

ABSTRACT

There is one thing stronger than all the armies in the world; and that is an idea whose time has come.

Victor Hugo

It was with this in mind that the research was undertaken. The concept of marketing and market orientation is hailed as one of the major factors for improved business performance, yet this link appears to have had little empirical support especially for firms in the nonprofit sector. A growing awareness in the nonprofit sector of the necessity to implement market orientation as the means to achieve superior organizational performance has brought on a general consensus among scholars that the role of marketing in the modern economy has increased. However, the applicability of the marketing concept and market orientation in the nonprofit sector is still being questioned. Although market orientation and the marketing concept have become central issues of both scientific and entrepreneurial study, not much investigation has been conducted in the nonprofit domain. Especially in Bangkok, empirical research on the nonprofit sector is quite limited. It was time to add to the existing literature on nonprofit organizations' use of management concepts and practices by focusing on the fast-developing Asian region.

This study attempts to clarify the significance market orientation poses to international nonprofit organizations operating in Bangkok. In order to test the theory that implementing market oriented activities will help the nonprofit organization develop an internal market oriented culture, which in turn will lead to the achievement of greater customer satisfaction, better reputation, and more resources, a mailed survey was

undertaken. Eleven respondents participated in the study and yielded data on the marketing practices of their organizations, as well as measures of performance. Structural equations modeling, a statistical tool, was used to analyze the data. Tests of model fit were conducted to check whether the observed data fitted with the hypothesized model and the hypothesized relationships among the constructs. The results were promising. Structural equations modeling indicated a good fit of the hypothesized model with the observed data. All of the hypothesized relationships among variables were also proven in terms of positive direction and significance.

It may be hasty to conclude that all international nonprofit organizations implement market orientation and succeed as a result of it. The major limitation to this study has been the small number of respondents, who are not quite representative of the entire population. Only eleven organizations participated in the study, of which nine were related to the United Nations. Although the respondents were all engaged in a variety of international activities, they did not embody all the spheres of activities that is defined in the International Classification of Nonprofit Organizations (ICNPO).

It is thus suggested, rather than concluded, that the hypothesized model signifying a relationship between market oriented activities and market oriented culture and the resulting positive effect on nonprofit performance such as growth in customer satisfaction, growth in peer reputation, and growth in resources, holds true for the context of international nonprofit organizations in Bangkok. The study illustrates that when a nonprofit organization embraces the marketing concept, it can attain success.