

THE FEATURES OF MARKETING MIX FOR NON-PROFIT ORGANISATIONS

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INTRODUCTION

As elsewhere across the world, the non-profit sector in Ukraine is developing dynamically. A wide range of foreign and Ukrainian scholars has written about the role of these organisations in modern civil society. Many are also engaged in estimating the general organisational capacity of such organisations. There is a dearth of literature, however, on the use of marketing strategies and tools by non-profit organisations in countries with transitioning economies. While much has been written on marketing for business firms, it is difficult to use these approaches for the non-profit sector because the nature of the activity differs significantly. Non-governmental organisation marketing is also addressed in the literature, but in most cases it deals with the development of such organisations in the US, a country with a developed market economy and civil society. One cannot always use these approaches in countries with transitive economies, such as Ukraine. For the successful implementation and analysis of the effectiveness of marketing strategies and tools by non-profits in Ukraine, one must first understand how marketing mix for NGOs differs from that employed by businesses. This article examines the essence and special features of marketing mix for non-profit organisations.

MARKETING MIX FOR NON-PROFIT ORGANISATIONS

Marketing mix is “a mix of controlled changeable factors, marketing tools, the totality of which firms use to achieve the desired reaction from their target market” [Kovalchuk 2011]. Researchers have traditionally analyzed the marketing mix of all organisations using the “4Ps” concept: product, price, place and promotion. The “product” element includes

product design, packaging, quality, diversification, differentiation, available variations of these products as well as assortment policy, guarantees, consumer service and naming. “Price” includes prices, the system of discounts and markups, payment conditions, premium prices, price differentiation, and price-setting strategy. “Place” covers the analysis and selection of distribution channels, places where goods are sold, logistics, supply chains, warehousing and stocking and selecting intermediaries to sell one’s goods. “Promotion” typically includes advertisement, media strategy, PR activities, and sponsorship.

The concept of the “4Ps” was formulated in 1953. Marketing theory and practice have since evolved considerably. Many scholars have suggested either concepts with additional “Ps” or other “letter concepts” (4Cs, 4As, and 4Ds) in order to improve on the traditional “4Ps”. Examples of additional “Ps” added include: political power, public opinion, people, process, physical evidence, perceptual psychology, and presentation. The most widely used of the additional “Ps” concepts is the “5Ps”, the fifth element being “people” (sometimes referred to as “personnel”). This element includes the knowledge, skills and qualifications a professional must have, appropriate work experience and the organisation’s attitude to consumers and the job [Kovalchuk 2011].

In this article we use the concept “4Cs+people”, which we adapted for the non-profit sector. It displays the traditional “4Ps” concept from the customer’s point of view. The “4Cs” stand for customer solution, customer cost, convenience and communication. “Consumer solution” covers the needs and wants the customer satisfies when buying a particular product or service. Customer costs are all costs clients need to cover in order to buy particular goods. “Convenience” refers to how convenient it is for customers to buy these goods. “Communication” includes not only company marketing communications, but also consumer awareness about the product and an appropriate feedback system [Kovalchuk 2011]. There are several reasons we believe the “4Cs” concept is more oriented on consumers and their needs than the traditional “4Ps” concept, and that it is more appropriate for the non-profit sphere as it displays the sphere’s unique features.

First of all, non-profits operate not to make and distribute profits, but to achieve other socially important goals. That is, they often work to solve social problems and typically represent the common interests of large groups of people. In the case of professional organisations, these are business interests the entire industry has in common. Universal organisations have broad missions and unite people who have common views on widespread issues, such as protecting the environment, fighting corruption or protecting human rights. Volunteer and charity organisations collect money to solve problems or help particular groups of people (for example, they may be active in supporting local orphanages or dog shelters). In all these cases NGOs direct their activities at various groups in need of support at the same time. These groups of people (target audiences) may include: members (for membership-based organisations), volunteers, clients (or service recipients), people and companies making individual financial and in-kind donations, an organisation’s own employees, employees of large international foundations, mass media and legislators and society in general [Lylyk 2014]. A good reputation is essential for non-profit organisations today as the success of their activities largely depends on the opinions their target audiences maintain about their values, missions, and activities. The attitude of personnel is also crucial in this respect – that’s why we incorporate “people” into our analysis.

Secondly, non-profit organisations often do not sell any physical goods, but rather offer services developed for particular groups of people (for example, professional training for members of professional organisations, providing educational campaigns on issues for large groups, cleaning, cooking for many people, organising events, to name just a few).

Managers should take into consideration the special features of these services: foremost that they are intangible, so their quality may vary substantially depending on which particular employee provides them. Moreover, costumers cannot separate services from providers, nor the time and place of their purchase, and nor can services be kept in stock like physical products can, as services are provided and consumed at the same time. Clients cooperate with service personnel while the service is being provided [Kotler et al. 2008].

