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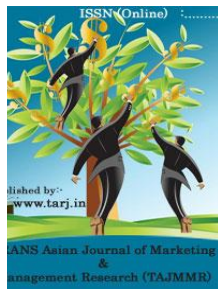
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VISION

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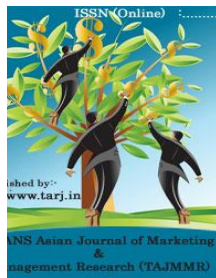


TRANS Asian Journal of Marketing Management Research (TAJMMR)

(Double Blind Refereed & Reviewed International Journal)



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CUSTOMERS PERCEPTION TOWARDS MARKETING STRATEGIES ADOPTED BY INDIAN TELECOM COMPANIES

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ABSTRACT

India is currently the world's second-largest telecommunications market with a subscriber base of 1.20 billion and has registered strong growth in the past decade and half. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP). The present study is to find out customers perception towards Marketing Practices of telecom companies and ascertain the association of factors affecting customer's perception towards services offered by telecom companies with selected demographic variables.

KEYWORDS: Marketing, Telecom, Customers, Marketing Practices, Trai

1. INTRODUCTION

India's Telecommunication sector is the second largest market in the world based on the total number of telephone users. According to the Telecom Regulatory Authority of India (TRAI), total subscription in India is 1209.96 million in 2017. Out of this, 502.50 million connections are in rural areas and 707.46 million in the urban areas. Wireless telephony constitutes 98.04 percent (1186.21 million) of all subscriptions whereas share of the landline telephony now stands at only 1.96 percent (23.75 million) at the end of August, 2017. As there is huge competition in telecom market, domestic companies are providing the lowest call tariffs with strong network.

Indian telecom industry move upward after new Indian economy policy. This was a gateway to many foreign investors to get entry into the Indian Telecom market. After March 2000, the government became more liberal in making policies and issuing license for private operators. Many private operators such as Reliance Communications, TATA, Airtel, Idea, Hutch (Vodafone), Bharat Sanchar Nigam Limited, Mahanagar Telephone Nigam Limited successfully entered in high potential Indian telecom market. The government further reduced licence fees for service providers and increased the allowable stake to 74 percent for foreign companies. Because of all these factors, the service fee finally reduced and the call costs were cut greatly enabling every common middle-class family in India to afford a cell phone. It becomes the world's most competitive and one of the fastest growing telecom markets in last 25 years.

The Industry has grown over twenty five times in just twelve years, from under 37 million subscribers in the year 2001 to over 945 million subscribers in the year 2016. According to the Department of Telecommunication of India (DoT), as on March 2016, India has 366.35 million internet connections. Telephony, internet and television broadcast Industry are major sectors in the country which is in an ongoing process of transforming into next generation network, employs an extensive system of modern network elements such as digital telephone exchanges, mobile switching centres, media gateways and signalling at the core, interconnected by a wide variety of transmission systems using fiber-optics or microwave radio relay networks. The INSAT system is the support to telecommunication in India, one of the largest domestic satellite systems in the world. India possesses a diversified communications system, which links all parts of the country by telephone, Internet, radio, television and satellite.

2. REVIEW OF LITERATURE

Jain (1993) analyse that as there is business needs of faster, cheaper, and more varied modes of communication, the telecommunication sector in many countries has been undergoing rapid technological and structural changes over the past few years. As like India, many countries' has a sound policy to control properly on telecom sector. Moonie (2002) stated that India is a big market with huge potential so global companies is looking for their market share. It may be because of huge population and untouched market. Singh (2005) India's telecommunication growth is still far behind its contemporaries.

Kokil et al. (2006) emphasized that the Telecom sector of a country is always one of the integrated parts and symbol of growth towards establishing a world class infrastructure in country. Gupta (2008) stated that even there was slow down in the economy but it's not affected much to telecom sector due to acquisition and merger was happening. Mani (2008) addressed a

number of issues arising from the growth of telecom services in India since the mid-1990s due to new economy policy. It also discussed a number of spillover effects for the rest of the economy and one of the more important effects is the potential to develop a major manufacturing hub in the country for telecom equipment and for downstream industries such as semiconductor devices. On the other hand, Grönroos (2006) claimed that this deterioration does not occur similarly to all firms in all countries. In the case of developing countries, product sale volume is depending extensively on the amount of marketing activities which consumers are exposed to. There is no doubt that few topics of the commercial theory have so intensively inspired and divided the marketing academia as the Marketing Mix-4Ps (Constantinides, 2006). Muller (1990) focuses that the success of the mobile business can be attributed to the personal nature of wireless devices.

National Telecom Policy (1999) projected a target 85 million telephone lines by the year 2007 and 175 million telephone lines by 2010 has been set. World Telecommunication Development Report (2002) explains that network expansion in India was accompanied by an increase in productivity of telecom staff measured in terms of ratio of number of main lines in operation to total number of staff. Adam Braff, Pass more and Simpson (2003) focus those telecom service providers even in United States face a sea of troubles.

Dutt and Sundram (2004) studied that in order to boost communication for business, new modes of communication are now being introduced in various cities of the country. In overview in Indian infrastructure Report (2005) explains India's rapidly expanding telecom sector is continuing to witness stiff competition. This has resulted in lower tariffs and better quality of services. Marine and Blanchard (2005) identifies the reasons for the unexpected boom in mobile networks. According to them, cell phones, based on Global System for Mobile Communication (GSM) standard require less investment as compared to fixed lines. Besides this, a wireless infrastructure has more mobility, sharing of usage, rapid profitability. Besides this, usage of prepaid cards is the extent of 90% simplifies management of customer base. Moreover, it is suitable to people's way of life-rural, urban, and sub-urban subscribers. Illustrating the lead achieved by Gujarat.

According to Business and Economy (2005) the catalyst for Indian mobile operators in the future will undoubtedly be increased marketing and advertisement expenditure, along with better deals for mobile phone users like the previously mentioned full talk time Rs. 10 recharge card, will go a long way in not only retaining customers but also acquiring the vast market of lowered customers who are extremely sticky about value for money and have extremely low loyalties and almost non-existent switching costs.

Oliver Stehmann (2005) explained that the telecommunications industry is characterized by rapid innovation in the service and the transmission market. Marketing White book (2005) explains with support of detailed data that bigger players are close to 20% of the market each. In CDMA market, it is Reliance Infocomm and Tata Teleservices are dominating the scene whereas Airtel is lead in GSM operators. Between 2003 and 2004, the total subscriber base of the private GSM operators doubled.

3. OBJECTIVES OF THE STUDY

- To examine the perception of customers towards marketing strategies adopted by telecom companies.
- To examine the influence of demographic factors on customers' perception towards marketing practices adopted by telecom companies

4. RESEARCH METHODOLOGY

The present study was conducted in the region of Delhi, Gurugram, Faridabad and Noida. The researchers selected five telecom service providers to analyse the customer's perception towards marketing strategies adopted by these companies. The sample for this research is 500 users (customer) selected from the five major telecom companies.

