

THE IMPLEMENTATION OF STRATEGIC MARKETING IN NON-PROFIT ORGANIZATIONS IN ISTRIA COUNTY: CHALLENGES AND BENEFITS

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ABSTRACT

Purpose: This paper explores the use of marketing activities and strategies in nonprofit organizations in Istria County, emphasizing the importance of strategic marketing. It examines key elements such as segmentation, targeting, and positioning, as well as resource limitations that affect implementation.

Methodology: A questionnaire based on relevant literature was developed to collect primary data. The study included 133 nonprofit organizations in Istria County over four months in 2024. Data analysis involved descriptive and bivariate statistics, including t-tests.

Results: Findings show that most nonprofit organizations do not systematically engage in marketing activities or integrate core marketing elements into their operations. Only 18% have a formal marketing plan, and strategic marketing is rarely practiced. Nonetheless, the study revealed several benefits of using strategic marketing, such as improved goal communication, stronger public visibility, enhanced branding, and better retention of donors and volunteers. Strategic marketing also contributes to more efficient resource use, stronger nonprofit identity, and greater alignment with organizational goals.

Conclusion: While nonprofit organizations face obstacles in applying strategic marketing, its benefits are significant. Strategic marketing is essential for improving operations, enhancing social impact, and ensuring long-term sustainability.

KEYWORDS: marketing in the nonprofit sector, strategic marketing, nonprofit organizations

1 INTRODUCTION

The study of the application of strategic marketing in the nonprofit sector is highly engaging and valuable to society (Wymer, 2021; NCUB, 2013). Its significance stems from the differences compared to commercial marketing and the diversity of topics available to researchers (Wymer, 2021). As early as the 1980s, Capon & Mauser (1982) explored the suitability of the marketing concept within the context of the public and nonprofit sectors. Unlike for-profit organizations, nonprofit organizations often operate with limited resources and face unique challenges that require specific marketing strategies to achieve their objectives. The value of marketing in the nonprofit sector lies in the fact that by increasing marketing knowledge for nonprofit organizations, we enrich society and improve the quality of life within communities (Ebrahim, 2003; Wymer et al., 2006; Andreasen, 2012). The complexity of marketing in nonprofit organizations is further compounded by the more difficult definition of exchange value compared to the for-profit sector (Kotler & Keller, 2012; Brkljačić, 2019; Burić, 2019). While for-profit organizations base value on the relationship between quality and price, nonprofit organizations provide socially oriented values, making their exchange value more abstract but essential for implementing socially beneficial programs (Brkljačić, 2019). Marketing orientation in nonprofit organizations is applied throughout all stages of value creation, from program development based on stakeholder needs research to the evaluation of their satisfaction (Werke & Bogale, 2023). Nonprofit marketing is implemented through the traditional elements of the marketing mix: product, price, distribution, and promotion (Ayyıldız et al., 2017; Burić, 2019). This ensures that nonprofit organizations' activities align with the needs of their target groups, leading to a better adaptation of offerings to stakeholders' actual needs (Vázquez et al., 2002; Gainer & Padanyi, 2005).

Beyond meeting the needs of target groups, the application of strategic marketing enables nonprofit organizations to communicate their strategies, missions, and objectives more effectively (Rosnerova & Dagmar, 2021). Clearly defined and targeted marketing messages help convey the value an organization brings to the community, increasing public awareness and support for its initiatives (Gainer & Padanyi, 2005; Andreasen, 2012). Through research and analysis, nonprofit organizations can better understand their target audience, their needs, and the best ways to engage them (Andreasen, 2012). This understanding is crucial for creating

marketing strategies that resonate with audiences and motivate them to take action, whether through donations, volunteering, or other forms of support (Chad, 2013).

Similarly, strategic marketing aids nonprofit organizations in optimizing their resource use. Given that many such organizations operate with limited financial means, effective resource management is vital (Weerawardena et al., 2010). Through analysis and planning, nonprofits must identify the most cost-effective marketing channels and tactics that will yield the highest return on investment. This includes digital marketing strategies, which can be both economical and highly effective in reaching a broad audience.

Strategic marketing enables nonprofit organizations to systematically plan, implement, and control activities for long-term competitive advantage. The process begins with market analysis, segmentation, target group selection, and positioning with a unique value proposition. The marketing mix, along with additional service elements (people, processes, physical evidence), is tailored to the needs of target segments; while monitoring and adaptation ensure long-term success (Wysocki & Wirth, 2001).

