



# Center for World-Changing Organizations

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Strengthening organizations that make the world better

**#4** In Our Guides & Workbooks Series

## Strategic Marketing Guide

How to Better Understand, Engage, and Serve  
Those Who Determine Your Success



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By Jonathan Reed, PhD

We specialize in helping organizations that make a difference in the world:

- **Design ingenious ways to accomplish their missions**—through our innovative approach to *strategic planning*.
- **Increase revenues and funding**—through *strategic marketing* designed for their unique financial challenges.
- **Create great places to work**—through *organizational development* tailored to their values-driven missions and unconventional staff.

We've written ***eight leadership guides*** on these subjects, which you can download at [www.wcorgs.com](http://www.wcorgs.com). They describe how we adapt *corporate* planning, marketing, and organizational development to meet the challenges these organizations face.

Our clients include local-to-global nonprofits, government agencies, and companies in the U.S. and abroad. As subject-matter experts with extensive consulting experience, we offer high return-on-investment consulting, training, and other services.

**JONATHAN REED, PH.D.**, the Center's founder, has an unusual background for a management consultant. He received his doctorate in the biological sciences at the University of Wisconsin—Madison, where he subsequently served as Lecturer and Honorary Fellow. His research took him far afield: 500 miles north of the Arctic Circle, four field seasons in Kauai, Hawaii, and to Panama as a Smithsonian Tropical Research Fellow.

He then founded The University Group in 1988, a private consulting firm representing 65 leading faculty at UW—Madison. It transferred the latest advances in management and technology from universities to corporations such as General Electric and Johnson Controls.

When clients began asking for his advice, he found he preferred consulting to trying to manage professors. So he started consulting for corporations, nonprofits, and government agencies on his own. One of his projects received a National Quality Award.

He has co-authored *A Systems Handbook: An Introduction to the Systems Age for GE Medical Systems*, consulted for federal Science Centers for seven consecutive years, and helped lead the Conservation Science Division of The Nature Conservancy.

He served as a consultant to the U.S. Agency for International Development in Afghanistan and the former Soviet Union Republic of Georgia, and the Inter-American Development Bank in Trinidad and Tobago. He also has taught mindfulness meditation at maximum-security prisons.

To see the results his clients achieved and read their testimonials, see the Experience section of our website.



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# Center for World-Changing Organizations

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Strengthening organizations that make the world better

## #4 Strategic Marketing Guide

### How to Better Understand, Engage, and Serve Those Who Determine Your Success

If your organization relies on outside individuals and organizations to accomplish and support its mission, strategic marketing may hold the key to its success. Its ideas and tools can advance your mission, increase your funding, and strengthen support for what you do.

There's only one problem—strategic marketing is a foreign language to most world-changing organizations.<sup>1</sup> Most don't understand and use terms like target audiences, positioning strategies, and branding. But it's as critical to their success as it is to profit-driven companies.

*This guide translates strategic marketing into ideas and tools to help world-changing organizations better accomplish, fund, and strengthen support for their missions and work.*

Several marketing theorists have translated corporate strategic marketing into ideas and methods that nonprofit organizations can use.<sup>2</sup> We went a step further. We designed this strategic marketing model and guide for local-to-global companies, nonprofits, or governmental institutions that are making communities and the world better. But any organization can use it.

### Benefits of strategic marketing

- **Advance your mission** by targeting the best prospective clients and offering them the most appealing and valuable products and services.
- **Increase your funding and revenues** by targeting your best potential funders and clients, and understanding how you can help them achieve their goals.
- **Strengthen support for your organization** by targeting the best prospective supporters and offering them the best opportunities to fulfill their aspirations.



## Goals of strategic marketing

- **Targeting** the best audiences and individuals to advance, fund, and strengthen support for your mission and work.
- **Positioning** your organization and offerings as different from and more appealing than other organizations in your field.
- Building a more **compelling brand**.
- Offering the **most valuable products and services**.
- Employing the **most effective marketing communications** to reach and engage your audiences.
- Building an **audience-focused organization**.

This is the fourth in our *Guides and Workbooks Series* to help you build a more successful and prosperous organization. Subjects include **strategic planning, strategic marketing, and organizational development**. We list them on the back cover. See this endnote for permission to use them.<sup>3</sup>

They are based on our research and work with many organizations of different sizes and in various fields, including General Electric Medical Systems, Rexnord Aerospace, The Nature Conservancy, U.S. Geological Survey, and U.S. Agency for International Development—as well as many smaller organizations.

**Strategic Marketing Workbook.** This workbook is the companion workbook to this guide. It describes **how** to use this strategic marketing model. It is the fifth in our *Guides and Workbooks Series*.

*This strategic marketing model is based on two simple premises:*

*If you offer people and organizations what they want and need,  
they will flock to your organization and  
eagerly avail themselves of what you offer and support what you do.*

*Not only is strategic marketing not about selling,  
it all but eliminates the need to sell.*

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# FLOWCHART OF STRATEGIC MARKETING

## Strategic Marketing Flowchart for World-Changing Organizations

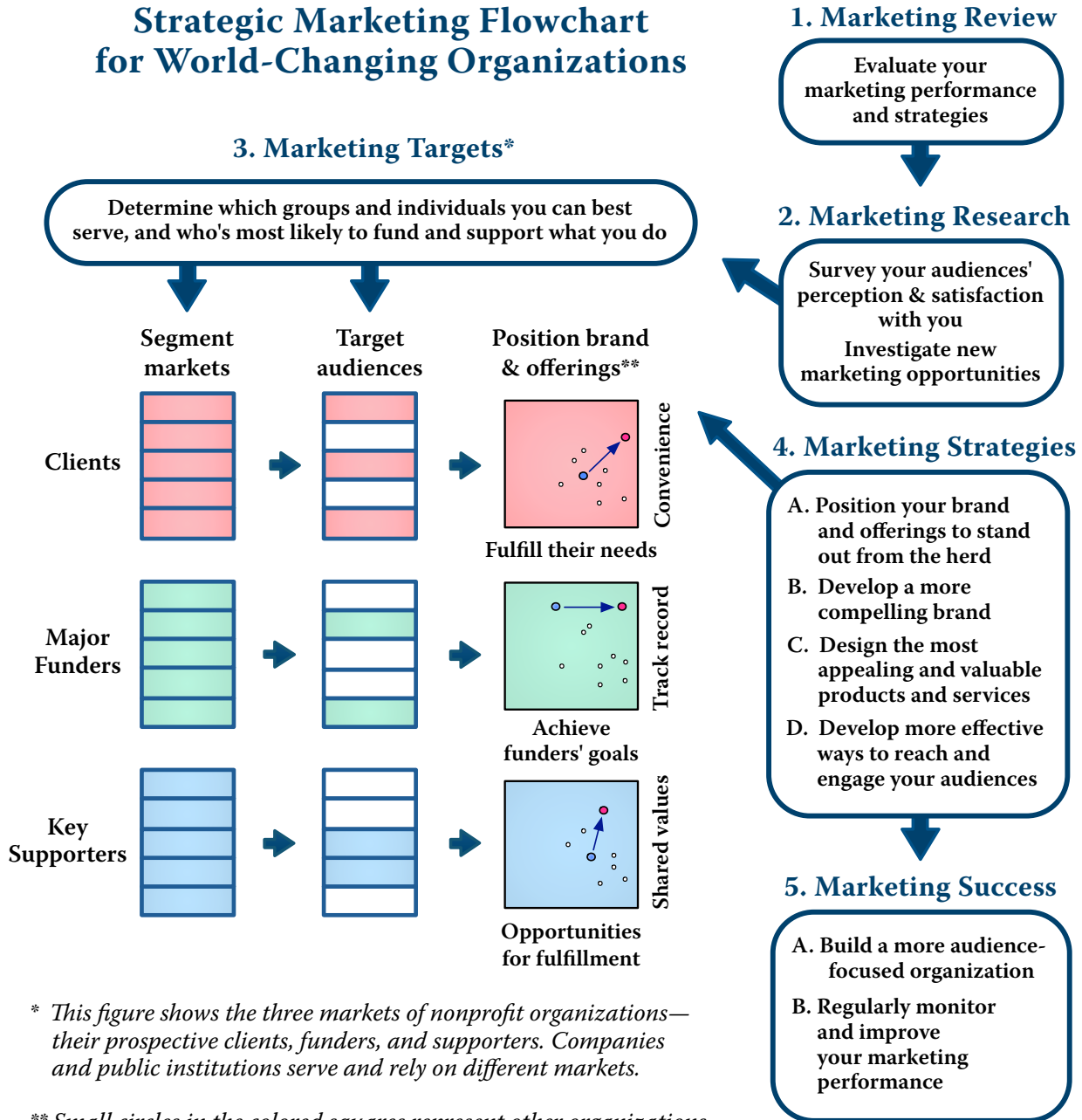


Fig. 1. Strategic marketing model for world-changing organizations



# SECTION 1

## INTRODUCTION TO STRATEGIC MARKETING

### ORIGINS OF STRATEGIC MARKETING

In the 1950s, some leading consumer-products *companies realized they had the marketing equation backward*. Instead of trying to *convince*—essentially change the minds of—potential customers, they figured out it was far easier to ask *customers what they wanted* and then sell it to them. Over time the promotional aspect of marketing has evolved from what something does (*its features*), to what it does for you (*its benefits*), to how you'll feel (*your experience*), and now to who you are (*your tribal affiliation*).<sup>4</sup>

Traditional corporate strategic marketing consists of three steps *to identify unmet needs and fulfill them better than anyone else*:

**Marketing research.** Most marketing research aims to gain competitive advantage with one's brand, within markets, and among target audiences.

**Marketing strategies.** The first two strategies of strategic marketing are *segmentation* (dividing markets into distinct audiences with different needs and preferences) and *targeting* (selecting the best audiences to target with one's products and services—one's *target audiences*). The third is *positioning* (creating the impression in audience members' minds that the organization and its offerings are different from and superior to its competitors).

**Marketing tactics.** To implement their marketing strategies, companies traditionally relied on a product-oriented *marketing mix* made up of the *4Ps*: product, price, place, and promotion. Marketing theorists have recently designed new marketing mixes in response to the fracturing of markets into smaller segments and niches, and the shift from marketing goods and services to brands and "solutions." As a result, many companies are adopting a *4C* marketing mix: consumer, cost, convenience, and communications. We present other marketing tactics in this guide.

