and conditions can be influenced (Wymer, 2010). This aspect of social marketing is particularly important in this study as the study seeks to establish the influence of policy makers, financiers and other interested parties on performance of NGOs. Social marketing theory is particularly important as it seeks to address social challenges and NGOs are at fore front in addressing them. Its application therefore in this study lays the foundation of marketization of NGOs and points to the need to test the relationship between holistic marketing and NGOs performance.

### 2.2.5 The Service Marketing Triangle Model

This model was developed by Gronroos in (1996) and advocates for three phases of interaction in the delivery of services as presented in figure 2.2

**Figure 2.2 Service Marketing Triangle**



*Source: Gronroos Christian 1996*

The Gronoos model suggests that there are three types of marketing that must be successfully carried out for a service organization to succeed and that all of them revolve around making and keeping promises to customer. External marketing involves anything that communicates to the clients before service delivery such as advertising, sales promotion, public relations, and the firm physical facilities. All these make or imply promises to customers about the quality of service. Internal marketing involves enabling employees to keep the promises that have been made to customers and comprises activities the company must carry out to train, motivate and rewards its employees. Interactive marketing happens when the actual delivery of services takes place where company employees interact directly with the customers. This forms a moment of truth where the employee skills, motivation and knowledge are put under test in delivering of the service. Unless service employees are able and willing to deliver on the promises made, the firm will not be successful in keeping its promises and service marketing triangle will collapse. All the three sides are critical to successful services marketing and management. Without one of the side in place the triangle or the marketing effort cannot be supported.

This model is significant to this study in three main ways. First the model is about marketing of services. NGOs which are target population of this study are largely involved in delivering of services to their clients. The model therefore captures the core offering of NGOs. Second the model capture core dimensions of holistic marketing practices. Internal marketing is well captured in the interaction between the firm and its employees while relationship marketing CSR marketing and integrated marketing are captured in both external and interactive marketing dimensions. Third the model shows that one dimension of marketing is not sufficient to bring success. The various forms of marketing must be integrated to bring about success. Holistic marketing advocates for a balance approach where the marketer emphasize the four dimensions of holistic marketing. This models therefore forms a strong foundation upon which this study is premised.

### **2.3 Holistic Marketing Practices and Organizational Performance**

There is limited literature on holistic marketing practices and what has been done mainly focuses on business organizations. Tadic, Juric, and Suput (2011) carried out a study on interaction and synergy of marketing management and quality management on 136 Croatian ISO 2009 certified companies. They observed that high levels of synergy exist when the two processes are integrated in organizational operations. They emphasized the need to develop an alternative marketing paradigm that is able to explain the permanent nature of relationships among all the participants. They however, ignored the role of employees in bringing about holism and only focused on customers. Sarbabidya (2014) carried a study on Sustainable development of mobile phone telecommunication industry in Bangladesh using holistic marketing approach and observed that its adoption would lead to sustainability. This study had a sample size of 454 customers and 123 employees totaling to 577 selected through judgmental sampling technique. This form of sampling is non-probability sampling technique that does not support hypothesis testing for generalization. There is therefore need for a rigorous scientific study to ascertain effect of holistic marketing practices on organizational performance.

Patwardhan (2014) developed a partial theory of holistic firm-level marketing capability (HFMC) by considering secondary data for manufacturing and services firms listed in the four-digit Standard Industrial Classification in Texas. The study concluded that organizational learning affects the HFMC under different strategic orientations, which in turn influences organizational performance. This study used the core components of holistic marketing as the

independent variable but used only financial performance as the measure of organizational performance. A study by Zugic (2016) showed that banks in Montenegro had not clearly recognized the specific features of marketing in banking or accepted a holistic marketing concept. On their part Rodríguez et al (2016) observed that online disclosure of performance and financial management information contributes to a greater efficiency of NGOs thereby attracting attention of key stakeholders including donors.

Few studies on application of holistic marketing practices in NGOs have been identified. For instance, Gordon and Kindness (2001) on the role of NGOs and CBOs on agricultural marketing in sub-Saharan Africa revealed that their marketing constraints could not be tackled individually and that isolated marketing interventions were unlikely to succeed. They concluded holistic marketing approach was needed for marketing and enterprise development. Mullatahir (2010) carried out a study that included 71 NGOs operating in Kosovo and found out that NGOs management was not aware of holistic marketing practices. They attributed this to the fact that the country was emerging from communist regime that had not created conducive environment for organizational competitiveness. These NGOs were heavily dependent on donor funding. They lacked marketing strategies that would enable them to continually attract funds so that most of them fail in their operations and consequently close down.

In Kenya, several studies on selected components of holistic marketing have been carried out. For instance, Wangombe (2012) carried out a study on relationship marketing at Jomo Kenyatta foundation using a sample of 36 members of staff and concluded that the practice was unknown. Wachira (2012) collected data from marketing, sales, strategy and customer service departments of Kenya Commercial Bank and found out that the bank practiced aspects of relationship marketing by establishing feedback mechanisms. Jerono (2008) carried out study on application of relationship marketing in Kenyan financial institutions. Taking a sample of 34 commercial banks in Kenya, she found out that, banks had embraced relationship marketing and that there was positive linear relationship between customer relationship management practices and organizational competitiveness. Muthuri and Gilbert (2011) carried out studies on corporate social responsibility marketing in Kenya whereby they took a random sample of 70 companies operating in Kenya and concluded that economic responsibilities was the foremost responsibility of business, followed by philanthropic responsibilities, ethical responsibilities and finally legal responsibilities. A study by Irandu and Shah (2016) observed that there was need for collaboration among stakeholders such as local communities, NGOs,

Kenya's government and development partners to promote cultural heritage tourism products and the conservation of national cultural and historic resources. Ponu and Okoth (2009) carried out a study on 87% of companies listed in Nairobi stock Exchange and concluded that CSR disclosures in Kenya represent attempts by companies to improve their corporate image. From the foregoing, it is evident that the influence of holistic marketing practices on performance especially in NGOs is yet to be addressed (Tadic et al, 2011; Mullatahir, 2010 and Wangombe, 2012). It is also evident that the studies carried out in Kenya made conclusions based on descriptive statistics. There was therefore need to test hypothesis to be able to generate conclusion that apply to the population hence the study.

#### **2.4 Organizational Characteristics and Organizational Performance**

Organizational characteristics are often associated with organizational performance. For instance Dart et al. (1996) suggested that the age of the organization is an important characteristic in voluntary organizations having a considerable effect on performance. In a study of nonprofit social service organizations, Crittenden (2000) on a study of 600 NGOs in USA concluded that financially successful nonprofit organizations were characterized by focused offerings, financial acumen, a marketing orientation, and diversification. Erwin (2013) on a study of 401 US non-profits identified productivity, efficiency, complexity, structure, maturity and legitimacy as key organizational characteristics that affect performance. They found that maturity, productivity, efficiency and complexity in operations led high performers while young less complex and high cost fundraising ratio led to poor performance. Mosley, Maronick & Katz (2012) using secondary data examined the effect of organizational characteristics such as size, age, strategic planning, use of performance measurement tools, and professionalization of leadership on financial uncertainty and performance non-profits. Their findings reveal size and strategic plan as having positive effect while professional leadership and use of performance measurement tools as being irrelevant. Contrary, Wolch and Rocha (1993) reported a positive relationship between complexity of process and organizational characteristics such as degree of staff professionalism, staff size and budget. Webster and Wylie (1988) identified budget as a moderating factor on organization performance that large organizations adopt budgeting compared to small organizations, and Stone (1989) supported their findings.

Njuguna (2013) examine effect of strategic social marketing, operating environment and performance of community based HIV and AIDS organizations in Nairobi County, Kenya. The study involved 163 community based organizations and concluded that indeed internal



environment (organizational characteristics influence organizational performance. Njeru (2013) on a study that involved 104 tour firms on marketing orientation and organizational performance concluded that firm characteristics do not influence firm performance. Waithaka (2014) on a study on corporate identity management and brand performance that involved 53 Kenyan universities also concluded that organizational characteristic influence organizational performance. The trend on effect of organizational characteristics on organizational performance is not consistent. Dart et al. (1996), Crittenden (2000), Njuguna (2013) and Waithaka (2014) support the view that organizational characteristics influence organizational performance. However Njeru (2013) and Mosley, Maronick & Katz (2012) concluded that they do not always have influence on organizational performance hence this study.

## **2.5 External environment and Organizational Performance**

External environment have significant effect on performance of organizations. External environment factors refers to major forces outside the organization that have the potential to significantly affect an organizational activities (Baker 2007). A study by Mir and Rahman (2011) concluded that social and political process affecting organizations often lead to improvement on both their financial and environmental performance. This study was based on review of literature. Similarly a study by Wu et al (2014) concluded that if supply chain strategy is well aligned with external environmental leads to higher performance. Research by Yi-Chun (2015) on a research that involved 284 Taiwanese computer, communication, and consumer (3C) electronics retail industry concluded that indeed government agencies, suppliers, and customers as part of organizational external environment strongly influence organizational performance positively.

Adebanjo (2016) in a study that involved 159 companies from China, Malaysia and India concluded that external pressure from regulators customers, investors non-governmental social pressure and ethical conduct demand can influence adoption of sustainable practices but this does not necessarily lead to an improvement in manufacturing performance. Ahmad and Tajudin (2013) on a study on environmental scanning and performance of local authorities concluded that the scope of general environmental scanning is a prerequisite to the successful alignment of competitive strategies as a result of changing the needs and demands of the larger society, and the diverse nature of businesses. Kaja and Tomaz (2015) in a study that involved 27 Australian firm that polluted the environment emphasized that environmental proactivity is not always associated with high organizational performance.

Studies done locally indicate that environmental factors have a strong positive bearing on organizational performance. Njeru (2013) on a study on 104 tour firms in Kenya concluded that external environment had a positive impact on an organizations performance. Njuguna (2013) in a study that involved 183 community based organizations also concluded that external environment had a positive linear relationship with organizational performance. This review shows that there is no agreement on effect of external environment and performance of organizations. Wu et al (2014), Yi-Chun (2015), Njeru (2013) and Njuguna (2013) support the proposition that external environment indeed influence organizational performance while Adebajo (2016) and Kaja and Tomaz (2015) concluded that alignment with environmental factors does not necessary lead to an improved organizational performance. These contradicting findings imply that more work needs to be done in this area and therefore this study added a voice to these findings.

## **2.6 Holistic Marketing Practices, Organizational Characteristics and Organizational Performance**

Organizational characteristics refer to conditions within the organization that influence its performance. In a study of nonprofit social service organizations, Crittenden (2000) found out that financially successful nonprofit organizations were characterized by focused offerings, financial acumen, a marketing orientation, and diversification. In another study on classifying and comparing fundraising performance for nonprofit hospitals, Erwin (2013) identifies structure, maturity and legitimacy as key organizational characteristics that affect performance. Mosley, Maronick and Katz (2012) in a study on how organizational characteristics affect the adaptive tactics used by human service nonprofit managers examined size, age, strategic planning, use of performance measurement tools, and professionalization of leadership on financial uncertainty and performance of non-profits. They observed that size and strategic planning have positive effect while professional leadership and use of performance measurement tools were irrelevant.

Literature on organizational characteristics supports its moderating effects on performance of organizations. Ragowsky, Stern and Adams (2000) found that the relationship between use of individual information systems applications and the benefit derived by the organization were moderated by an organization's operating characteristics. The characteristics included lead-time for purchase order and lead-time to customer service. Lampkin and Raghavan (2008) on a study on organizational characteristics and financial performance of faith based organizations identify age, size and type of service offered as the characteristics with significant moderating

effect in attracting funds from both the government and public. Age had positive effect while size had negative effect. Webster and Wylie (1988) identified budget as a moderating factor on organization performance and that large organizations adopt budgeting more compared to small organizations.

Selected studies in Kenya show that organizational characteristics do not always act as a moderating factor on relationships. For instance Waithaka (2014) concluded that organizational characteristics moderates the relationship between corporate identity management practices and brand performance. Kinoti (2012) also supported moderating effect of organizational characteristics on relationship between corporate image and performance of ISO certified firms. However Njuguna (2013) found no significant moderating effect of organizational characteristics and community based organizations performance. The inconsistencies in the reviewed studies call for more rigorous studies to determine the moderating effect of organizational characteristics on organizational performance.

## **2.7 Holistic Marketing Practices, External environment and Organizational Performance**

An environment can be either favorable or unfavorable to organization's activities and so organization must be flexible to changes in the external environment to ensure its survival. A study by Doris and Irena (2013) identify key external environmental factor that affected performance of start-up business in Slovenia. They comprise financial support, government policy and programs, education and training, business and professional infrastructure, openness and competitiveness in the domestic market, access to physical infrastructure, cultural and social norms. Primc and Cater (2015) from their study on 27 Australian firms reveal that environmental proactivity made up of uncertainty, complexity and munificence is not always associated with high firm performance.

A number of studies have been carried out in relation to the moderating effect of external environment on organization performance. Matthew, Evans and Charles (2004) carried out a study on linking self-assessment to the external environment. The study revealed that effective environmental scanning acts as a link between strategy formulation and implementation. This indicates that external environment has moderating effect on relationship between organization strategy and performance. Cindy and Germain (2001) on a study relating applied process knowledge and market performance found strong evidence to support that environmental uncertainty and dynamism had significant moderating effect.

Lumpkin and Dess, (1996) in a study on clarifying the entrepreneurial orientation construct and linking it to performance had earlier found out that environmental factors moderated the relationship between these two variables. Adomako and Danso (2014) on a study on 372 entrepreneurial firms in Nigeria, a Sub-Saharan African country indicated that regulatory environment is negatively related to firm performance. However, political ties and environmental dynamism moderates this relationship to being significantly positive. The reviewed studies maintain that external environment have moderating effect on organizational performance.

Tushi (2014) conducted a study on holistic service marketing strategies and corporate objectives of firms with technology as the moderating factor. The study used cluster analysis and data was collected from 400 businesses in Lagos, Abuja and Port Harcourt in Nigeria. The authors concluded that only holistic service marketing strategies could guarantee sustainable customers' satisfaction and in turn realize corporate objectives. This study, applied only one moderating variable (technology) which resulted in positive relationship. Technology is only a small aspect of external environment and there would be need to incorporate other possible moderating environmental factors such as political legal, social cultural and economic factors. A study by Njeru (2013) on market orientation and performance of tour firms revealed that external environment were moderators of the relationship. From the foregoing it is evident that research by Njeru (2013), Tushi (2014) and Adomako and Danso (2014) support the proposition that external environment indeed do have moderating effect on organizational performance while Primc and Cater (2015) and Njuguna (2013) did not find any significant moderating effect of external environment on firm performance. The fact that there are inconsistencies on moderating effect of external environment on organizational performance calls for more rigorous study.

## **2.8 Holistic Marketing Practices, Organizational Characteristics, External environment and Organizational Performance**

Review of literature shows that no single study had been done on joint effect of holistic marketing organizational characteristics and performance. Most of the studies have focused on the moderating effect of some aspect of these variables. For instance, Nandakumar, Ghobadian and O'Regan (2010) on a study on manufacturing firms in the UK found out that environmental dynamism and hostility act as moderators in the relationship between business-level strategy and relative competitive performance. Organizational structure also has moderating effect only in relationship with cost-leadership. A study by Jose et al (2014) on 56 Spanish companies

from different sectors showed that environmental changes and cooperation moderate positively the relationship between functional flexibility and financial performance as well as between external high skilled expertise and performance.

A study by Gaur and Hari (2011) on market orientation and manufacturing performance of Indian SMEs revealed that firm resources and competitive intensity moderate the relationship between some sub-dimensions of market orientation and firm performance. Sigmund, Semrau and Wegner (2015) conducted a study on networking ability and the financial performance of 283 new ventures in Germany and Brazil. They concluded that though the two countries significantly differ in terms of their institutional frameworks, venture size, institutional environment and their interaction have moderating effect on the relationships. These studies support the view of this study that certain aspects of organizational characteristics and external environment have joint moderating effect on organizational performance. These findings further indicate that no single study was identified that had taken into account joint effect of holistic marketing practices, organizational characteristics, external environment on organizational performance whether for profit or not for profit. This study was to fill this gap and show whether the combined effect of the variables would indeed improve NGOs performance.

## **2.9 Summary of Knowledge Gaps**

From the reviewed literature, it is evident that although research on marketing for non-profits exists, there has been little focus on holistic marketing practices and its effect on performance of NGOs. The reviewed literature further demonstrates that most of the existing research on holistic marketing practices has been done under business contexts likely to be different from that existing in Kenya or East Africa. Limited studies have been carried on application of holistic marketing practices in non-commercial sector and therefore the need for this study. Empirical studies on different component of holistic marketing practices and performance indicate a positive relationship but a study on joint effect of all these components is required. While reviewed literature show a moderating effect of organizational characteristics and external environment on performance of business organizations, this has not been tested empirically in NGOs in this region. A summary of knowledge gaps to be filled by this study is on Table 2.1

**Table 2.1: Summary of Knowledge Gaps**

<b>Study</b>	<b>Focus of study</b>	<b>Findings</b>	<b>Knowledge gaps</b>	<b>Nature of the research gap</b>	<b>Focus of current study</b>
Dalibor , Nenad & Radivoj, (2015)	Holistic marketing in the function of competitiveness of the apple producers in Bosnia and Herzegovina	Holistic marketing has a potential to improve competitiveness on the domestic market and to create conditions for stable development of the apple production in Bosnia and Herzegovina	The study was done on commercial products and included ten participants selected on convenience basis and therefore findings cannot be generalized	Contextual and methodological	Applied stratified sampling technique and took a larger sample of NGOs
Sarbabidya, (2014)	Sustainable development of mobile phone telecommunication industry in Bangladesh: A holistic marketing approach	Empirical study that concluded that Holistic marketing practices ensures sustainable development of telecommunication industry	Used judgmental sampling to draw study sample and therefore findings cannot be generalized	Methodological and contextual	Applied probability sampling technique (stratified) and therefore findings can be generalized in NGO sector
Tushi, (2014)	Holistic service marketing strategies and corporate objectives of firms with technology as the moderating factor in Nigeria	Empirical study that concluded only holistic service marketing strategies could guarantee sustainable customers' satisfaction and in turn realize corporate objectives	Integrated technology as the only environmental factor with moderating effect on the relationship	Conceptual and contextual	Integrated other external environment such as political-legal factors, social factors cultural and economic conditions
Patwardhan, (2014)	Development of a partial theory of holistic firm-level marketing capability: An empirical investigation: Texas USA	Empirical study showing holistic firm-level marketing influence organizational performance	The study utilized only secondary data to support posited relationships	Methodological	The current study collected primary data for purpose of analysis to confirm or reject hypothesis.

Njuguna, (2013).	Strategic marketing, social operating environment and performance of community based HIV and Aids organizations in Nairobi county, Kenya	Empirical study that concluded that strategic social marketing has positive influence on performance of community-based HIV and AIDS organizations.	The study focused on strategic marketing in CBOs that address HIV and AIDs only	Contextual	This study examined holistic marketing practices on a cross section of NGOs that address various issues in society
Wangombe, (2012)	Focused on application of one component of holistic marketing (Relationship Marketing) on NGOs in Kenya	Empirical study that concluded relationship marketing was not embraced in nonprofit organizations	Incorporated only relationship marketing dimension of holistic marketing	Conceptual	Incorporated all dimension of holistic marketing in the study
Tadic, et al, (2011)	Determine if there was synergy in integrating holistic marketing and quality management in Croatian firms	Empirical study confirmed synergy exist when holistic marketing and quality management are combined	Study carried out in commercial organizations in developed countries	Contextual	The current study focused on nonprofit (NGOs) organizations in developing countries
Mullatahir, (2010)	Marketing management in non-governmental-organizations in Kosovo	Empirical study where holistic marketing was sparsely used by NGOs	Focused on a communist environment which is noncompetitive environment	Contextual	Examine NGOs holistic marketing approach in a competitive environment
Nicolae et al, (2009)	A holistic approach of relationship marketing in launching luxury new products case study of Oradea Romania	An empirical study that concluded that use of holistic marketing approach increases sales of luxurious products	The study used percentage (descriptive statistics) as a way of making conclusion	Contextual and methodological	The current study focused incorporated inferential statistics (multiple regression analysis) in NGOs sector
Prosenak, et al, (2008)	A requisitely holistic approach to marketing in terms of social well-being in Slovenia	Review of literature and recommends need for holistic approach in marketing	Only focused on customers and social responsibility marketing	Conceptual	All dimensions of Holistic marketing were incorporated

Kanyinga & Mittulah, (2007)	Status of nonprofit sector in Kenya	Empirical study that concluded there was very limited studies on status , and size of the sector	Examined the broad nonprofit sector and ways of raising funds	Contextual	Narrowed down to marketization of NGOs in Kenya
Carlson, et al, (2004)	Assessing use of holistic marketing in attracting tourist in preferred tourist sites in North Ireland	Empirical study that recommends holistic marketing for sustainability of tourism sites and industry	Narrow perspective of holistic marketing on only integrated marketing	Conceptual and contextual	Incorporates all dimensions of holistic marketing in the context of nonprofit organizations
Cooley & Ron, (2002)	NGOs scramble: Organizational insecurity and the political economy of transnational action: Louisiana USA	Case studies that disputed application of marketing in international NGOs	Contradicts other scholars such as Light (2000) Jed & Fey (1996) on marketization of NGOs	Conceptual	Current study examines the extent to which marketization of NGOs is done in Kenya
Gordon & Kindness (2001)	NGOs and CBOs marketing constraint in agricultural marketing: United Kingdom	Review of the past literature on the subject and recommended holistic approach in marketing	Lacked clarity on holistic marketing approach necessary for NGOs and CBOs	Conceptual and methodological	Empirical study on all dimensions of holistic marketing

Source: Researcher, 2016



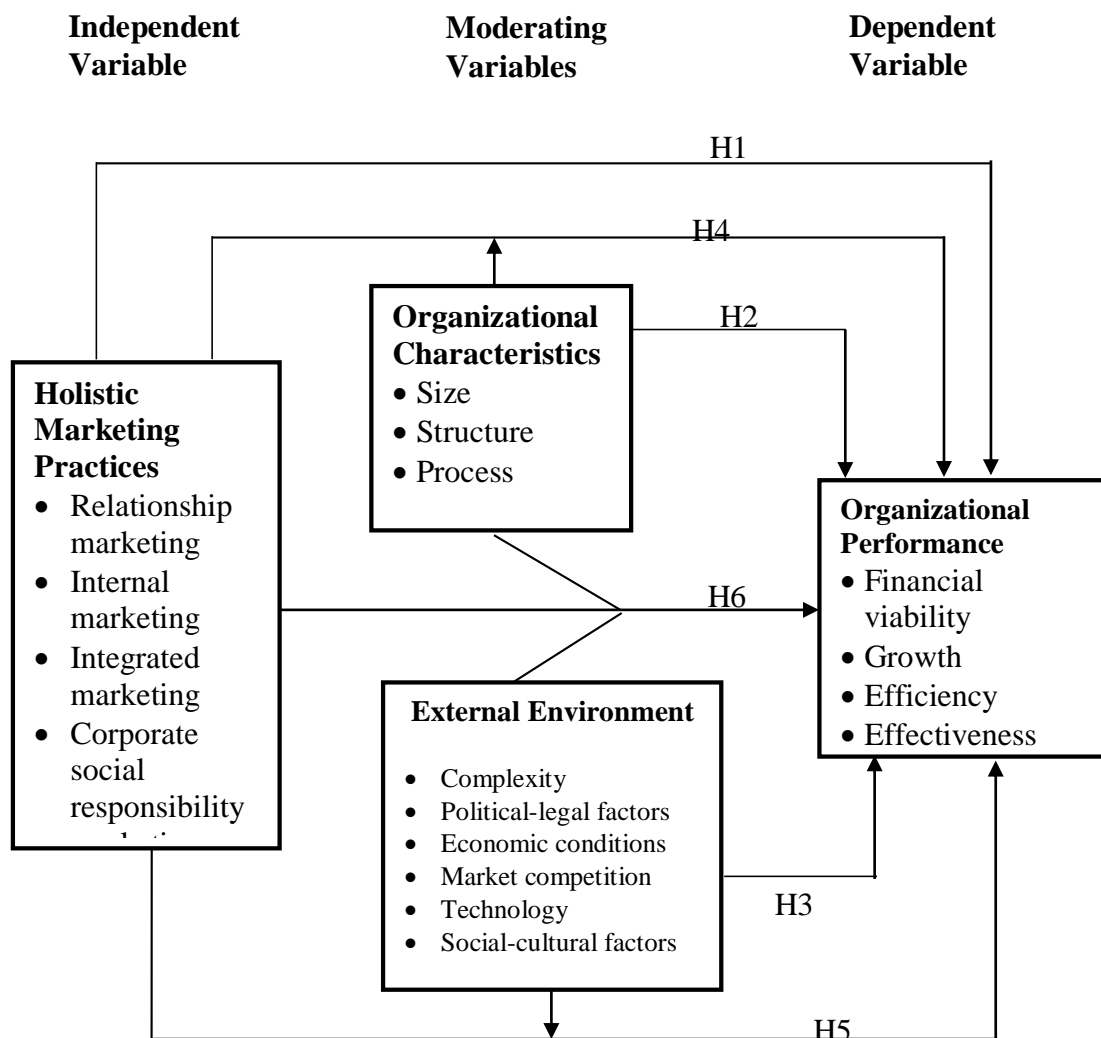
## 2.10 Conceptual Framework and Hypotheses

The literature reviewed provided foundation for developing conceptual model and hypotheses for this study. The model developed took into account the contextual, conceptual and methodological gaps identified. Four core hypothesis were developed and tested using regression analysis techniques.

### 2.10.1 Conceptual Model

From review of literature a conceptual model for the proposed study was developed. The model (Figure 2.3) presents researcher's schematization of the relationships of current study variables.

**Figure 2.3 Conceptual Model**



Source: Researcher 2016

From the conceptual model (Figure 2.3) holistic marketing practices is the independent variable (IV) comprising relationship marketing, internal marketing, integrated marketing and corporate

social responsibility marketing. Organizational characteristic made up of size, structure and processes was conceptualized as a moderating variable on the relationship between holistic marketing practices and organizational performance. Similarly, external environment consisting of complexity, political legal, economic conditions, competition, social-cultural and technology was considered as a moderating variables (MV) of the same relationship. Performance of Non-governmental organizations comprising financial viability, growth, efficiency, effectiveness, and relevance was the dependent variable (DV). The model suggests that there is a relationship between holistic marketing practices and performance of NGOs. The strength of this relationship is however, moderated by organizational characteristics and external environment. H4 suggest that combined together, holistic marketing practices, organizational characteristics and external environment would affect NGOs performance significantly.

### **2.10.2 Conceptual Hypotheses**

From the reviewed literature and the relationship depicted in the conceptual model in figure 2.3, the following hypotheses have been proposed.

- H1: Holistic marketing practices significantly affect performance of NGOs in Kenya.
- H2: There is a significant relationship between organizational characteristics and performance of NGOs in Kenya.
- H3: External environment significantly affect performance of NGOs in Kenya
- H4: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by organizational characteristics.
- H5: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by external environment.
- H6: The combined effect of holistic marketing practices, organizational characteristics and external environment on performance is significantly different from their independent effect on the same variable

Hypotheses relating to individual holistic marketing constructs on performance constructs are presented in appendix XI

### **2.11 Chapter Summary**

This chapter has discussed theoretical framework, where theories of commitment trust theory, inter-firm relationship marketing theory, social marketing theory and internal marketing theories. The chapter has also examined literature on relationship between holistic marketing

practices and performance of NGOs as well as moderating effect of both external environment and organizational characteristics on the same relationship. The chapter has concluded with the research gaps identified from the review of literature and development of conceptual model and hypotheses for the study.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter covers both the research philosophy and methodology used in the study. It comprises the research philosophy, research design, target population, data collection methods, and techniques adopted for data analysis. The chapter further discusses operationalization of the study variables and reliability as well as validity tests of the research instruments.

#### **3.2 Research Philosophy**

Research philosophy is the foundation of knowledge on which underlying predispositions of a study are based. Positivism, phenomenology (interpretivism), realism and rationalism are among common philosophies that guide research activities. Phenomenology (interpretivism) is qualitative in nature and is based on the premise that knowledge is subjective, focuses on immediate experience, personal knowledge and individual interpretations (Saunders, Lewis & Thornhill, 2007). Realism holds that reality exists independently of the researcher's mind and may exist in spite of science or observation and there is validity in recognizing realities that are simply claimed to exist or act, whether proven or not (Sobh & Perry, 2006). The rationalism approach believes that knowledge flows from reason rather than experience (Uddin & Hamiduzzaman, 2009).

This study was guided by positivistic philosophy, which presumes that social world exists objectively beyond human mind and constitutes facts structured in a law-like manner (Cooper & Schindler, 2006). The positivistic philosophical foundation is based on real facts, objectivity, neutrality, measurement and validity of results (Saunders & Thornhill, 2008). Positivism maintains that knowledge should be based on facts and not abstractions. Thus, knowledge is predicated upon observations and experiments. Problem solving under positivistic approach follows a pattern of formulating hypotheses in which assumptions of social reality are made and hypothesis tested often using quantitative techniques. This study involved hypothesizing fundamental principles and then deducing the observations to determine the truth or falsify the said hypotheses.

#### **3.3 Research Design**

Research design refers to the way a study is planned and conducted, the procedures and techniques employed to answer the research questions (Saunders & Thornhill, 2008). The study adopted a descriptive, cross-sectional survey design. The descriptive research design was

considered appropriate for this study as it allows collection of data from samples and drawing objective conclusions (Cooper & Schindler, 2006). Zikmund (2003) noted that if properly conducted, surveys provide quick and accurate means of assessing information. Depending on the resources available and the target population, a survey assists a researcher to establish whether significant associations among variables exist at one point in time. The descriptive cross-sectional survey design is considered robust for determining effects of relationship studies and is suitable for studies that aim to analyze a phenomenon, situation, problem attitude or issue by considering a cross-section of the population at one point in time (O’Sullivan, Abela, & Hutchinson, 2009). This design has been applied in other studies such as Njuguna (2013), Amooti (2011) and Munyoki (2007).

### **3.4 Population of the Study**

The population of the study comprised NGOs operating within Nairobi City County. The choice of NGOs sector in Nairobi City County was strategic in the study in that majority of these organizations have their head offices in Nairobi, which ensures greater representation of all NGOs in Kenya (NSN, 2009). In other regions of Kenya, NGOs tend to lean more on a particular interest such as poverty alleviation in western, provision of humanitarian aid in north eastern and health matters in lake Victoria basin. It’s only in Nairobi where all sectors are well represented hence the choice of Nairobi as research site.

From the NGO Bureau (2014) there were 1241 NGOs operating practically in all sectors of the Kenyan economy. According to National Survey of NGOs Report (2009), 63% of NGOs in Kenya operate nationally while 19% internationally. Nairobi City County has the highest concentration of NGOs (35%) since most newly registered NGOs tend to set up offices in Nairobi even though they intend to operate in other regions. Other regions such as Nyanza has 16% of registered NGOs, Rift Valley 11% while North Eastern has the lowest at 3%. Four percent of the NGOs operate microfinance institutions and over 90% of staff engaged in NGOs are volunteers. Table 3.1 shows distribution of NGOs by various sectors in Nairobi City County. The distribution table 3.1 shows that Education, Research, Training sector had the highest number of NGOs at 24.3% followed children at 23.8%. The clearly defined sector with the least number of NGOs was conflict resolution and peace building at 4%. Sectors that were not clearly defined combined had the least number at 2.0%

**Table 3.1: Number of NGOs by Sector in Nairobi City County**

<b>Sector</b>	<b>Total number</b>	<b>Proportion (%)</b>
Agriculture, Food, Nutrition	228	18.4
Children	295	23.8
Conflict Resolution, Peace Building,	50	4.0
Disability, Old Age Care & Welfare	73	5.9
Education, Research, Training	301	24.3
Energy, Environment , Wild Life	52	4.2
Governance, refugees, Gender	51	4.1
Health, population , HIV Aids	96	7.7
Finance sector (microfinance)	70	5.6
others : religion, sports etc	25	2.0
<b>Total</b>	<b>1241</b>	<b>100</b>

*Source: NGO Bureau (2014)*

### **3.5 Sample Design**

The study adopted a stratified random sampling technique since a list of NGOs operating in Nairobi City County was available and the strata were identified upon which subsamples were generated. This technique enables the research to group population into homogeneous subsets that share similar characteristics ensuring equitable representation of the population in the sample. The technique also ensures that subgroups are proportionally represented and therefore accounts for the differences in subgroup characteristics (Oso & Onen, 2011). Development of strata was based on sectors that are closely related and also by considering NGOs classification from NGOs coordination board strategic plan 2014-2017 as shown in Table 3.1.