Considering the broader benefits of strategic marketing for nonprofit organizations, it is evident that it plays a key role in strengthening nonprofit brands (Helmig & Thaler, 2010; Choto et al., 2023; Werke & Bogale, 2023). A recognizable and positive brand image can significantly impact an organization's ability to attract and retain donors and volunteers (Chad et al., 2014; Liu et al., 2018). The application of strategic marketing in the nonprofit sector is crucial for achieving better results, optimizing resources, strengthening brands, and adapting to change (Choto et al., 2023). These activities not only help organizations serve their communities more effectively but also ensure their long-term sustainability and success in fulfilling their missions and objectives (Omura & Forster, 2014).

Numerous benefits arise from the application of strategic marketing in nonprofit organizations. However, as Dolnicar & Lazarevski (2009) highlight, the concept of strategic marketing in nonprofit organizations significantly differs from its application in the commercial sector and is often not sufficiently recognized. Although strategic marketing has been extensively researched in commercial literature, its application in nonprofit organizations remains a specialized field. Additionally, the applicability of marketing within the nonprofit sector continues to be a topic of debate, further complicating its implementation (NCUB, 2013).

Globally, nonprofit organizations face increasing competition due to the growing number of organizations and shrinking financial resources (Katz & Rosenberg, 2005; Peloza & Hassay, 2007; Brady et al., 2010; Salamon et al., 2013; Hopkins et al., 2014; Sepulcri et al., 2020). In this context, marketing becomes essential for success and sustainability (Katz & Rosenberg,

2005; Pope et al., 2009; Hopkins et al., 2014). While some organizations adopt commercial marketing techniques, many still struggle with financial and promotional challenges (Werke & Bogale, 2023). Despite these challenges, an increasing number of nonprofit organizations are introducing "business" marketing strategies, though often without adequate knowledge (Brady et al., 2010; UCB, 2013). Regarding the geographic scope of research on strategic marketing and nonprofit organizations, studies frequently focus on examples from developed countries such as the United States, the United Kingdom, and Australia. Therefore, there is a need for a deeper examination of the challenges and practices of nonprofit organizations in different contexts and regions (Krupka, 2004; NCUB, 2013).

These findings have served as the foundation for defining the research objective and formulating the hypotheses in this study. The aim of this paper is to explore the application of marketing activities and strategies in nonprofit organizations in the Istria County and to determine the importance of applying strategic marketing in nonprofit organizations. Specific objectives include the application of marketing activities, the implementation of key marketing elements such as segmentation, targeting, and positioning, and the analysis of resource limitations in implementing strategic marketing. Istria County was chosen for this research as it stands out as one of Croatia's most active regions with numerous active nonprofit organizations, providing an important context for understanding the application of strategic marketing in the nonprofit sector.

Based on the study's objectives, the following research hypotheses have been formulated:

H1: Most nonprofit organizations engage in marketing activities but without clear integration of key marketing mix elements (product, price, distribution, promotion).

H2: Most nonprofit organizations do not apply strategic marketing as an integral part of planning and decision-making, nor do they implement marketing strategies for segmentation, targeting, and positioning.

H3a: The lack of financial resources significantly hinders the implementation of strategic marketing in nonprofit organizations.

H3b: The lack of human resources significantly hinders the implementation of strategic marketing in nonprofit organizations.

H3c: The lack of technological resources significantly hinders the implementation of strategic marketing in nonprofit organizations.

H4: Increasing marketing knowledge in nonprofit organizations enriches society and improves the quality of life in communities.

H5: The application of strategic marketing enables nonprofit organizations to communicate their strategies, missions, and objectives more effectively.

H6: Clearly defined and targeted marketing messages significantly help convey the value that organizations bring to the community, increasing public awareness and support for nonprofit initiatives.

H7: Strategic marketing plays a crucial role in strengthening a nonprofit organization's brand, and a recognizable and positive brand image can significantly impact its ability to attract and retain donors and volunteers.

H8: The application of strategic marketing in the nonprofit sector results in significant improvements in average organizational performance, resource optimization, and brand strengthening.

H9: There is a statistically significant difference in the perceived importance of strategic marketing for achieving better results between organizations with a marketing plan and those without one.

To achieve the research objective and test the proposed hypotheses, descriptive and bivariate statistical analyses were applied.

