# Marketing for a better world: A value proposition framework for NGOs from a S-D logic perspective.

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# ABSTRACT,

Non-governmental organisations (NGOs) are of major importance today as they are contributing to economic and societal development of civil society. Due to the pressure to demonstrate social impact, an increasing amount of competition and a lack of funding, marketing is a viable strategy to increase performance and fundraising effectiveness. However, the marketing concept is in development for NGOs. The Service-Dominant (S-D) logic provides opportunities to align value proposition(s) to stakeholders. This however has only been studied in regard to for-profit organisations. By means of a multiple case study with different units of analysis, five NGOs have been selected based on theoretical sampling. These NGOs have been studied to answer the question whether the S-D logic is the dominant logic for NGOs in regard to value propositions. Subsequently, a framework has been derived from a cross-case analysis for NGOs to align value propositions to the motives and values of donating stakeholders. This will increase fundraising effectiveness and thus increases impact on civil society. The main aim of this paper was by means of contributing to the existing literature and ongoing discussion to create a framework for NGOs to apply the S-D logic to value propositions consequently increasing performance, fundraising effectiveness and impact on civil society.

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# Keywords

NGO, S-D logic, value proposition, pro social behavior, fundraising effectiveness, altruism, warm glow

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9<sup>th</sup> IBA Bachelor Thesis Conference, July 5<sup>th</sup>, 2017, Enschede, The Netherlands. Copyright 2017, University of Twente, The Faculty of Behavioural, Management and Social sciences.

# 1. INTRODUCTION

In the renowned paper 'Evolving to a New Dominant Logic for Marketing' (Vargo & Lusch, 2004) a contemporary paradigm in the dominant logic for marketing was initiated, the Service-Dominant Logic (hereafter S-D logic). The S-D logic emphasizes on value-in-use, co-creation and operant resources contrary to the old enterprise logic, the Goods-Dominant Logic (hereafter: G-D logic). The G-D logic perceived goods to be the center point of a business, implying that the quality of manufactured goods, the separation of production and consumption. standardization and non-perishability normative qualities (Zeithaml, Berry, & Pararsuraman, 1990). The S-D logic embraces a total of eleven foundational premises (hereafter: FP), consolidated into five axioms to enhance consistency. The axiom that lays at the foundation of this paper states that organizations/actors cannot directly deliver value, but they have the ability to participate in the creation and offering of value propositions (Vargo & Lusch, 2016). According to the S-D logic an opportunity for value (co-) creation lies in the offering of value propositions (Vargo & Lusch, 2008; Ballantyne, Frow, Varey, & Payne, 2011) and these opportunities for value creation are initially constrained by the G-D logic (Kowallkowski, 2011). Scientific research has mostly been focused on the application and contextualization of the S-D logic in for-profit organizations, however non-profit organisations have not received the fewest attention they

Non-governmental organizations (hereafter: NGO) are of major importance of society today and are contributing to economic and societal development of civil society (Arvidson & Lyon, 2014). Due to the current competitive environment and lack of funding, (Eikenberry & Kluver, 2004; Levine & Zahradnik, 2012; Shields, 2009) NGOs need value propositions that attract input publics to engage in formal pro-social behavior (donations) in order to create value for civil society as well as value for their donating stakeholder (input public) (Clohesy, 2003; Gwin, 1990). The S-D logic provides the ability to align value propositions to different input publics (i.e. corporate, individual and governmental donors) to increase accordance with the motives for donation (formal pro-social behavior) and unique value creation that will increase fundraising effectiveness.

Lehman (2006) in Vargo and Lusch (2006) argues that the S-D logic is the dominant logic for NGOs however; according to the study of Michalski (2017) only 25% of the 104 responding donation collecting non-profit organizations currently have a S-D orientation in general marketing activity. This research will build upon the notion of the emergence of a new paradigm in marketing in regard to donation collecting non-governmental organisations and non-profit marketing to create alignment of value propositions with donating stakeholders (input publics) to ultimately increase fundraising effectiveness and value creation.

Literature on the S-D logic emphasizes the promising value to the for-profit organization by adjusting value propositions to focus on value-in-use, operant resources and co-creation (Holttinen, 2014; Skålén & Edvardsson, 2016; Ballantyne, Frow, Varey, & Payne, 2011) yet, value is defined differently in for-profit marketing and non-profit marketing and value propositions are not (yet) common language in the non-profit industry. The main aim of this article is to contribute to the existing literature and ongoing discussion in order to create a framework for NGOs to apply the S-D logic in value proposition(s). This paper will thus make three contributions. First it will fill the gap in existing literature by initiating the application of the S-D logic in non-profit marketing in regard to

value proposition(s). Secondly, it will create a framework for NGOs to apply to their value propositions to align them to the input publics motives to create an increase in fundraising effectiveness. Consequently, in the long run an increased impact on the development of civil society. Lastly, it creates a call for research on S-D logic in the non-profit sector.

Vargo and Lusch (2008) acknowledge the fact that the "S-D logic is not only accommodative but *potentially* foundational to not only social marketing and issues of ethics but also more general societal issues and non-profit marketing" (Vargo & Lusch, 2008, p. 8), yet no research has been done in line with this statement. This paper aims at answering the research question: *How can NGOs strengthen the value propositions(s) to align it to donating stakeholders from a S-D logic perspective?* By first answering the question related to the notion of Lehman (2006), *is the S-D logic the dominant logic in regard to value propositions for NGOs?* 

The research questions will be studied by means of literature review on NGOs and the NGO market orientation for background, the S-D logic in general, value propositions according to the S-D logic, the definition and perception of value in the non-profit context and input publics' motives for formal pro-social behavior. Fore last, the value propositions of NGOs will be determined on basis of the S-D logic assumptions by means of a multiple case study, analyzing five medium-big internationally operating NGOs advocating human rights policy that collect donations from individuals and corporate donors. This will answer the question whether the S-D logic is the dominant logic for NGOs. Subsequently, it will be the foundation for the cross-case analysis and the discussion answering the main research question on how the S-D logic can adjust the value propositions of NGOs to increase alignment with input publics. The article will conclude a framework, managerial implications and theoretical contributions.

# 2. THEORETICAL BACKGROUND

# 2.1 Non-governmental organizations

NGOs are of major importance today as they are contributing to economic and societal development of civil society (Arvidson & Lyon, 2014). The concept of civil society can be defined in various ways and no full consensus can be found about the nominal definition. In extant, civil society is defined as "a sphere of our communal life in which we answer together the most important questions: what is our purpose, what is the right way to act and what is the common good. In short, it is the sphere of society that is concerned with moral formation and with ends, not simply administration or the maximizing of means." (Elshtain, 1999, p. 21). According to Edwards and Foley (2001) civil society has three distinctive roles. First, civil society executes several public and quasi-public functions; in the context of this paper these functions inhibit the execution of associations aid or providence of services to community. Second, civil society emphasizes the representative purpose of social organizations outside the state. Third, civil society holds the definition of socialization in which "the associations of civil society are thought to play a major role ... in building citizenship skills and attitudes crucial for motivating citizens to use these skills" (Edwards & Foley, 2001, p. 5). NGOs enhance civil society by means of providence of service, being advocates, being builders of social capital and through their role as value guardians (Salamon, 1993).

Despite NGOs' positive ability to practice their service as grassroots-oriented 'democratizers of development' (Bebbington, 2005), NGOs, in present times, are confronted with increasing constraints and contradictions in their ability to

contribute to the development of civil society. This is the result of the pressures from being non-political, weak roots in society, the "upward" accountability to donors rather than "downward" to beneficiaries and their focus on short-term projects rather than long-term structural change. (Jalali, 2013; Lang, 2013). NGOs are under increasing pressure to demonstrate their social impact (Arvidson & Lyon, 2014), are subject to an increased amount of competition (Eikenberry & Kluver, 2004; Levine & Zahradnik, 2012), and are facing difficulties due to a lack of funding (Shields, 2009; Eikenberry & Kluver, 2004). The marketing concept is the primary tool and viable strategic approach to increase organisational performance and fundraising effectiveness (Chad, Kyriazis, & Motion, 2014; Venable, Rose, Bush, & Gilbert, 2005).

