

**" STRATEGIC MARKETING AND PERFORMANCE OF NGOS IN
KENYA: THE CASE OF DEVELOPMENT NON-GOVERNMENT
ORGANISATIONS "**

BY:



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**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN
PARTIAL FULFILMENT FOR THE AWARD OF MASTER OF
BUSINESS ADMINISTRATION (MBA) DEGREE FACULTY OF
COMMERCE, UNIVERSITY OF NAIROBI.**

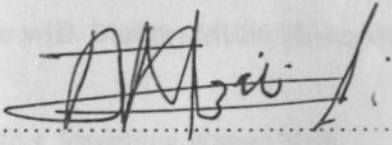
NOVEMBER 2003

DECLARATION

This management research project is my original work and has never been presented for degree award in any other university.

This project is declared to be following:

God

Signed. 


Date: 10th November 2003

By

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All for that assistance and support during the process

The management research project has been submitted with my approval as the University

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NOVEMBER 2003.

ACKNOWLEDGEMENT

This project is dedicated to the following: *owing people for their enormous contribution in the course of writing this project.*

God

Special thanks go to many of my friends for encouraging me to enroll for the program

My Dear wife Dorothy Mutio Musumbi *making it seemed rather remote. Special thanks*

goes to the University of Nairobi for the scholarship that enabled me to pursue this

My Mother Josephine Wango Nzili

Special thanks goes to my supervisor Dr. Martin Ogutu for his inspiration, encouragement, and much help that he offered me.

All for their encouragement and support during this course. *highly acknowledged.*

ACKNOWLEDGEMENT

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have continuously been more disadvantaged with turbulent environmental condition. They have to be strategic in order for them to compete successfully. To be successful the NGOs have also to appreciate and make full use of strategic marketing practice and this is a must.

This study focuses on the strategic marketing process as practiced by NGOs. The extent to which the strategic marketing practices are used in NGOs. Extend of relation of strategic marketing practices to performance of NGOs and it is perceived important.

The study employed the exploratory study design and used 30 NGOs, which responded from the sample of 60 NGOs.

Descriptive statistics such as frequencies, percentages, mean and mode, and tabulation were successfully used, as they were deemed adequate and relevant.

The study found that strategic marketing practices are still practiced by NGOs in Kenya however many of the NGOs still do not appreciate the full importance of strategic marketing in improving organizational performance. The study found out that there is greater relationship between strategic marketing practices and performance among NGOs and hence it is recommended that NGOs should seriously consider the use of strategic marketing in promotion of their organizations. Strategic marketing practices were also perceived to play a greater role in improving the performance of NGOs.

CHAPTER ONE
INTRODUCTION

ABSTRACT

1.1. BACKGROUND

The business environment has become more turbulent than ever and business managers have continuously been more disenchanted with turbulent environmental condition. They have to be strategic in order for them to compete successfully. To be successful the NGOs have also to appreciate and make full use of strategic marketing practice and this is a must.

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Delrymple (1994) argues that strategic marketing process begins with the adoption of the marketing concept or philosophy. The marketing concepts have four dimensions: customer orientation, integrated company effort (marketing), and goal directed (Kotler2001, Kenneth 1981). The marketing concept is operating in a very volatile environment and organization must adapt to changing economic environments and must competitive threats. Hence the very

CHAPTER ONE

INTRODUCTION

1.1. BACKGROUND

The business environment has become turbulent unstable than ever. Companies are exiting the business world more and faster than they are being formed. But some companies are still surviving - the trick to be strategic in everything they undertake.

In today's modern world everything is strategic. There is strategic pricing (Kotler 2001), Strategic market entry, strategic advertising Aaker (1998), Kotler (2000) and as Schnaars (1991) argues there may be even strategic strategy. It is in such an environment where both profit and non-profit organizations must market themselves. What then is marketing and how did it come about?

Marketing is an enigma, it is both simple and complex straight forward and intricate, a philosophy or state of mind and a dynamic business function .It is new and it is also as old as time itself (Baker1992). Marketing has evolved from different philosophies, concepts and practices. (Kenneth, 1981,Christoper 1995, Kotler1985, Gravens 1983). Such concepts and philosophies includes: -

- i. The production concept. Companies being involved in mass production with the hope that what is produced will be sold due to excess demand and also due to the belief that consumer will favour products that are widely available and at lower costs
- ii. The product concept. -Holds that consumers will favour those products that offer the most quality, performance and innovative features.
- iii. The selling concept. - Consumers when left alone will not buy they will have to be persuaded to buy.
- iv. The marketing concept. - The understanding of the consumer needs becoming the core of business success.
- v. The societal concept. -Organizations must also be concerned about the welfare of the society. (Kotler 2001, Aaker 1998, Kenneth 1988)

Dalrymple (1990) argues that strategic marketing process begins with the adoption of the marketing concept or philosophy. The marketing concepts have three dimensions: customer orientation, integrated company effort (marketing), and goal directed (Kotler2001, Kenneth 1981). The marketing concept is operating in a very volatile environment and organization must adapt to changing economic environments and meet competitive threats. Hence the very

obvious need for strategic marketing. Graven (1983) argues that strategic planning is a requirement for corporate success in these turbulent times and in such strategic marketing plan is a necessity to link organization strategic planning with market planning

Marketing has been defined in different ways by different scholars however any definition that put identification and satisfaction of consumer/customer needs first is highly accepted.

Marketing is defined as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives. American Marketing Association (Proctor 1996)

Strategic marketing is concern with analysis to environmental, competitive and business partner affecting the business, participation of selecting objectives and formulating corporate and business strategies and selecting target market strategies for the products market in each business unit establishing marketing objective and developing and implementing and managing marketing programs and positioning strategies for meeting target market needs. (Graven 1983, Dalrymple 1990 Christopher 1995 and Kotler 2001)

This means that strategic marketing is an important practice as it forces the organizations to have a futuristic and long term view of the world. For the purpose of this study strategic marketing will be defined as human activity directed at satisfying needs and wants through exchange process. This will imply an extension of marketing principles to include more business areas in society including marketing of persons, places organizations and ideas.

1.2. NON-GOVERNMENTAL ORGANISATIONS

The parameters of doing business by NGOs in Kenya are changing. There are increased competition, declining funds and changing environmental conditions. A study of the role of strategic marketing in the operation of NGOs within Kenya is therefore interesting not only for the CEOs in the managerial echelon of NGOs but also to the individuals considering starting up their own NGOs.

There are currently 2211 NGOs operating in Kenya as per the Kenya Directorate of NGO Bureau of 2002, and out of this 1173 have their headquarters or operational areas in Nairobi. While 452 are operating as development agencies

There is much incidental evidence from case studies and business comments that marketing strategies have been a significant factor in the success of many private businesses (Kotler et al 1985). However companies that have failed to embrace a marketing orientation kind of approach have not weathered the storm. This calls for a theoretical paradigm that addresses the

necessary and sufficient connection for achieving organizational viability, and competitiveness has not been accompanied by a clear rate for marketing in general and the marketing unit in particular especially on the line of NGOs. Most writings on marketing have attempted to place the marketing department more squarely in the role of strategic planner (Wind and Robertson (1983). This may have forced many NGOs to unknowingly ignore the fact that marketing has a critical role to play in helping to generate organizational effectiveness. The non-profit sector today continues to expand and mature (Kotler et al 1991). The people involved in non-profit marketing have changed. The non-profit sector has become more important. The importance of not for profit organization and more specifically the Non Governmental Organisation in complementing the Government in provision of primary essential services such as in provision of civil education, health poverty reduction strategies among others cannot be down played or underrated. (Kiliko, 2000, Kinyanjui 1995 Dees 1998) There has been dramatic growth in the sub field of non-profit marketing, social marketing and non-profit marketing has become a major legitimate field of study within the academic discipline of marketing. The NGOs have also become an important and permanent feature for the local developmental landscape (Kiliko, 2000) Despite this huge growth in NGOs in the past decade little has been written about the strategic marketing practices by them in Kenya.

Studies have been done on strategic planning on NGOs and other not for profit sub sectors.

For the purpose of this study an NGO will be defined as any organization that carries out defined charitable activities making extensive use of funding from donors and services from volunteers and does not make profits or pay dividends. (Sargeant 1999).

1.3. STATEMENT OF THE PROBLEM

There has been a steady decline in both funding among NGOs and their performance. (Bwibo 2000 and Beth 2002.). Kiliko (2000) also asserts that strategic planning are futuristic and the absence of some areas of planning processes within NGOs in Kenya inhibits organizational strategy and therefore leaves the NGOs to muddle through and to succumb easily to the turbulent economy. The NGOs have to market themselves for survival purposes asserts Oster (1995).

Dee (1998) also argues that more than 70% of new Business fails within eight years of their inception. The same applies equally across the board for both profit and non-profit organizations. Could this be due to poor marketing strategies or lack of it all together? This

becomes inevitable that NGOs must market themselves. Kinyanjui (1985) also note that only limited research has been undertaken on NGOs in Kenya.

There is no light shed on how the NGOs in Kenya choose their portfolios, what products or services to offer, whether the NGOs have marketing strategies and whether these marketing strategies are formal, informal, planned or adhoc.

Most studies done in Kenya have addressed issues in strategic planning and strategic management practices in Kenya. (Bwibo 2000, Ngethe 1991, Kinyanjui 1985, Kiliko 2000, Kinuthia 2001 and Beth 2002). Other studies have been conducted on strategic marketing in the private sectors and its performances (Okutoyi 1988 and Rakesh 2001). Studies have been done on strategic planning on NGOs and other not for profit sub sectors. Mwangi (2002) looks at the established strategies used by NGOs but failed short of mentioning how the NGOs market themselves and the role of such marketing programs (strategies) to then operations.

Kinuthia (2001) and Kiliko (2000) looks at the state of strategic management practices in non-organization but also failed to consider the extent of use of strategic marketing among them. Bwibo (2000) also surveyed the strategic management change in NGOs in However NGOs are quite unique in the operations from Profit oriented business and there is no study done in Kenya to establish how the carry the marketing programs. Strategic marketing is a must in today's marketing world whether for NGOs, Not for profit organizations or profit organization. This is in line with the modern philosophy of marketing concept.

A lot of NGOs have attached importance of the strategies to the meaning of achieving their mission but this has been too general. Little has been said about the extent of application of strategic marketing practices among NGOs in Kenya. The question of why donor funding among NGOs has declined and also their performance has not been addressed so far.

This line of research poses the question of what are the extent and the role of strategic marketing in the performance of NGOs in Kenya, whether extend of strategic marketing practices among NGOs have any impact on their performances and whether the marketing strategies have any perceived importance among the NGOs?

1.4 THE RESEARCH OBJECTIVES

The research will have the following objectives:

- i. To find out the extent to which strategic marketing practices is used in NGOs in Kenya.
- ii. To establish whether the extent to which an NGO uses strategic marketing practices is related to their performance.

- iii. To determine the perceived importance of various marketing strategies on performance of NGOs

LITERATURE REVIEW

1.5. THE IMPORTANCE OF THE STUDY

The study will be important to the following:

The managers in the NGO sector. The research will help managers in both NGOs and other profitable organizations regarding the importance of strategic marketing in their organizations.

As the scope of the application of marketing principles widened and the interface with other

The scholars of marketing. The study may stimulate further research in some salient areas .It may help other researchers who might be interested not only on strategic marketing in NGOs but also in marketing in general.

(Proctor 1996).

To those intending to start their own NGOs (entrepreneurs in NGOs sector). The study will be guiding document on how well the individuals should design and package their organizations more so in their mission statements.

time time meeting the profit objectives of the firm but also to include non-marketing areas in society such as the marketing of persons, places, organizations and ideas (Kotler199), Oster1995, Sargeant 1999, and Gordon 1995)

It should be noted that these marketing activities operate within an environment bound by the resources of the firm, the laws of the land and the social conscience of the community. In most situations marketing will attempt to generate profits from the sale of goods and services created to fill customer needs.

Dongles (1983) also notes that marketing is being used to develop, promote and distribute programs sponsored by not for profit organizations. Campaigns against Aids, poverty reduction, and child torture, among others.

In all these cases the job of the marketing has been to plan and implement activities that help the firm achieve its goals and hence the concept of strategic marketing.

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1.2. The Concept of Strategy

The strategic marketing process requires an awareness of about the concept of strategy. Porter (1980) states that strategy is a central vehicle for attaining certain competitive advantages. This is an indication that strategy is the means an organization uses to achieve its objectives.

Alkansoe (1996) also reports that according to Mintzberg and Irwin (1991) strategy depends upon where and when you sit.

CHAPTER TWO

LITERATURE REVIEW

2.1. The state of marketing

Marketing did not just happen. In the 1950s its function had been daily in use in some shape or form from the beginning of trade and commerce way back in antiquity Baker (1992). This makes the practice of marketing as old as the human race. This is supported by Douglas (1983) As the scope of the application of marketing principles widened and the interface with other management disciplines increased, the distinctiveness of the marketing concept has become blurred. It is widely accepted that any definition of marketing should include clear references to identifying and satisfying customer needs and building a support mechanism to facilitate this (Proctor 1996).

Other scholars have also argued that due to changing environmental conditions the field of marketing principles has been widened to include not only the human activities directed at satisfying human needs and wants while at the same time meeting the profit objectives of the firm but also to include non-marketing areas in society such as the marketing of persons, places organizations and ideas (Kotler1991, Oster1995, Sargeant 1999, and Gordon 1995)

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Strategy is a set of decision-making rules for guidance of organizational behavior argues Ansoff (1965).

Andrews (1971) on the other hand defines strategy as a pattern of decisions in a company that determines and reveals its objectives, purposes or goals, produces the principle policies and plans for achieving these goals and defines the range of business the company is to pursue, the kind of economic and non economic contribution it intends to make to its shareholders, employees, and communities (as quoted in Smith 1985 p. 10).

There are three levels of strategy and these include the corporate, business and functional levels.

Corporate level strategy is concerned with the overall purpose and scope of the organization to meet the expectations of owners or major stakeholders and add value to the different enterprises.

Corporate level strategy is the one that gives the organization its character and enables it to decide which business to enter and which to leave.

Business level strategy is the one that specifically deals with the business market and determines how the organization will compete in it. Atkinson et al (1996) argues that the essence of strategic marketing relates to divisions at the business unit level, as it is normally the principle responsibility of business unit management to decide product-market investment strategy and within that framework develop a sustained competitive advantage.

Functional and operational level strategies are concerned with how the component parts of the company/organization in terms of their skills, resources, process and people effectively deliver the corporate and business level strategies direction.

Strategy plays a fundamental role in today's business organizations as well as in today's organizations as it helps them to be practical rather than reactive to today's turbulent business environments.

2.3. The Concept of Strategic Marketing

Corporate executives in marketing continuously try to cope with environmental threats and opportunities. They carefully monitor and assess the changing market environment especially customer needs and desires, competitive action, laws and regulations and other pertinent factors to evolve their own marketing strategies.

What then is strategic marketing? Majumdar (1996) defines strategic marketing as the management process that entails analysis, formulation and evaluation of strategies that will enable an organization to achieve its goals by developing and maintaining a strategic fit between the organizations distinctive competence or resources vis-à-vis the threats and opportunities arising from its changing environment.

2.4. The link between strategic management and strategic marketing

Porter, (1980), Oster (1995) and Thompson et al (1998) argue that strategic planning focuses on the environment facing the firm. It puts more emphasis not only on projections but also on the in-depth understanding of the market environment particularly the competition and customers. The aim as argued by Aaker (1998) is not only to gain insight into current condition but also to be able to anticipate changes that have strategic implications. The difficulty here is the need for strategic analysis and this does not always occur on annual basis. This difficulty calls for recognition of the demands of rapidly changes environment. Schnaars (1998) and Aaker (1998) argues that there should be a continuous and real-time information systems rather than or in addition to analysis. This advocates for proactiveness and future orientendness as opposed to accepting the information as given. In this case the strategic role is confirmed to adoption and reaction Kotler (2001). For effective responses to changing environments the strategy development need must be driven by the market and its process should to try to influence the environment as well and to respond to it (Aaker 1998). Hence the established link. Marketing takes its goal from corporate plans just as personal and production function is to an organization. This reflects the relationship between the strategic marketing and corporate planning .The relationship reflect the importance of strategic marketing to the total planning process. Marketing information is fed into the corporate planning process for analysis and formulation of corporate plan in a process sometimes known referred to as bottom-up-planning .The corporate plan is developed and functional objectives specified for marketing in a top-down process That is why if an organization stands or fails on its ability to satisfy customer needs then it can be argued that strategic marketing is central to the organization's activities and hence it becomes corporate planning.