## STRATEGIC MARKETING'S IMPACT OF ORGANIZATIONAL SUCCESS

Strategic marketing has grown increasingly crucial to corporate success. It's now difficult to imagine how a company could compete in today's markets without it. Over the past two decades, ***branding has emerged as the most powerful idea and method of strategic marketing.*** Naomi Klein, a harsh critic of corporate branding, attributes the recent rise of corporate wealth and influence to the power of branding in her recent book.<sup>5</sup>

Profit-driven companies aren't the only ones to benefit from strategic marketing. A 2006 meta-analysis of eleven studies showed, in all cases, a positive correlation between ***market orientation and performance in nonprofit organizations—an association higher than in for-profit studies.***<sup>6</sup> Researchers suggested enhanced “team spirit” and “organizational commitment” among market-oriented nonprofits may be responsible for better performance.

Though some large world-changing organizations understand and use the power of strategic marketing, we suspect most do not. One reason they don't may be that they mistakenly view strategic marketing as promotion and advertising. This guide dispels this myth.

## DIFFERENCES BETWEEN WORLD-CHANGING AND PROFIT-DRIVEN ORGANIZATIONS

World-changing organizations are fundamentally different from profit-driven companies—and the way they market should reflect these differences. The key differences are:

- Passion for making the world a better place drives world-changing organizations; the desire to boost profit and maximize shareholder value drive profit-driven companies.
- Companies serve and market to one type of target audience—their customers. Non-commercial values-driven organizations serve and market to different types of target audiences to advance, fund, and build support for their missions and work.
- Most core-values-guided organizations strive to improve long-term human well-being and protect the environment; most profit-driven companies sell products and services to satisfy short-term personal desires.
- Many profit-driven enterprises try to dominate their markets and put competitors out of business; though world-changing organizations occasionally compete for resources, most collaborate with others in their field that complement what they do.

***The irony between world-changing and profit-driven marketing is that: Private corporations spend billions of dollars to create the illusion that their customers can somehow experience deep inner fulfillment by gratifying superficial desires, while world-changing organizations that actually can provide it often seem oblivious to its importance.***



## GLOSSARY OF MARKETING TERMS

We know that most values-driven organizations don't think about promoting what they do in terms of target audiences, positioning, and branding. Some feel they shouldn't need to "market" the important work they do. So we initially tried renaming marketing terms so they would be less off-putting to those concerned about "corporatizing" their organizations.

We soon found that replacing *your competitors* with "other organizations that serve and seek support from that same groups that you do," and *target audiences* with "the key external groups that determine an organization's success" made for long and clunky sentences. So we gave up and decided to use standard marketing terms. Doing so shortened the guide and made it simpler to read. It also makes it easier to compare our marketing advice with that of other marketing authors. Here's a list of the essential marketing terms in this guide.

### Audiences

**Target audiences.** The critical external groups that determine an organization's success. They are the *customers* of world-changing companies; *constituents* and *oversight committees* or *administrators*<sup>7</sup> of public institutions; and *clients*, *funders*, and *supporters* of values-driven nonprofits. See Figure 2 on page 10.

**Prospective audiences.** The external groups that an organization could, but not necessarily will, serve through its mission or seek support from.

### Brand

**Real Brand.** Target audiences' *collective impression* of the organization and what it offers. It is the organization's actual brand, which its target audiences carry around in their heads.

**Desired Brand.** The *image that the organization projects of itself and what it offers* to its target audiences. Its purpose is to make the organization and what it offers stand out from the herd—to appear different from and more appealing than its competitors and what they offer. It is its *ideal brand*, which its leaders and marketers carry around in their heads.

### Core marketing strategy

**Core marketing strategy.** It is an organization's overall marketing strategy to achieve its long-term marketing goals. In this model, your choice of marketing targets and strategies primarily defines it. In corporate strategic marketing, it's the choice of one's target audiences, competitive positioning strategy, and marketing mix (its 4Ps or 4Cs) that define it. Examples and characteristics of *core marketing strategies* are on page 14.

## Markets

Broad categories of people, organizations, or nonhuman entities that a mission-driven organization could potentially serve or seek support from. This model and guide recognize three types of world-changing markets—those an organization: helps because of its mission (prospective *clients*), seeks funding from (prospective *funders*), and seeks other types of support and influence from (prospective *supporters*). Marketers divide markets into its potential audiences, and sometimes single individuals and organizations.

## Marketing strategies of world-changing organizations

**Positioning.** Establishing one's brand and offerings as different from and more appealing than those of one's competitors. Positioning takes place in audiences' minds and markets.

**Branding.** Developing a compelling brand for one's target audiences that is distinct and more appealing than those of its competitors.

**Providing high-value offerings.** Designing and offering the most appealing and valuable products and services for one's audiences.

**Employing effective marketing communications strategies.** Employing the most effective marketing communications strategies to reach and engage one's audiences.

## Marketing strategies of corporations

**Segmentation.** Dividing a market into distinct audiences in the way that best differentiates the audiences that one should market to from those it shouldn't. Sometimes segmentation identifies single individuals and organizations as potential targets (for example, a major foundation, a big donor, and an opinion leader).

**Targeting.** Determining the best audiences (and sometimes individuals and organizations) to market to once you've segmented a market.

**Positioning.** Same as above.

## Strategic marketing

The art and science of identifying, researching, engaging, and serving those individuals, organizations, or nonhuman entities (e.g., an endangered species, a river, or an art collection) that determine a world-changing organization's success.

## World-changing organizations

Local-to-global nonprofits, corporations, and public institutions that are making the world a better place.

## MARKETS AND AUDIENCES OF WORLD-CHANGING ORGANIZATIONS

Markets and audiences form the conceptual foundation of strategic marketing. Understanding the information in this section is essential to understanding and using strategic marketing.

### Markets

We define a “market” more broadly than corporate marketing does. We identified three types of markets for values-driven organizations in the glossary: prospective clients, funders, and supporters. Corporate strategic marketing isn’t concerned about donors and supporters: customers of profit-driven companies serve the roles of values-driven organizations’ clients, funders, and supporters.

A profit-driven company carries out its mission by providing goods and services to customers, funds its work and generates profits from their revenues, and strengthens “support” for its products and services by advertising. Thus, profit-driven companies have the “luxury” of designing their offerings and marketing strategies for one market—their *customers*.

Because customers serve the three functions of world-changing markets, companies can first split their clients into “markets,” and then divide them into audiences. Lexus, for example, competes in the luxury car and SUV auto markets. Its target audience within the SUV market is likely high-income individuals who value luxury and reliability over off-road performance.

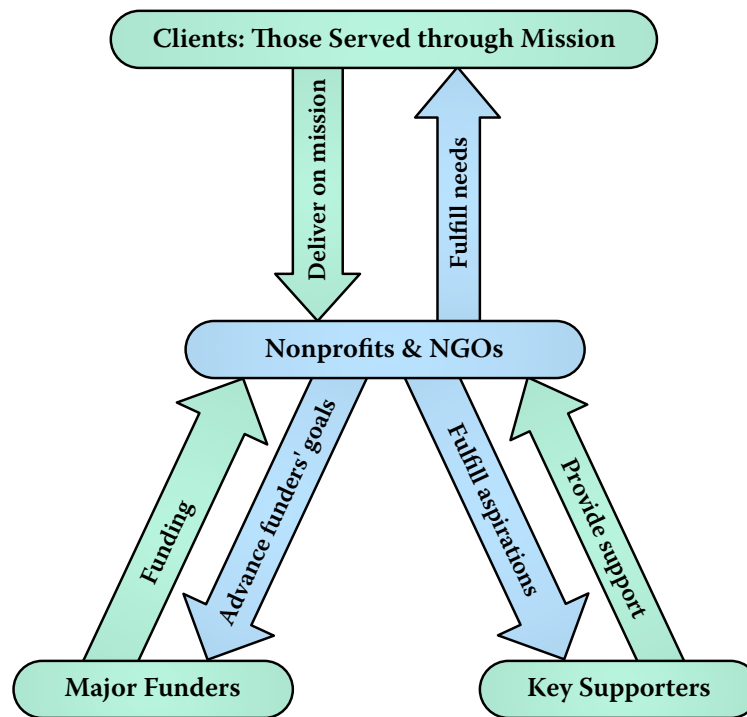
Of the three types of world-changing organizations listed below, only values-driven companies serve and count on one market. Public institutions serve and rely on at least two markets (or *publics*), and nonprofits help and rely on three.

- **Companies** serve and generate their revenues from one broad market—their *customers*. Many mission-driven enterprises divide this large market into smaller consumer markets.
- **Public institutions** serve one market (their *constituents*) while *oversight committees* or *administrators* oversee their budgets and performance.
- **Nonprofit organizations** serve one market (their *clients* or whatever they call those they serve through and who benefit from their missions), rely on the second market for funding (*major funders*, or simply *funders*), and obtain other types of support from the third. This third market is their *key supporters*, or just *supporters* who could be opinion leaders, politicians, and volunteers—and who also may partially fund an organization.

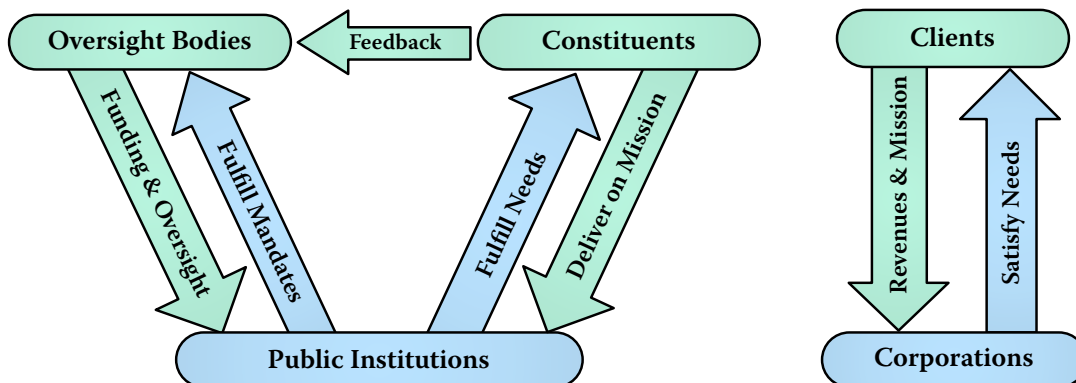
A market of a world-changing organization is a set of audiences (and sometimes individuals) by which it advances, funds, and strengthens support for its mission and work. In addition to dividing their markets into audiences, some single out a few key individuals and organizations instead of lumping them into audiences. They might be large foundations, big donors, or “angel” investors with the wherewithal to underwrite what they do.