#### 2.1.1 NGO marketing orientation

NGOs are stated to become more business-like (Maire, Meyer, & Steinberethner, 2016) and by applying a marketing orientation, organizational performance increases (Shoham, Ruvio, Vigoda-Gadot, & Schwabsky, 2006; Chad, Kyriazis, & Motion, 2014). Scholars raised the notion and studied the positive effect of the application of business-like models in the form of marketing to increase fundraising effectiveness (Clohesy, 2003) and to develop relationships with civil society (Gwin, 1990). The marketing concept applicable in NGOs can be defined as "the marketing management philosophy which holds that achieving organisational goals depends on knowing the needs and wants of target markets and delivering the desired satisfactions better than competitors" (Armstrong, Adam, Denize, & Kotler, 2012) implying that there are 'multiple target markets or customers'. NGOs consider marketing to be a main characteristic of for-profit organizations whose core aim is monetary value creation whereas NGOs' ethos is helping civil society (Chad, Kyriazis, & Motion, 2014). However, market orientation is required for success where NGOs become "more market-like in their actions, structures and philosophies" (Eikenberry & Kluver, 2004, p. 2). Challenging for NGOs in the implementation of value is the definition and understanding of its customers/publics (Petkus Jr., 2008). Four categories of customers/publics have been defined for NGOs whose relation is visualized in figure 1: input publics (e.g. donors), internal publics (e.g. volunteers), intermediary publics consultants), and consuming publics (e.g. clients) (Kotler, 1982). Value translated into a value proposition(s) is key to gain competitive advantage and to increase the effect on the defined stakeholders (Frow & Payne, 2011).

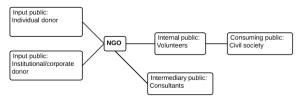


Figure 1: Four categories of NGO publics (Kotler, 1982).

## 2.2 Service – Dominant Logic

As the marketing concept for NGOs is in development (Chad, Kyriazis, & Motion, 2014), it can be shaped and crafted to optimize effectiveness. Lehman (2006) raises the notion that the S-D logic is the dominant logic in NGOs. "The S-D logic is more abstract, simpler (but broader), a more general, and transcending framework for understanding human exchange and exchange systems in general" (Lusch & Vargo, 2014, p. 101). The logic hereby states to be more dynamic than the old enterprise logic. The old enterprise logic, the G-D logic, perceived goods to be the center point of a business, implying

that the quality of manufactured goods, the separation of production and consumption, standardization and non-perishability are normative qualities (Zeithaml, Berry, & Pararsuraman, 1990). Economic exchange in the G-D logic is based on the exchange of goods (units of manufactured output) where the focus is on tangible resources, embedded value and transactions (Vargo & Lusch, 2004), implying that the G-D logic is relatively static in comparison to the S-D logic. The foundational premises of the S-D logic developed over time and five FPs received axiom status, the axioms with the corresponding FPs in alignment with the aim of this article will be elaborated on.

Axiom two (FP six) notes, "value is co-created by multiple actors, always including the beneficiary, emphasizing on the existence of multiple actors in value creation" (Vargo & Lusch, 2016, p. 8). The FP suggests that value is embedded in the usage (value-in-use) of the beneficiary and other actors rather than in the fixed exchange or outcome (value-in-exchange) (Grönroos & Voima, 2013). The focus of the S-D logic in value creation must be on the beneficiary (Grönroos & Voima, 2013), the value creation process is interactional (Vargo & Lusch, 2008) and the value created contributes to human well being (Lusch, Vargo, & Malter, 2006).

FP seven argues that organizations/actors cannot directly deliver value, but they have the ability to participate in the creation and offering of value propositions (Vargo & Lusch, 2016). The value propositions are to be considered as narratives of value potential, in line with FP six, co-created among multiple actors, including the provider and beneficiary (Vargo & Lusch, 2016).

In line with FP six and seven, FP eight argues that the service-centered view in the S-D logic is beneficiary oriented and relational. (Vargo & Lusch, 2016). Acting upon the notion of customer orientation and relationship marketing that criticized the G-D logic in the sense that the customer is external to the internal marketing and business practice of an organization (Vargo & Lusch, 2004).

Axiom three (FP nine) argues that all economic and social actors are resource integrators, which implies the context of networks of networks (resource integrators) in the creation of value (Vargo & Lusch, 2008). Resource integration is concerned with the way that actors use their operant resources to co-create (Vargo & Lusch, 2008) with the emphasis on the coordinating link of institutions (Edvardsson, Kleinaltenkamp, Tronvoll, McHugh, & Windahl, 2014) and the network nature of co-creation (Vargo & Lusch, 2016).

Axiom four (FP ten) claims that 'value is always uniquely and phenomenological determined by the beneficiary' (Vargo & Lusch, 2008) implying that it differs in every single value cocreation process. Therefore, "value is idiosyncratic, experiential, contextual and meaning laden" (Vargo & Lusch, 2008, p. 7) and the contextual nature moving towards an actor-to-actor orientation (Vargo & Lusch, 2016).

# 2.2.1 Value propositions

Explicitly mentioned as a foundational premise in the S-D logic, ambiguity exists on the conceptualization of value propositions accordingly (Truong, Simmons, & Palmer, 2012). The concept of value propositions date back to the 1980s where McKinsey and Co. raised a brief notion of the concept in a project. In this project Lanning and Michaels (1988) proposed a framework to formulate and implement the value proposition by

means of a value delivery system with three consecutive steps: choose the value, provide the value and communicate the value. The value proposition was defined as the statement of benefits and value that was offered by an organization to a customer group and the price that the customer is willing to pay for the offer (Lanning & Michaels, 1988). The basis of this value proposition was the value embedded in the product (Ballantyne, Frow, Varey, & Payne, 2011) and the value proposition hereby serves as the foundation of competitive advantage of an organization in the market (Lanning M., 1998). However, the major contribution of the S-D logic on value propositions is the emphasis on actors co-creating value (Frow & Payne, 2011).