In essence the marketing manager is the most significant contributor to the strategic planning process with leadership role in identifying the business mission analysis of environmental, competitive and business situations, developing objectives, goals and strategies and defining

product, market distribution and quality places to implement the business strategies. This involves extends to the development of programs and operating plans that are fully linked with strategic plan. (Kotler 2001)

2.5.0.The Strategic Marketing process

Strategic marketing process is both unique and commonplace argues Schnaars (1991). This argument may sound like a contradiction of terms but it is not. The term strategy is widely used to describe a number of marketing activities, which are seemingly endless. In today's modern world everything is strategic. There is strategic pricing (Kotler 2001), strategic market entry, strategic advertising Aaker (1998), Kotler (2001) and as Schnaars (1991) argues there may be even strategic strategy. Strategic marketing is commonplace in the sense that it has a glut of competition being focused more on performing traditional marketing activities with major aim of beating the competition.

Marketing is also unique as there is no one unified definition upon where marketers might agree. There are more definitions, as there are uses of the term marketing strategy. It is for this reason that Schnaars argues that marketing strategy is a commonly used term but no one is really sure of what it means (1991).

The most single important challenge facing NGO managers and administrators today is developing an effective competitive strategy (Kotler 1991). This may be so because these organizations are operating in environments that are rapidly changing and uncertain. For instance a change in political set up in some countries may render the NGOs repugnant if not useless so to say. Hence for survival purposes the NGOs have to continuously redefine its missions and objectives. Aaker argues that it is this continuous monitoring and evaluating of environmental changes and adapting to these changes appropriately that distinguish strategic planning and strategic marketing, where the later is modernistic (1998).

2.5.1.The strategic marketing model

Many marketers have tried to come out with a model for strategic marketing, however the most suitable is the one demonstrated by Aaker. This model can be used across the board that is in both profit and not for profit organisations.

External Analysis

- Customer analysis
 - Segment motivation, unmet needs.

Self Analysis

- Performance analysis
 - Profitability, sales, shareholder value, value analysis, customer satisfaction, product quality, brand associations, new products and employee attitudes.

Figure 2.1 Basic Model of Strategic Marketing Process
Source: Adopted from Asker 1998.

2.5.2. External analysis

- Market analysis
 - Size, projected growth, profitability, entry barrier, cost structure, distribution system, trend, key success factors.

- Environmental analysis
 - Technological, governmental, economic, cultural, demographic scenarios and information need areas

- Determinants of strategic options
 - Past and current strategies, strategic problems, organizational capabilities and constraints, financial resources and constraints, strengths and weaknesses.

↓

Opportunities, threats and strategic questions. Strategic strengths, weaknesses, problems, constraints and questions.

↓

Strategy Identification and Selection

- Review mission alternatives
- Identify strategic alternatives
 - Product market investment strategies
 - Functional area strategies
 - Assets, skills and synergies

- Select strategy – often focuses on exploiting the competitor strength or weakness or
- Implementation – the operating plan
- Review of strategies

Figure 2:1 Basic Model of Strategic Marketing Process

Source: Adopted from Aaker 1998.

2.5.2. External analysis

The external analysis and the self-analysis combined forms what is generally known as the environmental analysis. Organizations, both profit making and non-profit making do not operate in a vacuum. They operate in an environment in which they have little or no control at all (Kotler (1988)). These environments could be internal or external to the firm and are constantly changing.

As Aaker (1998) argues, external analysis involves an examination of the relevant elements external to the organization. Schnaars (1991) argues that marketers see strategies as driven by external events rather than internal actions and hence marketing external focus offers a better opportunity to cope with disruptive change rather than does firms that are inward looking. Aaker (1998) argues that one of the major outputs of external analysis is an identification and understanding of opportunities and threats both present and potential facing the organization. Another output is the identification of strategic uncertainties regarding business or its environment that have potential to affect strategy (Atkinson 1996). If strategic marketing has its consequences in the future it is crucial that NGOs managers understands the broad forces creating the world where they must operate (Kotler 1991). The nature of these forces of course varies by the country in which the NGO markets and also within a sector.

In external analyses you undertake the customer analysis (Aaker 1998, Atkinson 1991). This will involve mostly the identification of the organization customer segments and each segment motivation and unmet needs. As Kotler (2001) argues this identification of unmet needs can be strategically important because it may dislodge entrenched competitors and hence the marketing concept (Schnaars 1991).

External analysis will also include the competition analysis, (Kotler 2000, Schnaar 1991 and Aaker 1998). These will include both the current and potential competitors. Of special importance to competitor analysis are the competitor strengths and weaknesses (Aaker 1998).

This is because strategy development often focuses on exploiting the competitor strength or weakness or neutralizing as bypassing competitor strength. Competitor analysis will also include analysis of competitor performance, image, culture, objectives and cost structures among others (Thompson et al 1988).

In external analysis it is also important to look at the market analysis (Kotler 2001). This will give a good indication of the market size, structure, trends, market profitability distribution and key success factors in the market (Aaker 1998).

Environmental analysis, which includes demographic, socio-cultural, political, economic and technological environment, is also an important analysis (Baker 1992). Important forces outside an organization's immediate market and competitors will shape its operation and thrust. Environmental analysis is the process of identifying and understanding emerging opportunities and threats created by the forces (Aaker 1998). From this it is important to limit the environmental analysis to what is manageable and relevant because it can easily get bogged down by excessive scope and volume and eventually may dilute the strength of a strategy.

2.5.3. Internal Analysis

Strategic marketing is a nested activity argues Kotler (1991). This means that strategic marketing can and should be nested within the organization level of strategic planning. In large organizations strategic planning can also be carried out by subunits within the marketing function.

Plan formulations involves the organization in determining an appropriate mission, objective and goals for the current or expected organization. Baker defines mission as an organization character, identity and reason for existence (1992). Kotler on the other hand defines mission as the basic purpose of an organization that is what it is that it is trying to achieve/accomplish (1992). Organisations vision on the other hand is seen, as the organizations desired future state or aspirations.

In trying to carry out internal analysis the organization must also consider its mission statement and their relevance in the current situation (Baker.1992). Organization should strive for missions that are feasible, motivating and distinctive (Kotler 1991)

The organization must also develop organizational objectives and goal for strategic horizons separate but consistent with its mission statement as well as goals and objectives for each

planning period. (Kotler 1991, Baker 1992 and Aaker 1998). The organization must analysis itself to find out if its objectives and goal are consistent with it mission. If they're inconsistency then the situation warrants strategic arrest.

In addition to external threats and opportunities strategy development must be based on the objective strengths and capabilities of a business (Thompson 1988) and hence internal analysis. Strategic managers must also look within the organization to identify internal strategic factors, which are the strengths, and weakness that may determine whether the firm will be able to take advantage of opportunities while avoiding threats as argued by Hunge (1995). Key internal factors and functions are firm basic capabilities and limitations. The function approach involves a scrutiny of key organizational functions like marketing, finance and accounting, production and operations, quality management, information systems, personnel, organization and general management to identify an organizations strengths and weaknesses (Sagwa 2002).

Internal analysis will include things like performance analysis (Aaker 1998). In this case one may look at profitability and sales to provide an evaluation of part strategies and an indication of the current market viability of a product line. Here you may also look at things like return on asset (ROA) so as to establish the shareholder value. Kotler (1999) also argues that for majority of NGOs and other not for profit organizations one may look at the level of funds and also the number of projects initiated by the NGO in order to establish their performance.

The value chain analysis of performance (Thompson 1998) is based on the assumption that a business basic purpose is to create value for customers of its products and services. In a value chain analysis managers divide the activities of the organization into a set of separate activities that add value (Sagwa 2002). By identifying and examining these activities managers acquire an in-depth understanding of the firm's capabilities, its cost structure and how these create a competitive advantage or disadvantage.

In value chain the firm is divided into two major categories, the primary and the secondary activities (Porter 1980). Primary activities are those involved in the physical creation of product marketing and transfer to the buyer and after sales support. Secondary (support) activities normally assist the primary activities by providing infrastructure, input, that allows tem to take place on going basis.

According to Porter (1980) the value chain includes a profit margin, which is a mark above the cost of providing the firms value-adding activities. The profit is normally part of the price paid by the buyer.

Internal analysis also reviews characteristics that will influence strategic option (Aaker 1998). These are past and current strategy strategic problem organization capabilities and constraints, financial resources and constraints and strengths and weaknesses.

The total output of environmental analysis is the SWOT, which is an acronym for internal strengths and weaknesses of the firm and the external opportunities and threats facing the firm (Atkinson et al 1996). This is an easy to use technique through which managers create a quick overview of the company's strategic situation in the market. The SWOT approach is based on the assumption that an effective strategy derives from a sound fit between a firm's internal capability and its external environment. A good fit maximizes a firm's strengths and opportunities and minimizes its weaknesses and threats.

2.5.4. Strategic Identification and Selection

The purpose of external and internal analysis is twofold. That is to help generate strategic alternatives and provide criteria for selecting from among them (Aaker 1998). When selecting a marketing strategy managers must recognize that the feasibility of a strategy will usually be dependent on the competitive situation in the market (Gultinan et al 1988).

The strategies identified could be in different functional areas such as positioning strategies, distribution global strategies (Aaker 1998). Among the strategies that must be selected are those that will give the organization a sustainable competitive advantage and hence successful over time (Kotler 2001). Michael Porter has proposed three basic core strategies that an organization can adopt (Proctor 1996 and Kotler 2001). These are:

- i. Differentiation strategies. The approach means offering something that none or a few other competitors offer.
- ii. Cost leadership. This involves marketing the honest cost offerings in the market.

iii. Focus strategies. This involves selecting a limited segment of the market, typically one that is not served by anyone else in the market and concentrating on uniquely serving that market.

All these approaches require unique combination of marketing strategy, i.e. choice of market segments, positioning and targeting and the marketing mix (Baker 1992).

Organization may also adopt different styles of marketing strategies such as mass marketing, differential marketing, target marketing or niche marketing strategies (Kotler 1991). However, the marketing strategies selected and adopted will depend on different organizations' culture, structure and leadership styles practiced by each (Baker 1992).

All the strategies selected must be implemented (Aaker 1998). That is, strategic alternative must be converted into an operating plan. The operating plan may span for more than one year and hence it must be useful to provide a detailed plan for the upcoming years that contain short-term objectives.

2.6.0. Non-governmental organizations

The management and marketing of non-governmental organizations has become an increasingly rich terrain for academic work in the social sciences. This has been mainly so because non-profit organizations support the most important aspects of lives in our societies as reported by Harvard Business Review in (Bwibo 2000). And as Ngethe argues, what is known about NGOs is often clouded with what is believed about them (Ngethe 1991). This makes their operations rather complex and intricate. Due to changing environments, new styles of development initiatives have dominated most of the NGOs' programs and as a result, most of the NGOs have come out to be viewed as development agencies.

Oster (1995) also argues that NGOs' management is operating in a particularly exciting time as managers are continuously being faced with challenges involving whether to compete or cooperate with other organizations in the markets. Kotler (1991) also argues that most NGOs must learn if they haven't learned that non-profit organizations need management more than business does "precisely because they lack the discipline of the bottom line" (marketing).

(Bwibo 2000) defines NGOs as "any organization that receives donor funds to implement interventions such as health, education, micro financing, appropriate technology and other

social activities. Sargeant also expands the definition further to include the organizations seeking or soliciting funds for developmental purposes aimed at uplifting the welfare of the society in general (1999). Oster (1995) records that most NGOs are typically labour intensive with heavy use of both profession and volunteer labourers. This makes the landscape of NGOs a lot more complex.

Kiliko also reports that according to the international council of voluntary agencies (ICVA)(198) NGOs must have to follow features

- a) Be established by a group of individuals
- b) Be autonomous
- c) Be managed by an independent voluntary board of directors elected periodically by membership or the chief executive
- d) Have a clearly define constituency and be accountable to that constituency
- e) Be financially independent from the Government
- f) Have formal legal status, permanent headquarters and employ professionals or voluntary staff
- g) Have humanitarian objectives and programs
- h) Are voluntary and non-partisan

Dees (1998) argue that NGOs are donor driven and enjoy discounts and tax exemptions (Bwibo 2000). This aspect calls for or has an indication of an immense donor power and influence in terms of how the organization is managed and this may as well determine the type of marketing operating strategies, which they have to adopt.

2.6.1.Missions of NGOs

Every organization whether for profit or not for profit as in the case of NGOs must have a mission. In this case the mission can be seen as the basic purpose of an organization that is, what it is trying to accomplish (Kotler 1991). For instance a church consistent with customer centered multiply should identify the underlying need that it is trying to secure and based on this should decide what its mission is so as not to lose sight and confuse it with a lot of intermediate goals and services that it might provide. Oster (1995) also defines an organization mission as “a broadly state identification of the basic business scope and operations that distinguish it from other organizations. In NGOs mission statements must typically identify both the academic and product or service provided. Kotler (1991) and Oster (1995) argue that mission statements

among NGOs serve three functions, that is: the boundary function, they acts to motivate both staff and donors and that they helps in the process of evaluating the organization

The first function becomes particularly important because of the ambiguity of control and antenna for success. This makes the consistency with the mission being a partial substitute for profitability into management of NGOs. Oster (1995) further argues that the mission statement is the “embodiment” of an entrepreneurial idea. Kotler (1991) supports this idea further by arguing that in not for profit industry, the organization mission statement becomes the most basic ground upon which they market themselves to sell to the donors and also to the recipients of their service or product.

2.6.2. Market Competition in the NGO Sector

An organization must have a description of the activities that it is engaged in and the market in which these activities are embedded. Kotler argues that the most significant characteristic of NGO sector is the extent of market structure (that is the industry) and competition. (1991)

The nature of NGO sector makes the competition among the NGOs very complicated as they call for situations, which advocates for both competition and cooperation.

In this type of competition then how do the NGO industry behave. Oster argues that for instance, an entry barrier in this industry is any phenomenon that prevents new organizations from entering the market in an economic viable way (1995). This viability is created by revenue generated by grants, fees or donations. This affects how firms compete or the degree of competition. NGOs compete for donation, imitate each other’s successful marketing ideas and handle their own donor list. (Kinyanjui 1885, Scholes 1988 and Oster 1995)

Kotler (1991) argues that the suppliers in the NGO sector are of a concern. This is due to changes in the labour force. Oster (1995) further argues that a substantial fraction of the NGO sector is typically professional and these professionals yield more power because of their alternative opportunities.

When it comes to the users (buyers) in the industry, the demand side becomes very intriguing (Kotler 1991 and Sargeant 1999). There are donors and users. The users are those who use the services provided by the NGOs. Donors are those who make gifts of money and other assets to

the organization. To effectively understand the nature of the competition in the NGO sector it is important to understand the power of both its donors and users of its services or products. This is because the powers will have a substantial effect on the way in which these NGOs formulate their marketing strategies.

Kotler (1991) argues that if strategic planning has its “consequences” in future, it is crucial that NGO managers must understand the broad forces creating the world in which they operate that is the environment. For instance demographic, political-legal and economic trends are important for strategic marketing, and planning in social service, developmental agencies and charities. Oster (1995) argues that for survival purposes NGOs must clearly understand the politics of the day and then develop marketing strategies, skills and political acumen. In Kenya the National Church Council of Kenya is a living example.

NGOs must be in a position to clearly and effectively monitor the environments of their operations. This is because of the ever-increasing turbulence in the environment. Oster (1995) for example argues that if for instance an NGO had defined its mission and formulated strategies to combat famine without much regard as to whether there will be famine tomorrow or not leaves the organization in an awkward position should there be no famine. This calls for organizations to constantly and continuously redefine its mission statements in order to suit the prevailing circumstances while at the same time be in a position to attract more donations (Kotler 1991). In order to have a strong fund base the NGOs must have an outstanding skills in fundraising and parsimonious spending habit (Oster 1995). In essence all organisations whether not for profits or for profits needs strategic marketing to help identify the opportunities and exploit those opportunities to fight the threats in the environment. This is because marketing strategic windows will avail themselves in both but the success of each depends on how fast they move to occupy those windows.

