An Investigation into Market Orientation among Non-Profit Organisations in Hong Kong and its Associated Effects on Fundraising Performance and Donor Relationships

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STATEMENT OF ORIGINALITY

The thesis contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text. I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying subject to the provisions of the Copyright Act 1968.

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The journey of completing this DBA dissertation was full of joy and tears. Nevertheless, it always gives me the greatest happiness to accomplish a task and start a new page in life. I would like to dedicate this dissertation to my beloved husband, Gary Chong, and departed cat Baby Lee. They provided me with support and encouragement at a time when I was loaded up with work, the DBA dissertation and housework. Their love and patience have been my greatest drivers to finishing this impossible task. I also want to express my heartfelt thanks to my superb supervisor, Dr Paul A. Markham, for his patient guidance, continual encouragement, sincere support for my research topic and professional recommendations throughout the process. In conclusion, I hope that this research contributes to the advancement of marketing adoption and fundraising effectiveness among non-profit organisations in Hong Kong.

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SYNOPSIS

Non-profit organisations are becoming vitally important to the development of the world economy and to global societal changes. However, the rising demand to execute their missions, compounded with the increasing competition for funding, has exposed non-profits to financial vulnerability. Accordingly, there is a vast body of research into non-profit fundraising effectiveness, which has affirmed that the implementation of marketing concepts enhance non-profit fundraising performance. Despite this, only minimal research into the marketing behaviour pertinent to fundraising effectiveness in the Chinese contexts is evident, within this specific body of research. Moreover, the interplay between marketing techniques and relationship marketing with donors is critical for non-profits in the Chinese culture but is underplayed in academic research (Ambler, 1994; Chad, Kyriazis, & Motion, 2013). This research endeavours to examine the implementation of the marketing concept in relation to non-profit fundraising effectiveness in Hong Kong, as compared to western contexts. The purpose of this research is threefold. Firstly, it verifies the relevance of fundraising market orientation for the non-profit sector in Hong Kong. Secondly, it identifies marketing behaviour pertaining to effective non-profit fundraising performance in Hong Kong, as compared to the UK and Australia. Thirdly, it explores if and how market orientation, mediated or moderated by relationship marketing with donors, enhances fundraising efficacy. This dissertation critically reviews and synthesizes the extant theories and perspectives on the nature and evolution of the use of marketing to manage funding resource dependence in the non-profit arena. In addition, this paper identifies geographic gaps in the extant literature and replicates the theoretical framework to examine an existing theory in a new geographical setting, in order to close the gaps. This research predominantly adopts a critical realist philosophical stance of inquiry which involves a primarily quantitative research method that allows a scientific comparison of fundraising-related marketing behaviour in the UK and Australia using inferential statistics. The research was set across all fifteen non-profit sub-sectors in Hong Kong and the respondents were fundraising directors or managers of non-profit organisations that undertook public fundraising in Hong Kong.

Keywords: market orientation; relationship marketing; non-profit organisations; fundraising; non-profit resource dependence.

> “Too many ‘bandwagons’ have flared up momentarily only to die because they offer excessively simplistic solutions to complex problems, weakly based on earlier research or on unsubstantiated theories or models. This is not to say there are not good ideas that constitute progress, but that they need evaluating, and that evolution rather than revolution will be more likely to provide long-lasting positive change.”
>
> Thomas Black (1999, p. 11)