For all of these reasons, the marketing efficiency of non-profit organisation marketing activities can be analysed most effectively using the more customer needs-oriented “4Cs+people”. In addition, it displays the special features of the services sphere. It is important because NGOs often provide only services instead of goods.

AIMS AND METHOD

The nature of non-profit activities differs significantly from that of businesses as non-profits do not work to receive and distribute profits. The mission of non-profit organisations is most frequently focused on solving social problems and representing the common interests of large groups of people. That is why marketing mix elements used by non-profit organisations also differ from those of commercial companies. Moreover, as most available literature in the NGO sphere deals with such organisations in the USA, there is a need to study non-profits in countries with transition economies to make appropriate practical recommendations. In addition, non-profit organisations also differ considerably within the sector.

We classify non-profits into three groups depending on their sphere of influence:

- professional organisations (unite professionals and companies in particular industries, active in self-regulation, and work to solve problems common to these industries);
- universal organisations (have very broad missions, such as protecting the environment, women or children rights, and direct their activities at many different social groups at the same time);
- charity and volunteer organisations, which collect money to solve particular problems or to help particular groups of people.

This article seeks to show the unique features of marketing mix for non-profit organisations, by analysing which particular marketing mix elements are the most widely and the most effectively used by Ukrainian NGOs. This will allow us to give appropriate recommendations for different groups of non-profit organisations.

In order to achieve these goals, we conducted desk research of 30 Ukrainian non-profit organisation websites, broken down into 10 different groups [UNDP 2013, Lylyk 2014, Lylyk 2016, WWW 1, WWW 2, WWW 3, WWW 4, WWW 5, WWW 6, WWW 7, WWW 8, WWW 9, WWW 10, WWW 11, WWW 12, WWW 13, WWW 14, WWW 15, WWW 16, WWW 17, WWW 18, WWW 19, WWW 20, WWW 21, WWW 22, WWW 23, WWW 24, WWW 25, WWW 26, WWW 27, WWW 28, WWW 29, WWW 30, WWW 31].

In general, the non-profit sphere has undergone rapid growth in Ukraine because of Russian military aggression, the development of civil society and the need to solve social and economic problems. The sector nonetheless remains less developed than its counterparts in the developed countries of the EU or the US. Studying Ukrainian non-profits in order to provide recommendations for more effective use of marketing mix elements, strategies and tools may help to bridge the gap.

ELEMENTS OF MARKETING MIX FOR NON-PROFIT ORGANISATIONS

For purposes of the study marketing mix model for NGOs consists of five variables: customer solution and costs, convenience for customer, communication and people.

A **customer solution** for NGOs includes the following elements:

- *Mission* (these organisations exist to achieve socially important goals and offer solutions to common problems).
- *Sphere of influence* or the part of society at which organisations target their activities, including all contact audiences. The organisation's sphere of influence can generally be understood by analysing its mission.
- *Role within the sphere of influence, representing common interests and advocacy.* This is how effectively managers work to achieve their missions and help the groups of people whose interests they should represent. The role also covers the efficiency of working with different target audiences and fundraising from different sources. The most effective NGOs are leaders in their spheres of influence. They are able to forge networks and unions with other organisations, provide services and technical support for interested parties, engage society and others in their own field in discussions and propose initiatives that influence their entire sector, and can mobilise other partner organisations active in relevant field(s) to achieve common tasks.

Having membership in regional, national and international unions is also essential if it wishes to strengthen its own sphere of influence, as membership enables organisations to exchange necessary knowledge and experience. Those that are leaders in their spheres of influence can build stable partner relations with central and local state representatives. For professional organisations, self-regulation and adopting appropriate standards within their sphere of influence is also crucial. Their role within the sphere of influence also includes the scope of the organisation's activities. It includes the geographical market being addressed and the level at which the NGO operates (local, regional, multiregional, national, international and global), and the amount of financing it receives. (However, the last indicator can be analyzed only if there are financial reports on the organisation websites in open access).

Support of existing members is another important indicator of the organisations' role within the sphere of influence. Support includes: the number of members and regular volunteers; how well members, volunteers and other contact audiences are grouped and how the organisation provides opportunities for regular cooperation; how often the members of an organisation make public speeches or presentations and talk about their organisation's mission and influence others to become members, to name two possibilities. For professional organisations, representing common interests means representing the common business interests of members by adopting universal indus-

try standards. For universal, volunteer and charity organisations, representing common interests means achieving the organisation's mission. That is, achieving common socially important goals. Marketing tools used to represent common interests and advocacy may include lobbying for adopting necessary laws or amending existing laws, asking members and other interested people to sign online petitions, and conducting surveys to know what society thinks about important problems.