*We think the reason that few world-changing organizations understand and use strategic marketing is that it was designed to help profit-driven companies market to their customers—and almost no one has translated strategic marketing into a simple model that world-changing organizations could use.*

We believe that Andreasen and Kotler<sup>8</sup> are the only prominent marketing theorists to translate corporate marketing strategies and tactics into ones that nonprofit organizations could use. As we state in endnote nine, we believe few world-changing organizations possess the marketing background or perseverance to glean what they need from their textbook to effectively use strategic marketing and understand markets.



**Nonprofits and Non-Governmental Organizations (NGOs)**



**Public Institutions**

**World-Changing Corporations**

**Fig. 2. Markets of different types of world-changing organizations**

## Audiences

### Prospective audiences

Marketers divide their company's markets into distinct (non-overlapping) audiences, and sometimes into a mix of audiences and individuals. We refer to these audiences, which one could, but not necessarily will, serve or seek funding and other support from as its *prospective audiences*. If a market is a mix of audiences and individuals, we refer to them as prospective marketing targets. You select your target audiences and marketing targets from the prospective ones you identify.

### Target audiences

A target audience is the group of individuals, organizations, and non-human entities that determine an organization's success. We include non-human entities as potential clients of organizations because some work on their behalf. A target audience of the International Crane Foundation (ICF) in Baraboo, Wisconsin, for example, is the remaining Whooping Cranes in North America. ICF works on their behalf and represents their interest, as well as those of the world's other crane species.

*Because they are among the most diverse type  
of target audiences of world-changing organizations  
—clients, funders, and supporters of nonprofit organizations—  
we've chosen them to represent the target audiences  
of all world-changing organizations in this guide.*

*As you read this guide,  
substitute what your organization calls its target audiences.*

Other values-driven organizations work for social justice, a healthy environment, the arts, and many other subjects. One term you will not find in any of our guides is *stakeholders*. If you use it as an umbrella term for the people and organizations who have a stake in your organization's actions and future; try thinking and talking about them more specifically as clients, funders, and supporters. See this endnote for our reasons.<sup>9</sup>

## Needs of target audiences

The 4<sup>th</sup> edition of the *American Heritage Dictionary* defines a **need** as *a condition or situation in which something is required or wanted; a necessity or obligation; or a condition of poverty or misfortune*. We often lump together and call clients' needs, funders' goals, and supporters' aspirations—**needs**, as in:

- Clients' needs that mission-focused organizations fulfill to deliver on their missions.
- Societal needs including curing diseases, protecting the environment, changing behavior to advance the social good, promoting social justice, making scientific discoveries, improving health care, developing sustainable agriculture, and advancing world-changing ideas.
- Funders' goals, funding priorities, and requirements.
- Supporters' aspirations, desire for personal fulfillment, and involvement in noble efforts.

***World-changing organizations are in unique positions to help their audiences fulfill their deep-seated needs and aspirations.***

The following figure and text box illustrate how the concepts of markets and target audiences can be used to segment your markets and identify your best targets.

Profit-driven companies have long recognized the importance of creating the illusion that satisfying their customers' superficial desires will magically fulfill their inner needs and aspirations. The most valuable and appealing things that you have to offer may not be your products, services, programs, etc., but instead providing people the opportunity to:

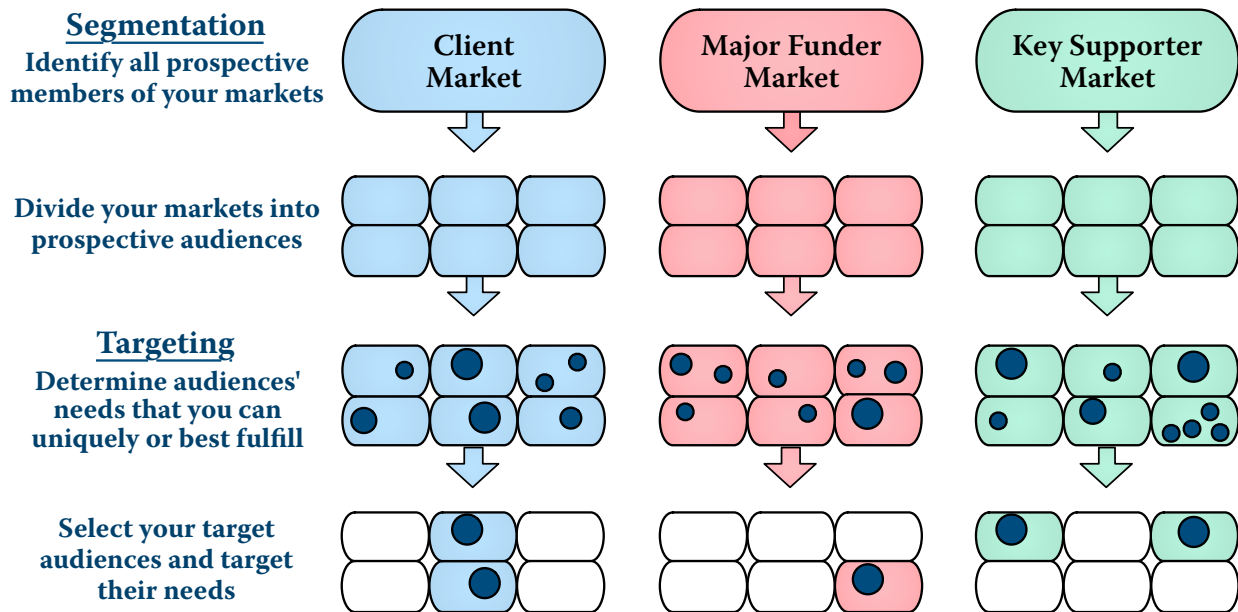
- ***Act on their core values and passions.***
- ***Use their knowledge, experience, and resources to make the world better.***
- ***Experience a deeper purpose in their lives.***

The most robust marketing strategies and materials weave together the outer and inner benefits that an organization offers. Purpose-driven organizations are in the enviable position to both make a difference in the world and fulfill people's deeper needs and aspirations.

## How to select your target audiences

Assume the figure on the next page represents the three **markets** or sets of target audiences of a nonprofit organization specializing in international agricultural development. It has divided (segmented) its prospective clients, major funders, and key supporters (its three markets) into six groups or audiences according to attributes (their needs, location, and so forth) that will help it determine the best audiences to target. See the Appendix for a series of diagrams on targeting the best audiences, position your organization and offerings in their hearts and minds, and more.





**Fig. 3. How to select target audiences**

To select the best audiences to advance, fund, and build support for its mission; assume the organization identified each *audience's needs* that it is in a unique or best position to fulfill. The size of the blue disks inside each one represents the importance of these needs to advance, fund, and support its mission—and its ability to uniquely or best satisfy them compared to its competitors. Further assume this hypothetical nonprofit organization has selected the following five *target audiences*:

**Client audiences.** Of the two audiences chosen, one might be the governments of developing countries facing significant agricultural development challenges. The other audience might be nongovernmental organizations (NGOs) in these countries that might wish to partner with it because of its knowledge, skills, and ability to obtain funding.

**Major-funder audience.** It might decide to focus its funding efforts on one target audience—major international agro-development agencies and foundations. They might include US Agency for International Development, Oxfam International, UK's Dept. for International Development, the World Bank, and the Bill & Melinda Gates Foundation.

**Key-supporter audiences.** Of its six prospective key-supporter audiences, it might decide to target the two audiences that share its core values and support organizations like it. They might be 1) international experts in agricultural development and 2) national leaders and experts in agricultural development in countries where it works.

## CORE MARKETING STRATEGY

### Characteristics of successful core marketing strategies

Organizations with well-designed core marketing strategies understand their target audiences and how they're in a unique position to serve them. Andreasen and Kotler characterize those with effective core marketing strategies as:<sup>10</sup>

- **Target-audience centered**—on understanding and fulfilling audiences' needs.
- **Visionary**—clear idea of where they're going.
- **Distinctive**—understand what distinguishes them from their competitors.
- **Sustainable**—focused on their long-term success.
- **Easily communicated marketing strategy**—so that both the organization's staff and audiences understand its core marketing strategy.
- **Motivating**—to those who carry it out.
- **Flexible**—broad enough to adapt to different audiences and changing conditions.

### Examples of core marketing strategies

To better appreciate what a core marketing strategy is, consider the core marketing strategies of the major cable television news networks like MSNBC, CNN, C-SPAN, and FOX. Each one **targets a different "audience," occupies a unique competitive position** in the cable news market, and **tailors its brand, offerings, and marketing communications** to distinguish itself from the other networks.

Healthcare organizations regularly try to differentiate themselves from their competitors through new positioning strategies and innovative marketing communications tactics. In 2004, the Alzheimer's Association launched a market research study into rebranding and repositioning itself. The study involved baseline measures of awareness and attitudes about Alzheimer's as well as a large number of focus groups with members of its three target audiences: family members of people with Alzheimer's, adults nearing the risk age, and members of Alzheimer's support groups.

The marketing study showed the best competitive position and brand for the Alzheimer's Association was one revolving around hope, research progress, and what baby boomers could do to reduce their risk. The core marketing strategy that emerged was **for the Alzheimer's Association to "own" the issue of "brain health."**

The Association then launched a highly successful "Maintain Your Brain" marketing campaign. It included public relations events featuring celebrities whose family members have the disease, an international research conference, paid advertising, and a series of events in Washington, D.C. to advocate for more funding for Alzheimer's research. These activities all drove home the point that the Alzheimer's Association is all about **maintaining a healthy brain.**

## VALUES-DRIVEN VERSUS CORPORATE MARKETING STRATEGIES

Our strategic marketing model is different from others for two reasons. First, we found corporate strategic marketing models challenging to understand. The reason may be one of historical precedent. When strategic marketing began to take shape in the 1960s and 1970s, large consumer-products companies were in the enviable position of having vast markets and receptive audiences. Though much has changed since then, the basic structure of strategic marketing models has not.

The second reason that this model and description of strategic marketing is unique is that we designed it for values-driven organizations. Marketing theorists developed almost all their marketing models for profit-driven enterprises.

