

Social Marketing Strategies used for Fund Raising by NGOs Working in the Field of Disability Rehabilitation

Mr. Narendra Kumar¹ and Dr. M.S.Bhat²

¹Research Scholar, JNTU, Hyderabad, India
narendra_rehabilitation@yahoo.co.in

²Department of EIE, CVR College of Engineering, Hyderabad, India
bhatms@rediffmail.com

Abstract- Fund raising is the process of inviting, mobilizing and collecting contributions in the form of money or other resources, by seeking donations from individuals, businesses, charitable foundations, or governmental agencies. Although fundraising typically refers to efforts to mobilize money for non-profit organizations, it is sometimes used to refer to the process of identification and tapping of prospective investors or other sources of capital for business enterprises. Many of the techniques and skills of fund raising can be or have been adapted from the domain of "marketing". Social marketing aims to achieve socially desirable goals, which benefits the society as a whole rather than for profit or other exclusive organizational goals. Social marketing includes the design, implementation and control of programs aimed to influence the acceptability of social ideas and involves considerations of product planning, pricing, communications and market research. In this sense, it has ingrained marketing principles. Social marketing strategy can be used for raising funds for the organizations, as the fund raising methods and social marketing strategies often move in tandem. This paper is aimed at studying the social marketing strategies used by NGOs working for disability rehabilitation to raise their funds. This study helps in revealing facts about the present scenario on social marketing among NGO sector. The sample size includes 15 NGOs located in and around Hyderabad working for rehabilitation of persons with disabilities. It was observed that among the social marketing strategies, seeking individual donors and soliciting gift from major donors are most commonly used strategies by NGOs to raise their funds whereas the least used strategies include door to door solicitation, charitable games and street plays.

Index Terms: Social marketing, Fund raising, Disability rehabilitation.

I. INTRODUCTION

In this competitive world everyone is eager or keen to establish themselves at international level. Everyone has serious concerns regarding the market share and their product offerings and their capacity and ability to reach consumer swiftly with less cost. All these objectives require the innovative applications of marketing strategies. 'Social marketing' approach has paid rich dividends in the service sector. Without doubt, it can be affirmed that social marketing can play a pivotal role for the success of Non Government Organizations working in the field of Disability Rehabilitation. The concept of social marketing implies

planning and implementation of programs designed to bring about a social change using concepts from the sphere of business marketing. As defined by Kotler & Zaltman,(1971), "Social Marketing is the application of principles and techniques of marketing to achieve socially desirable goals, that is, benefits for society as a whole rather than for profit or other narrow organizational goals and includes the design, implementation and control of programs aimed to influence the acceptability of social ideas and involving considerations of product planning, pricing, communications and market research".

In basic terms, it is the effective promotion of ideas for bringing about discernible and perceptible change in society. Expressed more elaborately, it is creation, execution and control of programs designed to influence change in society. It uses many principles of business marketing - from assessing needs to identifying and focussing on audience, developing products and measuring outcome or results. Like business marketing, the primary focus is on the consumer-- on learning what people need and want-- rather than trying to persuade them to buy what is produced. The planning process takes this consumer focus into account by addressing the elements of the "marketing mix." This refers to decisions about 1) the conception of a Product, 2) Price, 3) distribution (Place), and 4) Promotion. These are often called the "Four Ps" of marketing. Social marketing consists a few more 'P's as the elements of marketing mix apart from the Four 'P's mentioned already.

The social marketing "product" is not always a physical offering. A continuum of products exists, ranging from tangible, physical products (e.g., condoms, hearing aid, wheelchair etc.), to services (e.g., disability assessment, certification, medical exams etc.), and includes even practices (e.g., breastfeeding, physiotherapy, or eating a heart-healthy diet etc.). Finally, it also covers more intangible ideas such as environmental protection, rehabilitation models, policies etc. "Price" refers to what the consumer are willing and prepared to pay in order to obtain the product of social marketing. Social marketers balance these considerations, and often end up charging at least a nominal fee to enhance perceptions of quality and to provide a sense of "dignity" to the transaction. These perceptions of costs and benefits can be ascertained through the process of consumer survey research, and can be used in positioning the product. "Place" is all about the outlets or channels for the product to reach the consumer quickly at economical

costs. For a tangible product, this refers to the chain of distribution system--including the warehouse, trucks, sales force, retail outlets --where it is sold, or places where it is given out freely. For an intangible product, 'place' is less clear-cut, but refers to the decisions with regard to the marketing or distribution channels through which consumers are reached by means of information or training. This may include doctors' offices, shopping malls, mass media vehicles or in-home demonstrations. Finally, the last "P" is promotion. Promotion consists of the integrated use of marketing communications elements such as advertising, public relations, promotions, media advocacy, personal selling and entertainment vehicles. Additional social marketing "P's" are Publics, Partnership, Policy, Purse Strings etc.

