

## Digital Marketing Development Strategy in Non-Profit Organizations (Study at SOS Children's Villages Indonesia)

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### Abstract

Digital marketing strategies have become the main focus in increasing a company's sales, especially after the pandemic that hit, causing all strategies to be forced to maximize digital technology and online communication channels, and non-profit organizations are no exception. This research identifies various digital marketing strategy developments carried out by SOS Children's Villages Indonesia, especially to get long-term support from the public. The research was conducted using a qualitative approach with two methods namely interviews and observation. The resource persons are employees who have worked at SOS Children's Villages for more than two years and also have positions at the managerial level and are experts in their fields. The results obtained from this study found that communication patterns that focus on the impact of social programs that have been carried out by the organization so far will be one of the factors to increase the credibility of SOS Children's Villages thereby causing an increase in public support. Recommendations that can be given to organizational management are to be consistent in new innovations in the use of technology, as well as merging offline activities in parallel with communication messages carried out through online channel.

### Keywords

marketing strategies; non-profit; digital; innovation; online and offline



## I. Introduction

Indonesia is ranked first as the most generous country in the world according to the 2022 World Giving Index data from the Charities Aid Foundation (CAF). This high level of generosity can be the basis for being able to support the programs of social organizations in Indonesia. This also proves that most Indonesian people already have a character who likes to share. Along with increasing public awareness of the importance of sharing, more and more social actions and social communities have sprung up in society. According to Macht and Weatherston (2014), every individual or person in society is considered as a potential donor so then examining the behaviour of individuals as providers of capital or assistance becomes very important to help the success of an activity. On the other hand, technological developments and information systems have developed into an opportunity to facilitate the process of donation activities, one of which is through online donations. There are still many non-profit social organizations that have not been able to succeed in developing online fundraising strategies and even tend to fail so they still use conventional fundraising systems. Based on the description above, the formulation of the research problem is what is the best marketing strategy for a non-profit organization in increasing revenue from digital channels, moreover the digital approach should be the main reference in the current conditions of technological change. Organizations must also be able to take the momentum and take advantage of the current mind set, which prefers

the digital way, so they must be able to take a more strategic and structured approach. This really needs to be done because the world of technology is increasingly sophisticated and changing rapidly, so digital transformation and digital marketing strategies are needed with the aim of increasing member involvement and collecting funds both from old donors and in expanding segments to bring in new donors.

SOS Children's Villages is a non-profit international organization that focuses on supporting children's rights and needs, and is also committed to being able to provide alternative care for children who have or are at risk of losing parental or family care. SOS Children's Villages originate from Imst, Austria which is the first place SOS Children's Villages was established in 1949. SOS Children's Villages are currently located in 136 countries and have cared for more than 100,000 children worldwide. SOS Children's Villages Indonesia itself was founded in 1972, the first time to be precise in Lembang, Bandung. SOS Children's Villages Indonesia has the goal of ensuring the fulfilment of the basic rights of children who have and are at risk of losing parental care, the main mission is to provide alternative family-based care that children need for strong growth and development. In this case the social goals of the organization are also in accordance with the main goals of social marketing, namely inviting and influencing consumer behaviour to participate and contribute to social benefits (Lee and Kotler, 2012). From the background previously described, the issues that will be discussed in this study will focus on what kind of digital marketing strategy is right for SOS Children's Villages Indonesia to do in order to increase the organization's income from fundraising activities that exist today while still in existence. In the Covid-19 pandemic situation, what to prepare for, and how to invite the wider public to be able to join and support the organization through fundraising activities. Based on previous studies, several references have been found that point to the importance of raising research topics related to the decision to donate to foundations or social organizations, but as far as research has been carried out, there has been no research that specifically addresses digital marketing strategies for non-profit organizations? Is it the same as digital marketing strategies in general? So the research questions that can be taken are: What are the digital marketing strategies that can be carried out by non-profit organizations?