### Structure of this world-changing marketing model

Our two goals of this model are to keep it *simple* and make it *useful* to values-driven organizations. One way we simplified it was to make *selecting one's marketing targets* a separate step that precedes formulating one's marketing strategies. Choosing your target audiences is *the crucial marketing decision* you'll make. Once you've selected your target audiences, you'll know who your competitors are and can begin designing your marketing strategies. The steps of this marketing model are:

- **Marketing review**—of your marketing performance and strategies.
- **Marketing research**—survey your audiences and investigate marketing opportunities.
- **Marketing targets**—segment your markets, and target the best audiences and individuals.
- **Marketing strategies**—to strengthen your position within your markets, brand, and offerings.
- **Marketing success**—building an audience-focused organization and continuously improving your marketing performance.

## ABOUT THIS GUIDE

This guide is about *organizational strategic marketing*, which establishes the foundation for an organization's subsequent marketing efforts. But you can extrapolate the information presented here to the tactics of *specific marketing campaigns*.

## SECTION 2

### DESCRIPTION OF OUR STRATEGIC MARKETING MODEL

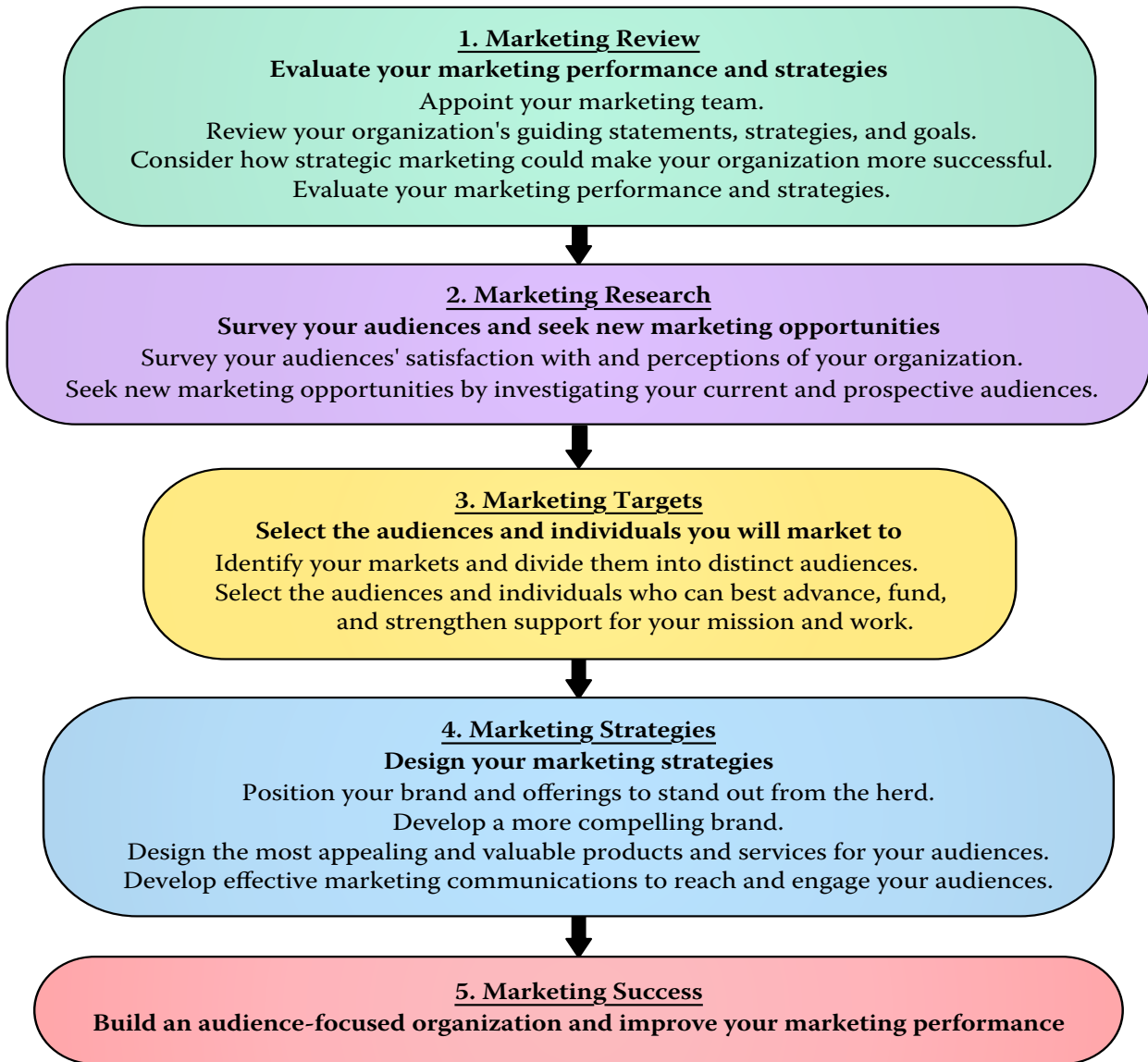
This section describes the five steps of this model; Our *Strategic Marketing Workbook* explains how to implement them. This model has similarities to the one developed for nonprofit organizations by Andreasen and Kotler.<sup>11</sup>

#### STEP 1. MARKETING REVIEW—DESCRIPTION

##### Evaluate Your Organization's Marketing Performance and Strategies

Step 1 is made up of the following tasks:

1. Appoint your marketing review team.
2. Read this guide and our *Branding Guide*.
3. Review your guiding statements (core values, mission, and vision), strategies, and goals.
4. Determine how strategic marketing could help you advance, fund, and strengthen support for your mission and work.
5. Assess your organization's knowledge of and attitudes about strategic marketing. The figure on page 19 shows the *three marketing mindsets* of most world-changing organizations. (The colored, rounded rectangles of target audiences in this illustration are from the bottom row of the *How to Select Your Target Audiences* on pages 12-13).
6. Evaluate your marketing performance and strategies using the five steps of this model as benchmarks. Then assess the role marketing currently plays in advancing, funding, and strengthening support for your mission and work.



**Fig. 4. Strategic marketing process for world-changing organizations**

## STEP 2. MARKETING RESEARCH

### Survey Your Audiences' Satisfaction and Perceptions, and Seek New Marketing Opportunities

#### Selling refrigerators to Inuits

How would you like to sell refrigerators to Inuits (formerly known as Eskimos) in the Arctic? Jonathan spent a summer on Banks Island, which is 500 miles north of the Arctic Circle, conducting research for his Master's degree. Banks Island, which is half the size of his home state of Wisconsin, was at the time home to a native settlement of 180 Inuits. About every other week, he and his research team would spend a few days in the Inuit community called Sachs Harbor.



We doubt any refrigerator manufacturer would consider sending a member of their sales force to the Arctic. But, if they sent a marketer, they would learn that every Inuit family owns a refrigerator. There are a couple of reasons for this. One is polar bears. Putting food outside one's shelter would be an invitation to unwelcome "pests."

Another is permafrost—because they're so difficult to excavate, Inuit communities have only one or a few underground storage caverns in the permafrost. Though Inuits share underground caverns for long-term storage, they're tightly covered at ground level to deter "pests" and are only accessible by ladder. Groups of families decide when to enter them, which might be once a week. Like most families in North America, each Inuit family owns a refrigerator they keep inside their houses.

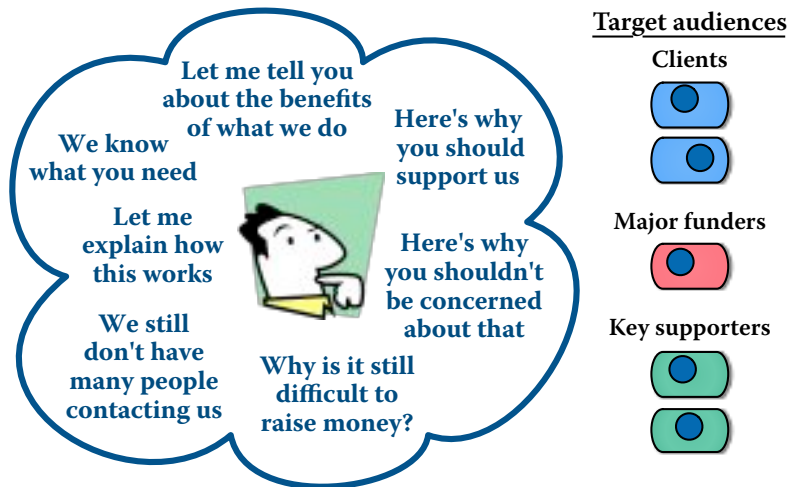
An enterprising marketer would probably find an untapped market for specialty refrigerators designed to store caribou, muskoxen, ducks, geese, and arctic char. A marketer would probably observe how Inuit families use their refrigerators and interview them about their refrigeration needs and willingness to buy a better one. Extrapolating the findings to the other communities in the far North, one could estimate the potential market and feasibility of selling refrigerators in the Arctic.



### Internally focused mindset



### Selling mindset



### Audience-focused mindset



Fig. 5. Three marketing mindsets and their target audiences

## Survey audiences and research marketing opportunities

This step involves two types of research: One is to survey your current audiences' satisfaction with what you offer and their perceptions of your organization and its competitors. The other identifies new marketing opportunities among your current and prospective audiences, particularly by investigating their needs you're in a unique or best position to fulfill.

The following example illustrates both types of research. For many years the National Cancer Institute (NCI), American Cancer Society, and similar institutions were frustrated by their lack of success in persuading smokers to quit. They assumed that smokers didn't understand that smoking was bad for their health and a leading cause of cancer. Thus, they emphasized its dangers in their marketing campaigns. But a careful review of the research studies on smokers showed that seven of eight already understood smoking was dangerous.

The studies demonstrated that smokers weren't trying to quit because they didn't know how to and were doubtful they could quit. These findings prompted NCI and similar institutions to switch their target audience from smokers to healthcare professionals and change their marketing strategies. The goals of their new marketing strategies were to encourage healthcare professionals involved in smoking cessation to use newly developed techniques to help people quit smoking and assuage their fear of failing.

Much of marketing research today concerns target audiences: their composition and size, their needs that one is in a unique or best position to fulfill, and their satisfaction with and perceptions of an organization. This type of marketing research enables you to base your decisions on knowledge instead of hunches and assumptions. This model underscores two kinds of marketing research.

### External survey

One of the best investments you can make is to hire an outside consultant or firm to conduct an external survey of your audiences' satisfaction and perceptions. A well-designed survey will reveal your audiences' satisfaction with what you offer them, their impressions of your organization (your *brand*), and the key attributes that shape both. It will also uncover the same things about your competitors but in more general terms.