- *Values for target audiences within the sphere of influence, goods and services offered for members, recipients and other groups in the wider society.* This may include, for example, unique services for members within membership packages. For local community members, values may include benefits from NGO activities in their area (such as protecting human rights or reducing the social problems in a neighbourhood). Organisations can work on similar markets and within similar spheres of influence. However, the value and services they provide may differ significantly. For example, while working to solve similar problems, organisations may opt for different approaches: cooperation with members, building partner relations with mass media and efficient media strategy, and/or building strategic and efficient relations with state and local self-regulation bodies. Services, provided by non-profit organisations should accord with the organisation's sphere of influence, mission and strategic goals. They should also be developed to meet the needs of target audiences.

A feedback system is crucial in this respect. Non-governmental organisations should collect information about the needs of each target group. If the needs differ considerably, they should develop and suggest different sets of services for each target audience. Non-profits may provide paid services (for example, services for members, conferences etc.), as well as free-of-charge services (for recipients of charity help). People should see organisations' services as being created specifically for them. Organisations should decide which services to provide based on careful analysis of both the needs of target audiences and the organisation's mission. Analyzing general trends within the sphere of influence at the local and multinational level is also very helpful. It is especially important for volunteers to understand how their participation helps to achieve the organisation's mission. In some cases, especially within the group of professional organisations, volunteers are interested in having explained to them what kind of skills and knowledge they can acquire while volunteering and how they can later use them in their careers.

Non-profits may provide additional services for groups in society (not only for members). They should comply with the mission. Non-governmental organisations should develop pricing which their target markets understand and consider affordable. However, prices should at least cover costs. In addition to services, NGOs can also sell goods. For example, some professional organisations publish journals and other literature in appropriate fields. Charity and volunteer organisations sell goods at special fairs or auctions to raise money.

Costs which people are ready to pay in order to achieve the organisation's mission are classified as **customer costs**. Non-profits can work with many target audiences at the same time. Such target audiences may include members, volunteers, service recipients, people and companies making individual donations, foundations, those who influence decisions of other people and society in general.

Before the potential costs for different target audiences of non-profit organisations can be analysed, possible sources of financing for such organisations should be explained.

Possible sources of NGO financing:

- Donations from private and legal persons used to conduct regular activities described in organisation statutes (for example, donations for environmental protection in general).
- Single donations from private and legal persons for defined activities (for instance, donating specific single events).
- Grants of large international foundations, which NGOs receive for their activities, according to the priorities of such foundations.
- In-kind donations by individuals and legal persons. For professional organisations, the most common donations are office equipment, training materials, or rooms for offices or for meetings. For universal, charity and volunteer organisations, clothes, medicines and food are the items most frequently donated.
- Involving free volunteer labour for conducting social projects. The most typical services for professional and universal organisations are volunteer services by professional and technical staff, consultants, and other qualified and unqualified people. Charity and volunteer organisations, on the other hand, must involve individual volunteers or individuals from other groups and organisations. These volunteer positions may not require any special education or training, but take a lot of time (for example, cooking for the army). We believe that volunteer labour should be viewed as a source of NGO financing, because it helps organisations save considerable amounts of money, which otherwise would be spent on salaries and single honorariums for paid staff.
- Conducting commercial activities that accord with the organisation's statute goals (for instance, charity fairs or professional conferences).
- Selling some goods, for example, souvenirs at charity fairs or auctions (for volunteer and charity organisations), or conducting commercial projects, such as publishing professional journals (for professional organisations).
- The founders' own money, particularly when charity organisations have been established by famous entertainers, politicians or business people.
- State financing by state bodies and local self-regulation bodies, or governmental grants for conducting some types of activities, is widespread in some developed countries, but is very rare in Ukraine.
- In some countries – Poland, for example – non-profit organisations may ask people to donate a percentage of their income that would otherwise be paid as state taxes. This is called the philanthropy %. However, Ukrainian NGOs do not have such rights.
- Member fees, regularly paid by members of professional and, in some cases, universal organisations, as payment for receiving a package of regular and often unique services.

While many NGOs secure financing from different sources, in most cases the main source of financing can be defined to relate them in appropriate groups. To do that, we need to define the term the main source of financing, for which appropriate criteria need to be developed. We believe that such criteria include the regularity of procuring financing and the amount of financing. In our opinion, regularity is the main indicator for defining a source of financing as the main source, as it helps to understand to what degree the organisation depends on receiving money.

Based on sources of financing, we can analyse possible costs which representatives of different target audiences are ready to take on for continuing a non-profit organisation's

activities. Such costs include not only financial expenses (money and in-kind donations, member fees, grants), but time spent volunteering and the desire to change one's behaviour (for example, to stop smoking or to start caring about the environment).

