

INSTRUCTORS' NOTES: MISSION AMARILLO – A NON-PROFIT MARKETING PLAN CASE STUDY

Andrea Finchum, West Texas A&M University

Jackie Marr, West Texas A&M University

Melissa White, West Texas A&M University

CASE DESCRIPTION

Primary subject matter for this case includes brand development and strategic attention to target markets. Secondary issues include the marketing plan components: executive summary, situation analysis, marketing strategy, objectives, implementation, and control. As this case pertains to a nonprofit organization, the stakeholders involved will include not only the intended beneficiaries of the nonprofit's attention, but its donors and volunteer supporters. Students will prepare the components of a marketing plan with attention to brand development, particularly with discussion of marketing tactics.

This case has a difficulty level of three-four (junior-senior level) and is designed to address learning objectives in an introductory marketing principles class. Assignments can be approached as small efforts addressing components of the larger marketing plan or as a term project to summarize all concepts covered during the entire term. For the latter, the case can be introduced in two to four class hours with an additional five to ten hours of outside preparation.

CASE SYNOPSIS

The marketing effort for nonprofit organizations is arguably more complicated than for traditional for-profit businesses. The set of stakeholders to be satisfied is larger with potentially conflicting expectations due to nonprofits' reliance on donated time and money. The nonprofit business sector now represents the third largest business category in the United States, and it continues to grow ("With Sector Growth," 2015). It is imperative, therefore, that marketing students be exposed to the requisite complexities of a strategic nonprofit marketing campaign.

Students will be presented with background information on Mission Amarillo, a nonprofit entity based in Amarillo, Texas that seeks to prepare young people for success in life. Jeff Parsons, Executive Director for Mission Amarillo, faces the daunting task of developing the Mission Amarillo brand in order to minister to the considerable need he sees with young adults in the Amarillo, Texas community.

TEACHING RECOMMENDATIONS

This case can be adapted in several ways to introduce the marketing plan framework to students. One teaching approach would be to consider the various marketing plan sections individually. Students could, for example, articulate a value proposition for each of the three Mission Amarillo mentoring programs. Alternatively, students could be assigned to complete a situation analysis relative to a specific mentoring program as an in-class or homework assignment, followed by class discussion of the SWOT analysis developed by the class.

Alternatively, learning objectives could focus on brand development and how marketing tactics are leveraged to shape consumer perception for a brand. Particularly for a nonprofit mission, this is likely to be a novel exercise for students.

A different approach would be to assign students, alone or with a group, to write a complete marketing plan for one of the Mission Amarillo mentoring programs. This sort of assignment would make a good term project and will give students a good opportunity to practice crafting a complete marketing analysis and plan of approach for a real-world marketing problem.

CASE QUESTIONS

1. For nonprofit organizations, stakeholders can be customers, collaborators and/or roles specific to the company. Who are the relevant stakeholders for each of the Mission Amarillo programs? Do the stakeholders change when considered from the perspective of the Mission Amarillo parent company? If yes, how? If no, why not?

This case assumes that students understand what a stakeholder is, and that they are familiar with Stakeholder theory. This being the case, students' discussions of stakeholders for the different Mission Amarillo programs should reflect an understanding that customers for each of the programs will be different, as may the collaborators.

For example, those served as customers of the Driven program will be young men aging out of foster care in the Amarillo, TX area. The customer group served by the Be-Loved program, on the other hand, will be pregnant teens.

While it's possible that the different Mission Amarillo programs may have some collaborator stakeholder groups in common, it's also possible that they will be specific to the services offered by each program. For example, mentors for the ParentChild+ program may be drawn to this program because they were once impoverished young parents. Contributors to the Be-Loved program may tend to be women who were pregnant teens themselves.

While student answers will vary, they should demonstrate an understanding of what a stakeholder is and how they will be different for the customer, collaborator and company roles. It is important that students have a solid understanding on these points in order to specify a clear target market. Only from this platform will students be able to articulate a persuasive value proposition and a strategic tactical approach.

2. What qualities represent company strengths that Mission Amarillo can leverage in pursuing target markets? What are Mission Amarillo weaknesses that will hinder them in appealing to target markets?

A marketing plan must be constrained by what is reasonable for a company to actually accomplish. With a staff of only one full-time employee and three part-time volunteers, a marketing plan proposal should be consistent with the amount of time available to the staff. Also, if the funding is an issue, then communication tactics, facilities and staffing requirements, etc. need to take into account the financial resources that are available.