2 THEORETICAL BACKGROUND AND REVIEW OF EXISTING LITERATURE

It is well known that there are three main sectors, particularly in developed countries: the private sector, the governmental sector, and the nonprofit sector (Ayyıldız et al., 2017). Various terms are used in the literature to describe organizations in this sector, such as nonprofit organizations (NPOs), voluntary organizations, civil society organizations, and non-governmental organizations (NGOs) (Ayyıldız et al., 2017). In this paper, we will use the term "nonprofit organizations" as it is widely accepted in international literature, ensuring consistency with global practices and research.

Over the past three decades, nonprofit organizations have experienced significant growth (Ebrahaim, 2003; Stride & Lee, 2007; Leroux 2010; Hersberger-Langloh, 2022), which has spurred greater interest in marketing within this sector (Pope et al., 2009). In the early stages of research on nonprofit marketing, the research community viewed this field as a simple application of commercial marketing concepts to the nonprofit environment (Andreasen, 2012). However, the value of such an approach was often questioned. Researchers found that

merely borrowing constructs and scales from commercial marketing posed a problem, as much of the previous research lacked sufficient validity and relevance for nonprofit contexts (Kotler & Zaltman, 1971; Jacoby, 1978; Wymer, 2013). Although nonprofit organizations did not adopt marketing techniques until the 1960s and 1970s, today, it has become common practice (Wenham et al., 2003). While marketing has not always been a priority, its importance is increasingly recognized, particularly in fostering long-term relationships with donors and beneficiaries (Leroux, 2010; Choto et al., 2023). However, the applicability of marketing within the nonprofit sector remains a topic of debate, further complicating its implementation, as highlighted by a study conducted by the Global Nonprofit Management Team (NCUB, 2013).

Kotler and Zaltman (1971) define strategic marketing as the design, implementation, and control of programs to promote social ideas, including product planning, pricing, communication, distribution, and market research. Strategic marketing planning refers to the continuous process of developing, implementing, and monitoring marketing strategies to achieve specific marketing objectives (Kotler & Andreasen, 1975; Pope et al., 2009; Pavičić, 2003). Strategic nonprofit marketing can be defined as the practice of using marketing strategies to achieve nonprofit organizations' purposes and goals (Andreasen, 2012; Murray, 2015; Novatorov, 2015; Tuneva, 2020; Werke & Bogale, 2023). Choto, Musakuro, Iwu, and Tengeh (2023) emphasize that marketing strategies in nonprofit organizations should focus on increasing organizational sustainability through management and monitoring of marketing effectiveness, where service quality and customer satisfaction play a key role. Hassay & Peloza (2009) observed that nonprofit organizations increasingly apply marketing concepts such as market orientation, customer relationship marketing, market segmentation, loyalty, and branding.

The application of marketing strategies enables nonprofit organizations to better understand the needs of users and donors, ensuring competitiveness and engagement with target audiences (Tabaku & Mersini, 2014). Possible strategies for nonprofit organizations encompass various approaches to achieving growth and sustainability. Market penetration, according to Bigley (2018), directs organizations to sell existing services or products to current users, thereby increasing revenue and strengthening the brand. Market development, as noted by Kukarstev et al. (2019), involves expansion into new geographic areas or target groups, facilitating growth and revenue generation. Product development, according to Gutterman (2023) and Nayir (2024), includes creating new or improved services and products that can generate additional income, such as educational materials or consulting services. Diversification, highlighted by

Purkayastha et al. (2012) and Mustafa & Shkurti (2023), allows organizations to create new products and enter new markets, thereby increasing revenues and strengthening their competitive advantage. Each of these strategies provides nonprofit organizations with opportunities for growth, expansion, and long-term sustainability despite challenges in the sector.

Effective marketing helps nonprofit organizations define their mission and attract necessary resources (Bennett, 2017; Lee et al., 2018). Nonprofit organizations also need to enhance perception and visibility to attract support and ensure sustainability (Pavičić, 2003). Market analysis and strategy adaptation increase donor commitment and community support (Mato-Santiso et al., 2021). More and more nonprofit organizations adopt strategies similar to those in the business sector, yet they often lack adequate knowledge and expertise. For example, online marketing, which is standard in the for-profit sector, is still not widely present in nonprofit organizations due to a lack of qualified personnel (NCUB, 2013). Additionally, constraints such as insufficient financial resources, human capital, and time further complicate marketing development and implementation. Consequently, marketing is often managed by volunteers or overburdened employees who lack the necessary skills (Katz & Roesenberg, 2005; Pelosa & Hassay, 2007; Pope et al., 2009). This results in weaker brand recognition, poorly defined target audiences, and insufficient presence in digital channels (NCUB, 2013).