- *For members*, customer costs are member fees they regularly pay. In addition, members may provide additional financial support for individual organisation projects (for instance, for organising large professional conferences or other events).
- *For volunteers*, costs come down to time and effort spent working for the organisation. It is important for them to know not only how much time the organisation asks them to spend volunteering, but also what their duties and responsibilities are. In Poland, volunteers sign contracts.
- *For clients (service recipients)* of universal, charity and volunteer organisations, costs may include psychological efforts to change one's own behaviour. For example, they may be asked to speak in public about their personal problems or to change their lifestyle to a healthier one. In addition, they must sometimes openly acknowledge that they receive help from a charity. On the other hand, service recipients of professional organisations are people who are not members of such organisations, but purchase their goods and services on a non-regular basis, attend events or support these organisations' individual projects. While doing this, they spend money.
- *For people and companies making individual donations* to charities and universal organisations, the customer costs are the costs of these donations. Professional organisations rarely ask for such donations and, thus, rarely direct their activities at this target audience.
- *The costs for those who influence the decisions of other people (mass media and legislators)* are also time and effort spent on cooperation and consultations with NGOs. In particular, time and effort selecting a non-profit organisation from among willing NGOs that can provide an expert opinion to help these target audiences conduct their professional duties. These include preparing materials on professional themes by journalists of professional and other mass media, and professional consultations when new laws are to be adopted or existing ones amended.
- *For the employees of organisations* the costs are likewise time and effort put into working for the organisation, as well as the professional skills and competences used for it.
- *For employees of large international foundations* the customer costs of supporting non-profits are grants.
- *For society in general* customer costs may include financial and other resources given to non-profits from state bodies and local budgets. Such resources may be regularly provided for organisational activities in general. Likewise, financing may be given as grants for supporting an organisation's individual projects. In some countries – Poland, for example – non-profit organisations have the right to ask people to donate a percentage of their incomes, which would otherwise be paid as state taxes – this is called philanthropy %. While the practice of the state providing support to non-profits is widespread in developed countries, it is rare in Ukraine.

Convenience (place) in the case of non-profit organisations, convenience means offering the opportunity to unite efforts and spend time with other people. This includes such elements as:

- *Place* – the organisation's office functions as a place people can come to express their opinions.

- *Conducting events*, during which target audiences can communicate. Such events include conferences, forums, charity fairs and the like, as well as events organised for the implementation of common projects or activities (for example, cleaning or cooking). Target audiences should know what events and activities are planned in advance. The organisation may inform people in different ways, including by email, their website or social networks. These events should be conducted regularly.

Communication (promotion) involves not only how often different communication tools are used (for instance, videos on websites, youtube, social networks, leaders, employees or volunteers participating in TV programmes, articles in journals, publication of one's own journals, making presentations at conferences, providing information to people on the streets etc.). It also involves media strategy and efficient promotion of the NGO's mission and activities among different target audiences.

While non-profits should use different communication strategies and tools for different target audiences, many use social advertisements to communicate their ideas to society in general. Communications should promote the organisation's mission and ideas, activities and values, but not the personality of the organisation's head. Communications should be regular, understandable for target audiences and should not contradict each other. The organisation should have feedback from target audiences and take it into consideration. It is useful to create a specialised media strategy and plan, as well as a strategy for cooperating with mass media. Communications of NGO should be directed at positioning the organisation and involving target audiences in its activities. The mass media should see the non-profit as an influential organisation within its sphere of influence as this makes them more likely to turn to them, for example, to get expert opinions.

The elements of non-profits' communications include:

- Advertisement.
- Public relations (PR) – informing members and other target audiences about the organisation's activities and goals in order to boost the organisation's reputation in general and to keep stakeholders apprised of specific projects and goods in particular. Having a media strategy for cooperating with media representatives, and also a media strategy are extremely important PR elements, as not all non-profits can afford to spend a lot on traditional advertisement campaigns. Non-profits should have stable partner relations with the media within the organisation's sphere of influence. Public relations also includes media consultations with non-profit organisations.
- *Communication strategy*, which should be directed at target audiences within the organisation's sphere of influence. Messages should be developed for each of them. Communications should be coherent, based on the key messages that display the organisation's mission. Communications should not be one way, but should involve receiving and taking into consideration in future work feedback from all key target audiences.
- *Communication style* should be directed at communicating information about the organisation's activities, goals and approach to solving problems that exist within its sphere of influence. Communications should not promote single individuals.
- *Convenience of searching for information* about the organisation online, as well as making it easy for visitors to the organisation's own website to find the information they seek.

The **people** element includes:

- *Professional level*: the professional skills, knowledge and competences staff, leaders and volunteers need to conduct their duties professionally and appropriately so that the organisation's mission can be achieved.
- *Attitude to people and job*, meaning attitude to contact target audiences, dedication to the organisation's mission, understanding of one's own job responsibilities and sources of salaries.