For this case, students have been provided with some information that they should be able to transfer to an assessment of Mission Amarillo strengths and weaknesses.

3. An situational analysis includes an assessment of existing market conditions that will define a company's opportunities and their ability to achieve a marketing objective. For the Mission Amarillo programs, what market conditions are present that will influence their potential success, both positively and negatively?

For this question, it is not requisite for students to conduct their own research of the Amarillo marketplace, although they could. There is enough detail provided for students to be able to show an understanding of the situational forces that are operating in the Amarillo area and, thus, impacting Mission Amarillo's opportunities to be successful.

It is helpful for students to consider market forces according to the categories typically presented as external situational forces in introductory marketing curriculum: technological, sociocultural, competitive, economic, political, and legal and regulatory.

For example, students can speak to the high number of nonprofit organizations in the Amarillo area as a competitive force. The conservative nature of the Amarillo community could be considered a political issue. The increasing populations of kids aging out of foster care and the at-risk nature of pregnant teens could be cited as sociocultural forces. The ability of only 20% of the Amarillo community to contribute to nonprofit causes could be presented as an economic consideration.

The learning objective here is for students to be able to distinguish conditions related to the market from conditions specific to the Mission Amarillo organization/program(s). It is a critical distinction and one that students often have trouble with. Favorable market conditions can be capitalized on, but they cannot be controlled. Company strengths/weaknesses, on the other hand, can be managed and changed to benefit a company's chances for success.

4. Mission Amarillo hopes to recruit long-term volunteers and many more individual monthly financial donors to the Mission Amarillo programs. What potential benefactors (volunteer mentors and financial donors) might feel an emotional connection to the Mission Amarillo causes, making them good groups to approach?

Student answers should identify groups in the community that may find value in participating in the Mission Amarillo causes based on an emotional connection with the program mission. Consumers that are willing to sacrifice their time or their money to support a nonprofit cause do so for a reason. Understanding that consumers are more likely to support brands that they feel an emotional connection to, Mission Amarillo would do well to leverage these motivational forces in approaching benefactor targets.

For example, women who are moms may be able to empathize with the despair that a pregnant teen in the Be-Loved program may be feeling. Single dads, separated from their own sons, may long to mentor young men in the Driven program. College alumni who were first-generation students may completely understand what it feels like to go to school with shoes that have holes in them.

Student responses will vary, but they should demonstrate an emotional connection between benefactor groups and the Mission Amarillo program(s) associated with them.

5. A Customer Value Proposition expresses why a company's product offering is the best value compared to other options available in the market. It, therefore, must be in sync with the needs/values of the customer target market to be served. For the "customer" population

segments to be served by the Mission Amarillo programs, what should the related Customer Value Proposition be?

For nonprofit causes, it is often the case that the people to be served do not necessarily care to receive the service. Therefore, it behooves nonprofits to understand their clientele well enough to know what will motivate them to engage with the nonprofit program.

For example, many teenage men will not be interested in sitting with a mentor to receive life coaching, regardless if they are coming out of a foster program or not. The Driven program needs to provide an incentive that makes participating in the program worth participants' time and energy. This can only be accomplished if the nonprofit understands what its target customer will be enticed by.

It is important to remember that emotional incentives may be much more motivating than sterile objects or programs. In fact, it can be argued that there *must* be an emotional incentive for participants. Perhaps young men coming out of a foster program desire a relationship with a father-figure far more than the car they get from the program. In this case, the Customer Value Proposition could be presented as follows: The Driven program is the best value available for young men aging out of foster care because it provides for them a truly meaningful relationship with a supportive father figure, which is the one thing these young men most desire. A value proposition presented this way sets the stage of a set of tactics that will effectively deliver this experience for the men in the program.

Student answers need to reflect an understanding that the deliverable(s) from the Mission Amarillo program(s) must be valuable from the perspective of the *customer*, not from Mission Amarillo's perspective, or from the community's perspective, or from any other perspective.

6. A Collaborator Value Proposition explains why collaborators should choose to contribute to a cause. For each of the Mission Amarillo programs, what should the Collaborator Value Proposition be? Why is the Mission Amarillo program the most gratifying opportunity available compared with all of the other programs that benefactors could choose to contribute to?