#### 2.2.2 The reciprocity of value propositions

The transitioning to an initiator-participant perspective on the process of value creation has been acknowledged where actors in social and economic activity have the interchangeable role of being both the initiator and participant in the process (Kowallkowski, 2011; Truong, Simmons, & Palmer, 2012). This implies that in a network of social and economic actors in the value creation process, the value proposition is reciprocal in nature (Truong, Simmons, & Palmer, 2012). Thus shifting from the unidirectional communication of value to a reciprocal promise of value, connecting social and economic actors within a service system. Throughout the development of the S-D logic theory, scholars did not specifically raise the notion of reciprocal value propositions in the S-D logic (Ballantyne, Frow, Varey, & Payne, 2011). Ballantyne and Varey (2006) initiated the alignment of value propositions further with the core premises of the S-D logic. "Value propositions are reciprocal promises of value, operating to and from suppliers and customers seeking an equitable exchange. Thus, value propositions are always two-way, quid pro quo." (Ballantyne & Varey, 2006, pp. 344-345). This equitable exchange finds its meaning in the interrelated value between actors as a recognition of complementary rather than antagonistic objectives must occur in order to co-produce value (Glaser, 2006). This exchange of value propositions include coproducing opportunities and operant resources as key benefits (Flint & Mentzer, 2006). Initially, in this reciprocity, two social or economic actors must collaboratively elaborate on the flexibility of the reciprocal value proposition in order to modify where needed to align with the needs of both parties (Flint & Mentzer, 2006; Ballantyne & Varey, 2006). Ballantyne et al. (2011) acknowledged the importance of value creation among a network of stakeholders and included them in the reciprocity of value propositions raising the notion that any party in the network can initiate the value creation process by communicating their value propositions in order to bring exchange activities, relationship development and knowledge renewal closer together. An important notion in the paper of Ballantyne et al. (2011) is the focus on the transparency to whom the value is flowing and how the value is created. This is especially important in the indirect value creation process of NGOs. In a network of social and economic actors the value proposition acts as the mechanism to unify actors and as value alignment between these actors (Frow & Payne, 2011). As the definition of value is open for interpretation, idiosyncratic and unique, conflicts during the process of the co-creation of value propositions are likely to arise (Kowalkowski, Persson, Rodell, & Sorhammer, 2012). Kowalkowski et al. (2012) argues that, with incorporating practice theory, two principal elements comprise the value proposition co-creation practice: the script and the activities. Social and economic actors draw upon a 'script' in the process implying the relevant knowledge and experience (understandings), rules and norms (procedures) and the goals and needs (engagement) complemented by the 'activities' (application, assessment, adaptation and adoption) of the reciprocal exchange of knowledge between these social and economic actors (Kowalkowski, Persson, Rodell, & Sorhammer, 2012). A note that contributes to the importance of the network of value creators is that actors all follow different scripts and activities implying that the firm can be seen as multiple resource-integrating actors (Kowalkowski, Persson, Rodell, & Sorhammer, 2012). Truong et al., (2012) complements the research done by Kowalkowski et al., (2012) by raising the notion that the process of co-creating reciprocal value propositions enables interaction platforms that create stability in network relationships, where value propositions directly influences the composition of networks (Frow, McColl-Kennedy, Hilton, Davidson, Payne, & Brozovic, 2014). In fact, value propositions are "invitations from actors to one another to engage in service" (Chandler & Lusch, 2014, p. 6).

# 2.2.3 Composing S-D logic value propositions

Value propositions are unique for every organization and are promises building on configurations of resources adjusted to other actors in the network and practices (Skålén, Gummerus, von Koskull, & Magnusson, 2014). In NGO context where the value proposition is an indirect mechanism for the input publics building on altruistic and imaginary value, the value proposition should be aligned with the variety of different input publics. According to Frow and Payne (2011), the value proposition is a mechanism that aligns value in a network of social and economic actors. A model is proposed with five processes in which actors have the ability to align value by means of value propositions: 1] identifying stakeholder, 2] determining core values, 3] facilitating dialog and knowledge sharing, 4] identifying value co-creation opportunities, and 5] co-creating (stakeholder) value propositions (Frow & Payne, 2011, p. 233). This is in line with the notion Skålén et al. (2014) make that the process of value co-creation can take place by aligning stakeholder processes and practices.

According to Skålén et al., (2014) the practices that compose a value proposition are grouped in three main aggregate stages: provision practices, representational practices, and management and organisational practices, and all emphasize the process of the value creation process. Provision practices are concerned with ensuring that the value proposition is fulfilled, representational practices are concerned communication between parties in order to create a clear and unambiguous value proposition and management and organizational practices are concerned with the baseline working methods and resources for the provision and representational practices (Skålén, Gummerus, von Koskull, & Magnusson, 2014).

"A viable value propositions demands alignment among the interests of all actors in the system" (Kowalkowski, Kindström, & Carlborg, 2016, p. 293). The crafting of the reciprocal value propositions is studied by Ballantyne et al., (2011); according to his study a value proposition should emphasize the role of all actors in the value creation process. The following form of reciprocal value propositions is proposed: "If we..."(stated in terms of the benefits expected for the beneficiary, "will you..." (stated in terms of the benefits expected for the focal company" (Ballantyne, Frow, Varey, & Payne, 2011, p. 206). Key to the reciprocal value proposition is that a social or economic actor should intent to offer value to another actor including the value creation process that follows. (Ballantyne, Frow, Varey, & Payne, 2011; Kowalkowski, Kindström, & Carlborg, 2016). What value is however, is context specific and individually subjective.

# 2.3 Defining value in NGO context

#### 2.3.1 The nature of value

Value creation plays a fundamental role in marketing theory and practice (Blocker, Flint, Myers, & Slater, 2011). Value that is created in a value creation process differs in nature, making a distinction between habitual value and transformative value. Habitual value reflects the value that organizations offer daily to satisfy situational and domain specific needs in the marketplace. In contrast to transformative value that is defined as a social dimension of value creation that causes uplifting change, increasing well-being among individuals and collectives (Blocker & Barrios, 2015). Habitual value and transformative value can occur simultaneously (Blocker & Barrios, 2015). Most value creation processes in vulnerable context such as human rights violation are transformative value (Ostrom & et al., 2010). The important factor of transformative value is the degree to which an actor has understanding of its role in producing and reproducing structures and by that moving beyond the iterative life and more towards an evaluative present and projective future (Emirbayer & Mische, 1998; Blocker & Barrios, 2015).

According to Blocker and Barrios (2015) transformative value differs from habitual value on four distinct variables. First, transformative value is concerned with evaluative and projective orientations of thought and action (Emirbayer & Mische, 1998) rather than routine actions that are emphasized in habitual value. Secondly, transformative value acts upon global meanings that emphasize someone's views of the world, someone's self (values and actions), and the position of someone in the world (Park, 2010) rather than situational meanings considered in habitual value. Third, eudemonic outcomes and experiences characterize transformative value where eudemonia is related to the psychodynamic state of a person willing to reach its potential in life. Finally, in line with virtue ethics, transformative value is related to following a virtuous trajectory (Blocker & Barrios, 2015).

#### 2.3.2 Customer value

According to Holbrook (2006) customer value can be defined as an 'interactive relativistic preference experience' (p. 715). The definition entails that there is an interaction between an object and a subject; this interaction is relativistic in comparative, personal and situational sense, including preference of the subject and the experiences that shape the actual value. (Holbrook, 2006). "Customer value serves as the foundation for all effective marketing activity — both as the key to the formulation of successful marketing strategy as the crux of our hopes for its ethical justification" (Holbrook, 2006, p. 715). Holbrook (2006) published a typology of customer value by means of two distinctions: extrinsic value vs. intrinsic value and self- oriented value vs. other-oriented value. By the combination of the two key distinctions the following typology can be retrieved:

	Extrinsic	Intrinsic
Self-oriented	Economic value	Hedonic value
Other-oriented	Social value	Altruistic value

Table 1: Typology of Customer Value ( (Holbrook, 2006)

Economic value is related to the object's function to the consumer's objectives (efficiency, excellence), social value is related to the object's function to shape the reaction of others (status enhancing, esteem evoking), hedonic value is related to the objects function to enhance pleasure purely for own sake (fun, aesthetic enjoyment) and altruistic value is related to the concern of how an objects consumption affects others (ethically desirable, virtue, spiritual ecstasy) (Holbrook, 2006). Altruistic value is concerned with being a virtuous person, aligned to transformative value and eudemonia and is therefore considered as the driving type of value in formal pro-social behavior.

# 2.4 Input public donation motives

In line with the four distinctive dimensions of transformative value raised by Blocker and Barrios (2015) motives of formal pro social behavior in the form of donation to NGOs is related to these dimensions and altruistic value studied by Holbrook (2006). Often misunderstood in the definition of NGOs is that the NGO is fully government free, this is not the case. NGOs are independent from the government, and they are not financed by taxes but it can occur that NGOs do receive governmental funding without a reciprocal relationship. This study solely focuses on corporate and individual input publics due to the distinct dynamics between NGO and government.