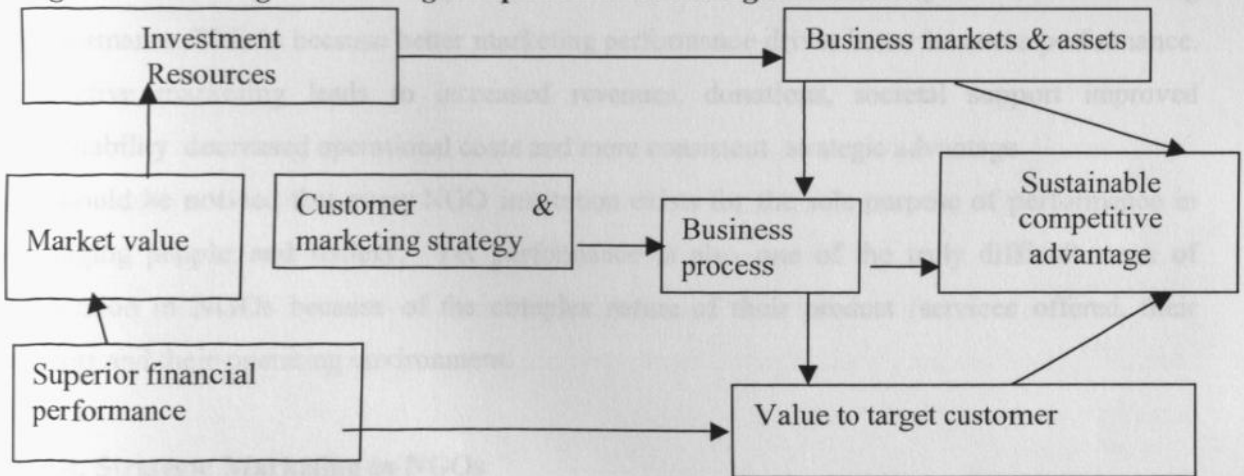
2.6.3. Link Between Strategic Marketing Practices and Performance

Recent corporate history has seen an unprecedented period of growth and renewal of activities as firms strive to adopt their strategic and corporate capabilities to rapidly changing global market and technological realities. Such changes stretch organizational capabilities and resources and often require changes in both organizational structures and banner models.

A company's performance is closely linked to its marketing strategies Kotler (2001) and Aaker (1998). Each company's strategy must be unique since each company is different with respect to customers, channel partner and competitors and company (Strickland et al 1998).

Performance is the ultimate test for any institution whether profit making or not for profit (Kotler 1991). In performance evaluation one needs to examine the impact of investments in both tangible and intangible (products and services, brands, distribution net work, etc) assets on business process equipment (Sargeant 1999). Evidence also reveals that another key linkage is the role of marketing strategy and asset utilization in creating customer value (Kotler 2001). The product, price, supply chain (process and customer "platform" have a key segment role in driving cash flows in reducing the market risk and therefore enhancing the shareholder value. This can be illustrated in the following diagram that shows the relationship between strategic marketing and performance management.

Figure 2.2. Strategic marketing and performance management model



(Srivastava, Faye & Christiansen (2001)

Modified by Lasar, 2003

Because of the increased environmental turbulences the survival of any business activities has been left in the mercy of how well it has developed its sustainable competitive advantage. Both profit and non-governmental organizations must develop competitive positioning based on segmentation, differentiation and core value propositions. This is enhanced through creation of customer value, which is a consequence of proper marketing strategies such as customer relations, better advertising and communication strategies and positioning strategies, which are

based on the type of services provided by a particular NGO. If all these marketing activities are properly coordinated will result in a superior financial performance which manifests itself in term of the amount of funds generated, the total number of projects completed and in case of advocating for behaviour change the extend to which the NGOs' activities have had an impact on the society's behaviour.

For a continuous assurance of fund flows from the donors the NGOs must meet the necessary demands and requirements of the donors such as transparency and proper accounting and application of the funds generated and the positive results on bahaviour changes for example how well a campaign against the spread of AIDS has been managed resulting to reduction of AIDS cases. All this should result to a value added to the target customers, that is it should appear to benefit the targeted society while at the same time adding value to the donors desire for elimination or reduction of a particular behaviour.

In essence the whole model emphasizes on the focus on the delivery of better marketing performance. This is because better marketing performance drives better business performance. Effective marketing leads to increased revenues, donations, societal support improved profitability decreased operational costs and more consistent strategic advantage. It should be noticed that every NGO institution exists for the sole purpose of performance in changing people and society. Yet performance is also one of the truly difficult areas of execution in NGOs because of the complex nature of their product /services offered, their clients and their operating environment.

2.6.4. Strategic Marketing in NGOs

In the field of marketing, marketing specialist in NGOs is no longer a rarity (Kotler 1991). People no longer carry more conventional tittles like public relation manager or advertising manager when their real job is in essence marketing. The idea of NGO marketing is not only accepted in most quarters but it is as rapidly broadening and deepening (Sargeant 1999). Society must be changed to take on a broader and deeper note in provision of social welfare services while at the same time volunteer organization must become first-rate generation of financial and personnel support. Due to the marginal growth of NGOs activities the local fundraising will have to improve significantly as income from sponsorship stagnates if their

operations are to make any impact in Kenya. Kotler (1991) argues, "that a first rate marketing manager in NGO is one who has acquired:

- i. A comprehensive and practical process for solving marketing problems and
- ii. An awareness and understanding of the latest marketing tools and techniques that can be used to make effective marketing decision on some areas among the NGOs

This means that marketing strategy must be dominant concern of marketing managers and they must learn how to choose target markets (funders and users of service) carefully, position their offering effectively vis-à-vis competitors and coordinate the many elements of the marketing programs to squeeze the most impact from the finest resources.

The ultimate objective of all marketing strategies and tactics is to influence audience behaviour (Kotler 1991). The targets of NGOs marketers influence strategies can be as diverse as legislators, donors or consumers. In all cases the marketing objective is to bring about exchange wherein target donors and funders give up some cost in return for some expected positive consequence.

In strategic marketing NGOs must analyze their positions in the market place, concentrate on those donor sources whose interests are best matched to theirs and design their solicitation programs to supply needed satisfaction to each donor group. This approach involves carefully segmenting the donor markets, measuring the giving potential of each donor market, assigning executive responsibility for developing each market and developing a plan and budget for each market based on its potential. In this case the donors and the potential donors must be treated as strategic potential customers.

2.6.5. What can Strategic Marketing do to NGOs?

There has been many debates over the years concerning whether the strategic marketing concepts can legitimately be applied to the management of NGOs. In the 1960s Kotler and Levi were the first to open debate on the relevance of the marketing concepts to organizations working in NGO sector (Sargeant 1999). Kotler argued that marketing had the capacity to grow beyond its role as a narrow business activity and can take on a broader societal meaning (1991). Marketing in this sense is seen as "sensitive serving and satisfying human need" (Sargeant 1999).

This definition draws attention to what good marketing practices can achieve in NGOs. It removes emphasis of profit in marketing since after all most NGOs are by definition less concerned with profit than they are with meeting particular needs in society. As Kotler (1991) and Sargeant (1999). Argue, marketing in this context is concerned with facilitating exchange processes between an organization and its public so that some basic societal need can be fulfilled. The question here is whose need? By any chance can we call them customers? Kotler (2001) has not doubt on this as he feels that organizations have customers whether they choose to refer to them as such or not.

For example some noticeable customers of majority of NGOs includes volunteers, individual donors, and corporate donors, charitable trusts. Recipients of goods/ services, local communities, local and national government (Sargeant 1999). Viewing those groups in society that NGOs are designed to serve as customers is a very powerful notion because it forces those responsible for the marketing of such organizations to begin their planning process by defining precisely the requirement of those customers.

The benefits that marketing can offer to NGOs include:

1. Marketing can assist in the attraction of resources to NGOs. Many NGOs need to raise funds to support their work and to accomplish their missions. Marketing tools and techniques can offer fundraisers substantial ability and afford them greater opportunities to fulfill an organizations mission.
2. The adoption of professional approach to marketing may help an organization to define its distinctive competencies. In other words, marketing can define what an organization can offer society that others cannot. This may be manifested in the ability to work with particular categories of people in society or it may be manifested in the way in which such work is conducted. Whatever the case if an organization can identify those areas where it can add value over and above that which can be offered by competitors, it can refine those competencies and use them to enhance both fund raising and delivery as a result.
3. A professional approach to marketing also offers organizations a framework within which to work. A systematic approach to researching needs, setting objectives, planning to meet those objectives and the instigation of formal control activities to ensure that they will actually be achieved, should minimize the waste of valuable marketing resources.

4. Marketing can also help improve the levels of customer satisfaction attained. This could be possible through market research to establish what is it that customer needs to be satisfied. That is what is the anticipation of donors once they donate their money

2.6.6. Fund raising and strategic marketing

A number of Marketing techniques are clearly of potential value of charities in their fund raising activities and many of these organizations have built up experiences in -:

- (1) Segmenting and marketing their potential donors
- (2) Use of marketing technique
- (3) Effective use of mass media advertising
- (4) Understanding the process through which donors decide to give a particular course
- (5) Building up and making effective use of donor data base
- (6) Making effective approaches to various type of donors
- (7) Using direct marketing and sales promotion techniques and monitoring effectiveness

Success fund raising via direct marketing in 1990's demanded ever increasing scales, and professionalism (Oliver 1995) with time charity data base will need to become more sophisticated and that the days of mass mailing are increasingly becoming numbered and hence charities must have to build their own in house marketing skills and that above and below the line activities will need to be better integrated.

For NGO's to succeed it is quite important to understand in details the priorities and needs of its donors as it is for successful commercial firms to understand its customers. Marketing techniques can be used to identify and understand potential and actual donors. For example segmentation could be used to target fund raising appeals, more effective and a number of studies having investigated the relative importance of having donors uncharitable organizations (Oliver 1995 and Majumdas 1996).

Establishment and maintenance of long partnership programmers or relations with donors for instant seeking sponsorship of fund raising events.

Charities like commercial organizations have to address the wide range of publics, actual and potential donors, those helped by charities activities actual and potential volunteers, other charitable organization in similar or related fields and government among others.

Their success in fulfilling their objectives will depend to a large extent on how well they understand and deal with the needs of those various publics and the techniques of marketing have proved to be of great value in an increasingly competitive fund raising environment.

The degree of sophistication with these techniques are applied varies a great deal across the diverse range of charitable organizations and it is likely to become even more important in future.

2.6.7. Challenges of NGOs in development

In such a turbulent and discontinuous environment ,organisations must practice strategic marketing or they may not deliver well. New strategies may be required to address, the new challenges. This requires the NGOs in Kenya to continuously assess and analyze their environment. The organizations should design their marketing-mix that makes them compatible and competitive in the changing environment.

Since NGOs are dependent on funds that emanates not from user but from donor; there is danger that they may become concerned more with resource efficiency than with their service effectiveness. Most NGOs have no real measure of efficiency other than their ability to carry out their missions and achieve their objectives within the dollar contribution they receives from their donors,(Hunger et al 1995 and Johnson & Scholes 1999).

Due to changes in the operating environment which has led to the development philosophies of most NGOs being changed in as early as 1980s, NGOs are facing challenges of shifting from simple charity and relief activities to community development programs that embraces institution building and popular participatory approaches as agued by various scholars (Warsame 2002, Kottler 1991 and Sargeant 1999).

With exception of legal and development services such as management consultancy the activities undertaken by NGOs have essentially parallel those of the state. With the NGOs being practically found in all sectors of development and many being involved in multi-sectoral activities they are still being challenged on how to operate on parallel with the government especially with the changing government policies towards the NGOs and the significant role the NGOs plays in development. Also because of current changes in political and legal system most NGOs are faced with the challenge of to survive given that most the services they used to offer have been rendered absolute or have been taken by the government.

3.1 RESEARCH DESIGN

The research used descriptive and an exploratory study to explore the strategic marketing practices. The research investigated the behaviour of the NGOs in respect to activities which they undertake as they market and promote their organizations.

DATA COLLECTION

3.2. THE POPULATION

The population of interest comprised all the non-governmental organization that are registered and are actively operating in Nairobi. Nairobi being the capital city of Kenya is the centre of social, political, educational and economic activities in the country. A list of NGOs was obtained from the Kenya Bureau of NGOs.

According to the 2002 directory of the Kenya Non Governmental Organization Bureau there are currently 2211 NGOs operating in Kenya. Among them about 1173 of them have their headquarters or operational offices in Nairobi. From this directory there are 452 NGOs, which are operating as development agencies. This is also supported by the World Directory of Development agencies of 2003 volume III that lists about 452 NGOs who are development agencies and are headquartered or are operating in Nairobi.

The NGOs are listed alphabetically with details of their Name, registration number Physical address, postal address, telephone numbers, area of operations and contact persons. While that of Development organization lists NGOs country by country with details such as categories of NGO, name, mailing address, physical address telephones and email and web pages.

The selected population consisted of all those NGOs operating as development agencies and are operating in Nairobi

The other criterion used was that for NGOs to be selected they should have been actively in operation and have clear physical addresses. This will ruled out the possibility of including the so-called briefcase NGOs. From the list a total of 60 NGOs were sampled and distributed with questionnaires and out of this only 30 of them responded back. The response rate was 50%

3.3. SAMPLING FRAME.

The sampling frame was the list of all NGOs operating as Development agencies in Nairobi that was drawn from the list of NGOs directory. Numbers were assigned to each one of them. From this list a simple random sample was drawn using random number tables.

3.4. DATA COLLECTION.

The information that was used in this study was collected using a questionnaire. The questionnaire consisted of both open-ended and closed-ended questions. The drop and Pick later method was used in collecting the data. Telephone follow-ups were used to remind and persuade the respondents. The respondents were top managers who are the most familiar with strategic marketing practices in their respective organizations

3.5. DATA ANALYSIS.

The collected data was edited for completeness and consistency. Descriptive statistics were used in analyzing the data. A database was prepared using SPSS computer package and descriptive statistics were produced using this computer program

The results were summarized using tables, measures of central tendency and percentages

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

The analysis of the data was done in relation to the objectives of the study which sought to establish extend to which strategic marketing practices is used by NGOs in Kenya. To establish whether the extent to which a NGOs uses strategic marketing is related to their performance and the perceived importance of various marketing strategies on performance of NGOs.

The collected data was programmed using SPSS and was highly summarized and presented using tables, descriptive statistics, which includes percentage, means and frequency distribution. The above three were deemed adequate because the study was exploratory and investigative in nature.

The findings of the research are presented here below.

4.1 The NGO's surveyed

Out of total of 60 Non-Governmental Organizations that constituted the sample only 30 of them responded. This represents a response rate of about 50%. However, some of the questionnaires that were returned had some missing vital information. This response rate is acceptable compared to those from other studies (Okutoyi 1988, Bwibo 2000, Mwangi 2001, Kiliko 2000 and Warsame 2002). The research was concentrated mainly on the NGOs' on development and relief. The study focused on NGOs on different sectors of development such as health, education, relief, welfare and capacity building and enterprise developments. About 56.75 of the NGOs surveyed were found to be operating in a combination of areas.

From the NGOs surveyed 46.7% of the were locally owned with international affiliations, while 30% and 23.3% were locally and foreign fully owned (Appendices 11).

4.2. The Extend of Use of strategic marketing practices by NGOs in Kenya.

The first objective of the study was to establish the extend to which strategic marketing practices are used by NGOs operating in Kenya. To establish this the study first tried to establish the presence of any marketing department within the NGOs and the proportion or the percentage of employees in marketing department to the total employees in the organization. This is because the existence of the two is the beginning point of how serious the organization is or uses marketing practices. The presence of the marketing department and the number of employees in the marketing department will help in making logical deductions regarding the extend to which the organization uses or values the use of strategic marketing practices in improving its performances.