RESEARCH RESULTS

We analysed 30 Ukrainian non-profit organisations' websites, a total of 10 different Ukrainian NGOs in each group (professional, universal, and volunteer and charity organisations) [UNDP 2013, Lylyk 2014, Lylyk 2016, WWW 1, WWW 2, WWW 3, WWW 4, WWW 5, WWW 6, WWW 7, WWW 8, WWW 10, WWW 11, WWW 12, WWW 13, WWW 14, WWW 15, WWW 16, WWW 17, WWW 18, WWW 19, WWW 20, WWW 21, WWW 22, WWW 23, WWW 24, WWW 25, WWW 26, WWW 27, WWW 28, WWW 29]. The research results differed for the organisations in each of the groups.

Professional organisations

The diagnostic tool we used is based on several research principles and meets the requirements we established to enable the comparison of marketing model efficiency of different non-profit organisations. Taking these requirements into consideration, we suggest developing an evaluation tool for each marketing mix element based on points (with 5 the highest and 1 the lowest). To appropriately assign points, we suggested "a perfect situation" that served as the starting point for conducting the evaluation. We modelled the perfect situation based on in-depth interviews [Lylyk 2016], conducted with the managers of non-profit organisations, and also adapted methods of evaluating the institutional capacity of non-profit organisations, which have been suggested by such economists as Charles Baxton [Baxton 2013] and the Lochan and Partners company (Lochan&Co) [UNDP 2013].

In our approach, the marketing mix for non-profit organisations includes:

1. Customer solution
 - 1.1. Mission
 - 1.2. Sphere of influence
 - 1.3. Role within the sphere of influence, representing common interests and advocacy
 - 1.4. Values for target audiences within the sphere of influence, goods and services offered for members, recipients and groups in the wider society.
2. Customer costs
 - 2.1. Costs for members
 - 2.2. Costs for volunteers
 - 2.3. Costs for clients (service recipients)
 - 2.4. Costs for people and companies making individual financial and in-kind donations
 - 2.5. Costs for mass media and legislators
 - 2.6. Costs for employees of the organisation

- 2.7. Costs for employees of large international foundations
- 2.8. Costs for society in general
- 3. Convenience for customer
 - 3.1. Place as possibility of staying in NGO
 - 3.2. Conducting events during which target audiences may communicate
 - 3.3. Communication during implementation of common projects
- 4. Communication
 - 4.1. Advertisement
 - 4.2. Public relations (PR)
 - 4.3. Taking part in events organised by others
 - 4.4. Communication strategy
 - 4.5. Communication styles
 - 4.6. Ease of finding information
- 5. People
 - 5.1. Professional level
 - 5.2. Managers' attitude to target audiences

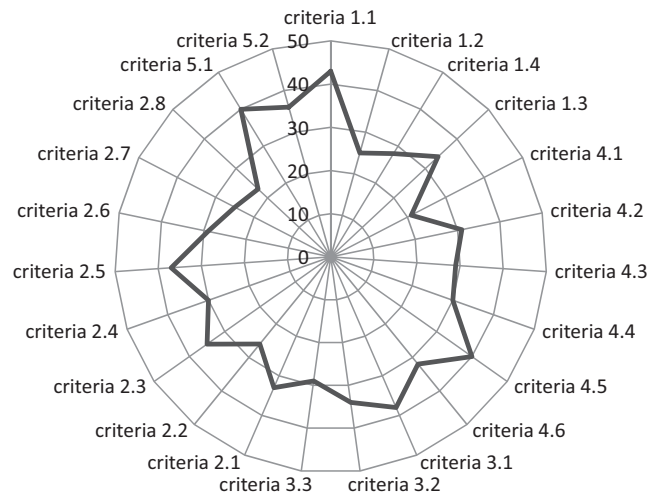


FIG. 1. Generalised data about the analyses of efficiency concerning the implementation of marketing models in professional organisation activities (explanations in the text)

Source: the authors based on UNDP 2013, Lylyk 2014, Lylyk 2016, WWW 1, WWW 2, WWW 3, WWW 4, WWW 5, WWW 6, WWW 7, WWW 8.

This analysis aims to define which particular marketing mix elements are the most frequently and efficiently used by Ukrainian professional organisations, and also to develop appropriate recommendations for increasing the efficiency of their activities.

How often and from which points of view the activities of each of the analysed organisations appears in the mass media would require an excessive amount of data and could be the object of separate marketing research. Moreover, we would have to study not only non-profits by themselves, but also each type of mass media and their editorial policies

separately. This research covers the analysis of websites and the activities of non-profit organisations.

The strengths of using marketing mix by professional organisations include: clearly defining their missions on their websites, which requires managers and employees to be professional and makes searching for information convenient. The least used communication element is advertising. Organisations tend mostly instead to promote their activities through established partner relations with mass media outlets (media strategy), PR activities and taking part in events (own events and events organised by partner organisations). In general, we can say that the level of marketing mix elements used practically by professional organisations is average.