The literature on why individuals donate, defined as formal pro-social behavior, goes far back. Andreoni (1989, 1990) introduced the hypothesis of "warm glow" in which the giver receives utility solely from the activity of giving without concern of the welfare of the receiving public. In reaction to warm glow in pro-social behavior, Bolton and Katok (1998) researched "altruism" in donations where the giver receives more than just the utility of giving and therefore goes beyond the own interest where there is an actual concern about the increased well-being of the receiving public. Andreoni (1989; 1990) makes the distinction between two groups of people and motives: true altruism and altruism with a selfish underlying mechanism of receiving a good feeling, prestige of release of guilt, or warm glow. Kahneman (2003) refers to the distinction between altruism and warm glow that are linked to two systems of thinking that a person uses. System I is the fast thinking mechanism, the intuitive, effortless and reactive decisions whereas system II is the slow thinking, the deliberate, effortful, focused on impact and reasoned decisions. By the nature of the two main motivators altruism is related to system II thinking where the decision is made with concern, warm glow is more fast in nature and is therefore related to system I thinking.

#### 2.4.1 Individual input public

True altruism and warm glow are the core of the framework of Bekker and Wiepking (2010) who publish a framework with eight mechanisms that appear as critical forces of pro-social behavior for individuals in charitable giving based on an extensive literature review of over 500 articles. The eight forces are (1) awareness of need; (2) solicitation; (3) costs and benefits; (4) altruism; (5) reputation; (6) psychological benefits; (7) values; (8) efficacy. Table X below depicts the eight critical forces with the driving motive.

Research has also been done in the individual input public on the size of donations in regard to the motives: altruism and warm glow. Large donors are driven by true altruism and are concerned about the actual impact of the NGO (Karlan & Wood, 2017) whereas small donors are donating in line with warm glow; they donate often due to social pressure of avoidance of annoyance (Karlan & Wood, 2017; DellaVigna, List, & Malmendier, 2012). Included in table X is the distinction between small and large donors.

Mechanism	Target	Motive	Small / large
Need	Donors	Warm glow	Small
Solicitation	Donors	Warm glow	Small
Costs/ Benefits	Donors	Warm glow	Small
Altruism	Beneficiaries	Altruism	Large
Reputation	Donors	Warm glow	Small
Psychological costs/ benefits	Donors	Warm glow	Small
Values	Donors and beneficiaries	Altruism and warm glow	Large and small
Efficacy	Donors	Warm glow	Small

Table 2: Eight forces of pro-social behavior. Adapted, (Holbrook, 2006)

#### 2.4.2 Corporate input public

Corporate community involvement (hereafter: CCI) is used as an umbrella term for corporate philanthropy, sponsorships, cause-related marketing and partnerships (Seitanidi & Ryan, 2007). Over the last 200 years the practices of CCI have shifted from a philanthropic stage to an integrative stage (Austin J., 2000), thus implying that there is a shift from unidirectional donation to partnerships. Austin (2000) proposes a 'collaboration continuum' (hereafter: CC) theory, extended by Austin and Seitanidi (2012) that proposes a total of four stages in which CCI can be classified. As already mentioned CCI is an umbrella term and according to Austin and Seitanidi (2012) a distinction can be made between six broad forms of CCI with different motivational drivers. Table 3 depicts the five main forms with the motivational driver and the CC stage.

Form of CCI	Motivation	CC stage
Philanthropy / charitable donation	Altruism	Philanthropic
Beneficiation	Warm glow Enlightened self interest	Philanthropic
Patronage	Warm glow Close association of the created piece	Philanthropic
Sponsorship	Warm glow Sales promotion, advertising, corporate social responsibility	Transactional
Cause related marketing	Warm glow Sales promotion, advertising	Transactional
Partnership	Warm glow Corporate social responsibility	Integrative

Table 3: Six forces of CCI. Adapted, (Austin & Seitanidi, 2012)

#### 3. METHODOLOGY

How can NGOs strengthen the value propositions(s) to align it to donating stakeholders from a S-D logic perspective? The research question is answered by means of a study with as foundation the notion of Lehman (2006) stating that the S-D logic is the dominant logic in NGOs. The research will follow a trajectory of first retrieving the value proposition(s) and the practices included in the compositions of value proposition(s) (Frow & Payne, 2011; Skålén, Gummerus, von Koskull, & Magnusson, 2014). From a cross-case analysis a framework will be derived answering the main research question. The research question will be answered exploratory by means of a multiple case study (embedded) with multiple units of analysis. The analysis will focus on the role of value propositions following the S-D logic in the context of international human rights policy advocating NGOs. Case study research enables indepth review of phenomena that are new or unclear whilst 'retaining the holistic and meaningful characteristics of real-life events' (Yin, 2009, p. 4). Multiple case studies are considered more compelling and therefore result in a more robust study due to the triangulation compared to single case study design (Eisenhardt, 1989; Yin, 2009). To optimize the triangulation belonging to the multiple case study (embedded) approach cross-case analysis compares the cases to shed light on similarities and deviations (Thomas, 2011) to enable that a framework can be retrieved.

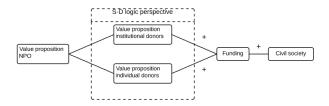


Figure 2: Aligning value propositions to increase fundraising effectiveness.

# 3.1 Approach

As the S-D logic has already been established but is solely based on for-profit organisations, research on the S-D logic in NGO context allows for the development of new insights. A case study approach that mixes the approaches of Yin (1994:2009) and Eisenhardt (1989), and the Grounded Theory of Glaser and Straus (1967) is most applicable. Where the balance is between the replication and validation of a previous established theory (Yin, 2009), but also allowing new insights and refinement of earlier insights (Glaser & Strauss, 1967). Steenhuis and Bruijn (2006) were the first to propose a mix of these methods, the progressive case study approach. The approach "provides strengthening of previously established concepts in subsequent cases while simultaneously allowing the development of new insights" (Steenhuis & Bruijn, 2006, p. 9). Implying that besides studying the cases, deviations of the already established construct, here the S-D logic, may be added to the theory expanding the applicability to NGOs.

# 3.2 Subject of study

Five NGOs have been selected by means of theoretical sampling in opposition to random sampling. Theoretical sampling implies that the process of the data collection is decided by the researcher rather than randomly (Glaser & Strauss, 1967, p. 45), emphasizing that the cases must be selected based on replication knowledge and not sampling logic (Yin, 2009, p. 53).

The five NGOs that have been selected are considered to be medium-big internationally operating NGOs advocating human rights policy and collecting donations from individual- and corporate input publics. These NGOs are selected based on their impact and existence; they form an example in the NGO sector, as they are developing their marketing activity and therefore serve as the focus for the study of value propositions in non-profit marketing.

	NPO	Establishment	Impact reach in countries	Total funds 2010 ('000€)	Total funds 2015 ('000 €)
1	CARE	1945	79	794,551	630,158
2	Human Rights Watch	1978	90	-	876,314
3	Oxfam	1942	90	894,000	1,071,400
4	Plan	1937	71	535,000	822,000
5	Unicef	1946	191	3,289,410	4,459,985

Table 4: selection NGOs

# 3.3 Data collection method

The Internet will be the main source of data collection, where the websites, annual reports and press releases can be seen as 'virtual' documents (Bryman & Bell, 2015). The Internet is an open source, accessible and as of the fact that NGOs do not have the obligation to publish annual results. Solely using official websites, press releases and other documentation ensures reliability. Input publics are assumed to make use of these communication methods to retrieve information from and therefore it is applicable to this study. By the use of official documents provided by the NGO or reliable sources the authenticity, credibility, representativeness and meaning is confirmed (Scott, 1990).

# 3.4 Units of analysis value proposition

The S-D logic has been initially based on for-profit organisations that, compared to NGOs, have a different reason for existence, fill different needs, and have different aims and work upon different values. In opposition to the direct benefit retrieved in a relationship between a for-profit organisation and its customer, the value proposition of NGOs is indirect building upon transformative, altruistic and imaginary value. Based on literature review the value propositions can be analyzed whether to be in accordance with the S-D logic by means of three units of analysis. The key literature for the units of analysis is Frow and Payne (2011) and Skålén et al. (2014). Derived from key literature the following units of analysis have been selected: a] provision practices, b] representational practices and c] management and organizational practices. As of the fact that the units of analysis are derived from two key papers the steps proposed by Frow and Payne (2011) are embedded in the practices proposed by Skålén et al. (2014). By means of these units the analysis of the five NGOs will shed light on the degree to which the value propositions are in accordance with the S-D logic.