II. EVOLUTION OF SOCIAL MARKETING

Social marketing was "born" as a discipline in the 1970s, when Philip Kotler and Gerald Zaltman realized that the marketing principles that were used to sell products to consumers can be equally potent to "sell" ideas, attitudes and behaviours. Kotler and Andreasen define social marketing as "Differing from other areas of marketing only with regard to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviours not for the benefit of marketer, but for the benefit of the target audience and the society at large." This technique has been used extensively in international health programs, especially for contraceptives and Oral Re-hydration Therapy (ORT), and is being used with increased frequency in the United States of America in such diverse areas such as drug abuse, heart disease and organ donation. The sphere of health communications has witnessed rapid changes over the past two decades. It has fully evolved from the previously held one-dimensional reliance on public service announcements to blossom into a more sophisticated approach of comprehensive "social marketing." Rather than information being conveyed through 'top-down' approach, public health professionals are sensitised and trained to listen to the needs and desires of the target audience at the grass-root level, and build the program from there. This focus on consumer involves in-depth research and constant re-evaluation and reassessment of the program at every stage. In fact, research and evaluation together form the very cornerstone of the social marketing process.

Now, we know for sure, that the social marketing is for the cause of social change and its success hinges heavily on all segments of society. People with disabilities are one among the major stakeholders in the society and social marketing can be a catalyst for Disability Rehabilitation-centric social development and positive changes towards this end in society. Non Governmental Organizations or NGOs have multiple objectives and adopt distinct methods to achieve each of their objectives, each of them ultimately; resulting in development of the people and society they serve. They are non-profit voluntary groups organized at the local, national or international level. Non-governmental

organizations are engaged in either campaigning or advocating sensitive issues, working on capacity building programs, concentrating on social research, or providing significant networking opportunities. Many NGOs work for the welfare of persons with disability and funds for the organization are needed to provide rehabilitation services. To meet the continuous requirement of funds for providing services, apart from the grants received from government, the organization resorts to specific fund raising methods.

III. FUNDRAISING AND SOCIAL MARKETING

Fundraising can be viewed as the process of inviting and mobilizing contributions as money or other resources, by seeking donations from individuals, businesses, charitable foundations, or governmental agencies. Although fundraising typically refers to efforts to mobilize money for non-profit organizations, it is sometimes used to refer to the identification and tapping of investors or other sources of capital for business enterprises. Many of the techniques and skills of fund raising (some of which are included here) can be or have been adapted from the profession of "marketing" (in fact, fund raising is referred to as "marketing" by many NGOs). While marketing and sales skills can be valuable, they must always be applied in an ethical manner.

Marketing is the process of ascertaining the needs and wants of customers by performing systematic market research, enabling the sale of products and/or services to customers through transaction and exchange and promoting them through integrated marketing communication to further enhance the sales. Marketing is the process through which companies build strong customer relationships and create value for their customers and for the organizations. Social marketing strategy can be used for raising funds for the institutions as the fund raising methods and social marketing strategies often move in tandem. By using these social marketing strategies, notable improvements in the fundraising effort could be seen. These strategies have, in effect, two dimensions, one raising the awareness of the people and sensitizing them to the basic cause and two in raising the fund for the specific cause.

IV. RESEARCH RELATED TO SOCIAL MARKETING AND FUND RAISING

While reviewing the literature for a period of two months, the researcher came across nearly 20 journals relating to different disciplines from various sources, e- journals like Social marketing quarterly, Books like Marketing Social Change: Changing Behaviour to Promote Health, Social Marketing: Improving the Quality of Life, etc. From the pool of literature surveyed, researcher has focused his attention on roughly 250 articles relating to different areas like health, road safety, nutrition, awareness on disability, non-profits, cancer prevention, etc. Around 153 articles among the ones reviewed belong to the domain of social marketing published in journals like "Journal of social work in disability & rehabilitation", "Journal of the royal institute of public health", "Journal of public transportation", "Health marketing quarterly", "American journal of infection

control”, “Journal of business research”, “Social marketing quarterly”, etc. Upon classifying the articles according to the nature of study, it was found that 64% of the studies are related to the applications of social marketing in various settings, around 12% of the studies are related to theory and review, 6% on case study and the rest of 18 % can be grouped under other studies like training initiatives, resources, book review, etc. It was also noticed that around 68% of the studies are survey type research and 72% are descriptive in nature and only a small percentage i.e., 18% are experimental in nature.