High level of homogeneity in NGOs sector coupled with the fact that the study was on organizations as opposed to individuals allowed the use of Cochran's (1977) formula for determining appropriate sample size (Bartlett , Kotrlik, and Higgins 2001). The method takes into consideration the type of data either categorical or continuous and the level of significance (alpha) that the researcher wishes to consider of which 0.05 the commonly used level is for marketers. For categorical data it may require a higher sample size compared to continuous data while the smaller the alpha level used, the higher the sample size. To estimate the appropriate sample size, for continuous data the following steps were followed.

*Step one:* Consideration of scale. The study used 5 points scale and this determined the values of S in the following formula.

$$S = \frac{(\text{Number of points on the scale})}{(\text{Number of standard deviations})} = \frac{5}{6} = 0.833$$

Where S is the standard deviation= (0.833)

*Step two:* the study set the alpha level a priori at .05, and used a five point scale, and set the level of acceptable error at 3%, which estimated the standard deviation of the scale as 0.833. From Cochran's sample size formula for continuous data sample size is determined as follows.

$$n_o = \frac{t^2 * s^2}{d^2} = \frac{1.96^2 * 0.833^2}{(5 * 0.03)^2} = 118$$

Where t = value for selected alpha level of .05

S = standard deviation=0.833

$n_o$  = required return sample size according to Cochran's formula

d = acceptable margin of error for mean being estimate (number of points on primary scale \* acceptable margin of error)

*Step three:* Cochran's (1977) correction formula was used to calculate the final sample size. These calculations are as follows:

$$n = \frac{n_o}{(1 + n_o/\text{population})} = \frac{118}{(1 + 118/1241)} = 107$$

Where:

$n_o$  = required return sample size according to Cochran's formula

n = required minimum sample size after Cochran's correction formula

*Step four:* Since estimation of response rates is not an exact science the study reviewed literature on organizational research response rate: Njuguna 2013, Ndungu, 2013 and Njeru 2013 whose studies had response rate of 89%, 62% and 60% respectively, this study took the average of response rate at 70%. This required that the sample sized is adjusted upward to take care of non-response rate as follows:

$$N = \frac{n}{\text{expected mean response rate}(\%)} = \frac{107}{0.7} = 153$$

Where:

N = Adjusted final sample size

n = required minimum sample size after Cochran's correction formula.

The final sample size for the study was therefore 153. Bartlett, Kotrlik and Higgins (2001) developed a table for the minimum acceptable sample size for organizational research for different population. From the table Appendix XII, the minimum sample size for this study is 110 given a population of 1241NGOs and the targeted sample is 153 NGOs. Other researchers such as Ndungu (2013), and Ogolla (2010) used this method. From sample size of 153, each of the ten strata was apportioned study elements according to the number of NGOs in the sector as indicated in table 3.2

**Table 3.2: Sampling Structure**

<b>Sector</b>	<b>Population by sector</b>	<b>Sample by sector</b>	<b>Proportion (%)</b>
Agriculture, Food, Nutrition	228	28	18.3
Children	295	36	23.5
Conflict Resolution, Peace Building, Road Safety	50	6	3.9
Disability, Old Age Care & Welfare	73	9	5.9
Education, Research, Training	301	37	24.2
Energy, Environment , Water& Sanitation, Wild Life	52	7	4.6
Governance, Human Rights, Gender, Refugees, Relief	51	7	4.6
Health , HIV Aids, Population and Reproductive Health	96	11	7.2
Microfinance	70	8	5.2
Others: Information, Media, Youth, Culture, Sports, Religion	25	4	2.6
<b>Total</b>	<b>1241</b>	<b>153</b>	<b>100</b>

*Source: NGOs Registration Board (2014)*

From Table 3.2 the sector that covers education research and training had the highest number of participants followed by NGOs that deal with children. NGOs that deal with sports, religion media and culture had the least number of participants in this study due to their small numbers.

### **3.6 Data Collection**

The researcher used a semi-structured questionnaire (Appendix 1) to gather data. A five point rating scale ranging from 1 to 5 where 1= not at all and 5 = to a large extent was developed. The instrument had two sections A and B. Section A sought to establish the NGOs background information. Section B focused on data relating to holistic marketing practices, organizational characteristics, external environment factors and organizational performance.

The questionnaires were distributed through drop and pick method. Some questionnaire were also sent and filled online. The study collected data from key informants. This was the Chief



executive officer, or the project administrator or other senior officers who were deemed to have knowledge on study the study variables. Only one respondent was involved in each NGO. While some previous researchers have supported the use of multiple informants, other scholars found that single informants provide data that are reliable and valid as multiple informants (O'cass et al., 2004; Narver & Slater, 1993).

### **3.7 Reliability and Validity Tests**

Reliability and validity test on the research instrument are significant for any social science study. Reliability ensures that the instruments used provides consistent results while validity confirms that indeed the researcher measured what he intended. This is significant since the research instruments are developed by the research himself and need be able to produce similar results if used by other researchers. The two test were carried out before and after data collection to ensure that the data used for analysis was reliable and valid.

#### **3.7.1 Reliability Tests**

Reliability is the measure of the extent to which a scale produces consistent results on repeated measurement of a characteristic and indicates the accuracy or precision of the measuring instrument (Norland, 1990). The study applied two levels of reliability test based on pilot survey test and post survey test. Pilot survey included two levels of test. First, the study considered items that had been tested for reliability by other researchers such as Sarbabidya (2014), Olof (2006), Erwin (2013), Mosley et al (2012), Richard et al, (2008), IDCR (2008) and Njuguna (2013). Second, the questionnaire was pre-tested using fourteen NGOs randomly selected from the list but similar to the sample used in the study. As Walliman (2011) noted, pre-testing helps to anticipate any problems of comprehension or other sources of confusion in measurement instrument. Pretesting helped to determine the extent to which each question measured what it was supposed to measure and whether respondents interpreted the questions in the same way. In addition, pilot study tested for questions difficulty and respondent interest. Revisions from pretesting of the questionnaire were incorporated and the final version is attached in Appendix I.

Post survey test considered final data collected from sample respondents. This test included Cronbach's Alpha test and confirmatory factor analysis test. Cronbach's Alpha test is the most common measure of internal consistency that indicates the extent to which a set of items can be treated as measuring a single latent variable. The recommended value of 0.7 was used as cut off point as any value less than 0.7 implies that internal consistency among items is weak

(Polgar & Thomas, 2009, Gliem 2003, Nunnally & Bernstein, 1994). Researchers such as (Ndungu), 2013, Njuguna (2013) and Njeru (2013) applied the same criteria in testing of reliability. However, items with a value of 0.5 were considered in the study as this is acceptable but the scores below this are rejected (Cronbach, 1951).

Factor analysis using Principal Component Analysis (PCA) technique which is a data reduction procedure with Varimax rotation was used to confirm the underlying dimensions of the predictor variables. Varimax rotation attempts to maximize the dispersion of loadings within the components and to load a smaller number of variables highly onto each factor. Only items with Eigen values greater than 1.0 and loadings greater than 0.5 were extracted for purpose of this study as recommended by Kaiser (1974). The results are presented in Appendix V.

From PCA analysis all composite components of this study variables were subjected to Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of Sphericity. KMO values ranged from 0.608 for political legal environment to 0.915 for relevance variables. All the values obtained were greater than 0.5 ( $>0.5$ ) which is the recommended value (Malhotra & Dash, 2011). This indicates that the sample used was adequate and that the variance in the study variables was caused by the underlying factors. For all study variables Barlett test of Sphericity was 0.000 which is less than the level of significance of 0.05 indicating that the correlation matrix was not identity and that the study variables were related. In all cases determinant was greater than 0.000 implying that the data collected was meaningful.

The study used key informant methods in primary data collection. This approach is liable to common source bias as common methods variance which refers to inaccuracies that arise when data for comparison is derived from the same responded. To address this challenge, Harman's one-factor test was used following a procedure suggested by Greene and Organ (1973). In this method, an assumption is made that if a single factor or general factor accounts for the majority of the covariance among the measures, then common method variance is present. From CMV analysis Holistic marketing one factor accounted for 34.07%, External environment accounted for 32.13%, Performance accounted for 41.28% all of which support Harman's one-factor test that a single factor should account for less than 50% of variance. Organization characteristic one factor accounted for 56.08% which is slight above 50% requirement. These analysis implies that common variance does not arise and therefore the study data collection instrument is reliable. These results are presented in Appendix VII

### **3.7.2 Validity Tests**

Validity refers to the extent to which difference in observed scale scores reflect the difference among objects on the characteristic being measured (Malhotra & Dash, 2010). Measures of validity to be applied in this study include face validity and construct validity measured through convergent validity test. Face validity helps to determine if the instrument measured what it was supposed to measure as recommended by Carmine and Zeller (1979). A discussion with experts from NGO sector helped to establish whether the instruments measured what it was meant to measure. Convergent validity refers to the degree to which the scale correlates in the same direction or converge with other measures of the same construct. It is a measure of homogeneity within the construct where items are only valid when they demonstrate high item to total correlations and high loadings on the intended factors with values equal to 0.6 or higher and with no substantial cross-loadings (Zikmund, 2003). Most of the items in this study had loading greater than 0.6 which supports convergent validity of the study variables. The pertinent results of these tests are presented in Appendix VII Table 1-13 and Appendix VIII Tables 1-9.

### **3.8 Operationalization of Study Variables**

In the study variables were operationalized in accordance with previous studies as recommended by Sekaran (2007). Holistic marketing construct, which is the independent variable, was operationalized in line with components identified by Kotler and Keller (2012) that include relationship marketing, internal marketing, integrated marketing and social responsibility marketing. Organizational characteristics construct which is a moderating variable was operationalized on dimensions of size, structure and processes (Erwin, 2013; Mosley & Grogan, 2012; Lampkin & Raghavan, 2008). External environment construct also a moderating variable was operationalized on dimensions of complexity, political-legal factors, economic conditions, market competition, social-cultural factors and technology (Mohamed et al, 2011; Richard et al, 2008 & Rogers, 2009). Performance of NGOs construct, which is the dependent variable was operationalized on basis of effectiveness, efficiency, relevance and financial viability (International Development Research Centre, 2008; Santo et al, 2012). A summary of the operationalization of the variables is provided in Table 3.3.

**Table 3.3 Summary of Operationalization of Study Variables**

<b>Variable</b>	<b>General Indicators</b>	<b>Specific Indicators</b>	<b>Supporting Literature</b>	<b>Questionnaire Item</b>
<b>Holistic marketing</b>	Relationship marketing	Bonding, empathy, commitment, trust, communication	Sarbabidya (2014)	Relationship marketing Qs 1-11
	Internal marketing	Hiring, training, motivation, coordination, vertical/horizontal alignment	Lings et al (2005)	Internal marketing Qs 1-14
	Integrated marketing	Vertical objectives, marketing mix, communications mix,	Olof (2006)	Integrated marketing Qs 1-9
	CSR marketing	Environment, discrimination, ethical standards, legality	Brønn et al (2001)	CSR marketing Qs 1-9
<b>Organizational characteristics</b>	Size	Budget, number of client served, degree of professionalism	Erwin (2013)	Size Qs 1-4
	Structure	goals, leadership structure, flow of information, culture	Mosley et al (2012)	Structure Qs 1-5
	Process	systems , networking, procedures- flexibility	Mosley et al (2012)	Processes Qs 1-6
<b>External environment</b>	Political-legal	Stability, attitude to foreigners, form of government, tax laws, terrorism	Mohamed et al, (2011)	Political-legal Qs 1-6
	Complexity	Hostility, dynamism, uncertainty, risk, turbulence, chaos,	Mohamed et al, (2011)	Complexity Qs 1-4
	Economic conditions	Interest rates, inflation rates, wage controls, GDP trends, disposable income, exchange rates	Richard et al, (2008)	Economic conditions Qs 1-7
	Market competition	Intensity, substitute, new entrants, bargaining power	Richard et al (2008)	Market competition Qs 1-5
	Socio-cultural	Education, values, attitudes, materialism, religion, language,	Rogers (2009)	Social-cultural Qs 1-10
Technology	Technology transfer, energy, transportation network, internet	Rogers (2009)	Technology Qs 1-6	
<b>Performance</b>	Financial viability	Funding, new donors, capital assets /liabilities ratio,	IDCR (2008)	Financial viability Qs 1-10
	Growth	Number of beneficiaries, employees, program variety,	Santo et al, (2012)	Growth Qs 1-4
	Efficiency	Program cost, staff output, record keeping, timeliness, technical capacity	Njuguna (2013)	Efficiency Qs 1-10
	Effectiveness	Program coverage, number of clients, quality of services, collaboration, donor sustainability, community support,	Santo et al, (2012)	Effectiveness Qs 1-6
Relevance	Customers satisfaction, employees motivation, community acceptance, donor confidence, partner attitudes	Njuguna (2013)	Relevance Qs 1-8	

Sources: Author, 2016

### **3.9 Data Analysis**

Data was analyzed through both descriptive and inferential statistics. Descriptive statistics included frequency distributions, measures of central tendencies and standard deviation. In order to test the pattern of relationship between the constructs of holistic marketing, organizational characteristic, external environment and performance as stated in the hypothesis, multivariate statistical analysis were employed.

The study utilized correlation and regression analysis to determine the relationship between the study variables. Correlation analysis was used to test for significance of the strength of relationship between variables. Pearson's Coefficient ( $r$ ) was used to determine the strength and significance of the linear relationships between the independent and dependent variables. The measure of strength (Pearson  $r$ ) ranges from -1 to +1 where the closer the values is to either -1 or +1 the stronger the negative or positive relationship respectively while the closer the value is to zero the weaker the relationship.

In carrying out regression analysis, coefficient of determination ( $R^2$ ) was used to measure the amount of variation in the dependent variable explained by the independent variables of the study. Regression beta coefficients were used to determine the amount of change induced on dependent variable by a unit change in the independent variable. Table 3.4 represents a summary of analytical model.

**Table 3.4 Summary of Research Objectives, Hypotheses testing procedures, results and statistical analysis interpretation**

<b>Objective</b>	<b>Hypothesis</b>	<b>Analysis Method</b>	<b>Statistics Interpretation</b>
1. Establish the effect of holistic marketing practices on performance of NGOs	H1: Holistic marketing practices significantly affects performance of NGOs	$Y = \beta_0 + \beta_1 X + \varepsilon_i$ Where: $\beta_0$ = regression constant, $\varepsilon_i$ = error term, $\beta_1$ = regression coefficient, Y= Organizational Performance, X= Holistic Marketing	Pearson Correlation(r), Coefficient of determination (R <sup>2</sup> ), Regression beta Coefficients.
2. Determine the effect of organizational characteristics on performance of NGOs in Nairobi City County.	H2: There is a significant relationship between organizational characteristics and performance of NGOs	$Y = \beta_0 + \beta_1 X + \varepsilon_i$ Where: $\beta_0$ = regression constant, $\varepsilon_i$ = error term, $\beta_1$ = regression coefficient, Y= Organizational Performance, X= Organizational characteristics	Pearson Correlation(r), Coefficient of determination (R <sup>2</sup> ) Regression beta Coefficients
3. Assess the effect of external environment on performance of NGOs in Nairobi City County	H3: External environment significantly affect performance of NGOs	$Y = \beta_0 + \beta_1 X + \varepsilon_i$ Where: $\beta_0$ = regression constant, $\varepsilon_i$ = error term, $\beta_1$ = regression coefficient, Y= Organizational Performance, X= External environment	Pearson Correlation(r), Coefficient of determination (R <sup>2</sup> ) Regression beta Coefficients
4. Determine the influence of organizational characteristics on relationship between holistic marketing practices and performance	H4: The relationship between Holistic marketing practices and performance is significantly moderated by organizational characteristics.	$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_1 * X_2 + \varepsilon_i$ Y= Performance, $\beta_0$ = regression constant, $\varepsilon_i$ = error term $\beta_1, \beta_2, \beta_3$ are regression coefficient, X <sub>1</sub> = Holistic Marketing X <sub>2</sub> = Organizational Characteristics X <sub>1</sub> *X <sub>2</sub> = interaction term	Pearson Correlation (r), Coefficient of determination (R <sup>2</sup> ) Regression beta Coefficients

<p>5. Determine the influence of external environment on relationship between holistic marketing practices and performance.</p>	<p>H5: The relationship between Holistic marketing practices and performance is significantly moderated by external environment</p>	<p><math>Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_1 * X_2 + \varepsilon_i</math>,  Where:  Y= Organizational Performance  <math>\beta_0</math> = regression constant,  <math>\varepsilon_i</math> = error term,  <math>\beta_1, \beta_2, \beta_3</math> = regression coefficients,  <math>X_1</math>= Holistic Marketing  <math>X_2</math>= External environment  <math>X_1 * X_2</math>= Interaction term</p>	<p>Pearson Correlation (r),  Coefficient of determination (<math>R^2</math>)  Regression beta  Coefficients</p>
<p>6. Establish the joint effect of holistic marketing practices, organizational characteristics and external environment on performance of NGOs</p>	<p>H6: Holistic marketing practices, organizational characteristics and external environment jointly affect organizational performance significantly</p>	<p><math>Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_i</math>  Where:  Y= Performance  <math>\beta_0</math> = regression constant,  <math>\varepsilon_i</math> = error term  <math>\beta_1, \beta_2, \beta_3, \beta_4</math> = regression coefficients  <math>X_1</math>= Holistic Marketing  <math>X_2</math> = Organizational Characteristics  <math>X_3</math>= External environment</p>	<p>Pearson Correlation (r),  Coefficient of determination (<math>R^2</math>)  Regression beta  Coefficients</p>

Source: Author 2016

### **3.10 Chapter summary**

This chapter has discussed the methodology that was used in conducting the research. The chapter has given detailed methodology and in particular the research philosophy and design that guided the study. The chapter has also discussed the sample design and data collection instrument that was used. Validity and reliability test conducted and the results obtained have also been explained. The chapter has been concluded on how data was analyzed and the test carried on hypothesis of the study



## **CHAPTER FOUR**

### **DATA ANALYSIS, INTERPRETATION AND PRESENTATION**

#### **4.1 Introduction**

The chapter presents research findings and discussion in line with the research objectives, research questions and study hypotheses. In particular the chapter contains the response rate, tests for parametric tests assumptions, hypotheses test results and discussion of the results. The chapter ends with a tabular summary of results of hypotheses testing and a revised empirical model based on the key findings of the study.

#### **4.2 Response Rate**

The sample size was 153 NGOs, out of which 122 responded representing 79% response rate. According to Fowler (1984), a response rate of 60% is representative and therefore the current study was qualified for further analysis. This is a higher response rate than those of studies conducted by Njeru (2013) which had achieved 60% and Munyoki (2007) with 51%. The response rate among other things mainly depends sample size taken, scale used, type of survey and the level of confidence. Nulty (2008) recommends that a when the sample size taken is 150 and a scale of 1-5 and a confidence level of 95% the appropriate response rate should be 82%. A response rate of 79% is well aligned with this recommendation.

#### **4.3 Profile of Participating NGOs**

The study took into account age distribution, classification and sources of funding as important characteristics of participating NGOs that would influence performance. Age distribution indicated NGOs that had been able to withstand test of times while classification shows ability to cut across different sectors. Sources of funding indicates the main financiers of NGOs.

##### **4.3.1 Age Distribution of NGOs**

The duration of existence of the NGOs was significant as it would affect development of marketing strategy as well as performance. Very young organizations often do not have policy documents or records of performance. The findings are presented in the Table 4.1.

**Table 4.1: Age Distribution of NGOs**

<b>Age</b>	<b>Number of NGOs</b>	<b>Proportion (%)</b>
Below 2 yrs.	21	17
3-6 yrs.	29	24
7-10 yrs.	27	22
11-14 yrs.	8	7
Over 14 yrs.	37	30
<b>Total</b>	<b>122</b>	<b>100</b>

*Source: Primary data*

Table 4.1 indicate that majority of participating NGOs (59%) had been inexistence for more than 7 years. Only 17% had been in existence for less than 2years. This implies that majority of NGOs had existed long enough to provide the data required.

#### **4.3.2 Classification of NGOs**

The study classified NGOs in Nairobi City County into two main categories namely national and international. The results of this classification indicate that 60% of NGOs were national while 40% were international. This implies that there was a good balance of representation in sample taken.

#### **4.3.3 Sources of Funding**

The main sources of funding for NGOs operating within Nairobi City County was of great significance since financial resources was highlighted as key challenge facing these organizations. Knowing sources of funds would help to determine the dynamics in funds sources as well as performance of NGOs. It was established that international donors accounted for 60% of NGO funding while the government funded only 9%. The church which represents religious organizations account for only 3%. These finding represent an improvement in local funding as it had stood at 5% by 2007(Kanyinga & Mittulah 2007).

#### **4.3.4 Reliability test**

The study sought to establish the reliability of each study variables by conducting Cronbach's Alpha test and confirmatory factor analysis tests. The pertinent results from Cronbach's Alpha test are presented in Appendix IV. From the results obtained all the components attained the threshold of 0.7 apart from political legal environment that scored 0.687. Majority of individual component were between 0.751 (Technology) and 0.920 (internal marketing). The four composite components had Cronbach's Alpha value of 0.953 (Holistic Marketing), 0.945 (Organizational characteristics), 0.940 (External environment) and 0. 963 (Organizational performance). This indicates that the

internal consistency of the measures used was high and so adequately measured the relevant study variables.

Factor analysis was carried out through principal component analysis method and a summary of factors obtained are presented in Table 4.2

**Table 4.2 Summary of Principal Components Analysis Results**

<b>Construct</b>	<b>Components</b>	<b>Number of measuring items</b>	<b>Critical factors</b>	<b>Variance Explained (%)</b>
<b>Holistic Marketing</b>	Relationship marketing	11	3	61.88
	Internal marketing	14	3	68.88
	Integrated marketing	9	2	60.83
	Corporate social responsibility marketing	10	3	66.20
<b>Organizational characteristics</b>	Size	4	1	64.44
	structure	5	1	69.94
	processes	6	1	68.65
<b>External environment</b>	Political-legal factors	6	2	58.10
	Environmental complexity	4	1	59.61
	Economic conditions	7	1	50.00
	Market competition	5	1	75.37
	Social cultural factors	10	2	54.59
	Technological factors	6	2	66.30
<b>Organizational performance</b>	Financial viability	3	3	67.96
	Growth	4	1	67.81
	Efficiency	10	2	58.95
	Effectiveness	6	1	64.78
	Relevance	8	1	60.26

The results in Table 4.2 show that most of amount of variance explained from the items ranged from 60% and 75%. This indicates that the items used to operationalize the variables were able to

measure what was intended. These results confirmed the theorized dimensionality of the study constructs.

#### **4.4 Descriptive Statistics of the Study Variables**

The next section provides descriptive statistics for holistic marketing, organizational characteristic, external environment and organizational performance.

##### **4.4.1 Holistic Marketing Practices**

Holistic marketing as defined by Carlson, et al (2004) refers to marketing led activities, both off-site and on-site, that promotes economic, social and environmental wellbeing in a sustainable balance. It is generally categorized into four components namely relationship, internal, integrated and social responsibility marketing. The study considered the four components and their influence on performance of NGOs. The questions developed to assess these components were rated on a five point scale ranging from 1= not at all to 5= to a very large extent. The study considered a mean score of 4.5 and above to indicate the respondents agreement to a very large extent, between 3.5 and 4.49 to a large extent, between 2.5 and 3.49 to a moderate extent, 1.5 to 2.49 to a small extent and 0 to 1.49 indicating no agreement at all. This scaling approach was intended to simplify the interpretation of data

Relationship marketing centers on all activities directed towards establishing, developing and maintaining successful exchanges with customers and other constituents (Kotler & Armstrong, 2012). It is the process of identifying, developing, maintaining, and terminating relational exchanges with the purpose of enhancing performance. Relationship marketing strategy demands that individual organization seek to identify, establish, enhance and continuously improve their interaction with all stakeholders for mutual gain at lowest cost possible. It is a deliberate, well-orchestrated marketing strategy of maintaining an edge in the market by taking into account the interest of all stakeholders. This concept was measured on dimensions such as trust, response to customer needs, providing timely information, willingness to help customers, consistency of service among others. The pertinent descriptive statistics of responses are indicated in Table 4.3

**Table 4.3 Relationship Marketing Practices**

Relationship marketing practices	N	Mean score	Standard deviation	CV (%)
Donors express trust by continuous support for your NGO activities	122	4.119	1.064	25.82
This NGO provides 24hours customer service	122	3.008	1.417	47.12
Your NGO promptly responds to stakeholders queries and requests	122	4.214	0.680	16.14
This NGO provides timely information about its new services/products	122	4.103	0.792	19.31
This NGO seeks to understand client specific needs so as to offer them personalized services	122	4.230	0.841	19.88
Employees of this NGO are always willing to help customers	122	4.433	0.618	13.94
This NGO consistently offers quality service to all its clients	122	4.283	0.780	18.21
This NGO shows sincere interest in solving customer problems.	122	4.380	0.710	16.21
Your NGO is strongly devoted to long-term relationship with clients.	122	4.437	0.709	15.97
All those who interact with your NGO programs are happy with the experience	122	4.110	0.749	18.21
This NGO clearly discloses relevant information to the relevant stakeholders.	122	4.190	0.897	21.416
<b>Final mean score</b>		<b>4.138</b>		

*Source: Primary data*

The results in Table 4.3 indicate a final mean score of 4.138 showing that responded agreed to a large extent on issues of relationship marketing. The coefficient of variation (CV) which ranged between 13.94% to 25% showed that respondent responded harmoniously on majority of items with exception on the item on provision of 24 hour services which scored 47.12%. All the items tested scored a mean of 4 and above apart from provision of 24 hour customer service which scored 3.008. This item also had the highest CV of 47.12% indicating that the NGOs had very varied view on this issue. This may be attributed to the fact that different NGOs offer very diverse services and only a few give 24 hour services such as health and disaster management. These finding echo the work of Hussein at al (2014) on applicability of relationship marketing at non-profit organizations in a developing country who concluded that relationship marketing is a significant tool that can give an NGO a competitive edge.

Internal marketing refers to the effort to sell the message of organization to its internal audience using similar technique to those used in the organization relationship with its external audiences (Berry & Parasuraman 1991). The process involves hiring, training and motivating employees, coordination of all marketing functions from the customer's point of view, vertical alignment with senior management and horizontal alignment with other departments. The studied considered

recruitment, training, job descriptions, remuneration, recognition as significant components among others. The findings are presented in Table 4.4

**Table 4.4 Internal Marketing Practices**

<b>Internal Marketing Practices</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Your NGO has established merit driven hiring practices for its employees	122	3.793	0.995	26.23
Management of this NGO views training and refresher programs for employee as an investment rather than a cost	122	3.692	1.071	29.01
Employee job description are well defined in your NGO	122	3.992	0.949	23.78
Employees of this NGO are well equipped with logistic support such as accommodation, cell phone, computer, internet connectivity, etc.	122	3.711	1.087	29.28
This NGO offers handsome salaries and allowances based on employee performance	122	3.303	1.039	31.46
Employees receive the right amount of recognition and appreciation from the management for their achievements.	122	3.639	1.025	28.16
Provisions for career development and job security in this NGO is excellent	122	3.269	1.157	35.40
Your NGO has provisions for recreation facilities	122	2.899	1.286	44.36
The NGO has well established welfare, safety & health schemes for its employees	122	3.521	1.158	32.89
There is good balance between work and personal life of employees in this NGO	122	3.628	0.955	26.31
Good communication exists at all levels of this NGO management	122	3.833	0.907	23.66
Management of this NGO encourages employee's participation in decision making.	122	3.595	0.992	27.60
There is excellent relationship between management and staff in your NGO	122	3.875	0.881	22.73
The activities of your NGO are well coordinated across the departments	122	3.880	0.909	23.42
<b>Final mean score</b>		<b>3.620</b>		

*Source: Primary data*

The results in Table 4.4 reveal that employee job description, coordination of activities across departments and relationship between management and staff scored highest means of 3.992, 3.88 and 3.875 respectively with their CVs around 23%. These mean scores imply agreement to a large extent on these aspects of internal marketing while relatively low CV point to a level of coherent view among the respondents. Provision of recreational facilities registered the lowest mean score of 2.899 and a high CV of 44.36. The final mean score on internal marketing practices was 3.620 which indicates that the respondents agreed to a “large extent” that internal marketing is practiced among NGOs. These findings are in support of the fact that employee relationships have gained significant recognition not only in corporate organizations but also in the third sector. The findings

further support the view by Field (2008) who carried out an analysis on the process of human resource practices in health care facilities and concluded that the whole process is what constitutes internal marketing and must be given the due weight for effective organizational performance

Integrated marketing strategy revolves around devising and developing marketing programs to create communicate and deliver value for customers such that the whole is greater than the sum of its parts (Kotler, 2008). The main dimension of integrated marketing considered in the study include branding, organizational vision, marketing communication, pricing, service quality etc. and the results are presented in Table 4.5.

**Table 4.5 Integrated Marketing Practices**

<b>Integrated Marketing Practice</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard deviation</b>	<b>C.V %</b>
This NGO maintains attractive brand at all of its service points	122	3.788	0.891	23.52
This NGO maintains attractive brand at all of its service points	122	3.805	1.011	26.56
Stakeholders of this NGO share a common vision.	122	4.017	0.816	20.323
This NGO uses integrated marketing communication channels to undertake promotional campaigns	122	3.430	1.059	30.87
Your NGO maintains integrated and competitive charges for all of its services	122	3.479	1.129	32.45
This NGO uses cross-functional employee teams to provide quality customer service	122	3.769	0.960	25.47
Your NGO values long-term relationship with its suppliers	122	4.008	0.895	22.34
The services offered by your NGOs are consistent with its promises	122	4.183	0.718	17.18
All hired external agencies consistently work with your NGO based on an agreed plan and strategy	122	4.074	0.854	20.97
<b>Final mean score</b>		<b>3.833</b>		

*Source: Primary data*

The findings in Table 4.5 show that the overall mean score on integrated marketing was 3.833 implying that majority of the respondent agreed “to a large extent” on various aspects of integrated marketing tested. Focusing on individual aspect of integrated marketing, offering of services in line with mission of NGOs had the highest mean score of 4.183 (CV= 17.18%) followed by close working with partners and shared vision with stakeholders with mean score of 4.074 and 4.017 respectively. Use of integrated marketing communication in NGOs scored the lowest mean of 3.430 with a CV of 30.87%. This low mean scores correspond to a “moderate extent” agreement while the high CV implies divergent views among the respondents. This may be attributed to scanty level of awareness on the role of marketing communication in NGOs. The finding agree with Reid (2013) on a study of relationship between integrated marketing communication (IMC)

and brand performance that concluded there was a positive relationship between the implementation of the IMC process and brand outcome.

Commission for the European Communities (2001) defines corporate social responsibility (CSR) as a concept whereby companies integrate social and environmental concerns in the business operations and in their interactions with their stakeholders on a voluntary basis. It refers to a balanced approach for organizations to address economic, social and environmental issues in a way that aims to benefit people, communities and society. Corporate social responsibility (CSR) marketing is a marketing strategy that demands marketers to always consider ethical, environmental, legal and social context of their role and activities as they extend beyond the company and customer to the society (Kotler, 2008). The key aspect of CSR marketing considered include publicity, compatibility to social norms, and conformity to government regulations, maintaining of ethical standard among others with results presented in Table 4.6.

**Table 4.6 Corporate Social Responsibility Marketing**

<b>Corporate Social Responsibility Marketing</b>	<b>N</b>	<b>Mean Score</b>	<b>Std. Deviation</b>	<b>C.V (%)</b>
This NGO undertakes strong publicity on possible harmful effects of usage of any of its product or services	122	3.393	1.267	37.35
This NGO undertakes publicity on its environmentally friendly policies	122	3.513	1.272	36.20
This NGO has a safe recycling program for disposal of any work related waste	122	3.085	1.393	45.16
This NGO offers service packages compatible with social life style of customers	122	3.509	1.193	33.99
This NGO consistently pays taxes and duties to relevant authorities	122	4.220	1.136	26.92
The activities of your NGO are aligned with the Kenya's vision 2030	122	4.110	1.088	26.46
This NGO offers special services for the under-privileged groups.	122	3.897	1.177	30.21
Your NGO has corporate social responsibility marketing programs in place	122	3.168	1.337	42.19
This NGO activities do not support any form of discrimination in the society	122	4.554	0.694	15.25
Your NGO maintains high ethical standards in its operations	122	4.420	0.884	20
<b>Final mean score</b>		<b>3.790</b>		

*Source: Primary data*

From Table 4.6, CSR marketing had an overall mean score of 3.790 indicating that most of respondents agreed to a “large extent” on various aspects of CSR marketing. However there was very varied opinion on recycling programs which scored a low mean score of 3.085 and C.V of 45.16% which may be attributed to the fact that most of NGOs deal with services and not



manufacturing. There was great harmony on lack of discrimination in society with a mean score of 4.554 and C.V of 15.25% possibly because NGOs are supposed to do good to society.

Table 4.7 contains a summary of overall mean scores, standard deviation and coefficient of variations of the components of holistic marketing namely relationship, internal, integrated and corporate social responsibility marketing.

