

EFFECTIVE MARKETING AESTHETICS AND STRATEGIES FOR THE INDIAN NON-PROFIT

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ABSTRACT

Non-profit organizations are bodies that engage in economic activities for the purpose of benefiting communities and bringing social change in contrast to traditional business ventures which have a profit motive. They receive a majority of their funds from financial contributions from donors and members and not from the exchange of goods and services. They engage in activities to provide public services to underprivileged sections of the society like free education for orphans and free healthcare for those who cannot afford expensive medical treatment. Non-profit organizations engage in similar activities as some branches of the government but they are more independent and flexible in their workings. Governments actively seek the help of non-profit bodies to implement public welfare policies such as family planning, consumer education and so on. In India, non profit organizations can be legally established and under 9 different legislations such as the Companies Act, 1956 and the Public Trust Act, 1960 depending on their formation, membership and working. They are given exemption tax breaks amongst other form of government assistance to foster growth. However, it is imperative for non-profit bodies to stay connected and relevant to the public to not only attain their social goals but also for their sustenance and growth. This paper gives a background of non-profit bodies and their growth in India since independence. It aims to analyse the problems associated to brand building and marketing which are important for non-profit bodies to be financially secure. It surveys related problems that prevent the growth of these bodies and the role of social media and technology to solve those problems. Lastly, it contains policy recommendations which aim at making non-profit bodies more relatable and visible to the public eye, which increases chances of creating social change.

Keywords: Non-profit organizations, Marketing Aesthetics, Goods and services, Government, Policy, Financial

BACKGROUND

Ideas of charity and philanthropy have been intrinsically ingrained in the minds of the Indian population. Major dominant religions, especially Hinduism and Buddhism actively propagate volunteerism and societal service. There were several non-governmental bodies that flourished during the Swadeshi Movement of the Indian Freedom Struggle that worked for the welfare of indigenous traders and other professionals. These were based on Gandhian Principles of Trusteeship and collective responsibility. Organizations such including the Friend-in-Need Society (1858), Prathana Samaj (1864), Satya Shodhan Samaj (1873), Arya Samaj (1875), the National Council for Women in India (1875), and the Indian National Conference (1887) started in that era to focus on removing social evils and discrimination by reforming education. After independence, the then Congress Government took upon itself the responsibility of social and cultural development of the country. Many nonprofit movements such as the Khadi Movement became part of the government after independence as the Khadi and Village Industries Commission. In the 1980s there was a need to increase accountability of non-profit organizations, and there were efforts made to hold them accountable by enacting legislations and amending existing laws.

The number of NGOs in India have been steadily increasing since the pro-liberalization phase of India's economic policy in 1991. According to data collected in 2009, there are 3,174,420 NGOs in India (Central Statistics Office, 2009). This implies that there are around 4 NGOs for every 1,000 people in urban areas and 2.3 NGOs for every 1,000 rural population. A PRIA s reveals that 26.5% of NGOs are engaged in religious activities, while 21.3% work for local areas and communities. 20% of NGOs works in the education sector, 17.9% engage in the fields of sports and culture and only 6.6% work for provision of healthcare. About 75% of NGOs have no paid staff despite which 19 million Indians work as volunteers for them (PRIA, 2002) Studies show that despite the gradual increase in funding for NGOs, the distribution of these funds is extremely lopsided. Less developed states of Madhya Pradesh, Bihar, Rajasthan and Uttar Pradesh, receive less than 10% of the total funding. These states are also amongst the most populous and least developed in India (Rajasekhar, 2000).

Despite NGOs growing in strength and number, they have not fulfilled their potential in terms of contribution to communities and causes. NGOs have problems in communicating with various stakeholders like beneficiaries, volunteers and funding bodies which deter their organizational objectives. There is a need for NGOs to attract and retain those stakeholders to continue operations because of financial constraints (Bhati, 2013). An efficient, approachable, interactive and creative public relations programs helps in communicating the potential benefits of activities of an organization. This also enhances goodwill of NGOs amongst communities.