From the review of literature, it can be concluded that in the area of “health”, available studies are more in numbers (around 25%) followed by nutrition (13%), cancer prevention (12%), no-smoking (12%), HIV/AIDS prevention (8%), road safety (8%), awareness of non-profit (6%), behavioural change (5%), community development (5%), anti-drug campaign (4%) respectively. Only 2% of the literature surveyed focus on the topic of Disability Awareness.

The ultimate goal of fundraising for non-profit organizations is to draw in resources, which in turn enable the organizations serve their missions. Therefore, organizations consider and weigh both costs (investments) and savings (returns) before making their foray into online fundraising efforts. A study of United Kingdom charities found that online donations exceed both initial and regular maintenance costs of the organizations’ websites (Sargeant et al., 2007). According to Sen & Swamy (2004), the example of a unique institution used by 19th century Indian guilds to raise funds is highlighted. On certain holidays only one shop was allowed to operate; an auction would be held to sell this right, and the winning bid would go to the guild fund. They compare this “taxation by auction” mechanism with more conventional tax schemes and show that under certain conditions, not only a majority of guild members prefer to be taxed via an auction, but also that this form of taxation is perceived to be more equitable.

There are various method adopted by NGOs in fund raising process, for the last several decades. Many NGOs used the traditional method of fund raising like fund for well being, donation for charity etc., whereas, only a few NGOs adopted new innovative ideas. It is a known fact that for NGO, to sustain itself in community for a long run, fund is the major requirement, and there are very few studies on the method of fund raising to make NGO self sustainable. The research work related to the use of social marketing strategies in fund raising is very limited.

V. PRESENT STUDY

In the course of review of literature, the researcher had identified various social marketing strategies used for fundraising across the world. The researcher has felt the need to study the social marketing strategies used for fundraising by Indian NGOs working in the field of disability rehabilitation. Hence, the major objective of this study was to find out the social marketing strategies used for fund raising by NGOs working in the field of Disability Rehabilitation. For this study, survey research design was used with a sample of 15 NGOs working in the field of

disability rehabilitation, located in Secunderabad and Hyderabad. The study uses purposive sampling as a method to select the sample of the study. The samples were chosen by keeping following inclusive criteria into consideration:

1. NGOs working in the field of disability rehabilitation.
2. NGOs located in and around Hyderabad and Secunderabad.
3. NGOs that have at least 1-year experience in this field.

In order to collect data, a questionnaire was developed by the researcher to find out social marketing strategies used for fund raising by Indian NGOs working in the field of Disability Rehabilitation. The questionnaire was divided into three parts:

1. General information regarding organization, for example: name, address, and contact person’s name and designation, year of establishment etc. It also includes the question regarding geographical areas of operations like urban, rural and both, information regarding service delivery model like IBR (institutional based rehabilitation), CBR (community based rehabilitation) or both and the annual expenditure,
2. Along with the general questions, the questionnaire also had a few close ended questions intended to elicit information specifically to the aspects related to funding of the organization, with options of choice of either “yes” or “no”.
3. The third section of the questionnaire is devoted to elicit information regarding the use of 27 social marketing strategies, identified as ‘social marketing strategies’ for fund raising by many NGOs, across the world. These strategies include: 1. Attracting individual support and donations, 2. Soliciting gifts from major donors, 3. Promoting legacy gifts or planned giving, 4. Holding special events, 5. Raising money from business or sales, 6. Corporate sponsorship/ gifts, 7. Charitable gaming, 8. Auctions, 9. Door-to-door solicitation, 10. Holding a capital campaign, 11. Conducting private parties, 12. Conducting street plays, 13. Conducting cultural shows, 14. Through news paper, 15. Advertisement through T.V channels, 16. Advertisement through radio, 17. Banners, 18. Distributing pamphlets, 19. Coin/ fund boxes at public centers, 20. E-mail appeals, 21. E-news letter appeals, 22. Promotion on other sites, 23. Donated banner ads run on other sites, 24. Creating online fund transfer, 25. Home based services, 26. Institutional based services and 27. Community based services. The respondent was asked to mention whether the organization is using the particular strategy for fund raising or not.

Ten professionals working in the field of disability rehabilitation had validated the tool (questionnaire) for its content. Since, nine out of the ten professionals have approved 100% of the contents of the questionnaire; it was used, as it was framed, for the study, without any changes. The researcher had collected the data by visiting the respondents personally and seeking their responses by administering the questionnaire.