**Table 4.7 Summary of Holistic Marketing Practices**

Holistic Marketing Practices	N	Grand Mean score
Relationship Marketing	122	4.138
Internal Marketing	122	3.620
Integrated Marketing	122	3.833
Corporate Social Responsibility Marketing	122	3.790
<b>Overall</b>		<b>3.845</b>

*Source: Primary data*

The results indicate that relationship marketing had the highest overall mean score of 4.138 while internal marketing had the lowest mean score of 3.620. The overall mean score of all the components was 3.845 indicating that respondents rated holistic marketing as having influenced NGOs performance to a “large extent”.

#### **4.4.2 Organizational Characteristics**

Organizations characteristics refer to conditions under which organizations operate that influence their performance (Ragowsky, Stern & Adams, 2000). These were categorized into three main components namely size, structure and organizational processes. The findings for each of these components are presented in the sections that follow.

Organizational size consist of the number of people employed, programs run as well the NGO budget. In the study organization size was measured on dimensions such as budget size, number of programs as well as the number of professional employees. The results are presented in Table 4.8.

**Table 4.8 Organizational Size**

<b>Organizational size</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO operates on a large budget	122	3.538	1.052	29.72
Your NGO runs many programs	122	3.492	1.065	30.49
The activities of your NGO cover a large proportion of targeted clients among competitors	122	3.675	1.026	27.92
Your NGO employs professionals in all its operations	122	3.992	0.983	24.63
<b>Final mean score</b>		<b>3.673</b>		

*Source: Primary data*

From Table 4.8, it is observable that the item on the number of professionals employed by NGOs had the highest mean score at 3.992 while that on number of programs had the lowest at 3.492. Final mean score on organizational size scored a mean score of 3.673 implying that respondents agreed to a “large extent” that organizational size influenced NGOs performance.

Organizational structure refers to the formal pattern of interaction and coordination of activities designed by management to link the tasks of individuals and groups in achieving organizational goals (Bartol & Martin, 1994). It is the sum of the ways in which an organization divides its labor into distinct tasks and then coordinates them. This components was evaluated on dimensions such as job description, mission and vision, communication channels as well as culture. Results are presented in Table 4.9.

**Table 4.9 Organizational Structure**

<b>Organizational Structure</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO has strong control systems for all its operations	122	3.934	1.018	25.88
The duties and responsibilities of different types of staff of your NGO are well stipulated	122	4.123	0.855	20.73
The mission, vision and goals of your NGO are clearly outlined	122	4.467	0.738	16.51
Communication channels for this NGO are well defined	122	4.244	0.809	19.07
Your NGO has built a strong culture that informs its activities	122	4.178	0.889	21.27
<b>Final mean score</b>		<b>4.189</b>		

*Source: Primary data*

From Table 4.9, it is observable that clarity on NGOs mission, vision and goals scored the highest mean of 4.467 while availability of control systems had the lowest at 3.934. Overall organizational structure scored a mean of 4.189 with a coefficient variation of 4.62%. This implies that majority of respondents agreed to a “large extent” on dimensions of organizational structure addressed in the study. All items were rated higher than 3.5 mean score though there were more varied opinions on control system which had coefficient of variation of 25.89%.

Organizational process revolves around determinations of task, to be carried out to achieve organizational goal, assigning work to employees which results in a whole entity consisting of unified parts acting in harmony to execute tasks to achieve goals, both effectively and efficiently. Organizational processes were measured on dimensions such as operating systems, procedures, harmonization as well as adaptability to the environment. The results are presented in Table 4.10

**Table 4.10 Organizational Processes**

<b>Organizational Processes</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO has strong running operation systems	122	3.926	0.989	25.19
The procedures for carrying out activities in your NGO are well stipulated	122	4.025	0.954	23.69
The various operational system in your NGO are well harmonized across the entire organization	122	3.825	0.928	24.26
Your NGO operating systems easily adapts to changes in the organization	122	3.807	0.882	23.17
The process used by your NGO are effective and efficient	122	3.868	0.927	23.96
The sector in which your NGO operates positively influences its performance	122	4.120	0.776	18.82
<b>Final mean score</b>		<b>3.929</b>		

*Source: Primary data*

The results in Table 4.10 indicate that organizational processes scored a mean of 3.929 implying that majority of respondents agreed to a “large extent” on dimensions of processes evaluated. This means that organizational processes influence performance to a large extent

Table 4.11 presents a summary of descriptive statistics on organizational characteristic.

**Table 4.11 Summary of Organizational Characteristics**

<b>Organizational Characteristics</b>	<b>N</b>	<b>Mean Score</b>
Organizational size	122	3.673
Organizational structure	122	4.189
Organizational processes	122	3.929
<b>Final mean score</b>		<b>3.930</b>

*Source: Primary data*

Organizational structure had the highest mean score of 4.189 while organizational size had the lowest mean score of 3.673. The overall mean score was 3.930 implying that respondents agreed to a large extent on all dimensions of organizational characteristics considered.

#### 4.4.3 External Environment.

External environment refers to those elements existing outside the organizations boundaries such as political, economic, social technological, natural and legal factors (PESTEL) that influence its performance (Richard, Devinney & Yip 2008). These were broken down into political legal factors, environmental complexity, economic conditions, market competition, socio-cultural factors and technological factors. Each of these variables was tested on a five point scale and the results are presented in the following sections.

Political legal factors is a collection of three main components namely political, legal and government actions that influence organizational performance. In the study these were aspect were assessed on dimensions such as political stability, form of government, government regulations and foreign policies. The findings are presented in Table 4.12

**Table 4.12 Political-Legal Factors**

<b>Political-legal factors</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Your NGOs activities are significantly affected by political instability	122	3.917	1.122	28.66
The Kenyan democratic form of government favors your NGO operations	122	3.538	1.098	31.05
Tax laws have significantly effect on operations of your NGO	122	3.381	1.221	36.10
The government regulations on foreign ownership of assets affects activities of your NGO significantly	122	2.983	1.461	48.99
Terrorism activities in Kenya has significant effect on your NGO operations	122	3.529	1.308	37.06
The government foreign policies are favorable to the running of your NGO	122	3.588	1.024	28.54
<b>Final mean score</b>		<b>3.494</b>		

*Source: Primary data*

The findings in Table 4.12 reveal that regulations on foreign ownership of assets had the lowest mean of 2.983 with a relatively high CV of 48.99%. This may be attributed to lack of proper legislations on NGOs ownership of foreign assets. Political instability had the highest mean of 3.917 suggesting that respondents agreed to a large extent on this aspect. Overall mean score of political legal factors was 3.494 which implies that respondent had a “moderate agreement” on the aspects assessed. This may be attributed to the democratic space created in Kenya through the new constitution leading to minimized interference on work of NGOs by the government.

Environmental Complexity in this study is defined as number of variables within the environment, their interdependence and the extent to which the management has knowledge about these

components. Environmental Complexity was assessed on dimensions such as hostility from target groups changing needs of target group as well as chaotic incidences in Kenya. The pertinent results are presented in Table 4.13

**Table 4.13 Environmental Complexity**

<b>Environmental Complexity</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Hostility from your target groups affects the running of your NGO significantly	122	3.183	1.316	41.35
Changing needs of Kenyans have significant effect on your NGO core focus.	122	3.303	1.137	34.43
The level of uncertainty in the country's political environment affects effectiveness of your NGO	122	3.55	1.048	29.51
Chaotic incidences in the country affect operations of your NGO significantly	122	3.636	1.060	29.15
<b>Final mean score</b>		<b>3.422</b>		

*Source: Primary data*

The results in Table 4.13 indicate that hostility from target group had the lowest mean of 3.183 with a CV of 41.35%. Lack of harmony on this aspect may be due to the fact that some NGOs that fight some outdated cultural practices encounter some level of hostility while those that offer medical and other humanitarian aid receive a lot of support from target group. Chaotic incidences had the highest mean of 3.636 with a CV of 29.15%. Overall environmental complexity scored a mean of 3.422 implying that respondents only agreed to a “moderate extent” on issues evaluated.

Economic conditions in the study is defined as totality of economic factors that influence organizational activities. These forces were evaluated on aspects such as inflation rates, interest rates, gross domestic product, and levels of disposable income among others. The results are presented in Table 4.14.

**Table 4.14 Economic Conditions**

<b>Economic Conditions</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Interest rates fluctuations affect service delivery of your NGO significantly	122	3.672	1.244	33.88
Inflation rates greatly reduce level of services offered by your NGO	122	3.427	1.186	34.61
Unemployment levels overburden your NGO service delivery	122	3.258	1.275	39.12
The GDP growing trends in the country aid your NGO in its operations	122	3.444	1.066	30.94
The level of disposable income among target groups of your NGO put pressure on your service delivery	122	3.388	1.215	35.93
Fluctuation in exchange rates significantly affect the value of money donated to your NGO by foreign donors	122	3.585	1.304	36.38
Income distribution among target group has significant effects on your NGO activities	122	3.458	1.240	35.85
<b>Final mean score</b>		<b>3.469</b>		

*Source: Primary data*

The findings reveal that burden of unemployment had the lowest mean score of 3.258 and relatively high CV of 39.12%. This low level of harmony on respondent on this issue may be attributed to the fact that NGOs are not seen as employers but humanitarian organizations. Interest rate fluctuations had the highest mean score of 3.672 attributed possibly to the fact that NGOs often address issues related to cost of living which are affected greatly by pricing of goods and services. Overall economic environment had a mean score of 3.469 implying that respondents agreed to a “moderate extent” on economic issues examined.

Market competition which was taken to be rivalry between organization offering similar services with the aim of increasing revenue, profit, market share was assessed on dimensions such as competition intensity, bargaining power of player’s, threat of entry of new players and the results are presented in Table 4.15.

**Table 4.15 Market Competition**

<b>Market Competition</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Intensive competition for donor funding affects NGO operations	122	3.492	1.281	36.68
Your NGO services to the target group are threatened by alternative service providers	122	3.110	1.233	39.66
Threat of entrance of new NGOs reduces funds expected from donors	122	3.008	1.369	45.52
The bargaining power of your NGO to the donors increases amount of funds you receive	122	3.534	1.315	37.23
NGO bargaining power increases number of clients	122	3.602	1.215	33.74
<b>Final mean score</b>		<b>3.352</b>		

*Source: Primary data*

From the results, threat of entrance of new NGOs into the market place had the lowest mean score of 3.008 with a relatively high CV of 45.52% while bargaining power of NGOs had the highest mean of 3.602. Final mean score for market competition was 3.352 which shows that the respondents agreed only to a “moderate extent” on aspect of market competition evaluated in this study. This may be attributed to greater needs in society and the fact that NGOs do not view themselves as competitors rather than as partners in carrying out their activities.

Culture refers to the pattern of shared attitudes, beliefs, assumptions and expectations which shape the way people act and interact in an organization and underpin the way things are done Robin and Coulter (2005). This was assessed on dimensions such level of education, community values, religious beliefs, language among others. The results are presented in Table 4.16.

**Table 4.16 Social-Cultural Factors**

<b>Social-cultural factors</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Levels of education among the target group of your NGO affect your service delivery significantly	122	3.558	1.223	34.38
The community values NGO hinder your operations	122	3.017	1.207	40.01
Negative attitude towards your NGO by target group affect operations significantly	122	3.041	1.262	41.50
Religious beliefs are a hindrance to your NGO service delivery	122	2.752	1.416	51.45
Language of your target group is a strong barrier to service delivery	122	2.683	1.360	50.68
Aspects of beauty greatly influences your NGO service delivery	122	2.058	1.247	60.58
Diverse demographics of the target group complicates service delivery by your NGO	122	2.833	1.293	45.64
Ignorance on human rights slows down your NGO service delivery	122	3.051	1.294	42.43
Public opinion on NGO has negative influence on your programs	122	2.967	1.341	45.21
Media attitude towards influences your NGO activities significantly	122	3.175	1.436	45.22
<b>Final mean score</b>		<b>2.926</b>		

*Source: Primary data*

The findings in Table 4.16 indicate that social cultural factors had a mean score of 2.926 which implies that respondents agreed only to a “moderate extent” on effect of culture on performance of NGOs. Effect of education had the highest mean score of 3.558 while beauty aspect had the least influence at 2.058 with a CV of 60.58%. The divergent view on cultural issues may be attributed to the fact that many NGOs clients are sharply divided on opinions regarding social cultural factors.

Technology environment consist of external factors in technology that impact business operations. Technological environment was assessed on dimensions such as internet access, penetration of mobile services, technological workforce skills and adaptability of technology.

**Table 4.17 Technological Factors**

<b>Technological Factors</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
Levels of internet services available among target group limit the operations of your NGO	122	2.967	1.354	45.64
Penetration of mobile services among target group affects service delivery of your NGO	122	3.085	1.279	41.48
Transportation network greatly affect your NGO operations	122	3.496	1.222	34.96
The level of I.T. skills affects your NGO operations significantly	122	3.418	1.137	33.26
Your NGO adapts to new technologies easily	122	3.75	1.051	28.02
Unreliable energy supply affects your NGO operations negatively	122	3.279	1.203	36.69
<b>Final mean score</b>		<b>3.337</b>		

*Source: Primary data*

The results are presented in Table 4.17 indicate that limitation to internet access had the lowest mean score of 2.967 with CV of 45.64% while adaptability to modern technology had the highest mean score of 3.75 and a CV 28.02%. The overall mean score of technology environment was 3.337 implying that respondents agreed to a “moderate extent” on the effect of technology on performance of NGOs.

**Table 4.18 Summary of External Environment**

<b>Technological factors</b>	<b>N</b>	<b>Mean Score</b>
Political-legal factors	122	3.494
Environmental complexity	122	3.422
Economic conditions	122	3.469
Market competition	122	3.352
Social-cultural factors	122	2.923
Technological factors	122	3.337
<b>Overall</b>		<b>3.333</b>

*Source: Primary data*

From Table 4.18 political legal factors had the highest mean score of 3.494, social-cultural factors had the lowest mean score 2.92 and the overall mean score on external environment was 3.333. These results imply that respondents agreed to a “moderate extent” on effect of external environment on NGOs performance.



#### 4.4.4 Organizational Performance

Organizational performance is the degree to which a system realizes its objectives. It is a set of measures that are utilized to quantify the effectiveness and efficiency of organizational activities (Neely et al. 1995). It was assessed on the basis of financial viability, growth, efficiency, effectiveness and relevance. The following section discusses descriptive statistics finding on these components of performance. Financial viability was measured on dimensions such as asset base, receiving of funds from diverse sources, sustainable financial resources, attracting new funders among others. The results are presented in Table 4.19

**Table 4.19 Financial Viability**

<b>Financial viability</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO consistently receives funds from donors	122	3.433	1.302	37.93
Your NGO has sufficient funds for daily operations	122	3.517	1.103	31.35
This NGO has sustainable financial resources for continuity of programs even with the exit of key donors.	122	2.826	1.271	44.96
This NGO has relatively strong asset base for sustainability	122	2.942	1.150	39.08
Your NGO receives funding from diverse sources such as government, corporations, fees, foreign donors	122	3.160	1.360	43.02
Your NGO keeps aside funds for emergencies and for economic depressed periods.	122	2.908	1.310	45.05
Your NGO continues to attract new financial partners	122	3.619	1.199	33.15
This NGO monitors its assets annually.	122	3.915	1.124	28.72
The amount of resources mobilized has increased over the last five years.	122	3.479	1.318	37.88
The NGO periodically receives other forms of resources such as volunteer services and material goods	122	3.280	1.241	37.84
<b>Final mean score</b>		<b>3.305</b>		

*Source: Primary data*

The results in Table 4.19 indicate that NGO had sustainable financial resources for continuity of programs even with the exit of key donors had the lowest mean score of 2.826 and CV of 44.96%. This implies many of respondents had very varying view on this subject which may be attributed to the fact that some NGOs are totally dependent on donor funding while others have developed systems for generating their own funds to run their affairs. NGOs monitoring of their assets had the highest mean of 3.915 with a CV of 28.72. The overall mean score was 3.305 which implies that the respondents agreed to a “moderate extent” on the issues of financial viability raised. Growth was assessed on measures such as variety of programs, geographical expansion, number of beneficiaries among others and the results are presented in Table 4.20

**Table 4.20 Growth**

<b>Growth</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
The number of beneficiaries from this NGO service has grown	122	4.111	1.028	24.99
This NGO has increased variety of programs offered to the target group	122	3.807	1.087	28.55
Your NGO operations have extended to new geographical regions	122	3.625	1.218	33.61
The number of qualified employees working with your NGO has increased	122	3.875	1.045	26.98
<b>Final mean score</b>		<b>3.860</b>		

*Source: Primary data*

The results in Table 4.20 indicate that growth had overall mean score of 3.860. This implies that respondent agreed to a large extent on issues of growth discussed. This may be attributed to increased roles of NGOs in addressing increasing disasters and other challenges in society. NGOs have to grow in order to serve the increasing society needs arising from global challenges such as draught, terrorist activities, climate change among others.

Efficiency is the ability to get most output from the least amount of input. It requires the organization to do things in the right way to minimize wastage. Efficiency was assessed on dimensions such as cost of programs, value addition, meeting of targets, keeping of standard records etc. The results are presented in Table 4.21.

**Table 4.21 Efficiency**

<b>Efficiency</b>	<b>N</b>	<b>Mean score</b>	<b>Standard Deviation</b>	<b>CV (%)</b>
The cost of programs run by your NGO compares to annual set budgets	122	3.802	1.010	26.58
The costs incurred in running your NGO programs have value addition in services offered.	122	3.792	0.903	23.80
The employees of this NGO meet set performance targets at minimum costs	122	3.818	0.862	22.59
Funds received from donors by your NGO go to benefit the target group	122	4.142	1.002	24.20
This NGO keeps standard records for all its operations	122	4.25	0.819	19.27
This NGO offers timely services to its clients	122	4.15	0.782	18.83
This NGO makes optimal use of its facilities such as buildings and equipment.	122	4.083	0.900	22.04
Your NGO evaluates progress and achievement made in the organization from time to time.	122	4.174	0.850	20.36
Your NGOs equipment and systems are well maintained to avoid unnecessary delay in service delivery	122	4.067	0.834	20.51
Your NGO has a high technical capacity to run all its operations	122	3.983	0.890	22.36
<b>Final mean score</b>		<b>4.025</b>		

*Source: Primary data*

The results indicate that keeping of records by NGOs had the highest mean score of 4.25 with a CV of 19.25%. This may be attributed to the demands by donors, potential donors and the government which always insist on maintenance of clean records on NGOs activities. The final mean scores on efficiency was 4.025 which implies that respondents agreed to a large extent on issues raised concerning NGOs efficiency.

Effectiveness is ability to complete activities well so that organizational goals are attained It is doing the right things with an aim of achieving organizational objectives. Effectiveness was measured on dimensions such as attracting donor funding, community acceptance, service quality etc. The results are presented in Table 4.22

**Table 4:22 Effectiveness**

<b>Effectiveness</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO has the ability to attract and sustain donor funding	122	4.143	0.910	21.97
Your NGO has kept on improving intended services to beneficiary groups	122	4.126	0.894	21.667
This NGO has kept its vision, mission and objectives in delivery of service	122	4.254	0.8451	19.86
Your NGO upholds service quality in its programs	122	4.234	0.793	18.70
Your NGO greatly enjoys community acceptance and support in its operations	122	4.308	0.772	17.93
Your NGO has created high level of awareness of its operations to target the group	<b>122</b>	<b>4.20</b>	<b>0.756</b>	<b>18.02</b>
<b>Overall</b>		<b>4.210</b>		

*Source: Primary data*

The results in Table 4.22 indicate that all aspects of effectiveness tested had a mean score of above 4 and above indicating that the respondents agreed to a “large extent” on issues of effectiveness tested. This may be attributed to the demands made by donors who insist on effectiveness as a requirement for continued support. The CV ranged from 17% to 21% implying that the respondents did not only agree on the issues tested but had relatively same opinion on those aspect.

Relevance implies the degree to which NGOs were considered useful to the needs of the target group. Relevance was measured on dimensions such as donors’ confidence, adjusting to community needs, peers benchmarking, partner participation among others.

**Table 4.23 Relevance**

<b>Relevance</b>	<b>N</b>	<b>Mean Score</b>	<b>Standard Deviation</b>	<b>C.V (%)</b>
This NGO continuously adjusts its services which results in high client satisfaction	122	4.017	0.836	20.81
The employees of this NGO are highly motivated in their work	122	3.719	0.955	25.68
Donors continuously express confidence in the operations of Your NGO	122	4.059	0.950	23.41
Current partners are willing to support more initiatives proposed by your NGO	122	3.890	0.867	22.30
Programs run by your NGO are regularly reviewed to reflect changing environment	122	3.85	0.945	24.56
Peer organizations value relationship with your NGO.	122	3.966	0.853	21.51
Your NGO adequately balances stakeholder's demands.	122	3.948	0.869	22.02
Partners are willing to play more active roles in the management and running of your NGO	122	3.775	1.004	26.59
<b>Overall</b>		<b>3.908</b>	<b>0.117</b>	<b>3.01</b>

*Source: Primary data*

The results presented in Table 4.23 indicate that all items of relevance tested had a mean score of more than 3.5. This implies that the respondents agreed to a large extent on relevance of their NGOs in service delivery. The final mean score was 3.908 and the CV ranged from 20% to 26% implying that the respondents had a harmonious view on relevance of their NGOs. This strong agreement may be attributed to the fact that NGOs activities are on increase due to government inability to deliver expected services.

The overall mean scores of NGOs performance are presented in Table 4.24.

**Table 4:24 Summary of Organizational Performance**

<b>Performance</b>	<b>N</b>	<b>Mean Score</b>
Financial Viability	122	3.305
Growth	122	3.860
Efficiency	122	4.025
Effectiveness	122	4.210
Relevance	122	3.909
<b>Overall</b>		<b>3.862</b>

*Source: Primary data*

The results in Table 4.21 indicate that effectiveness had the highest mean score of 4.21 while financial viability had the lowest mean score of 3.305

The overall mean score of organizational performance was 3.862 implying that respondents agreed to a large extent on issues of NGOs performance raised in the study.

Table 4.25 contains overall scores of the variables of the study.

**Table 4.25 Summary of Descriptive Statistics**

Study Variables	N	Mean Score
Holistic Marketing	122	3.845
Organizational characteristics	122	3.930
External environment	122	3.333
Organizational Performance	122	3.862

Source: Primary data

Organizational characteristics had the highest mean score of 3.930 while external environment had the lowest mean score of 3.333. These results imply that respondents rated different study variables to different levels.

#### 4.5 Correlations Analyses

The general objective of the study was to establish the effect of holistic marketing practices, organizational characteristics and external environment on performance of Non-Governmental organizations. Pearson Correlations coefficient (r) was used to assess the strength of relationship between independent and dependent variables of the study and the results are presented in Table 4.27.

**Table 4.27 Summary of Correlation Analyses**

		Correlations			
		1	2	3	4
Holistic Marketing	Pearson Correlation Sig. (2-tailed)	1			
Organizational Characteristics	Pearson Correlation Sig. (2-tailed)	.793** .000	1		
External Environmental factors	Pearson Correlation Sig. (2-tailed)	.198* .029	.118 .196	1	
Organizational Performance	Pearson Correlation Sig. (2-tailed)	.765** .000	.762** .000	.267** .003	1
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					
n= sample size 122					

Source: Primary data

From Table 4.27 it is observable that there is a strong positive correlation of  $r=0.765$  between the dependent variable (organizational performance) and independent variable (Holistic marketing). Strong positive correlation of  $r=0.762$  was also observed between organizational characteristic and organizational performance. However a moderately weak but statistically significant correlation

was observed between external environment and organizational performance as indicated in Table 4.27. The observed statistically significant correlation coefficients supported further tests.

#### **4.6 Diagnostic Tests**

This analysis involved testing of assumptions on normality, linearity, homogeneity and multicollinearity that are necessary for further statistical tests (Razali & Wah 2011). Testing for these assumptions was necessary because the validity of the conclusions drawn from a statistical analysis depends on the validity of the assumptions made. Normality was tested using Kolmogorov-Smirnov (K-S) one-sample test as goodness of fit test. This test compares the cumulative distribution function for variables within a specified distribution (Malhotra & Dash, 2011; Conover, 1999). The goodness-of-fit test evaluated whether the observations could reasonably have come from the specified distribution. The results of the K-S tests for the study variables, namely, Holistic marketing, External environment organization characteristics and performance of NGOs revealed that the data were normally distributed. Both Composite variables as well as their components showed normal distribution of data. The results are presented in Appendix IX Tables 1-3.

To test for linearity, Linearity test were conducted. The component of holistic marketing namely; relationship, internal, integrated and CSR marketing were each tested against the NGOs performance. Organizational characteristics and external environment were also tested against NGOs performance. The test results in appendix X had a significance value which was smaller than 0.05, indicating that there is a linear relationship between holistic marketing organizational characteristic and external environment on performance. The results are contained in Appendix X: Table 1-7.

Homoscedasticity (homogeneity of variance) refers to the assumption that the dependent variable exhibits similar amounts of variance across the range of values for an independent variable (Hair et al, 1998). To test for homoscedasticity, Levene test (1960) for equality of variance was computed using one-way ANOVA procedure. For majority of NGOs performance (dependent variable) indicators, Levenes probability statistics were more than the significance level of 0.05. This implies that the variances are equal. Durbin –Watson test were used to assess Independence of error terms. The results ranged between 1.437 – 2.077 meaning they were within the acceptable range as recommended by (Garson, 2012).

Multicollinearity in the current study was tested using Variance Inflation Factor (VIF) calculated using SPSS regression procedure as well as examination of correlation coefficient among variables. Multicollinearity refers to the linear correlation among variables. The VIF for all independent and dependent variables were found to be less than 3 ( $VIF \leq 3$ ) indicating that the level of multicollinearity was within the acceptable range. This implied that Independent variables were not highly correlated while independent and dependent variables correlated highly. These results are presented together with hypotheses test results. A summary on diagnostic test results is presented in Table 4.28

**Table 4.28 Summary of Diagnostic Test**

Variable	Sample size	Reliability (Cronbach's $\alpha$ test)	Normality (K-S) one-sample test	Linearity (ANOVA test)	Independence (Durbin-Watson test)	Collinearity VIF (Tolerance test)
	122	Threshold 0.6 min	Threshold $p \geq 0.05$	Threshold $p \leq 0.05$	Threshold 1.5 to 2.5	Threshold VIF 10 max
Holistic Marketing	122	0.953	.257	.000	1.862	2.776 (.360)
Organizational characteristics	122	0.945	.038	.000	1.770	2.704 (.370)
External environment	122	0.940	.804	.004	1.701	1.046 (.956)
Organizational performance	122	0.963	.097	n/a	n/a	n/a

*Source Primary data*

From Table 4.28 it is observed the data collected met the threshold required for further analysis. Based on these results the next section dwells on regression analyses and hypotheses testing.

#### **4.7 Hypotheses Testing**

The study was based on supposition that there is a relationship between holistic marketing practices and organizational performance and that this relationship is moderated by organizational characteristics and external environment. Several hypotheses were developed and tested to determine if the proposed relationship existed and its level of significance. To establish the

statistical significance of the various hypothesis proposed, simple and stepwise regression analysis were conducted at 95% confidence level.

#### 4.7.1 Holistic Marketing Practices and Organizational Performance

The first objective of this study was to establish the relationship between holistic marketing practices and performance of NGOs. Holistic marketing practices comprised relationship marketing, internal marketing, integrated marketing and corporate social responsibility marketing. NGOs performance was measured on five dimensions namely: financial viability, efficiency, effectiveness, growth and relevance. To achieve this objective, the study tested relationships between each component of holistic marketing practices against each component of NGOs performance. Secondly, the study tested the relationships between each component of holistic marketing practices and the overall performance. Finally the relationship between composite holistic marketing practices variable and overall performance of NGOs. The relationship between holistic marketing elements namely relationship, internal, integrated and corporate social responsibility marketing and financial viability of NGOs was assessed by testing the hypothesis H1<sub>a</sub>.

**H1<sub>a</sub>: Holistic marketing elements significantly affect financial viability of NGOs.**

To test this hypothesis, mean scores of relationship, internal, integrated and corporate social responsibility marketing were regressed against mean score of financial viability. The simple regression and stepwise results are presented in Table 4.29 and Table 4.30 respectively.

**Table 4.29 Simple Regression: Elements of Holistic Marketing on NGOs Financial Viability**

	Relationship Marketing	Internal Marketing	Integrated Marketing	CSR marketing
R	.432	.590 <sup>a</sup>	.558 <sup>a</sup>	.503 <sup>a</sup>
Adjusted R <sup>2</sup>	.180	.343	.306	.253
F	27.517	64.040	54.278	40.721
Sig (p)	.000	.000	.000	.000
Constant	.539	.906	.641	1.185
B	.669	.663	.695	.559
S.E	.127	.083	.094	.088
β (beta)	.432	.590 <sup>a</sup>	.558 <sup>a</sup>	.503
T	5.246	8.003	7.367	6.381
Sig (p)	.000	.000	.000	.000

Source: Primary data



The results in Table 4.29 show that the simple linear regression models for all component of holistic marketing predicting financial viability were statistically significant.  $R^2$  for internal marketing was the highest at 34.3% variance while that of relationship marketing was the lowest at 18% variance. Both the regression coefficients (standardized and unstandardized) are statistically significant at  $p < 0.0005$ . This indicates that each of the component taken individually significantly contribute positively to the change in financial viability. For instance, internal marketing with the highest contribution has standardized beta coefficient of 0.590 indicating that for every unit change in internal marketing, there is a change of 0.590 on financial viability. This implies that internal marketing strategy has higher predictable capacity to improve financial viability of NGOs compared to other components of holistic marketing practices. On the basis of results in Tables 4.29 the study fails to reject the hypotheses  $H1_a$  and conclude that elements of holistic marketing individually have significant effect on financial viability of NGOs. This implies that if managers of NGOs incorporated any of the components of holistic marketing they would be able to attract more funds from potential donors.

The study further sought to determine the most significant elements of holistic marketing when they are put together in affecting NGOs financial viability by employing stepwise regression and the results are presented in Table 4.30.

**Table 4.30 Stepwise Regression on Holistic Marketing Components and NGOs Financial Viability**

<b>a) The Goodness of Fit Test</b>						
Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimate		
2	.616 <sup>b</sup>	.379	.369	.64027		
a. Predictors: (Constant), Internal Marketing						
b. Predictors: (Constant), Internal Marketing, Corporate Social Responsibility Marketing						
c. Dependent Variable: Financial Viability						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.338	1	27.338	64.040	.000 <sup>b</sup>
	Residual	51.226	120	.427		
	Total	78.563	121			
2	Regression	29.780	2	14.890	36.322	.000 <sup>c</sup>
	Residual	48.783	119	.410		
	Total	78.563	121			
a. Dependent Variable: Financial Viability						
b. Predictors: (Constant), Internal Marketing						
c. Predictors: (Constant), Internal Marketing, Corporate Social Responsibility Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t-test	Sig.
		B	Std. Error	Beta		
1	(Constant)	.906	.306		2.966	.004
	Internal Marketing	.663	.083	.590	8.003	.000
2	(Constant)	.525	.338		1.556	.122
	Internal Marketing	.507	.103	.451	4.908	.000
	Corporate Social Responsibility Marketing	.249	.102	.224	2.441	.016
a. Dependent Variable: Financial Viability						

Source: Primary data

The stepwise regression model presented in Table 4.30 was developed at two levels. The first model explained 34.3% variance and included only internal marketing. The second and final model raised the variance to 36.9% by adding corporate social responsibility marketing and dropped out relationship marketing and integrated marketing. In this model the beta coefficients for internal marketing was 0.451 and that of corporate social responsibility was 0.224 which were all statistically significant. The regression equation for this model is:

$$Y = 0.525 + 0.451X_1 + 0.224X_2 \dots\dots\dots (i)$$

Where:

Y= Financial viability

X<sub>1</sub>= Internal marketing

X<sub>2</sub>= Corporate social responsibility marketing

These findings further indicate that in addition to internal marketing greater improvement on financial viability would be achieved if NGOs included corporate social responsibility marketing dimension in their marketing strategy. However, inclusion of relationship marketing and integrated marketing dimensions of holistic marketing may not add significant value to NGOs financial viability.

Growth of NGOs in the study was conceptualized as significant in ensuring their survival and consequently better performance. The study sought to establish the relationship between holistic marketing components and growth of NGOs by testing the hypothesis:

***H1<sub>b</sub>: Holistic marketing components significantly influence growth of NGOs.***

To test this hypothesis, simple, and stepwise regression analysis were conducted where the mean score of relationship, internal, integrated and corporate social responsibility marketing were regressed against mean score of growth. The simple regression model results are presented in Table 4.31. The results indicate that simple linear regression models for all component of holistic marketing predicting growth of NGOs were all statistically significant. Integrated marketing accounted for the highest variance with R<sup>2</sup>=37.7% while corporate social responsibility marketing had the lowest variance of 25.2%. The results further indicate that beta coefficients for all the components were statistically significant at p<0.0005. This indicates that each element individually contributed positively to growth of NGOs. More specifically, an increase in a unit of integrated, relationship, internal and corporate social responsibility marketing would result in 0.618, 0.550, 0.513 and 0.509 increase in growth of NGO respectively. Based on results in Tables 4.31 the study therefore fail to reject H1<sub>b</sub> and conclude that elements of holistic marketing individually have significant effect on growth of NGOs.



