

CONSUMER PREFERENCES TOWARDS THE MARKETING COMMUNICATION ACTIVITIES OF NON-PROFIT ORGANISATIONS IN GAUTENG: A GENERATIONAL PERSPECTIVE

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ABSTRACT

With donations declining as donors become older (Baby Boomers), non-profit organisations (NPOs) are compelled to shift their marketing focus to younger generations (Generation X and Generation Y) if they are to survive in a sector hampered by an increase in competition, a lack of funding and a shortage of volunteers. In order to address the younger generations, NPOs are required to have a better understanding of their donors' demographic and psychographic characteristics, as this would enable them to communicate more effectively with the respective generations. As such, the purpose of this study is to measure the preferences of Baby Boomers, Generation X and Generation Y as current donors towards the marketing communication activities of NPOs. More specifically, the generations' preferences towards the nature of marketing done by NPOs, the marketing communication elements, media channels, marketing messages and communication sources used by NPOs are measured and based on the results, a number of recommendations are suggested as to how NPOs should adapt their marketing communication strategies when addressing the different generations.

Exploratory research, in the form of a secondary data analysis and five informal expert surveys, as well as descriptive research, in the form of a structured self-administered questionnaire was used to obtain the necessary data. The target population included all Baby Boomers (i.e. individuals born between 1946 and 1964), Generation X (i.e. individuals born between 1965 and 1976), and Generation Y members (i.e. individuals born between 1977 and 1994) residing in Gauteng, who had supported an NPO in the previous year and who were representative of the four major racial groups in South Africa (i.e. Black, Coloured, Indian and White). Quota sampling was used to divide the population into three quotas according to generation, while convenience sampling was used to fill each quota. In-home and intercept interviewing was used to obtain the necessary data from the respondents.

In the end, the results revealed a number of similarities and differences between the three generations in terms of their preferences towards the marketing communication activities of NPOs. In terms of the generations' preferences towards the nature of marketing done in the NPO sector, the respondents generally prefer NPOs that provide them with different options in terms of how they can support the NPO. More specific differences reveal that Generation Y, in contrast to Baby Boomers, prefers NPOs that allow them to provide feedback on their experience with the NPO.

Considering the marketing communication elements that NPOs can use to convince the different generations to support them, respondents overall show preference towards making small contributions for a product purchased. More specifically Generation X and Generation Y prefer online fundraising appeals and social networks; Generation Y prefers NPOs' websites; Generation X prefers special events and Baby Boomers show a strong preference towards articles placed in newspapers and magazines. In terms of the media channels that NPOs can use to communicate with donors, the respondents overall have a preference towards radio. In terms of specific differences between the generations, Generation Y and Generation X prefer the Internet, while Generation X prefers e-mail messages in relation to Baby Boomers, and sms messages in relation to Generation Y.

As for the marketing messages used by NPOs, the respondents overall prefer the NPO's marketing message if it is a positive one rather than a negative one. Comparing the generations, it is evident that Generation Y, compared to Baby Boomers, prefer the marketing messages of NPOs that create an emotion, that show information that will shock them, that use music which is popular to Generation Y listeners, and that contain images which attract their attention. In terms of the communication sources that NPOs might use, the respondents overall have a preference towards the NPO itself as the source – and, to a slightly lesser degree, if a beneficiary of the NPO is the source.

Based on the similarities and differences between the generations, a number of specific recommendations are formulated in terms of how NPOs should communicate with the different generations, which media channels to use, the type of messages that should be conveyed and which communication source to use.

Key words: Marketing communication, Generations, Non-profit organisations (NPOs)