VI. MAJOR FINDINGS

The data obtained through the questionnaire was analyzed by using statistical mean and standard deviation. The results, and their interpretation and discussions on the findings in relation to the objective are presented as below:

Among the sample NGOs (n=15) chosen for the study, the oldest NGO was established in 1943 and the recent one in 2009. The annual budget of the NGOs ranged from a minimum of Rs.2 lakhs to a maximum of Rs.1700 lakhs. Out of 15 NGOs, 33.3% of the NGOs use Institution Based Rehabilitation (IBR) as their service delivery model, whereas, 13.3% of the NGOs use Community Base Rehabilitation (CBR) as their service delivery model. 53.3% of the NGOs working for the rehabilitation of persons with disabilities use both IBR & CBR as their model for service delivery. Out of the sample selected for the study, it is found that 66.7% of the NGOs are not using funds from government and only 33.3% of the NGOs use government funds. 33.3% of the NGOs are able to get grants from the government to run their services. Out of 66.7% the NGOs, who do not get grant from government, 13.3% of NGOs are able to get funds from international funding agencies, while the rest of the 86.7% are not.

Regarding social marketing strategies used for fund raising by NGOs in the field of disability rehabilitation, 14 out of the 15 NGOs were attracting individual support and donations whereas 10 NGOs are soliciting gifts from major donors. These two are the highly used strategies for fund raising by the NGOs selected for this study. The social marketing strategies that are not used by any NGOs within the sample group are; charitable gaming (e.g. raffles, bingo, golf, running), door-to-door solicitation, street plays, advertisement through radio and donation banners. The strategies like auctions, holding a capital campaign, conducting private parties and advertisement through T.V channels were used by only one NGO from the sample collected. Only two NGOs have used fund raising through social marketing strategies like; news paper, promotion on other sites, home based services, corporate sponsorship/gifts, banners, coin/ fund boxes at public centres, e-news letter appeals. Creating an online fund transfer and community based services was used by 3 NGOs. Holding special events and cultural shows were used by 4 NGOs. Promoting legacy gifts or planned giving and raising money from business or sales were used by 5 NGOs. Distributing pamphlets and coin/ fund boxes at public centres were used by 6 NGOs.

As per the result of survey, the 27 Social Marketing Strategies (SMS) of fund raising can be grouped under five groups:

1. Group A - Never used SMS
2. Group B - Rarely used SMS
3. Group C - Sometime used SMS
4. Group D - Frequently used SMS
5. Group E - Most often used SMS

Strategies under Group A are “Never used SMS”. These strategies are used by less than 1% of the disability rehabilitation organizations. These strategies (Fig. 01) are: 1).Charitable gaming, 2).Door-to-door solicitation, 3).Street

plays, 4).Advertisement through radio and 5).Donated banner ads run on other sites. The reasons for not using these strategies could be the amount of time, energy and resources needed to utilize the strategies mentioned under Group A.

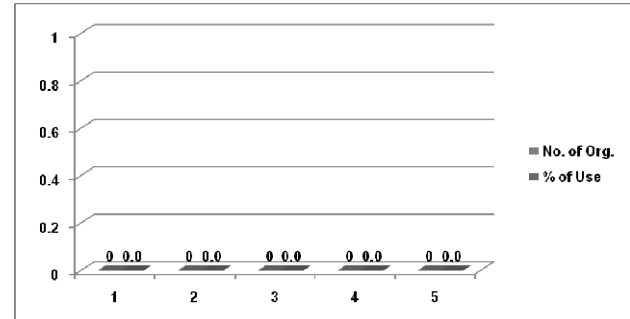


Figure.1 Group A - Never used SMS for Fund Raising by Disability Rehabilitation Organizations.

The fund raising strategies under Group B are “Rarely used SMS”. These strategies are preferred by 01% to 10% of the NGOs. The strategies under Group B are presented in Fig. 02, these are: 1).Auctions, 2).Holding a capital campaign, 3).Conducting private parties and 4).Advertisement through T.V channels.

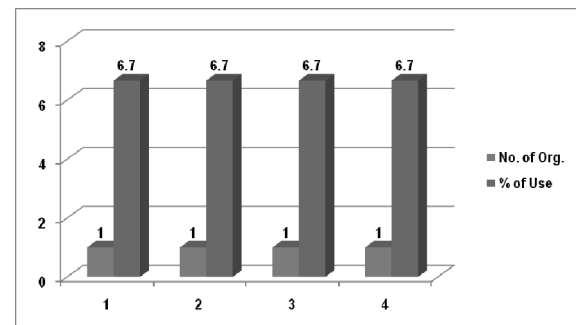


Figure.2 Group B - Rarely used SMS for Fund Raising by Disability Rehabilitation Organizations.