### Seek new marketing opportunities

One of the best ways to find new markets is to determine the needs of your current and prospective audiences that you're in a unique or best position to fulfill. Also, consider the extent to which their core values overlap with yours. The greater the overlap, particularly for potential funders and supporters, the more likely they will be to fund and support what you do.

## STEP 3. MARKETING TARGETS

### Select Audiences and Individuals Who Can Best Advance, Fund, and Strengthen Support for Your Mission and Work

The biggest mistake in marketing is to assume that one's markets are broad, homogeneous groups; and then to mass market to everyone within them. We call this *phantom marketing*: marketing products and services designed for, say, one's *average client*—who doesn't exist.

Strategic marketing rightly assumes that most markets are composed of distinct groups or audiences with differing needs, values, and preferences. In addition to distinct audiences, some markets contain individuals and organizations of such importance that it's best to treat them as separate marketing targets.

Therefore, markets present you with *a crucial marketing decision: who to target with your products, services, and marketing strategies in each market? Strategic marketing offers two marketing tools*<sup>12</sup> to help you make this decision: segmentation and targeting.

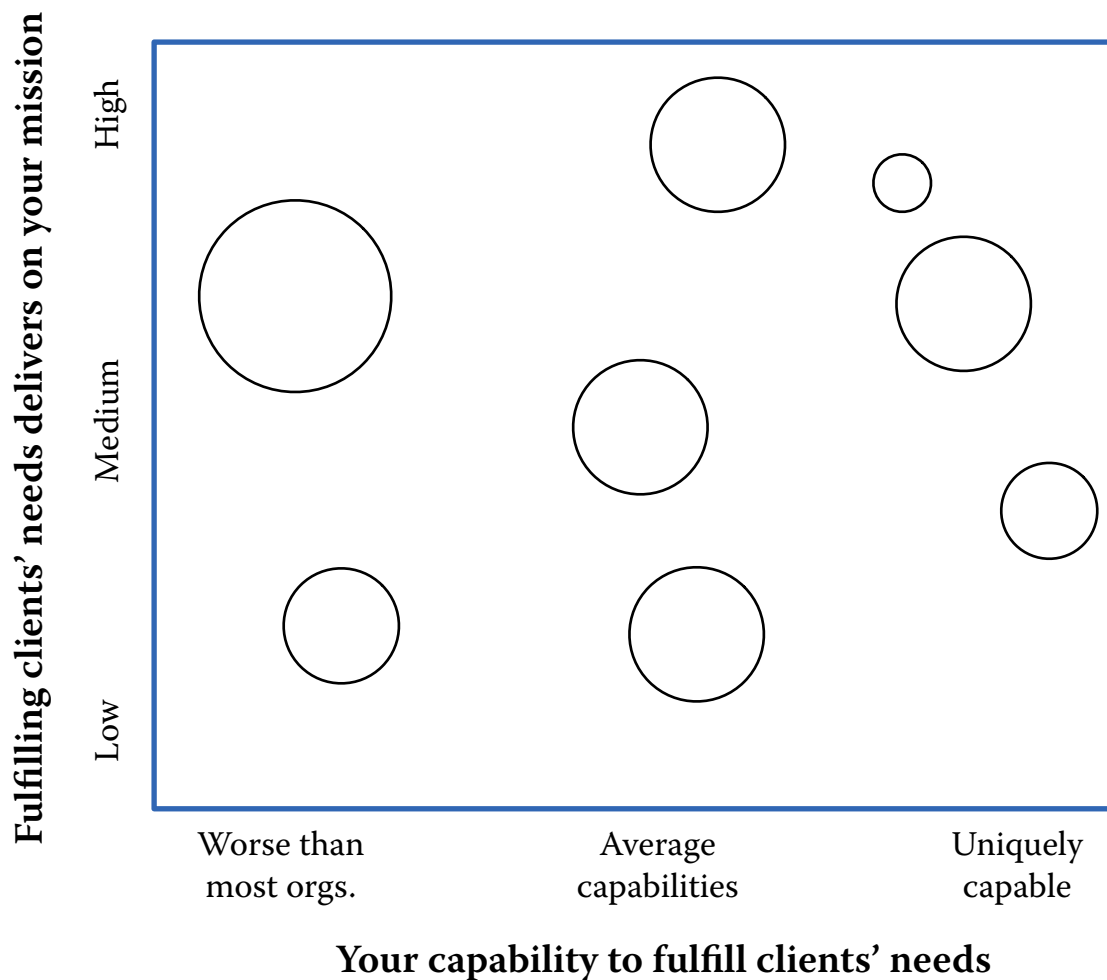
### Segmentation

We defined segmentation in the glossary as *dividing a market into distinct audiences in the way that best differentiates the audiences that an organization should market to, from those it shouldn't*. We also noted that sometimes segmentation identifies key individuals and institutions as potential marketing targets. Segmentation isn't merely using the first idea that comes to mind to divide a market into separate audiences and accepting the results.

Instead, segmentation is to divide a market in various ways, based on different criteria; and then decide which one differentiates the best from the worst target audiences. Marketers use a variety of approaches to segment markets. They range from simple measures like use/not-use to complex ones.

Complex criteria include social class, psychographic criteria that combine lifestyle (e.g., AIO criteria—activities, interests, and opinions) and demographic measures, and geocustering (systems like PRIZM, ACORN, ClusterPlus 2000, and Personix), which assume that people who live close to one another have similar attitudes and opinions.

We recommend segmenting your markets first by audiences' needs, the extent to which you're in a unique or best position to satisfy those needs, and the overlap of their core values with yours. If these criteria don't distinguish your potential target audiences clearly from those you're unlikely to engage, then try more other criteria.

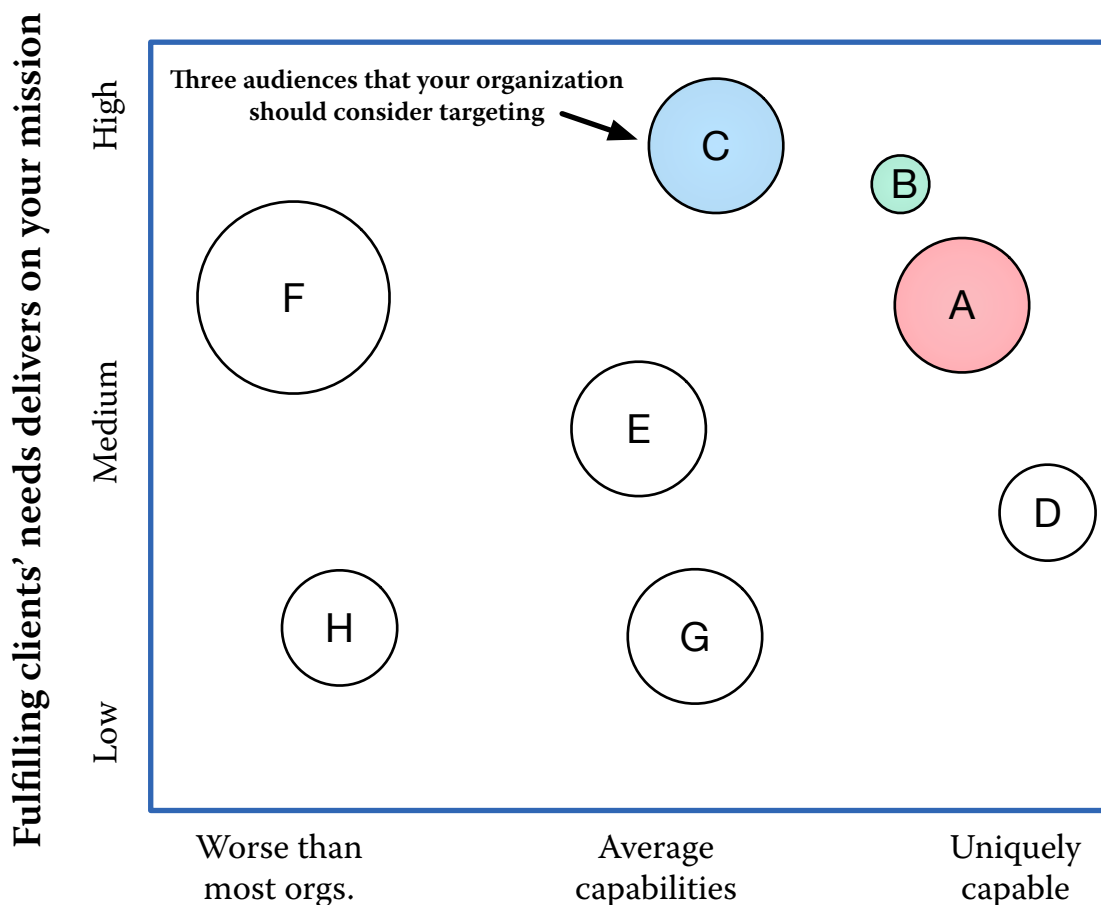


**Fig. 6. Segmenting clients into groups (audiences)**

## Targeting

We defined targeting in the glossary as *determining the best audiences (and sometimes individuals and organizations) to market to once you've segmented a market*. The four most common options for deciding who to target within a market are:

- **Mass marketing**—indiscriminately marketing to everyone in a market. Except for large consumer-product corporations, this is usually the worst option. Organizations that try to appeal to everyone within a market often end up appealing to no one. It is *the biggest mistake in marketing*.
- **Targeting several audiences**—selecting groups within a market one can best serve.
- **Targeting one audience**—targeting one audience within a market or a narrow and specialized slice of an audience—*niche marketing*. It is usually the best targeting strategy for small, *boutique* organizations with specialized products and services.
- **Market to individuals**—tailor one's marketing to specific individuals within an audience or market. Usually, organizations that succeed at this type of marketing possess specialized expertise in using sophisticated search engines and data-mining applications.



### Your capability to fulfill clients' needs

**Fig. 7. Targeting the best audiences (target audiences) identified by segmentation**

#### Guidelines for Step 3

7. **Segment (divide) your markets** into distinct audiences based on their attributes relevant to you, starting with their needs, your ability to uniquely or best fulfill those needs, and their core values (particularly for your prospective funders and supporters).
8. **Consider each audience's needs and core values.** Determine the extent to which fulfilling an audience's needs would help advance, fund, or strengthen support for your mission and work. Furthermore, decide the extent that an audience's core values overlap with yours. The bigger the overlap, the more likely the audience will avail itself of what you offer or support what you do.
9. **Target (select) audiences whose needs you are in a unique or best position to fulfill** compared to your competitors; whose core values are most similar to yours; or use other criteria that better differentiates the audiences you should target from those you should not. If *individuals* in your market seem like better targets than the groups you've lumped them into, test individualized and mass marketing. Today, most organizations concentrate on one to several audiences within their markets: we suggest you consider doing the same.