## **II. Review of Literature**

### **2.1 Marketing Theory**

Many experts have provided an understanding of marketing, one of which is Kotler (2013) who defines marketing as a social or managerial process by which individuals and groups obtain what they need and want by creating, offering, and exchanging products of value with other parties. Then Willian J. Stanton and Charles Futrell (2013) describe marketing as an overall system of business activities directed at making plans, determining pricing decisions, promoting goods, ideas and services to target targets with the aim of achieving the vision of the organization or company. What's interesting here is not only the products you want to offer, but also services or ideas, where for the discussion in this research which will analyse the marketing strategy of SOS Children's Villages Indonesia, it will focus on the ideas offered to the public, the forms of products offered will be the concept of a social campaign which also requires a separate strategy to be accepted by prospective members or new donors. The marketing theory that will be used as a basis for analysing these social benefits is more relevant to the 4E concept (Experience, Everywhere, Evangelism, and Exchange). The theory of the 4P marketing mix concept

(Product, Price, Place, Promotion) by McCarthy (1960) which was then refined from the point of view of sellers and buyers by Lauterborn (1990) to 4C (Customer Value, Convenience, Communication, Cost) has now been transformed according to the relevant conditions become 4E (Experience, Everywhere, Evangelism, Exchange). The 4E concept is relevant for this research considering that the SOS Children's Villages Indonesia organization is a voluntary membership social organization, which currently has many supportive members, and what marketing strategy will be carried out in the future in order to gain new membership.

## **2.2 Marketing Strategy**

The marketing strategy must still be carried out according to the stages according to Kotler et al (2012), namely: analysing the social marketing, selecting the target population, planning marketing mix program, organizing, implementing, controlling, and evaluating. Through the stages of this marketing strategy method, the research that will be carried out will explain how the marketing strategy carried out by SOS Children's Villages Indonesia is to be able to have many memberships that support the organization's social programs.

Marketing is a process of planning and execution, starting from the conception stage, pricing, promotion, to the distribution of goods, ideas and services, to make exchanges that satisfy the individual and his institutions (Dianto in Asmuni et al, 2020). According to Tjiptono in Marlizar (2020) marketing performance is a function that has the greatest contact with the external environment, even though the company only has limited control over the company's environment. In the world of marketing, consumers are assets that must be maintained and maintained their existence in order to remain consistent with the products we produce (Romdonny and Rosmadi, 2019).

## **2.3 Digital Marketing**

Digital marketing according to Chaffey and Chadwick (2016) is the use of applications from the internet and all things related to digital technology, which are always related to the application of traditional communication to achieve marketing goals. Fundamentally according to Dedi Purwana (2017) digital marketing is a form of marketing activity that uses the use of internet-based digital media through the application of communication via the web, social media, email, databases, and digital television in order to increase target consumers to find out the overall profile, behaviour, values, and consumer loyalty for marketing purposes. The role of digital marketing is very important in the midst of the development of digital technology to consistently develop effective strategies and plans in order to attract customers and integrate them into conventional and electronic communications (Chaffey, D. 2015). Utilization of digital marketing, especially through the use of social media, can quickly expand consumer networks, in this case, the potential for new membership in SOS Children's Villages Indonesia in marketing and disseminating existing social programs. In this case, digital marketers must be able to study various digital communication techniques in planning marketing strategies so that they can be communicated through online channels including websites to attract new donors (consumers) in making donation transactions (purchases).

## **2.4 Digital Marketing Communication Theory (AISAS Model)**

This digital communication behaviour model theory was created by Dentsu, an advertising sales agent in Japan in 2005. Dentsu (in Sugiyama and Andre, 2011) created a relevant marketing communication model from technological developments with an

effective approach in seeing behaviour change. This AISAS theory consists of several aspects, namely Attention, Interest, Search, Action, and Share. AISAS is a change to the concept of previous behaviour patterns namely AIDMA (Attention, Interest, Desire, Memory, and Action) where AIDMA is a simple model for advertising that is still traditional for products or services that are relatively very simple which aims to direct consumers to be able to choose a product of the many options available. However, in today's internet era, everyone can access a lot of information in a short time, thus causing "active contact with information" where consumers pay attention to a product, service or advertisement by actively (voluntarily) digging deeper, and can immediately share information with others. This model is relevant to the research that will be carried out, especially in the digital marketing communication strategy of non-profit organizations to get attention from potential new members, and create deep interest in order to contribute to social programs that will be run by the non-profit organization SOS Children's Villages Indonesia.

### 2.5 Intention to Donate

Fischbein and Ajzen (1980) published a theory of reasoned action, also known as Theory of Reasoned Action. This theory describes behaviour and intention as two very different things. Behavioural intention is only limited to an intention, while intention is a person's desire to carry out a behaviour. Intention does not mean a behaviour. The intention factor in making a donation needs to be seen factually by conducting interviews to find out more about the factors that determine the decision to donate. The tendency to behave actively in social purposes or contribute to social development, may be able to be under the control of the will of the individual.