The research uses both primary and secondary sources of information. The primary data will be collected with the help of structured questionnaire which will be prepared after the review of literature. The secondary data will be collected from the published reports of World Telecommunications Development, Department of Telecommunications, Indian Telecom Policy, Journals, Books and various websites of the telecom service providers. Questionnaire also deals with demographic characteristics of respondents. It includes data related with following aspects of respondents: age, income, educational qualification, and occupation of respondents.

5. DATA ANALYSIS

The current study focuses on measuring customers' perception towards marketing practices followed by leading telecom companies in India. In order to fulfill the desired objectives data was collected from 500 respondents consisting respondents of various demographic profile.

TABLE 1: RESPONDENTS' PROFILE

Demographics		Frequency	Proportion of the sample (%)
Age	Up to 25 Years	91	18.2
	26-35 years	168	33.6
	36-45 years	147	29.4
	Above 45 years	94	18.8
	Total	500	100.0
Occupation	Businessman	66	13.2
	Private Job	73	14.6
	Student	92	18.4
	Govt. Employee	69	13.8
	Housewife	126	25.2
	Retired Person	74	14.8
	Total	500	100.0
Income	up to Rs. 20000	73	14.6
	Rs. 20000 – 30000	127	25.4
	Rs. 30000 – 40000	111	22.2
	Rs. 40000 – 50000	103	20.6

	Above Rs 50000	86	17.2
	Total	500	100.0
Education	10+2	73	14.6
	Graduate	127	25.4
	Post Graduate	213	42.6
	Doctorate	87	17.4
	Total	500	100.0

5.1 Analysis of Demographic Factors

Sample for the current study has been divided into 4 age categories. Most of respondents belongs to 26-35 years (33.6 %), followed by 36-45 years (29.4 %), above 45 years (18.8 %) and up to 25 years (18.2 %).

Sample has been divided into six occupations where majority of respondents are housewife (25.2%) followed by student (18.4%), retired person (14.8%), private job (14.6%), government employee (13.8%) and businessman (13.2%). Further sample has been divided into four education categories. Here, most of the respondents are post graduates (42.6%) followed by graduates (25.4%), doctorate (17.4%) and 10+2 (14.6%). Sample has been divided into five income categories i.e. up to Rs. 20000, Rs. 20000 – 30000, Rs. 30000 – 40000, Rs. 40000 – 50000 and Above Rs 50000. Most of the respondents belongs to Rs. 20000 – 30000 (25.4%) followed by Rs. 30000 – 40000 (22.2%), Rs. 40000 – 50000 (20.6%) and Above Rs 50000 (17.2%) and up to Rs. 20000 (14.6%).

5.2 Factor analysis

It is very difficult to analyze and interpret large number of statements, so in order to make some concrete conclusions out of statements measuring customers' perception regarding marketing practices followed by mobile companies' factor analysis has been applied. First of all appropriateness for application of factor analysis was judged using tool known as Kaiser-Meyer-Olkin (KMO) which is a measure of sampling adequacy and its values came out to be .858 indicating sample size is sufficient for application of factor analysis.

TABLE 2: EXTRACTION OF DIMENSIONS OF CUSTOMERS' PERCEPTION TOWARDS MOBILE SERVICES

Component	Initial Eigen Values	Rotation Sums of Squared Loadings % of variance	Rotation Sums of Squared Loadings Cumulative percentage
Factor 1:	16.427	11.245	11.245
Factor 2:	3.829	9.184	20.429
Factor 3:	3.307	8.461	28.890

Factor 4:	3.170	6.545	35.435
Factor 5:	2.926	5.904	41.340
Factor 6:	2.574	5.875	47.215
Factor 7:	2.336	5.693	52.908
Factor 8:	2.031	5.074	57.982
Factor 9:	1.971	4.965	62.947
Factor 10:	1.831	4.700	67.648
Factor 11:	1.526	4.643	72.291

Extraction Method: Principal Component Analysis

With the application of factor analysis, 11 factors are extracted. The eleven solutions accounted for 72.291 percent of the variance. Total variance explained (72.29 percent) by these eleven components exceeds the 60 percent which is more than the acceptable table. Table 3 shows the names given to these 11 factors along their reliability.

TABLE 3: NAMING OF FACTORS AND RELIABILITY

Factors	Results of Cronbach alpha	Remark
1. Quality of Services	.941	Excellent
2. Value Offers	.942	Excellent
3. Promotional Offer	.918	Excellent
4. Loyalty	.920	Excellent
5. Variety of Tariff Plan	.937	Excellent
6. Trust	.865	Good
7. Fair Price	.896	Good
8. Brand Value	.877	Good
9. Services Accessibility	.862	Good
10. Satisfaction and Intention	.840	Good
11. Advertisement	.809	Good

The first factor was named quality of services with Cronbach alpha .941 followed by value offers, promotional offers, loyalty, variety of tariff plan, trust, fair price, brand value, service accessibility, satisfaction & intention and advertisement.

5.3 EXAMINATION OF INFLUENCE OF DEMOGRAPHIC FACTORS ON PERCEPTION OF CUSTOMERS' TOWARDS MOBILE SERVICES

Mean values for customers' perception regarding services offered by mobile companies. Overall respondents have indicated moderate satisfaction level with services provided by mobile

companies (Average mean value $\bar{x}=3.55$), for all the dimensions of customers' perception towards mobile services) indicating significant acceptance of mobile services by respondents. When it comes to services offered by mobile companies, respondents are moderately satisfied with services offered (Average mean value $\bar{x}=3.53$) by mobile companies. Network offered by mobile companies are widely and easily available (Average mean value $\bar{x}=3.55$) to the respondents wherever they visit. Respondents consider promotional offers like specialized pricing and exclusive offers offered by mobile companies moderately attractive (Average mean value $\bar{x}=3.55$) and inspire them to select a particular mobile operator. Respondents have indicated that mobile companies' charge moderately fair pricing (Average mean value $\bar{x}=3.55$) for the services and respondents can easily avail customer care services through various channels.

Respondents have indicated that their mobile operator has built a significant brand image (Average mean value $\bar{x}=3.55$) among its users and exhibited moderate level of trust (Average mean value $\bar{x}=3.55$) with current operator, and may be due this users feel highly associated (Average mean value $\bar{x}=3.55$) with current operator and have a high tendency to recommend particular companies. Respondents have indicated greater level of satisfaction (Average mean value $\bar{x}=3.55$) with services offered by mobile companies in terms of and have indicated to continue current mobile companies in the near future. Respondents moderately believe that advertisements depicted by mobile companies are highly informative (Average mean value $\bar{x}=3.55$) and are able to create liking and preference for a particular mobile operator. In addition to this advertisement shown by mobile companies convince subscribers that decision made by them to choose a particular service provider is right decision.