Table 4.1.1: Presence marketing department or division

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	14	46.7	46.7	46.7
No	16	53.3	53.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The marketing department is a vital department in any organization whether that organization is a profit making or non-profit making. The study sought to establish the presence of any marketing department or division within the Non-Governmental Organizations. As Table 4.1.1 shows that about 53.3 percentage of the surveyed NGO's did not have a marketing department This may be coincidentally explained also by Table 4.1.2, which gives us 53.3% of zero employees in marketing department.

The study also established that about 76% of the surveyed NGO's have only 3.3% of the total employees in marketing department. This represents a very poor proportion as Table 4.1.2 shows. Majority of foreign owned NGOs and those with international affiliation indicated that marketing is still a 100% responsibility of the international NGOs in their head quarters

Table 4.1.2: Percentage of Employees in marketing department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	.00	16	53.3	53.3	53.3
	.03	1	3.3	3.3	56.7
	.20	1	3.3	3.3	60.0
	7.69	1	3.3	3.3	63.3
	10.42	1	3.3	3.3	66.7
	13.33	1	3.3	3.3	70.0
	13.79	1	3.3	3.3	73.3
	14.29	1	3.3	3.3	76.7
	15.38	1	3.3	3.3	80.0
	16.67	2	6.7	6.7	86.7
	24.00	1	3.3	3.3	90.0
	33.33	1	3.3	3.3	93.3
	100.00	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

4.2. 1.Strategy formulation among the NGO's in Kenya

In order to establish the extend of use of strategic marketing it was important that one explores the way various strategic phenomenon or aspects are used in the organization This section covered the general strategy formulation within the NGO. This is because in order to comprehend the nature of marketing strategies practiced by any organization, it is important that one moves from general to basics or specifics in terms of strategy formulation and identification.

Table 4.2.1: Presence of mission Statement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	30	100.0	100.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

An organization's mission marks the beginning of strategy analysis (Andrew 1971). However, this becomes very intriguing because as Warasme notes that strategy formulation among NGO's is mostly an outcome of combination of complex environmental conditions (2002). This is mostly because of the mode of their operation especially if they operate in combinational areas of development with each area needing specific attention.

As Table 4.2.1 shows that 100% of organizations surveyed have mission statements. While 96.7% of the NGO's surveyed indicated that they also have vision statements as shown in Table 4.2.2.

Table 4.2.2: Presence of vision Statement

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	29	96.7	96.7	96.7
No	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.3: Presence of Set Objectives

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	29	96.7	96.7	96.7
No	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The research also found that 96.7% of the surveyed NGO's have got set objectives (Table 4.2.3.) Majority of these objectives are set in combination of areas (about 93%) with only 7% in specific areas (see appendix 3).

The study found out that majority of the objectives set rotates around the areas of amount of funds generated, increased level of gender awareness, reduction of poverty levels through capacity building and economic empowerment and increased literacy levels and child rights.

The study further sought to find out whether NGO's formulate marketing strategies and whether these strategies are formal or informal. The study found out that 90% of the NGO's surveyed do formulate marketing strategies (Table 4.2.4.)

Table 4.2.4: Presence of formulation of marketing strategies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	27	90.0	90.0	90.0
	No	2	6.7	6.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The study established that 66.7% do undertake formal marketing strategy formulation while the rest are either informal or both with a non-responsive rate of 3.3% (Table 4.2.5.)

Table 4.2.5: Nature of strategies formulated

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Formal	20	66.7	66.7	66.7
	Informal	5	16.7	16.7	83.3
	Both formal and informal	4	13.3	13.3	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The above may explain why some of the NGO's are not sure of whether they do marketing or not. The study also established that 80% of the NGO's surveyed do some marketing plans. (Table 4.2.6.)

Table 4.2.6: Presence of marketing plans

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	24	80.0	80.0	80.0
	No	3	10.0	10.0	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

However, the research established that 56.7% of the organizations have a marketing plan time horizon of every 2 – 5 years (Table 4.2.7.) with 16.7% preparing their marketing plans once a year and 6.7% on ad hoc basis. While non-responsive in this question was 16.7%. This may indicate absence of market planning in the organization.

Table 4.2.7: Marketing plans horizons

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once a year	5	16.7	16.7	16.7
	Every 2-5 years	17	56.7	56.7	73.3
	Every 5-10 years	1	3.3	3.3	76.7
	ad hoc	2	6.7	6.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

4.2.2. Marketing strategies

This section sought to study the nature marketing strategies used by NGO's in Kenya. It also sought to study the deemed importance and extend of use of various marketing strategies. This dealt mostly with the use of all the 4P's of marketing and the effects of various environmental conditions on product/service development and/or improvement and the extend to which the organization undertake environmental analysis.

4.2.2.1 Product/Service

The study sought to establish whether the nature of service provided by a particular NGO is a very important factor in determining the product or service competitive advantage in the market. The nature of services had a mean score of 4.53, which is, an indication that it is a very important factor with a support of 66.7% of the total surveyed NGO's as shown in Table 4.2.2.1.

The study also found out that the quality of service provided by the NGO's is a very important fact in determining the organizations competitive advantage in terms of the funds generation

TABLE 4.2.2.1: SERVICE DETERMINANTS

and sourcing and also in preference as regards to the recipients of the services. This represented a mean score of 4.43 and 66.7% support among the surveyed NGO's (Table 4.2.2.1.)

From the Table the importance of promotion of services received a mean score of 3.60 and a support of 30% majority among the NGO's as being moderately important factor in determining product/service competitive advantages, (Table 4.2.2.1). The nature and quality of services were found to be important factors in determining the products competitive advantage as each had a mean score of 4.53 and 4.43 respectively.

Despite the none- response rate of 83.3% of the organizations when asked to state other factors that they consider important in improving the organization. Those responded had other factors, which were deemed as very important. These were mainly mentioned as the market demand, target clients, organizational goals, and relevance to the organization mission funds availability and organizational capacity. There were also revelations that the extend of an NGO's mission statement typically identifies both the customer and the product or service being offered.

In trying to establish the extend of the impact of environmental factors in a product/service improvement, modification and new service development, the study established that the impact of political changes is very great on organizational improvement or development of new product/service. Among the NGO's surveyed, 60% considered the impact of political changes to be very great, 10% not very great, 13.3% moderately great and great with 3.3% considering it to have no impact at all as Table 4.2.2.2 shows

TABLE 4.2.2.1: SERVICE DETERMINANTS

	N		Mean	Mode
	Valid	Missing		
Importance of nature of services	30	0	4.53	5
Importance of quality of services	30	0	4.43	5
Importance of promotion of Services	30	0	3.60	3
Importance of other factors	30	0	5.73	6
Impact of political changes on organization improvement	30	0	1.90	1
Impact of technological changes on organization improvement	30	0	2.10	2
Impact of social changes on organization improvement	30	0	1.73	1
Impact of behavioral changes on organization improvement	30	0	2.20	2
Impact of economic factors on organization improvement	30	0	1.70	1
Impact of competitors on organization improvement	30	0	3.13	3

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Table 4.2.2.2: Impact of political changes on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	18	60.0	60.0	60.0
	Not very great	3	10.0	10.0	70.0
	Moderately great	4	13.3	13.3	83.3
	Great	4	13.3	13.3	96.7
	Not at all	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.3: Impact of technological changes on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	11	36.7	36.7	36.7
	Not very great	12	40.0	40.0	76.7
	Moderately great	2	6.7	6.7	83.3
	Great	3	10.0	10.0	93.3
	Not at all	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The report on Table number 4.2.2.3 shows that 36.7% of the NGO's studied considered the impact of technological changes on product/service development to be very great, while 40.0% considered the technological impact to be not very great with 6.7%, 10% and 6.7% considered the impact to be moderately great, great and not at all respectively.

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Table 4.2.2.4: Impact of social changes on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	20	66.7	66.7	66.7
	Not very great	3	10.0	10.0	76.7
	Moderately great	4	13.3	13.3	90.0
	Great	1	3.3	3.3	93.3
	Not at all	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.5: Impact of behavioral changes on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	9	30.0	30.0	30.0
	Not very great	12	40.0	40.0	70.0
	Moderately great	4	13.3	13.3	83.3
	Great	4	13.3	13.3	96.7
	Not at all	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

As Table 4.2.2.4 shows the impact of social changes on organizational development are considered to be very great with the support of 66.7% majority of the impact being very great. The impact of behavioral change on the product/service development, improvement and modification was considered to be not very great with a mean score of about 2.20. This represented 40% of the total surveyed NGO's. Thirty percent of the NGO's considered the behavioral impact to be very great, 13.3%, 13.3% and 3.3% considered the impact to be moderately great, great and no impact at all respectively (Table 4.2.2.5).

Table 4.2.2.6: Impact of economic factors on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	17	56.7	56.7	56.7
	Not very great	9	30.0	30.0	86.7
	Moderately great	2	6.7	6.7	93.3
	Not at all	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.7: Impact of competitors on product or organizational improvement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very great	3	10.0	10.0	10.0
	Not very great	6	20.0	20.0	30.0
	Moderately great	10	33.3	33.3	63.3
	Great	7	23.3	23.3	86.7
	Not at all	3	10.0	10.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The study established that the majority of the NGO's (56.7%) considered economic factors to have a very great impact on the NGO's development and modification of the new product and service. This is shown in Table 4.2.2.6. As the table shows 30% of them considered the impact to be not very great with 6.7% and 6.7%, considering it to be moderately great and not at all respectively.

As Table 4.2.2.7 shows, the impact of competitors on NGO's in development of new products/service and modification is moderately great. Among the NGO's surveyed 33.3% of them considered the impact to be moderately great with 10%, 20%, 23% and 10% considered the impact to be very great, great, not very great and no impact respectively. The non-response rate here was 3.3. %.

4.2.2.2: Price

The setting of prices among the NGO's is a complicated issue. Some will see the prices as the cost associated with the completion of certain services, others will see the prices as the cost paid by the donors as regards to the services that the donors want to be delivered or given to the recipients. The study trying to establish the major determinants of pricing strategies among the NGO's in Kenya.

Table 4.2.2.8: Importance of determining pricing objectives in setting prices or costs

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Totally unimportant	2	6.7	6.7	6.7
Not very important	2	6.7	6.7	13.3
Moderately important	1	3.3	3.3	16.7
Important	8	26.7	26.7	43.3
Very important	11	36.7	36.7	80.0
Non response	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The study established that determination of the pricing objectives of the organization is a very important factor in setting the prices among the NGO's. As Table 4.2.2.8 shows 36.7% of the total NGO's surveyed indicated that determination of pricing objectives is a very important factor in setting prices, while 26%, 3.3%, 6.7% and 6.7% considered the determination of pricing objectives as not very important, moderately important, not very important and total unimportant respectively. The non-responsive rate in this question was 20%.

From the study, it was established the nature of targeted donors was a very important factor in setting the prices among the NGO's, (Table 4.2.2.9.). From the research, 46.7% of the NGOs

considered the nature of targeted donors to be very important factor in setting prices. The non-responsive rate here was 20%.

Table 4.2.2.9: Importance of nature of targeted donors in setting prices or costs

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Totally unimportant	4	13.3	13.3	13.3
Not very important	2	6.7	6.7	20.0
Moderately important	1	3.3	3.3	23.3
Important	3	10.0	10.0	33.3
Very important	14	46.7	46.7	80.0
Non response	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.10: Importance of quality perception of service in setting prices or costs of service

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Totally unimportant	4	13.3	13.3	13.3
Moderately important	2	6.7	6.7	20.0
Important	10	33.3	33.3	53.3
Very important	8	26.7	26.7	80.0
Non response	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

As Table 4.2.2.10 shows the quality perception of the services provided by the NGO's is important in determining or setting their prices with a mean score of 4.20 (Appendix 6). The

study also established that 26%, 6.7% and 13.3% of the NGOs considered the quality perception of the services provided by the organization to be very important, moderately important and totally unimportant in setting their prices or determining their project costs as the table shows.

Table 4.2.2.11: Importance of reputation of NGOs in setting prices or costs of services

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Totally unimportant	3	10.0	10.0	10.0
Moderately important	1	3.3	3.3	13.3
Important	5	16.7	16.7	30.0
Very important	15	50.0	50.0	80.0
Non response	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

From Table 4.2.2.11 above 50% of the NGO's surveyed consider the reputation of the NGO to be a very important factor in setting the prices of its services, while 16.7% considered the organizations reputation to be important. This had also a mean score of 5.57 (Appendix 5). The non-response rate here was 20%.

The study also found out that the extend to which price have perception of the quality and the reputability of the organization in customers mind (that of the donor/ recipient) to be an important factor in pricing. This is mainly the organization preference among the donors. The study found out that those who considered the extend of price on the perception and reputability of the organization to be very great and not very great were both 30%. As table 4.2.2.12 shows they both had accumulative percentage frequencies of 60%.

Table 4.2.2.12: The extend of price perception of the quality and the reputation of the organization in customer mind (donor/recipient)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very great	9	30.0	30.0	30.0
Not very great	9	30.0	30.0	60.0
Moderately great	6	20.0	20.0	80.0
Not at all	1	3.3	3.3	83.3
Non response	5	16.7	16.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

4.2.2.3: Distributions

Majority of the NGO's interviewed/surveyed indicated that they use a combination of various marketing strategies of distribution to distribute their services to the recipients and also to distribute the "awareness" of their services to different donors. About 66.7% of the NGO's interviewed favored the combination of various methods to deliver their services. (Table 4.2.2.13.)

Table 4.2.2.13: How Services are delivered

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Personal delivery	5	16.7	16.7	16.7
Direct mail	2	6.7	6.7	23.3
Direct marketing	3	10.0	10.0	33.3
Combination of methods of service delivery	20	66.7	66.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.14: Service delivery among NGO's

	N		Mean	Mode
	Valid	Missing		
How services are delivered	30	0	4.70	6
Impact of Intensive distribution in the organization operations	30	0	3.37	1
Impact of Selective distribution in the organization operations	30	0	4.40	5
Impact of Comprehensive distribution in the organization operations	30	0	3.50	4 ^a
Filed force cover specific regions or entire country	30	0	1.37	1

a. Multiple modes exist. The smallest value is shown

The study also found out that most the preferred method of service distribution was the selective distribution method (Table 4.2.2.14.) and it had the highest mode (5). This was also supported by the fact that the impact of selective distribution was the highest among the three most common distribution strategies namely, intensive, selective and comprehensive distribution strategies. The impact of selective distribution in the organizational operation was the most favoured with a mode of 5 and was also established to be of great extend by 40% of the surveyed NGO's with only 26.7% considering the extend to be fair (Appendix 6) with a non responsive rate of 16.7%. Majority of the NGO's considered the extend of intensive distribution in the organizational operation to be of little extend, moderate or no impact at all. These had a cumulative frequency of 53.3% and 50% for the impact of both intensive and comprehensive distribution strategies respectively on the organizational operations.

The study also established that the majority of the NGO's (about 73.3%) operates on specific regions with only 16.7% operating on the entire country (Table 4.2.2.15)

Table 4.2.2.15: Field force coverage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	specific regions	22	73.3	73.3	73.3
	Entire country	5	16.7	16.7	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

4.2.2.4. Promotions

The success of any organization whether profit or non-profit making will depend on how well the organization is promoted. For promotion to be effective the organization must first identify it's mission, that is the very reason of it's existence and then set out some objectives whose achievements will allow it to find out how well it is approaching it's mission. Majority of the NGO's are formed with a mission and depending on how well the mission statement has been expressed, the promotional campaign will be effected. (Oster 1995)

The study found out that the mission statement among the NGO's is a very important factor in making the promotion effective. From table 4.2.2.16., 70% of the NGO's interviewed indicated that organizational mission is an important tool in promotional effectiveness.

