

## MARKET PLANNING FOR NON PROFIT ORGANIZATIONS

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Principles used in the marketing of a tangible consumer product for profit making organizations can be used effectively in developing plans to satisfy the goals of a wide range of non profit making organizations. This paper illustrates a rather unique application of marketing planning to a specific non profit organization--the Valley View Baptist Church in Spokane, Washington.

Religion in American life is changing. Demographic shifts and current economic difficulties contribute to a changing attitude toward and participation in the religious experience. Sound market planning can assist a church in defining products, identifying target markets, measuring market potential and developing marketing strategy to meet organizational goals.

THE MARKET GRID. With some modification, the market grid popularized by McCarthy forms the basis of the market planning matrix. Market segments are listed on the X axis and products on the Y axis. Each of the stages in the family life cycle plus a "divorced or separated" group represent potential market segments. Eleven mutually exclusive products are described.

ONE SEGMENT. Cultivating the Full Nest I as a market segment has the most potential for satisfying church goals of financial stability and increased membership. People in the Full Nest I (youngest child under six) feel squeezed financially because they are buying homes and household durables and child related products. Normally they attend church because they feel an obligation to expose their children to a Christian tradition because their own parents had been faithful church goers. People in this segment tend not to be tied to one church.

The products described by this segment in order of preference are guilt alleviation, education and fellowship. Guilt alleviation is defined as the feeling of forgiveness for taking the good things in life without giving thanks to a supreme being. If church attendance was required by their parents, feelings of guilt will be more pronounced. Education satisfies the thirst for knowledge about one's faith. Religious education is in part training for a life style thus satisfying the desire to know what is the "right thing to do" from a spiritual point of view. Fellowship is the feeling of belonging that results from association with others with whom one has something in common. Fellowship satisfies the needs for being part of a group, for companionship and for self expression.

OTHER DIMENSIONS. The definition of existing people resources in each segment adds another dimension to the market planning matrix. In the case of the Valley View Baptist Church, six good organizer/leaders were available from the Full Nest I market segment. These individuals could be counted on to develop programs oriented toward the education and fellowship products.

Next the size of the potential market was estimated by the Pastor. This estimate was based in part on census tract data and in part on market intelligence. As a member of the local PTA, the Pastor was familiar with the families in his market area. Furthermore, observation while driving in this area helped him identify householders in other stages of the family life cycle.

The last dimension in the market planning matrix is an estimate of the degree of difficulty in penetrating each market segment on a scale of 1-10 where 1 is the least difficult. This estimate is based upon the Pastor's intimate knowledge of consumer behavior in each of the market segments. A pastor can sharpen his estimates by observation and by talking to opinion leaders in each of the market segments.

RECOMMENDATIONS. On the basis of the information gathered the market planner can now decide on which markets to pursue to satisfy organizational goals. One of the goals of the Valley View Baptist Church was to increase membership by 25 percent in the next two years. The Full Nest I has the best potential for increased membership. Physical facilities are available for programs revolving around fellowship and education, 200 households are estimated in this segment and the estimated degree of difficulty in penetrating this market is 3. Furthermore, six individuals in this segment are currently available to plan and organize programs to provide products to consumers in this segment. Developing this segment should receive top priority. The Divorced or Separated market is the next priority. Although the degree of difficulty in penetrating the market is estimated at 5, the number of consuming units and facilities and people resources available give this segment second priority for cultivating church membership. The Sole Survivor and Senior Citizen II segments are also relatively easy to penetrate but the size of the potential market and availability of resources limits its attractiveness.

The second goal of the Church was to gain financial independence by 1984. Consuming units in the Full Nest II, Full Nest III, and Empty Nest represent stable church members with proportionally more of the financial capability to support the church than other segments. Indeed, the Empty Nest segment is probably financially better off than any of the other segments and in this market area also represents the largest market segment. However, the degree of difficulty in penetrating these markets is substantial. The church cannot look for much of an increase in membership coming from these segments but its financial health depends on keeping current members. Resources, therefore, should be directed toward providing the products desired by consuming units in these segments.