**Table 4:32 Stepwise Regression on Elements of Holistic Marketing and Growth of NGOs**

a) The Goodness Fit Test						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	.618 <sup>a</sup>	.383	.377		.71655	
2	.650 <sup>b</sup>	.423	.413		.69559	
a. Predictors: (Constant), Integrated Marketing						
b. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
c. Dependent Variable: Growth						
b) The Overall Significance						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.169	1	38.169	74.340	.000 <sup>b</sup>
	Residual	61.613	120	.513		
	Total	99.781	121			
2	Regression	42.203	2	21.102	43.612	.000 <sup>c</sup>
	Residual	57.578	119	.484		
	Total	99.781	121			
a. Dependent Variable: Growth						
b. Predictors: (Constant), Integrated Marketing						
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
c)Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.532	.391		1.360	.176
	Integrated Marketing	.868	.101	.618	8.622	.000
2	(Constant)	-.456	.511		-.892	.374
	Integrated Marketing	.634	.127	.452	4.994	.000
	Relationship Marketing	.456	.158	.261	2.888	.005
a. Dependent Variable: Growth						

Source: Primary data

Efficiency refers to getting most output from the least amount of input “doing things right”. NGOs efficiency implied delivering appropriate services at the lowest cost which would result in better performance. The study sought to establish the effect of holistic marketing elements on efficiency of NGOs by testing the hypothesis:

**H1<sub>c</sub>: Holistic marketing elements significantly affect efficiency of NGOs.**

In testing hypothesis H1<sub>c</sub>, the mean score of relationship, internal, integrated and corporate social responsibility marketing were regressed against mean score of efficiency. The simple regression results are presented in Table 4.33.

**Table 4.33 Simple Regression for Components of Holistic Marketing and Ngos Efficiency**

	Relationship Marketing	Internal Marketing	Integrated Marketing	Corporate social responsibility marketing
R	.607 <sup>a</sup>	.593 <sup>a</sup>	.594 <sup>a</sup>	.587 <sup>a</sup>
Adjusted R <sup>2</sup>	.364	.346	.348	.340
F	70.176	65.006	65.558	63.198
Sig (p)	0.000	0.000	0.000	0.000
Constant	1.059	2.188	1.862	2.139
B	.717	.507	.564	.497
S.E	.086	.063	.070	.063
β (beta)	.607	.593 <sup>a</sup>	.594 <sup>a</sup>	.587 <sup>a</sup>
T	8.377	8.063	8.097	7.950
Sig (p)	0.000	0.000	0.000	0.000
Where: B is unstandardized coefficient; S.E is standard error; β (beta) is standardized Coefficient Dependent Variable: efficiency Independent Variables: Relationship, Internal, Integrated & Social Responsibility Marketing				

Source: primary data

The simple regression models shown in Table 4.33 show the predicting power of individual holistic marketing elements on efficiency of NGOs. Relationship marketing has the highest variance  $R^2 = 36.4\%$ , while corporate social responsibility marketing has the lowest variance at  $34\%$ . The beta coefficients of relationship, integrated, internal and corporate social responsibility marketing of 0.607, 0.593, 0.594, and 0.587 respectively were all statistically significant at  $p < 0.0005$ . Based on these results the study fails to reject H1<sub>c</sub> and conclude that the four elements of holistic marketing have positive effect on efficiency of NGOs with the strongest predictor being relationship marketing and the weakest as corporate social responsibility marketing.

To determine the most parsimonious model for components of holistic marketing practices in predicting NGOs efficiency, stepwise regression analysis was carried out and the results are presented in Table 4.34.

**Table 4.34 Stepwise Regression for Holistic Marketing Components and NGOs Efficiency**

<b>a) The Goodness of Fit test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.607 <sup>a</sup>	.369	.364	.48982		
2	.676 <sup>b</sup>	.457	.448	.45614		
3	.695 <sup>c</sup>	.483	.470	.44701		
a. Predictors: (Constant), Relationship Marketing b. Predictors: (Constant), Relationship Marketing, Corporate Social Responsibility Marketing c. Predictors: (Constant), Relationship Marketing, Corporate Social Responsibility Marketing, Internal Marketing d. Dependent Variable: Efficiency						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.837	1	16.837	70.176	.000 <sup>b</sup>
	Residual	28.790	120	.240		
	Total	45.627	121			
2	Regression	20.867	2	10.434	50.147	.000 <sup>c</sup>
	Residual	24.759	119	.208		
	Total	45.627	121			
3	Regression	22.049	3	7.350	36.782	.000 <sup>d</sup>
	Residual	23.578	118	.200		
	Total	45.627	121			
a. Dependent Variable: Efficiency b. Predictors: (Constant), Relationship Marketing c. Predictors: (Constant), Relationship Marketing, Corporate Social Responsibility Marketing d. Predictors: (Constant), Relationship Marketing, Corporate Social Responsibility Marketing, Internal Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.059	.357		2.970	.004
	Relationship Marketing	.717	.086	.607	8.377	.000
2	(Constant)	.892	.334		2.668	.009
	Relationship Marketing	.478	.096	.405	4.964	.000
	Corporate Social Responsibility Marketing	.304	.069	.359	4.402	.000
3	(Constant)	.932	.328		2.840	.005
	Relationship Marketing	.366	.105	.310	3.477	.001
	Corporate Social Responsibility Marketing	.230	.074	.272	3.101	.002
	Internal Marketing	.195	.080	.228	2.432	.017
a. Dependent Variable: Efficiency						

Source: Primary data

From Table 4.34, the analysis produced the results in three models. The 1<sup>st</sup> model entered relationship marketing that accounted for 36.4 % of the variance, 2<sup>nd</sup> model included corporate social responsibility marketing that resulted in additional 8.8 % of the variance while 3<sup>rd</sup> model further added internal marketing with additional gain of 2.6% variance. The final model accounted for a total of 47 % variance contributed by the three components whose beta values are significant. Integrated marketing was dropped out of the predictive model.

The beta coefficients for the final model whose values were 0.310 for relationship marketing, 0.272 for corporate social responsibility marketing and 0.228 for internal marketing were all statistically significant. This model has put relationship and corporate social responsibility marketing as the main predictors of efficiency in NGOs that management should consider. The model further shows additional gain that would be realized if NGOs took into account the effect of internal marketing.

The regression equation for the final model is represented as:

$$Y = 1.0591 + 0.310X_1 + 0.272X_2 + 0.228X_3 \dots\dots\dots (iii)$$

Where:

Y= Efficiency

X<sub>1</sub>= Relationship marketing

X<sub>2</sub>= Corporate social responsibility marketing

X<sub>3</sub>= Internal marketing

These findings suggest that NGO management should focus on relationship marketing, corporate social responsibility and internal marketing strategies to improve NGOs efficiency but with more focus on relationship marketing.

Effectiveness is completing activities so that organizational goals are attained “doing the right things”. It is fundamental component of organizational performance. To establish the relationship between holistic marketing elements and NGOs effectiveness the following hypothesis was tested.

***H1a: Holistic marketing components significantly influences effectiveness of NGOs.***

The mean scores of relationship, internal, integrated and corporate social responsibility marketing were regressed against mean scores of NGOs effectiveness. The simple regression results are presented in Table 4.35.



**Table 4.35 Simple Regression for Holistic Marketing Components and NGOs Effectiveness**

	Relationship Marketing	Internal Marketing	Integrated Marketing	Corporate Social Responsibility
R	.549 <sup>a</sup>	.511 <sup>a</sup>	.565 <sup>a</sup>	.521 <sup>a</sup>
R <sup>2</sup>	.296	.255	.313	.265
F	51.805	42.431	56.256	44.727
Sig (p)	0.000	0.000	0.000	0.000
Constant	1.278	2.478	1.962	2.380
B	.709	.479	.587	.483
S.E	.098	.073	.078	.072
β (beta)	.549 <sup>a</sup>	.511 <sup>a</sup>	.565 <sup>a</sup>	.521 <sup>a</sup>
T	7.198	6.514	7.500	6.688
Sig (p)	0.000	0.000	0.000	0.000

Where: B is unstandardized coefficient; S.E is standard error; β (beta) is standardized Coefficient: Dependent Variable: Efficiency, : Independent Variables: Relationship, Internal, Integrated & Social Responsibility Marketing

Source: primary data

As displayed in Table 4.35 the simple regression models predictive power of holistic marketing elements on NGOs effectiveness are statistically significant. Internal marketing had the highest  $R^2 = 31.3\%$  variance while integrated marketing had the least at 25.5% variance. The beta coefficients are statistically significant at  $p < 0.0005$  with standardized beta values for internal, relationship, corporate social responsibility and integrated marketing as 0.565, 0.549, 0.51 and 0.511 respectively. Based on results in Tables 4.35 the study fails to reject hypotheses  $H1_d$  and conclude that individually each of the four elements of holistic marketing significantly affect effectiveness of NGOs.

The study further sought to develop the most parsimonious regression model for elements of holistic marketing predicting NGO effectiveness by employing stepwise regression model and the results are presented in Table 4.36. The results indicate that the model was developed at two levels. The 1<sup>st</sup> model entered relationship marketing with  $R^2$  at 31.3% variance while the 2<sup>nd</sup> included integrated marketing with a significant additional variance of 6% so that the final models contributed a total variance of 37.6%. The beta coefficients for integrated marketing was 0.362 while that of relationship marketing was 0.318 which were significant as presented in Table 4.36. This implies that NGOs could achieve higher levels of effectiveness if they incorporated both relationship and integrated marketing in their marketing strategy.

The regression equation for this model is as follows:

$$Y = 1.071 + 0.362X_1 + 0.318X_2, \dots\dots\dots (iv)$$

Where:

Y= Effectiveness

X<sub>1</sub>= Relationship marketing

X<sub>2</sub> = Integrated marketing

**Table 4.36 Stepwise Regression for Holistic Marketing Elements and NGOs Effectiveness**

<b>a) The Goodness of Fit Test</b>							
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate		
1	.565 <sup>a</sup>	.319	.313		.55665		
2	.616 <sup>b</sup>	.379	.369		.53379		
a. Predictors: (Constant), Integrated Marketing							
b. Predictors: (Constant), Integrated Marketing, Relationship Marketing							
c. Dependent Variable: Effectiveness							
<b>b) The Overall Significance</b>							
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	17.431	1	17.431	56.256	.000 <sup>b</sup>	
	Residual	37.182	120	.310			
	Total	54.614	121				
2	Regression	20.706	2	10.353	36.335	.000 <sup>c</sup>	
	Residual	33.907	119	.285			
	Total	54.614	121				
a. Dependent Variable: Effectiveness							
b. Predictors: (Constant), Integrated Marketing							
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing							
<b>c) Coefficients</b>							
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	
		B	Std. Error				
1	(Constant)	1.962	.304	.565	6.452	.000	
	Integrated Marketing	.587	.078		7.500	.000	
2	(Constant)	1.071	.392	.362	2.729	.007	
	Integrated Marketing	.376	.097		3.857	.000	
	Relationship Marketing	.411	.121		.318	3.390	.001
a. Dependent Variable: Effectiveness							

Source: Primary data

Relevance of NGOs to both the donors and target community was conceptualized as a significant dimension of performance.

To establish the relationship between holistic marketing components and relevance of NGOs, hypothesis H1<sub>e</sub> was tested.

**H1<sub>e</sub>: Holistic marketing components significantly affect relevance of NGOs.**

To test this hypothesis, mean scores of relationship, internal, integrated and corporate social responsibility marketing were regressed against mean scores of relevance. The simple regression results are presented in Table 4.37.

These results show that all the elements of holistic marketing individually predicting NGOs relevance were statistically significant with R<sup>2</sup> for integrated marketing being the highest at 44% variance while corporate social responsibility marketing had the lowest variance of 34.9 %. The simple regression coefficients which included relationship, internal, integrated and social responsibility marketing were 0.615, 0.643, 0.667, and 0.595 respectively which were statistically significant at p<0.0005. The results from the study fail to reject the hypothesis H1<sub>e</sub> and conclude that components of holistic marketing individually have statistically significant effect on relevance of NGOs. This indicates that each of the component taken individually significantly contributed positively to the change in NGO relevance.

**Table 4.37 Simple Regression for Holistic Marketing Components and NGOs Relevance**

	Relationship Marketing	Internal Marketing	Integrated Marketing	Social Responsibility Marketing
R	.615 <sup>a</sup>	.643 <sup>a</sup>	.667 <sup>a</sup>	.595 <sup>a</sup>
R <sup>2</sup>	.374	.409	.440	.349
F	73.186	84.638	96.121	65.767
Sig (p)	0.000	0.000	0.000	0.000
Constant	.450	1.614	1.116	1.710
B	.836	.634	.729	.580
S.E	.098	.069	.074	.072
β (beta)	.615	.643 <sup>a</sup>	.667 <sup>a</sup>	.595
T	8.555	9.200	9.804	8.110
Sig (p)	0.000	0.000	0.000	0.000
Where: B is unstandardized coefficient; S.E is standard error; β (beta) is standardized Coefficient Dependent Variable: Relevance Independent Variables: Relationship, Internal, Integrated & Social Responsibility Marketing				

Source: Primary data

The analysis further subjected the elements of holistic marketing to a stepwise regression test to determine their contribution to NGOs relevance and the results are presented in Table 4.38.

**Table 4.38 Stepwise Regression for Holistic Marketing Components and NGOs Relevance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R <sup>2</sup>	Std. Error of Estimate		
1	.667	.445	.440	.52890		
2	.711	.506	.497	.50120		
3	.726	.527	.515	.49246		
a. Predictors: (Constant), Integrated Marketing						
b. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing						
d. Dependent Variable: Relevance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.889	1	26.889	96.121	.000 <sup>b</sup>
	Residual	33.569	120	.280		
	Total	60.457	121			
2	Regression	30.565	2	15.282	60.839	.000 <sup>c</sup>
	Residual	29.892	119	.251		
	Total	60.457	121			
3	Regression	31.840	3	10.613	43.763	.000 <sup>d</sup>
	Residual	28.617	118	.243		
	Total	60.457	121			
a. Dependent Variable: Relevance						
b. Predictors: (Constant), Integrated Marketing						
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
d. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.116	.289		3.862	.000
	Integrated Marketing	.729	.074	.667	9.804	.000
2	(Constant)	.172	.368		.467	.641
	Integrated Marketing	.505	.091	.462	5.523	.000
	Relationship Marketing	.435	.114	.320	3.826	.000
3	(Constant)	.253	.364		.697	.487
	Integrated Marketing	.355	.111	.325	3.191	.002
	Relationship Marketing	.354	.117	.261	3.023	.003
	Internal Marketing	.229	.100	.232	2.293	.024

Source: Primary data

The results presented in Table 4.38 show that the prediction model was developed in three steps. The first model was statistically significant, with integrated marketing accounting for 44% of the variance. The second model included relationship marketing with additional gain in variance of 6.1% while the third model further included internal marketing with additional variance of 2.1 % resulting in the final model accounting for 51.5% variance. The final model included three components of holistic marketing integrated, relationship and, internal marketing whose beta coefficients were all significant. Corporate social responsibility marketing was dropped as an insignificant element. This shows that incorporating relationship, integrated as well as internal marketing in NGO marketing strategy could improve their relevance significantly. The regression equation for the model is:

$$Y = 0.495 + 0.325X_1 + 0.261X_2 + 0.232X_3, \dots\dots\dots (v)$$

Where: Y= Relevance

X<sub>1</sub>= Integrated marketing

X<sub>2</sub>= Relationship marketing

X<sub>3</sub>= Internal marketing

The study sought to establish the relationship between holistic marketing practices elements and the overall performance of NGOs by testing hypotheses H1<sub>e</sub> and H1<sub>f</sub>.

***H1<sub>e</sub>: Holistic marketing components significantly affect performance of NGOs.***

To test hypothesis H1<sub>e</sub>, the mean score of each element of holistic marketing; relationship, internal, integrated and corporate social responsibility marketing were regressed against aggregate mean score of performance. The simple regression results are presented in Table 4.39.

The results shows simple regression model summary for each of the components of holistic marketing predicting performance where all the models were statistically significant. Adjusted R<sup>2</sup> for integrated marketing model was the highest explaining 47.9% of variance while that of relationship marketing was the lowest at 39% variance. The unstandardized (B) and standardized (β) coefficients and their significance levels determined by *t* tests were significance at p<0.0005. The beta value for integrated marketing was 0.695 indicating that for every additional unit on the integrated marketing there would be an increment of 0.695 units on performance. Other beta values are 0.674 for internal marketing, 0.634 for corporate social responsibility marketing and 0.628 for relationship marketing were all statistically significant. On the basis of these results the study

supports the hypothesis that holistic marketing elements have statistically significant effect on performance of NGO with integrated marketing being the strongest predictor.

**Table 4.39 Simple Regression on Elements of Holistic Marketing and NGOs Performance**

	Relationship Marketing	Internal Marketing	Integrated Marketing	Corporate social responsibility Marketing
<b>R</b>	.628 <sup>a</sup>	.674 <sup>a</sup>	.695 <sup>a</sup>	.634 <sup>a</sup>
<b>Adjusted R<sup>2</sup></b>	.390	.449	.479	.398
<b>F</b>	78.264	99.626	112.294	80.849
<b>Sig (p)</b>	.000	.000	.000	.000
<b>Constant</b>	.718	1.709	1.261	1.760
<b>B</b>	.750	.584	.668	.544
<b>S.E</b>	.085	.058	.063	.060
<b>β (beta)</b>	.628	.674	.695	.634
<b>T</b>	8.847	9.981	10.597	.634
<b>Sig (p)</b>	.000	.000	.000	.000
Where: B is unstandardized coefficient; S.E is standard error; β (beta) is Standardized Coefficient Dependent Variable: performance Independent Variables: Relationship, Internal, Integrated & Social Responsibility Marketing				

*Source: Primary data*

To further analyze the contributions of elements of holistic marketing put together on NGOs performance stepwise regression was performed. The results presented in Table 4.40 show that prediction model was developed in four steps. The first model was statistically significant, and accounted for approximately 48 % of the variance explained by integrated marketing. In the second step, relationship marketing was added to the model with a significant gain of 5.7 % variance as reflected in the value of R<sup>2</sup> change. In the third and fourth model internal marketing and CSR marketing were added with significant gain of 2.6% and 1.8 % respectively. The final model accounted for 57% of total variance explained by the four components of holistic marketing on performance. From the analysis it is evident that each of the elements of holistic marketing has predictive power on the performance of NGOs. Managers who wish to improve on overall performance of their NGOs could focus more on integrated marketing followed by relationship marketing. However they should not neglect the roles of internal marketing and social responsibility marketing for optimal performance.

**Table 4.40 Stepwise Regression on Holistic Marketing Elements and NGOs Performance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.695 <sup>a</sup>	.483	.479	.44863		
2	.735 <sup>b</sup>	.541	.533	.42473		
3	.753 <sup>c</sup>	.567	.556	.41419		
4	.765 <sup>d</sup>	.585	.571	.40706		
a. Predictors: (Constant), Integrated Marketing						
b. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing						
d. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing, Corporate Social Responsibility Marketing						
e. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.602	1	22.602	112.294	.000 <sup>b</sup>
	Residual	24.153	120	.201		
	Total	46.754	121			
2	Regression	25.287	2	12.644	70.089	.000 <sup>c</sup>
	Residual	21.467	119	.180		
	Total	46.754	121			
3	Regression	26.511	3	8.837	51.510	.000 <sup>d</sup>
	Residual	20.244	118	.172		
	Total	46.754	121			
4	Regression	27.368	4	6.842	41.291	.000 <sup>e</sup>
	Residual	19.387	117	.166		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Integrated Marketing						
c. Predictors: (Constant), Integrated Marketing, Relationship Marketing						
d. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing						
e. Predictors: (Constant), Integrated Marketing, Relationship Marketing, Internal Marketing, Corporate Social Responsibility Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.261	.245		5.148	.000
	Integrated Marketing	.668	.063	.695	10.597	.000
2	(Constant)	.455	.312		1.457	.148
	Integrated Marketing	.477	.078	.497	6.154	.000
	Relationship Marketing	.372	.096	.311	3.859	.000
3	(Constant)	.535	.306		1.747	.083
	Integrated Marketing	.330	.094	.343	3.526	.001
	Relationship Marketing	.293	.099	.245	2.970	.004
	Internal Marketing	.224	.084	.259	2.670	.009
4	(Constant)	.495	.301		1.644	.103
	Integrated Marketing	.232	.101	.242	2.291	.024
	Relationship Marketing	.258	.098	.216	2.628	.010
	Internal Marketing	.201	.083	.232	2.412	.017
	CSR Marketing	.170	.075	.198	2.274	.025
a. Dependent Variable: Performance						

Source: Primary data

**H1f: Holistic marketing practices significantly affect performance of NGOs.**

To test this hypothesis aggregate mean scores of holistic marketing practices were regressed against aggregate mean score of NGOs performance. The results are presented in Table 4.41

**Table 4.41 Simple Regression for Holistic Marketing Practices and NGOs Performance.**

<b>a) The Goodness of Fit test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.765 <sup>a</sup>	.586	.582	.40175		
a. Predictors: (Constant), Holistic Marketing						
b. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.386	1	27.386	169.678	.000 <sup>b</sup>
	Residual	19.368	120	.161		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Holistic Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.607	.249		2.435	.016
	Holistic Marketing	.839	.064	.765	13.026	.000
a. Dependent Variable: Performance						

Source: Primary data

Results in Table 4.41 indicate that the predictive model on performance by holistic marketing practices was statistically significant and accounted for 58%. Holistic marketing therefore linearly affect performance of NGOs significantly. The beta value of 0.839 was statistically significant indicating that for every unit change in holistic marketing practices, the performance increases by 0.839. The positive beta value shows that an increase in holistic marketing practices results in an increase in performance while the constant 0.607 indicates that other factors exist that affect performance apart from holistic marketing. The results support hypothesis that holistic marketing practices significantly affect performance of NGOs.

The regression model is:



$$Y = 0.607 + 0.765X \dots\dots\dots (vi)$$

Where:

Y = performance

X = Holistic marketing practices

In-depth analysis on effect of elements of holistic marketing practices on elements of organizational performance as well as the overall holistic marketing practices on organizational performance support the theory that holistic marketing practices have significant effect on organizational performance. These finding echo the previous studies findings by Sarbabidya (2014) and Patwardhan (2014) that holistic marketing affect organizational performance significantly.

#### 4.7.2 Organizational Characteristics and Performance of NGOs

The second objective of this study was to establish the relationship between organizational characteristics and NGOs performance. To achieve this aim hypothesis H2<sub>a</sub> and H2<sub>b</sub> were tested.

***H2<sub>a</sub>: Individual organizational characteristic significantly affect NGOs performance.***

To test this hypothesis individual mean scores of specific organizational characteristics were regressed against NGOs performance. Simple regression results are presented in Tables 4.44

**Table 4.42 Simple Regression for Individual Organizational Characteristics and NGOs Performance.**

	Organizational Size	Organizational structure	Organizational processes
<b>R</b>	.622 <sup>a</sup>	.714 <sup>a</sup>	.718 <sup>a</sup>
<b>Adjusted R<sup>2</sup></b>	.382	.506	.511
<b>F</b>	75.767	124.916	127.656
<b>Sig (p)</b>	.000	.000	.000
<b>Constant</b>	2.112	1.274	1.522
<b>B</b>	.465	.608	.585
<b>S.E</b>	.053	.054	.052
<b>β (beta)</b>	.622	.714	.718
<b>T</b>	8.704	11.177	11.299
<b>Sig (p)</b>	.000	.000	.000

Source: Primary data

The results in Table 4.42 indicate that the regression model for specific organizational characteristics size, structure and processes were statistically significant accounting for 46.5%, 60.8% and 58.5% variance. Their beta coefficients 0.622, 0.714 and 0.718 for size, structure and

processes respectively were also statistically significant. Based on these results the study support H2<sub>a</sub> and conclude that organizational characteristics elements influence performance of NGOs significantly. The study further sought to establish the most significant characteristics when taken together by conducting stepwise regression with results presented in Table 4.43.

**Table 4.43 Stepwise Regression for Organizational Characteristics on NGOs Performance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.718 <sup>a</sup>	.515	.511	.43450		
2	.756 <sup>b</sup>	.571	.564	.41058		
3	.767 <sup>c</sup>	.589	.578	.40359		
a. Predictors: (Constant), Processes b. Predictors: (Constant), Processes, Size c. Predictors: (Constant), Processes, Size, Structure d. Dependent Variable: Performance						
<b>b) The Overall significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24.100	1	24.100	127.656	.000 <sup>b</sup>
	Residual	22.655	120	.189		
	Total	46.754	121			
2	Regression	26.694	2	13.347	79.174	.000 <sup>c</sup>
	Residual	20.061	119	.169		
	Total	46.754	121			
3	Regression	27.534	3	9.178	56.348	.000 <sup>d</sup>
	Residual	19.220	118	.163		
	Total	46.754	121			
a. Dependent Variable: Performance b. Predictors: (Constant), Processes c. Predictors: (Constant), Processes, Size d. Predictors: (Constant), Processes, Size, Structure						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.522	.207		7.340	.000
	Processes	.585	.052	.718	11.299	.000
2	(Constant)	1.283	.205		6.250	.000
	Processes	.439	.062	.539	7.142	.000
	Size	.221	.056	.296	3.923	.000
3	(Constant)	1.102	.217		5.083	.000
	Processes	.299	.086	.367	3.456	.001
	Size	.170	.060	.227	2.830	.005
	Structure	.220	.097	.258	2.272	.025
a. Dependent Variable: Performance						

Source: Primary data

The stepwise regression model was developed in three steps. The first step included organizational processes accounting for 51.1% variance. The second model had an additional gain of 5.3% variance by including size while the final model further incorporated organizational structure with additional variance of 1.4% to stand at a total variance of 57.8%. These results imply that these elements have positive effect on NGOs performance with process being the strongest contributor and structure the least.

The study sought to establish the effect of composite variable of organizational characteristics on NGOs performance by testing the hypotheses.

***H2b: Organizational characteristics significantly affect NGOs performance.***

To test this hypothesis aggregate mean score of organizational characteristics were regressed against aggregate mean score of performance and the results are presented in Table 4.44.

**Table: 4.44 Simple regression on organizational characteristics on NGOs performance**

<b>a) The Goodness of Fit test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.762 <sup>a</sup>	.581	.577	.40409		
a. Predictors: (Constant), Organizational Characteristics						
b. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.159	1	27.159	166.324	.000 <sup>b</sup>
	Residual	19.595	120	.163		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Organizational Characteristics						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.123	.212		5.288	.000
	Organizational Characteristics	.683	.053	.762	12.897	.000
a. Dependent Variable: Performance						

Source: Primary data

These results show that the regression model was statistically significant and accounted for 58.1% variance. The beta coefficient 0.762 was also statistically at p-value=0.0005. Based on these findings the study fails to reject H2<sub>b</sub> and concludes that organizational characteristics significantly influences NGOs performance. This implies that NGOs managers wishing to improve their performance must not ignore effect of organizational characteristics. These finding echo studies by Waithaka (2014) on organizational characteristics and brand performance and Njuguna (2013) on strategic social marketing and performance of community based organizations. Both studies had established a positive linear relationship between organizational characteristics and organizational performance.

#### 4.7.3 External environment and Performance of NGOs

External environment refer to forces outside organization that affect its operations. The study sought to assess effect of these factors by testing hypothesis H3<sub>a</sub> and H3<sub>b</sub>.

***H3<sub>a</sub>: Individual components of external environments significantly affect performance of NGOs.***

To test this hypothesis simple and stepwise regression were carried out and the results are presented in Table 4.47 and 4.46

**Table 4.45 Simple Regression for Individual External environment and NGOs Performance**

	Political legal factors	Environmental complexity	Economic environment	Market competition	Social cultural factors	Technological factors
<b>R</b>	.330 <sup>a</sup>	.227 <sup>a</sup>	.238 <sup>a</sup>	.132 <sup>a</sup>	.118 <sup>a</sup>	.330 <sup>a</sup>
<b>Adjusted R<sup>2</sup></b>	.102	.044	.049	.009	.006	.101
<b>F</b>	14.677	6.547	7.224	2.138	1.702	14.623
<b>Sig (p)</b>	.000	.012	.008	.146	.195	.000
<b>Constant</b>	2.867	3.274	3.236	3.531	3.602	2.982
<b>B</b>	.273	.160	.169	.087	.075	.252
<b>S.E</b>	.071	.063	.063	.059	.058	.066
<b>β (beta)</b>	.330	.227	.238	.132	.118	.330
<b>T</b>	3.831	2.559	2.688	1.462	1.305	3.824
<b>Sig (p)</b>	.000	.012	.008	.146	.195	.000

Source: Primary data

When elements of external environment are individually regressed against performance political-legal factors and technological factors showed higher variance of 10.2% and 10.1% respectively while economic environment and environmental complexity had a variance of 4.9% and 4.4 % respectively. The regression models of the four factors were statistically significant indicating that

linear relationship exists. The four elements had significant positive beta coefficients with political legal factors displaying the strongest value of 0.273. The models for market competition and social cultural factors as well as their beta values were statistically insignificant implying that linear relationship does not exist.

To determine the most significant environmental factors that affected NGOs performance, stepwise regression was conducted and the results are presented in Table 4.46.

**Table 4.46 Stepwise Regression on Environmental Factors and NGOs Performance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.330 <sup>a</sup>	.109	.102	.58920		
2	.380 <sup>b</sup>	.145	.130	.57971		
3	.416 <sup>c</sup>	.173	.152	.57239		
a. Predictors: (Constant), Political						
b. Predictors: (Constant), Political, Technology						
c. Predictors: (Constant), Political, Technology, Social Cultural						
d. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.095	1	5.095	14.677	.000 <sup>b</sup>
	Residual	41.659	120	.347		
	Total	46.754	121			
2	Regression	6.762	2	3.381	10.061	.000 <sup>c</sup>
	Residual	39.992	119	.336		
	Total	46.754	121			
3	Regression	8.095	3	2.698	8.236	.000 <sup>d</sup>
	Residual	38.660	118	.328		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Political						
c. Predictors: (Constant), Political, Technology						
d. Predictors: (Constant), Political, Technology, Social Cultural						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.867	.255		11.248	.000
	Political	.273	.071	.330	3.831	.000
2	(Constant)	2.629	.273		9.644	.000
	Political	.182	.081	.220	2.238	.027
	Technology	.167	.075	.219	2.227	.028
3	(Constant)	2.598	.270		9.636	.000
	Political	.234	.084	.282	2.774	.006
	Technology	.246	.084	.322	2.938	.004
	Social Cultural	-.142	.070	-.223	-2.017	.046
a. Dependent Variable: Performance						

Source: Primary data.

The stepwise analysis produced three models with the first including political-legal factors with a variance of 10.2%, second and third incorporated technological and socio-cultural factors with

additional 2.8% and 2.2% variance respectively. The model dropped out environmental complexity, economic environment and market competitions as insignificant elements in affecting performance of NGOs.

To establish the overall effect of external environment on NGOs performance hypothesis H3<sub>b</sub> was tested

**H3<sub>b</sub>: External environment affect performance of NGOs significantly**

To test this hypotheses aggregate mean scores of environmental factors were regressed against aggregate mean scores of performance and the results are presented in Table 4.47.

**Table 4.47 Environmental Factors on NGOs Performance**

<b>a) The Goodness Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.267 <sup>a</sup>	.072	.064	.60145		
a. Predictors: (Constant), External Environment factors						
b. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.345	1	3.345	9.248	.003 <sup>b</sup>
	Residual	43.409	120	.362		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), External Environment factors						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.039	.263		11.539	.000
	External Environment	.238	.078	.267	3.041	.003
a. Dependent Variable: Performance						

Source: Primary data

The regression model for the overall environmental factors against performance was statistically significant accounting variance of 7.2% and beta value of 0.267. These results reveal that though organizational characteristics and some of its elements have significant linear relationship with performance of NGOs, they only contribute small amount of variance. Management of NGOs operations may not require putting unnecessary effort in dealing with these external factors.

#### 4.7.4 Moderating Effect of Organizational Characteristics on NGOs Performance

The fourth objective of this study was to determine the influence of organizational characteristics on relationship between holistic marketing practices and performance of NGOs. To achieve this objective, hypothesis H4 was tested.

**H4: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by organizational characteristics.**

To test this hypothesis an interaction term which is a product of centered mean scores of holistic marketing and centered mean score of organizational characteristic was created. This procedure was used by Njuguna (2013) and Waithaka (2014). The interaction term scores and the mean score of holistic marketing practices and organizational characteristic were regressed against mean score of performance using multiple and stepwise regression as shown in Table 4.48 and Table 4.49 respectively.