The mission as the general purpose for which the organisation exists is a crucial element of its marketing strategy. In the non-profit sector, missions are directed not at turning and distributing profits, but at solving social problems. In particular, professional organisations often state as their missions protecting the common interests of participants of a certain market, adopting and compliance with self-regulation industry standards. Marketing tools which may be used to promote the organisation's mission among target audiences include video and/or infographics on the organisation's own web-site.

However, there is a much smaller number of websites that have had their strategic goals and tasks up for at least a year. This can be attributed to insufficient marketing and strategic planning skills. In our opinion, the presence of online information about an organisation's goals and tasks for a year may be considered one of the criteria of an organisation's ability to market itself. This information also helps one to understand what projects will be implemented in the future and how interesting they may be for visitors to the website (potential donors, partners or volunteers). Such information may also be made public at the yearly reporting-election conference organised by NGO management exclusively for organisation members, who pay member fees and have voting rights. In addition, it is much easier to evaluate a non-profit organisation's activities at the end of the year, if one understands the goals established at the beginning, and to what extent they have been met. Of course, life makes its own changes. But democratic organisations usually inform their target audiences of changes in strategies and goals.

We did not intend to study the periodicity of meetings of the statute and managing bodies of non-profit organisations. It is nonetheless very important for us to understand how open to the general public information about statute documents and organisation management is. The main goals and rules of an organisation's operations are clearly stated in its statutes. This enables interested parties to relatively quickly get an idea what a given NGO does. Information about an organisation's leaders and their contacts should also be on its website. A brief CV of the organisation's leader gives some idea of his or her competences, sphere of interests and experience. In addition, people should know whom to contact if they have complaints, questions or suggestions.

One of the criteria for defining the effectiveness of the marketing model is how convenient it is to search for information. That convenience pertains to searching for information about the organisation on the internet, as well as on its website. From this point of view, a unique name that significantly differentiates the organisation from others with similar spheres of influence is extremely important. It helps to easily find an organisation website and pages in social networks. One can find necessary information without much effort.

Website design can be pleasant for users to engage with and read. The website presents the organisation's mission. There are different sections and information for different target audiences on the website. One can find information about the different activities done throughout each year. In case of professional organisations, their names are a good indicator of their consumer interests (because they are representatives of a certain market).

In our opinion, activities in social networks considerably strengthen non-profit organisations operational efficiency. That conviction led us to check whether organisations use social media, and if they do, which networks they use. Our hypothesis was that the most widespread social media site would be Facebook.

Facebook pages may be used to help people (by using this page as an alternative to website technical support), entertain visitors by creating viral posts or teach visitors through posts. News may be a part of, but not the basis for, a content plan [Zuzikov 2015]. In our opinion, professional organisations are best served using their own websites to teach visitors something useful for the industry in general.

Membership-based organisations exist to protect the interests of their members. For them, member fees are always significant, if not the only source of income. In particular, it is particularly advisable for professional organisations to place on their websites to describe members and provide their contact details. It is important for the organisation itself (as it shows to what extent the professional organisation really represents industry, and how many individuals and legal persons are really members). It is also useful for members of the professional organisation, who can use the website to promote their companies and services. The companies themselves can likewise show potential clients that they comply with professional industry standards. These standards are, in general, developed by professional organisations.

Very few Ukrainian NGOs use their website to place information about their own competitive advantages over other non-profits, which have similar missions, scope of activities and target audiences. Professional organisations work only for professionals in their fields and think they do not have competitors. Really, in Ukraine there are industries in which several self-regulatory organisations are active and compete with each other. They should stress their strengths to make target audiences understand where to invest their time and money. Target audiences should also understand the main differences between the missions and opportunities of non-profit organisations, and what is more important for particular people at particular times.

Universal organisations

We consider organisations universal if

1. Their missions are very broad and they target their activities at representatives of many various target audiences at the same time. These people may differ in many respects (such as social class, age, sex, level of income, hobbies, etc.) but they are united because they have common views about the social issue listed in their mission (for example, protecting women, children, animal or human rights, or representing interests of small and medium businesses in general – in all industries). Members of universal organisations dedicated to protecting women's rights can be both female leaders of enterprises, house wives, and women working in medium management in different companies. If universal organisations represent businessmen in the region in general,

their members can work in different industries and spheres of activity. (In contrast, members of professional organisations should belong to the same profession). As a result, target audiences of universal organisations are described on their websites very broadly, in order to include as many people as possible.

2. Grants seem to be the major source of income for universal organisations, as these organisations direct their activities at implementing and promoting universal human values. Universal organisations' websites include the logos of international foundations, a description of grant projects, and gratitude expressed to donor foundations. However, there is much less information about activities financed in other ways.
3. There are very strict deadlines and criteria for participating in events and other activities.