TABLE 4: AGE AND MEAN VALUES FOR PERCEPTION OF CUSTOMERS' TOWARDS MOBILE SERVICES

Age of the Respondent	Quality of service	Network accessibility	Promotional Offers	Satisfaction and Intention	Variety of Tariff plans
Up to 25 Years	2.5824	3.0895	2.9199	2.9319	2.8434
26-30 years	3.2718	3.4286	3.3707	3.3167	3.3452
36-45 years	3.9297	3.9893	3.7940	3.9782	3.6497
Above 45 years	4.2872	4.4468	4.3283	4.3362	3.8777
Total	3.5307	3.7231	3.5931	3.6328	3.4435

Age of the Respondent	Trust	Fair Price	Brand Value	Values Offers	Loyalty	Advertisement
Up to 25 Years	2.8242	2.9890	3.1236	3.0522	3.1209	3.1264
26-30 years	3.3798	3.3214	3.4598	3.3616	3.5298	3.4568
36-45 years	3.6408	3.8014	3.7993	3.6820	3.7874	3.7262

Above 45 years	3.7553	4.3149	4.1676	3.8963	4.1277	3.9282
Total	3.4260	3.5888	3.6315	3.5000	3.6435	3.5645

Table 4 defined comparison of customers' perception towards services provided by mobile companies across various age groups. In general, it can be observed that as the age of the respondent increases their satisfaction level with services offered by mobile companies keeps on increasing. As per study of all services factors (Quality of services, Value, Promotional offers, Price, Tariff plan, Trust, Loyalty, Satisfaction towards companies, and Advertisement) younger respondents are lesser satisfied with overall service experience from their current service providers and have clearly indicated not to continue with current service provider. Elder age respondents are highly satisfied with overall service experience from their current service provider and have strong intention to be connected with current service provider.

Post hoc test statistics which inspects the significance of differences in opinions of respondents across different age groups already checked by ANOVA and Welch test statistics. Mean difference values indicated by asterisk exhibits significant difference in opinion of respondents between two age groups.

Therefore it can be concluded that age produces significance variance in respondent's opinion for marketing practices offered by mobile companies.

TABLE 5: INCOME AND MEAN VALUES FOR PERCEPTION OF CUSTOMERS' TOWARDS MOBILE SERVICES

Income of the Respondent	Quality of service	Service accessibility	Promotional Offers	Satisfaction and Intention	Variety of Tariff plans
up to Rs. 20000	4.3135	4.5068	4.3268	4.3699	3.9658
Rs. 20000 – 30000	4.0140	4.0889	3.9708	4.0898	3.7303
Rs. 30000 – 40000	3.6156	3.7323	3.5277	3.5820	3.4369
Rs. 40000 – 50000	3.0992	3.2760	3.2538	3.1786	3.2597
Above Rs 50000	2.5594	3.0415	2.9037	2.9419	2.8052
Total	3.5307	3.7231	3.5931	3.6328	3.4435

Income of the Respondent	Trust	Fair Price	Brand Value	Values Offers	Loyalty	Advertisement
up to Rs. 20000	3.8274	4.3370	4.2089	3.9281	4.1952	3.8938

Rs. 20000 – 30000	3.6205	3.9433	3.8819	3.7087	3.8071	3.8071
Rs. 30000 – 40000	3.5568	3.5243	3.6757	3.5991	3.7072	3.5878
Rs. 40000 – 50000	3.2233	3.2252	3.2791	3.2112	3.4078	3.3811
Above Rs 50000	2.8721	2.9488	3.1366	3.0465	3.1337	3.1163
Total	3.4260	3.5888	3.6315	3.5000	3.6435	3.5645

Table 5 exhibits customers' perception towards services provided by mobile companies across various income groups. In general, it can be observed that as the income of the respondent increases their satisfaction level with services offered by mobile companies keeps on decreasing.

In addition to this higher income respondents are lesser satisfied with overall service experience (Quality of services, value and promotional offers, price provided by telecom companies, tariff plan trust and loyalty, satisfaction towards companies, advertisement as information) from their current service providers and have clearly indicated not to continue with current service provider. Lower income respondents are highly satisfied with overall service experience from their current service provider and have strong intention to be connected with current service provider.

Post hoc test statistics which inspects the significance of differences in opinions of respondents across different income groups already checked by ANOVA and Welch test statistics. Mean difference values indicated by asterisk exhibits significant difference in opinion of respondents between two income groups. Therefore it can be concluded that Income level of respondent's produces significance variances in respondent's opinion for marketing practices offered by mobile companies.

TABLE 6: EDUCATION AND MEAN VALUES FOR PERCEPTION OF CUSTOMERS' TOWARDS MOBILE SERVICES

Occupation of the Respondent	Quality of service	Service accessibility	Promotional Offers	Satisfaction and Intention	Variety of Tariff plans
Upto 10+2	4.3135	4.5068	4.3268	4.3699	3.9658
Graduate	4.0140	4.0889	3.9708	4.0898	3.7303
Post Graduate	3.1283	3.4118	3.2381	3.2939	3.1596
Doctorate	3.1533	3.2939	3.2956	3.1770	3.2816
Total	3.5307	3.7231	3.5931	3.6328	3.4435

Occupation of the Respondent	Trust	Fair Price	Brand Value	Values Offers	Loyalty	Advertisement
Upto 10+2	3.8274	4.3370	4.2089	3.9281	4.1952	3.8938
Graduate	3.6205	3.9433	3.8819	3.7087	3.8071	3.8071
Post Graduate	3.2310	3.2704	3.4190	3.3345	3.4343	3.3768

Doctorate	3.2828	3.2230	3.3017	3.2414	3.4540	3.3937
Total	3.4260	3.5888	3.6315	3.5000	3.6435	3.5645

Table 6 defined comparison of customers' towards services provided by mobile companies across various education groups. In general, it can be observed that as the education level of the respondent increases their satisfaction level with services offered by mobile companies keeps on decreasing.

In addition to this highly educated respondents are lesser satisfied with overall service experience from their current service providers (Quality of services, value and promotional offers, price provided by telecom companies, tariff plan trust and loyalty, satisfaction towards companies, advertisement as information) and have clearly indicated not to continue with current service provider. Lesser educated respondents are highly satisfied with overall service experience from their current service provider and have strong intention to be connected with current service provider.

Post hoc test statistics which inspects the significance of differences in opinions of respondents across different education groups already checked by ANOVA and Welch test statistics. Therefore it can be concluded that educational level of respondents produces significance variances in respondent's opinion for marketing practices offered by mobile companies.