3 METHODOLOGY

A questionnaire for collecting primary data was developed based on an extensive literature review and is divided into five parts that measure current marketing activities, implementation of strategic marketing, challenges of strategic marketing implementation, attitudes and opinions about marketing in nonprofit organizations and respondents' demographic data.

Current marketing activities were measured through 5 statements adopted from Dolnicar & Lazarevski (2009). 5 statements were used to measure the implementation of strategic marketing adopted from Drummond et al. (2008). The challenges of strategic marketing implementation were measured through 3 statements adopted from Werke & Bogale (2023), while attitudes and opinions about marketing in nonprofit organizations were measured through 10 statements adopted from Gainer & Padanyi (2005), Wymer et. al. (2006), Helmig & Thaler (2010), Andreasen (2012), Chad et al. (2014), Liu, et al. (2018), Rosnerova & Dagmar (2021), Choto et al. (2023), Werke & Bogale (2023).

Variables were measured with a 5-point Likert scale, ranging from “strongly disagree” as 1, to “strongly agree” as 5. Finally, respondents’ demographic data included organization type, number of employees, years in operation and sources of financing. The questionnaires were distributed to nonprofit organizations in the Istrian Region, Croatia, over a period of four months from August to November 2024. They were administrated onsite, via e-mail and by telephone to potential respondents who were willing to participate in the survey. Completed questionnaires were collected online.

Data analysis was performed on the sample of 133 valid questionnaires and included descriptive and bivariate statistical analyses. The respondents’ demographics, as well as current marketing activities, implementation of strategic marketing, challenges in strategic marketing application, attitudes and opinions about marketing in nonprofit organizations were evaluated with descriptive statistics methods, calculating percentage, mean, standard deviation, coefficient of skewness and kurtosis. The significance of differences in the importance of implementing strategic marketing considering respondents who have and do not have a marketing plan, were tested with independent samples t-test. The sample consisted of 133 nonprofit organizations operating in the Istrian County. A majority (32.3 %) had been operating for over 20 years, followed by organizations with 11 to 20 years (20.3 %), 5 to 10 years (24.0 %), and less than 5 years (23.3 %). Humanitarian, cultural, and educational organizations each represented 19.05 % of the sample, followed by sports and social organizations at 17.86 % each. Ecological organizations accounted for 3.57 %, religious organizations 2.38 %, and health organizations 1.19 %.

Most nonprofit organizations (35.34 %) had no employees, followed by those with one (19.55 %), two (16.54 %), and three employees (13.53 %). Organizations with four to six employees represented smaller shares ranging from 3.76 % to 5.26 %, while those with over ten employees made up only 1.50 %.

Regarding sources of financing, the majority (67.67 %) relied primarily on public funding. Donations accounted for 15.04 %, self-financing for 13.53 %, and other sources including income from marketing and EU funds constituted 3.76 %.

4 RESULTS AND DISCUSSION

Considering the aim of the paper, which focuses on researching the application of strategic marketing in nonprofit organizations, as well as the established hypothesis, descriptive and

bivariate statistical analysis were used for data processing. The research results, analyzed through descriptive statistics on statements regarding current marketing activities in nonprofit organizations, are presented in Table 1.

Table 1. Descriptive statistical analysis of statements on current marketing activities

Variables	Arithmetic mean	Standard deviation	Coefficient of skewness	Coefficient of kurtosis
CURRENT MARKETING ACTIVITIES				
Your organization is engaged in marketing activities	2.45	1.230	-0.161	-0,823
Your organization's current marketing activities include key elements of the marketing mix (product, price, distribution, promotion)	2.32	1.275	0.543	-0.813
Your organization regularly monitors and analyzes the effectiveness of its marketing activities	1.98	1.111	0.785	-0.410

Source: Authors' analysis

When examining current marketing activities, the highest average rating was given to the statement, "Your organization is engaged in marketing activities" ($x = 2.45$, $SD = 1.230$). This indicates that most respondents disagree with the statement. However, the high dispersion of data around the mean suggests a diversity of responses.