We analysed the websites of 10 universal organisations. We used the above model (Fig. 2). These organisations' strengths in using marketing mix include: the availability of a mission statement on their websites, communication styles, place as possibility of staying in the NGOs and the professional level of employees.

While the missions are stated on the websites of most of the universal organisations, they can be very broad, which may leave target audiences unable to easily understand their goals.

The weaknesses of the universal organisations included their use of advertising, a failure to clearly define their spheres of influence, values for target audiences within the sphere of influence, goods and services offered for members are not always mentioned on the websites, and organisations conduct too few events during which target audiences

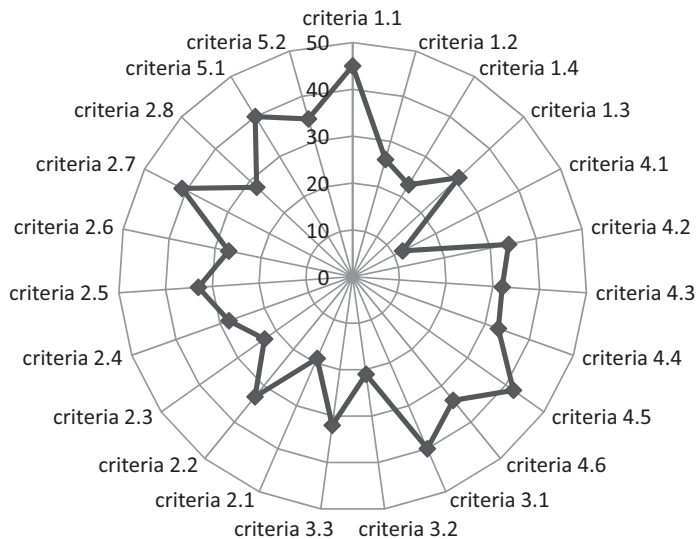


FIG. 2. Generalised data from analyses of the efficiency of marketing model implementation in the activities of universal organisations (explanations in the text)

Source: the authors based on WWW 10, WWW 11, WWW 12, WWW 13, WWW 14, WWW 15, WWW 16, WWW 17, WWW 18.

may communicate with each other. Finally, the websites fail to clearly explain the costs. It is recommended that universal organisations diversify their sources of income by working with target audiences other than employees of large international foundations.

Volunteer and charity organisations

Organisations may be considered volunteer and charity groups if they meet the following criteria:

1. Their missions are most often directed at a specific target audience. They have very specific and narrow target audiences, mentioned on the websites under sections labelled “our projects”, “whom we help”, “what we do” and similar tags. These organisations are involved mainly in collecting money for specific projects and the current needs of appropriate groups of people. For example, they may ask for support to buy medical or military equipment.
2. The financial and activity reports provided on the websites illustrate that individual donations from private persons are an important source of income.
3. There is a lot of information about volunteer projects on the websites. It may be assumed that there are many more volunteers than employees.
4. The organisation is not membership-based or the number of members is relatively small. The number of volunteers and people who make individual donations appears to be much larger than the number of members.

We analysed the websites of 10 volunteer and charity organisations, and used the model shown in Figure 3. In general, they use marketing tools with average efficiency. Their most obvious strengths were their clearly defined mission statements and spheres of influence. The most important weaknesses include their poor use of advertising and describing the costs clients (the users of a service), their own employees and society in general must cover.

The mission statements of volunteer organisations are typically very short and understandable. These organisations have very clear goals, such as helping the military. However, there are very few cases when such organisations describe strategic goals for the forthcoming year on their websites. In the case of organisations assisting the military, this can be explained by real uncertainty and the possibility of radical changes occurring in the near future. A lack of effective marketing and strategic planning skills explain the lack of strategic goals for the organisations in the other groups.

Ukrainian non-profits, especially volunteer organisations assisting the military, typically use marketing tools for several reasons, including to persuade people that their missions are important, explain the benefits their services provide, convince people that they can personally help and explain how they can do so, and determine whether the money they have donated was used appropriately.

Volunteer organisations’ communication strategies are based on describing the needs of the army and voluntary battalions, as well as describing volunteer activities and explaining how they plan to use the money they have collected. We can assume that, in general, this is PR strategy and communication style for volunteer organisations. Their communications are stories about officers, volunteers, and others directed at personalities in society. Volunteer organisations try to make informal communications about people. Volunteer organisations often have hotlines, which we consider an effective means of communication.