Students find it difficult to identify what benefactors receive from a nonprofit organization in return for their contribution of time and money. In a sense, this is the "product" that is delivered to benefactors. Mission Amarillo delivers a car and some life coaching to the young men in the Driven program. This is the product the young men receive in exchange for their time and a small down payment on the car. Benefactors receive something from the Driven program, too, but it isn't a car or mentoring. When students can articulate what benefactors are getting from the program that is worth the time/money given up, then they have something of value to build a marketing mix around.

Student answers may be a single sentence, or they may include more explanation. In either case, they should explain why each of the Mission Amarillo programs is the MOST gratifying opportunity for benefactors to contribute to. For example, "The Shoe Closet is the most gratifying opportunity for teachers to contribute to because they understand how immensely and how immediately a pair of shoes impacts a child's self-esteem."

7. Brand personality represents the consumers' tendency to attribute human qualities to a brand. What human characteristics do you think Mission Amarillo would like for stakeholders to

associate with each of the Mission Amarillo programs? With the Mission Amarillo parent company? Why are these traits meaningful?

Building a brand involves creating an identity for a product or for an organization and shaping consumer perception to align with that identity. Brand personality is an important element of the branding process and an important tool for marketers to intentionally leverage.

Research supports a couple of important points to bear in mind with respect to brand personality. First, consumers assume that charitable nonprofits are inherently benevolent and thus, related personality traits such as “helpful,” “supportive,” and “sympathetic” are not particularly useful to distinguish one charitable nonprofit from another. Rather, personality traits related to Voice (“ambitious,” “bold”) and Emotional Engagement (“heroic,” “innovative,” “exciting”) are more effective.

Second, consumers tend to be attracted to brands with personality traits that match their own perceived or ideal self-image. Therefore, it is critical to understand the personality traits that appeal to a target market and to intentionally endow those human qualities to a nonprofit.

For example, perhaps the Driven program intends to target retired businessmen as financial donors. If Mission Amarillo knows that these men are desiring to leave a legacy in their golden years that will extend for generations, then it may be useful for Mission Amarillo to impart the Driven program with a personality that is “effective” and “heroic” to match the traits that the target market hopes to represent in themselves.

Students answers should reflect an understanding of the role that brand personality plays in building an identity that target audiences can feel an emotional connection to and that extends the brand personality beyond benevolence traits that are a default trait for charitable nonprofits.

8. Brand image is the overall mental image that consumers hold for a brand. While it is influenced by the features and benefits of a product, it also depends on consumer perceptions of the company that delivers the product. Therefore, the brand image that is created has as much to do with how a marketing campaign is delivered as with the actual product provided. How will the marketing tactics and the implementation sections of a Mission Amarillo marketing plan each contribute to the brand **image** ultimately created?

This question bridges the discussion of Marketing Mix Tactics and Implementation, which is often a difficult leap for students to make.

Students should be able to articulate the brand perception they desire to create for each of the Mission Amarillo programs and also to think through the steps necessary to create that public perception. For example, if the Be-Loved program is to be considered a program targeting high school students and supporting pregnant teenagers to attain a high school diploma, the steps necessary to build this reputation and communicate this message will be specific to that mission. In this scenario, steps in the implementation process will involve establishing contacts in the high school (an implementation step), arranging for meeting facilities in the high schools (an implementation step), communication tools perhaps via Facebook that focus on the importance of a high school diploma for teenage moms (a promotion tactic), arranging for study sessions with the young moms after school at their schools (the price associated with participating in the program and a distribution tactic), etc.

Alternatively, the Be-Loved program may intend to develop a more religious brand image, to assure pregnant teenagers of their worth in God’s eyes in order to preempt the abusive

relationships that pregnant teens often fall prey to. The steps in the process to build this brand image will be very different. The distribution strategy may focus on church communities, rather than schools, the communication message (promotion tactic) will be different, implementation may involve recruiting mentors from church groups, etc.

Student responses should reflect an understanding that all elements of the Marketing Mix have bearing on the brand image that is developed. Students should be able to articulate the brand image they would recommend. Then they should be able to connect the tactics to be used with the list of steps necessary to create this image. Implementation steps should take into account the infrastructure required (facilities, staffing, equipment) and the actual tasks to be completed, ideally with assignment of responsibilities and a timeline with project milestone dates.

9. Brand awareness is a measure of how familiar consumers are with a brand and of their ability to recall the brand from memory. What is the best way for Mission Amarillo to build brand **awareness** for each of its programs?