**Table 4.48 Moderating Effect of Organizational Characteristics on NGOs Performance**

a) The Goodness of Fit test						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.807 <sup>a</sup>	.651	.642	.37173		
a. Predictors: (Constant), Interaction term, Holistic Marketing, Organizational Characteristics						
b. Dependent Variable: Performance						
b) The Overall Significance						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.449	3	10.150	73.450	.000 <sup>b</sup>
	Residual	16.306	118	.138		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Interaction term, Holistic Marketing, Organizational Characteristics						
c) Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.591	.290		2.035	.044
	Holistic Marketing	.469	.099	.428	4.730	.000
	Organizational Characteristics	.365	.083	.408	4.380	.000
	Interaction term	-.027	.065	-.027	-.410	.682
a. Dependent Variable: Performance						

Source: Primary data

The multiple regression summary model shown in Table 4.48 is statistically significant and accounted for variance of 65.1 % on performance. The beta coefficients for holistic marketing

practices and organizational characteristics were 0.428 and 0.408 respectively which are statistically significant. However, the beta coefficient for the interaction term was statistically insignificant.

**Table 4.49 Stepwise Regression for Moderating Effect of Organizational Characteristics on NGOs Performance**

<b>a) The Goodness of Fit Test</b>						
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
1		.765 <sup>a</sup>	.586	.582	.40175	
2		.807 <sup>b</sup>	.651	.645	.37043	
a. Predictors: (Constant), Holistic Marketing						
b. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
c. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.386	1	27.386	169.678	.000 <sup>b</sup>
	Residual	19.368	120	.161		
	Total	46.754	121			
2	Regression	30.426	2	15.213	110.866	.000 <sup>c</sup>
	Residual	16.329	119	.137		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Holistic Marketing						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.607	.249		2.435	.016
	Holistic Marketing	.839	.064	.765	13.026	.000
2	(Constant)	.519	.231		2.250	.026
	Holistic Marketing	.475	.097	.434	4.879	.000
	Organizational Characteristics	.375	.080	.418	4.706	.000
a. Dependent Variable: Performance						

Source: Primary data



Stepwise regression was conducted to investigate the contribution of interaction term further. The analysis produced two models where the first included holistic marketing with a variance of 58.2% while the second included organizational characteristics with additional 6.3% variance resulting in overall variance of 64.5%. The interaction term was dropped out of the model confirming that the relationship between holistic marketing and performance of NGOs is not significantly moderated by organizational characteristics.

The regression equation for the model is:

$$Y = 3.822 + 0.433X_1 + 0.418X_2, \dots\dots\dots(vii)$$

Where:

Y= Performance

X<sub>1</sub>= Holistic marketing

X<sub>2</sub>= Organizational characteristics

Based on results in Tables 4.48 and 4.49 the study fails to support H4 and conclude that organizational characteristics have no significant moderating effect on relationship between holistic marketing practices and performance of NGOs. These findings support the work of Njuguna (2013) who found no significant moderating effect of organizational characteristics between strategic marketing and performance of community based organizations. This implies that NGOs that adopt holistic marketing practices could improve their performance irrespective of the nature of their organizational characteristics.

**4.7.5 Moderating Effect of External environment on NGOs Performance**

The Fifth objective for this study was to determine the influence of external environment on relationship between holistic marketing practices and performance of NGOs. To achieve this objective hypothesis H4 was tested.

***H4: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by external environment.***

To test this hypothesis an interaction term was created as the product of centered mean scores of holistic marketing and centered mean scores of external environment. The product and the centered mean score of holistic marketing practices and external environment were regressed against performance. The results of this multiple regression analysis are presented in Tables 4.50

**Table 4.50 Moderating Effect of External environment and Performance of NGOs**

<b>a) The Goodness of Fit test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.774 <sup>a</sup>	.600	.590	.39820		
a. Predictors: (Constant), InteractionTerm1, External Environment, Holistic Marketing						
b. Dependent Variable: Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.044	3	9.348	58.956	.000 <sup>b</sup>
	Residual	18.710	118	.159		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), InteractionTerm1, External Environment, Holistic Marketing						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.343	.283		1.211	.228
	holistic Marketing	.815	.067	.744	12.204	.000
	External Environment	.107	.053	.120	2.020	.046
	InteractionTerm1	.019	.095	.012	.203	.839
a. Dependent Variable: Performance						

Source: Primary data

The multiple regressions model presented in Table 4.50 is statistically significant accounting for variance of 59 % on relationship between holistic marketing practices, external environment and performance. Holistic marketing practices and external environment have significant beta coefficients as 0.744 and 0.120 respectively while the interaction term's beta coefficient is statistically insignificant.

To further assess the significance of moderating effect of external environment on relationship between holistic marketing and performance stepwise regression analysis was carried out and the results presented in Tables 4.51.

**Table 4.51 Stepwise Regression for Moderating Effect of External environment and NGOs Performance**

<b>a) The Goodness of Fit test</b>						
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
1		.765 <sup>a</sup>	.586	.582	.40175	
2		.774 <sup>b</sup>	.600	.593	.39659	
a. Predictors: (Constant), Holistic Marketing						
b. Predictors: (Constant), Holistic Marketing, External environment						
c. Dependent Variable: Performance						
<b>b) The overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.386	1	27.386	169.678	.000 <sup>b</sup>
	Residual	19.368	120	.161		
	Total	46.754	121			
2	Regression	28.038	2	14.019	89.132	.000 <sup>c</sup>
	Residual	18.717	119	.157		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Holistic Marketing						
c. Predictors: (Constant), Holistic Marketing, External environment						
<b>c) Coefficients</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.607	.249		2.435	.016
	Holistic Marketing	.839	.064	.765	13.026	.000
2	(Constant)	.355	.276		1.288	.200
	Holistic Marketing	.812	.065	.741	12.530	.000
	External environment	.107	.053	.120	2.035	.044
a. Dependent Variable: Performance						

Source: Primary data

As indicated in Table 4.51, the stepwise prediction model was developed in two steps. The first model was statistically significant with holistic marketing accounting for 58.2 % of the variance. The second model included external environment with additional gain in variance of 1.4% resulting in the final model with a total variance of 60%. Both holistic marketing and external environment beta coefficients as 0.741 and 0.120 respectively were captured in the final model as significant. However the beta coefficient on the interaction term was insignificant resulting in its elimination from the model. This confirmed that relationship between holistic marketing and

performance is not significantly moderated by external environment. The regression equation for the model is:

$$Y = 3.822 + 0.741X_1 + 0.121X_2 \dots\dots\dots(viii)$$

Where:

Y= Performance

X<sub>1</sub>= Holistic marketing

X<sub>2</sub>= External environment

Based on the results from this analysis, the study reject the hypothesis H4 and conclude that external environment do not significantly moderate the relationship between holistic marketing practices and performance of NGOs. This implies that external environment may not be given weight on marketing strategy aimed at improving performance of NGOs. These findings are in agreement with Njuguna (2013) who concluded that external environment did not have significant moderating effect on the relationship between strategic marketing and NGOs performance

#### **4.7.6 Joint Effect of Holistic Marketing Practices, Organizational Characteristics and External Environmental on NGOs Performance**

The sixth objective of this study was to establish the joint effect of holistic marketing practices, organizational characteristics and external environment on performance of NGOs in Nairobi City County. To achieve this objective hypothesis H5<sub>a-g</sub> were tested.

##### ***H5<sub>a</sub>: Holistic marketing practices, organizational characteristics and external environment jointly significantly affect NGOs financial viability***

To achieve this objective stepwise regression analysis was conducted. The results of stepwise regression analysis are presented in Table 4.52, The Stepwise regression summary model for holistic marketing, organizational characteristics and external environment against financial viability was developed in three steps. The first model was statistically significant with holistic marketing accounting for 37.5% variance. The second model further included organizational characteristics with additional gain in variance of 3% to stand at 40.7%. The final model constituted the three variables, was statistically significant and accounted for 43.7% variance on financial viability.

**Table 4.52 Stepwise Regression for Holistic Marketing, Organizational Characteristics External Environment Factors and NGOs Financial Viability**

<b>a) The Goodness of Fit test</b>						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	.616 <sup>a</sup>	.380	.375		.63720	
2	.646 <sup>b</sup>	.417	.407		.62034	
3	.672 <sup>c</sup>	.451	.437		.60456	
a. Predictors: (Constant), Holistic Marketing						
b. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
d. Dependent Variable: Financial Viability						
<b>b)</b>						
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.840	1	29.840	73.494	.000 <sup>b</sup>
	Residual	48.723	120	.406		
	Total	78.563	121			
2	Regression	32.770	2	16.385	42.578	.000 <sup>c</sup>
	Residual	45.794	119	.385		
	Total	78.563	121			
3	Regression	35.435	3	11.812	32.317	.000 <sup>d</sup>
	Residual	43.129	118	.365		
	Total	78.563	121			
a. Dependent Variable: Financial Viability						
b. Predictors: (Constant), Holistic Marketing						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
d. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.051	.396		-.128	.899
	holistic Marketing	.875	.102	.616	8.573	.000
2	(Constant)	-.137	.386		-.355	.723
	holistic Marketing	.519	.163	.365	3.179	.002
	Organizational Characteristics	.368	.133	.317	2.759	.007
3	(Constant)	-.654	.423		-1.549	.124
	holistic Marketing	.443	.161	.312	2.745	.007
	Organizational Characteristics	.391	.130	.337	3.003	.003
	External Environment	.217	.081	.188	2.700	.008
a. Dependent Variable: Financial Viability						

Source: Primary data

The results shows that all the beta coefficients for holistic marketing, = 0.312, organizational characteristics = 0.337 and external environment = 0.188 in the final model were statistically significant. These results imply that for NGOs to improve their financial performance they should take into consideration not only holistic marketing practices but also the gain they would obtain from emphasizing effects of organizational characteristics and external environment

The regression equation for this model is:

$$Y = -0.654 + 0.312X_1 + 0.337X_2 + 0.188X_3 \dots\dots\dots(ix)$$

Where:

Y = Financial viability

X<sub>1</sub> = Holistic Marketing

X<sub>2</sub> = Organizational Characteristics

X<sub>3</sub> = External Environment

***H5<sub>b</sub>: Holistic Marketing Practices, Organizational Characteristics External environment jointly significantly influence Growth of NGOs***

This hypothesis was tested through stepwise regression and the results are presented in Table 4.53. Stepwise regression model on holistic marketing, organizational characteristics and external environment predicting growth was developed in three steps. The first model was statistically significant with holistic marketing practices accounting for 38.7% variance on performance. The second model had additional gain of 3.3% variance obtained by including organizational characteristics into the model. The final model comprise the three variables accounting for total variance of 43.2%.

The standardized beta coefficients for the final model for holistic marketing, organizational characteristics and external environment were .348, .315 and .146 respectively and were all statistically significant. Regression equation for this model is stated as:

$$Y = -0.527 + 0.348X_1 + 0.315X_2 + 0.146X_3 \dots\dots\dots(x)$$

Where: Y = Growth

X<sub>1</sub> = Holistic Marketing

X<sub>2</sub> = Organizational Characteristics

X<sub>3</sub> = External environment

Based on these results the study supports hypothesis that holistic marketing practices, organizational characteristics external environment jointly significantly influence growth of NGOs

**Table 4.53 Stepwise Regression for Holistic Marketing, Organizational Characteristics External environment on Growth of NGOs**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	.627 <sup>a</sup>	.393	.387		.71071	
2	.653 <sup>b</sup>	.426	.416		.69377	
3	.668 <sup>c</sup>	.446	.432		.68429	
a. Predictors: (Constant), Holistic Marketing						
b. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
d. Dependent Variable: Growth						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.168	1	39.168	77.544	.000 <sup>b</sup>
	Residual	60.613	120	.505		
	Total	99.781	121			
2	Regression	42.504	2	21.252	44.154	.000 <sup>c</sup>
	Residual	57.277	119	.481		
	Total	99.781	121			
3	Regression	44.528	3	14.843	31.698	.000 <sup>d</sup>
	Residual	55.254	118	.468		
	Total	99.781	121			
a. Dependent Variable: Growth						
b. Predictors: (Constant), Holistic Marketing						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
d. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.016	.441		.036	.972
	holistic Marketing	1.003	.114	.627	8.806	.000
2	(Constant)	-.077	.432		-.178	.859
	Holistic Marketing	.622	.182	.389	3.411	.001
	Organizational Characteristics	.393	.149	.300	2.633	.010
3	(Constant)	-.527	.478		-1.103	.272
	holistic Marketing	.556	.183	.348	3.045	.003
	Organizational Characteristics	.413	.148	.315	2.801	.006
	External Environment	.190	.091	.146	2.079	.040
a. Dependent Variable: Growth						

Source: Primary data

**H5c: Holistic marketing practices, organizational characteristics and external environment jointly affect efficiency of NGOs significantly.**

Stepwise regression analysis model on holistic marketing, organizational characteristics and external environment predicting efficiency was developed in two steps as indicated in Table 4.54.

**Table 4.54 Stepwise Regression - Holistic Marketing, Organizational Characteristics External environment and NGOs Efficiency**

a) The Goodness of Fit Test						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.728 <sup>a</sup>	.531	.527	.42243		
2	.751 <sup>b</sup>	.564	.557	.40871		
a. Predictors: (Constant), Organizational Characteristics						
b. Predictors: (Constant), Organizational Characteristics, holistic Marketing						
c. Dependent Variable: Efficiency						
b) The Overall Significance						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24.213	1	24.213	135.686	.000 <sup>b</sup>
	Residual	21.414	120	.178		
	Total	45.627	121			
2	Regression	25.748	2	12.874	77.069	.000 <sup>c</sup>
	Residual	19.879	119	.167		
	Total	45.627	121			
a. Dependent Variable: Efficiency						
b. Predictors: (Constant), Organizational Characteristics						
c. Predictors: (Constant), Organizational Characteristics, Holistic Marketing						
c) Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.476	.222		6.648	.000
	Organizational Characteristics	.645	.055	.728	11.648	.000
2	(Constant)	1.062	.255		4.172	.000
	Organizational Characteristics	.434	.088	.490	4.934	.000
	Holistic Marketing	.326	.107	.301	3.032	.003
a. Dependent Variable: Efficiency						

Source: Primary data

The first model which was statistically significant had organizational characteristic accounting for 52.7% variance. The second and final model further added holistic marketing with a gain of 3.4% variance but dropped out external environment indicating it as statistically insignificant. The beta



coefficients for organizational characteristics (.490) and holistic marketing (.301) in the final model were statistically significant. Based on these results the study fails to support hypothesis H5<sub>c</sub> and concludes that Holistic marketing practices, organizational characteristics and external environment jointly do not affect efficiency of NGOs significantly.

Unlike the cases of financial viability and growth where holistic marketing practices was reflected as the strongest predictor, organizational characteristics emerges as the most powerful predictor of NGOs efficiency. The findings show that though holistic marketing is key improving performance of NGOs, some aspects of performance such as efficiency could be more enhanced by incorporating other variables. The final model equation is presented is:

$$Y = 1.062 + 0.490X_1 + 0.301X_2 \dots\dots\dots (xi)$$

Where:

Y = Efficiency

X<sub>1</sub> = Organizational Characteristics

X<sub>2</sub> = Holistic Marketing

***H5<sub>a</sub>: Holistic marketing practices, organizational characteristics and external environment jointly influence effectiveness of NGOs significantly***

From Table 4.57 the stepwise regression model on holistic marketing practices, organizational characteristics and external environment predicting effectiveness of NGOs was statistically significant and was developed in two steps. The first model constituted organizational characteristics accounting for 38.6% variance. The second model constituted organizational characteristic and holistic marketing accounting for 41.9% total variance. This model dropped external environment implying that it does not significantly affect effectiveness of NGOs.

**Table 4.55 Stepwise Regression for Holistic Marketing, Organizational Characteristics and External environment on NGOs Effectiveness**

<b>a) a) The Goodness Fit test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.625 <sup>a</sup>	.391	.386	.52661		
2	.655 <sup>b</sup>	.429	.419	.51198		
a. Predictors: (Constant), Organizational Characteristics						
b. Predictors: (Constant), Organizational Characteristics, Holistic Marketing						
c. Dependent Variable: Effectiveness						
<b>b) b)The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.335	1	21.335	76.935	.000 <sup>b</sup>
	Residual	33.278	120	.277		
	Total	54.614	121			
2	Regression	23.420	2	11.710	44.673	.000 <sup>c</sup>
	Residual	31.193	119	.262		
	Total	54.614	121			
a. Dependent Variable: Effectiveness						
b. Predictors: (Constant), Organizational Characteristics						
c. Predictors: (Constant), Organizational Characteristics, Holistic Marketing						
<b>c) c)Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	1.818	.277		6.569	.000
	Organizational Characteristics	.606	.069	.625	8.771	.000
2	(Constant)	1.336	.319		4.188	.000
	Organizational Characteristics	.359	.110	.371	3.262	.001
	Holistic Marketing	.380	.135	.321	2.820	.006
a. Dependent Variable: Effectiveness						

*Source: Primary data*

The final model's beta coefficients are 0.371 and 0.321 for organizational characteristic and holistic marketing respectively and are statistically significant. Based on these results the rejects hypothesis that holistic marketing practices, organizational characteristics and external environment jointly influence effectiveness of NGOs significantly. Like the case of efficiency, organizational characteristic emerges as a stronger predictor of effectiveness of NGOs compared to holistic marketing. Managers determined to enhance effectiveness of NGOs could do so by strengthening organizational characteristics such as structure and processes without ignoring the gain from holistic marketing practices.

The regression equation for this model is:

$$Y = 1.336 + 0.371X_1 + 0.321X_2, \dots\dots\dots(xii)$$

Where: Y = Effectiveness

X<sub>1</sub> = Organizational Characteristics

X<sub>2</sub> = Holistic Marketing

***H5<sub>e</sub>: Holistic marketing practices, organizational characteristics external environment jointly affect relevance of NGOs significantly***

From Table 4.58 stepwise regression model on holistic marketing, organizational characteristics and external environment predicting relevance was developed in three steps. The first model constituted holistic marketing accounting for 53.6% variance. The second model in addition to holistic marketing included organizational characteristics and accounted for 56.2% variance while the final model incorporated holistic marketing, organizational characteristics and external environment and accounted for 57.3% total variance on relevance. The final model included beta coefficients for holistic marketing, organizational characteristics and external environment as 0.477, 0.294 and 0.121 respectively which are significant as presented in Table 4.56. Based on the results the study supports hypothesis that H5<sub>e</sub> holistic marketing practices, organizational characteristics external environment jointly affect relevance of NGOs significantly.

This implies that to maintain NGO relevance, the management need to emphasize the three variables with more weight on holistic marketing practices. The regression equation for this model is:  $Y = .041 + 0.477X_1 + 0.294X_2 + 0.121X_3, \dots\dots\dots(xiii)$

Where:

Y = Relevance,

X<sub>1</sub> = Holistic Marketing,

X<sub>2</sub> = Organizational Characteristics,

X<sub>3</sub> = External environment

**Table 4.56 Stepwise regression for holistic marketing, organizational characteristics and external environment on NGOs relevance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.735 <sup>a</sup>	.540	.536	.48146		
2	.755 <sup>b</sup>	.569	.562	.46775		
3	.764 <sup>c</sup>	.583	.573	.46207		
a. Predictors: (Constant), Holistic Marketing						
b. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
d. Dependent Variable: Relevance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.641	1	32.641	140.814	.000 <sup>b</sup>
	Residual	27.816	120	.232		
	Total	60.457	121			
2	Regression	34.422	2	17.211	78.666	.000 <sup>c</sup>
	Residual	26.036	119	.219		
	Total	60.457	121			
3	Regression	35.264	3	11.755	55.054	.000 <sup>d</sup>
	Residual	25.194	118	.214		
	Total	60.457	121			
a. Dependent Variable: Relevance						
b. Predictors: (Constant), Holistic Marketing						
c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics						
d. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.399	.299		1.335	.184
	Holistic Marketing	.916	.077	.735	11.866	.000
2	(Constant)	.332	.291		1.138	.257
	Holistic Marketing	.637	.123	.512	5.182	.000
	Organizational Characteristics	.287	.101	.282	2.853	.005
3	(Constant)	.041	.323		.127	.899
	Holistic Marketing	.595	.123	.477	4.822	.000
	Organizational Characteristics	.300	.100	.294	3.013	.003
	External Environment	.122	.062	.121	1.985	.049
a. Dependent Variable: Relevance						

Source: Primary data

**H5f: Holistic marketing practices, organizational characteristics and external environmental jointly affect NGOs performance significantly.**

To test this hypothesis aggregate mean scores of holistic marketing, organizational characteristics and external environment were regressed against aggregate mean scores of organizational performance using both multiple and stepwise regression analysis. The results of multiple regression analysis presented in Table 4.57 indicate that the multiple regression model is statistically significant and accounted for 66.1% variance. The beta coefficients for holistic marketing, organizational characteristics and external environment were 0.395, 0.433 and 0.138 respectively and were all statically significant.

**Table 4.57 Multiple Regression for Holistic Marketing, Organizational Characteristics and External Environment on NGOs Performance**

<b>a) The Goodness of Fit test</b>						
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
1		.818 <sup>a</sup>	.669	.661	.36213	
a. Predictors: (Constant), External Environment, Organizational Characteristics, holistic Marketing						
b. Dependent Variable: Organizational Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.280	3	10.427	79.508	.000 <sup>b</sup>
	Residual	15.475	118	.131		
	Total	46.754	121			
a. Dependent Variable: Performance						
b. Predictors: (Constant), External Environment, Organizational Characteristics, Holistic Marketing						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.226	.253		.895	.373
	Holistic Marketing	.432	.097	.395	4.472	.000
	Organizational Characteristics	.388	.078	.433	4.972	.000
	External Environment	.123	.048	.138	2.552	.012
a. Dependent Variable: Organizational Performance						

Source: Primary data

The study further sought to establish the most significant contributors to NGOs performance among the three variables and the results are presented in Table 4.58

**Table 4.58 Stepwise Regression for Holistic Marketing, Organizational Characteristics and External Environment on NGOs Performance**

<b>a) The Goodness of Fit Test</b>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.765 <sup>a</sup>	.586	.582	.40175		
2	.807 <sup>b</sup>	.651	.645	.37043		
3	.818 <sup>c</sup>	.669	.661	.36213		
a. Predictors: (Constant), holistic Marketing b. Predictors: (Constant), holistic Marketing, Organizational Characteristics c. Predictors: (Constant), holistic Marketing, Organizational Characteristics, External Environment d. Dependent Variable: Organizational Performance						
<b>b) The Overall Significance</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.386	1	27.386	169.678	.000 <sup>b</sup>
	Residual	19.368	120	.161		
	Total	46.754	121			
2	Regression	30.426	2	15.213	110.866	.000 <sup>c</sup>
	Residual	16.329	119	.137		
	Total	46.754	121			
3	Regression	31.280	3	10.427	79.508	.000 <sup>d</sup>
	Residual	15.475	118	.131		
	Total	46.754	121			
a. Dependent Variable: Performance b. Predictors: (Constant), Holistic Marketing c. Predictors: (Constant), Holistic Marketing, Organizational Characteristics d. Predictors: (Constant), Holistic Marketing, Organizational Characteristics, External Environment						
<b>c) Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.607	.249		2.435	.016
	Holistic Marketing	.839	.064	.765	13.026	.000
2	(Constant)	.519	.231		2.250	.026
	Holistic Marketing	.475	.097	.434	4.879	.000
	Organizational Characteristics	.375	.080	.418	4.706	.000
3	(Constant)	.226	.253		.895	.373
	Holistic Marketing	.432	.097	.395	4.472	.000
	Organizational Characteristics	.388	.078	.433	4.972	.000
	External Environment	.123	.048	.138	2.552	.012
a. Dependent Variable: Performance						

Source: Primary data

Stepwise regression analysis was carried out and the results are presented in Tables 4.58. The stepwise prediction model was developed in three steps. The first model was statistically significant with Holistic marketing accounting for 58.2 % of the variance. The second model in addition to holistic marketing included organizational characteristics with additional gain in variance of 6.5%. The final model further incorporated external environment as significant with additional variance of 1.8 % resulting in a total variance of 66.9%.

From Table 4.58 the final model incorporated all the three independent variables whose beta coefficients of 0.395, 0.433, and 0.138 for holistic marketing, organizational characteristics and external environment respectively were all statistically significant. This shows that all the three variables significantly affect NGOs performance with holistic marketing as the strongest predictor followed by organizational characteristics and finally external environment.

The regression equation for this model is:

$$Y = 0.226 + 0.395X_1 + 0.433X_2 + 0.138X_3, \dots\dots\dots (xi)$$

Where:

Y = Performance

X<sub>1</sub> = Holistic Marketing

X<sub>2</sub> = Organizational Characteristics

X<sub>3</sub> = External Environment

Based on results from Table 4.57 and 4.58, the study fails to reject hypothesis H5<sub>f</sub> and concludes that holistic marketing, organizational characteristics and external environment jointly have significant effect on performance of NGOs. This implies that NGOs that take into account holistic marketing practices, organizational characteristics and external environment could improve their performance significantly.

#### **4.8 Discussion**

Hypotheses and correlations test in this study show holistic marketing practices have an effect on performance of NGOs. Details to the findings are summarized in this section.

Holistic marketing practices as a composite variable was operationalized on four main dimension comprising relationship, internal, integrated and social responsibility marketing. Performance was operationalized on five dimensions that include financial viability, growth, efficiency, effectiveness and relevance. The relationship between holistic marketing and performance was tested at both the composite level of the variables and also at the level of their components to

determine the effect on different components. Holistic marketing practices has a significant linear positive effect on performance of NGOs (beta = 0.839, p=0.0005). Regression analysis tests at simple, and stepwise showed that different components of holistic marketing practices significantly affected performance positively but at different levels. The final stepwise regression model included all the four components at p=0.025, R<sup>2</sup>=57.1% with integrated marketing having the highest beta value of 0.242 relationship marketing 0.238 internal marketing 0.201 while CSR had the least beta of 0.170.

Stepwise regression analysis for different components of holistic marketing on different components of performance revealed different effect. Internal marketing and CSR marketing had significant effect on financial viability with beta values of 0.507 and 0.249 respectively with relationship marketing and integrated marketing being insignificant. One of the challenges faced by NGOs was financial viability as identified in Kenya NGOs report (2009). To address this problem this study showed that if effort was put on internal marketing and CSR marketing NGOs would improve their financial viability significantly.

In the stepwise model at p = 0.005, integrated marketing and relationship marketing showed a significant positive effect on growth of NGOs with beta values of 0.634 and 0.456 respectively. However CSR and internal marketing had no significant effect on growth. In case of efficiency, relationship marketing with a beta value of 0.336, CSR marketing, 0.233 and internal marketing 0.195 significant positive effect was observed while the model dropped integrated marketing as insignificant. Relationship marketing and integrated marketing constituted the final stepwise model with significant beta values of 0.376 and 0.411 respectively in predicting effectiveness. This model removed CSR and internal marketing as insignificant predictors of effectiveness. The final stepwise regression model on relevance showed that integrated, relationship and internal marketing had positive significant effects with beta values of 0.355, 0.354, 0.229 respectively while CSR marketing was insignificant. The study revealed that none of the component of holistic marketing was completely redundant. However, integrated marketing and relationship marketing had positive contribution to most of performance components while CSR marketing affecting the least. A summary of the impact of holistic marketing components beginning with the most significant on specific dimensions of performance is presented in Table 4.59



**Table 4.59 Holistic marketing components and performance**

<b>Components of holistic marketing</b>	<b>Dimension of performance impacted</b>
Internal and social responsibility marketing	Financial viability
Integrated and relationship marketing	Growth
Relationship, social responsibility and Internal marketing	Efficiency
Integrated and relationship marketing	Effectiveness
Integrated, relationship and internal marketing	Relevance

These findings on the significant effect of holistic marketing practices on performance agree with the work of Sarbabidya, (2014) who emphasized importance of holistic marketing practices for sustainability in telecommunication industry. This study is however in nonprofit making organizations and shows how holistic marketing would contribute positively to performance of NGOs. This is also supported by Patwardhan (2014) who concluded that holistic firm-level marketing influences organizational performance and Njuguna (2013) whose study showed that marketing can be applied in not-for-profit organizations to improve performance. The study findings however contradict Cooley & Ron (2002) whose work disputed application of marketing in international NGOs.

The relationship between organizational characteristics and NGOs performance was found to be statistically significant with beta values of 0.762. The specific organizational characteristics namely organizational processes, size and structure whose beta coefficients were 0.718 0.622, 0.714 were also statistically significant. Organizational process had the highest impact on NGOs performance followed by size and structure.

The findings support the work of Crittenden (2000) on a study of 600 NGOs in USA and Erwin (2013) on a study of 401 US non-profits who both concluded that organizational characteristics affected performance significantly. The finding however contradict Njeru (2013) and Mosley, Maronick & Katz (2012) who both concluded that organizational characteristics do not always influence on organizational performance.

Stepwise regression showed mixed results on external environment and NGOs performance. The political legal factors, technological factors and social cultural factors whose beta coefficients of 0.282, 0.382 and -0.223 affected performance of NGOs significantly. Social- cultural factors however, had a negative but significant beta value which implied that for a unit increase in social cultural unit, there would be a -0.223 reduction on performance. Economic conditions,

environmental complexity and market competition did not have significant effect on NGOs performance. Overall the external environment had minimal effect on NGOs performance accounting for only 7.2% variance with a beta value of 0.267.

The findings in the study support the work of Wu et al (2014), Yi-Chun (2015), Njeru (2013) and Njuguna (2013) who concluded that external environment indeed influence organizational performance. The findings however contradict Adebajo (2016) and Kaja and Tomaz (2015) concluded that alignment with environmental factors does not necessary lead to an improved organizational performance.

Stepwise regression final model on the moderating effect of organizational characteristics on relationship between holistic marketing practices and performance dropped out the interaction term whose beta value was already indicated as insignificant at the multiple regression analysis (beta=-.027, p =0.681). The model remained with only main effects of holistic marketing and organizational characteristic whose significant beta coefficients were 0.475 and 0. 375 respectively.

This showed that organizational characteristics do not moderate the relationship between holistic marketing practices and performance contrary to the study by Lampkin and Raghavan (2008) whose study on organizational characteristics such as age, size and type of service offered as having significant moderating effect on performance. The study further supports the findings by Njuguna (2013) that internal environment (organizational characteristics) does not moderate the relationship between strategic social marketing and performance of CBOs.

The moderating effect of external environment on the relationship between holistic marketing and performance of NGOs was found to be insignificant with interaction term beta =0.019 at p=0.838. The stepwise model removed this interaction term and remained with the main effect of holistic marketing and external environment whose beta values were significant.

Based on these finding we conclude that external environment do not moderate the relationship between holistic marketing and performance of NGOs.

These findings do not agree with the findings of Matthew, Evans and Charles (2004) who concluded that external environment has moderating effect on relationship between organization strategy and performance. The findings of this study however support Njuguna (2013) that relationship between marketing and performance is not moderated by external environment.

The stepwise regression model for the joint effect of holistic marketing, organizational characteristic and external environment was developed on three steps. Holistic marketing practices constituted the highest variance accounting for 58.2% on performance. In the second step organizational characteristic was added to the model with an addition 6.5 % variance while the third model further included external environment with a gain of 1.8% variance that were significant. The final model accounted 66.1% of variance and with p value of 0.012. The beta coefficient were 0.432, 0.388, and 0.123 for holistic marketing, organizational characteristics and external environment respectively and were all significant. The three variables show significant predictive power on performance indicating that their joint effect is far above any contribution of any one of the individual variable. These findings show that NGOs management could greatly improve the performance of their organizations by adopting holistic marketing taking into account the positive contribution that could be achieved by incorporating organizational characteristics and external environment in their strategy.

The findings from stepwise regression analysis on effect of organizational characteristics components on performance and its components revealed that organizational processes was the main contributor to performance followed by size, and structure. However, size as the key predictor of financial viability had no significant effect on the rest of components of performance. Growth was only affected by organizational processes while effectiveness was also only affected by organizational structure. Efficiency and relevance were both predicted by structure and processes. These findings show that management must emphasize size to attract funds but focus on organizational structure and processes to enhance effectiveness and efficiency.

External environment components, when regressed against performance, the final stepwise model included only political, technology and social cultural factors while economic, competition and complexity were dropped with political factor being the most significant. This implies that NGOs management must take keen interest in political environment and technology to deliver results and at the same time consider the adverse effect of social cultural factors on performance. It's also worth noting that political factor was the only significant component affecting growth and efficiency. Technology was found to be a key determinant of organizational relevance and effectiveness. However, social cultural factor had an adverse effect on effectiveness. The study finding further indicate that in additional to technology, environmental complexity is a factor to consider in regard to financial viability of NGOs. Economic environment and market competition

were not factored in by the model implying that their effect on performance is negligible. From these results we can conclude that management of NGOs need competence in evaluating external environment as they focus on certain aspect of performance.