TABLE 7: OCCUPATION AND MEAN VALUES FOR PERCEPTION OF CUSTOMERS' TOWARDS MOBILE SERVICES

Occupation of the Respondent	Quality of service	Network accessibility	Promotional Offers	Satisfaction and Intention	Variety of Tariff plans
Housewife	4.3300	4.5411	4.3247	4.3970	3.9318
Retired Person	4.1279	4.1859	4.1292	4.1096	3.6986
Student	3.8671	3.9084	3.7081	3.9522	3.6957
Govt. Employee	3.6441	3.7805	3.5694	3.5826	3.4167
Private Job	3.0176	3.2630	3.2698	3.1667	3.2361
Businessman	2.5781	3.0367	2.8417	2.9243	2.8209
Total	3.5307	3.7231	3.5931	3.6328	3.4435

Occupation of the Respondent	Trust	Fair Price	Brand Value	Values Offers	Loyalty	Advertisement
Housewife	3.8061	4.3424	4.2348	3.9659	4.2348	4.0038
Retired Person	3.7315	4.0301	3.9692	3.7740	3.8562	3.7637
Student	3.5826	3.7609	3.7772	3.6495	3.7663	3.6902
Govt. Employee	3.5014	3.5594	3.6341	3.5616	3.7210	3.6159

Private Job	3.2190	3.2206	3.3056	3.2361	3.4067	3.3671
Businessman	2.8730	2.9216	3.1318	3.0203	3.0845	3.1081
Total	3.4260	3.5888	3.6315	3.5000	3.6435	3.5645

Table 7 shows comparisons of customers' towards services provided by mobile companies across various occupation groups. In general, it can be observed that as the occupation of the respondent changes their satisfaction level with services offered by mobile companies keeps on changing. It further indicates that government employees, private employees and businessmen (group-I) perceive that cellular companies provide below average network coverage, do not consider current promotional offers as much exciting, variety in tariff plans and fairness in pricing is much lower than their expectation level, does not put greater amount of trust with their current service provider. On the other hand housewife, retired person and students (group-II) believe that mobile companies offer great network coverage in their areas, excited with promotional offers, variety in tariff plans and fairness in pricing on level of their expectation, trust on their existing service providers.

Group-I also believe that customer care representative are not that easy to reach and it takes them much more time to resolve their issues, advertisement offered by mobile service providers are not considered highly informative, does not help to create preference and loyalty for that particular service provider whereas group-II consider in different way to all above mentioned factors. Therefore it can be concluded that Occupational Pattern of respondents produces significance variances in respondent's opinion for marketing practices offered by mobile companies.

6. FINDINGS AND SUGGESTIONS

The present study is an attempt to know the customer perception towards marketing strategies adopted by Indian telecom companies. The study was conducted in NCR during December 2017-May 18. Data was collected from 500 active telecom users from the five major telecom companies.

With the application of factor analysis, 11 service quality factors were extracted. The eleven solutions accounted for 72.291 percent of the variance. The factors were named as Quality of Services, Value Offers, Promotional Offers, Loyalty, Variety of Tariff Plan, Trust, Fair Price, Brand Value, Service Accessibility, Satisfaction & Intention and Advertisement. 'Quality of Services' explained the 11.245 percent of the variance whereas the least variance was explained by Advertisement i.e. 4.643 percent.

With the help of ANOVA, an association between service quality factors and demographic variables was also checked. Interesting findings came out which are as follows:

- Younger respondents are lesser satisfied with overall service experience from their current telecom service providers and have clearly indicated not to continue with current service provider.

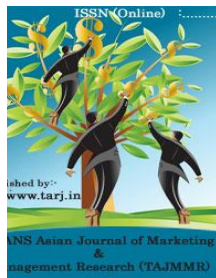
- Higher income respondents are lesser satisfied with overall service experience from their current service providers and have clearly indicated not to continue with current service provider.
- Highly educated respondents are lesser satisfied with overall service experience from their current service providers.
- Government employees, private employees and businessmen are not satisfied with overall service experience from their current service providers. On the other hand housewife, retired person and students are satisfied with all services provided by telecom companies.

On the basis of above findings it is recommended that telecom service providers who are targeting youth, high income strata, and highly educated customers' needs to revise their service plan as customers were highly dissatisfied with their services. Similarly government employees, private employees and businessmen were dissatisfied with the service offering of Indian telecom companies. Therefore telecom companies can formulate tailor-made plans which are suitable to customers with different occupation class. Requirements of business class is quite different from service class, thus same service quality plan will not work for all. If Indian telecom companies increase their service quality levels then they will be able to retain their present customers.

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MICRO FINANCING MANAGEMENT AND ITS PROSPECTS: A CASE STUDY ANALYSIS ON BANGLADESH PERSPECTIVE

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ABSTRACT

Microfinance's worldwide recognition has been credited to Prof. Dr. Muhammad Yunus who is the founder of the Grameen Bank in Bangladesh and recipient of the 2006 Nobel Peace Prize. Most microfinance studies in Bangladesh are limited to either one or two major MFIs or to the overall impact on clients' poverty reduction, improvement in health and social status, enhancement of women entrepreneurship and empowerment, etc. This study aims at understanding the management part of micro finance and its prospect of application in Bangladesh. The article also looks into the contribution of micro finance in Bangladesh economy together with sources of fund for such micro finance institutes. Moreover, other studies focused on welfare impacts pay less attention to sustainable entrepreneurship development. Hashemi, Schuler, and Riley (1996). Finally we can summarize that micro finance credit has greatly contributed to the economy of a developing country like Bangladesh. Poverty eradication, unemployment reductions, self-employment prospects together with self confidence and belief among poorest that they can also survive and contribute to the economy to build a nation.

KEYWORDS: Microcredit, MFI's, NGO's, SME's, Women Empowerment

1.0 INTRODUCTION

The story of microcredit can be fully understood only within the context of modern Bangladesh, where economic and social conditions have been improving. While income levels remain low, there has been steady growth of 5 to 6 percent for the past decade that raised incomes to \$1,700 (per capita gross domestic product [GDP] on purchasing power parity [PPP] basis) by 2012.

Many rural households enjoy new income streams from family members working overseas, or in factory jobs in the rapidly expanding ready-made garments industry. Strong development fundamentals have positioned Bangladesh as one of the few low-income countries on target to achieve its Millennium Development Goals (MDGs) (The Economist 2012)

2.0 LITERATURE REVIEW

Microfinance's worldwide recognition has been credited to Muhammad Yunus who is the founder of the Grameen Bank in Bangladesh and recipient of the 2006 Nobel Peace Prize. Although microfinance was not his original idea, Yunus pioneered the implementation of group based lending and collateral free loan. As a consequence, the poor women are able to manage credit and organize microenterprises (Engler, 2009, p. 82).

He founded the Grameen Bank in the 1970s as an effort to ameliorate the destitute poverty that plagued his country (Yunus, 2007, p. 20). Grameen Bank has more than 1,000 branches and 6 million members. Besides, the loan repayment rate of Grameen Bank is 98 percent (Midgley, 2008, p. 471).

Nothing can stop an idea whose time has gone. And micro-finance is in a danger zone. It is a discredited model. It has raised more questions that it has answered. To think that we are going to alleviate poverty is a tall claim. Microfinance has promised more than it has actually delivered, created more problems than actually solved and continues to promise much more than what it actually puts on the ground' (Jairam Ramesh, Indian Rural Development Minister, 2012)

More recently concerns have been raised about the real value and impact of microfinance. In the last few years 'microfinance meltdowns' have been reported in Morocco, Nicaragua, Pakistan, Bosnia, Mexico and Lebanon, and most dramatically in the Indian state of Andhra Pradesh when the entire microfinance industry collapsed in late 2010, which was the context of the quote by the then Indian minister mentioned above (Bateman & Chang, 2012). More disturbingly, inability to repay microfinance loans has also been linked to 'hundreds of suicides' among borrowers in India (Associated Press, 2012) and organ trafficking in Bangladesh (BBC, 2013).