Provision practices. Concerned with fulfillment of the value propositions, provision practices will provide information on the actual value proposition and the process by which the value proposition is brought in practice by the NGO. Besides the generic value proposition the value proposition proposed to individual input public and institutional input public will be

included if provided. As of the fact that the international website does not always provide the possibility to become an institutional partner of the NGO the website of the NGO in The Netherlands will be taken as exemplary. The Netherlands cut the subsidies to NGOs due to the contributions by individual and institutional input publics; the country is in the top 3 donors to humanitarian NGOs worldwide (Charities Aid Foundation, 2016). To be able to derive the data from the 'virtual' documents the following sub questions are posed: 1] What is the generic, corporate and individual value proposition? 2] How is the value creation process according to the value proposition brought to the beneficiaries and input publics?

Representational practices. Concerned with the communication between actors representational practices will provide information on the facilitation of dialog and the identification of co-creation opportunities between NGO and input publics. A distinction will be made between the identified input publics (individual and institutional/corporate) to gain insights in the difference in the representational practices to emphasize the flexibility of value propositions according to the S-D logic. The question: 'how is dialogue facilitated for corporate and individual input publics?' is posed to retrieve information.

Management and organizational practices. Concerned with the facilitation of both the provision and representational practices management and organizational practices provide information on the working methods that contribute to the optimization of the before mentioned practices. Key to this research is the knowledge sharing among input publics and prospective input publics, emphasizing on the operant resources. To be able to retrieve data to this unit of analysis the following questions have been posed: 1] How are operant resources developed? 2] who is included in the development of operant resources?

# 3.5 Units of analysis cross case analysis

To be able to derive a framework on how NGOs have the ability to align their value proposition(s) to donating stakeholders the cross-case analysis of the previously researched outcome will be studied in depth by means of three additional units of analysis that have been derived from literature review: a] degree of reciprocity in value proposition(s) and b] reference to transformative value and warm glow and c] degree of dialogue.

The degree of reciprocity in value proposition(s) will shed light on the emphasis of the S-D logic in value propositions where the value proposition(s) should be reciprocal in nature including the acknowledgement of deferring interests and interpretations of value of the parties.

The reference to transformative value and warm glow will shed light to what degree NGOs refer to the part that the donating stakeholder plays in the development of civil society. Mainly focusing on the communication of the role of individuals in the uplifting change and increasing well-being among individuals and communities by deferring from the iterative life towards a more evaluative and projective future. For institutions/corporates the focus will be on the degree that warm glow plays a role in the value proposition.

Degree of dialogue, already part of the first units of analysis but will further be analyzed by means of also including best practice examples of value co-creation between individual and corporate input publics with the NGO in order to shed light on the degree to which dialogue enables the cooperation and co-creating of mutual rewarding value propositions of the project.

# 4. RESULTS

Underpinning the notion made by Lehman (2006) the five NGOs that have been studied in this research, according to literature review, implement to a certain degree the value proposition(s) according to the S-D logic. Please find below the results from the five NGOs, a brief overview of the findings is depicted in table 5. For more in depth information on the analysis of the value proposition(s) and the practices please see the table in appendix 1.

#### 4.1 CARE International

'Rebuilding and improving the lives of the most disadvantaged, focusing on women and children'. CARE International and its subsidiaries provide tailor made value propositions to both the institutions/corporates and individual enabling opportunities for partnerships and a voice for individuals. Ensuring that they deliver the proposed value to its beneficiaries CARE works with certain Programming Principles contributing to an international code of conduct throughout its subsidiaries. These Programming Principles increase impact, thus effectiveness and creates transparency, thus trust. This trust and these opportunities are further facilitated by dialogue between CARE International and stakeholders. The Dutch Coalition of Humanitarian Innovation (hereafter: DCHI) is one of the platforms for institutions/corporates that enables co-creation and innovation reciprocally communicated towards value that is aligned with the interests of all stakeholders involved. The DCHI combines the strengths of various tribes (corporate, government, NGOs and knowledge institutes) to create value for all stakeholders and civil society. Less is done however, on individual level. Contributing to the management and organizational practices CARE The Netherlands for example creates an initiative 'whocares' that gives, as they state, 'normal' people a voice to create awareness. This initiative is reciprocal in a way that there is a two way communication and initiative, however, this is for now they only dialogue for individuals and the sole contribution of knowledge sharing.

# 4.2 Human Rights Watch

'Amplifying the voices of the world's most vulnerable people and bring their plight to those who can make a difference'. Human Rights Watch is a NGO but is more independent than the other NGOs studied. They state that expert researchers are the heart of the NGO and by following a set of seven promises value is delivered as proposed. HRW does not distinguish between value propositions towards corporates nor to individuals and is in their mission independent of partnerships. With donations there is an asymmetric relation since nothing is offered nor required in return. Donating to HRW could be seen as a donation out of pure altruism and the work of HRW can be seen as research and lobbying. However, the organizational and management practices are in place. Continuous monitoring and state of the art research methods are being provided to ensure that the work of HRW is impactful for the researchers, the succeeding researchers and civil society.

# 4.3 Oxfam International

'Changing the world by mobilizing the power of people against poverty'. Oxfam International aligns its value proposition to both corporate input publics as well as individual input publics by acting upon their interpretation of value. The process of value creation that Oxfam proposes is for the beneficiaries to lift themselves out of poverty. This is done by focusing on strengthening the ability to influence by building and sharing knowledge within and beyond Oxfam. Specifically mentioned in all documents is dialogue and partnership principles are

being followed to enable mutual value. Besides the focus on corporate input publics there is no activity on dialogue for the sake of individual input publics. However, Oxfam does provide the opportunity of the Oxfam Academy for promising and ambitious academics to increase their knowledge and share their knowledge with Oxfam. This Oxfam Academy increases the value for all stakeholders as well as civil society.

# 4.4 PLAN International

'A life free of poverty, violence and injustice for children'. PLAN International proposes value institutions/corporates and individuals by offering institutions/corporates with the opportunity to long-term, mutually beneficial partnerships and by showing individuals their place in contributing to the development of civil society. By supporting their beneficiaries Plan enables them to grow in life. Representational practices are based on both institutional/corporate level as well as individual level. For institutions/corporates dialogue is enabled in the initiating phase of communication. Plan is aware of the interpretation of value for institutions/corporates and acts upon this. For individuals Plan enables training and facilitates the process of creating individualized campaigns for innovative, creative. entrepreneurial individuals. These trainings are part of the Plan academy that provides a learning platform for continuous learning for all stakeholders involved to increase impact on civil society.

# 4.5 UNICEF International

'A fair chance in life for every child, and thus a more equitable world'. UNICEF International has clear value propositions for stakeholders. The value proposition for institutions/corporates is reciprocal in nature and UNICEF communicates what they offer as NGO and what UNICEF gets in return, the alliances are characterized by shared agendas that leverage collective strengths. For individuals the value proposition acts upon the position of someone in the process of helping children. Beside the donation opportunity individuals also have the ability to offer individualized and innovative contributions to support the work of UNICEF linking them to the different programs targeting the different causes. Dialogue is enabled in both the institutional/corporate and the individual setting by providing the opportunity to come up with a shared agenda, thus a cocreated value proposition. To ensure that the work provided by UNICEF is top-notch, various knowledge-sharing initiatives are being provided to enable a continuous learning culture implying an increase in the effectiveness and thus development of civil

# 4.6 Cross-case analysis

The five medium to large NGOs have a range of existence between 39 and 80 years and are considered to be on the frontline of human rights advocacy. To a certain degree all five NGOs follow the S-D logic as retrieved from literature review and document analysis. This degree in this study is dependent on the interrelation between the different processes selected as units of analysis. Additionally to retrieve a framework in this cross-case analysis the NGOs will be analyzed by means of three selected units of analysis further elaborated on in the methodology section. As of the independency of HRW the NGO is excluded in the cross-case analysis.