Strategies under Group C (Fig. 03) include 9 strategies categorized as “Sometime used SMS” and preferred by 11% to 25% of the NGOs working in the field of disability rehabilitation. These strategies are: 1).News paper, 2).Promotion on other sites, 3).Home based services, 4).Corporate sponsorship/gifts, 5).Banners, 6).Coin/fund boxes at public centres, 7).E-news letter appeals, 8).Creating an online fund transfer system and 9).Community based services.

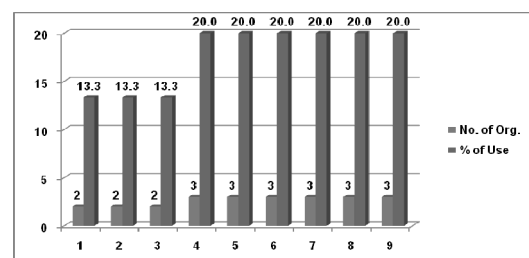


Figure.3 Group C - Sometime used SMS for Fund Raising by Disability Rehabilitation Organizations.

Even though the strategies mentioned in Group B & Group C need moderate amount of investment and have lesser probabilities of running into loss, the lack of skills required implementing these strategies restrict many NGOs to use strategies of Group B & Group C category.

Under Group D, ‘Frequently used SMS’ presented in Fig. 04, are used by 26% to 50% of the NGOs to raise their fund through: 1).Holding special events and 2).Cultural shows, 3).Promoting legacy gifts or planned giving, 4).Raising money from business or sales, 5).Distributing pamphlets and 6).E-mail appeals.

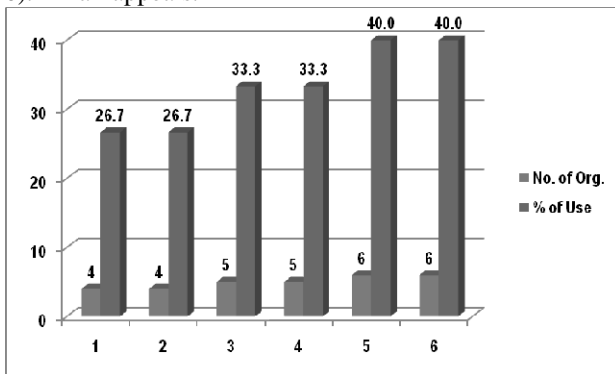


Figure 4. Frequently used SMS for Fund Raising by Disability Rehabilitation Organizations.

Fund raising strategies under Group E are presented in Fig. 05 and are categorized as ‘‘Most often used SMS’’ for fund raising in NGOs sector. The strategies under this category include: 1).Institutional based services, 2).Soliciting gifts from major donors and 3).Attracting individual support and donations. These strategies are used by more than 50% of the NGOs. In fact, the singular strategy of fundraising i.e., Attracting individual support and donations, is used by more than 93% of the NGOs.

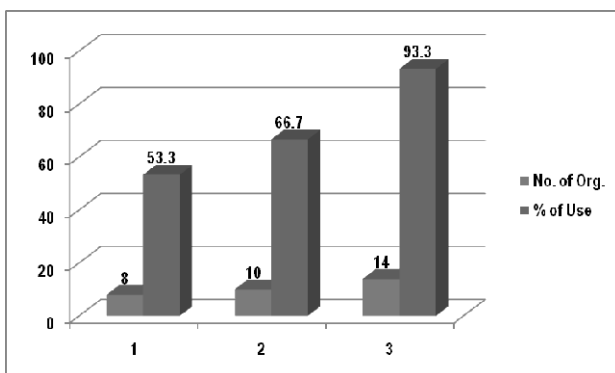


Figure.5 Most often used SMS for Fund Raising by Disability Rehabilitation Organizations.

This could be because of its cost effectiveness and easy approach. There are fewer chances of the strategy meeting with financial loss, as it hardly requires any investment and can generate huge amount.

CONCLUSIONS

The research was aimed at studying the social marketing strategies of fund raising used by NGOs working in Disability Rehabilitation sector. The pursuit of this objective helped in revealing facts which proved to be beneficial in

gauging the present scenario on fund raising methods and social marketing strategies in NGOs. The study also gave rise to the inference that most of the NGOs are not focusing on social marketing as their prime strategy for fund raising. Further as mentioned in Para IV, the study on the topic was carried out based on the common thread of ideas found in the material from the following references.

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