Emerging research on base-of-pyramid (BoP) approaches to poverty reduction and empowerment of poor populations suggests that market based initiatives directed at impoverished communities can leverage their social capital to develop capabilities that could lift them out of poverty (Ansari et al., 2012)

Most microfinance studies in Bangladesh are limited to either one or two major MFIs or to the overall impact on clients' poverty reduction, improvement in health and social status, enhancement of women entrepreneurship and empowerment, etc. No studies in Bangladesh, to

the best of the author's knowledge, have yet considered innovation and sustainable entrepreneurship development.

An empirical study in Bangladesh among the Grameen Bank borrowers (with credit) and non-borrowers (without credit), and concluded that the microcredit program helps rural women to reduce their poverty most. They found that the 'with credit' women have a much lower percentage of poverty in terms of its incidence (80%), intensity (28%), and severity (12%) compared to the 'without credit' respondents 99%, 59%, and 37% respectively. Chowdhury, Mahmud, and Abed (1991) observed that the participants of the Bangladesh Rural Advancement Committee (BRAC) have more income, owned more assets, and earned more, as compared to the non-participants. Ahmed et al. (2011)

An empirical study of 120 households from six villages in Bangladesh and presented findings from the study of the Grameen Bank and the BRAC, two programs that provide credit to poor rural women in Bangladesh. The programs were found to have significant effects on eight different dimensions of women's empowerment. Such kinds of studies conducted on one or two particular MFIs may not be able to pay unbiased outcomes. Moreover, other studies focused on welfare impacts pay less attention to sustainable entrepreneurship development. Hashemi, Schuler, and Riley (1996)

As seen in a number of cases around the world, the consistent winners in the Microfinance 'game' are the lenders who charges exorbitant interest rates that sometimes reach up to 200% per annum. (Roodman, 2011) In most of the cases, the over indebtedness becomes the main hurdle of Microfinance, as the borrowers take further loans to repay the old ones. Failure to generate any income from the funds of Microcredit subsequently wraps themselves in layers of debt, and it has been the center of concern for MFI think tanks over the years. (Lascelles, Mendelson, Rozas, 2014)

Some of the most harsh critics also argue that the MFI is a very effective tool of political control, which has its' roots in the 'Containment strategy' of the US Government in Latin America, where the idea was to prevent people from subscribing to leftist movements by reframing poverty not as a political problem, but as a private problem. (Bateman, 2010).

3.0 OBJECTIVES OF THE STUDY

The main objective of the study is to provide an analytical presentation of the prospects of microfinance in Bangladesh context. The specific objectives of the study include the following:

- i) Identifying the prospects of micro finance credit in Bangladesh.
- ii) Analyzing the contribution of micro finance credit in Bangladesh.
- iii) Evaluating the role of NGO's and MFI's and their source of fund for its operation.

4.0 METHODOLOGY OF THE STUDY

Source of Data: This article is based on information collected from various secondary sources including books on social business authored by Dr. Muhammad Yunus, different articles on social business, business ethics and social responsibility, and a few related websites.

Data Analysis: The analysis will be mainly based on description. In case of necessity, simple tabular presentations may appear. Statistical and econometric analyses are not feasible options due to the fact that the social business is a new concept and necessary data are not yet available.

5.0 DEFINITION AND FEATURES OF MICRO FINANCE

Microcredit is used to narrate small credits granted to optimum income individuals that are separated from the traditional banking system. It is an integral part of the broader microfinance industry, which offers not only loan, but also savings, insurance, and other basic financial services to the needy people. The term ‘micro’ originated from the relatively small amounts of money that are being borrowed or saved.

The birth of ‘modern’ micro-finance is said to have occurred in the mid 1970s in rural Bangladesh. Prof. Dr. Muhammad Yunus, professor of economics at the University of Chittagong, was becoming disillusioned with the abstract theories based on economics that failed to demonstrate why so many poor people were starving in Bangladesh.

To find a desire solution, Prof. Dr. Muhammad Yunus began visiting local villages. In one nearby village, Jorba, he discovered a group of 42 women who made bamboo stools. Because of having lack of funds to purchase the raw materials themselves, they were tied into a cycle of debt with local traders with a high interest and who would lend them the money for the materials on the agreement that they would sell the stools at a price barely more than the raw materials.

Yunus was astonished to find that the entire borrowing needs of the 42 women amounted to the equivalent of US\$27. He lent them the money by his own fund without interest of helping the women to sell their stools for a reasonable price and break out of the cycle of debt.

5.1 Grameen Bank Activities in Microcredit

The Grameen Bank was inaugurated as “Village Bank”, and at present it works in more than eighty-thousand villages over six million borrowers. Prof. Dr. Muhammad Yunus and Grameen, both were awarded the Nobel Peace Prize in 2006 for their activities with the poor people.

Microcredit programs in Bangladesh is implemented by NGOs, Grameen Bank, state-owned commercial banks, private commercial banks, and specialized programs of some ministries of Bangladesh government. In the microfinance sector as of June, 2014 total loan outstanding is around BDT 403 billion (including Grameen Bank, 10 Government project and Commercial Banks) savings BDT 237 billion. The total clients of this sector are 33.73 million (including 8.62 million clients from Grameen Bank) that increases whole economic development process of Bangladesh. Loan services of this sector can be classified into six major categories: i) general microcredit for small-scale self employment based activities, ii) microenterprise loans, iii) loans for ultra poor, iv) agricultural loans, v) seasonal loans, and vi) loans for disaster management. Credit amounts up to BDT 50,000(fifty thousand) are usually considered as microcredit; credits above this amount are considered as microenterprise loans.

5.2 Microfinance Institutions (MFIs)

Micro-finance Institutions (MFIs) are the organizations that offer services and products to the poor people which are related in micro-finance. Different types are: savings and credit

cooperatives, NGOs, programs established by international organizations, legally-recognized micro-finance institutions, and micro-finance banks, and their sizes greatly vary, from 100 clients to over 6 million clients for the largest. MFIs offer not only basic financial services but also savings accounts, loan products and insurance. Non-financial services like as education and training or specific programs also provided by MFIs to combat regional issues.

5.3 NGO-MFIs Licensing System in Bangladesh:

In August, 2006, the Microcredit Regulatory Authority (MRA) started by the Government that received applications from 4241 NGO-MFIs. But, around 1000 applications were found to be very small organizations that had fewer than 1000 borrowers or less than the BDT 4 million outstanding loans that is generally considered as the minimal initial operating assortment of an MFI to be sustainable. However, till June, 2014 MRA had approved licenses in favor of 742 NGOs and canceled licenses of 45 NGOs. There are another 45 applications under process for a final decision even though they are mostly small organizations but with some importance to become viable in course of time. Total 3454 applications have been rejected in June, 2014. Recently MRA has requested new applications for getting license to operate microcredit activities among which 179 institutions have been given initial approval.