#	NGO	Provision practices Value proposition (WHAT)	Provision practices General approach/process (HOW)	Representational practices	Management and organizational practices
1	CARE International	Generic: direct, static Individual: transformative value Corporate: balance transformative value, warm glow	Programming principles	Indirect dialogue Dutch Coalition for Humanitarian Innovation (DCHI)	Uni-directional 'whocares' (NL)
2	Human Rights Watch	Generic: direct, static Individual: n.a. Corporate: n.a.	Credibly and timely response	Indirect dialogue	
3	OXFAM International	Generic: direct, static Individual: transformative value Corporate: balance warm glow, transformative value	Practical and innovative for beneficiary to thrive	Dialogue explicitly mentioned; principles.	'Oxfam academy'
4	PLAN International	Generic: direct, static Individual: indirect reciprocal transformative value Corporate: warm glow	Support in knowledge, skills and confidence	Indirect dialogue	'Plan academy'
5	UNICEF International	Generic: direct, static Individual: reciprocal Corporate: transformative value	Human rights defence by programs	Indirect dialogue	'Talent groups' 'New and emerging talent initiative' (NETI)

Table 5: Results

#### Reciprocity of value propositions

Out of the five NGOs, UNICEF solely offers a value proposition that is communicated reciprocally, for institutions/corporates stating what UNICEF can offer in exchange for what the institution/corporates can offer UNICEF. In addition, individuals are proposed a reciprocal value proposition in regard to what UNICEF can contribute to the individual in their individual way of contributing to the work of UNICEF, which in line adds value to the work that UNICEF does

Hidden in the value proposition(s) of PLAN are also a degree of reciprocity, which is not directly communicated, but more facilitated by dialogue. Like UNICEF, PLAN offers the opportunity to individualized efforts for creating value for PLAN, and in turn provides training and facilitates successful execution and individuals' contribution. This opportunity is not explicitly reciprocally communicated in the value proposition but more discussed in dialogue as it is solely for those individuals with an innovative, creative and promising idea. For institutions/corporates PLAN proposes value to corporate input publics in the way of tailored alliances where there is a focus on the value created for the corporate input public rather than for PLAN. This implies that there is an act upon the warm glow effect. Contrary, these tailor made alliances also come back in the value propositions of CARE and OXFAM, but with a greater focus on the effect that those alliances will have on civil building transformative society. thus on This transformative value is being communicated in a way that it provides insight of the position of the corporate input public in the world and the prospective future positive effect it can provide to other individuals and communities by building an alliance with a NGO. OXFAM directly focuses on this by stating that the alliance will 'improve the livelihoods of workers, farmers and community members who are striving to escape poverty'. PLAN in turn combines the value created for all stakeholders, the institution/corporation, the customers, the beneficiary and the NGO, thus balancing the transformative value and the warm glow effect within their value proposition. The focus is on 'driving customer engagement, uniting and motivating employees, investing in local communities, positive

brand building, and positioning and joining forces to advocate on global platforms'. CARE does not mainly act upon transformative value for institutions/corporates; the main focus for CARE is on warm glow. In the value proposition a reference is made to doing well for civil society, however the emphasis is on the 'what is in it for us' part rather than the transformative and pure altruistic value.

Individual value proposition solely acts upon the transformative value of individuals focusing on the effect the donation of the individual has on civil society; the value propositions of OXFAM, PLAN and UNICEF all follow a certain structure. A structure like: 'your donation will help/support ... to advance/to end/to make a difference ... OXFAM steps into the transformative value even deeper by stating that the individual will 'become part of a global movement' implying that they will continuously contribute to the development of civil society. Already mentioned above, dialogue contributes to the communication practices between actors. The value propositions of CARE, OXFAM, PLAN and UNICEF highly value the degree of dialogue in their communication mainly to institutions/corporates to build an alliance. OFXAM specifically mentions dialogue as key to successful alliances and provides 'partnership principles' that emphasize on 1] shared vision and values, 2] complementarity of purpose and value added, 3] autonomy and independence, 4] transparency and mutual accountability, 5] clarity on roles and responsibilities and 6] commitment to joint learning. By acting upon these principles a common ground and baseline is created to start an open dialogue. Best practice example worldwide, according to the C&E corporate-NGO barometer (2016), is portrayed by Marks and Spencer and OXFAM. The concept linked to this alliance is 'schwopping' ordinary clothes made extraordinary. By collecting unwanted clothes and reselling, reusing or recycling the alliance's goal is to recycle as many clothes as MandS sells. The combined strengths enables the actors to both do what they thrive and create shared value. Shared value is important and the alliance between CARE and H&M is a best practice example in The Netherlands. The alliance strives to empower women as they state 'investing in actions to empower women in developing countries economically as it is the catalyst for change'. CARE does not have the partnership principles and facilitates dialogue by providing tailor made alliances; they also provide a platform that enables dialogue between even more

actors. The DCHI is a coalition combining the forces of NGOs, corporates, governments and knowledge institutes to co-create value for humanitarian aid.

The most prominent factors that surface from this cross-care analysis are:

- Reciprocity in value proposition, direct and indirect.
- Focus on transformative value to align the value proposition to individual input publics.
- Focus on warm glow to align the value proposition to corporate input publics.
- Clear mentioning of dialogue to specifically enable it.
- Full interrelation between the processes to compose a successful aligned value proposition.

### 5. DISCUSSION

The aim of this paper was to answer the main research question: How can NGOs strengthen the value propositions(s) to align it to donating stakeholders from a S-D logic perspective? By foundationally answering the question: Is the S-D logic the dominant logic concerning value proposition(s) of NGOs? At the start of this paper the argument was set that the value proposition with a S-D logic perspective could positively influence the ability of NGOs to align the value proposition(s) to donating stakeholders. Acting upon the notion made by Lehman (2006) stating that the S-D logic is the dominant logic for NGOs this study evidently concludes that to a certain degree all five NGOs studied reflect the S-D logic in value proposition(s). This is mainly based on 1] the interrelation between the practices related to the composition of a value proposition according to the S-D logic and 2] the execution of alignment acting upon the motives for pro-social behavior retrieved from literature review. By the combination of these two factors alignment of the value proposition(s) to the input publics is enabled.

#### Value proposition practices

As discussed, according to Skålén et al., (2014) three aggregate practices are relevant to the composition and operationalization of value proposition(s). OXFAM and UNICEF portrayed to have all practices aligned enabling the interrelation between them to optimize the composition and execution of its value propositions. One could argue, retrieving the difference in revenue over 2010-2015 and ceteris paribus, that implementing the S-D logic perspectives in the value proposition does indeed open opportunities for alignment with input publics leading to an increase in fundraising effectiveness. The least interrelation is present at CARE and ceteris paribus, the revenue of CARE decreased about 20% between 2010 and 2015. Best practice is thus having the interrelation between the processes in place in order to optimize effectiveness. This effectiveness is created as the practices interrelate creating that the value proposition(s) is enabled, articulated and fulfilled (Skålén, Gummerus, von Koskull, & Magnusson, 2014). As of the fact that the steps initiated by Frow and Payne (2011) are integrated in the practices proposed by Skålén et al., (2014), it is notable that the steps and interrelated practices give managerial direction (Frow & Payne, 2011), especially so for UNICEF and OXFAM.