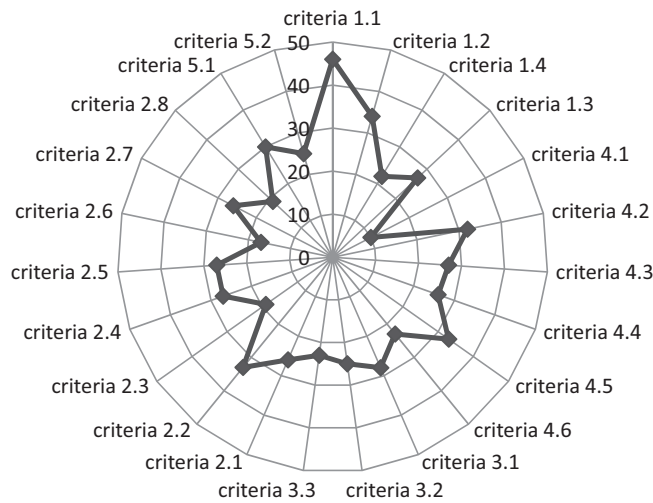


FIG. 3. Generalised data from the analyses of the efficiency of marketing model implementation in volunteer and charity organisation activities (explanations in the text)

Source: the authors based on WWW 18, WWW 19, WWW 20, WWW 21, WWW 22, WWW 23, WWW 24, WWW 25, WWW 26, WWW 27, WWW 28.

Analysis of customer costs showed that charity organisations direct their activities at multiple target audiences, in particular at potential volunteers and people who may make individual donations. That is why it is especially important for them to be available for everybody who wants to contact them at any time and by any means. They widely use Facebook and the Russian equivalent, vk.com, the most popular social networks in Ukraine. Volunteer and charity organisations often have accounts at several different social networks at the same time. In addition, they also try to get help not only from Ukrainians in Ukraine, but also from the Ukrainian diaspora and others abroad. That is why they create accounts on social networks that are popular abroad, particularly Twitter.

Volunteer organisations often post online their financial reports and reports on their collection and use of money within specific projects. This is a commendable practice, especially since many have only recently been established and must further strive to earn the trust of their target audiences.

While volunteer organisations are active in social networks and maintain their own websites, they do not typically have their own media departments or publishing divisions. They depend on other media organisations to get their message out. A good deal has been published about mass media materials dealing with the activities of volunteer organisations. However, that appears to be the accomplishment more of the media than of the volunteer organisations. It is likely that volunteer organisations in most cases do not have media strategies.

We have encountered a number of volunteer organisation websites in Ukraine with updated news from events that took place in bygone years, leading us to conclude that the number of charity foundations may be decreasing.

CONCLUSION

The marketing mix non-profit organisations use differs significantly from that used by firms, because their activities are different. This should be taken into consideration when selecting marketing strategy and the practical implementation of appropriate marketing tools. At the same time, all marketing mix elements should be coordinated and communicate information about the organisation's mission and activities. In addition, marketing tools should be adapted to the needs of each of the non-profit's target audience.

While NGOs are developing very rapidly in Ukraine, the non-profit sector remains weak and underdeveloped. Non-profits need institutional support and to study marketing tools. Universal, charity and volunteer organisations in particular have failed to develop relationships with one another. None of the organisations analysed for this study had placed information about any common events with other volunteer organisations, and rarely do they work together to achieve shared goals. At the same time, their spheres of influence are very clearly defined and distinct. We believe that the main reason for this is the absence of leadership that would elaborate common goals and show non-profits ways of cooperating on a participative basis.

Encouragingly, the use of social networks is a relatively widespread means of promoting non-profit activities in Ukraine. Social networks help organisation managers to be closer to people, write more and present more visual information. Even more importantly, they help the managers to more quickly gauge people's reactions to the information they put out, which facilitates decision-making.

Very few Ukrainian non-profits use their websites to present the competitive advantages they offer over other non-profits, which have similar missions, scope of activity and target audiences. Professional organisations work only for professionals in their fields and believe they do not have competitors. However, there are industries in Ukraine where several self-regulatory professional unions do function and compete with each other. Charity foundations often believe that other charities are not competitors, but rather friends with similar goals. In our opinion, this approach is oversimplifies the picture, because different non-profits compete for resources. In addition, these organisations may have completely different capacity and operating efficiency levels. Non-governmental organisations should emphasise their strengths. It would help potential target audiences to comprehend the significant differences that exist between the missions and abilities of different non-profits in order to understand what is more important personally for them and where they should invest their time and money.

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Summary. This article examines the concept of marketing mix for non-profit organisations. The authors suggest the use of “4Cs+people”, the elements of which include: consumer solution (mission, sphere of influence, role within the sphere of influence, representing common interests and advocacy, values for target audiences within the sphere of influence, goods and services offered for members, recipients and groups in the wider society), consumer cost (for members, volunteers, clients – service recipients, people and companies making individual financial and in-kind donations, organisations’ own employees, the mass media and legislators, employees of large international foundations and society in general), convenience (the place and means by which events are conducted), communication (advertisement, PR, communication strategy, communication style, how easily information

can be found) and people (professionalism, attitude to people and job). We believe that this concept represents special features of the service sphere in general and of non-profit organisation operations in particular.

Key words: marketing, marketing mix, non-profit organisations, NGOs

JEL: L31, M31

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