#### **4.9 Revised conceptual model**

This chapter focused findings from data analysis on descriptive statistics, correlations between variables and tests of hypothesis through regression model. Variables were found to exhibit positive correlation and predictor variables to have positive effect on the dependent variable. Table 4.60 presents a summary of hypotheses tested, procedures, findings and conclusions.

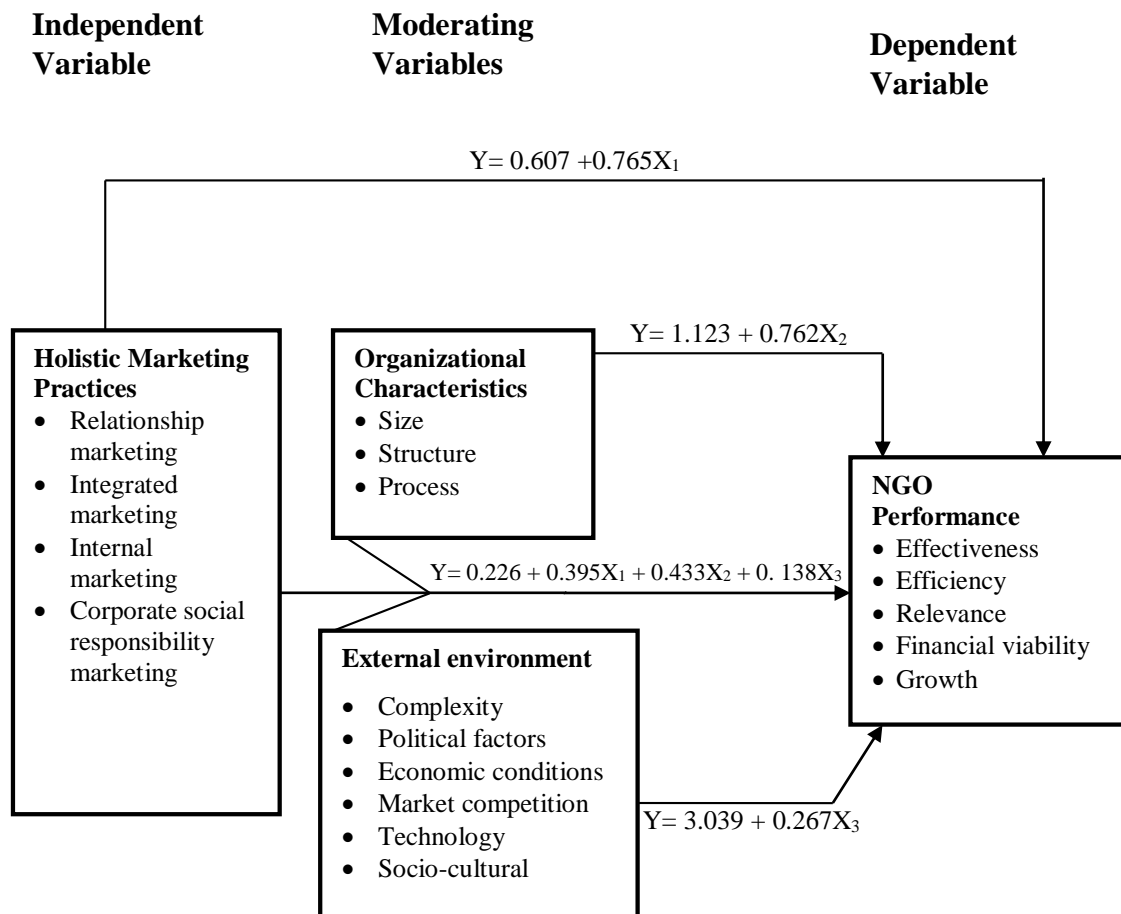
**Table 4:60 Summary of Hypotheses Testing Procedure and Results**

<b>Hypothesis</b>	<b>Analysis Method</b>	<b>Test Criteria</b>	<b>Findings</b>	<b>Conclusions</b>
H1: Holistic marketing practices significantly affects performance of NGOs	$Y = \beta_0 + \beta_1 X_1 + \varepsilon_i$ : where , $\beta_0$ =regression constant, $\varepsilon_i$ =error term, $\beta_1$ = regression coefficient, Y= Performance, $X_1$ = Holistic Marketing	Reject hypothesis if p-value $\geq 0.05$ otherwise fail to reject	P-value = $0.000 \leq \alpha$ , (0.05)	Fail to reject hypothesis
H2: Organizational Characteristics significantly influence performance of NGOs	$Y = \beta_0 + \beta_1 X_1 + \varepsilon_i$ : where, $\beta_0$ =regression constant, $\varepsilon_i$ =error term, $\beta_1$ = regression coefficient, Y= NGOs Performance, $X_1$ = Organizational Characteristics	Reject hypothesis if p-value $\geq 0.05$ otherwise fail to reject	P-value = $0.000 \leq \alpha$ , (0.05)	Support the Hypothesis
H3: External environment significantly influence NGOs performance	$Y = \beta_0 + \beta_1 X_1 + \varepsilon_i$ : where, $\beta_0$ =regression constant, $\varepsilon_i$ =error term, $\beta_1$ = regression coefficient, Y= NGOs Performance, $X_1$ = External environment	Reject hypothesis if p-value $\geq 0.05$ otherwise fail to reject	P-value = $0.000 \leq \alpha$ , (0.05)	Support the Hypothesis
H4: The relationship between Holistic marketing practices and performance is significantly moderated by organizational characteristics.	$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_i$ , where: $\beta_0$ = regression constant, $\varepsilon_i$ = error term $\beta_1, \beta_2, \beta_3$ = regression coefficients, Y= Performance, $X_1$ = Holistic Marketing $X_2$ =Organizational Characteristics, $X_3$ =Interaction term	Reject hypothesis if the p-value of the $\beta_3 \geq 0.05$ , otherwise fail to reject.	P-value = $0.160 \geq \alpha$ , (0.05)	Reject the hypothesis
H5: The relationship between Holistic marketing practices and performance is significantly moderated by external environment	$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_i$ Where $\beta_0$ =regression constant, $\varepsilon_i$ =error term, $\beta_1, \beta_2, \beta_3$ = regression coefficients, Y= Performance, $X_1$ = Holistic Marketing $X_2$ = External Environment, $X_3$ =Interaction term	Reject hypothesis if the p-value of the $\beta_3 \geq 0.05$ , otherwise fail to reject.	P-value = $0.838 \geq \alpha$ , (0.05)	Reject the hypothesis
H6: Holistic marketing practices, organizational characteristics and external environment jointly affect performance of NGOs significantly	$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_i$ Where: Y= Performance, $\beta_0$ =regression constant, $\varepsilon_i$ = error term, $\beta_1, \beta_2, \beta_3$ = regression coefficients $X_1$ = Holistic Marketing , $X_2$ = External Environment $X_3$ =Organizational Characteristics	Reject hypothesis if the p-value of the F change $\geq \alpha$ and if there is significant change in F, otherwise fail to reject	P-value for F change = $0.012 \leq \alpha$ , (0.05)	Fail to reject hypothesis

Source: Primary data

Figure 4.3 presents the revised conceptual model based on the research findings and summary of hypotheses tests results.

**Figure 4.1 Revised Conceptual Model**



Source: current author 2017,

Where:

Y= performance;

X<sub>1</sub>=Holistic marketing practices;

X<sub>2</sub>=Organizational characteristics

X<sub>3</sub>=External environment

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

The overall objective of this study was to determine the effect of holistic marketing on performance of NGOs in Nairobi City County with organizational characteristics and external environment as moderating variables. Data was collected and analyzed and this chapter discusses the key findings. The chapter also contains summary, conclusions, implications of the study, limitations, and suggestions for further research.

#### **5.2 Summary**

This study was guided by the research question: what is the effect of holistic marketing practices, organizational characteristics and external environmental on performance of NGOs. Holistic marketing was operationalized on four main components namely: relationship, internal, integrated and corporate social responsibility marketing. Performance was operationalized on financial viability, growth, effectiveness, efficiency and relevance. Specifically, the study sought to address six main objectives. First was to establish the effect of holistic marketing practices on performance of NGOs. Secondly, was to determine the influence of organizational characteristics on performance of NGOs. Third was to examine the influence of external environmental factors on performance of NGOs. Fourth, was to determine the influence of organizational characteristics on relationship between holistic marketing practices and performance of NGOs. Fifth was to determine the influence of external environmental factors on relationship between holistic marketing practices and performance of NGOs and lastly was to establish the joint effect of holistic marketing practices, organizational characteristics and external environmental factors on performance of NGOs in Nairobi City County.

Factor analysis was conducted to determine critical factors within the study constructs. From relationship marketing, service quality, responsiveness to customer and customer support were identified while internal marketing had employee's recruitment & development, employee relationships and remuneration & welfare as critical factors affecting performance. Integrated marketing revealed branding and promotion while corporate social responsibility marketing had profile-raising, legitimacy and ethics as underlying drivers of performance. The concept of organizational characteristics was also subjected to factor analysis where organizational processes, structure and size were revealed as critical factors influencing performance. External environment variable had political stability, legal compliance, environmental complexity,

economic issues, threats, bargaining power, social cultural environment, network connectivity and technology adoptability as critical factors affecting performance. Performance as the dependent variable revealed operating capital, funds access, financial sustainability, growth, efficiency, standards, effectiveness and relevance as critical factors underlying performance.

Pearson correlation results show that there is a strong correlation between holistic marketing and performance. Results further reveal that components of holistic marketing had a relative moderate correlation with performance and its components. Organizational characteristic correlated with performance and its components also showed a strong correlation. However though there was correlation between external environment and performance, and its components, it was fairly weak and in case of efficiency and effectiveness, it was insignificant.

The study findings showed that there is a strong positive linear relationship between holistic marketing practices and performance. All components of holistic marketing (relationship, internal, integrated and corporate social responsibility marketing) when tested individually or combined showed a strong linear relationship with performance. However when tested against financial viability, only integrated and corporate social responsibility marketing had an impact. It was also noted that only integrated and relationship marketing impacted growth component of performance. Relationship, corporate social responsibility and internal marketing affected efficiency while integrated and relationship marketing affected effectiveness. The study further revealed that only integrated, relationship, and internal marketing had a positive linear relationship with relevance.

Assessment on the effect of organizational characteristics on performance showed that there is linear and positive relationship. Organizational processes and structures impacted all indicators of performance but organizational size only affected financial viability. Organizational characteristics did not show a significant moderating effect on the relationship between holistic marketing and performance. Evaluation of external environment indicators on performance and its components showed that only political, technological and environmental complexity had a positive linear relationship with indicators of performance. Social cultural factors had a negative linear relationship with both performance and effectiveness. Economic factors and market competition did not show any significant relationship with either performance or its components. It's also worth noting that external environment did not moderate the relationship between holistic marketing and performance. The study further revealed that there was a strong positive linear relationship between holistic marketing practices, organizational characteristics, and external environment individually or when combined.



### **5.3 Conclusions**

The findings in this study lead to a conclusion that holistic marketing practices strongly influence performance of NGOs. Specific components of holistic marketing were found to impact more on certain aspects of performance leading to conclusion that to address a specific challenge on performance requires an understanding of what component of holistic marketing need to be emphasized. For instance when addressing financial viability challenge would be addressed effectively by emphasizing internal and social responsibility marketing. Likewise in establishing relevance of NGOs, emphasis should be laid on integrated, relationship and internal marketing

In conclusion the study has established that when NGOs develop relevant offerings to the market and building strong relationship, their performance is enhanced. This is in agreement with the findings by Hunt, Arnett and Madhavaram (2006) who considered trust, commitment, cooperation and communication as pillars of successful relationship. Further, the study finding leads to a conclusion that taking into account internal marketing dimension improves performance through employees training and development, adequate remuneration and their general welfare.

Based on the findings of this study, we can conclude that organizational size, structure and process affect NGOs performance and that these dimension should be considered when managers want to improve performance. These characteristics do not affect in any significant way the relationship between holistic marketing practices and performance of NGOs implying that holistic marketing practices are applicable in diverse organizations irrespective of the nature of their characteristics. Similarly the study concluded that external environment, though a significant factor influencing, performance does not affect relationship between holistic marketing and performance.

The study findings showed that the joint effect of holistic marketing, organizational characteristic and performance produced the highest effect on performance accounting for 67% variance. This leads to the conclusion that considering the three variables together would result in better performance of NGOs. Further, the findings on joint effect of holistic marketing, organizational characteristics and external environment showed that they affected effectiveness and relevance significantly. This leads to conclusion that for NGOs to improve on effectiveness and remain relevance, they must not only apply holistic marketing practices, but must also

evaluate their size, processes and structure. They must take into account the effect of the broader environment as it affects their operations and outcome.

#### **5.4 Implications of the Research Findings**

The findings of this study has theoretical implications for scholars and researchers and other interested parties in pursuit of knowledge. The finding also has implications for policy makers and managers and practioners in the NGO sector.

##### **5.4.1 Theoretical Implications**

This study has contributed to the body of knowledge in marketing of NGOs in several ways. First the study has addressed contradicting views by Eikenberry & Kluver (2004), Cooley & Ron (2002) and Sanders (2010) who all argued that marketization of NGOs would make them ineffective and inefficient. The study has proved through empirical testing that incorporating holistic marketing practices into NGOs operations would strongly improve their performance. This therefore implies NGOs should not just develop a marketing department but incorporate marketing in every aspect of their operations.

Second the study developed a broader conceptual framework that incorporated external environment and organizational characteristics. The joint effect of holistic marketing, organizational characteristics and external environment was found to contribute positively and more significantly to performance of NGOs accounting for over 67%. This study proposes a broader holistic model of marketing of NGOs that incorporates the three variables. The proposed model of marketing of NGOs goes beyond the initial theory of holistic marketing by adding three organizational characteristics size, processes and structure and also three external environmental factor, political-legal, social-cultural and technology. The model holds the view that if NGOs adopted this broader view, they would greatly improve their performance. Previous theory such as social marketing theory, commitment trust theory of relationship marketing and internal marketing theory were limited in their approach.

Third the study has contributed to scholarly work especially in NGO world. Kanyinga and Mittulah (2007) had acknowledged that there are very limited systematic studies carried out in Kenya on nonprofit organizations. They asserted that not much knowledge had been generated about their capabilities, basic features, size, scope and structures. This study has therefore contributed in reducing this gap by demonstrating that indeed marketing works even for this sector. Previous studies such as Tushi (2014) and Sarbabidya (2014) viewed holistic marketing as only applicable in commercial organizations while Mullatahir (2010) was of the view that

NGOs do not know or practice holistic marketing. This study has demonstrated that NGOs do actually practice some aspects of holistic marketing but not as a composite variable with aim of improving performance.

#### **5.4.2 Policy Implications**

This study is relevant to policy makers in a number of ways and makes the following recommendations. First the study found out that the governments contributes only ten percent of NGOs funding. The government should review its policies on funding and channel more funds to these organizations as they are more on the grassroots where they address major societal problems. This is in line with Kenya's Vision 2030 of becoming a middle income country.

Secondly the study found out that political legal factors such political stability, democratic form of government, foreign policy and terrorism mitigation policy had a strong effect on performance of NGOs. The government should strive to maintain peace and order for effective operations of both local and foreign organizations. The democratic space should be enhanced by establishing policies on freedom of expression for civil society organizations. The government should enhance policies on cooperation with other countries in fighting terrorism to minimize its negative effects on NGOs operations.

#### **5.4.3 Managerial Implications**

Based on the findings of this study, several implications for managers in NGOs are observed. First, the study has established that applying holistic marketing practices in NGO activities would improve their performance significantly. This study therefore recommends that holistic marketing philosophy should be embedded in the culture of NGOs. NGOs should practice upstream marketing that targets donors and policy makers to not only improve their image but also attract funding. They should also practice downstream marketing that targets beneficiaries of their services who are actually their customer or clients.

Secondly the study had indicated that financial viability was a key challenge facing NGOs. The study recommends integration of holistic marketing practices to NGOs with particular emphasis on internal and CSR marketing. Internal marketing would ensure proper utilization of resources while CSR marketing would raise their image resulting in attracting donor funding and other resources.

To address the problem of inefficiency and ineffectiveness in NGOs, this study recommends embracing of holistic marketing philosophy as this was found to impact these two aspects

greatly. Specifically NGOs should develop products relevant to their markets, train and develop their employees who could then seek to build strong relationship with external stakeholders. Size of NGOs was found to be a key component that influenced attraction of donor funding. Growth leads to increase in size which in turn lead to favorable position of attracting attention of donors. Growth was shown to be impacted heavily by integrated and relationship marketing. Emphasis should therefore be placed on these aspects of marketing to increase growth which will in turn lead to attraction of donor funding. To increase community participation in NGO and improve on image, this study recommends emphasis on integrated, internal and relationship marketing that impact heavily on NGOs relevance.

### **5.5 Limitations and delimitations of the Study**

The current study has offered insight into the unique contribution of incorporating holistic marketing practices, external environment and organization characteristics on performance of NGOs. The findings of this study are not without limitations. Caution must be taken when implementing the findings so as to get desired results. First the study took a broad view and collected data from all categories of NGOs operating in Nairobi City County. This may limit understanding on how holistic marketing affects specific sectors of NGOs. It would be important to determine the effect of holistic marketing practices on performance of NGOs in a particular sector.

Secondly the study was done in Nairobi which is capital city which has better infrastructure compared to rural areas in Kenya. This limits generalization of study findings to other parts of the country. More studies should be done to determine the effect of change on context on the application of marketing principles in the operations of NGOs.

Thirdly the study adopted cross sectional survey approach in carrying out the study. Since the activities of NGOs keeps on changing depending on the needs of the society, a longitudinal survey might give more accurate results as they would take a long term view of organizational activities. The study used of key informant and this often skews findings in a particular direction. Future studies should adopted a more integrative approach in data collection to address these challenges.

### **5.6 Suggestions for Further Research**

The findings of this study point to certain areas that require further investigations. First the findings were based on NGOs, which are only one component of not for profit sector. Empirical studies in other not for profit sectors such as government and faith-based organizations may provide further insight on application of holistic marketing practices in this sector. More

empirical studies should be done on NGOs addressing a particular societal problem to find out whether the effect of holistic marketing practices on performance is similar.

Secondly, as external environment and organizational characteristics were not found to have moderating effect on the relationship between holistic marketing and performance of NGOs, it would be prudent to assess any factors that have moderating effect on this relationship.

Finally the study findings showed that the joint effect of holistic marketing, organizational characteristics and performance accounted for 67% of variance. Other studies should incorporate other factors such as digital marketing, level of economic development, infrastructure that may account for the remaining 33% of variance so as to improve NGOs performance.

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**APPENDICES**

**APPENDIX I: QUESTIONNAIRE**

Dear respondents,

This questionnaire is designed to collect data from NGOs in Nairobi and its which will be analyzed to establish the influence of holistic marketing practices on performance of NGOs. The data will strictly be used for academic purposes only and will be treated with utmost confidentiality. Your participation in facilitating the study is highly appreciated. There is no right or wrong answers to the questions. The questionnaire comprises two sections A and B. Kindly fill in your responses as honestly as possible. Instructions are provided at the beginning of each part.

**SECTION A**

**Background Information of the NGO**

1. Name of your NGO.....
2. Your Job Tittle .....
3. Indicate the **core** area of focus of your NGO:

Sector	√
Agriculture, Food, Nutrition	
Children	
Conflict Resolution, Peace Building, Road Safety	
Disability, Old Age Care & Welfare	
Education, Research, Training	
Energy, Environment , Water& Sanitation, Wild Life	
Governance, Human Rights, Gender, Refugees, Relief	
Health , HIV Aids, Population and Reproductive Health	
Microfinance	
Others: Information, Media, Youth, Culture, Sports, Religion etc.	

Others specify .....

4. How long has the NGO been operational? (Tick appropriately)

- a) Up to 2 years
- b) 3 - 6 years
- c) 7 - 10 years
- d) 11 -14 years
- e) Over 14 years

5. Your NGO may be classified as either (Tick appropriately)

- a) Local NGO
- b) National NGO
- c) International NGO

6. What are the principal sources of funding for your NGO? [Tick appropriately]

- a) Community members
- b) The government
- c) International Donors
- d) Local donors such
- e) The church

## SECTION B

### Part (i) Holistic marketing practices

Holistic marketing refers to marketing based on the development, design and implementation of marketing programs, processes and activities that recognize their breadth and interdependencies. Holistic marketing comprises four main dimension namely relationship marketing, internal marketing, integrated marketing and corporate social responsibility marketing. To what extent do you agree with the following statements relating to Holistic marketing practices in your NGO (Please TICK the number that best represents your choice).

Key: 1= Not at all, 2= to a small extent, 3= to a moderate extent, 4= a large extent and 5 = to a very large extent.

Description of items	Scale				
<i>Relationship marketing practices</i>					
Donors express trust by continuous support for your NGO activities	1	2	3	4	5
This NGO provides 24hours customer service	1	2	3	4	5
Your NGO promptly responds to stakeholders queries and requests	1	2	3	4	5
This NGO provides timely information about its new services/products	1	2	3	4	5
This NGO seeks to understand client specific needs so as to offer them personalized services	1	2	3	4	5
Employees of this NGO are always willing to help customers	1	2	3	4	5
This NGO consistently offers quality service to all its clients	1	2	3	4	5
This NGO shows sincere interest in solving customer problems.	1	2	3	4	5
Your NGO is strongly devoted to long-term relationship with clients.	1	2	3	4	5
All those who interact with your NGO programs are happy with the experience	1	2	3	4	5
This NGO clearly discloses relevant information to the relevant stakeholders.	1	2	3	4	5
<i>Internal marketing practices</i>					
Your NGO has established merit driven hiring practices for its employees	1	2	3	4	5
Management of this NGO views training and refresher programs for employee as an investment rather than a cost	1	2	3	4	5
Employee job description are well defined in your NGO	1	2	3	4	5

Employees of this NGO are well equipped with logistic support such as accommodation, cell phone, computer, internet connectivity, vehicles etc.	1	2	3	4	5
This NGO offers handsome salaries and allowances based on employee performance	1	2	3	4	5
Employees receive the right amount of recognition and appreciation from the management for their achievements.	1	2	3	4	5
Provisions for career development and job security in this NGO is excellent	1	2	3	4	5
Your NGO has provisions for recreation facilities	1	2	3	4	5
The NGO has well established welfare, safety & health schemes for its employees	1	2	3	4	5
There is good balance between work and personal life of employees in this NGO	1	2	3	4	5
Good communication exists at all levels of this NGO management	1	2	3	4	5
Management of this NGO encourages employee's participation in decision making.	1	2	3	4	5
There is excellent relationship between management and staff in your NGO	1	2	3	4	5
The activities of your NGO are well coordinated across the departments	1	2	3	4	5
<b><i>Integrated marketing practices</i></b>					
This NGO maintains attractive brand at all of its service points	1	2	3	4	5
Your NGO maintains smart and fast service processes	1	2	3	4	5
Stakeholders of this NGO share a common vision.	1	2	3	4	5
This NGO uses integrated marketing communication channels to undertake promotional campaigns	1	2	3	4	5
Your NGO maintains integrated and competitive charges for all of its services	1	2	3	4	5
This NGO uses cross-functional employee teams to provide quality customer service	1	2	3	4	5
Your NGO values long-term relationship with its suppliers	1	2	3	4	5
The services offered by your NGOs are consistent with its promises	1	2	3	4	5
All hired external agencies consistently work with your NGO based on an agreed plan and strategy	1	2	3	4	5
<b><i>Corporate Social Responsibility Marketing practices</i></b>					
This NGO undertakes strong publicity on possible harmful effects of usage of any of its product or services	1	2	3	4	5
This NGO undertakes publicity on its environmentally friendly policies	1	2	3	4	5
This NGO has a safe recycling program for disposal of any work related waste	1	2	3	4	5
This NGO offers service packages compatible with social life style of customers	1	2	3	4	5
This NGO consistently pays taxes and duties to relevant authorities	1	2	3	4	5
The activities of your NGO are aligned with the Kenya's vision 2030	1	2	3	4	5
This NGO offers special services for the under-privileged groups.	1	2	3	4	5



Your NGO has corporate social responsibility marketing programs in place	1	2	3	4	5
This NGO activities do not support any form of discrimination in the society	1	2	3	4	5
Your NGO maintains high ethical standards in its operations	1	2	3	4	5

### Part (ii) Organizational characteristics

Organizations characteristics refer to conditions under which organizations operate that influence their performance. These may include size, structure and organizational processes. To what extent do you agree with the following statements relating to Organizational characteristics in your NGO (Please TICK the number that best represents your choice). Key: 1= Not at all, 2= to a small extent, 3= to a moderate extent, 4= to a large extent and 5 = to a very large extent.

<b>Description and characteristics</b>					
<i>Organization size</i>					
This NGO operates on a large budget	1	2	3	4	5
Your NGO offers many programs	1	2	3	4	5
The activities of your NGO cover a large proportion of targeted clients among competitors	1	2	3	4	5
Your NGO employs professionals in all its operations	1	2	3	4	5
<i>Organizational Structure</i>					
This NGO has strong control systems for all its operations	1	2	3	4	5
The duties and responsibilities of different types of staff of your NGO are well stipulated	1	2	3	4	5
The mission, vision and goals of your NGO are clearly outlined	1	2	3	4	5
Communication channels for this NGO are well defined	1	2	3	4	5
Your NGO has built a strong culture that informs its activities	1	2	3	4	5
<i>Organization Processes</i>					
This NGO has strong running operation systems	1	2	3	4	5
The procedures for carrying out activities in your NGO are well stipulated	1	2	3	4	5
The various operational system in your NGO are well harmonized across the entire organization	1	2	3	4	5
Your NGO operating systems easily adapts to changes in the organization	1	2	3	4	5
The process used by your NGO are effective and efficient	1	2	3	4	5
The sector in which your NGO operates positively influences its performance					

### Part (iii) External Environmental Factors

External environment refers to those elements existing outside the organizations boundaries such as political, economic, social technological, environment (natural) and legal factors (PESTEL) that influence organizational performance. To what extent do you agree with the following statements relating to external environment and your NGO (Please TICK the number that best represents your choice). Key: 1= Not at all, 2= to a small extent, 3= to a moderate extent, 4= to a large extent and 5 = to a very large extent

Description and characteristics	Scale				
<b><i>Political-legal factors</i></b>					
Your NGOs activities are significantly affected by political instability	1	2	3	4	5
The Kenyan democratic form of government favors your NGO operations	1	2	3	4	5
Tax laws have significantly effect on operations of your NGO	1	2	3	4	5
The government regulations on foreign ownership of assets affects activities of your NGO significantly	1	2	3	4	5
Terrorism activities in Kenya has significant effect on your NGO operations	1	2	3	4	5
The government foreign policies are favorable to the running of your NGO	1	2	3	4	5
<b><i>Environmental Complexity</i></b>					
Hostility from your target groups affects the running of your NGO significantly	1	2	3	4	5
Changing needs of Kenyans have significant effect on your NGO core focus.	1	2	3	4	5
The level of uncertainty in the country's political environment affects effectiveness of your NGO	1	2	3	4	5
Chaotic incidences in the country affect operations of your NGO significantly	1	2	3	4	5
<b><i>Economic conditions</i></b>					
Interest rates fluctuations affect service delivery of your NGO significantly	1	2	3	4	5
Inflation rates greatly reduce level of services offered by your NGO	1	2	3	4	5
Unemployment levels overburden your NGO service delivery	1	2	3	4	5
The GDP growing trends in the country aid your NGO in its operations	1	2	3	4	5
The level of disposable income among target groups of your NGO put pressure on your service delivery	1	2	3	4	5
Fluctuation in exchange rates significantly affect the value of money donated to your NGO by foreign donors	1	2	3	4	5
Income distribution among target group has significant effects on your NGO activities	1	2	3	4	5
<b><i>Market competition</i></b>					
Intensive competition for donor funding greatly affects your NGO operations	1	2	3	4	5
Your NGO services to the target group are threatened by alternative service providers	1	2	3	4	5

Threat of entrance of new NGOs has reduces the amount of funds you expect from donors	1	2	3	4	5
The bargaining power of your NGO to the donors increases amount of funds you receive	1	2	3	4	5
The strong bargaining power of your NGO service delivery increases number of clients	1	2	3	4	5
<b><i>Socio cultural factors</i></b>					
Levels of education among the target group of your NGO affect your service delivery significantly	1	2	3	4	5
The community values held by target group of your NGO hinder your operations	1	2	3	4	5
Negative attitude towards your NGO by target group affect operations significantly	1	2	3	4	5
Religious beliefs held by your target group are a hindrance to your NGO service delivery	1	2	3	4	5
Language of your target group is a strong barrier to service delivery by your NGO	1	2	3	4	5
Aspects of beauty among the target group greatly influences your NGO service delivery	1	2	3	4	5
Diverse demographics of the target group complicates service delivery by your NGO	1	2	3	4	5
Ignorance on human rights by target group slows down your NGO service delivery	1	2	3	4	5
Public opinion towards your NGO has negative influence on your programs	1	2	3	4	5
Media attitude towards your NGO influences your activities significantly	1	2	3	4	5
<b><i>Technological factors</i></b>					
Levels of internet services available among target group limit the operations of your NGO	1	2	3	4	5
Penetration of mobile services among target group affects service delivery of your NGO	1	2	3	4	5
Transportation network greatly affect your NGO operations	1	2	3	4	5
The level of technological workforce skills affects your NGO operations significantly	1	2	3	4	5
Your NGO adapts to new technologies easily	1	2	3	4	5
Unreliable energy supply affects your NGO operations negatively	1	2	3	4	5

#### **Part (iv): Performance**

Organizational performance refers to the degree to which a system realizes its objectives. Performance may be measured in terms of financial viability, growth, efficiency, effectiveness and relevance. To what extent do you agree with the following statements relating to performance of your NGO (Please TICK the number that best represents your choice). Key: 1= Not at all, 2= to a small extent, 3= to a moderate extent, 4= to a large extent and 5 = to a very large extent

Description and characteristics	Scale				
<b><i>Financial viability</i></b>					
This NGO consistently receives funds from donors	1	2	3	4	5
Your NGO has sufficient funds for daily operations	1	2	3	4	5
This NGO has sustainable financial resources for continuity of programs even with the exit of key donors.	1	2	3	4	5
This NGO has relatively strong asset base for sustainability	1	2	3	4	5
Your NGO receives funding from diverse sources such as government, corporations, fees, foreign donors	1	2	3	4	5
Your NGO keeps aside funds for emergencies and for economic depressed periods.	1	2	3	4	5
Your NGO continues to attract new financial partners	1	2	3	4	5
This NGO monitors its assets annually.	1	2	3	4	5
The amount of resources mobilized has increased over the last five years.	1	2	3	4	5
The NGO periodically receives other forms of resources such as volunteer services and material goods	1	2	3	4	5
<b><i>Growth</i></b>					
The number of beneficiaries from this NGO service has grown	1	2	3	4	5
This NGO has increased variety of programs offered to the target group	1	2	3	4	5
Your NGO operations have extended to new geographical regions	1	2	3	4	5
The number of qualified employees working with your NGO has increased	1	2	3	4	5
<b><i>Efficiency</i></b>					
The cost of programs run by your NGO compares to annual set budgets	1	2	3	4	5
The costs incurred in running your NGO programs have value addition in services offered.	1	2	3	4	5
The employees of this NGO meet set performance targets at minimum costs	1	2	3	4	5
Funds received from donors by your NGO go to benefit the target group	1	2	3	4	5
This NGO keeps standard records for all its operations	1	2	3	4	5
This NGO offers timely services to its clients	1	2	3	4	5
This NGO makes optimal use of its facilities such as buildings and equipment.	1	2	3	4	5
Your NGO evaluates progress and achievement made in the organization from time to time.	1	2	3	4	5
Your NGOs equipment and systems are well maintained to avoid unnecessary delay in service delivery	1	2	3	4	5
Your NGO has a high technical capacity to run all its operations	1	2	3	4	5

<i><b>Effectiveness</b></i>					
This NGO has the ability to attract and sustain donor funding	1	2	3	4	5
Your NGO has kept on improving intended services to beneficiary groups	1	2	3	4	5
This NGO has kept its vision, mission and objectives in delivery of service	1	2	3	4	5
Your NGO upholds service quality in its programs	1	2	3	4	5
Your NGO greatly enjoys community acceptance and support in its operations	1	2	3	4	5
Your NGO has created high level of awareness of its operations to target the group	1	2	3	4	5
<i><b>Relevance</b></i>					
This NGO continuously adjusts its services which results in high client satisfaction	1	2	3	4	5
The employees of this NGO are highly motivated in their work	1	2	3	4	5
Donors continuously express confidence in the operations of Your NGO	1	2	3	4	5
Current partners are willing to support more initiatives proposed by your NGO	1	2	3	4	5
Programs run by your NGO are regularly reviewed to reflect changing environment	1	2	3	4	5
Peer organizations value relationship with your NGO.	1	2	3	4	5
Your NGO adequately balances stakeholder's demands.	1	2	3	4	5
Partners are willing to play more active roles in the management and running of your NGO	1	2	3	4	5