Table 4.2.2.16: Importance of organization mission in making the promotion effective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Moderately important	2	6.7	6.7	6.7
	Important	5	16.7	16.7	23.3
	Very important	21	70.0	70.0	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.17: Importance of organization objective in making the promotion effective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very important	1	3.3	3.3	3.3
	Moderately important	1	3.3	3.3	6.7
	Important	2	6.7	6.7	13.3
	Very important	24	80.0	80.0	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The study also found out that 80% of the NGO's considered the organizational objectives a very important aspect in making the promotion effective. (Table 4.2.2.17)

Table 4.2.2.18: Importance of organization reputation in making the promotion effective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very important	2	6.7	6.7	6.7
	Moderately important	2	6.7	6.7	13.3
	Important	10	33.3	33.3	46.7
	Very important	14	46.7	46.7	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.19: Importance of organization transparency in making the promotion effective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Moderately important	1	3.3	3.3	3.3
	Important	4	13.3	13.3	16.7
	Very important	23	76.7	76.7	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The study also established that 46% of the respondents considered the importance of organization reputability in making the promotion effective to be very important with 33.3% considering it important, (Table 4.2.2.18)

From table 4.2.2.19, the study established that 76.7% of the respondents considered the transparency of the organization to be a very important phenomenon in making the promotion of the organizational services effective. This was also supported by a mean score of 4.87 (Appendix 7), which means that transparency is a major aspect in promotion of NGO's.

The personality of the organizations director in making the promotion effective was not considered to be very important as only 26.7% of the respondents considered it to be very important with 33.3% considering it to be important, Table 4.2.2.20

Table 4.2.2.20: Importance of the personality of the organizational Director in making the promotion effective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally unimportant	2	6.7	6.7	6.7
	Not very important	4	13.3	13.3	20.0
	Moderately important	3	10.0	10.0	30.0
	Important	10	33.3	33.3	63.3
	Very important	8	26.7	26.7	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The study sought to establish the presence of promotional strategies and extend to which the promotional strategies are important in marketing and promoting the NGO.

Table 4.2.2.21: Importance of sales promotion in marketing and promoting the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally unimportant	5	16.7	16.7	16.7
	Not very important	5	16.7	16.7	33.3
	Moderately important	5	16.7	16.7	50.0
	Important	5	16.7	16.7	66.7
	Very important	4	13.3	13.3	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

As Table 4.2.2.21 shows that the sales promotion strategy is not a very important factor in marketing the NGO's as only 13.3% of the respondents considered it to be very important,

important, moderately important, not very important and unimportant each had 16.7% and the non responsive rate was 20%.

As Table 4.2.2.22, shows 40% of the surveyed NGO's considered personal selling to be very important strategy in marketing and promoting the NGOs. However 20% of the surveyed organizations considered it as an important strategy with 10%, 3.3% and 10% considering it to be moderately important, not very important and totally unimportant respectively.

As Table 4.2.2.23, shows 33.3% of the NGOs surveyed indicated that marketing communication strategies are very important strategies in promoting and marketing the NGOs with 20% indicating that it is important. Advertising strategies in NGOs was seen as moderately important with 23.3% while 20% of the surveyed NGOs considered it to be important with 16.7%, 6.7% and 13.3% considering it to be very important, not very important and totally unimportant respectively. (Table 4.2.2.24)

Table 4.2.2.22: Importance of personal selling in marketing and promoting the organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Totally unimportant	3	10.0	10.0	10.0
Not very important	1	3.3	3.3	13.3
Moderately important	3	10.0	10.0	23.3
Important	6	20.0	20.0	43.3
Very important	12	40.0	40.0	83.3
Non response	5	16.7	16.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

From Table 4.2.2.23, below 33.3% of the NGOs surveyed indicated that marketing communication strategies are very important strategies in promoting and marketing the NGOs with 20% indicating that it is important. Advertising strategies in NGOs was seen as moderately important with 23.3% while 20% of the surveyed NGOs considered it to be

important with 16.7%, 6.7% and 13.3% considering it to be very important, not very important and totally unimportant respectively. (Table 4.2.2.24)

The study established that 43.3% of the NGOs surveyed considered the direct marketing strategy to be very important strategy in promoting the organization while 13.3% considered it to be important and 6.7% considered it as moderately important This is as shown in Table 4.2.2.25. Public relations was found to be a very important strategy in marketing of NGOs with 66.7% of the surveyed NGOs considering it to be very important, (Table 4.2.2.26)

Table 4.2.2.23:Importance of marketing communication in marketing and promoting the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally unimportant	1	3.3	3.3	3.3
	Not very important	3	10.0	10.0	13.3
	Moderately important	5	16.7	16.7	30.0
	Important	6	20.0	20.0	50.0
	Very important	10	33.3	33.3	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.24:Importance of advertising in marketing and promoting the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally unimportant	4	13.3	13.3	13.3
	Not very important	2	6.7	6.7	20.0
	Moderately important	7	23.3	23.3	43.3
	Important	6	20.0	20.0	63.3
	Very important	5	16.7	16.7	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.25:Importance of direct marketing in marketing and promoting the organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Totally unimportant	4	13.3	13.3	13.3
Not very important	1	3.3	3.3	16.7
Moderately important	2	6.7	6.7	23.3
Important	4	13.3	13.3	36.7
Very important	13	43.3	43.3	80.0
Non response	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.26:Importance of public relations in marketing and promoting the organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Totally unimportant	1	3.3	3.3	3.3
Important	4	13.3	13.3	16.7
Very important	20	66.7	66.7	83.3
Non response	5	16.7	16.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

As Table 4.2.2.27, shows the organizations publicity was considered a very important strategy by only 26.7% of the surveyed NGOs, with only 40% considering it as important.

Table 4.2.2.27: Importance of publicity in marketing and promoting the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very important	4	13.3	13.3	13.3
	Moderately important	1	3.3	3.3	16.7
	Important	12	40.0	40.0	56.7
	Very important	8	26.7	26.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Majority of the NGOs interviewed do not make use of the radio as a media of advertising since 40% never used the radio and 33.3% do not use it very often, (Table 4.2.2.28).

Table 4.2.2.28: Promotion of organization and service through radio

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	10	33.3	33.3	33.3
	Very often	7	23.3	23.3	56.7
	Never	12	40.0	40.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.29: Promotion of organization and service through television

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	10	33.3	33.3	33.3
	Very often	8	26.7	26.7	60.0
	Never	11	36.7	36.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.30: Promotion of organization and service through newspapers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	11	36.7	36.7	36.7
	Very often	12	40.0	40.0	76.7
	Never	6	20.0	20.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.31: Promotion of organization and service through billboards

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	7	23.3	23.3	23.3
	Very often	6	20.0	20.0	43.3
	Never	15	50.0	50.0	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.32: Promotion of organization and service through posters

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Not very often	10	33.3	33.3	33.3
Very often	12	40.0	40.0	73.3
Never	6	20.0	20.0	93.3
Non response	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.33: Promotion of organization and service through websites

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Not very often	7	23.3	23.3	23.3
Very often	16	53.3	53.3	76.7
Never	6	20.0	20.0	96.7
Non response	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

As Table 4.2.2.29 shows 36.7% of the surveyed NGOs do not use televisions to advertise their organizations, 33.3% do not use it very often with 26.7% indicating that they use it very oftenly.

From Table 4.3.30, 40% of the respondents very oftenly make use of the newspapers to advertise and promote their services and organizations while 36.7% do not very often use newspapers to advertise.

From Table 4.2.2.31, the study established that 50% of the NGOs never use billboards to advertise or promote their services with 20% and 23.3% indicating that they use it very often and not very often respectively.

As Table 4.3.32 shows the use of poster in advertising and promoting the NGOs is very common with 40% indicating that they use it very often and 33.3% not very often.

With the increasing use of technology in the modern world, it was established that 53.3% of the NGOs surveyed are on the website very often as a way of promoting themselves with 23.3% indicating that they do not use website very often and 20% have never used the website, (Table 4.2.2.33).

Table 4.2.2.34: Sponsorship of events

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	20	66.7	66.7	66.7
	No	10	33.3	33.3	100.0
Total		30	100.0	100.0	
Total		30	100.0		

From the Table 4.2.2.34, the study found out that 66.7% of the NGOs interviewed do sponsor some events. Among the events sponsored by the NGOs, conferences and seminars dominates the field with 53.3% sponsoring them very often and 16.7% not very often, (Appendix 8).

Majority of the NGOs surveyed do not sponsor any sports or games (about 80%) and among the 16.7% who sponsor they do not do so very oftenly. The same applies to sponsorship of television programs with 80% never sponsoring any event, 6.7%, and 10% sponsoring it very often and do not very oftenly respectively, (Appendix 8).

Only 13.3% of the NGOs surveyed do sponsor public demonstrations very often with 20% not sponsoring it very often

4.2.2.5. Marketing information

The collection of marketing information is a vital aspect in today's marketing if the organizations whether profit or non-profit making are to be successful, (Kotler 2001). This is mostly done through marketing research and customer surveys.

Table 4.2.2.35: Presence of marketing research

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	24	80.0	80.0	80.0
	No	5	16.7	16.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.36: Presence of customer survey

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	26	86.7	86.7	86.7
	No	3	10.0	10.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

As Table 4.2.2.35, shows 24/30 or 80% of the NGOs surveyed do undertake marketing research, while Table 4.2.2.36 shows that 86.7% of the surveyed organizations do undertake customer survey. However majority (46.7%) of those who undertake customer survey do it once or more than once a year, 20% every 2-3 years with 16.7% and 6.7 doing it every 3 –5 years and ad hoc respectively, (Table 4.2.2.37)

About 76.7% of the responding NGOs indicated that, the donors/funders, recipients of services and volunteers are their best customers, (Table 4.2.2.38). With Table 4.2.2.39, 76.7% of the NGOs interviewed indicated that they normally serve different customers (market segmentation) and in Table 4.2.2.40, 70% of the respondents indicated that they normally develop different products for different market segments.

Table 4.2.2.37: Frequency customer survey

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once or more than twice a year	14	46.7	46.7	46.7
	Every 2-3 years	6	20.0	20.0	66.7
	Every 3-5 years	5	16.7	16.7	83.3
	ad hoc	2	6.7	6.7	90.0
	Never	1	3.3	3.3	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.38: Consideration of the best customer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Recipients of services	6	20.0	20.0	20.0
	All	23	76.7	76.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.39: Presence of market Segmentation (Different customers)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	23	76.7	76.7	76.7
	No	4	13.3	13.3	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Table 4.2.2.40: Marketing plans for different products /customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	21	70.0	70.0	70.0
No	6	20.0	20.0	90.0
Non response	3	10.0	10.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

4.2.2.6: Environmental scanning

Understanding the business environment or the environment in which the business operates is an important aspect since businesses do not operate in a vacuum (Kotler 1995). This is a prerequisite for both profit and non-profit making organizations.

Table 4.2.2.41: Presence of environmental scanning

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	24	80.0	80.0	80.0
No	5	16.7	16.7	96.7
Non response	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.42: Presence of information about customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	23	76.7	76.7	76.7
No	5	16.7	16.7	93.3
Not aware	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.43: Change of promotional strategies due external environmental

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	23	76.7	76.7	76.7
	No	2	6.7	6.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

From Table 4.2.2.41, 80% of the NGOs that responded do undertake environmental scanning about their customer and the operating environment. The study established that 76.7% of the NGOs that were interviewed do collect information about competitors, while 16.7% do not at all and 6.7% are not aware about competitors' information, (Table 4.2.2.42)

As Table 4.2.2.43 shows 76.7% of the respondents indicated that they have changed their promotional strategies due to external environment while 6.7% do not. The response rate here was 16.7%. This may indicate lack of awareness of the external environmental impact on promotional strategies.

From the research it could be established that the extend of use of strategic marketing among NGOs in Kenya is still limited to some extend. This is because the research indicated that all the various strategic marketing practices have not been fully appreciated by the NGOs in Kenya. The study found out that majority of the NGOs in Kenya do not have marketing department and even those who have the proportion of the employees in marketing is relatively small. Further throbbing also established that many of the NGOs in Kenya that have got International affiliations do not market themselves in Kenya as they indicated that marketing is a sole responsibility of their headquarters.

The extend to which the strategic marketing strategies and practices are used in NGOs in Kenya is still limited as few if any of them have complete knowledge of what strategic marketing really entails as some do not even want to admit that they are doing marketing. Many NGOs indicated that they do not market but rather they lobby for funds from donors. This concurs with what Kotler (1991), Oster (1995 and Sargent (1999) had established that many NGOs are not aware that they do marketing since lobbying is one tactics of marketing

Consumer knowledge was found to be one sided, as many were more concerned with donors than with the recipients of the services. Marketing research and environmental scanning are not properly done and hence proper marketing strategies could not be formulated. All this may have implied a limited extend of use of strategic marketing.

4.3. Strategic marketing practices and performance of NGOs

The second objective sought to establish whether the extend to which an NGO uses strategic marketing is related to its performance. For this objective to be achieved it was important that one establishes from the organizations perspective as to whether the organization as been successful and whether they attributed thier success to how well they market their organizations. The study established that 100% of the NGOs interviewed, considered themselves to have been successful as Table 4.2.2.44 shows. Among those interviewed 96.7% of them indication that marketing strategies have aided in achieving organizational efficiency and objectives, (Table 4.2.2.45)

The level of efficiency achieved by marketing had a mean score of 2.83 and a mode of 3, thus efficiency level was between 51 –75% in most organizations.

Table 4.2.2.44: Whether Organization have been successful

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	30	100.0	100.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

From table 4.2.2.46, above 50% of the NGOs that were interviewed indicated that they have achieved between 51 – 75% level of objectives with 20% of them indicating that they have achieved between 76 –100% level of their objectives.

From table 4.2.2.47 the mean performance for the last 5 years (between 1998 – 2002) was 3, that is between 51 –75 performance level. For the year 2002, 50% of the respondents indicated that their performance was between 51-75%, while that between 26 –50% and 76 –100% was 23.3% and 13.3% respectively (Appendix 9). For 2001, 46.7% of the NGOs indicated their performance to be between 51 –75% while that of between 76 –100% was 16.7%, 23.3%, 20% and 23.3% for the year 2001, 2000, 1999 and 1998 respectively.

Table 4.2.2.45: Whether strategic marketing has aided in achieving efficiency and objectives

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	29	96.7	96.7	96.7
No	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Table 4.2.2.46: Percentage level of objectives achieved by marketing

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 26-50%	9	30.0	30.0	30.0
51-75%	15	50.0	50.0	80.0
76-100%	6	20.0	20.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The extend to which an organization performance is in the market is depended upon how well the various marketing strategies have been formulated, and implemented (Kotter 2001, Laser 2000 and Aaker 1998). This does not exclude the NGOs and other not for profit organizations. Majority of the NGOs attributes their 96.7% efficiency level to marketing activities however, 50% of them thinks that they have achieved between 51-755 of their objectives due to marketing activities. Despite this association the study established that the NGOs performances have either declined or remained stagnant over the past five years (appendices 9). The research has also found out that the extend of use of strategic marketing by NGOs in Kenya is still to moderate extend. Hence it can be said that the extend to which an organization uses strategic marketing is related to their performances.

In this case, Organizational performance is a good indicator of how the organization is effective and efficient. Moreover, in NGOs industry performance of any organization can be measured in both monetary and non-monetary terms depending on the major objectives of the organization. And as Table 4.2.2.47, shows the amount of funds generated and the number of projects initiated by NGOs were indicated as being very important measure of performance among the NGOs with a mean score of 2.80 and 2.90 respectively and a mode of 3 for each. Total expenditure was only considered to be important measure of organizational performance among the NGOs with a mean of 2.30 and a mode of two.

The extend of the impact of marketing strategies on the performance of NGOs was considered to be on the greater extend with a mean of 2.90 and mode of 4.