CHAPTER 1 INTRODUCTION

1.0 Background to the research

The economic changes of the recent decade have imposed financial pressure on non-profit organisations that depend on external resources to execute their mission (Weisbrod, 1998). The economy of Hong Kong has maintained a steady recovery since the 2009 global financial crisis (HKSARGovernment, 2014). However, as the inflation rate and housing expenditures outgrew GDP, people in Hong Kong became vigilant in monitoring their spending and charity donations (iDonate, 2011b). Meanwhile, non-profit organisations encountered fierce competition for funding to maintain their operations and services as the number of non-profit organisations had increased (Carroll & Stater, 2009). With the escalating importance of non-profit organisations and their challenges to attain financially viability (Hodge & Piccolo, 2005; Leete, 2006), researchers have proactively inquired into fundraising efficacy to sustain financial resources and the organisational survival of non-profits (Bekkers & Wiepking, 2011; Bremner, 1994; Froelich, 1999; Mitchell, 2014; White & Peloza, 2009). Therefore, scholars from multiple disciplines have postulated theoretical models for non-profits to be able to avert financial resource dependence through effective fundraising (Weinstein, 2009). Although non-profit practitioners are dubious about the advocacy of business ideology in non-profits, the research confirms that the implementation of marketing concept is pivotal in the competition for donations and in the overall fiscal performance of non-profits (Andreasen & Kotler, 2008; Bower, 2002; Chad, 2013; Dolnicar & Lazarevski, 2009; Ellis, 2006; Levine & Zahradnik, 2012; Pandelica, Pandelica, & Dumitru, 2009; Rey García, Álvarez González, & Bello Acebrón, 2013). However, the deficiency of non-profit marketing research (Chad et al., 2013) and the low generalizability of western studies in other cultural contexts (Cacija, 2013; Ellis, 2006;

Kirca, Jayachandran, & Bearden, 2005) deter non-profit organisations from elevating fundraising effectiveness through market orientation (Chad et al., 2013; Pope, Sterrett, & Asamoa-Tutu, 2009; Rey García et al., 2013). Likewise, there is a lacuna of fundraising efficacy studies in relation to the adoption of marketing among non-profit organisations in Hong Kong.

As no empirical studies have explored whether extant theory may be applied to non-profit organisations in Hong Kong, this paper addresses the geographical research gap in understanding the efficacy of non-profit marketing within the Chinese context in Hong Kong. This research critically analyses how the adoption of marketing among non-profit organisations in Hong Kong influences fundraising effectiveness. Specifically, it examines the question of relevance for fundraising market orientation models in western contexts to the non-profit sector in Hong Kong. The reader will understand the impact of using marketing techniques and relationship marketing with donors on the overall fundraising performance of non-profit organisations in Hong Kong.

There have been numerous studies that relate to the efficacy of a marketing strategy in the non-profit sector. Non-profit market orientation research can be classified into three major areas: (1) to define and identify the construct and measurement of market orientation; (2) to identify the antecedents, moderating factors and consequences of market orientation; and (3) to conceptualize the implementation of market orientation (Pandelica et al., 2009). Early market orientation research focused on the first two areas to develop the construct and measure of market orientation, as well as its antecedent and consequences (Deshpandé & Farley, 1999; Pandelica et al., 2009). Researchers predominantly utilised the discovery-oriented approach (Mahrer, 1988) for item generation, in addition to the paradigm proposed by Churchill (1979) to purify the measure and to enhance the validity and reliability of the scales with a domain sampling model (Deshpandé, 1983; Deshpandé & Farley, 1998a; Harris, 2002; Kohli & Jaworski, 1990). The most commonly adopted market orientation scales are MARKOR and MKTOR developed by Kohli, Jaworski, and Kumar (1993), and Narver and Slater (1990) respectively. Henceforth, with valid and reliable market orientation scales developed, researchers moved forward to investigate the causality between market orientation and organisational performance among companies of different sizes, industrial types and countries, both for-profit and non-profit (Pandelica et al., 2009). Subsequent to evidence for a positive correlation between market orientation and organisational performance, recent studies have concentrated on the area of research in developing models and interventions to facilitate market orientation implementation (Chad et al., 2013; Pope et al., 2009). Due to the importance of fundraising efficacy, Bennett (1998) adapted the MARKOR scale into a fundraising-related market orientation model to identify marketing behaviour that pertains to effective fundraising among UK non-profit organisations. Likewise, based on a replicated study of Bennett (1998), Brady, Brace-Govan, Brennan, and Conduit (2011) demonstrated that, while market orientation elevates fundraising performance, marketing behaviour is detrimental to fundraising success differs across countries.