# Formal pro social behavior motives

Having these processes aligned does also imply acting upon the right motives for formal pro-social behavior of input publics. Firstly to retrieve information on the alignment of value proposition with the corporate input public, the results reveal that NGOs are focusing on value proposition(s) that are acting upon an alliance or partnership in the CCI transactional or integrative stage. Referring to the literature review, a trend is detected of CCI moving towards the integrative stage implying partnerships and the motive for corporate input publics of warm glow (Seitanidi & Ryan, 2007). What can be argued is that this warm glow effect is more present in the value proposition(s) of corporate input publics due to their for-profit nature and the 'what is in it for me' question rather than to act upon transformative value. This transformative value should be the main motivation for the philanthropic stage of CCI, however the results of this study reveal that the main focus of value proposition aligned to corporate input publics follow the trend of emphasizing on the warm glow motive yet including a part on transformative value covering the entire CCI spectrum.

Although the fact is that, like corporate input publics, most of the individual input publics are motivated by the warm glow effect, these seem to be the smaller donors (Karlan & Wood, 2017). Present in the results is that NGOs tend to focus more on the transformative value when targeting individual input publics as of the wording and communication of their value proposition(s). Larger individual input publics have the motive of donating out of altruism weighing on transformative value (Karlan & Wood, 2017; DellaVigna, List, & Malmendier, 2012), the study revealed that among the NGOs studied, the NGOs mostly target the larger individual input publics with communicating the individuals ability to make a difference, thus acting upon transformative value. Concluding that in order to align value proposition(s) to the right input publics a different approach is required for the different input publics. Individual input publics are currently being targeted by means of transformative value implying that the value proposition(s) are aligned with larger donors engaging in formal pro-social behavior out of a pure altruistic motive. Applying literature to operationalization of value proposition(s), alignment of the value proposition(s) with smaller donors engaging in formal pro-social behavior out of a motive of selfish altruism NGOs should focus on the warm glow as they do with corporate input publics (Karlan & Wood, 2017). As discussed above, a distinction can be made among and within input publics and therefore both warm glow as well as transformative value must be present in the provision practice of the value proposition to 1] cover the spectrum within input publics and 2] optimize fundraising effectiveness.

To answer the main research question on how NGOs can align their value proposition(s) to input publics and derive a framework the following results are selected to be key to formulating value proposition(s) for NGOs:

- Generic value proposition.
- Value proposition to individual input public.
- Value proposition to corporate input public.
- Provision practices.
- Representational practices.
- Management/organizational practices.

# 5.1 Managerial contributions

The thought that led to this study was to contribute to the impact of NGOs on civil society. With the famine crisis and human rights violations still existent in 2017 and the focus of the UN on the sustainable development goals an urge occurred to contribute to the impact by targeting the business side of NGOs. As of the promising opportunities of the S-D logic in regard to value propositions that are being found in for-profit organisations, this framework can benefit those NGOs that want to change their focus and align their value proposition(s) to selected input publics. Ultimately the framework can best be used by 1] identifying input publics, 2] identifying motives, 3] putting in place the value proposition(s) and 41 implementing the practices. Deviations from this process can occur due to the focus of this study on human rights policy advocating NGOs that target mostly individuals and corporates with left-wing political identities (Winterich, Yinlong, & Mittal, 2012). Therefore, future research should focus on a framework for NGOs with input publics with right-wing political identity.

The framework depicted below in table 5 is complementary to previous research on the composition of value proposition(s) of for-profit organisations with a S-D logic perspective of Skålén et al., (2014) and Frow and Payne (2011)

What	How	
Generic value proposition	Focus on the value proposed to the beneficiary.	
	Static (G-D logic)	
Individual value proposition	<b>Large:</b> donors: focus on transformative value, emphasising the role of the individual on the development of civil society.	
	'Your donation will help/support to advance/to end/to make a difference'	
	<b>Small:</b> focus on warm glow, emphasising on 'what is in it for them'.	
Corporate value proposition	Focus on warm glow but including a degree of transformative value, emphasizing on 'what is in it for them'.	
	'If we (stated in terms of the benefits expected for the corporate input public) will you (stated in terms of the benefits expected for the NGO), so we can (stated in terms of the value delivered to the beneficiary)'	

Table 5: Framework of aligning value proposition(s) of NGOs

Generic value proposition. The generic value proposition is the direct value that the NGO is proposing to the beneficiary, thus civil society. As can be retrieved from the results these value propositions do not contain any form of reciprocity and are straightforward and static. The value propositions are created in isolation (Vargo & Lusch, 2004), thus unidirectional, enabling a clear and unambiguous value proposition communicated as a statement. It can be argued that this value proposition acts upon altruistic value: other oriented and

intrinsic (Holbrook, 2006). This value proposition targets individual- and corporate input publics with a motive of true altruism (Andreoini, 1989; Andreoin, 1990; Bolton & Katok, 1998) and with philanthropic motive in the philanthropic CCI stage (Seitanidi & Ryan, 2007) to engage in formal pro social behavior.

Individual value proposition. Targeting the individual input public, the value proposition(s) can make a distinction between two structures. Currently the sole form is targeting large input publics that engage in formal pro-social behavior out of altruism. This structure follows a ''your donation will help/support … to advance/to end/to make a difference …' building upon transformative value. Contrary, retrieved from literature review there is a distinction between the motives of large and small individual input publics. To target the small individual input publics the NGO should focus on a structure that focuses on the 'what is in it for them' part of their act of formal pro-social behavior as their motive is warm glow.

Corporate value proposition. Acting upon the trend that is being studied by scholars of the integrative CCI stage, corporate input publics engage in CCI with the motive of warm glow with transformative value being less important. NGOs can act upon this motive by finding a balance between transformative value and warm glow with an emphasis on the 'what is in it for them' by following the practice example from PLAN or in balancing the value proposition of the practice example from UNICEF in reciprocity. The value proposition might follow: 'driving customer engagement, uniting and motivating employees, investing in local communities, positive brand building, and positioning and joining forces to advocate on global platforms' or it can follow an adapted structure proposed by Ballantyne et al., (2011): "If we..." (stated in terms of the benefits expected for the beneficiary, "will you... (stated in terms of the benefits expected for the focal company" but focusing on including the NGO, corporate input public and the beneficiary. For NGOs the value proposition will the structure: 'If we ..., (stated in terms of the benefits expected for the corporate input public) will you ... (stated in terms of the benefits expected for the NGO, so we can ... (stated in terms of the value delivered to the beneficiary)'

By interrelating the practices as proposed by Skålén et al., (2014) and adjusting the value propositions according to the framework NGOs have the ability to increase alignment and increase social impact for a better world.

# 5.2 Theoretical contributions

The theoretical implications of this study are four-fold. Firstly, it fills the gap in existing literature on the application of the S-D logic on NGOs. Shedding light on the deviation of the S-D logic theory on paper and practice in non profit marketing where the reciprocity of value proposition(s) can be indirectly mentioned but fully acted upon by means of dialogue in NGOs rather than the direct argued by various researchers. The indirect nature of value proposition(s) in NGO marketing contrary to the direct nature in for profit marketing and the S-D logic literature, and the focus on transformative value rather than habitual value acted upon in the S-D logic literature. Secondly, it provides conceptual research on the value proposition(s) of NGOs in practice. Thirdly, more broadly, it contributes to literature on non-profit marketing surrounding the value proposition(s) of NGOs. Finally, it is a call for research on value proposition in accordance with the S-D logic and the S-D logic in general in relation to NGOs.

#### 5.3 Limitations and future research

The article suffers from at least two limitations that call for future research. Firstly, it draws upon secondary data without empirical evidence from NGOs, individual input public or corporate input publics. Future research will need to investigate and validate the framework with the input of primary data. These studies should be designed in such way to enable the analysis of the effectiveness of the structures of value proposition(s) and the motives acted upon initiated in the framework. Secondly, the scope of this study can be seen as a limitation due to the focus on human rights policy advocating NGOs that are in line with people with left-wing political identity. Future research will need to investigate NGOs that advocate causes related to binding intuitions i.e. veterans or religion.