The other statements, "Your organization's current marketing activities include key elements of the marketing mix" and "Your organization regularly monitors and analyzes the effectiveness of its marketing activities," show low average ratings, indicating disagreement. The arithmetic means (2.32 and 1.98) suggest that most nonprofit organizations do not incorporate key elements of the marketing mix into their activities nor do they regularly track and analyze the effectiveness of their marketing efforts. Additionally, the standard deviations (1.275 and 1.111) indicate some variation in approaches to marketing activities among organizations. While some attempt to implement marketing elements, the majority do not do so systematically or consistently.

Out of the 133 collected survey questionnaires, only 18.05 % of nonprofit organizations have a marketing plan, meaning that 109 respondents lack one. This highlights an insufficient level of strategic marketing approaches within the sector. Based on these findings, hypothesis 1, "Most nonprofit organizations engage in marketing activities but without a clear integration of key marketing mix elements (product, price, distribution, promotion)," can be rejected.

Since marketing strategy aims at segmentation, targeting, and positioning (Drummond et al., 2008), the following section presents statements regarding the application of strategic

marketing. Table 2 displays the results of the descriptive statistical analysis of statements related to the implementation of strategic marketing in nonprofit organizations, clearly outlining some of the applied marketing strategies.

Table 2. Descriptive statistical analysis of statements on the implementation of strategic marketing

Variables	Arithmetic mean	Standard deviation	Coefficient of skewness	Coefficient of kurtosis
IMPLEMENTATION OF STRATEGIC MARKETING				
Strategic marketing is an integral part of your organization's planning and decision-making	2.16	1.359	0.923	-0.007
Your organization conducts strategic analyses (external, internal, and consumer analysis) to develop marketing strategies and determine strategic directions	1.89	1.130	1.074	0.158
Your organization utilizes market segmentation to identify different user groups and tailor products or services to their needs	2.24	1.388	0.629	-0.996
Your organization strategically selects target segments and focuses its resources on building long-term relationships with them	2.47	1.379	0.205	-1.423
Your organization has a clearly defined market position that highlights its unique advantages over the competition	2.50	1.396	0.264	-1.335

Source: Authors' analysis

The arithmetic means of 2.16 indicates that nonprofit organizations have not extensively implemented strategic marketing in their plans and decisions. The high standard deviation coefficient (1.359) suggests dispersion in responses. Similarly, most organizations disagree with the statement that they conduct strategic analyses to develop marketing strategies ($\bar{x}$ = 1.89, SD = 1.130), while the coefficient of skewness (1.074) suggests a tendency toward lower response values. An analysis of the application of segmentation, target group selection, and positioning reveals that all responses have a relatively low arithmetic mean, ranging from 2.24 to 2.50. This suggests that the majority of respondents strongly disagree with these statements, while the standard deviation indicates a high degree of response dispersion. Therefore, hypothesis 2 "Most nonprofit organizations do not apply strategic marketing as an integral part

of planning and decision-making, nor do they implement marketing strategies for segmentation, targeting, and positioning" can be accepted. While some nonprofit organizations may have implemented certain strategies, the results indicate that, overall, strategic marketing is not sufficiently integrated into their plans and decisions, nor are key marketing strategies adequately developed.

To gain insight into the key obstacles hindering the successful implementation of strategic marketing practices, an analysis was conducted on the impact of financial, human, and technological resources on the application of strategic marketing, as shown in Table 3.

Table 3. Descriptive statistical analysis of statements on the challenges of strategic marketing implementation

Variables	Arithmetic mean	Standard deviation	Coefficient of skewness	Coefficient of kurtosis
CHALLENGES OF STRATEGIC MARKETING IMPLEMENTATION				
The lack of financial resources in your organization significantly hinders the implementation of strategic marketing	4.23	1.132	-1.569	1.769
The lack of human resources in your organization significantly hinders the implementation of strategic marketing	4.18	1.140	-1.419	1.336
The lack of technological resources in your organization significantly hinders the implementation of strategic marketing	3.86	1.268	-0.813	-0.440

Source: Authors' analysis

The statement "The lack of financial resources in your organization significantly hinders the implementation of strategic marketing" has the highest arithmetic mean ($\bar{x} = 4.23$), indicating that the majority of respondents recognize financial constraints as a key obstacle. The coefficient of skewness (-1.569) suggests that the responses were mostly concentrated towards higher scores (4 and 5), while the high coefficient of kurtosis (1.769) indicates a deviation from normality in the distribution of responses, further confirming the consensus among respondents on the importance of this challenge. The challenge of human resources is also evident in the respondents' answers, as it has a high arithmetic mean of 4.18. The coefficient of skewness (-1.419) and kurtosis (1.336) again indicate a pronounced concentration of responses towards higher values. The statement "The lack of technological resources in your organization significantly hinders the implementation of strategic marketing" has a slightly lower arithmetic mean (3.86), suggesting that, while technological resources pose a challenge, their importance is not as critical as that of financial and human resources.