6.0 CONTRIBUTION OF MICRO FINANCE IN BANGLADESH

Although the recession and crisis in microcredit sector in several countries, Bangladesh's microfinance sector reveals resilience and regular to contribute towards improvement of macroeconomic growth. In June 2012 total outstanding loan of this sector (only licensed MFIs) has increased by 21 percent from BDT 211 billion to BDT 257 billion in June, 2013 and 8 percent from June, 2013 to June, 2014 which is BDT 278 billion disbursed among 19.98 million poor people, aiding them to be self-employed and increasing whole economic enhancement process of the country. The total savings has also increased by 24 percent from BDT 75.20 billion in June 2012 to BDT 93.99 billion in June 2013 and 20 Percent from June, 2013 for June, 2014 which is BDT 299 billion among 25.17 million clients.

TABLE-1: BASIC STATISTICS OF NGO-MFIS IN BANGLADESH					
Particulars	June,2010	June, 2011	June, 2012	June, 2013	June, 2014
No. of Licensed NGO-MFIs	516	576	590	649*	676*
No of Branches	17,252	18,066	17,977	14,674	16,991
No. of Employees	109,597	111,828	108,654	110,734	114,644
No. of Clients (Million)	25.28	26.08	24.64	24.60	25.17
No. of borrowers (Million)	19.21	20.65	19.31	19.27	19.98
Amount of Loan Outstanding (BDT. Million)	145,022.66	1,73,797.60	211,283	257,010	278,017
Amount of Savings (BDT. Million)	51,362.93	63,304.44	75,206	93,990	112,991

*Total Licensed NGO-MFIs was 697 but only 676 submitted MIS report.

Source: MRA-MIS Database-2014

TABLE 1 shows the overall trend of microfinance statistics in Bangladesh. This sector has created direct job opportunities for over 114,644 people at June 2014; 81 percent of them are male and 19 percent are female. The sector had outstanding loans of BDT 278 billion disbursed to 19.98 million borrowers, and had accumulated BDT 112 billion as savings from around 25.17 million clients – over 93 percent of them are women – through more than 16,000 branches, by 676 NGO-MFIs licensed by MRA. 7.0 Operations and management of Micro Finance in Bangladesh.

7.0 FUTURE PROSPECT OF MICRO FINANCE IN BANGLADESH

In present years micro-finance has become a potential sources of innovations and experiments, from leveraging the vast popular mobile banking sector, by which mobile phones are used to receive and send money, for the objectives of micro-finance; to the introduction of new loan products converted to local contexts, like as harvest stock spaces, cattle fattening loans and machinery loans,.

Loan systems have also diversified, and the original model of supportive group loans pioneered by the Grameen Bank, which have become more ambiguous and adapted to local prospective. Currently, products such as micro-insurance and micro-savings, which earlier took the back-seat to micro-credit, are observing their popularity increase.

The prospect of micro-finance is complex to assume, but several estimates recommend that 500 million to 1,5 billion people still lack enter to financial services that could strengthen their economic position and enhance their standard of life.

After ten to twenty years 2.5 billion young people will become older, and it seems uncertain whether the conventional working market will be able to pick such demographic boom. The contribution of micro-finance and other alternatives ways to foster and assist auto-entrepreneurship are likely to remain crucial in the world market economy.

7.1 Microcredit Interest Rates

Micro-finance is based on the notion of running away from traditional help towards a viable and sustainable industrial sector; therefore interest charges are mandatory to cover the costs of administering the loans. The interest rates applied by micro-finance institutions are often considerably higher than those offered by conventional financial institutions. Because the cost of administering many small loans in rural areas is much higher than the cost of administering fewer large loans in developed urban circumstances.

To normal operational costs, the interest rates must be able to cover:

- a. Costing of fund to the MFI – often higher in developing countries, as foreign funders will require a higher return to cover the additional risk of lending to micro-finance institutions.
- b. Cost of administrative– compare the cost to your bank if you make a transaction at a branch or via the internet, versus the cost to an MFI of sending a loan officer weekly or monthly to collect repayments from a client in a rural village without a proper transport infrastructure.

The latter is also likely to be a much smaller sum of money, making the transaction cost per euro or dollar much higher for the MFI.

- c. Risk of exchange rate – of ten higher in developing countries; currencies may be volatile, illiquid, and inflation may be high.
- d. High growth of default borrower – higher as borrowers can rarely offer collateral or credit history.

This does not mean that all high interest rates are acceptable. It is important that MFIs are adept and work to minimize their operating costs; this is something that the industry carefully scrutinizes, and as the extent of competition between MFIs grows, so does the force on them to minimize their interest rates.

So, how are micro-entrepreneurs to afford these interest rates? Several studies have been conducted in Mexico, and the Philippines, which have reveal that the % (percentage) return on investment is much higher for micro-enterprises than larger businesses, finding rates ranging from 117% up to 847%.

7.2 Fund composition of the Microfinance sector in Bangladesh

The sector is numerously financed by the following categories of sources: savings collected from clients, concessional loan received from sources such as PKSF, grants received from national and international donors, cumulative surplus (profit), and commercial bank borrowing. Table 2 reveals the last few years the fund composition of the microfinance sector in Bangladesh. While the total fund improved crucially over the time, there was only a little modify in terms of application of fund. In June, 2013 the total fund increased from BDT 136 billion to BDT 276 billion and the growth rate of 16-20 percent per year. Clients' savings is the most significant source of fund turned out which was the individual most significant fund support for the sector. The second most significant source of fund was cumulative surplus. The next more important one was loans from Commercial Banks. A microfinance wholesale funding agency like Loan from Palli Karma Sahayak Foundation (PKSF) also provides a big portion of loan fund at a subsidized rate. The donor agencies was appeared a little important source to be grants from as the previously donor driven NGOs are now trying to rely on local sources of fund with the reducing in foreign funding.

TABLE-2: SOURCE OF FUND OF NGO-MFIS IN BANGLADESH

Source of Fund	June '10		June '11		June '12		June '13		June '14	
	(Million BDT)	(%)	(Million BDT)	(%)	(Million BDT)	(%)	(Million BDT)	(%)	(Million BDT)	(%)
Clients' Savings	47,436.35	31.15	63,295.9	34.46	74,989.36	32.62	91,178.01	32.95	1,06,999.00	34.4
Loan from PKSF	24,484.12	16.08	31,767.8	17.3	33,576.45	14.61	34,072.27	12.31	34,523.50	11.04
Loan from Commercial	23,006.41	15.11	23,577.9	12.84	32,652.41	14.20	42,699.37	15.43	51,495.90	16.47

Banks										
Donors' Fund	4,109.29	2.7	70,08.37	3.82	7,061.28	3.07	7,104.57	2.57	6,855.04	2.19
Cumulative Surplus	42,339.27	27.8	50,298.7	27.38	65,437.78	28.47	83,262.38	30.09	1,00,943.95	32.28
Other Funds	10,907.40	7.16	7,727.32	4.21	16,167.91	7.03	18,390.89	6.65	11,914.58	3.62
Total	152,282.84	100.00	183,676	100.00	229,885.2	100.00	276,707.48	100.00	312,731.97	100.00

Source: MRA-MIS Database-2014

Recently the commercial banks are considered a potential source of fund of microfinance by observing the MRA-MIS Database-2014, over the last three years their portion of the total source increased. MRA has been putting in efforts to increase loans from commercial banks to the sector by introducing the banks to the NGO-MFIs. However, due to high interest rate charged and inflation the borrowing cost from commercial banks is very high which is discouraged NGO-MFIs to avail this as a source of fund. Previously donor driven NGOs are now trying to rely more and more on local sources of fund with the reduce in foreign funding, which stood at only 2.19 percent in June 2014.