### APPENDIX III: LIST OF SAMPLED NGOS IN NAIROBI CITY COUNT

1. Trocaire
2. Sisdo Micro Finance
3. IMC
4. SI
5. Diakonia Sweden
6. Medicins Sans Frontieres
7. Daraja Children's Choir of Africa
8. One Acre Fund
9. Musonic microfinance
10. Kenya Union of The Blind
11. Uraia Trust
12. IUCN
13. Action Aid International
14. PATH
15. Association Of Microfinance Institutions
16. Emu Inya Enterprises Limited
17. FAO Somalia
18. Undugu Society Of Kenya
19. Uzima Foundation
20. Climate Network Africa
21. Mothers2mothers
22. GIZ Governance
23. Horn Of Africa Development Initiative
24. The Door Kenya
25. MEDF
26. Kenya Wildlife Conservancies Association
27. Oxfam
28. Kiva Micro Fund
29. Faulu Bank
30. Planned Parenthood Federation Of America
31. Pharmaccess Foundation
32. National Council Of Churches Of Kenya
33. Sporting Chance International
34. World Neighbors
35. UNOCHA
36. World Vision Kenya
37. Jorgs Trust
38. Canopy Life International
39. FAWE
40. UNWFP
41. Alliance For Green Revolution In Africa
42. African Girl International
43. Ripples International
44. UNHCR
45. Movement Against Substance Abuse In Africa
46. Kenya Small Scale Industrial Development
47. Jirani Mwema
48. Worldwide Fund For Nature
49. Precision Counseling Home
50. Action Aid International
51. Roots Africa Development Organization
52. Grevy's Zebra Trust
53. BCF Kenya Limited
54. Rural Initiatives Development Program
55. Moving The Goalposts
56. BIMAS
57. K-UNITY
58. UNEP
59. International Institute For Legislative Affairs
60. Caring For Environment For Development
61. SMEP
62. Spectatalk Ventures
63. Eastern Africa Collaboration
64. River Of Life International
65. Land O' Lakes
66. SOS Kenya
67. Grassroots Empowerment And Development
68. OSOCO Foundation
69. TASAHACC
70. International Federation of Red
71. Women Empowerment Link
72. East African Wild Life Society
73. Neema Health Educational & Empowerment
74. Nutri Boost Africa
75. Amkeni Organization
76. Sustainable Agricultural Community
77. Social Concern For Urban
78. Organization For Health And Technology Study
79. Mother Foundation
80. Community Counselling Resource Centre
81. Deaf Child Worldwide

82. Real People Kenya Ltd
83. Independent Medico Legal Unit
84. Uwezo Micro-Finance
85. Deaf Empowerment Kenya
86. Nairobi Family Support
87. ANDY
88. Vijana Mtaani
89. National Council
90. Sense International
91. Save The Children
92. Liverpool VCT
93. African Network Against Child Abuse
94. World Health Organization
95. Ear-Trek
96. Denovel Investment
97. Unity For Women Economic and Social Organization
98. Friends Of Basketball Kenya
99. Global Voluntary Development Association
100. Kenya Institute Of Special Education
101. Door International
102. ORA
103. Kecofatuma
104. Orione
105. Africa Wildlife Foundation
106. Kenya Deaf Agenda
107. Special Program Initiative
108. Ahadi Kenya
109. Education For All Children
110. Jiweze Improved Productivity Program
111. Empower Africa
112. Poverty Eradication & Life Empowerment
113. Tumaini Oasis
114. Ngong Catholic group
115. EFAC
116. Nature's Wisdom
117. Kenya Foundation For Youth And Women
118. Lubo Foundation
119. Centre For Human Rights And Democracy
120. Omega Foundation
121. Horizon Hope Network
122. Community Management For Development

#### Appendix IV: Cronbach's Alpha (A) Test

Construct	Dimension	Number of Scale items	Cronbach alpha
<b>Holistic Marketing</b>	Relationship Marketing	11	0.829
	Internal Marketing	14	0.920
	Integrated Marketing	9	0.876
	Corporate Social Responsibility Marketing	10	0.834
	<b>Holistic Marketing</b>	<b>44</b>	<b>0.953</b>
<b>Organizational characteristics</b>	Size	4	0.822
	Structure	5	0.893
	Process	6	0.914
	<b>Organizational characteristics</b>	<b>15</b>	<b>0.945</b>
<b>Environmental factors</b>	Political-Legal Environment	6	0.687
	Environmental Complexity	4	0.760
	Economic Conditions	7	0.824
	Market Competition	5	0.803
	Social-Cultural Environment	10	0.907
	Technology	6	0.751
	<b>Environmental factors</b>	<b>38</b>	<b>0.940</b>
<b>Performance</b>	Financial viability	10	0.854
	Growth	4	0.824
	Efficiency	10	0.890
	Effectiveness	6	0.894
	Relevance	8	0.905
	<b>Performance</b>	<b>38</b>	<b>.963</b>



**Appendix V: Principal Factors Analysis for Study Variables**

**Table 1: Principal Factors for Relationship Marketing**

<b>Rotated Component Matrix-Relationship Marketing</b>					
	<b>Factor description</b>	<b>Component</b>			<b>Cumulative Variance Explained %</b>
		<b>1</b>	<b>2</b>	<b>3</b>	
This NGO shows sincere interest in solving customer problems.	<b>Service quality</b>	<b>.758</b>	.227	.198	<b>61.878%</b>
All those who interact with your NGO programs are happy with the experience		<b>.757</b>	.170	.031	
Your NGO is strongly devoted to long-term relationship with clients.		<b>.732</b>	.122	.279	
This NGO consistently offers quality service to all its clients		<b>.713</b>	.454	-.123	
This NGO clearly discloses relevant information to the relevant stakeholders.		<b>.526</b>	.092	.465	
This NGO seeks to understand client specific needs so as to offer them personalized services	<b>Responsiveness</b>	.144	<b>.751</b>	.063	
This NGO provides timely information about its new services/products		.056	<b>.700</b>	.510	
Employees of this NGO are always willing to help customers		.371	<b>.691</b>	-.071	
Your NGO promptly responds to stakeholders queries and requests		.360	<b>.544</b>	.379	
This NGO provides 24hours customer service	<b>Customer Support</b>	.041	-.020	<b>.812</b>	
Donors express trust by continuous support for your NGO activities		.235	.378	<b>.534</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 6 iterations.					
<b>KMO and Bartlett's Test- Relationship Marketing</b>					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.840
Bartlett's Test of Sphericity	Approx. Chi-Square				415.039
	df				55
	Sig.				.000

**Table 2: Principal Factors for Internal Marketing**

<b>Rotated Component Matrix- Internal Marketing</b>					
	Factor description	Component			Cumulative Variance Explained (%)
		1	2	3	
Your NGO has established merit driven hiring practices for its employees	<b>Employees recruitment &amp; development</b>	<b>.840</b>	.194	.058	<b>68.8835%</b>
Employee job description are well defined in your NGO		<b>.802</b>	.200	.271	
Management of this NGO views training and refresher programs for employee as an investment rather than a cost		<b>.764</b>	.253	.296	
Employees of this NGO are well equipped with logistic support such as accommodation, cell phone, computer, internet connectivity, vehicles etc.		<b>.567</b>	.082	.556	
The activities of your NGO are well coordinated across the departments		<b>.557</b>	.529	.299	
Management of this NGO encourages employee's participation in decision making.	<b>Employee relationships</b>	.188	<b>.878</b>	.066	
There is excellent relationship between management and staff in your NGO		.204	<b>.802</b>	.228	
Good communication exists at all levels of this NGO management		.445	<b>.749</b>	.112	
There is good balance between work and personal life of employees in this NGO		.042	<b>.728</b>	.372	
Your NGO has provisions for recreation facilities	<b>Remuneration &amp; welfare</b>	-.001	.188	<b>.813</b>	
The NGO has well established welfare, safety & health schemes for its employees		.210	.112	<b>.683</b>	
Provisions for career development and job security in this NGO is excellent		.266	.361	<b>.664</b>	
This NGO offers handsome salaries and allowances based on employee performance		.396	.119	<b>.624</b>	
Employees receive the right amount of recognition and appreciation from the management for their achievements.		.499	.347	<b>.555</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 5 iterations.					
<b>KMO and Bartlett's Test - Internal Marketing</b>					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.907
Bartlett's Test of Sphericity	Approx. Chi-Square				928.638
	df				91
	Sig.				.000

**Table3: Principal Factors for Integrated Marketing**

<b>Rotated Component Matrix-Integrated Marketing</b>				
	<b>Factor Description</b>	<b>Component</b>		<b>Cumulative Variance Explained %</b>
		<b>1</b>	<b>2</b>	
The services offered by your NGOs are consistent with its promises	<b>Branding</b>	<b>.810</b>	.007	<b>60.831%</b>
All hired external agencies consistently work with your NGO based on an agreed plan and strategy		<b>.737</b>	.051	
Your NGO maintains smart and fast service processes		<b>.736</b>	.404	
Stakeholders of this NGO share a common vision.		<b>.666</b>	.281	
This NGO maintains attractive brand at all of its service points		<b>.645</b>	.488	
This NGO uses cross-functional employee teams to provide quality customer service		<b>.578</b>	.422	
Your NGO values long-term relationship with its suppliers		<b>.571</b>	.424	
This NGO uses integrated marketing communication channels to undertake promotional campaigns	<b>Promotion &amp; pricing</b>	.205	<b>.828</b>	
Your NGO maintains integrated and competitive charges for all of its services		.089	<b>.799</b>	
	Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			
	a. Rotation converged in 3 iterations.			
<b>KMO and Bartlett's Test –Integrated Marketing</b>				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.				.860
Bartlett's Test of Sphericity	Approx. Chi-Square		409.188	
	df		36	
	Sig.		.000	

**Table 4: Principal Factors for Corporate Social Responsibility Marketing**

Rotated Component Matrix- Corporate Social Responsibility Marketing					
	Factor Description	Component			Cumulative Variance Accounted %
		1	2	3	
This NGO undertakes publicity on its environmentally friendly policies	<b>Profile raising</b>	<b>.849</b>	.014	.227	<b>66.196%</b>
This NGO undertakes strong publicity on possible harmful effects of usage of any of its product or services		<b>.833</b>	.075	.262	
This NGO has a safe recycling program for disposal of any work related waste		<b>.783</b>	.089	-.087	
Your NGO has corporate social responsibility marketing programs in place		<b>.717</b>	.369	-.100	
This NGO offers service packages compatible with social life style of customers		<b>.704</b>	.192	.120	
The activities of your NGO are aligned with the Kenya's vision 2030	<b>Legitimacy</b>	.168	<b>.767</b>	.061	
This NGO offers special services for the under-privileged groups.		.249	<b>.688</b>	.062	
This NGO consistently pays taxes and duties to relevant authorities		-.033	<b>.687</b>	.268	
This NGO activities do not support any form of discrimination in the society	<b>Ethics</b>	.092	.091	<b>.904</b>	
Your NGO maintains high ethical standards in its operations		.171	.479	<b>.668</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 5 iterations.					
<b>KMO and Bartlett's Test: Corporate Social Responsibility Marketing</b>					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.				.764	
Bartlett's Test of Sphericity		Approx. Chi-Square		420.141	
		df		45	
		Sig.		.000	

**Table 5: Principal Factors for Organizational Size**

<b>Component Matrix - Organizational Size</b>			
		Component	
		<b>Factor Description</b>	<b>Cumulative Variance Accounted for (%)</b>
		1	
This NGO operates on a large budget		<b>.839</b>	<b>64.442%</b>
The activities of your NGO cover a large proportion of targeted clients among competitors		<b>.838</b>	
Your NGO offers many programs		<b>.822</b>	
Your NGO employs professionals in all its operations		<b>.704</b>	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Organizational Size</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.778
Bartlett's Test of Sphericity		Approx. Chi-Square	159.201
		df	6
		Sig.	.000

**Table 6: Principal Factors for Organizational Structure**

<b>Component Matrix- Organizational Structure</b>			
	<b>Factor Description</b>	<b>Component 1</b>	<b>Cumulative Variance Accounted for (%)</b>
	The duties and responsibilities of different types of staff of your NGO are well stipulated	<b>.888</b>	<b>69.938%</b>
	Your NGO has built a strong culture that informs its activities	<b>.876</b>	
	This NGO has strong control systems for all its operations	<b>.872</b>	
	Communication channels for this NGO are well defined	<b>.831</b>	
	The mission, vision and goals of your NGO are clearly outlined	<b>.699</b>	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Organizational Structure</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.859
Bartlett's Test of Sphericity	Approx. Chi-Square		335.681
	df		10
	Sig.		.000

**Table 7: Principal Factors for Organizational Processes**

<b>Component Matrix- Organizational Processes</b>			
	<b>Factor Description</b>	<b>Component 1</b>	<b>Cumulative Variance Accounted for (%)</b>
	The various operational system in your NGO are well harmonized across the entire organization	<b>.877</b>	<b>68.647%</b>
	This NGO has strong running operation systems	<b>.876</b>	
	Your NGO operating systems easily adapts to changes in the organization	<b>.844</b>	
	The process used by your NGO are effective and efficient	<b>.843</b>	
	The procedures for carrying out activities in your NGO are well stipulated	<b>.813</b>	
	The sector in which your NGO operates positively influences its performance	<b>.706</b>	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Organizational processes</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.873
Bartlett's Test of Sphericity	Approx. Chi-Square		445.022
	df		15
	Sig.		.000

**Table 8: Principal Factors for Political-Legal Environment**

<b>Rotated Component Matrix- Political-legal environment</b>				
	Factor Description	Component		Cumulative Variance Accounted for (%)
		1	2	
Your NGOs activities are significantly affected by political instability	<b>Political stability</b>	<b>.753</b>	.061	<b>58.102%</b>
Terrorism activities in Kenya has significant effect on your NGO operations		<b>.687</b>	.365	
The government foreign policies are favorable to the running of your NGO		<b>.646</b>	.153	
The Kenyan democratic form of government favors your NGO operations		<b>.584</b>	-.053	
The government regulations on foreign ownership of assets affects activities of your NGO significantly	<b>Legal compliance</b>	.206	<b>.869</b>	
Tax laws have significantly effect on operations of your NGO		.004	<b>.854</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 3 iterations.				
<b>KMO and Bartlett's Test- Political-Legal Environment</b>				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.				.608
Bartlett's Test of Sphericity		Approx. Chi-Square		127.809
		df		15
		Sig.		.000



**Table 9: Principal Factors for Environmental Complexity**

<b>Component Matrix- Environmental Complexity</b>			
	<b>Factor Description</b>	<b>Component 1</b>	<b>Cumulative Variance Accounted for (%)</b>
The level of uncertainty in the country’s political environment affects effectiveness of your NGO	<b>Environmental Complexity</b>	<b>.851</b>	<b>59.612%</b>
Chaotic incidences in the country affect operations of your NGO significantly		<b>.850</b>	
Changing needs of Kenyans have significant effect on your NGO core focus.		<b>.697</b>	
Hostility from your target groups affects the running of your NGO significantly		<b>.672</b>	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Environmental Complexity</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.734
Bartlett's Test of Sphericity	Approx. Chi-Square		134.318
	df		6
	Sig.		.000

**Table 10: Principal Factors for Economic Environmental**

Component Matrix- Economic Environmental			
	Factor Description	Component 1	Cumulative Variance Accounted for (%)
Income distribution among target group has significant effects on your NGO activities	<b>Economic Environmental</b>	<b>.776</b>	<b>49.996%</b>
The level of disposable income among target groups of your NGO put pressure on your service delivery		<b>.770</b>	
Unemployment levels overburden your NGO service delivery		<b>.755</b>	
Inflation rates greatly reduce level of services offered by your NGO		<b>.722</b>	
Interest rates fluctuations affect service delivery of your NGO significantly		<b>.721</b>	
The GDP growing trends in the country aid your NGO in its operations		<b>.633</b>	
Fluctuation in exchange rates significantly affect the value of money donated to your NGO by foreign donors		<b>.541</b>	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Economic Environmental</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.829
Bartlett's Test of Sphericity	Approx. Chi-Square		263.453
	df		21
	Sig.		.000

**Table 11: Principal Factors for Market Competition**

<b>Rotated Component Matrix- Market Competition</b>				
	<b>Factor Description</b>	<b>Component</b>		<b>Cumulative Variance Accounted for (%)</b>
		1	2	
Your NGO services to the target group are threatened by alternative service providers	<b>Threats</b>	<b>.857</b>	.016	<b>75.365%</b>
Intensive competition for donor funding greatly affects your NGO operations		<b>.779</b>	.268	
Threat of entrance of new NGOs has reduces the amount of funds you expect from donors		<b>.699</b>	.404	
The strong bargaining power of your NGO service delivery increases number of clients	<b>Bargaining power</b>	.143	<b>.916</b>	
The bargaining power of your NGO to the donors increases amount of funds you receive		.245	<b>.886</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 3 iterations.				
<b>KMO and Bartlett's Test- Market Competition</b>				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.728	
Bartlett's Test of Sphericity	Approx. Chi-Square		190.301	
	df		10	
	Sig.		.000	

**Table 12: Principal Factors for Social Cultural Environment**

Component Matrix- Social Cultural Environment			
		Component	
		Factor Description	Cumulative Variance Accounted for (%)
		1	
Negative attitude towards your NGO by target group affect operations significantly		.831	54.593%
Language of your target group is a strong barrier to service delivery by your NGO		.810	
Media attitude towards your NGO influences your activities significantly		.777	
Religious beliefs held by your target group are a hindrance to your NGO service delivery		.773	
Public opinion towards your NGO has negative influence on your programs		.767	
Diverse demographics of the target group complicates service delivery by your NGO		.746	
Ignorance on human rights by target group slows down your NGO service delivery		.725	
The community values held by target group of your NGO hinder your operations		.711	
Levels of education among the target group of your NGO affect your service delivery significantly		.614	
Aspects of beauty among the target group greatly influences your NGO service delivery		.599	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test-Social Cultural Factors</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.909
Bartlett's Test of Sphericity	Approx. Chi-Square		573.932
	df		45
	Sig.		.000

**Table 13: Principal Factors for Technological Environment**

Rotated Component Matrix- Technological Environment				
	Factor Description	Component		Cumulative Variance Accounted for (%)
		1	2	
The level of technological workforce skills affects your NGO operations significantly	Network connectivity	<b>.814</b>	.180	66.295%
Penetration of mobile services among target group affects service delivery of your NGO		<b>.814</b>	-.102	
Levels of internet services available among target group limit the operations of your NGO		<b>.765</b>	.076	
Transportation network greatly affect your NGO operations		<b>.755</b>	.169	
Your NGO adapts to new technologies easily	Technology adoptability	-.098	<b>.889</b>	
Unreliable energy supply affects your NGO operations negatively		.456	<b>.643</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 3 iterations.				
<b>KMO and Bartlett's Test- Technological Environment</b>				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.				.776
Bartlett's Test of Sphericity	Approx. Chi-Square			187.944
	df			15
	Sig.			.000

**Table 14: Principal Factors for Financial Viability**

Rotated Component Matrix- Financial Viability					
	Factor Description	Component			Cumulative Variance Accounted for (%)
		1	2	3	
Your NGO has sufficient funds for daily operations	Operating capital	<b>.755</b>	.143	.119	67.957%
The amount of resources mobilized has increased over the last five years.		<b>.739</b>	.074	.320	
This NGO monitors its assets annually.		<b>.739</b>	.191	.132	
Your NGO continues to attract new financial partners		<b>.660</b>	.539	.145	
Your NGO receives funding from diverse sources such as government, corporations, fees, foreign donors	Funds access	.105	<b>.817</b>	.156	
This NGO consistently receives funds from donors		.384	<b>.696</b>	-.263	
The NGO periodically receives other forms of resources such as volunteer services and material goods		.107	<b>.578</b>	.554	
Your NGO keeps aside funds for emergencies and for economic depressed periods.		.217	<b>.568</b>	.488	
This NGO has sustainable financial resources for continuity of programs even with the exit of key donors	Financial Sustainability	.198	-.068	<b>.870</b>	
This NGO has relatively strong asset base for sustainability		.222	.194	<b>.799</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 7 iterations.					
<b>KMO and Bartlett's Test- Financial Viability</b>					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.802
Bartlett's Test of Sphericity	Approx. Chi-Square				442.921
	df				45
	Sig.				.000

**Table 15: Principal Factors for Growth**

Component Matrix- Growth		Component	Cumulative Variance Accounted for (%)
Factor Description		1	
Your NGO operations have extended to new geographical regions	Growth	.862	67.807%
The number of beneficiaries from this NGO service has grown		.830	
The number of qualified employees working with your NGO has increased		.821	
This NGO has increased variety of programs offered to the target group		.777	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Growth</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.807
Bartlett's Test of Sphericity	Approx. Chi-Square		178.004
	df		6
	Sig.		.000

**Table 16: Principal Factors for Efficiency**

<b>Rotated Component Matrix- Efficiency</b>				
	<b>Factor Description</b>	<b>Component</b>		<b>Cumulative Variance Accounted For (%)</b>
		<b>1</b>	<b>2</b>	
Your NGOs equipment and systems are well maintained to avoid unnecessary delay in service delivery	Efficiency	<b>.784</b>	.255	58.946%
Your NGO has a high technical capacity to run all its operations		<b>.763</b>	.185	
The cost of programs run by your NGO compares to annual set budgets		<b>.747</b>	.270	
The costs incurred in running your NGO programs have value addition in services offered.		<b>.741</b>	.180	
This NGO offers timely services to its clients		<b>.559</b>	.455	
Funds received from donors by your NGO go to benefit the target group	Standards	-.005	<b>.838</b>	
This NGO keeps standard records for all its operations		.349	<b>.742</b>	
This NGO makes optimal use of its facilities such as buildings		.433	<b>.614</b>	
The employees of this NGO meet set performance targets at minimum costs		.328	<b>.578</b>	
Your NGO evaluates progress and achievement made in the organization from time to time.		.469	<b>.516</b>	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 3 iterations.				
<b>KMO and Bartlett's Test- Efficiency</b>				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.				.825
Bartlett's Test of Sphericity	Approx. Chi-Square			500.639
	df			45
	Sig.			.000



**Table 17: Principal Factors for Effectiveness**

<b>Component Matrix- Effectiveness</b>			
	<b>Factor Description</b>	<b>Component 1</b>	<b>Cumulative Variance Accounted for (%)</b>
This NGO has kept its vision, mission and objectives in delivery of service	Effectiveness	.873	64.777%
Your NGO upholds service quality in its programs		.841	
Your NGO has created high level of awareness of its operations to target the group		.824	
Your NGO has kept on improving intended services to beneficiary groups		.803	
This NGO has the ability to attract and sustain donor funding		.755	
Your NGO greatly enjoys community acceptance and support in its operations		.723	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Effectiveness</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.884
Bartlett's Test of Sphericity	Approx. Chi-Square		361.809
	df		15
	Sig.		.000

**Table 18: Principal Factors for Relevance**

<b>Component Matrix- Relevance</b>			
		<b>Component</b>	
		<b>1</b>	<b>Cumulative Variance Accounted for (%)</b>
<b>Factor Description</b>			
Your NGO adequately balances stakeholder’s demands.	Relevance	.868	60.263%
Current partners are willing to support more initiatives proposed by your NGO		.818	
This NGO continuously adjusts its services which results in high client satisfaction		.804	
Programs run by your NGO are regularly reviewed to reflect changing environment		.783	
The employees of this NGO are highly motivated in their work		.773	
Peer organizations value relationship with your NGO.		.760	
Partners are willing to play more active roles in the management and running of your NGO		.697	
Donors continuously express confidence in the operations of Your NGO		.692	
Extraction Method: Principal Component Analysis.			
a. 1 components extracted.			
<b>KMO and Bartlett's Test- Relevance</b>			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.915
Bartlett's Test of Sphericity	Approx. Chi-Square		469.864
	df		28
	Sig.		.000

**Table 19: Principal Factors for Holistic Marketing Practices**

<b>Total Variance Explained</b>										
<b>Component</b>	<b>Initial Eigenvalues</b>			<b>Extraction Sums of Squared Loadings</b>			<b>Rotation Sums of Squared Loadings</b>			
	<b>Total</b>	<b>% of Variance</b>	<b>Cumulative %</b>	<b>Total</b>	<b>% of Variance</b>	<b>Cumulative %</b>	<b>Total</b>	<b>% of Variance</b>	<b>Cumulative %</b>	
1	14.963	34.007	34.007	14.963	34.007	34.007	4.195	9.533	9.533	
2	3.077	6.993	40.999	3.077	6.993	40.999	3.669	8.339	17.873	
3	2.273	5.165	46.164	2.273	5.165	46.164	3.565	8.103	25.975	
4	2.141	4.867	51.031	2.141	4.867	51.031	3.380	7.681	33.657	
5	1.832	4.164	55.195	1.832	4.164	55.195	3.342	7.595	41.252	
6	1.536	3.492	58.686	1.536	3.492	58.686	3.201	7.275	48.527	
7	1.387	3.152	61.838	1.387	3.152	61.838	2.595	5.898	54.425	
8	1.272	2.892	64.730	1.272	2.892	64.730	2.383	5.417	59.841	
9	1.227	2.790	67.520	1.227	2.790	67.520	2.193	4.985	64.827	
10	1.101	2.502	70.022	1.101	2.502	70.022	1.681	3.821	68.648	
11	1.018	2.313	72.335	1.018	2.313	72.335	1.622	3.687	72.335	
<b>KMO and Bartlett's Test Holistic Marketing</b>										
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.									.854	
Bartlett's Test of Sphericity				Approx. Chi-Square					3153.023	
				df					946	
				Sig.					.000	

**Table 20: Principal Factors for Organizational Characteristics**

<b>Total Variance Explained</b>									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.412	56.080	56.080	8.412	6.080	56.080	6.302	42.015	42.015
2	1.395	9.297	65.377	1.395	9.297	65.377	3.504	23.361	65.377
<b>KMO And Bartlett's Test- Organizational Characteristics</b>									
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.								.925	
Bartlett's Test of Sphericity				Approx. Chi-Square				1213.808	
				df				105	
				Sig.				.000	

**Table 21: Principal Factors External Environment**

<b>Total Variance Explained</b>									
<b>Component</b>	<b>Initial Eigenvalues</b>			<b>Extraction Sums of Squared Loadings</b>			<b>Rotation Sums of Squared Loadings</b>		
	<b>Total</b>	<b>% of Variance</b>	<b>Cumulati ve %</b>	<b>Total</b>	<b>% of Variance</b>	<b>Cumulati ve %</b>	<b>Total</b>	<b>% of Variance</b>	<b>Cumulati ve %</b>
1	12.208	32.126	32.126	12.208	32.126	32.126	5.824	15.325	15.325
2	2.516	6.622	38.749	2.516	6.622	38.749	3.937	10.361	25.687
3	2.298	6.046	44.795	2.298	6.046	44.795	3.498	9.205	34.892
4	2.093	5.507	50.302	2.093	5.507	50.302	3.229	8.498	43.390
5	1.582	4.164	54.466	1.582	4.164	54.466	2.348	6.180	49.571
6	1.375	3.618	58.084	1.375	3.618	58.084	2.109	5.550	55.121
7	1.301	3.423	61.507	1.301	3.423	61.507	1.716	4.516	59.637
8	1.181	3.107	64.614	1.181	3.107	64.614	1.677	4.412	64.049
9	1.070	2.817	67.431	1.070	2.817	67.431	1.285	3.382	67.431
<b>KMO and Bartlett's test for external environment</b>									
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.								.863	
Bartlett's Test of Sphericity				Approx. Chi-Square				2285.999	
				df				703	
				Sig.				.000	

**Table 22: Principal Factors for Performance**

<b>Total Variance Explained</b>						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	15.686	41.279	41.279	15.686	41.279	41.279
2	2.773	7.298	48.577	2.773	7.298	48.577
3	1.937	5.098	53.675	1.937	5.098	53.675
4	1.774	4.668	58.343	1.774	4.668	58.343
5	1.252	3.295	61.637	1.252	3.295	61.637
6	1.227	3.228	64.866	1.227	3.228	64.866
7	1.000	2.633	67.498	1.000	2.633	67.498
<b>KMO and Bartlett's test - Performance</b>						
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.900	
Bartlett's Test of Sphericity			Approx. Chi-Square		2822.453	
			df		703	
			Sig.		.000	

## Appendix VI: Common Method Variance

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Relationship Marketing	4.513	41.029	41.029	4.513	41.029	41.029
Internal Marketing	6.893	49.237	49.237	6.893	49.237	49.237
Integrated Marketing	4.409	48.987	48.987	4.409	48.987	48.987
CSR Marketing	3.939	39.387	39.387	3.939	39.387	39.387
Holistic Marketing	14.963	34.007	34.007	14.963	34.007	34.007
Organizational Characteristics	8.412	56.080	56.080	8.412	56.080	56.080
External Environment	12.208	32.126	32.126	12.208	32.126	32.126
Financial Viability	4.264	42.635	42.635	4.264	42.635	42.635
Growth	2.712	67.807	67.807	2.712	67.807	67.807
Efficiency	4.855	48.551	48.551	4.855	48.551	48.551
Effectiveness	3.887	64.777	64.777	3.887	64.777	64.777
Relevance	4.821	60.263	60.263	4.821	60.263	60.263
Performance	15.686	41.279	41.279	15.686	41.279	41.279
Extraction Method: Principal Component Analysis.						