Financial and human resources were identified as the biggest obstacles to the implementation of strategic marketing in nonprofit organizations, highlighting the need for additional

investments in these areas. Although technological resources also present a challenge, their impact is somewhat less pronounced compared to financial and human constraints. Therefore, hypotheses 3a, b, c "The lack of financial, human, and technological resources significantly hinders the implementation of strategic marketing in nonprofit organizations" can be accepted. Building on the research aim of determining the importance of strategic marketing in nonprofit organizations, the results of respondents' attitudes and opinions about marketing in these organizations were analyzed, as shown in Table 4.

The results show strong support for the idea that strategic marketing plays a key role in strengthening nonprofit organizations, both in terms of their visibility and their ability to achieve their goals. High arithmetic means (ranging from 4.13 to 4.61) and low standard deviations (below 1) indicate very positive attitudes from respondents towards the importance of marketing in the nonprofit sector.

Table 4. Descriptive statistical analysis of attitudes and opinions about marketing in nonprofit organizations

Variables	Arithmetic mean	Standard deviation	Coefficient of skewness	Coefficient of kurtosis
ATTITUDES AND OPINIONS ABOUT MARKETING IN NONPROFIT ORGANIZATIONS				
Increasing knowledge of marketing in nonprofit organizations enriches society and improves the quality of life in communities	4.40	0.843	-1.714	3.439
The application of strategic marketing enables nonprofit organizations to communicate their strategies, missions, and goals more effectively	4.44	0.847	-1.961	4.714
Clearly defined and targeted marketing messages help convey the values that the organization brings to the community	4.61	0.976	-0.784	5.009
Clearly defined and targeted marketing messages raise public awareness	4.40	0.825	-1.846	4.677
Clearly defined and targeted marketing messages support the initiatives of nonprofit organizations	4.37	0.875	-1.693	3.428
Strategic marketing plays a key role in strengthening the brand of a nonprofit organization	4.29	0.936	-1.409	1.920
A recognizable and positive brand image can significantly impact the organization's ability to attract and retain donors and volunteers	4.44	0.874	-1.968	4.348
The application of strategic marketing in the nonprofit sector is crucial for achieving better results	4.23	0.958	-1.255	1.369
The application of strategic marketing in the nonprofit sector is crucial for optimizing resources	4.13	0.988	-1.027	0.661
The application of strategic marketing in the nonprofit sector is crucial for	4.26	0.990	-1.439	1.856

strengthening the brand and adapting to changes				
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Source: Authors' analysis

The statement "Increasing knowledge of marketing in nonprofit organizations enriches society and improves the quality of life in communities" has a high average score ($\bar{x} = 4.40$) with a low standard deviation ($sd = 0.843$), indicating a strong consensus among respondents that marketing can have broader societal benefits. Therefore, hypothesis 4, "Increasing knowledge of marketing in nonprofit organizations enriches society and improves the quality of life in communities," can be accepted. The statement "The application of strategic marketing enables nonprofit organizations to communicate their strategies, missions, and goals more effectively" highlights the perception of strategic marketing as a key tool in the professionalization and strengthening of communication capacities within nonprofit organizations. The analysis results support this claim. With an average score of 4.44, most respondents agree or strongly agree with this statement, suggesting that they recognize strategic marketing as a mechanism that enables clearer, more structured, and targeted communication. The low standard deviation of 0.847 further confirms the relative homogeneity of responses, indicating a broad consensus among respondents. The skewness coefficient of -1.961 shows a strong negative skew, indicating a concentration of responses towards the higher values of the scale (4 and 5). This further suggests that the majority of respondents highly value the role of strategic marketing in communicating organizational strategies, missions, and goals. Therefore, hypothesis 5, "The application of strategic marketing enables nonprofit organizations to communicate their strategies, missions, and goals more effectively," can also be accepted. Respondents show agreement with statements about the benefits of clearly defined and targeted marketing messages, as all three statements record high average scores (above 4.3), low standard deviations (below 1.0), and negative skewness coefficients, indicating a predominant trend toward high scores among respondents. This further confirms a strong consensus on the importance of clearly defined and targeted marketing messages in the nonprofit sector. Additionally, the high values of the kurtosis coefficients indicate that the responses are concentrated towards higher ratings, confirming that these strategies are almost universally recognized as beneficial. The results clearly support hypothesis 6: "Clearly defined and targeted marketing messages significantly help in conveying the values that the organization brings to the community, increasing public awareness, and support for nonprofit initiatives." The next step was to analyze the collected data from statements addressing hypothesis 7: "Strategic marketing plays a crucial role in strengthening a nonprofit organization's brand, and