7.3 Financial supporters

Financial backers work as a catalyst, aiding new MFIs or micro-finance projects to initiate and grow their activities through investment or grants. The goal of institution to usually become self-sustained, but it takes years of investment before it become a reality. Private foundations and funders, such as Citigroup, Blue Orchard or Oikocredit as well as public institutions such as the European Commission, the World Bank are the financial backers of micro-finance institution.

8.0 CONCLUSION

Finally we can summarize that micro finance credit has greatly contributed to the economy of a developing country like Bangladesh. Poverty eradication, unemployment reductions, self-employment prospects together with self confidence and belief among poorest that they can also survive and contribute to the economy to build a nation. Micro credit financing to a lot extent have empowered women and at different villages in Bangladesh it is observed that the women are contributing a major portion of their income in their family. This not only increasing their social standings but a commitment to do even better in future.

Smallest scale micro financing have enhanced in self realization and belief that one day these people can claim to have a SME (Small and Medium Enterprises) and thus coming forward in business supply chain position and contributing to the GDP (Gross Domestic Product) in Bangladesh.

The concept of micro credit financing is a role model these days and proven to act as catalyst for poverty alienations together with employment growth and development of a sector of self employment work force who are motivated to do something on their own and contributing to a nation building prospects.

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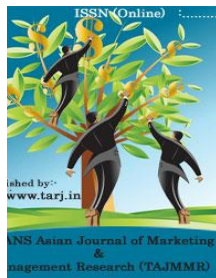
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THE ROLE OF NON-PROFIT MARKETING

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ABSTRACT

It is much harder for a nonprofits organization to gain an audience in the same ways that a business providing a product or service would. Nonprofits do not get as much social media attention and do not typically benefit from advertising, so it is wise for nonprofits to save their time and money on those things and channel their energy into the best ways for them to be heard. The purpose of nonprofits marketing is to have a way for nonprofits to market their causes in a way that encourages people to help, which could be a dramatically different way than a traditional business would be able to get attention. There is nothing better, from a marketing standpoint, than receiving grant money to invest into your organizations advertising strategy. Google is providing qualified nonprofits with up to \$10,000 a month in Google Ad Words spend. This additional financial allocation can be used to bid on the keywords your prospects are searching for and place your nonprofits website link at the top of the search engine results page. If you are looking to pursue Google Grants as a marketing avenue, make sure that your non-profit has the structure and expertise in place to make the most out of the Google Ad Words spend.

KEYWORDS: *Dramatically, Animal Shelter, Appealing, Nonprofits*

INTRODUCTION:**What Is Nonprofit Marketing?**

Non profit marketing is the use of marketing tactics by a non-profit organization, that promotes the message and the organization. Marketing is particularly important for a non-profit organization, as they usually need ways to market their cause to volunteers who would want to help and to donors that will give to their cause.

Nonprofits and Social Media

It is much harder for a non-profit organization to gain an audience in the same ways that a business providing a product or service would. Nonprofits do not get as much social media attention and do not typically benefit from advertising, so it is wise for nonprofits to save their time and money on those things and channel their energy into the best ways for them to be heard. The purpose of non-profit marketing is to have a way for nonprofits to market their causes in a way that encourages people to help, which could be a dramatically different way than a traditional business would be able to get attention.

10 Awesome Marketing Ideas for Nonprofits

Here are 10 awesome cost-efficient marketing ideas that can help your nonprofit cultivate a following and drive in new volunteer and donor prospects.

1. Leverage Your Nonprofits Existing Volunteer and Donor Database and CRM

If your non-profit really wants to optimize your marketing campaigns for success, it is crucial to analyze your existing volunteer and donor database. Your organization can leverage your volunteer and donor data to identify relationship patterns that can be used to target similar prospects. Learning as much information about your organizations volunteers and donors can greatly improve campaign success. Data mining can help to create new competitive edges that your non-profit has not leveraged in the past. Here are a few ways to use volunteer and donor data:

- Create personas based on your data.
- Better understand lead source success.
- See the entire prospect to volunteer or donor journey.
- Identify lead touch points and optimize process for success.
- Segment your database for targeted direct marketing.

2. Take Advantage of Google Grants If Your Non-profit Is Eligible

There is nothing better, from a marketing standpoint, than receiving grant money to invest into your organizations advertising strategy. Google is providing qualified nonprofits with up to \$10,000 a month in Google Ad Words spend. This additional financial allocation can be used to bid on the keywords your prospects are searching for and place your nonprofits website link at the top of the search engine results page. If you are looking to pursue Google Grants as a

marketing avenue, make sure that your non-profit has the structure and expertise in place to make the most out of the Google Ad Words spend.

In order to qualify for Google Grants, your non-profit must meet the following basic requirements:

- Hold a valid charity status
- Agree to Google terms and conditions, certifications and donation receipt
- Have a live website with updated content

3. Invest a Little Budget in Paid Social Media Ads

Investing a little money in paid social media ads can go a long way. Your non-profit can use social media to create targeted ads based on your prospects demographic. You can even localize posts to have the biggest reach within a designated community. Before investing some of your nonprofits marketing dollars into social media take some time to review your organizations. Google Analytics account to see which social media profiles are delivering the highest conversion rates. If you are not tracking conversions, then your non-profit should set up goals in your analytics profile.

Here are a few key benefits of social media advertising:

- Social ads can be used for market research.
- Segment your audience and ad copy by demographics.
- Increase your organization traffic and leads quickly.
- Boost or promote your organizations top performing organic content.
- Easy access to social media analytics.
- Options for minimal investment.

4. Add a Donate Button to Your Nonprofits Face book Profile

Face book recently released a feature to allow non-profit organizations to add a “donate” button to their organization profiles. Adding this CTA to your nonprofits page creates a great fundraising enticement and can drive in new donor prospects for your brand. The process of applying for this feature could not be easier.

5. Use Your Existing Nonprofit Content in New Ways

You would be surprised how many organizations are not using their existing content to create new marketing avenues for their non-profit. Chances are your organization has a lot of content at its disposal that has been created over the past year or so. Why not develop your existing content in new ways? If your organization has a stockpile of blog content, maybe it is time to translate that content into video or info graphics so that you can post it on new mediums. Here are a few ideas for repurposing your organizations content in strategic ways:

- Transform blog posts into PowerPoint presentations and upload them to Slide Share.