As of the versatility and flexibility of the value proposition(s) in accordance with the S-D logic, future research may focus on the role of value propositions in for example the Dutch Coalition of Humanitarian Innovation or other networks where different stakeholders come together to co-create value.

# 5.4 Acknowledgements

Throughout the trajectory of this thesis various individuals have contributed to successful completion. Special thanks go to my first supervisor Dr. R. P. A. Loohuis, my second supervisor Ir. B. Kijl and Y. Sahhar, MSc. for the opportunity to write my thesis in this circle, more importantly giving me the opportunity to focus my research on my interest: NGOs. Not to forget the support, guidance and feedback I received from them throughout. I would also like to thank all those in my personal life who have supported me in my ups and downs, who have acted like my sparring partners and who I have flooded with my knowledge and interests in NGOs.

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# 7. APPENDIX

		Provision practices	Provision practices	Representational practices	Management and organizational practices
#	NGO	Value proposition	General approach/process		
		(WHAT)	(HOW)		
1	CARE International	Rebuilding and improving the lives of the most disadvantaged, particularly focusing on woman and children. Their aim is a world of hope, tolerance and social justice, where poverty has been overcome and people live in dignity and security.  Institutional/corporate: CARE is specialized in tackling the root causes of poverty. The partnerships are tailormade and adapted to be able to optimize the mutual commitment and expertise. They strive to create shared value.  Individual: By donating to CARE we  - Give food, housing and water to victims at hard to enter sights - Help women to become entrepreneurs so they can take care of their family - Give special attention to victims of sexual violence so these women can build their lives again Help families make their houses last so that	CARE follows Programming Principles in their projects worldwide to enable that they have an impact.  1. Promote empowerment 2. Work in partnership with others 3. Ensure accountability and promote responsibility 4. Address discrimination 5. Promote the non-violent resolution of conflicts 6. Seek sustainable results	CARE facilitates dialogue by means of creating the opportunity for tailor-made projects for institutional/corporate input publics. CARE is also one of the initiating partners in the Dutch Coalition for Humanitarian Innovation (hereafter: DCHI) that functions as a coalition that brings different tribes (corporate, government, NGOs and knowledge institutes) together to create shared value and co-creation by means of humanitarian innovation. By being the initiating partner CARE is open for dialogue, active and passive.	CARE International and its sub divisions in the world maintain a one-way knowledge sharing process in which the results and projects are being communicated to the input publics. Including the financials and the multidisciplinary input in each project. Besides the international knowledge sharing CARE The Netherlands has initiated whocares, an initiative that asks input from the 'normal' person with knowledge and skills to increase presence of CARE to increase awareness under the people in The Netherlands.
2	Human Rights Watch (HRW)	they are less vulnerable to natural disasters  Amplifying the voices of the world's most vulnerable people and bring their plight to those who can make a difference.	Frontline investigations by expert researchers are the heart of the HRW. Responding to violations happens credibly and timely by:  1. Being on the frontline. 2. Checking and crosschecking facts. 3. Partnering with community members and groups. 4. Exposing evidence of abuses. 5. Convincing key decision-makers to act. 6. Providing expertise. 7. Staying the course.	Human rights watch is independent in their mission implying that donations occur however there is no reciprocal relation.	Using top researchers in their field enables HRW to come to the core of human rights problems therefore young academics are being monitored.

# **OXFAM** International PLAN International

Changing the world by mobilizing the power of people against poverty.

**Institutional** / **corporate**: Oxfam facilitates the engagement of companies that want to do business in a more responsible manner to improve the livelihoods of workers farmers and community members who are striving to escape poverty.

**Individual**: "By giving your support you become part of a global movement to end poverty for everyone for good"

A life free of poverty, violence and injustice for children

**Institutional/corporate**: Plan International builds strategic, long-term, mutually beneficial partnerships that strengthen the programmes, they deliver clear value and business benefits to partner and they develop truly tailored partnerships.

The value they propose is: driving customer engagement, creating and delivering shared value, uniting and motivating employees, investing in local communities, positive brand building and positioning and joining forces to advocate on global platforms.

**Individual:** "your donation will support Plan International's vital work to advance children's rights and equality for girls"

Finding practical, innovative ways for people to lift themselves out of poverty and thrive

- 1. Becoming more globally balanced.
- Strengthening the ability to influence by building and sharing knowledge within and beyond Oxfam.
- . Simplify and streamline the ways of working.

Supporting children to gain the skills, knowledge and confidence they need to claim their rights to a fulfilling life, today and in the future. Specific focus on girls and women, who are most often left behind.

Specifically mentioned on the website: dialogue. Oxfam strives to have an open dialogue about mutual expectations, limitation and success metrics. The knowledge is present that NGOs and companies have different expectations of value and the way to achieve the mission. By dialogue trust is build and common ground to enable a successful partnership with an increased shares value. For the company, NGO and beneficiary. There is a document stating the partnership principles emphasizing 1] shared vision and values, 2] complementarity of purpose and value added. 31 autonomy and independence. transparency and mutual accountability, 5] clarity on roles and responsibilities and 61 commitment to joint learning.

PLAN International has full understanding of the value that strengthens the business practices of the institutions/corporations and keeps an open dialogue in the initiating phase to enable open dialogue and trust. On individual level plan initiates training and facilitates the process of creating individual campaigns by innovative, creative and entrepreneurial individuals.

Oxfam has the Oxfam Academy that is implemented in the business model of some of the location that Oxfam is located. In The Netherlands this Oxfam Novib Academy connects students and academics to the work that Oxfam delivers to enable new insights and influences from the academic world. This enables OXFAM to deliver increased experience of value to both the beneficiary as all other stakeholders involved.

The PLAN academy is one of the main contributions the management/organizational practices providing a learning platform as the NGO believes that continuous learning is a vital component for their goal with three main goals: learn, connect and discover. In learn PLAN enables its international staff and its partners to gain competencies supporting their work with the target beneficiary to create lasting, positive change. In serves as a platform that connects the PLAN team to a global learning community with the opportunity to discover, interact and share learning.

5 UNICEF Internatio	A fair chance in life for every child, and thus a more equitable world.	UNICEF defends the right of every child and does that by means of programmes targeting different causes.	By means of communicating their message to the world with the clear statement of a shared agenda in	To ensure that there is a continuous learning culture within the ranges of UNICEF International, various initiatives contribute to
	Institutional/corporate: UNICEF supports companies that aim to strengthen their commitment towards a positive contribution to the world's communities and environment and provide support to achieve their CSR and business objectives, in return companies provide support to UNICEF programmes, emergency relief efforts and help advance issue vital to children.  UNICEF enters into alliances with companies that are characterized by shared agendas that leverage each organization's collective strengths.	<ol> <li>Child protection and inclusion</li> <li>Child survival</li> <li>Education</li> <li>UNICEF in emergencies</li> <li>Gender</li> <li>Innovation for children</li> <li>Supply and logistics</li> <li>Research and analysis</li> </ol>	engagement in individual and institutions/corporates, UNICEF creates an open dialogue in the efforts of creating shared value. The NGO strongly focuses on the warm glow motive of the institutional/corporate input public by emphasizing what value is it in for them, whereas they open the dialogue for individuals by making them aware of their transformative role in the world where the efforts of individual donations is not solely based on donations but also individualized efforts to raise money.	the realization of this culture. Talent groups and new and emerging talent initiative (NETI), are two examples to of programmes that ensure that business practices throughout the entire organization and the targeted civil society sights are being practiced top-notch.
	Individual: "every child deserves a fair chance in life — your donation helps UNICEF make a difference for children around the world." Besides the regular 'donate now' button individuals are given the possibility to offer individualized and innovative contributions to support UNICEF.			