## STEP 4. MARKETING STRATEGIES—DESCRIPTION

### Design Your Marketing Strategies

After you select your organization's marketing targets in Step 3, you then design your four marketing strategies in this step:

1. Position your brand and offerings to stand out from the herd of other organizations in your field or your competitors.
2. Develop a more compelling brand.
3. Offer the most appealing and valuable products, services, or whatever else you offer.
4. Develop effective marketing communications to reach and engage your audiences.
5. Build an audience-focused organization and continuously improve your marketing performance.

In 2005, Dev and Schultz<sup>13</sup> proposed that innovation- and solutions-driven companies replace the standard supply-driven 4Ps marketing tactics (product, promotion, price, and placement) with their client-driven, solutions-focused *SIVA marketing mix*:

- **Solution** (replaces Product)
- **Information** (replaces Promotion)
- **Value** (replaces Price)
- **Access** (replaces Placement)

If your organization is innovation- or solutions-driven, you might build your marketing strategies around the SIVA model. But we think you'll find the model described in this guide to be more-or-less equivalent to it. For example, the third strategy of this model easily accommodates "solutions" for what you offer. Freely sharing of "information" is a fundamental element of the fourth strategy.

"Value" is the key element of the third strategy. And we consider "access" to be shorthand for one's marketing communications strategies. Still, the SIVA model offers an intriguing way to frame the marketing strategies of innovation- and solutions-driven world-changing organizations.



## Substep 4.1 Marketing Strategy—Description

### #1. Position Your Brand and Offerings to Stand Out from the Herd

By standing out from the herd, we mean establishing your brand and offerings as different from and more appealing than other organizations in your field and your competitors—in your audiences' minds and, more broadly, within your markets. Here's what we mean. With the publication of their marketing classic, *Positioning: The Battle for Your Mind*, Ries and Trout introduced the idea that **positioning takes place in audiences' minds**. They saw positioning as a battle for ownership of choice pieces of mental real estate.

Four years later, Michael Porter released his influential and somewhat controversial marketing classic, *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. Porter proposed three competitive positions that companies could occupy to succeed in highly competitive markets. Since its publication, marketing theorists have been thinking up other ways for companies to stake out different parts of their markets to reduce competition.

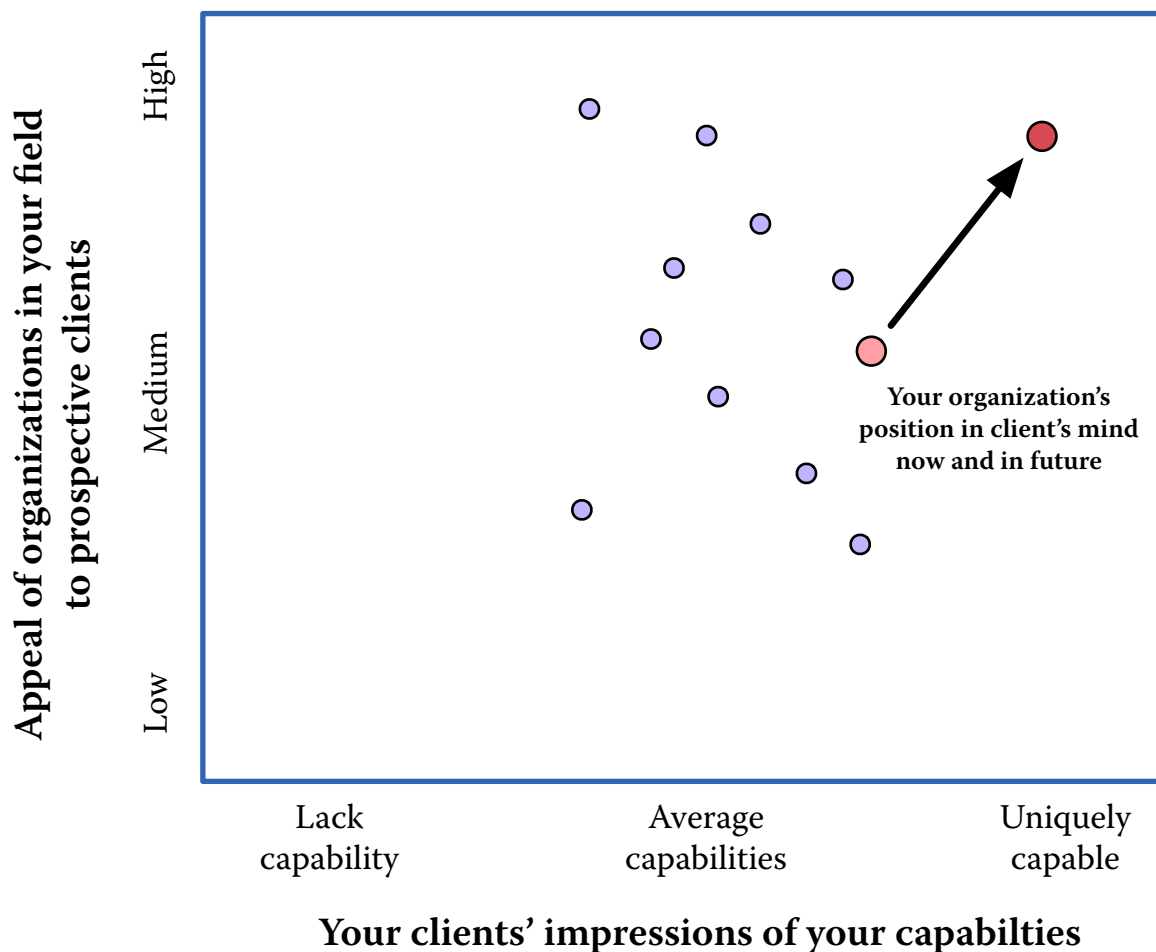


Fig. 8. Positioning your organization in its audiences' minds

You might find it helpful to think of your brand as how you **broadly position** your organization within its markets and what you offer as how you **narrowly position** it within its audiences.

**1. Ries and Trout's three positioning strategies.** In *Positioning: The Battle for Your Mind*, the authors proposed three positioning strategies to improve a company's competitive position:

- **Build on your present strengths.**
- **Search for a niche.**
- **Reposition the competition.**



**2. Michael Porter's three competitive strategies.** In *Competitive Strategy*, Porter introduces three positioning strategies for companies in highly competitive markets to differentiate themselves from competitors and reduce competition. Note that each one targets a different audience, occupies a different competitive position, and employs a different marketing mix (the 4Ps):

- **Differentiation**—to offer and promote something unique.
- **Low-cost provider**—the Wal-Mart strategy.
- **Find and focus on a niche**—search for a narrow market segment that no else is paying attention to and then be its best or only provider.

**3. Three value-discipline core marketing strategies.** Michael Treacy and Fred Wiersema developed an alternative strategic framework to Porter's competitive-strategy model based on their belief that customers within most industries fall into three broad categories regarding what they value. Some want to take advantage of the latest technological innovations, others desire reliable and dependable performance, and still others place a high value on customer responsiveness and customization. Therefore, Treacy and Wiersema recommend companies pursue one of three "value disciplines:"

- **Product leader** that pursues technological innovation.
- **An operationally excellent firm** that provides reliable and dependable products and services.
- **A customer-intimate firm** that prides itself on providing a high level of customer satisfaction.

**4. Recent audience-focused and market-oriented core marketing strategies.** Recently, marketing theorists have been designing sets of competitive positioning strategies based on the current, emerging, and future demands of audiences:

- **Satisfy current demands** of target audiences by studying their needs and desires.
- **Be the first to meet the new demands** of target audiences by monitoring changes in their behavior and requirements.
- **Create new demands** through innovative products or services.

#### **Advice on positioning strategies**

- **Be the first to market.** Branding studies show that the relative market share of the top three brands in most markets is 4:2:1. The top brand has double the market share of the #2 brand, and quadruple that of #3. The one that creates a new market usually dominates it even if later market entrants offer better goods or services.
- **Differentiate your organization** from its closest competitors.
- **Use your audiences' perceptions to your advantage instead of trying to change them.** Once audiences have developed an impression of your organization, it's difficult and expensive to try to change it. It's better to figure out how to use their perceptions to your advantage than waste your time and money trying to change them. You might recall that this was the take-home message of the 1998 film *Wag the Dog* starring Dustin Hoffman as a political spin doctor and Robert De Niro as the US president embroiled in a sex scandal. Hoffman's character infamously told the President of the United States that it's easier to start a war than changing the public's mind about an affair.
- **If you are not #1 in your audiences' minds, then relate your offerings to #1.** Avis didn't belittle Hertz with its "We try harder" marketing campaign; instead, it used Hertz's reputation as the #1 car rental company to its advantage, thereby boosting its sales and share of the car rental business.
- **Focus on a narrow slice of a market or obscure niche.** If you aren't first in a market, then focus on a slice of it—employ a *niche strategy*.

## Substep 4.2 Marketing Strategy—Description

### #2. Develop a More Compelling Brand

We define two types of brands:

**Real brand.** Target audiences' *collective impression* of the organization and what it offers. It is the organization's *real* brand, which its target audiences carry around in their heads.

**Desired brand.** The *image that the organization projects of itself and what it offers* to its target audiences. Its purpose is to make the organization and what it offers stand out from the herd—to appear different from and more appealing than its competitors and what they offer. This is its *ideal brand*, which its leaders and marketers carry around in their heads.



A compelling brand is the core of one's marketing efforts—and achieves several goals. One is to make your organization and what it offers to seem different from and more appealing than what your competitors are offering. Another is to capture your audiences' attention long enough to create a memorable and positive impression.

Marketing messages in the form of brands bombard us every day. To prevent information overload, our minds “preview” our immediate impressions of them. If they are appealing and resonate with our needs and values, we attend to them. If not, our minds filter them out of our consciousness.

Brands are tailor-made for short-duration, grab ‘em or lose ‘em encounters: lengthy descriptions of one's vital mission and work are not. The ones that best capture audiences' attention are distinctive, memorable, and specifically designed around their intended audience's needs and values. A corollary to the previous statement is that the more narrowly you define your target audiences, the more precisely you can design your brand to appeal to their needs and values.