Table 4.2.2.47: Perceived Importance of Strategic Marketing in Performance of NGO's (n=30)

	N	Mean	Mode
	Valid		
Importance of Amount of funds generated in performance measurement performance in the organization	30	2.80	3
Importance of Total expenditure in performance measurement performance in the organization	30	2.30	2 ^a
Importance of No of projects initiated in performance measurement performance in the organization	30	2.90	3
Possible effect of marketing strategies in the organization	30	3.63	4
Whether the respondents considers their organization successful	30	1.00	1
Whether marketing strategies have achieved efficiency and objectives	30	1.03	1
Level of efficiency achieved by marketing	30	2.83	3
percentage Level of set objectives achieved by marketing	30	2.90	3
The organization performance level in 2002	30	2.77	3
The organization performance level in 2001	30	3.00	3
The organization performance level in 2000	30	3.07	3
The organization performance level in 1999	30	3.03	3
The organization performance level in 1998	30	3.03	2
The extend of importance of Product/service development in improving performances of the organization	30	4.90	5
The extend of importance of Product/service design in improving performances of the organization	30	4.57	5
The extend of importance of Product modification in improving performances of the organization	30	4.20	5
The extend of importance of package in improving performances of the organization	30	3.60	3 ^a
The extend of importance of pricing in improving performances of the organization	30	3.90	5
The extend of importance of Direct mail in improving performances of the organization	30	3.67	4
The extend of importance of telemarketing in improving performances of the organization	30	3.27	1
The extend of importance of Direct Marketing in improving performances of the organization	30	4.20	5
The extend of importance of Personal Selling in improving performances of the organization	30	3.83	5
The extend of importance of Advertising strategies in improving performances of the organization	30	3.97	4 ^a
The extend of importance of Marketing Communication in improving performances of the organization	30	4.17	5
The extend of importance of Public relations in improving performances of the organization	30	4.90	5
The extend of importance of Publicity in improving performances of the organization	30	3.87	3
The extend of importance of Promotion in improving performances of the organization	30	3.43	3
The extend of importance of Market segmentation in improving performances of the organization	30	4.50	5
The extend of importance of Market Positioning in improving performances of the organization	30	4.63	5
The extend of importance of Market targeting in improving performances of the organization	30	4.60	5

a. Multiple modes exist. The smallest value is shown

4. 4.Perceived important of Strategic marketing practices on improving the performances of NGOs

The third objective sought to find out the perceived important of strategic marketing practices on improving the performance of NGOs. In this case organizations were asked to state in their

own opinion the extend to which they consider or perceive certain marketing strategies to be useful in improving the performances of NGOs

The study established that among NGOs interviewed, the perception of the extend of product /service development, product modification, public relations, marketing segmentation, market positioning and targeting strategies on improving organizational performance was found to be a great extend. Among the above mentioned great extend had a mean of 4 and a mode of 5, (Table 4.2.2.47)

The study also established that the perceived importance of product modification, packaging, direct mail, direct marketing, personal selling, advertising and marketing communication strategies on improving the organizational performance of NGOs was found only on a fair extend.

The perceived importance of telemarketing strategies on improving the performance of NGOs was found to be insignificant or not at all because despite having a mean of 3.27 it had a mode of 1, an indication that majority considered the extend of perceived importance to be not at all, (Appendix 10).

This implies that strategic marketing despite being not correctly understood in the NGO industry in Kenya is still a very important force if the organizations are to improve their performances. This is due to high perception given to some of the marketing strategies in relation to performance improvement.

4.5.Other revelations

The study also found out that the foreign owned and the local with international affiliation NGOs that are operating in Kenya do not have marketing departments in Kenya, however they confessed that they have huge marketing departments at the headquarters in their international offices.

When asked to state what they consider key success factors for operating in the NGO industry, the respondents were citing factors like: ability to attract more funds, competent staff, consistent funding and reach and impact on the target groups.

Among the organizations that responded, some indicated that marketing was reserved for profit making organizations but was not for NGOs as what NGOs do was just to lobby support from donors. Also among those who undertake environmental scanning, many indicated that they undertake situation analysis and that of client (customer) analysis.

Summary and discussions

The objectives in this study were guided by three objectives that is, the exploration of the extent to which strategic marketing practices are used in NGOs, the relationship of the extent of use of marketing in NGOs and their performance and the perceived importance of various marketing strategies on nongovernmental organizations. The objectives have been discussed in order in which they follow.

The first objective of the study was to explore and establish extent of use of strategic marketing by NGOs in Kenya. The study explored the strategic marketing processes and the marketing strategies as practiced by NGOs.

The findings indicate that most NGOs have a full appreciation of the importance of both the mission and vision statements. This is a clear indication that they have a reason for existence and are not just a facade. This corresponds with what was found out by Kiliko (2000 and Warsame

The findings also indicate that 96.7% of the NGOs surveyed had a set of objectives which are consistent with their services, however some of the NGOs surveyed had objectives which were not clear and to some extent were no clarity. This vagueness of purpose may affect their overall operations and consequently how they market their organizations. The finding also indicates that the nature of services provided by a NGO will also be reflected in its objectives and vision statements.

The existence of marketing departments or divisions in 36.7% of the organizations surveyed and the ratio of respondents in marketing departments in majority of the NGOs surveyed

CHAPTER FIVE

SUMMARY ,DISCUSSIONS AND CONCLUSIONS

This study focused on the strategic marketing process and practices and extend to which they influence the performance of NGOs in Kenya. This chapter consists of summary and discussions, conclusions, limitations and recommendations for policy and research.

5.1. Summary and discussions

The results in this study were guided by three objectives that is, the exploration of the extend to which strategic marketing practices are used in NGOs, the relationship of the extend of strategic marketing in NGOs and their performance and the perceived importance of various marketing strategies on nongovernmental organizations. The objectives have been discussed in the order in which they follow.

The first objective of the study was to explore and establish extend of use of strategic marketing by NGOs in Kenya. The study explored the strategic marketing processes and the various marketing strategies as practiced by NGOs.

The findings indicate that most NGOs have a full appreciation of the importance of both the mission and vision statements. This is a clear indication that they have a reason for existence and being futuristic. This corresponds with what was found out by Kiliko (2000 and Warsame (2002)

The findings also indicates that 96.7%of the NGOs surveyed had a set of objectives which are consistent with their services, however some of the NGOs surveyed had objectives which were vaguely stated and to some extend with no clarity. This vagueness of purpose may affect their managerial operations and consequently how they market their organizations. The finding also indicates that the nature of services provided by a NGO will also be reflected in its objectives and mission statements.

Despite the existence of marketing departments or divisions in 46.7% of the organizations surveyed, the ratio of employees in marketing departments in majority of the NGOs surveyed

was very small between 3.3-6.7%. This may explain some of the statements by NGOs that theirs is not a profit making organization and hence they do not consider marketing to be that important. Many of the NGOs could still admit that they do a lot of lobbying for support from donors and a lot of marketing communication and public relations with both the donors and the recipients of their services.

Many of the NGOs surveyed indicated that they do formulate marketing strategies and plans however majority of these marketing strategies and plans are formal with some indicating that they have informal marketing strategies. This informality may explain the under utilization of the process of marketing and some of the marketing inconsistencies found within the NGOs in Kenya

Most marketing strategies and plans are done every 2-5 years and very few are done on ad hoc basis, one, or more than once a year. This is an indication of absence of strategic marketing, which advocates for continuous evaluation of the environment and modification of marketing strategies to reflect the changing times.

The common 4Ps of marketing (that is product, price, place and promotion) were found to be present in almost all the NGOs surveyed. However many of them had been defined vaguely as the organization believed that they do not have product or service as such as they thought themselves to be building capacities among the communities.

Just as in profit making organizations the nature of service/product, and its quality were found to be very important in determining the product advantage, despite the service promotion is not that important. Many believed in promoting the idea as opposed to what they do.

In NGOs, product modification and improvement and development strategies are highly influenced by environmental factors such as social changes, economic factors, behavioral changes and political factors. Technology is not a major factor in product improvement or development among the NGOs, perhaps this may explain the very reason that few if any of the NGOs in Kenya involved in development of technology.

The pricing strategies in NGOs are rather complicated and tricky as compared to those in profit making organizations. This is because depending on the nature of targeted donors the Non-governmental organizations will normally indicate the cost of their intended services in their proposals. Thus the nature of the targeted donors (who are the customers) is very important factor in setting the prices and the packaging of services in NGOs. This indicates some elements of some price discrimination strategies. This explains why sometimes NGOs will give different proposals of the same service to different donors. Organizational reputation and the quality perception of the services provided by NGOs also play a role in setting the prices.

Many NGOs do not view themselves as competing with each other in terms of services provide as they see themselves as complementing each other. However they normally consider the competition to come in when it comes to sourcing for the funds. They will normally compete for the donors' pocket. This is more detail in the type of proposal they present to the donor and the type of appeals they make. Effective cost allocation and pricing as explained in the proposal normally dictates how the NGO is competing, as it could either be successful or unsuccessful competitor. This is explained by the moderate consideration given to both competitors influence in product modification and collection of information about competitors and the extend to which product strategies are used.

The NGOs normally covers specific regions and this perhaps explain the finding that selective distribution strategy as a common strategy among the NGOs. This is in terms of how they distribute their services and how they target their donors. This is also explained by the fact that market segmentation, targeting and positioning strategies are highly perceived to be important among the NGOs and are in use to some extend. This has some implications to the effect that because of the various cultures, economic conditions and geographical conditions across the board it is imperative that if the NGOs are to be successful then they must increase the use of marketing segmentation, positioning and targeting strategies. As Kottler and Sargeant argues that this segmentation and positioning must be on both the donors and the recipients of the services. (Kotler 1991 and Sargeant 1999). In order to be in contact with their clients (both donors and recipients) a combination of methods of service delivery are used by various organizations, personal delivery, direct mail and distribution networks are some of the major strategies used by the NGOs to deliver their services to their clients.

Most Non Governmental Organizations have placed themselves on the Website, which is an indication of appreciation of today's modern concept of electronic marketing, publicity and advertising. They do also use posters and newspapers to advertise themselves. This contradicts the earlier finding that they do not consider advertising as that important. The contradiction may explain lack of knowledge or full appreciation of the whole concept of marketing or one could also say that they do it but they do not know whether they are doing it. Kotter in 1991 when he tried to study the presence of Strategic marketing among NGOs also established this. The findings establish a great extend of use of electronic marketing strategies among NGOs

The donors, the service recipient and the volunteers are all important customers of the NGOs. Because of the different customers market segmentation strategies is a common phenomenon among the NGOs with different plans for different products and services for each of the target market. This shows a great extend of use of the modern marketing concept, which emphasizes better knowledge of ones customers.

There was also findings to the effect that many of the organizations do sponsors conferences and seminars, which in the marketing concept language could be seen as sales promotion through demonstration and public relations and publicity.

Marketing research and customer surveys are common marketing strategies among the NGOs. These are commonly done once or more than twice a year. However other NGOs do carry their customer survey every 3-5 years with an element of ad hoc surveys, which may be due to unpredictable nature of the environment. This shows that marketing research is not a continuous exercise in NGOs as demanded by the marketing concept and thus limited extend of use.

Due to the environmental complexity and turbulence, for any organization to be successful it must first try to understand its operating surrounding, as no organization exists in a vacuum. The call for environmental scanning is a common practice with more than 80% of the NGOs practicing it either by situation analysis, customer analysis and competition analysis. However from the research it was found out that, this is vaguely done. This is due to the fact that when ask to state their competitor; many could not identify their competitors as they do not collect information about them. Despite all this, external environmental influences have a great impact

on the strategies formulation and implementation as majority of the NGOs indicated that they had to change their marketing and promotional strategies in one way or another.

From the findings it could be generally concluded that the extend of use of strategic marketing among the NGOs in Kenya is still limited especially in the NGOs that are Locally owned while international owned and affiliated NGOs don't have marketing activities in Kenya even though they have huge marketing departments in their headquarters.

The second objective was to establish whether extend to which an NGO use strategic marketing is related to their performances. Every organization whether for profit or not is concerned all about better performance. These performances could either be in the field of marketing, personnel, financial and management. This study normally focused on the delivery of better marketing performance on NGOs in Kenya and whether they related to their performances. Why? Because better marketing performance drives better business performance. Effective marketing leads to increased revenues, improved profitability, decreased costs and more consistent strategic advantage. This applies across the board for all organizations

The performance motives and measurement will differ between profit making and non-profits making organization like NGOs

The study found out that performance measurement among the NGOs is mostly by level of amount of funds generated and number of projects initiated and completed however total expenditure is also a performance indicator. The degree to which a NGO has hit its targets indicates how well it has been performing.

Marketing strategies have some effects on the performance of NGOs and also on the organizational efficiency. How well a NGO markets itself will affect how it meets its targets. Perhaps this may explain either why performances levels of most NGOs have remain stagnant or decline over the last five years in Kenya (1998 –2002). This could be due to the moderate extend of practices of marketing strategies among the NGOs. The study established that extend of use of strategic marketing by NGOs in Kenya is till limited. Despite this many NGOs thought that marketing has enabled them to achieve a large proportion of their objectives. By comparing the extend of use of marketing and the performance levels over the years and relating them to the percentage of objectives that have been achieved it can be logically concluded that the extend of use of strategic marketing is related to the performance of NGOs.

This is because the success and the effectiveness of the promotional strategies in NGOs is mainly affected by organizations mission, the objectives and the transparency and accountability levels of the organization. Perhaps this explains the fact that those NGOs with clear mission and objectives consistent with the prevailing market demands are more successful and with high performance levels.

The major preferred promotional strategies among the NGOs are personal selling (40%), direct marketing (43%) and public relations (66.7%). This implies that other promotional strategies like sales promotion, marketing communication, direct marketing and publicity are considered not to be that important even though they are also used to some extent. This may explain the stagnant or declining performance of most NGOs because as Kotter and Aaker explains the marketing communication, direct marketing and sales promotion are among the most effective strategies of the modern world marketing (Kotter 2001 and Aaker 1998)

The third objective was to establish perceived importance of strategic marketing on improving the performance of NGOs. As argued elsewhere marketing plays a very important role in improving the performance of all the organizations. The study sought to establish perception of importance of various marketing strategies among the NGOs in Kenya. Marketing has a high perception among the NGOs in improving their performances. Many of the NGOs interviewed had high perception on the use of marketing strategies in improving their performances. However there was much acknowledgement that many of the marketing strategies are not in use or are not properly used.

Many of the marketing strategies were found to have a high perception among the NGOs. Product strategies like product modification, design and improvement strategies are very important in improving organizational performance. Distribution strategies are also highly perceived but the most preferred is selective distribution and hence the high perception for use of market segmentation, positioning and targeting strategies. Promotional strategies are also highly perceived, however telemarketing is not that regarded. Perhaps this due to high costs of telephone services in Kenya. Despite all this Kotler advocates for more usage of telemarketing as it could trigger high performances in NGOs. (1991)

In general, the role of marketing strategies in improving the performance of NGOs have high-perceived importance. However marketing strategies like segmentation, positioning, targeting, public relations and product developments and design and modification have greater perception among the NGOs in performance improvement.

5.2. Conclusions

Majority of NGOs indicated that they do formulate marketing strategies but with absence or minimal presence of marketing departments in many NGOs. The proportion of marketing personnel was also wanting. This may have an indication that marketing in NGOs is still mostly relegated to the non-marketing personnel and hence the very reason why they are poorly formulated and implemented and consequently the limited use. This explains the limited extend of use of strategic marketing among the NGOs in Kenya. This is typically supported by the indication by NGOs that donation have declined over the past due to use of outdated models of appeals and attritional fatigue or change of approaches to various cultures and declining economic conditions. In the study it was established that NGOs apply most of the marketing strategies however some do apply them unknowingly.

From this it is imperative therefore that if NGOs are to survive and turn the declining donor levels into upward streams then they must vigorously market themselves by repositioning and repackaging themselves as ways of responding to the political and cultural realignment over the globe. The NGOs must also become more focused on their clients ,that is both the donors and the recipients of their services. And as one person who moved from corporate world to the NGO sector said many of the NGOs must now be talking more of corporate approach of delivering and hitting targets or otherwise have the funding suspended by the donors. Hitting targets is only possible through better use of marketing practices.

In conclusion and deduction, it can be said that strategic marketing practices are used by Non Governmental Organizations in Kenya to some extend. However despite the use of marketing strategies by NGOs in Kenya, many do not have a clear understanding of how marketing should be done in these organizations and even those who have the knowledge do not make full use of it.

The performance of NGOs depend to some extent on the use of strategic marketing practices. This is because despite its acknowledged importance, strategic marketing has not been widely used by NGOs in Kenya. Majority of the local NGOs do not have any marketing departments and those who have the ratio of employees in marketing is very small while the international NGOs do not have marketing departments in Kenya despite having them in their Headquarters abroad. The reason why the NGO's performance has been stagnant or declining may due to lack of full appreciation of strategic marketing holding other factors consider.