a recognizable and positive brand image can significantly impact its ability to attract and retain donors and volunteers." High average scores for both statements (4.29 for the role of strategic marketing in strengthening the brand and 4.44 for the impact of a positive image on attracting donors and volunteers) indicate strong agreement among respondents. Low standard deviations (0.936 and 0.874) suggest relative homogeneity of responses, and the negative skewness coefficients (-1.409 and -1.968) confirm that most responses were concentrated towards higher ratings. High kurtosis coefficients (1.920 and 4.348) suggest that the responses are strongly directed towards the upper end of the scale, indicating that respondents strongly support the claims. Based on the data, hypothesis 7 can be accepted.

To gain insights into the potential benefits of applying strategic marketing in the nonprofit sector, the results of the last three statements were analyzed. In the analysis of attitudes towards the application of strategic marketing in the nonprofit sector, respondents expressed generally positive opinions about its importance for achieving better results, optimizing resources, and strengthening the brand and adapting to changes. The three statements recorded high average scores, ranging from 4.13 to 4.26. The standard deviations for all three statements (below 1.0) also suggest low deviations from the arithmetic mean, indicating that most respondents share similar opinions about the importance of strategic marketing in these areas. Based on the results, hypothesis 8, "The application of strategic marketing in the nonprofit sector results in significant improvements in average organizational performance, resource optimization, and brand strengthening," can be accepted.

To assess whether there is a difference in attitudes and opinions regarding the benefits of applying strategic marketing in nonprofit organizations that have a marketing plan and those that do not, an independent samples t-test was performed. The results of the t-test are presented in Table 5.

Table 5. Comparison of nonprofit organizations' ratings of attitudes and opinions on the benefits of applying strategic marketing

Variables	Arithmetic mean		Standard Deviation		T-value
	MP YES	MP NO	MP YES	MP NO	
The application of strategic marketing in the nonprofit sector is crucial for achieving better results	4,29	4,21	0,934	0,959	0,710
The application of strategic marketing in the nonprofit sector is crucial for resource optimization	4,21	4,11	0,957	0,989	0,661
The application of strategic marketing in the nonprofit sector is crucial for strengthening the brand and adapting to changes	4,38	4,23	0,904	1,001	0,516

Note: * significant at 0.05; MP YES - nonprofit organizations that have a marketing plan; MP NO - nonprofit organizations that haven't a marketing plan

Source: Authors' analysis

For all three statements, organizations with a marketing plan have slightly higher arithmetic means, indicating that they value the importance of strategic marketing in the nonprofit sector a bit more. Both groups show a high degree of agreement with all statements (all arithmetic means are above 4.0), suggesting that nonprofit organizations, in general, recognize the importance of applying strategic marketing. The standard deviations between the two groups are very similar, meaning there is no significant difference in the variability of attitudes within each group. The t-values for all three statements are low ($t = 0.710$; $t = 0.661$; $t = 0.516$), i.e., below the critical value, indicating that the differences between the groups are not statistically significant. Therefore, hypothesis 9 " There is a statistically significant difference in the perceived importance of strategic marketing for achieving better results between organizations with a marketing plan and those without one " can be rejected.