The third goal is to make your organization seem indispensable to fulfilling your audiences' needs and solving their problems. If you're leery of branding, remember ***every organization has a brand***. You can define your brand, or leave it up to chance or your competitors to do it. We strongly recommend reading our *Branding Guide* to learn more about this subject.



Fig. 9. The key attribute of The Nature Conservancy's brand

## Substep 4.3 Marketing Strategy—Description

### #3. Design the Most Appealing and Valuable Products, Services, or Whatever You Offer

*Offerings* are what the organization provides its audiences. They aren't limited to products and services. World-changing organizations are in the enviable position to help people fulfill their deepest needs for personal fulfillment and add the meaning of their lives. The actual services, programs, and products you offer may be less relevant to your audiences than the deeper needs you fulfill.

Many mission-driven organizations, for example, provide their supporters with opportunities to make a difference in the world. Some submit grant proposals that offer foundations and donors the means to achieve their goals.

The key to designing the most appealing and valuable offerings for your audiences is to understand their needs, core values, and perceptions of what others offer. It doesn't matter how attractive and useful *you* think they are; the only thing that matters is how appealing and valuable they are to *your audiences*. The organization that best understands its audiences' *perceptions* and *needs* of those vying for their attention and business will be in the best position to appeal to and fulfill them.

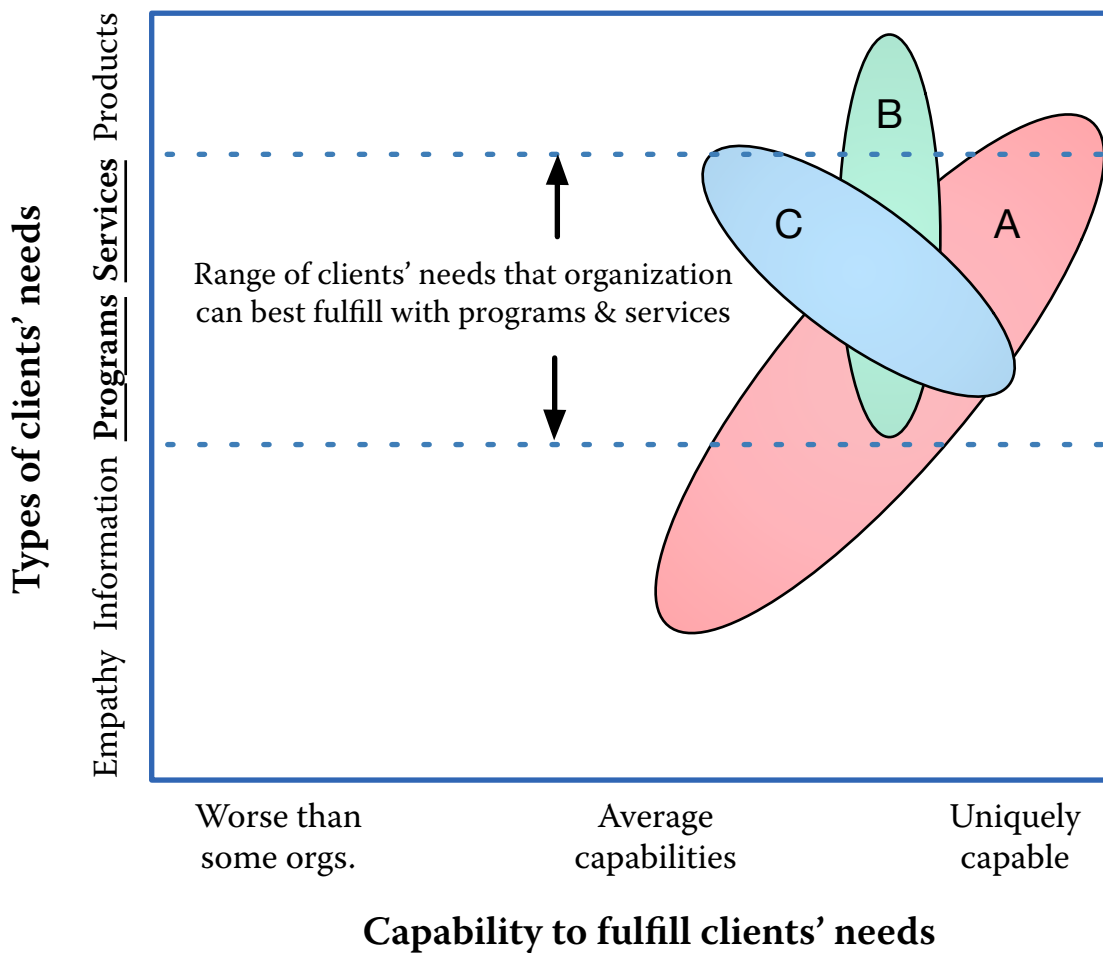


Commissioning an outside firm such as our Center to design and conduct an external survey of your target audiences may be the best investment your organization ever makes. If this sounds like a sales pitch or shameless promotion, it isn't. The most valuable information you can possess is *your audiences' satisfaction* with what you and your competitors offer, *and their perceptions* of you and your competitors (your and their brands).

In addition to surveying your audiences, investigate your audiences' and competitors' websites and marketing materials. Use your favorite search engine to find articles, blogs, and other information on them. The more you know about your audiences and competitors, the better you'll be able to provide them the most appealing and valuable products, services, or whatever else you offer them.

***Unless you offer your audiences the most appealing and valuable products and services, you'll be spending a lot of time and money trying to convince them that it's NOT in their best interests to use your competitors' products and services, which they find more appealing and valuable.***





**Fig. 10. Determine your audiences' most pressing needs that your organization has unique capabilities to fulfill**

The three colored areas (A, B, and C) plotted above represent the **overlap** between clients' needs and the organization's capabilities to fulfill those needs for the three target audiences identified in Fig. 7.

## Substep 4.4 Marketing Strategy—Description

### #4. Develop Effective Marketing Communications to Reach and Engage Your Audiences

The fourth P in traditional marketing's 4Ps is "*promotion*." Many marketing professionals now call it *marketing communications*. Marketing communications is a crucial topic in strategic marketing, and countless books have been written about it. There are five fields in corporate marketing communications: advertising, sales, sales force, direct mail, and public relations. Of these, we think public relations and direct mail are the most important to most world-changing organizations.

Purpose-driven companies, nonprofit organizations, and public institutions usually market different things to different audiences. Thus, they often employ different forms of marketing communications to reach and engage their audiences. But, there are six aspects of marketing communications that can help all values-driven organizations improve how they reach and engage audiences.

The first three are the foundation of an organization's market communications: *marketing communications strategies, messages, and identity media*. The other three are good *public relations, an efficient system for engaging audiences, and freely sharing much of their knowledge*.

1. **Marketing communications strategies** to reach and engage your audiences. Your strategies depend on what you learn from studying how your audiences learn about organizations like yours and what stage of the decision-making process they're on. For example, you would design different marketing communications strategies for a target audience that doesn't know you exist, from one that supported you in the past and is considering whether to do so again.
2. **Marketing messages** that capture your audiences' attention and project a compelling impression of your organization. Your core marketing message or "elevator speech," which should take less than a minute or one paragraph to present, must capture your audiences' attention, project a compelling image of your organization, and leave them wanting to know more about it. You then would focus your follow-up messages on your key attributes—and tailor them for prospective clients, funders, and supporters.
3. **Identity media** that convey who your organization is, what it does, and why your audiences should care about it. They include building a great website, designing appealing stationary and brochures, conveying what you've accomplished and intend to accomplish in the future, and using a distinctive graphic design that distinguishes you from others in your field.
4. **Public relations** that establish and maintain positive relationships with your audiences and the public. One of the most popular models is Philip Kotler's **PENCILS model**<sup>14</sup> for public relations: Publications, Events, News, Community relations, Identity, Lobbying, and Social investment.

5. **Our iEngage System** to engage your audiences and create a favorable impression, whether through your identity media or in person. We based it on the following five steps:

***Introduce***—your audiences to who your organization is, what it does, and why they should care about it.

***Inquire***—about their needs, core values, and interests.

***Inform***—them about what your organization stands for and does.

***Inspire***—them by telling them about what your organization has and intends to accomplish to make the world a better place.

***Invite***—them to avail themselves of what your organization offers and support what it stands for and does.

6. **Freely share valuable information and resources** on your website and in at least some of your publications establishes you as an authority in your field. Making it freely available is one of the best ways to engage and build trust with your audiences. It can also establish you as a valuable resource for other types of assistance others might need. For some of these organizations, sharing knowledge replaces providing goods and services as the vehicle by which they deliver the most value to their audiences.

## STEP 5. MARKETING SUCCESS—DESCRIPTION

### Build an Audience-Focused Organization and Continuously Improve Your Marketing Performance

#### Build an audience-focused organization

Once your marketing team identifies your target audiences and designs your marketing strategies, you'll need employees who understand and appreciate the importance of strategic marketing to implement these strategies. Unless your managers and front-line staff develop an audience-focused marketing mindset, strategic marketing won't make your organization more successful. Everything you attempt to accomplish through strategic marketing will be expensive theater—employees will see it as just another management fad.

Before employees can strengthen their relationships with their target audiences, they need to see them for who they are—the ones who determine their organization's and pay their salaries. Strategic marketing training is the best way to begin building an audience-focused organization. You might not be surprised to learn that our Center delivers this type of training.

If we presented strategic marketing training to your organization, we would use the assessment of its knowledge of and attitudes toward strategic marketing from Step 1 to tailor it for your organization. If you commissioned our Center to conduct external and internal surveys for your organization, their findings would be invaluable in designing this training. After the training, managers would begin incorporating strategic marketing ideas and tools into how your organization thinks about and carries out its work.

#### Continuously improve your marketing performance

The last step of the model encourages you to regularly monitor and improve your marketing performance. Our strategic planning guide introduces *a new strategic review process* illustrated on the next page. It helps the organization's guiding members (its leaders and board members—or their equivalent) determine if their organization is on track to accomplish its five-year goals and shorter-term milestones.

Guiding members would *formally evaluate* their organization's strategies and performance every two years, and commission *a less rigorous review* of them annually. Depending on the results of these evaluations and reviews, they might modify or change the organization's strategies, milestones, goals, and vision.

This strategic review process helps the organization strike the right balance between maintaining its strategic course, adapting to changing conditions, and seizing promising but unplanned for opportunities. If you use our strategic planning model, which incorporates strategic marketing into the planning process, then your marketing performance would be included in your strategic review. If not, you could still use this review process to monitor and improve your marketing performance regularly.