Because of high perceived importance of strategic marketing practices in improving performance of NGOs, NGOs should develop proper marketing strategies for their organizations, however they could only be possible if they establish proper marketing departments and employ enough and competent personnel in their marketing departments.

Because of attritional or cultural fatigue due to continuous environmental changes then NGOs must not dwell on their scope of entry points or what they normally consider flagship services or products. This is because the operational areas are no longer generic and for instance, the commonality of problems across different communities does not call for provision of the same services because of different cultural settings. Organizations must continually look for key or core product or service that will help to revolutionarise other products.

All this is visible if the NGOs becomes more serous with marketing and then try to understand the linkage between he donors and the recipients of the services. This could be done through continuous environmental scanning, situational analysis and consumer research. This aspect calls for establishment of strong marketing department with competent personnel who will be able to conduct proper marketing research and do continuous collection of marketing intelligence information. This will help the NGOs to continuously understand the end use need of the recipients and match them with the continuous changing needs of the donors. With this the organization will be able to successfully improve or modify the existing products or develop new service to reflect the changing donor needs or requirements like need for meeting the target accompanied by accountability and transparency, which of late have become buzz words in the NGO sector. This will likely attract a continuous stream of donor funds.

In essence it can be said that strategic marketing is a formidable force that cannot be just ignored in the Not for profit or the NGO sector. This is due to its perceived importance in improving the performances of the NGOs.

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5.3. Limitations of the study

Despite the over warming findings and conclusions the study faced some shortcomings, which included.

- i. The study was done in a time when the NGO sector in Kenya had suffered a lot of negative publicity from the government and every on trying to get information about them was treated with a lot of suspiciousness. This may have affected the level of information reviewed.
- ii. Financial constrains and time factor restricted the study o be carried out within a short time and in Nairobi.
- iii. None response rate was also experienced and may have caused some limitation

In spite of all this shortcomings, a lot of care and caution was taken to reduce the human error to the lowest level humanly possible and to make it more credible

5.4. Recommendations

From the findings it is important for the sake of policy that NGOs must serious reconsider the option of having marketing department within them. Professional marketers as opposed to no marketers as was found in most cases should head the marketing departments. It is also recommended that the marketing department should work closely with other departments. That is there should be a lot of coordinate marketing among the NGOs because of their nature of operations.

As the study concentrated more on the general strategic marketing practices among the NGOs further research could also be taken on the effects of specific marketing strategies on the operations and performances of NGOs. One could also try to undertake a case study o marketing practices and strategies in specific organizations specific. A detailed study on the relationship between the strategic marketing practices and performances of NGOs through out the country could also be carried out.

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APPENDIX ONE
Letter of Introduction

Date: _____

The Respondent _____

P O Box _____

NAIROBI

Dear Sir/Madam,

RE: REQUEST FOR YOUR PARTICIPATION IN MY RESEARCH WORK

I am a Postgraduate Student Pursuing a Masters of Business Administration (MBA) degree program in the Faculty of Commerce, University of Nairobi. In order to fulfill the degree requirements I am currently undertaking a management research Project on strategic marketing practices and performance of Non-Governmental Organization (NGO's) in Kenya. The study of focused on formulation Marketing strategies and the effects of the strategies on the performances of NGOs.

Your organization was chosen randomly.

This letter is meant to kindly request you to spare some of your time to fill the attached questionnaire for me.

Please be assured that the information you will provide will be strictly used for academic purposes and the Identify of your organization will be treated confidentially. A copy of the research paper will be availed to you after completion of the study upon request.

Any positive response will be highly appreciated.

Yours Sincerely,

Josephat M. Nzili

APPENDIX 2 QUESTIONNAIRE

SECTION I. GENERAL INFORMATION

1. (a) The name of the NGO _____
- (b) Position of respondent _____
- (c) How long have you been operating in Kenya? _____
- (d) How would you classify your NGO in respect to ownership (tick appropriately)
- (i) Foreign owned ()
 - (ii) Local private ()
 - (iii) Local (international affiliation) ()

2. Type of your organization

- (i) Religious based ()
- (ii) Non religious based ()

3. What is the area (s) of focus?

- (i) Educational Development ()
- (ii) Health Development Relief ()
- (iii) Welfare Development Multi-sectoral ()
- (iv) Environmental Development ()
- (v) Cultural Development ()
- (vi) Youth Development ()

4. Please indicate the:

- (i) Total number of your employees _____
- (ii) Total number of projects under your program at present _____

5. Do you have marketing department/Division in your organization?

Yes () No ()

6. How many employees do you have in your marketing department? _____

SECTION II: STRATEGY FORMULATION

7. Do you have the following?

- (a) Mission Statement. Yes () No ()
- (b) Vision Statement. Yes () No ()

8. (a) Does your organization have or set objectives?

Yes () No ()

(b) In which areas?

(i) Fund raising ()

(ii) No. Of projects ()

(iii) Advertising ()

(iv) Generate responses ()

(v) Introduce new services ()

(vi) Behavioural change ()

(vii) Others specify _____

9. (a) Does your organization formulate marketing strategies to respond to the changing environment?

Yes ()

No ()

(b) Is your strategy formulation?

(i) Formal ()

(ii) Informal ()

10. (a) Does your organization have marketing plans?

Yes () No ()

(b) If Yes, how often are they prepared?

(i) Once a year ()

(ii) Every 2 – 5 years ()

(iii) Every 5 – 10 years ()

SECTION III (A): SERVICE

11. To what extend do you think the following is important in determining your service or product advantage. Rate from (1) totally unimportant to (5) very important

(a) Nature of Services	(1)	(2)	(3)	(4)	(5)
(b) Quality of Services	(1)	(2)	(3)	(4)	(5)
(c) Promotion of Services	(1)	(2)	(3)	(4)	(5)
(d) Others (specify)	(1)	(2)	(3)	(4)	(5)

12. What are the major considerations in terms of your service/product quality (please list)?

13. To what extent do you the following environmental factors have impact on your organizational improvement or development of new products or services? Please Rate from (1) very great to not at all (5)

Political changes	(1)	(2)	(3)	(4)	(5)
Technological	(1)	(2)	(3)	(4)	(5)
Social changes	(1)	(2)	(3)	(4)	(5)
Behavioral changes	(1)	(2)	(3)	(4)	(5)
Economic factors	(1)	(2)	(3)	(4)	(5)
Competitors	(1)	(2)	(3)	(4)	(5)

SECTION III (B): PRICE

14. In setting the prices for your services how important are the following:

Rate from (1) totally unimportant to (5) very important

- (a) Determining pricing objectives (1) (2) (3) (4) (5)
- (b) Nature of targeted donors (1) (2) (3) (4) (5)
- (c) Quality perception of your service (1) (2) (3) (4) (5)
- (d) The reputation of your NGO (1) (2) (3) (4) (5)
- (e) Others (specify)_____ (1) (2) (3) (4) (5)

15. To what extend do you agree that the prices have some perception of the quality and the reputability of your organization in customer mind (donor/recipients)

From very great to No at all (1) (2) (3) (4) (5)

16. How would you rank your prices in comparison to those of your competitors?

- (i). Best 20 () (ii). Between 21-40 () (iii). Between 41-60 () (iv) Above. 60 ()

SECTION III (C): DISTRIBUTION

17. How do you deliver your services?

- (i) Personal delivery () (ii) Direct Mail ()
 (ii) Distribution network () (iv) Direct Marketing ()
 (v) Telemarketing ()

18. Please indicate to what extent the following distribution aspects factors have impact in your operations. Rate from (1) Not at all To (5) great extend

Intensive Distribution	(1)	(2)	(3)	(4)	(5)
Selective distribution	(1)	(2)	(3)	(4)	(5)
Comprehensive distribution	(1)	(2)	(3)	(4)	(5)

19. Does your field force cover specific regions or the entire country?

Specific regions () Entire country ()

SECTION III (D): PROMOTION

20. How important are the following factors in making your promotion effective?

Rate from totally unimportant (1) to very important (5)

(i) The organization mission	(1)	(2)	(3)	(4)	(5)
(ii) The objectives of the organization	(1)	(2)	(3)	(4)	(5)
(iii)The reputability of the organization	(1)	(2)	(3)	(4)	(5)
(iv) Transparency of your organization	(1)	(2)	(3)	(4)	(5)
(v)The personality of the organizational director	(1)	(2)	(3)	(4)	(5)
(vi) Others (specify)	(1)	(2)	(3)	(4)	(5)

21. Please indicate to what extent the following promotional strategies are important in marketing and promoting your organization: From totally unimportant (1) to very important (5)

(a) Sales promotion	(1)	(2)	(3)	(4)	(5)
(b) Personal selling	(1)	(2)	(3)	(4)	(5)
(c) Marketing communication	(1)	(2)	(3)	(4)	(5)
(d) Advertising	(1)	(2)	(3)	(4)	(5)
(e) Direct marketing	(1)	(2)	(3)	(4)	(5)
(f) Public relations	(1)	(2)	(3)	(4)	(5)
(g) Publicity	(1)	(2)	(3)	(4)	(5)

22. How often do you use the following media of advertising to promote your organization and services it provides?

	i. (Not very often)	ii. (Very often)	iii. (Never)
(i) Radio	()	()	()
(ii) Television	()	()	()
(iii) Newspapers	()	()	()
(iv) Bill Board	()	()	()
(v) Posters	()	()	()
(vi) Websites	()	()	()

23. (a) Does your organization sponsor any event?

Yes () No ()

(b) How often does it sponsor the following?

	i. (Not very often)	ii. (Very often)	iii. (Never)
(i) Conferences/seminars	()	()	()
(ii) Games/sports	()	()	()
(iii) TV programs	()	()	()
(iv) Public demonstration	()	()	()

SECTION IV: MARKETING INFORMATION

24. Does your organization conduct marketing research?

Yes () No ()

25. Does your organization conduct customer survey?

Yes () No ()

(b) How often?

- (i) Once or more than twice a year ()
- (v) Every 2 – 3 years ()
- (vi) Every 3 – 5 years ()
- (vii) Over 5 years ()
- (viii) Never ()

26. Who do you consider to be the best customer?

- (i) Donors /Funders ()
- (ii) Recipients of services ()

(iii) Volunteers ()

(iv) All ()

27. (a) Do you provide service to different customers (segments of the market)

Yes () No ()

(b) If yes, do you develop different marketing plans for each of the following?

(i) Different product/service ()

(ii) Different customers () ()

(iii) Different geographical areas ()

(iv) Others (specify) ()

SECTION V: ENVIRONMENTAL SCANNING

28. (a) Do you do any environmental scanning

Yes () No ()

(b) If yes, how do you do it? Please explain.

(c) If No, Why?

29. Who do you consider to be your major competitors? Please list.

(i) _____ (ii) _____

(iii) _____ (iv) _____

(v) _____ (vi) _____

30. (a) Do you collect information about your competitors?

Yes () No ()

(b) If yes, how do you do it? Please explain.

31. What activities do you consider to be very important in order to remain competitive in this industry (the key success factor)?

(i) _____

(ii) _____

(iii) _____

(iv) _____

32. (a) Have you had to change your promotional strategies due to changes in the external environment?

Yes () No ()

(b) If Yes, in which ways?

SECTION VI: PERFORMANCE

33. Please indicate how important the following are when it comes to performance measurement in your organization.

(i) Not important (ii) Important (iii) Very important

(i) Amount of funds generated () () ()

(ii) Total expenditure () () ()

(iii) Number of projects initiated () () ()

34. (a) To what extent do you think that marketing strategies have impact on your performance?

(i) No impact. (ii) Small extend (iii) on average (iv) great extend.

(b) What do you consider to be the impact? Please explain.

35. Do you consider your organization to have been successful?

Yes () No. ()

36. Do you think that the marketing activities have aided in achievement of organizational objective and efficiency.

Yes () No. ()

37. If yes indicate please indicate the level of efficiency in your organization.

i) 0-25% ()

ii) 26-50% ()

iii) 51-75% ()

iv) 76-100% ()

38. What is the percentage level of your set objectives that you have met?

i) 0-25% ()

ii) 26-50% ()

iii) 51-75% ()

iv) 76-100% ()

39. Please indicate what has been your performance level over the last five years.

	0-25%	26-50%	51-75%	76-100%
2002				
2001				
2000				
1999				
1998				

40. Please indicate to what extent do you perceive the following marketing strategies important in improving performances of your organization. Use 5-point scale where (1) Not at all To (5) great extend

1. Product/Service development.	1	2	3	4	5
2. Product/service design	1	2	3	4	5
3. Product modification	1	2	3	4	5
4. Package	1	2	3	4	5
5. Pricing	1	2	3	4	5
6. Direct mail	1	2	3	4	5
7. Telemarketing	1	2	3	4	5
8. Direct marketing	1	2	3	4	5
9. Personal selling	1	2	3	4	5
10. Advertising strategies	1	2	3	4	5
11. Marketing communication	1	2	3	4	5
12. Public relations	1	2	3	4	5
13. Publicity	1	2	3	4	5
14. Sales promotion	1	2	3	4	5

- 15. Market segmentation 1 2 3 4 5
- 16. Market positioning 1 2 3 4 5
- 17. Market targeting 1 2 3 4 5

Thank you, very much for your cooperation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Incentive services	1	3.3	3.3	3.3
Behavioural change	1	3.3	3.3	6.7
Combination of these	28	93.3	93.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Appendix 3

Distributions of responses to the questionnaire

Areas of objectives

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Introduce new services	1	3.3	3.3	3.3
Behavioural change	1	3.3	3.3	6.7
Combination of areas	28	93.3	93.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Importance of inclusion of services

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Totally unimportant	2	6.7	6.7	6.7
Mostly unimportant	2	6.7	6.7	13.3
Important	4	13.3	13.3	26.7
Very important	20	66.7	66.7	93.3
Not important	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Appendix 4
Determinants of importance of service determinants

importance of promotion of Services

Importance of quality of services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally Unimportant	1	3.3	3.3	3.3
	Not very important	1	3.3	3.3	6.7
	Moderately important	4	13.3	13.3	20.0
	Important	3	10.0	10.0	30.0
	Very Important	20	66.7	66.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Importance of nature of services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally Unimportant	2	6.7	6.7	6.7
	Moderately Important	2	6.7	6.7	13.3
	Important	4	13.3	13.3	26.7
	Very Important	20	66.7	66.7	93.3
	Non response	2	6.7	6.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Appendix 5

PRICE DETERMINANTS

Importance of promotion of Services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Totally unimportant	3	10.0	10.0	10.0
	Not very important	3	10.0	10.0	20.0
	Moderately important	9	30.0	30.0	50.0
	Important	6	20.0	20.0	70.0
	Very important	6	20.0	20.0	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Appendix 5
PRICE DETERMINANTS

Statistics

	N		Mean	Mode
	Valid	Missing		
Importance of determining pricing objectives in setting prices (cost) for services	30	0	4.40	5
Importance of nature of targeted donors in setting prices (cost) for services	30	0	4.30	5
Importance of quality perception of your service in setting prices (cost) for services	30	0	4.20	4
Importance of the reputation of the NGO in setting prices (cost) for services	30	0	4.57	5
Importance of other factors in setting prices (cost) for services	30	0	5.57	6
Extend of price perception of the quality and the reputation of the organization in customer mind (donor/repient)	30	0	2.67	1 ^a
Price ranking in comparison to the competitors	30	0	2.70	1

a. Multiple modes exist. The smallest value is shown

Appendix 6
Impact of distributions on the organizations operations

Impact of Intensive distribution in the organization operations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	6	20.0	20.0	20.0
	A little extend	5	16.7	16.7	36.7
	Moderate	5	16.7	16.7	53.3
	A fair extend	5	16.7	16.7	70.0
	Great extend	4	13.3	13.3	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Impact of Selective distribution in the organization operations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	2	6.7	6.7	6.7
	A little extend	1	3.3	3.3	10.0
	Moderate	2	6.7	6.7	16.7
	A fair extend	8	26.7	26.7	43.3
	Great extend	12	40.0	40.0	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Impact of Comprehensive distribution in the organization operations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	A little extend	5	16.7	16.7	33.3
	Moderate	5	16.7	16.7	50.0
	A fair extend	6	20.0	20.0	70.0
	Great extend	3	10.0	10.0	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Appendix 7