IMPORTANCE OF MARKETING

Marketing has become one of the most integral functions of business management. However, the impact of marketing extends to entities beyond those which have a profit motive. Marketing is a psychological tool of establishing a connection between an idea and an individual which might lead to an interaction between the two. Non-Profit agencies often make the mistake of believing that their cause is enough for them having popularity and impact on people. However, this impact is contingent on the perception and uniqueness of that organization in the eyes of the public.

NonProfits must actively research their markets and engage with the stakeholders they wish to cater to amongst the public. This gives them the opportunity to change or shift their ideas and activities according to the preference of the market. For example, organising marathons to generate awareness has become a popular method employed by NGOs in college campuses. Awareness of the market helps organisations guide their efforts in the right direction. Contextualised and specialised approaches nudge donors, beneficiaries and the public in general towards engagement with the NGO in the form of funding or popularity which directly influence impact. Technological developments act as catalysts for cultural and societal developments, and the other way around. Understanding these trends and developments helps in creating new opportunities for design and delivery of new products or services. Thus, technology has become an important means of marketing for NGOs. Networking reduces geographical barriers that prevent fruitful engagement with the public. An active online presence helps NGOs reach out to potential sponsors, collaborators and events (Sleurink, 2002).

Branding, in the non-profit sector has been frowned upon because of its historical association with profit making bodies. However, there is a need to re-imagine branding by looking at it as a tool that assists welfare programs. NGOs like the World Wildlife Fund, American Red Cross have harnessed branding as their logos have been synonymous with their cause. Branding has a high correlation with increase in popularity and outreach of non-profits. Marcia Marsh, COO of the World Wildlife Fund (WWF) in the United States of America was quoted saying, "Our brand is the single greatest asset that our network has, and it's what keeps everyone together" (Stone & Kylander, 2012). Branding also leads to an increase in accountability of such organizations. This alignment and clarity in positioning brings about greater trust between the nonprofit and many external audiences including its partners, beneficiaries, participants, and donors.

PROBLEMS IN MARKETING FOR NONPROFITS

Perhaps the first problem that is faced in marketing in NGOs is the absence of a perspective and an outlook of looking at such organizations as brands. The models and terminology used in the

nonprofit sector to understand and evaluate the concept of brand remain those imported from the for-profit sector. Nonprofit executives themselves define brands in for-profit language. This outlook towards marketing has produced a deep current of skepticism about it within nonprofit organizations, making many nonprofit leaders ambivalent about both concepts like branding and social media marketing. This leads to the characterization of marketing as a commercial pursuit of monetary gain. People tend to look down at the activity because it is seen as a pursuit of revenue at the cost of the dilution of the cause that the organization works for. A similar narrative exists around the idea of 'Public Relations' for nonprofits. There is a fear of one organization's powerful brand overshadowing weaker brands, hence creating hierarchies and power imbalances (Stone & Kylander, 2012).

Despite people realising the need of marketing, strategic frameworks and management tools available to efficiently execute that function have not been adequate. Most NGOs lack a department of marketing and public relations altogether. In a space where funding and costing determine, to a great degree, the impact and activities of the nonprofit, marketing and economics analyses techniques are some tools that become imperative to NGOs who try to understand their true cost, improve its recovery and enhance sustainability. It is also important for nonprofits to have a department that is similar to "Employee Relations" departments in companies and aims at improving internal staff relations. Most people who work for nonprofits do so as volunteers, but they play a significant role in raising funds and motivating beneficiaries towards the NGOs. Volunteers do not work for monetary benefits, but for the cause and recognition. Nonprofits must be cognizant of the needs of volunteers to satisfy them. Thus, the presence of a 'Personnel Department' would add to the sense of loyalty for the organization amongst the employees.

There a very narrow view of marketing amongst NGOs. Most volunteers and directors consider marketing to be nothing more than a 'vending, presentation and publicity activity' (Kestane, 2014). This narrows down the infinite contextualised possibilities of marketing that NGOs should explore. In reality marketing consists of various activities, starting from determining the needs and requests of a target group to creating social service combinations that meet their requirements, and finally controlling activities and taking feedback. Nonprofits have a difficult time in defining the target group of their marketing activities. This is because these activities are aimed at two types of people- donors and beneficiaries. Both these groups usually come from opposite ends of the social and economic spectrum. Therefore, organizations must be careful in ensuring that the right type of marketing method is used to tackle the right group (Kestane, 2014). Another predicament for NGOs is related to the measurability of the results. Firstly NGOs mostly provide services and goods for free or at prices too low to make a profit. Thus activities of NGOs cannot be measured covered by internal budgets and financial tables. Instead these are found in external environments in terms of their impact on beneficiaries. Finally, NGOs face

shortages of funds, manpower and time to engage in marketing given that such shortages exist in normal day to day functioning.