Fig. 11. Strategic review process for world-changing organizations

# OUTLINE OF THIS MARKETING MODEL

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## 1. Marketing review—Evaluate your marketing decisions, strategies, and perceptions

- A. Select who will lead and participate in your marketing review.
- B. Read this guide, our *Marketing Workbook*, and our *Branding Guide*.
- C. Review your guiding statements (core values, mission, and vision), strategies, and goals.
- D. Determine how strategic marketing could help your organization advance, fund, and build support for its mission and work.
- E. Assess your organization’s knowledge of and attitudes toward strategic marketing.
- F. Evaluate your organization’s marketing efforts using the five steps in this model as benchmarks; and the role marketing plays in advancing, funding, and building support for its mission and work.

## 2. Marketing research—Survey your audiences’ satisfaction and perceptions, and investigate new marketing opportunities

- A. Survey their satisfaction with what you offer and their perceptions of your organization and competitors.
- B. Investigate new marketing opportunities by studying the needs and preferences your current and potential audiences.

## 3. Marketing targets—Determine the best audiences, individuals, and organizations to target

- A. Divide your prospective clients, funders, and supporters into distinct groups or audiences.
- B. Identify the best audiences and individuals to advance, fund, and build support for your mission and work.

#### **4. Marketing strategies—Design your marketing strategies**

- A. Position your brand and offerings to stand out from the herd of other organizations in your field and your competitors.
- B. Develop a more compelling brand.
- C. Design the most appealing and valuable products, services, or whatever else you offer.
- D. Develop effective marketing communications to reach and engage your audiences.
  - Formulate your marketing communications strategies.
  - Develop your marketing messages.
  - Design your identity media.
  - Maintain good public relations.
  - Engage your audiences using our iEngage System.
  - Freely share your knowledge with your audiences.

#### **5. Marketing success—Build an audience-focused organization and continuously improve your marketing performance**

- A. Build an audience-focused organization.
- B. Monitor and continuously improve your marketing performance.



## CONCLUSION

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World-changing organizations are probably the fastest growing class of organization in the world. Few people, however, recognize the similarities among companies, nonprofits, and public institutions that are changing the world. They possess the same underlying mission, tackle complex problems, do pioneering work, and employ highly educated and dedicated people.

Though they have little in common with traditional organizations, most use the same business philosophy and methods as they do. We believe *conventional management philosophy and profit-driven methods designed to maximize profits thwart the success of these organizations.*

Recognizing this, we developed a set of new strategic management ideas and tools to harness their full potential to change the world. We grouped them into the following three themes, world-changing:

- Strategic planning
- Strategic marketing
- Organizational development, including leader and manager development.

*Of these, we believe strategic marketing holds the keys to their success.*

*Its ideas and methods can transform  
a modestly successful organization  
into highly successful and well-funded one  
capable of making the world a better place.*

We hope the ideas and methods in this guide help you to better advance, fund, and build support for your organization's mission and work.

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- \* — **Recommended**
- \*\* — **Highly recommend**

## ENDNOTES

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<sup>1</sup> **World-changing organizations** are committed to making the world a better place—whether in a local community, a region, or the world. Many are **nonprofits** and **governmental institutions**. But others are **companies** striving as much to make a difference as turn a profit. When we refer to *organizations* in this document, we mean *world-changing ones* unless we specify otherwise.

They range from small organizations working in local communities to global organizations like the U.S. Agency for International Development (which I consulted for) and The Nature Conservancy (which I worked for) that work in 100 and 30 countries respectively.

*What do these seemingly diverse organizations have in common?* Most of them are trying to solve complex problems (e.g., social, societal, environmental, and scientific—to name a few); understand and serve a variety of audiences with different agendas (e.g., clients, funders, and supporters); seek support from diverse interest groups; and manage an idealistic, independent, and often iconoclastic workforce.

These are just some of the things they have in common. And it is up to an organization to determine if it is sufficiently committed to making a difference in the world to refer to itself as “world-changing.” If so, they may wish to avail themselves of what we offer.

To avoid repetition, we sometimes refer to them as **values-driven**, **mission-driven**, and **purpose-driven**. Use the term “values-driven” most often because, as we explain in our *Guiding Statements Guide* and elsewhere, we believe their core values drive everything they stand for and do.

And we often refer to the people who work in and support them as **conscience-driven** because their inner sense of what’s right and wrong compels them to work for and support these organizations.

<sup>2</sup> In their impressive 504-page textbook, *Strategic Marketing for Nonprofit Organizations* (7th ed., Upper Saddle River, NJ: Pearson Prentice Hall, 2008), Andreasen and Kotler describe how nonprofit organizations can use corporate strategic marketing ideas and methods to improve their performance. Their ideas and insights have changed how we help world-changing organizations.

Though the ideas and examples in this book are excellent, it surely is not an *introductory one* on strategic marketing for nonprofit organizations. The sheer volume and density of the information presented might scare many would-be readers away. The authors’ use of the term *target audiences*, which is probably the most important idea in strategic marketing, may confuse some readers. Sometimes it refers to groups that an organization serves through its mission (its *clients*). Other times it refers to all of an organization’s target audiences—all its *client, funder, and volunteer audiences*.

Their text would be easier to understand if it had more diagrams of their marketing

concepts. We wish that some of the figures in this guide were in their book. We recommend this book to people with a marketing background or who have the tenacity to read what seems like a graduate-level textbook on a technical subject.

Though they don't explain how values-driven companies and public institutions can use strategic marketing, it's easy to see how they could. Unfortunately, we know of no other book or article, other than this guide, which presents this information in a more concise and easier-to-read format.

- <sup>3</sup> We grant you permission to use our guides or any part of them for non-commercial purposes free of charge, including distributing printed versions of them, if you acknowledge they were written by Jonathan Reed, PhD of The Center for World-Changing Organizations. We licensed the stock images from iStock and Fotolia. We used OmniGraffle to design the figures.
- <sup>4</sup> Derived from Neumeier, *The Branding Gap*, 38.
- <sup>5</sup> Klein, *No Logo*, 1.
- <sup>6</sup> Andreasen & Kotler, *Strategic Marketing for Nonprofit Organizations*, 41: their summary of the following journal article: Shoham, Aviv, Ayalla Ruvio, Eran Vigoda-Gadot, and Nitza Schwabsky, "Market orientation in the nonprofit and voluntary sector: A meta-analysis of their relationships with organizational performance." *Nonprofit and Voluntary Sector Quarterly* 35 (2006): 453-476.
- <sup>7</sup> We realize that we're stretching the concept of *markets* by including oversight bodies and administrators as "markets" for public institutions. We do so because their success depends on how well their oversight committees or administrators understand their challenges; and support their mission, work, and staff.
- <sup>8</sup> Andreasen & Kotler, *Strategic Marketing for Nonprofit Organizations*. See endnote 9 for more information on this book.
- <sup>9</sup> *Stakeholders* are people and organizations outside an organization that have a stake in it: in its performance, what it stands for, and what it does. Over the years we've come to recognize that it's a mushy term and have stopped using it. Sometimes it refers to the small group of people and organizations who are closely associated with an organization and are directly affected by its actions and performance. Other times it refers to everyone and every organization that is remotely interested in or affected by an organization. Using a mushy term like stakeholders can lead to squishy thinking.
- <sup>10</sup> Andreasen and Kotler, *Strategic Marketing for Nonprofit Organizations*, 83-84.
- <sup>11</sup> Ibid.
- <sup>12</sup> Marketing theorists often divide corporate strategic marketing into three marketing strategies and four marketing tactics. The "strategies" are *segmentation* (dividing a market into distinct audiences), *targeting* (selecting who to target within a market), and *positioning* (positioning one's brand and offering to make them are different from and

more appealing than those of one's competitors).

They traditionally define marketing tactics as the *4Ps*: *product, price, place, and promotion decisions*. Recently theorists have formulated new sets of tactics as a result of the fracturing of markets, and the shift from marketing products and services to “customer solutions.”

We find this classification confusing. Why call segmentation, for example, a “strategy” when it is a method or *tool* to divide a market into audiences using different criteria?

To simplify matters, we've ***combined segmentation and targeting in Step 3***, whose aim is to identify an organization's best marketing targets. Because we ***consider positioning a marketing strategy***, we moved it to Step 4. The other three strategies in this step are branding, designing the most appealing and valuable offerings, and developing effective marketing communications to reach and engage one's audiences.

<sup>13</sup> Dev and Schultz, “In the Mix ...”.

<sup>14</sup> Kotler, *Kotler on Marketing*, 111.





*Never doubt that a small group  
of thoughtful, committed people  
can change the world.*

*Indeed, it is the only thing that ever has.*

— Margaret Mead

# OUR SERVICES AND RESOURCES

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## Consulting and Training Services

We offer a full range of consulting services on planning, marketing, and organizational development—design, surveys, facilitation, implementation, and evaluation. We offer training programs on many subjects. See our *Catalogue of Services on our website* for details.

## Planning and Facilitating Retreats and Board Meetings

Retreats and board meetings are the best times to gain strategic insights and forge strong bonds among leaders. We can help you plan and facilitate these gatherings. We also can help you set their goals, design creative ways to achieve them, and ensure discussions are honest and respectful. Topics can range from emerging opportunities to resolving underlying issues.

Probably the best topic is *“How can we make our organization more successful?”* We’d welcome the opportunity to explore it with your leaders and board from an hour-long meeting to a weekend retreat. They’d consider what success means to their organization; what supports, produces, and drives it; and how to strengthen the forces behind it.

## Keynote Addresses

Topics for our keynote addresses include world-changing strategy, marketing, and leadership, which we tailor to your organization; inspirational stories to motivate staff; and other topics.

## Your Resource Library for Making a Difference in the World

- #1 Strategic Planning Guide: How to Design More Effective Strategies to Deliver on and Support Your Mission** ~55 pages
- #2 Strategic Planning Workbook** ~40 pages (not pictured below)
- #3 Guiding Statements Guide: Core Values, Mission, and Vision** ~25 pages
- #4 Strategic Marketing Guide: How to Better Understand, Engage, and Serve Those Who Determine Your Success** ~50 pages
- #5 Strategic Marketing Workbook** ~50 pages (not pictured below)
- #6 Branding Guide: How to Stand Out from the Herd of Organizations in Your Field** ~25 pages
- #7 Leadership Guide: How to Build a More Successful World-Changing Organization** ~75 pages
- #8 Manager’s Survival Guide: 5 Keys to Guide World-Changing Staff and Projects** ~30 pp.