## III. Research Method

This research is a specific qualitative case study involving one research subject from a non-profit organization, namely SOS Children's Villages Indonesia, with the aim of further exploring the social character or aspects of the research object related to the digital marketing strategy of a non-profit institution. Case study is a process, in this case the search for an empirical knowledge in order to investigate and examine various phenomena in this real-life context (Robert Yin, 2014). This research will specifically explore the marketing strategy of the non-profit organization SOS Children's Villages Indonesia, especially in the context of disseminating the organization's programs to the wider community.

In this study, the selection of informants who also supported the data source triangulation process technique was carried out with the following criteria:

1. The first category is employees at the top managerial level in the non-profit organization SOS Children's Villages Indonesia. This top managerial category was chosen to be one of the speakers on the grounds of the influence of the authority they have, including in making strategic organizational decisions. In this case, the resource person is the Director of Fundraising and Communication from SOS Children's Villages Indonesia.
2. The second category is middle managerial, who are employees of the non-profit organization SOS Children's Villages Indonesia that have joined and worked for at least two years. This category is a manager from each department in fundraising who leads a work unit in achieving their respective targets.
3. The third category is top management from similar non-profit organizations or those considered competitors. The selected resource person is the head of the fundraising

department (Director of Fundraising) in a non-profit organization of the same type as SOS Children's Villages Indonesia, namely those involved in assisting children and education.

The data collection method in this research is the interview method, because it is specifically aimed at employees who work at the object of this research, namely the non-profit organization SOS Children's Villages Indonesia. With this structured interview technique, respondents who can be used are respondents who can provide information according to the criteria in the study. (Sekaran and Bougie, 2016). The criteria for valid respondents in this study were those who were registered employees at SOS Children's Villages Indonesia who lived in Jabodetabek, had worked for two years, and had donated to a non-profit social organization at least one time in the past one year. Managerial non-profit organization SOS Children's Villages Indonesia, as well as triangulation will be conducted interviews from external organizations engaged in the same field outside of SOS Children's Villages Indonesia. The interviews were conducted in a structured way (structured interviews) and were also planned beforehand so that the interviewees could find out the questions in advance with the hope that the interviewees would have complete and correct answers. (Sekaran & Bougie, 2013).

#### IV. Result and Discussion

The results of this study were obtained through several direct interviews with informants and observations that have been made. Products from non-profit organizations are usually ideas and thoughts based on organizational goals. The way to apply marketing ideas and ideas that are carried out in non-profit organizations is undeniably more or less adopting the way of 'marketing' business organizations. In the process of marketing their ideas, non-profit organizations try to instil these ideas into the community which is a segment of the non-profit organization, so that it will have an impact on changing mind-sets and perspectives to behaviour in the intended segment of society. In other words, non-profit organizations tend to promote their ideas so that they become an attraction for consumers and influence consumers to want to be involved in organizational activities. The attractiveness positioned by a non-profit institution which can be a selling point for a non-profit institution can also be seen in terms of organizational programs. Taken from a quote by Belch and Belch (2018: 62) for the definition and definition of a product

*“A product is more than just a physical object; it is a bundle of benefits or values that satisfies the needs of consumers. The needs may be purely functional, or they may include social and psychological benefits”*

The social program from a non-profit institution is a product that is an advantage at the community, so that it will influence the decision to support or donate to the organization, in line with the definition of a product which is more than just an understanding of a physical object can also be a benefit or can be called a value that meets the needs of a consumer can be in a purely functional form, or also social benefits, as well as psychological benefits. Programs that have a humanitarian aspect, have a real impact on society and are "urgent" must immediately have an impact on the development of the marketing strategy of a non-profit institution. Thus, it can be concluded that the organizational program which is the main value of the vision and mission of an institution will influence the community's decision to support the organization.

P1: The attractiveness of the program influences SOS Children's marketing strategy

In terms of age, this is also one of the most important factors for consideration by organizations in determining the target segment that will become their donors, because they prefer people with stable income and this can be seen from their respective productive ages, because it is very important for a organizations to have donors who will support them in the long term, especially SOS Children's Villages Indonesia, as well as from competing organizations that seek to have long-term donor support by maintaining donor trust to be prioritized in obtaining long-term support.