Determination of importance of Promotion Determinants

Statistics

	N		Mean	Mode
	Valid	Missing		
Importance of organization mission in making promotion effective	30	0	4.77	5
Importance of organization objectives in making promotion effective	30	0	4.83	5
Importance of organization reputation in making promotion effective	30	0	4.40	5
Importance of organization transparency in making promotion effective	30	0	4.87	5
Importance of the personality of the organizational director in making promotion effective	30	0	3.90	4
Importance of other factors in making promotion effective	30	0	5.63	6
Importance of Sales promotion in marketing and promoting the organization	30	0	3.53	6
Importance of Personal selling in marketing and promoting the organization	30	0	4.27	5
Importance of Marketing communication in marketing and promoting the organization	30	0	4.20	5
Importance of Advertising in marketing and promoting the organization	30	0	3.80	3
Importance of Direct marketing in marketing and promoting the organization	30	0	4.30	5
Importance of Public relation in marketing and promoting the organization	30	0	4.90	5
Importance of Publicity in marketing and promoting the organization	30	0	4.30	4
organization and services promotion through radio	30	0	2.13	3
organization and services promotion through television	30	0	2.10	3
organization and services promotion through newspapers	30	0	1.90	2
organization and services promotion through Bill boards	30	0	2.40	3
organization and services promotion through posters	30	0	2.00	2
organization and services promotion through websites	30	0	2.03	2
If the organization sponsor any event	30	0	1.33	1
How often the organization sponsors conferences/seminars	30	0	2.17	2
How often the organization sponsors Games/sports	30	0	2.70	3
How often the organization sponsors TVprograms	30	0	2.77	3
How often the organization sponsors public demonstration	30	0	2.50	3

Appendix 8

Frequency of sponsorship of events

How often the organization sponsors conferences/seminars

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	5	16.7	16.7	16.7
	Very often	16	53.3	53.3	70.0
	Never	8	26.7	26.7	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

How often the organization sponsors Games/sports

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	5	16.7	16.7	16.7
	Never	24	80.0	80.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

How often the organization sponsors TV\programs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not very often	3	10.0	10.0	10.0
	Very often	2	6.7	6.7	16.7
	Never	24	80.0	80.0	96.7
	Non response	1	3.3	3.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

How often the organization sponsors public demonstration

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Not very often	6	20.0	20.0	20.0
Very often	4	13.3	13.3	33.3
Never	19	63.3	63.3	96.7
Non response	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 2001

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-75%	8	30.0	30.0	30.0
81-75%	14	46.7	46.7	76.7
76-100%	5	16.7	16.7	93.3
Non response	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 2000

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20%	2	6.7	6.7	6.7
21-75%	7	23.3	23.3	30.0
76-75%	11	36.7	36.7	66.7
76-100%	8	26.7	26.7	93.3
Non response	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Appendix 9

Organizational Performance levels

The organization performance level in 2002

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-25%	3	10.0	10.0	10.0
26-50%	7	23.3	23.3	33.3
51-75%	15	50.0	50.0	83.3
76-100%	4	13.3	13.3	96.7
Non response	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 2001

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 26-50%	9	30.0	30.0	30.0
51-75%	14	46.7	46.7	76.7
76-100%	5	16.7	16.7	93.3
Non response	2	6.7	6.7	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 2000

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-25%	2	6.7	6.7	6.7
26-50%	7	23.3	23.3	30.0
51-75%	11	36.7	36.7	66.7
76-100%	7	23.3	23.3	90.0
Non response	3	10.0	10.0	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 1999

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-25%	3	10.0	10.0	10.0
26-50%	7	23.3	23.3	33.3
51-75%	10	33.3	33.3	66.7
76-100%	6	20.0	20.0	86.7
Non response	4	13.3	13.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

The organization performance level in 1998

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-25%	4	13.3	13.3	13.3
26-50%	9	30.0	30.0	43.3
51-75%	5	16.7	16.7	60.0
76-100%	7	23.3	23.3	83.3
Non response	4	13.3	13.3	96.7
6	1	3.3	3.3	100.0
Total	30	100.0	100.0	
Total	30	100.0		

Appendix 10

Extend of perceived importance of marketing strategies

The extend of importance of Product/service development in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	1	3.3	3.3	3.3
	A fair extend	4	13.3	13.3	16.7
	Great extend	20	66.7	66.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Product/service design in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	3	10.0	10.0	10.0
	Moderate	1	3.3	3.3	13.3
	A fair extend	4	13.3	13.3	26.7
	Great extend	17	56.7	56.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Product modification in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	4	13.3	13.3	13.3
	Moderate	3	10.0	10.0	23.3
	A fair extend	7	23.3	23.3	46.7
	Great extend	11	36.7	36.7	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of package in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	6	20.0	20.0	20.0
	A little extend	1	3.3	3.3	23.3
	Moderate	7	23.3	23.3	46.7
	A fair extend	7	23.3	23.3	70.0
	Great extend	3	10.0	10.0	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of pricing in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	A little extend	2	6.7	6.7	23.3
	Moderate	4	13.3	13.3	36.7
	A fair extend	5	16.7	16.7	53.3
	Great extend	8	26.7	26.7	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Direct mail in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	A little extend	2	6.7	6.7	23.3
	Moderate	6	20.0	20.0	43.3
	A fair extend	8	26.7	26.7	70.0
	Great extend	3	10.0	10.0	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of telemarketing in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	10	33.3	33.3	33.3
	Moderate	6	20.0	20.0	53.3
	A fair extend	6	20.0	20.0	73.3
	Great extend	2	6.7	6.7	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Direct Marketing in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	4	13.3	13.3	13.3
	A little extend	1	3.3	3.3	16.7
	Moderate	3	10.0	10.0	26.7
	A fair extend	4	13.3	13.3	40.0
	Great extend	13	43.3	43.3	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Personal Selling in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	A little extend	1	3.3	3.3	20.0
	Moderate	7	23.3	23.3	43.3
	A fair extend	3	10.0	10.0	53.3
	Great extend	9	30.0	30.0	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Advertising strategies in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	Moderate	4	13.3	13.3	30.0
	A fair extend	8	26.7	26.7	56.7
	Great extend	8	26.7	26.7	83.3
	Non response	5	16.7	16.7	100.0
Total	30	100.0	100.0		
Total		30	100.0		

The extend of importance of Marketing Communicaton in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	3	10.0	10.0	10.0
	A little extend	2	6.7	6.7	16.7
	Moderate	3	10.0	10.0	26.7
	A fair extend	5	16.7	16.7	43.3
	Great extend	13	43.3	43.3	86.7
	Non response	4	13.3	13.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Public relations in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A fair extend	6	20.0	20.0	20.0
	Great extend	21	70.0	70.0	90.0
	Non response	3	10.0	10.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Publicity in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	3	10.0	10.0	10.0
	Moderate	9	30.0	30.0	40.0
	A fair extend	8	26.7	26.7	66.7
	Great extend	6	20.0	20.0	86.7
	Non response	4	13.3	13.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Promotion in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	5	16.7	16.7	16.7
	A little extend	2	6.7	6.7	23.3
	Moderate	11	36.7	36.7	60.0
	A fair extend	4	13.3	13.3	73.3
	Great extend	3	10.0	10.0	83.3
	Non response	5	16.7	16.7	100.0
Total		30	100.0	100.0	
Total		30	100.0		

The extend of importance of Market segmentation in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	2	6.7	6.7	6.7
	Moderate	4	13.3	13.3	20.0
	A fair extend	5	16.7	16.7	36.7
	Great extend	13	43.3	43.3	80.0
	Non response	6	20.0	20.0	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

The extend of importance of Market Positioning in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	1	3.3	3.3	3.3
	Moderate	1	3.3	3.3	6.7
	A fair extend	10	33.3	33.3	40.0
	Great extend	13	43.3	43.3	83.3
	Non response	5	16.7	16.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

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The extend of importance of Market targeting in improving performances of the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	1	3.3	3.3	3.3
	Moderate	1	3.3	3.3	6.7
	A fair extend	10	33.3	33.3	40.0
	Great extend	14	46.7	46.7	86.7
	Non response	4	13.3	13.3	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Appendix 11

Nature of NGOs (Bio-data)

Area of Specification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Health development relief	1	3.3	3.3	3.3
	Welfare developmet	5	16.7	16.7	20.0
	Multi-sectoral Enterprise Development	7	23.3	23.3	43.3
	Combination of areas	17	56.7	56.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Type of Ownership

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Foreign owned	7	23.3	23.3	23.3
	Local private	9	30.0	30.0	53.3
	Local (International affiliation)	14	46.7	46.7	100.0
	Total	30	100.0	100.0	
Total		30	100.0		

Appendix 12

PROJECT SUMMARY

	N	Mean
Mission Statement	30	1.00
Vision Statement	30	1.03
Set Objectives	30	1.03
Any Marketing dept/division	30	1.53
Does the organization have marketing plans	30	1.30
Importance of nature of services	30	4.53
Importance of quality of services	30	4.43
Importance of promotion of Services	30	3.60
Impact of political changes on organization improvement	30	1.90
Impact of technological changes on organization improvement	30	2.10
Impact of social changes on organization improvement	30	1.73
Impact of behavioral changes on organization improvement	30	2.20
Impact of economic factors on organization improvement	30	1.70
Impact of competitors on organization improvement	30	3.13
Importance of determining pricing objectives in setting prices (cost) for services	30	4.40
Importance of nature of targeted donors in setting prices (cost) for services	30	4.30
Importance of quality perception of your service in setting prices (cost) for services	30	4.20
Importance of the reputation of the NGO in setting prices (cost) for services	30	4.57
Extend of price perception of the quality and the reputation of the organization in customer mind (donor/recipient)	30	2.67
How services are delivered	30	4.70
Impact of Intensive distribution in the organization operations	30	3.37
Impact of Selective distribution in the organization operations	30	4.40
Impact of Comprehensive distribution in the organization operations	30	3.50
Importance of organization mission in making promotion effective	30	4.77
Importance of organization objectives in making promotion effective	30	4.83
Importance of organization reputation in making promotion effective	30	4.40
Importance of organization transparency in making promotion effective	30	4.87
Importance of the personality of the organizational director in making promotion effective	30	3.90
Importance of Sales promotion in marketing and promoting the organization	30	3.53
Importance of Personal selling in marketing and promoting the organization	30	4.27
Importance of Marketing communication in marketing and promoting the organization	30	4.20
Importance of Advertising in marketing and promoting the organization	30	3.80
Importance of Direct marketing in marketing and promoting the organization	30	4.30
Importance of Public relation in marketing and promoting the organization	30	4.90
Importance of Publicity in marketing and promoting the organization	30	4.30
Organization and services promotion through radio	30	2.13
Organization and services promotion through television	30	2.10
Organization and services promotion through newspapers	30	1.90
Organization and services promotion through Bill boards	30	2.40

Organization and services promotion through posters	30	2.00
Organization and services promotion through websites	30	2.03
If the organization sponsor any event	30	1.33
How often the organization sponsors conferences/seminars	30	2.17
How often the organization sponsors Games/sports	30	2.70
How often the organization sponsors TV programs	30	2.77
How often the organization sponsors public demonstration	30	2.50
Whether the organization does marketing research	30	1.23
Whether the organization does customer survey	30	1.17
How often is customer survey conducted	30	2.37
The best customer	30	3.63
Different customers (market segment)	30	1.33
If different customers, does the organization develop different marketing plan for Different product/service	30	1.40
If different customers, does the organization develop different marketing plan for Different customers	30	1.47
If different customers, does the organization develop different marketing plan for Different geographical areas	30	1.43
If different customers, does the organization develop different marketing plan for Different other things	30	1.97
Any environmental scanning	30	1.23
Whether the organization collects information about its competitors	30	1.30
Whether promotional strategies have been changed due to external environment	30	1.40
Importance of Amount of funds generated in performance measurement performance in the organization	30	2.80
Importance of Total expenditure in performance measurement performance in the organization	30	2.30
Importance of No of projects initiated in performance measurement performance in the organization	30	2.90
Possible effect of marketing strategies in the organization	30	3.63
Whether the respondents considers their organization successful	30	1.00
Whether marketing strategies have aided achieve efficiency and objectives	30	1.03
Level of efficiency achieved by marketing	30	2.83
Percentage Level of set objectives achieved by marketing	30	2.90
The organization performance level in 2002	30	2.77
The organization performance level in 2001	30	3.00
The organization performance level in 2000	30	3.07
The organization performance level in 1999	30	3.03
The organization performance level in 1998	30	3.03

Valid N (listwise) 30, the Sample size

Appendix 13

List of NGOs Sampled

1. ABANTU for Development (Kenya)
2. ACORD (Kenya, Somalia) – Agency for Co-operation and Research Development
3. Action Aid (Kenya)-
4. ADA – Ambassadors Development Agency (Kenya)
5. ADRA (Kenya) – Adventist Development and Relief Agency International
6. Africa Now (Kenya, Nairobi)
7. AKF – Aga Khan Foundation (Kenya)
8. AMREF – African Medical and Research Foundation (Somalia)
9. ANPPCAN – African Network for the Prevention and Protection Against Child Abuse and Neglect (Kenya)
10. ApproTEC (Kenya) – Appropriate Technologies for Enterprise Creation
11. CARE International (Kenya) – Cooperative for Assistance and Relief Everywhere
12. CCF – Christian Children’s Fund (Kenya)
13. CODA – Community Based Development Agency (Kenya)
14. CPDA – Christian Partners Development Agency (Kenya)
15. DED – German Development Service (Kenya)
16. DSW – German Foundation for World Population (Kenya)
17. Faulu Africa (Kenya)
18. FEMNET – Africa women’s Development and Communications Network (Kenya)
19. Food for the Hungry International (Kenya)
20. FPIA – Family Planning International Assistance (Kenya)
21. GTZ – German Agency for Technical Cooperation (Kenya)
22. Horn of Africa Relief and Development Agency (Kenya)

23. JICA – Japan International Cooperation Agency (Kenya)
24. KAODA – Kommunalaktion Organization for Development Assistance (Kenya)
25. KEEP – Kenya Enterprise Empowerment Program (Kenya)
26. KGT – Kenya Gatsby Trust, Gatsby Marketing Centre (Kenya)
27. K-Rep Development Agency (Kenya)
28. LWF – Lutheran World Federation (Kenya)
29. Mercy International Relief Agency Limited (Kenya)
30. MS – Danish Association for International Co- operation/Mellemfolkeligt Samvirke (Kenya)
31. Neighbors Development Agency (Kenya)
32. NPA (Kenya) – Norwegian People’s Aid
33. Oxfam UK and Ireland (Kenya)
34. Plan International (Kenya)
35. PRIDE Africa (Kenya) – Promotion of Rural Initiatives and Development Enterprises Ltd.
36. RISD – Rural Initiatives for sustable Development (Kenya)
37. Samaritan Development Programmes (Kenya)
38. SCC (Kenya) – Save the Children Canada
39. SGS – Solidarity Goodwill Services (Kenya)
40. SIPAK – Strategic Interventions for Poverty Alleviation in Kenya (Kenya)
41. SNV (Kenya) – Netherlands Development Organisation
42. SODNET – Social Development Network (Kenya)
43. Swisscontact (East Africa) – Swiss Foundation for Technical Cooperation
44. Undugu Society of Kenya
45. VITA (Kenya) – Volunteers In Technical Assistance Inc.

46. WIDNET – Women in Development Network (Kenya)
47. WI – World Vision International (Kenya)
48. Yitzhak Rabin Foundation (Kenya)
49. YWCAK – Young women’s Christian Association of Kenya
50. Medicine for essential drugs and supplies (MEDS)
51. Christian Children's funds (CCF)
52. Sunlink (MPC)
53. Kicoshep
54. Adventist relief and Development Agency
55. Micro and Small Enterprise Development
56. Neighbors Development Agency
57. Christian Partners Development Agency
58. The National School Feeding Council of Kenya
59. Kenya Gatsby Trust
60. Ambassadors Development Agency