- Create an e-book using multiple blog posts around the same topic.
- Create a podcast to share existing content in audio form.
- Promote your blog posts in your nonprofits email newsletters.
- Refresh and update existing content to be relevant today.
- Turn your existing content into an email series or campaign.
- Create case studies out of existing content.

6. Create More Segmented and Personalized Email Campaigns

Taking the time to analyze and segment your nonprofits email lists can lead to higher open rates, more clicks and less unsubscribe. Segmenting your lists also can create a more personalized experience for your target prospects. Personalization leads to higher campaign success rates. On average, emails that are personalized to a prospect receive 41 percent higher click-through rates and boost open rates to 29 percent.

Segmenting your email lists does not have to be challenging. Here are a few ways to segment your lists today to get better campaign results:

- Ask your audience how often they want to hear from you and segment by communication preference.
- Segment by volunteer or donation patterns.
- Create a nurture campaign to segment leads that have gone cold or do not yet meet qualified criteria.
- Segment by email campaign engagement (clicks, opens).
- Segment by content that visitors are most interested in based on specific web visit patterns.
- Segment by prospect location (localize email content to create more engagement).

7. Use Face book Live to Become More Humanistic with Your Prospects

Face book Live is yet another social feature that nonprofits can use to build a personal relationship with prospects. Face book Live allows organizations to stream video and engage with an audience in real-time. Using this medium can help your non-profit to create a humanistic appeal with you target audience. Here are just a few ways your non-profit can use Face book Live to create engagement:

- Live stream Q&A sessions.
- Broadcast your volunteer and fundraising events.
- Stream organizational announcements.
- Survey your prospects and gain valuable project feedback.

Face book Live is currently only available on mobile devices. To enable your device to support Face book Live, you will need to have a supported device and enable Face book permissions.

Once those steps are complete, you can access the Face book Live feature from your Face book profile and begin to stream.

8. Create Social Media Contests to Excite Your Prospects

Creating contests can create instant engagement for your non-profit. Contests can go a long way to drive in new connections and create virility for your social accounts. Keep in mind that contest prizes do not have to be expensive to generate a buzz for your organization. Here are a few social contest ideas:

- Engage your volunteers and donors with a photo contest that reflects your nonprofits mission.
- Create contest forms on social to capture information about prospects.
- Develop video contests (video is the most consumable content).
- Engage your nonprofits audience with trivia question contests.
- Ask your prospects to like and share your page in exchange for a contest entry.

9. Host a Twitter Chat to Increase Influencers and Build Partnerships

Hosting a Twitter Chat is a great way to engage with influencers and build partnerships in your space. Twitter Chats can give your prospects instant access to your brand and allow you to address any questions that they have about your organization. Before hosting your first Twitter Chat there are a few variables that you are going to want to keep in mind:

- How will you promote your Twitter Chat to your audience?
- Are you prepared to address any questions that come up during the chat quickly?
- Do you have enough staff on board to successfully manage a Twitter Chat?
- How often will you host or sponsor Twitter Chats?
- What is the target ROI?

Once you address those questions it will be much easier to plan a strategy for Twitter Chats and make the use of the medium most beneficial for your goals. Here are a few ways your organization can use Twitter Chats to gain exposure and create relationships:

- Host monthly Twitter Chats to create a community and build trust.
- Ask partners to join in on your Twitter Chats and have guest speakers to increase interest.
- Sponsor other Twitter Chats and request sponsorship in return.
- Ask your non-profit employees and executives to join in on the fun.

10. Write More Captivating Content and Tell Better Stories

Sometimes the best way to improve your online marketing exposure is to focus on the content that you are producing. Is your content engaging your prospects? Is your content sharable and unique? These are just two of many questions that you will want to ask when reviewing your current content marketing strategy and producing new content for your non-profit organization.

Honestly, almost all online-marketing success starts at the content level. If your organization is able to create great content you will increase your exposure. Here are a few tips for creating more engaging content for your prospects:

- Incorporate video and images into your content for more visual appeal.
- Drive content across multiple channels.
- Write content with purpose.

Both profit and not-for-profit organizations use marketing to raise money. Businesses use marketing to sell services or goods, generate profits and enrich the owners. Not for profits raise money to fund their mission: charitable works, representing and promoting regional businesses, running a school or forming a veteran's association. The two different goals lead to different approaches.

SOMETHING FOR NOTHING

Business marketing boils down to a simple formula: here's something you need or want, buy it from us. The customer who responds to the marketing gets something concrete in return. Along with the actual product or service, they may also get emotional satisfaction. Creating a brand image can give a customer the feeling that the cool factor in their new car or their Keurig coffee maker will rub off on them.

Not-for-profit marketing encourages consumers to give something for nothing, or at least nothing physical. Donating to the local animal shelter, a homeless shelter or Doctors Without Borders doesn't give you anything concrete. Even if you take a tax deduction for a \$50 donation, it won't save you \$50 on your taxes. Not-for-profit marketing methods are all about appealing to emotions or ethics. If someone donates to the animal shelter, say, they get the joy of knowing they've relieved animal suffering.

Business groups such as boards of trade and chambers of commerce are an exception. They're non-profit organizations, but member businesses support boards and chambers as a way to advance their business interests.

MARKETING COSTS

If it takes money to make money, not for profits are at a disadvantage. Most such groups are small, and they don't have much of a marketing budget. They have to find ways to market at a low cost. That makes social media and crowd sourcing even more important than for profit-making companies. Social media increases exposure and awareness; nobody can donate to a charity they don't know exists.

For a business, setting the marketing budget depends on multiple factors: the profit from sales, the mark-up on each item sold, rent and expenses. Not for profits don't need to worry about sales and mark-up, but they do need to worry about efficiency. Whether the group provides water purifiers, food or free medical care, donors expect that their contributions will support that mission. If most of the funds raised go to pay for marketing or staff salaries, a lot of donors will look for a different group to support.

DEVELOPING DONORS

Even if they cater to a wealthy demographic, for-profit businesses usually need lots of customers. There are only so many yachts or cars or gourmet pies they can sell to one individual; more customer's means more profits.

For nonprofits, there's potentially no limit to how big a check a millionaire donor can cut them. Developing relationships with wealthy donors is even more important for them than for businesses. Some not for profits distinguish this part of their work from conventional marketing. Developing big donors is more about recruiting individuals who share the group's vision than just sending out emails asking for money.

CONCLUSION:

Over the last 40 years, the role of marketing in not-for-profit organizations has grown substantially as these organizations have realized the value of marketing in developing a strong Understanding of customers and other stakeholders. Another key difference in the strategic marketing of not-for-profit organizations is the need to continually check the marketing strategy against the environment, available resources, and the organization's values (Hatten, 1982). In the latter case, the values of the organization have an impact not only on why the organization exists but also how it goes about its market-ing activities, including fundraising, promotional programmes, and operational programme developments.

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