P2: Marketing strategies affects target audience segmentation

Professionalism and transparency in an organization are indeed positive points for the organization and this can also be a positive view for customers to remain in the organization (Sari, 2019; Meiyanti and Irwan, 2019). Thus, the marketing strategy will affect the donor loyalty program.

P3: The organization's marketing strategy affects the loyalty program

From the information from several existing sources, in the process of taking advantage of the changes that are taking place and in accordance with current conditions to remain relevant, an innovation process is needed to be able to try new things and change old activities to adapt to existing technology and changes. This is useful for making changes that affect the way of output in production so that it can provide benefits in human life (Makmur and Thahier, 2015). In this case to maximize the way to reach new donors and also retain supporters to stay in the non-profit organization.

P4: Target audience segmentation influences the innovation process

P5: Loyalty programs affect the innovation process

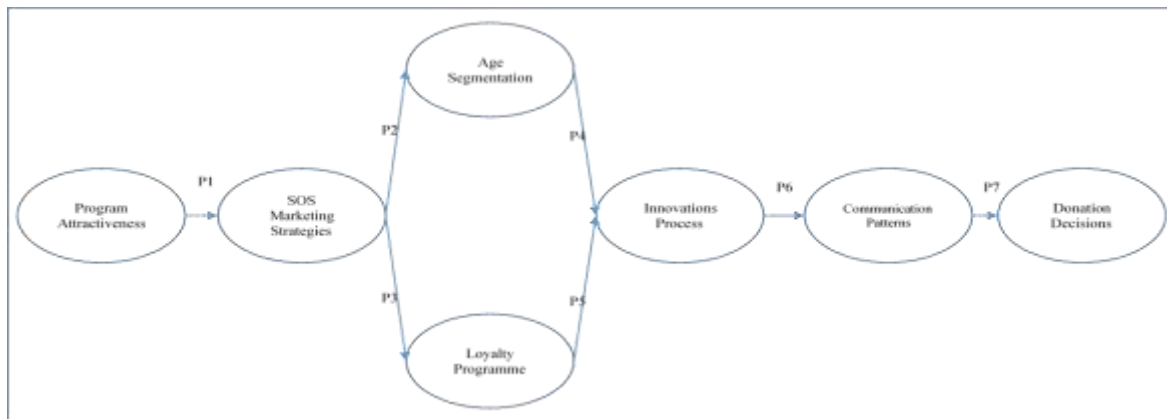
Strategies that use an emotional approach to influencing potential customers are considered very effective. This will be more specific when applied to non-profit organizations, because products from non-profit organizations are ideas and concepts. This strategy needs to be done in depth to get empathy from consumers. A non-profit organization may be able to easily explain the benefits for consumers when involved in the program, however, an understanding of each of these benefits needs to be explained more deeply to individuals. If you only explain without a deep emotional approach, individuals may not be interested in the product so that it affects individual interest or even influences consumer behaviour to continue to pay attention to organizational programs.

P6: The Innovation Process influences communication patterns

Organizations must have clear work objectives that can be understood by potential customers. In convincing customers to be interested in making donations, organizations need to communicate their goals in an open and easily understandable way for the public. Sayagiri (2021) in his research found that the factors that influence public intentions come from internal and external fundraisers, such as the number of shares and then lead to public trust. When examined more deeply, the findings from Sayagiri (2021) have similarities with the findings of this study. The number of shares can be interpreted as a marketing strategy, meaning that the selection of the right communication strategy will result in the right and maximum share or sharing of information about the product. Then public trust has relevance to the customer convenience factor, where this can also be created through a comfortable marketing communication environment to gain customer loyalty and convenience. So it can be said that communication patterns influence the decision to donate.

P7: Communication patterns influence donation decisions

## 4.1 Proposed Model



## V. Conclusion

Based on the explanation of the previous chapter, the researcher succeeded in finding several findings which will be concluded as follows:

1. The 4E marketing strategy (Experience, Everywhere, Evangelism, and Exchange) can be used as a digital marketing development strategy for non-profit organizations and needs to be maximized with strategies: Search engine optimization, online advertising, Email marketing, and social media marketing. And it is necessary to have a special professional team in their respective fields to carry out the development of marketing strategies at the institution.
2. SOS Children's Villages Indonesia has used the 4E marketing strategy quite well by prioritizing work professionalism and work transparency.
3. Marketing strategy factors and customer communication patterns are elements that influence the public's intention to donate at SOS Children's Villages Indonesia.

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