NEW MARKETING STRATEGIES

There are multiple techniques guided by technological innovations and companies that NGOs can use to enhance their outreach and impact. Through social media they can inspire people to join their respective causes which invoke a lot of interest in the masses. Microsoft and Google give roughly 1 billion dollars to help nonprofits promote their causes online each year by allowing them to advertise for free on the largest search engines on the internet through programs like Google AdSense (Cunha, 2018). Advertisers get access to free clicks worth \$10,000 on the pay per click program of google if they work for social causes and not profit. Video marketing also helps in creating an impact amongst people online (Cunha, 2018). Email is one of the most efficient ways to reach supporters and potential donors. Along with whatsapp marketing it is one of the ways of establishing a personal connection with individuals which allows engagement and communication to occur. Facebook and other social media websites make things easier for NGOs by providing a “donate-now” button that provides for easy transfer of funds between the banks of the donor and the organization. However, it is extremely important that NGOs constantly update their pages and websites across social media because an unattended social media handle can leave a bad taste for the NGO amongst the public. NGOs should identify their core objectives and beliefs, define them as executable goals, and importantly highlight any limitations, concerns and shortcomings that need to be fulfilled. This will help them in creating a Digital Strategy which will assist them in understanding how to market themselves. NGOs should also clearly define their target audience and create digital campaigns accordingly. If the content online is engaging it will help NGOs to maintain and increase their followers, promote their newsletters, kick off fundraising campaigns and provide people with regular updates of activities. Organizations should not just maintain an active social media presence, but it is also advisable for them to start and run their own websites. This adds a layer of professionalism in the way the NGO approaches its activities. Adding pop ups to the website is a good way to get people to sign up for newsletters and help collect contact information of potential donors.

RECOMMENDATIONS AND CONCLUSION

Decentralization is a method that is being used by NGOs across the world to reduce cost and widen engagement and impact. This has proved beneficial for NGOs like Action aid. Indian Nonprofits can also adopt this because it is essential to move closer to the community and stay in touch with their needs. This helps nonprofits as they launched specialized and contextualized campaigns which are more compatible to fulfill needs and necessities of the targeted

beneficiaries. Decentralization also reduces the costs incurred in marketing. Marketing should be targeted at single individual events rather than combined long term programs because single events are more attractive to potential donors and volunteers. An ideal marketing technique is to break up long-term programs into several parts and market those parts separately to different or the same audience according to need. This also helps NGOs create various programs for various stakeholders according to their preferences and choices.

To ensure that the end goals of marketing are met, it is essential that nonprofits orient their internal workings in a way that builds faith amongst the public. This includes being more accountable and transparent with respect to donations in cash or kind. Corruption and inefficient use of finances lead to reluctance in donations by international organizations like the World Bank Partnering with international organizations like the United States Agency for International Development would add to the marketing potential and ability of nonprofits in India. It has pioneered the employment of social marketing practices over the past 30 years in the fields of Contraceptive Social Marketing (CMS) which was centred around the supply and promotion of family planning. It uses a mix of applications of social marketing to increase awareness and consumption of contraceptives (Parthasarathy, 2012).

It is imperative for nonprofits to communicate with their internal and external public for in a continuously changing environment. To stay connected to the grassroots, NGOs must themselves go through a transformation in their approach to generating awareness amongst the public. An efficient marketing and public relations program helps nonprofits create a favourable image in front of potential volunteers and donors. The success or failure of organizations are often contingent on their perception to the public, which marketing greatly enhances. Understanding and implementing a sound marketing policy across social media and other 'unconventional' platform is the path that nonprofits should choose to better their chances of generating real impact and improving people's lives.

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