5 CONCLUSION, LIMITATIONS, AND RECOMMENDATIONS FOR FUTURE RESEARCH

Strategic marketing, although widely accepted in for-profit organizations, is still an under-recognized area in nonprofit organizations. At the beginning of research on marketing in the nonprofit sector, the research community considered this area to be a simple application of commercial marketing concepts in a nonprofit environment (Andreasen, 2012). However, although it brings numerous benefits in both the for-profit and nonprofit sectors, its application in the nonprofit sector differs because it is primarily focused on the goals of nonprofit

organizations, and should be viewed as such. Over the past five decades, nonprofit organizations have experienced significant growth, which has led to greater interest in marketing within this sector. Although most of the previous research has been focused on large, developed countries, there is a need to explore this concept in smaller countries and regions. Therefore, the aim of this paper was to explore the application of marketing activities and strategies in nonprofit organizations in the Istria County area and to determine the importance of applying strategic marketing in nonprofit organizations. The research was conducted on a sample of 133 nonprofit organizations in the Istria County (Croatia). The research results confirm most of the hypotheses, especially those relating to the key role of strategic marketing in nonprofit organizations. Most nonprofit organizations do not conduct marketing activities, do not include key elements of the marketing mix (product, price, distribution, promotion), and do not monitor their effectiveness. Furthermore, only about 18 % of nonprofit organizations have a marketing plan. Strategic marketing is not an integral part of the plans and decisions in most organizations, and they do not conduct analyses for developing marketing strategies. Additionally, the research confirmed that the lack of financial, human, and technological resources significantly hinders the application of strategic marketing in nonprofit organizations, which is consistent with previous studies (Katz & Roesenberg, 2005; Peloza & Hassay, 2007; Pope et al., 2009), which also mention time as a limitation. The research also confirmed numerous benefits of applying strategic marketing in nonprofit organizations. Most respondents believe that increasing knowledge of marketing in nonprofit organizations enriches society and improves the quality of life in communities, which is consistent with previous research (Wymer et al., 2006; Andreasen, 2012). Moreover, applying strategic marketing enables nonprofit organizations to communicate their strategies, missions, and goals more effectively. Clearly defined and targeted marketing messages significantly help convey the values that the organization brings to the community, raise public awareness, and garner support for nonprofit organizations' initiatives. Furthermore, the application of strategic marketing is recognized as key to strengthening the brand of nonprofit organizations, as well as attracting and retaining donors and volunteers. These results also confirm the importance of defining and applying clear marketing messages, as well as a strategic approach for effective communication with the target audience. The application of strategic marketing in the nonprofit sector results in significant improvements in average organizational outcomes, resource optimization, and brand strengthening. Although some nonprofit organizations have a marketing plan, the research results showed no statistically significant difference in the perception of the importance of strategic marketing for achieving better results between

organizations that have a marketing plan and those that do not. The scientific contribution of this research lies in deepening the understanding of the application of strategic marketing in the nonprofit sector, particularly in the context of less developed regions. The research contributes to a better understanding of the key factors that influence the successful implementation of marketing strategies in nonprofit organizations, with a particular emphasis on resource limitations and challenges. Additionally, the results of the research contribute to the scientific field of social sciences, economics, marketing, and specifically nonprofit marketing. The practical contribution of the research lies in providing specific guidelines for nonprofit organizations for the effective application of strategic marketing. The results highlight the importance of developing marketing plans and utilizing marketing tools to improve the visibility of organizations, strengthen their brand, and ensure long-term sustainability. Furthermore, the research results can serve as a basis for creating public policies and support programs for nonprofit organizations, with the aim of strengthening their capacity to implement strategic marketing activities. Based on the results obtained, it can be concluded that strategic marketing is recognized as a key factor for success in nonprofit organizations, and that its application enables achieving better organizational results, optimizing resources, strengthening the brand, and adapting more successfully to changes in the market. Limitations of the research are visible in several areas. The research was conducted on a sample of organizations from only one county, which limits the generalization of the results to a broader area. Additionally, the research is based on self-reports from respondents, which may affect the objectivity of the results, as participants may be inclined to provide socially acceptable answers. Furthermore, future research could be expanded to a larger number of nonprofit organizations and different regions to ensure representativeness and generalizability of the results. It would also be useful to explore specific marketing strategies that are most effective in different types of nonprofit organizations, as well as analyze the role of digital marketing, which is becoming an increasingly important tool in the nonprofit sector. Therefore, future research should explore in more depth the challenges nonprofit organizations face in applying strategic marketing, including analyzing how organizations can overcome resource-related obstacles. It would also be beneficial to investigate the long-term effects of applying strategic marketing on the sustainability and development of nonprofit organizations, with a focus on the long-term attraction of donors and volunteers, as well as the social impact these organizations have.

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