## Appendix VII: Item-Total Statistics

**Table 1: Item-Total Statistics for Relationship Marketing**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	41.4038	27.175	.511	.815
VAR00002	42.4904	28.116	.283	.854
VAR00003	41.2981	28.755	.659	.805
VAR00004	41.3846	28.472	.582	.808
VAR00005	41.2788	29.601	.411	.823
VAR00006	41.0288	30.106	.519	.816
VAR00007	41.1731	28.669	.562	.810
VAR00008	41.0673	28.665	.659	.804
VAR00009	41.0385	29.202	.579	.810
VAR00010	41.3462	28.947	.560	.811
VAR00011	41.2981	27.920	.551	.810

**Table 2: Item-Total Statistics- Internal Marketing**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	46.3981	94.335	.573	.917
VAR00002	46.4907	90.402	.735	.911
VAR00003	46.2222	92.810	.695	.913
VAR00004	46.4722	91.710	.669	.914
VAR00005	46.8796	93.098	.609	.916
VAR00006	46.5556	90.343	.766	.910
VAR00007	46.9444	90.277	.686	.913
VAR00008	47.2685	92.236	.523	.920
VAR00009	46.6204	92.537	.580	.917
VAR00010	46.5556	94.623	.596	.916
VAR00011	46.3611	93.672	.690	.913
VAR00012	46.6389	94.812	.562	.917
VAR00013	46.3241	95.006	.638	.915
VAR00014	46.3148	92.274	.770	.911

**Table 3: Item-Total Statistics- Integrated Marketing**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	30.7946	27.444	.751	.851
VAR00002	30.8214	25.986	.770	.848
VAR00003	30.5446	29.079	.609	.864
VAR00004	31.1250	27.480	.603	.864
VAR00005	31.1161	28.212	.463	.880
VAR00006	30.8036	27.565	.658	.859
VAR00007	30.5446	28.358	.637	.861
VAR00008	30.4196	29.975	.577	.867
VAR00009	30.5446	29.043	.557	.868



**Table 4: Item-Total Statistics-CSR Marketing**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	34.2816	43.204	.698	.800
VAR00002	34.1262	43.719	.667	.803
VAR00003	34.5437	44.878	.516	.821
VAR00004	34.1650	45.806	.584	.813
VAR00005	33.3981	49.654	.341	.836
VAR00006	33.5340	48.369	.448	.826
VAR00007	33.7476	47.602	.483	.823
VAR00008	34.4757	43.232	.648	.805
VAR00009	33.0971	52.677	.338	.834
VAR00010	33.2233	49.156	.516	.821

**Table 5: Item-Total Statistics- Holistic Marketing**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	162.3797	666.828	.383	.953
VAR00002	163.5949	663.706	.328	.954
VAR00003	162.2658	669.890	.555	.953
VAR00004	162.3165	668.475	.493	.953
VAR00005	162.2152	676.684	.300	.953
VAR00006	161.9747	677.948	.344	.953
VAR00007	162.1139	671.897	.452	.953
VAR00008	162.0380	668.037	.572	.952
VAR00009	162.0253	664.384	.639	.952
VAR00010	162.3038	672.804	.432	.953
VAR00011	162.2785	658.511	.618	.952
VAR00012	162.6582	655.382	.617	.952
VAR00013	162.7975	643.189	.763	.951
VAR00014	162.5063	649.971	.741	.951
VAR00015	162.7848	652.402	.629	.952
VAR00016	163.2278	659.153	.526	.952
VAR00017	162.9114	648.133	.734	.951
VAR00018	163.2785	647.280	.650	.952
VAR00019	163.7342	651.198	.534	.953
VAR00020	163.0000	648.359	.633	.952
VAR00021	162.7975	661.317	.510	.953
VAR00022	162.5570	657.301	.699	.952
VAR00023	162.8101	660.925	.553	.952
VAR00024	162.5823	661.605	.574	.952
VAR00025	162.5823	648.785	.783	.951
VAR00026	162.6456	655.488	.713	.952
VAR00027	162.6962	644.189	.808	.951
VAR00028	162.4304	661.889	.631	.952
VAR00029	163.0127	657.449	.568	.952
VAR00030	163.0000	661.641	.441	.953
VAR00031	162.7342	656.813	.637	.952

VAR00032	162.3671	655.107	.699	.952
VAR00033	162.1899	660.669	.697	.952
VAR00034	162.4177	658.785	.619	.952
VAR00035	163.1392	650.250	.564	.952
VAR00036	162.9241	650.712	.544	.952
VAR00037	163.3418	662.920	.331	.954
VAR00038	163.0000	652.026	.578	.952
VAR00039	162.1013	659.964	.485	.953
VAR00040	162.2405	664.749	.435	.953
VAR00041	162.5696	658.966	.470	.953
VAR00042	163.4557	647.918	.562	.952
VAR00043	161.8987	678.477	.258	.954
VAR00044	162.0633	657.573	.635	.952

**Table 6: Item-Total Statistics- Organizational Characteristics**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	55.4216	101.573	.626	.944
VAR00002	55.4216	102.682	.566	.946
VAR00003	55.2843	101.473	.626	.944
VAR00004	54.9510	101.710	.699	.942
VAR00005	55.0490	97.572	.841	.938
VAR00006	54.8529	100.978	.813	.939
VAR00007	54.4804	106.787	.566	.945
VAR00008	54.7353	103.484	.714	.942
VAR00009	54.7549	100.999	.794	.940
VAR00010	55.0882	98.834	.813	.939
VAR00011	54.9216	100.271	.774	.940
VAR00012	55.1569	100.965	.776	.940
VAR00013	55.1471	101.513	.768	.940
VAR00014	55.0588	101.501	.739	.941
VAR00015	54.8529	105.671	.612	.944

**Table 7: Item-Total Statistics- External Environment**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	117.5067	682.956	.552	.938
VAR00002	117.9733	711.053	.068	.942
VAR00003	118.2000	694.486	.314	.940
VAR00004	118.7200	670.366	.572	.938
VAR00005	117.9867	669.121	.659	.937
VAR00006	117.9200	696.858	.325	.940
VAR00007	118.3733	683.048	.443	.939
VAR00008	118.2400	687.455	.482	.939
VAR00009	117.8667	684.577	.577	.938
VAR00010	117.8667	679.550	.639	.937
VAR00011	117.8267	680.010	.539	.938

VAR00012	118.1600	677.488	.568	.938
VAR00013	118.2667	679.928	.524	.938
VAR00014	118.0933	688.113	.482	.939
VAR00015	118.1600	681.136	.537	.938
VAR00016	118.0133	674.662	.586	.938
VAR00017	118.1867	678.803	.582	.938
VAR00018	118.1467	682.478	.450	.939
VAR00019	118.5333	686.550	.436	.939
VAR00020	118.4533	678.305	.527	.938
VAR00021	118.0267	686.837	.394	.939
VAR00022	118.0400	695.796	.302	.940
VAR00023	118.1067	673.097	.623	.937
VAR00024	118.6933	676.810	.592	.938
VAR00025	118.6133	667.078	.709	.937
VAR00026	118.9467	665.159	.686	.937
VAR00027	118.8267	664.767	.686	.937
VAR00028	119.5600	681.277	.524	.938
VAR00029	118.8133	676.965	.562	.938
VAR00030	118.4533	670.927	.631	.937
VAR00031	118.6667	667.604	.676	.937
VAR00032	118.4400	661.763	.701	.936
VAR00033	118.7600	672.942	.579	.938
VAR00034	118.5600	680.493	.499	.938
VAR00035	118.0533	676.457	.596	.938
VAR00036	118.1600	675.947	.640	.937
VAR00037	117.7333	712.468	.048	.942
VAR00038	118.3067	683.405	.475	.939

**Table 8: Item-Total Statistics- Financial Viability**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	29.6542	58.643	.386	.856
VAR00002	29.4953	57.950	.557	.841
VAR00003	30.2243	58.421	.412	.853
VAR00004	30.1215	56.447	.599	.838
VAR00005	29.8879	55.478	.515	.845
VAR00006	30.1308	53.983	.643	.833
VAR00007	29.4673	53.402	.742	.825
VAR00008	29.1308	57.209	.575	.840
VAR00009	29.5421	54.817	.588	.838
VAR00010	29.8505	55.204	.612	.836

**Table 9: Item-Total Statistics-Growth**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	11.2783	8.308	.691	.795
VAR00002	11.5739	8.334	.619	.824
VAR00003	11.7739	7.124	.733	.775
VAR00004	11.5217	8.252	.674	.802

**Table 10: Item-total statistics-efficiency**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	36.5607	32.268	.683	.876
VAR00002	36.5514	33.778	.600	.882
VAR00003	36.5140	34.648	.545	.885
VAR00004	36.1589	33.890	.540	.887
VAR00005	36.0654	33.609	.679	.876
VAR00006	36.1776	34.449	.635	.880
VAR00007	36.2243	33.308	.640	.879
VAR00008	36.1028	33.961	.662	.878
VAR00009	36.2243	33.440	.693	.876
VAR00010	36.2804	33.656	.636	.879

**Table 11: Item-Total Statistics- Effectiveness**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	21.1947	11.533	.641	.888
VAR00002	21.2478	10.956	.734	.873
VAR00003	21.0973	11.053	.808	.861
VAR00004	21.1062	11.542	.760	.869
VAR00005	21.0265	12.169	.641	.886
VAR00006	21.1416	11.819	.728	.874

**Table 12: Item-Total Statistics- Relevance**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	27.1308	26.077	.745	.889
VAR00002	27.4299	25.436	.694	.893
VAR00003	27.0748	26.447	.598	.902
VAR00004	27.2523	25.794	.752	.888
VAR00005	27.2991	25.513	.699	.893
VAR00006	27.1402	26.499	.686	.894
VAR00007	27.1869	25.418	.821	.882
VAR00008	27.3364	26.112	.614	.901

**Table 13: Item-Total Statistics- Performance**

	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
VAR00001	142.0864	643.805	.468	.963
VAR00002	141.9630	643.586	.571	.963
VAR00003	142.8272	647.820	.362	.964
VAR00004	142.7654	643.807	.495	.963
VAR00005	142.2593	638.744	.513	.963
VAR00006	142.6790	642.646	.455	.964
VAR00007	141.9383	624.609	.799	.961
VAR00008	141.6296	633.336	.683	.962
VAR00009	142.0370	629.736	.636	.962
VAR00010	142.3210	642.846	.474	.963
VAR00011	141.3704	639.011	.678	.962
VAR00012	141.7407	639.319	.621	.962
VAR00013	141.8765	638.410	.569	.963
VAR00014	141.6914	629.391	.789	.961
VAR00015	141.8025	637.185	.758	.962
VAR00016	141.7901	643.943	.679	.962
VAR00017	141.7531	654.088	.485	.963
VAR00018	141.4074	648.294	.486	.963
VAR00019	141.2222	647.300	.651	.962
VAR00020	141.3210	652.146	.590	.963
VAR00021	141.4691	649.077	.515	.963
VAR00022	141.3580	643.833	.703	.962
VAR00023	141.4815	637.753	.812	.961
VAR00024	141.5062	641.878	.707	.962
VAR00025	141.3333	643.375	.745	.962
VAR00026	141.4321	635.298	.778	.962
VAR00027	141.3086	640.866	.745	.962
VAR00028	141.2593	641.194	.777	.962
VAR00029	141.1852	652.353	.582	.963
VAR00030	141.3457	645.329	.745	.962
VAR00031	141.5802	642.347	.707	.962
VAR00032	141.8395	636.761	.730	.962
VAR00033	141.4938	637.628	.740	.962
VAR00034	141.7160	636.831	.788	.962
VAR00035	141.7407	636.619	.744	.962
VAR00036	141.5556	647.100	.601	.962
VAR00037	141.6173	637.314	.790	.962
VAR00038	141.8519	641.578	.618	.962

**Appendix VIII: Inter-Item Correlation Matrix**

**Table 1: Inter-Item Correlation Matrix- Relationship Marketing**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11
Q1	1.000										
Q2	.267	1.000									
Q3	.394	.256	1.000								
Q4	.468	.307	.524	1.000							
Q5	.182	.068	.397	.438	1.000						
Q6	.314	.049	.449	.425	.367	1.000					
Q7	.296	.003	.492	.269	.377	.486	1.000				
Q8	.364	.274	.479	.254	.312	.488	.580	1.000			
Q9	.271	.194	.467	.282	.253	.306	.476	.622	1.000		
Q10	.315	.186	.338	.262	.256	.393	.614	.454	.427	1.000	
Q11	.393	.239	.418	.407	.200	.238	.304	.420	.500	.420	1.000

**Table 2: Inter-Item Correlation Matrix- Internal Marketing**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14
Q1	1.000													
Q2	.657	1.000												
Q3	.623	.713	1.000											
Q4	.447	.569	.672	1.000										
Q5	.348	.485	.479	.561	1.000									
Q6	.511	.627	.561	.578	.583	1.000								
Q7	.307	.553	.429	.464	.533	.651	1.000							
Q8	.183	.350	.319	.393	.446	.487	.548	1.000						
Q9	.374	.436	.425	.547	.395	.433	.458	.494	1.000					
Q10	.220	.330	.296	.382	.338	.460	.468	.372	.454	1.000				
Q11	.507	.551	.501	.371	.349	.489	.464	.270	.354	.551	1.000			
Q12	.364	.395	.299	.218	.228	.431	.365	.238	.254	.610	.685	1.000		
Q13	.271	.441	.405	.369	.410	.494	.456	.325	.303	.557	.650	.720	1.000	
Q14	.555	.619	.657	.541	.409	.639	.548	.382	.382	.508	.702	.576	.555	1.000

**Table 3: Inter-Item Correlation Matrix- Integrated Marketing**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9
Q1	1.000								
Q2	.755	1.000							
Q3	.486	.568	1.000						
Q4	.569	.531	.320	1.000					
Q5	.410	.377	.272	.452	1.000				
Q6	.554	.568	.433	.524	.371	1.000			
Q7	.521	.506	.596	.477	.352	.368	1.000		
Q8	.486	.555	.434	.293	.199	.420	.531	1.000	
Q9	.438	.516	.455	.257	.261	.520	.363	.488	1.000

**Table 4: Inter-Item Correlation Matrix-CSR Marketing**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Q1	1.000									
Q2	.825	1.000								
Q3	.485	.571	1.000							
Q4	.523	.472	.488	1.000						
Q5	.237	.157	.065	.209	1.000					
Q6	.266	.211	.189	.293	.449	1.000				
Q7	.242	.276	.241	.265	.296	.340	1.000			
Q8	.625	.553	.507	.502	.113	.338	.465	1.000		
Q9	.257	.233	.083	.240	.227	.193	.229	.120	1.000	
Q10	.317	.307	.190	.239	.397	.373	.496	.285	.529	1.000

**Table 5: Inter-Item Correlation Matrix- Financial-Viability**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Q1	1.000									
Q2	.214	1.000								
Q3	-.267	.366	1.000							
Q4	-.002	.453	.740	1.000						
Q5	.404	.077	.009	.112	1.000					
Q6	.128	.350	.411	.505	.230	1.000				
Q7	.323	.483	.267	.354	.308	.596	1.000			
Q8	.102	.442	.162	.354	.306	.374	.604	1.000		
Q9	.082	.473	.402	.333	.037	.314	.587	.517	1.000	
Q10	.114	.236	.420	.514	.333	.625	.442	.346	.337	1.000

**Table 6: Inter-Item Correlation Matrix-Growth**

	Q1	Q2	Q3	Q4
Q1	1.000			
Q2	.426	1.000		
Q3	.571	.485	1.000	
Q4	.585	.366	.693	1.000



**Table 7: Inter-Item Correlation Matrix-Efficiency**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Q1	1.000									
Q2	.821	1.000								
Q3	.424	.395	1.000							
Q4	.292	.260	.241	1.000						
Q5	.365	.216	.237	.643	1.000					
Q6	.486	.476	.232	.213	.449	1.000				
Q7	.387	.300	.240	.378	.500	.396	1.000			
Q8	.532	.393	.385	.413	.582	.554	.578	1.000		
Q9	.482	.492	.392	.218	.369	.681	.470	.628	1.000	
Q10	.484	.470	.392	.107	.275	.561	.359	.519	.802	1.000

**Table 8: Inter-Item Correlation Matrix-Effectiveness**

	Q1	Q2	Q3	Q4	Q5	Q6
Q1	1.000					
Q2	.734	1.000				
Q3	.706	.740	1.000			
Q4	.596	.698	.737	1.000		
Q5	.544	.623	.650	.707	1.000	
Q6	.682	.702	.645	.614	.456	1.000

**Table 9: Inter-Item Correlation Matrix -Relevance**

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Q1	1.000							
Q2	.711	1.000						
Q3	.639	.582	1.000					
Q4	.715	.713	.696	1.000				
Q5	.594	.464	.653	.637	1.000			
Q6	.673	.711	.630	.743	.493	1.000		
Q7	.689	.738	.670	.782	.532	.850	1.000	
Q8	.631	.499	.462	.642	.494	.565	.589	1.000

**Appendix IX: Normality test**

**Table 1: Components of Holistic Marketing Normality Test**

<b>One-Sample Kolmogorov-Smirnov Test</b>						
		Relationship Marketing	Internal Marketing	Integrated Marketing	Corporate Social Responsibility Marketing	
N		122	122	122	122	
Normal Parameters <sup>a,b</sup>	Mean	4.1378	3.6199	3.8334	3.7901	
	Std. Deviation	.52055	.71730	.64702	.72501	
Most Extreme Differences	Absolute	.112	.121	.100	.087	
	Positive	.063	.064	.048	.048	
	Negative	-.112	-.121	-.100	-.087	
Kolmogorov-Smirnov Z		1.233	1.332	1.102	.960	
Asymp. Sig. (2-tailed)		.095	.057	.176	.315	
a. Test distribution is Normal.						
b. Calculated from data.						

**Table 2: Components of Performance Normality Test**

<b>One-Sample Kolmogorov-Smirnov Test</b>							
		Financial Viability	Efficiency	Effectiveness	Relevance	Growth	
N		122	122	122	122	122	
Normal Parameters <sup>a,b</sup>	Mean	3.3049	4.0245	4.2104	3.9085	3.8600	
	Std. Deviation	.80578	.61407	.67183	.70686	.90810	
Most Extreme Differences	Absolute	.074	.148	.120	.112	.127	
	Positive	.062	.056	.120	.061	.105	
	Negative	-.074	-.148	-.115	-.112	-.127	
Kolmogorov-Smirnov Z		.816	1.635	1.325	1.240	1.401	
Asymp. Sig. (2-tailed)		.518	.010	.060	.093	.039	
a. Test distribution is Normal.							
b. Calculated from data.							

**Table 3: Holistic Marketing, Organizational Characteristics, External Environment and Performance Normality Test**

<b>One-Sample Kolmogorov-Smirnov Test</b>						
		Holistic Marketing	Organizational Characteristics	External Environment	Performance	
N		122	122	122	122	
Normal Parameters <sup>a,b</sup>	Mean	3.8332	3.9501	3.2874	3.8220	
	Std. Deviation	.56732	.69347	.69769	.62161	
Most Extreme Differences	Absolute	.092	.127	.058	.111	
	Positive	.059	.065	.058	.057	
	Negative	-.092	-.127	-.055	-.111	
Kolmogorov-Smirnov Z		1.012	1.407	.642	1.229	
Asymp. Sig. (2-tailed)		.257	.038	.804	.097	
a. Test distribution is Normal.						
b. Calculated from data.						

## Appendix X: Test of Linearity

**Table 1: Test of Linearity for Relationship Marketing Against Performance and Its Components**

ANOVA Table			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Relationship Marketing	Between Groups	(Combined)	32.445	32	1.014	1.957	.007
		Linearity	14.655	1	14.655	28.281	<b>.000</b>
		Deviation from Linearity	17.790	31	.574	1.107	.346
	Within Groups		46.118	89	.518		
	Total		78.563	121			
Growth * Relationship Marketing	Between Groups	(Combined)	48.143	32	1.504	2.593	.000
		Linearity	30.136	1	30.136	51.939	<b>.000</b>
		Deviation from Linearity	18.007	31	.581	1.001	.479
	Within Groups		51.639	89	.580		
	Total		99.781	121			
Efficiency * Relationship Marketing	Between Groups	(Combined)	24.307	32	.760	3.171	.000
		Linearity	16.837	1	16.837	70.284	<b>.000</b>
		Deviation from Linearity	7.470	31	.241	1.006	.473
	Within Groups		21.320	89	.240		
	Total		45.627	121			
Effectiveness * Relationship Marketing	Between Groups	(Combined)	31.086	32	.971	3.675	.000
		Linearity	16.468	1	16.468	62.295	<b>.000</b>
		Deviation from Linearity	14.618	31	.472	1.784	.019
	Within Groups		23.527	89	.264		
	Total		54.614	121			
Relevance * Relationship Marketing	Between Groups	(Combined)	33.897	32	1.059	3.550	.000
		Linearity	22.904	1	22.904	76.748	<b>.000</b>
		Deviation from Linearity	10.994	31	.355	1.188	.262
	Within Groups		26.560	89	.298		
	Total		60.457	121			
Performance * Relationship Marketing	Between Groups	(Combined)	27.059	32	.846	3.821	.000
		Linearity	18.456	1	18.456	83.398	<b>.000</b>
		Deviation from Linearity	8.603	31	.278	1.254	.205
	Within Groups		19.696	89	.221		
	Total		46.754	121			

**Table 2: Test of Linearity for Internal Marketing against Performance and Its Components**

ANOVA Table			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Internal Marketing	Between Groups	(Combined)	48.769	42	1.161	3.079	.000
		Linearity	27.338	1	27.338	72.486	<b>.000</b>
		Deviation from Linearity	21.432	41	.523	1.386	.107
	Within Groups		29.794	79	.377		
	Total		78.563	121			
Growth * Internal Marketing	Between Groups	(Combined)	60.743	42	1.446	2.927	.000
		Linearity	26.309	1	26.309	53.240	<b>.000</b>
		Deviation from Linearity	34.434	41	.840	1.700	.022
	Within Groups		39.038	79	.494		
	Total		99.781	121			
Efficiency * Internal Marketing	Between Groups	(Combined)	23.826	42	.567	2.056	.003
		Linearity	16.032	1	16.032	58.096	<b>.000</b>
		Deviation from Linearity	7.794	41	.190	.689	.904
	Within Groups		21.801	79	.276		
	Total		45.627	121			
Effectiveness * Internal Marketing	Between Groups	(Combined)	25.802	42	.614	1.685	.023
		Linearity	14.266	1	14.266	39.118	<b>.000</b>
		Deviation from Linearity	11.536	41	.281	.772	.818
	Within Groups		28.811	79	.365		
	Total		54.614	121			
Relevance * Internal Marketing	Between Groups	(Combined)	36.190	42	.862	2.805	.000
		Linearity	25.005	1	25.005	81.402	<b>.000</b>
		Deviation from Linearity	11.185	41	.273	.888	.656
	Within Groups		24.267	79	.307		
	Total		60.457	121			
Performance * Internal Marketing	Between Groups	(Combined)	29.295	42	.697	3.156	.000
		Linearity	21.209	1	21.209	95.963	<b>.000</b>
		Deviation from Linearity	8.086	41	.197	.892	.650
	Within Groups		17.460	79	.221		
	Total		46.754	121			

**Table 3: Test of Linearity for Integrated Marketing against Performance and Its Components**

ANOVA Table							
			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Integrated Marketing	Between Groups	(Combined)	38.896	31	1.255	2.847	.000
		Linearity	24.468	1	24.468	55.515	.000
		Deviation from Linearity	14.428	30	.481	1.091	.366
	Within Groups		39.667	90	.441		
	Total		78.563	121			
Growth * Integrated Marketing	Between Groups	(Combined)	55.351	31	1.786	3.617	.000
		Linearity	38.169	1	38.169	77.317	.000
		Deviation from Linearity	17.182	30	.573	1.160	.291
	Within Groups		44.430	90	.494		
	Total		99.781	121			
Efficiency * Integrated Marketing	Between Groups	(Combined)	23.205	31	.749	3.005	.000
		Linearity	16.120	1	16.120	64.705	.000
		Deviation from Linearity	7.085	30	.236	.948	.551
	Within Groups		22.422	90	.249		
	Total		45.627	121			
Effectiveness * Integrated Marketing	Between Groups	(Combined)	26.790	31	.864	2.795	.000
		Linearity	17.431	1	17.431	56.385	.000
		Deviation from Linearity	9.359	30	.312	1.009	.468
	Within Groups		27.823	90	.309		
	Total		54.614	121			
Relevance * Integrated Marketing	Between Groups	(Combined)	36.028	31	1.162	4.282	.000
		Linearity	26.889	1	26.889	99.062	.000
		Deviation from Linearity	9.140	30	.305	1.122	.330
	Within Groups		24.429	90	.271		
	Total		60.457	121			
Performance * Integrated Marketing	Between Groups	(Combined)	27.820	31	.897	4.266	.000
		Linearity	22.602	1	22.602	107.434	.000
		Deviation from Linearity	5.219	30	.174	.827	.717
	Within Groups		18.934	90	.210		
	Total		46.754	121			

**Table 4: Test of Linearity for CSR Marketing Against Performance and Its Components**

ANOVA Table			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Corporate Social Responsibility Marketing	Between Groups	(Combined)	39.623	42	.943	1.914	.007
		Linearity	19.905	1	19.905	40.383	.000
		Deviation from Linearity	19.718	41	.481	.976	.524
	Within Groups		38.940	79	.493		
	Total		78.563	121			
Growth * Corporate Social Responsibility Marketing	Between Groups	(Combined)	53.472	42	1.273	2.172	.001
		Linearity	25.802	1	25.802	44.016	.000
		Deviation from Linearity	27.671	41	.675	1.151	.292
	Within Groups		46.309	79	.586		
	Total		99.781	121			
Efficiency * Corporate Social Responsibility Marketing	Between Groups	(Combined)	27.918	42	.665	2.965	.000
		Linearity	15.740	1	15.740	70.216	.000
		Deviation from Linearity	12.178	41	.297	1.325	.142
	Within Groups		17.709	79	.224		
	Total		45.627	121			
Effectiveness * Corporate Social Responsibility Marketing	Between Groups	(Combined)	36.099	42	.859	3.667	.000
		Linearity	14.829	1	14.829	63.272	.000
		Deviation from Linearity	21.270	41	.519	2.214	.001
	Within Groups		18.515	79	.234		
	Total		54.614	121			
Relevance * Corporate Social Responsibility Marketing	Between Groups	(Combined)	37.066	42	.883	2.981	.000
		Linearity	21.404	1	21.404	72.288	.000
		Deviation from Linearity	15.663	41	.382	1.290	.165
	Within Groups		23.391	79	.296		
	Total		60.457	121			
Performance * Corporate Social Responsibility Marketing	Between Groups	(Combined)	30.318	42	.722	3.469	.000
		Linearity	18.820	1	18.820	90.457	.000
		Deviation from Linearity	11.498	41	.280	1.348	.128
	Within Groups		16.437	79	.208		
	Total		46.754	121			

**Table 5: Test of Linearity for Holistic Marketing against Performance and Its Components**

ANOVA Table							
			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Holistic Marketing	Between Groups	(Combined)	65.989	84	.786	2.311	.003
		Linearity	29.840	1	29.840	87.801	<b>.000</b>
		Deviation from Linearity	36.148	83	.436	1.281	.203
	Within Groups		12.575	37	.340		
	Total		78.563	121			
Growth * Holistic Marketing	Between Groups	(Combined)	85.558	84	1.019	2.649	.001
		Linearity	39.168	1	39.168	101.887	<b>.000</b>
		Deviation from Linearity	46.389	83	.559	1.454	.103
	Within Groups		14.224	37	.384		
	Total		99.781	121			
Efficiency * Holistic Marketing	Between Groups	(Combined)	36.682	84	.437	1.806	.024
		Linearity	21.682	1	21.682	89.688	<b>.000</b>
		Deviation from Linearity	15.001	83	.181	.748	.862
	Within Groups		8.944	37	.242		
	Total		45.627	121			
Effectiveness * Holistic Marketing	Between Groups	(Combined)	45.867	84	.546	2.310	.003
		Linearity	20.630	1	20.630	87.274	<b>.000</b>
		Deviation from Linearity	25.237	83	.304	1.286	.199
	Within Groups		8.746	37	.236		
	Total		54.614	121			
Relevance * Holistic Marketing	Between Groups	(Combined)	53.896	84	.642	3.618	.000
		Linearity	32.641	1	32.641	184.072	<b>.000</b>
		Deviation from Linearity	21.255	83	.256	1.444	.107
	Within Groups		6.561	37	.177		
	Total		60.457	121			
Performance * Holistic Marketing	Between Groups	(Combined)	41.824	84	.498	3.737	.000
		Linearity	27.386	1	27.386	205.538	<b>.000</b>
		Deviation from Linearity	14.438	83	.174	1.306	.185
	Within Groups		4.930	37	.133		
	Total		46.754	121			

**Table 6: Test of Linearity for Organizational Characteristics against Performance and Its Components**

ANOVA Table							
			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * Organizational Characteristics	Between Groups	(Combined)	49.260	52	.947	2.231	.001
		Linearity	28.880	1	28.880	68.003	.000
		Deviation from Linearity	20.380	51	.400	.941	.587
	Within Groups		29.303	69	.425		
	Total		78.563	121			
Growth * Organizational Characteristics	Between Groups	(Combined)	66.007	52	1.269	2.593	.000
		Linearity	36.906	1	36.906	75.396	.000
		Deviation from Linearity	29.101	51	.571	1.166	.274
	Within Groups		33.775	69	.489		
	Total		99.781	121			
Efficiency * Organizational Characteristics	Between Groups	(Combined)	34.866	52	.671	4.299	.000
		Linearity	24.213	1	24.213	155.257	.000
		Deviation from Linearity	10.653	51	.209	1.339	.129
	Within Groups		10.761	69	.156		
	Total		45.627	121			
Effectiveness * Organizational Characteristics	Between Groups	(Combined)	35.035	52	.674	2.375	.000
		Linearity	21.335	1	21.335	75.192	.000
		Deviation from Linearity	13.700	51	.269	.947	.577
	Within Groups		19.578	69	.284		
	Total		54.614	121			
Relevance * Organizational Characteristics	Between Groups	(Combined)	44.553	52	.857	3.717	.000
		Linearity	28.546	1	28.546	123.849	.000
		Deviation from Linearity	16.007	51	.314	1.362	.116
	Within Groups		15.904	69	.230		
	Total		60.457	121			
Performance * Organizational Characteristics	Between Groups	(Combined)	35.131	52	.676	4.011	.000
		Linearity	27.159	1	27.159	161.226	.000
		Deviation from Linearity	7.972	51	.156	.928	.607
	Within Groups		11.623	69	.168		
	Total		46.754	121			



**Table 7: Test of Linearity for External Environment against Performance and Its Components**

ANOVA Table			Sum of Squares	df	Mean Square	F	Sig.
Financial Viability * External Environment	Between Groups	(Combined)	64.257	90	.714	1.547	.085
		Linearity	6.601	1	6.601	14.302	.001
		Deviation from Linearity	57.656	89	.648	1.404	.144
	Within Groups		14.307	31	.462		
	Total		78.563	121			
Growth * External Environment	Between Groups	(Combined)	71.679	90	.796	.879	.688
		Linearity	6.320	1	6.320	6.972	.013
		Deviation from Linearity	65.359	89	.734	.810	.779
	Within Groups		28.102	31	.907		
	Total		99.781	121			
Efficiency * External Environment	Between Groups	(Combined)	33.332	90	.370	.934	.611
		Linearity	1.078	1	1.078	2.717	.109
		Deviation from Linearity	32.254	89	.362	.914	.638
	Within Groups		12.295	31	.397		
	Total		45.627	121			
Effectiveness * External Environment	Between Groups	(Combined)	39.367	90	.437	.889	.673
		Linearity	1.235	1	1.235	2.512	.123
		Deviation from Linearity	38.132	89	.428	.871	.698
	Within Groups		15.247	31	.492		
	Total		54.614	121			
Relevance * External Environment	Between Groups	(Combined)	47.092	90	.523	1.214	.276
		Linearity	3.779	1	3.779	8.764	.006
		Deviation from Linearity	43.313	89	.487	1.129	.361
	Within Groups		13.366	31	.431		
	Total		60.457	121			
Performance * External Environment	Between Groups	(Combined)	36.269	90	.403	1.191	.296
		Linearity	3.345	1	3.345	9.890	.004
		Deviation from Linearity	32.924	89	.370	1.094	.400
	Within Groups		10.485	31	.338		
	Total		46.754	121			

## Appendix XI: Summary of Sub-Hypothesis Tested and Findings

Hypothesis	Test results
<b>Holistic marketing practices and performance of NGOs</b>	
H1 <sub>a</sub> : Holistic marketing elements significantly affect financial viability of NGOs.	Support hypothesis
H1 <sub>b</sub> : Holistic marketing components significantly influence growth of NGOs.	Fail to reject hypothesis
H1 <sub>c</sub> : Holistic marketing elements significantly affect efficiency of NGOs.	Support hypothesis
H1 <sub>d</sub> : Holistic marketing components significantly influences effectiveness of NGOs.	Support hypothesis
H1 <sub>e</sub> : Holistic marketing components significantly affect performance of NGOs.	Support hypothesis
H1 <sub>f</sub> : Holistic marketing practices significantly affect performance of NGOs	Support hypothesis
<b>Organizational characteristics and performance of NGOs</b>	
H2 <sub>a</sub> : Individual organizational characteristic significantly affect NGOs performance.	Support hypothesis
H2 <sub>b</sub> : Organizational characteristics significantly affect NGOs performance.	Fail to reject hypothesis
<b>External environmental factors and performance of NGOs</b>	
H3 <sub>a</sub> : Individual components of external environmental factors significantly affect performance of NGOs.	Fail to reject hypothesis
H3 <sub>b</sub> : External environmental factors affect performance of NGOs significantly	Fail to reject hypothesis
<b>Moderating effect of organizational characteristics and external environmental factors on NGOs performance</b>	
H4: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by organizational characteristics	Reject this hypothesis
H4: The relationship between holistic marketing practices and performance of NGOs is significantly moderated by external environmental factors.	Reject this hypothesis
<b>Joint effect of Holistic marketing practices, organizational characteristics and external environmental factors on NGOs performance</b>	
H5 <sub>a</sub> : Holistic marketing practices, organizational characteristics and external environmental factors jointly significantly affect NGOs financial viability	Support hypothesis
H5 <sub>b</sub> : Holistic Marketing Practices, Organizational Characteristics External Environmental factors jointly significantly influence Growth of NGOs	Support hypothesis
H5 <sub>c</sub> : Holistic marketing practices, organizational characteristics and external environmental factors jointly affect efficiency of NGOs significantly.	Support hypothesis
H5 <sub>d</sub> : Holistic marketing practices, organizational characteristics and external environmental factors jointly influence effectiveness of NGOs significantly	Support hypothesis
H5 <sub>e</sub> : Holistic marketing practices, organizational characteristics external environmental factors jointly affect relevance of NGOs significantly	Support hypothesis
H5 <sub>f</sub> : Holistic marketing practices, organizational characteristics and external environmental jointly affect NGOs performance significantly.	Support hypothesis

**Appendix XII: Table for Determining Minimum Returned Sample Size for a Given Population Size for Continuous and Categorical Data**

**Sample size**

Population size	Continuous data (margin of error=.03)			Categorical data (margin of error=.05)		
	Alpha = .10, t=1.65	alpha = .05, t= 1.96	alpha = .01, t= 2.58	alpha = .50, t=1.65	alpha = .50, t= 1.96	alpha =.05, t=2.58
100	46	55	68	74	80	87
200	59	75	102	116	132	154
300	65	85	123	143	169	207
400	69	92	137	162	196	250
500	72	96	147	176	218	286
600	73	100	155	187	235	316
700	75	102	161	196	249	341
800	76	104	166	203	260	363
900	76	105	170	209	270	382
1,000	77	106	173	213	278	399
1,500	79	110	183	230	306	461
2,000	83	112	189	239	232	499
4,000	83	119	198	254	351	570
6,000	83	119	209	259	362	598
8,000	83	119	209	262	367	613
10,000	83	119	209	264	370	623

*Source: Bartlett, Kotrlik, and Higgins (2001).*