Brand awareness is largely a function of communication tactics and the impact a company is able to make with its communication tactics. The effectiveness of a message depends on it being placed where it will intercept the target audience with appropriate frequency and with a compelling message and will trigger an emotional experience for the targeted group(s). When a message is compelling it can also stimulate word-of-mouth advertising and “sharing” behavior on-line.

Students have very creative ideas for effective communication tactics. This question typically generates good discussion for ideas related to advertising, promotion, recruitment of program participants and benefactors, and publicity tactics.

10. Bearing in mind that an emotional connection is a prerequisite to developing brand loyalty, consider the product offerings for *customers* of the various Mission Amarillo programs. With respect to the various marketing mix elements, what changes would you recommend for the programs? Why do you suggest these changes?

Students answers will vary. The intent with this question is to encourage discussion of ways to create an experience for Mission Amarillo customers that is more meaningful, and therefore more likely to sustain program participation.

Students should demonstrate an understanding of how the different marketing mix variables are able to deliver value. For example, perhaps participants in the ParentChild+ program would prefer to choose how often mentors visit their homes. Perhaps young men in the Driven program would like a mentor that can teach him how to work on his car, change the oil, rotate the tires, etc.

11. Bearing in mind that an emotional connection is a prerequisite to developing brand loyalty, consider the product offerings for *collaborators* of the various Mission Amarillo programs. With respect to the various marketing mix elements, what changes would you recommend for the programs? Why do you suggest these changes?

Students typically have trouble thinking of the Mission Amarillo experience from the collaborator perspective. What exactly does the program deliver to the collaborator (product) in exchange for the time or money given up (price)? What compelling information is communicated with collaborators (promotion) and how/where does Mission Amarillo intercept these groups (distribution)? This is the marketing mix from the collaborator perspective.

From this vantage point, then, students can consider what changes to these elements might be more effective. Perhaps mentors should receive a plaque in recognition for this time and dedication. Maybe ParentChild+ mentors should work in teams so that each is spending less time per month, reducing their time commitment.

The learning objective with this question is for students to understand the product offering and marketing mix components from the collaborator perspective.

12. Give an example of a *customer* target market for one of the Mission Amarillo programs. What qualitative and quantitative objectives might Mission Amarillo hope to achieve for the program in this example? How does this change if the target audience is a *collaborator* group? Be sure to include timing for your objectives!

The goal with this question two-fold: 1) for students to demonstrate they understand the difference between qualitative and quantitative objectives, and 2) to validate that students understand the connection between the marketing strategy and defined objectives.

Qualitative objectives relate to goals that are difficult to measure such as feelings or taking advantage of a competitive window of opportunity. For example, the Driven program make seek to provide the youth in the program with an experience they consider to be meaningful for the 2021 calendar year, or they may intend to create a strong web presence within six months of recruiting a new board member.

Quantitative objectives, on the other hand, must be measurable. For example, perhaps the ParentChild+ program intends to recruit ten additional mentors in the next fiscal year. Perhaps the Be-Loved program wants to have ten additional participants in the program for 2020, and they want to see 50% of these young women graduate high school in the next three years.

Student answers should articulate a clear goal with a time parameter for the milestone to be achieved.

It is not unusual for students to list objectives that don't relate to their target audience. For example, perhaps a marketing plan for the Be-Loved program targets university alumni as potential financial donors, and the plan lays out tactics for securing additional financial donors from this group. In this case, logical objectives could include making the new donors feel appreciated for their contributions in their first six months in the program and/or recruiting ten additional donors in the coming year. Based on this marketing strategy example, it would not be logical for the Be-Loved program to state an objective to add 20 new pregnant teens to the program in the coming year.

Student responses will vary but should show a clear relationship between the target market and the specified objectives.

13. For one of the quantitative objectives listed from question #12, explain how Mission Amarillo will evaluate actual performance compared to the plan objectives. What performance standard (threshold) must be met for the plan to be considered a success? How

often will performance be evaluated? What corrective action will be taken should the performance standard not be met?

Student responses should show an understanding of performance standard as a threshold that will constitute success or failure for the marketing plan. Their discussions should include timing at which actual performance will be measured and the metric values the measurements will be compared against. Responses should also include remediation steps to be taken if plan performance does not meet expected standards.

This section of the marketing plan will be critical to stakeholders involved with the Mission Amarillo causes. These people want to know that their investment in the Mission Amarillo organization will be responsibly leveraged toward defined goals. Mission Amarillo's attention here will impact their brand image and brand loyalty with stakeholders.