This dissertation explores and compares the effect of a non-profit market orientation on fundraising efficacy between western and Chinese cultures, as provided by the Hong Kong demographic. In addition, this research identifies the marketing behaviour that contributes to fundraising performance across all non-profit sub-sectors in Hong Kong. In contrast to the for-profit sector with its sophisticated marketing implementation, the dearth of non-profit marketing research encumbers market orientation adoption (Chad et al., 2013). Therefore, with the growing importance of non-profit organisations (Lee, 2005; Mitchell, 2014), an understanding of specific marketing behaviour that escalates fundraising efficacy will be meritorious to the non-profit sector, their beneficiaries and the Hong Kong society as a whole. Bennett (1998) attests that market orientation enhances non-profit fundraising performance, but no prior studies confirm this causal relationship in the Chinese context in China, Hong Kong and Taiwan. Brady et al. (2011) replicated the study of Bennett (1998) and affirms that marketing behaviour that contributes to various market orientation constructs varies geographically. Thus, the confirmation that non-profit market orientation enhances fundraising effectiveness and the identification of specific marketing behaviour in relation to fundraising marketing will be valuable to the advancement of non-profit fundraising practices in Hong Kong. Monroe (1992) asserts that “replication research is nevertheless a necessary ingredient for the advancement of marketing research” (p. v). Since western scholars have developed reliable and validated market orientation models to access fundraising-related market orientation, the “evolution from established theoretical frameworks rather than revolution will be more likely to provide long-lasting positive change" for the study of non-profit marketing in Hong Kong (Black, 1999, p. 11). This dissertation replicates the study of Bennett (1998) and Brady et al. (2011) to examine the relevance of the western market orientation model and the country specific marketing behaviour that pertains to fundraising efficacy in Hong Kong. This study adopts a primarily quantitative research method to facilitate a comparison with the western studies that have been replicated (Bennett, 1998; Brady et al., 2011). Henceforth, the philosophical stance of this paper is critical realism that is concerned with causality and explanation, instead of a mere identification of the relationship between the cause and effect of discrete events (Sayer, 1992, p. 104). The realist perspective details the 'causal powers or liabilities' that will assist non-profits' implementation of market orientation to excel in their fundraising performance.

Waters (2008) recommends that non-profit fundraising departments invest in donor relations, as relationship marketing should be an integral part of non-profit marketing strategies. Aligned with the merit of relationship marketing posited by Gronroos (1990), long-term donors constitute the major revenue source of charitable giving (Brennan & Brady, 1999). Thus, non-profit organisations that have relationship marketing with their donors evidence more loyal, generous and frequent donors (Bennett & Barkensjo, 2005; Waters, 2008). In contrast to this, non-profits are using simple relationship marketing tactics (such as direct mailing) and are blissfully ignorant of the importance of relationship marketing for fundraising effectiveness (Bennett, 2006). However, no empirical research has examined the impact of relationship marketing with donors on non-profit marketing and fundraising (Chad et al., 2013; Rupp, Kern, & Helmig, 2014). Recent literature has proposed that scholars explore the mediation or moderation effect of relationship marketing on the connection between market orientation and fundraising performance (Rey García et al., 2013). Moreover, Ambler (1994) asserts that relationship marketing should be an integral part of the marketing strategy in the Chinese context. As a corollary to that, this study also explores the role of relationship marketing in non-profit fundraising while also comparing the marketing behaviour that contributes to fundraising performance in the western and the Chinese contexts in Hong Kong. Therefore, the central research question of this dissertation asks whether and to what extent western non-profit market orientation models, mediated or moderated by relationship marketing, enhance fundraising performance in Hong Kong.

1.1 Research problem, research issues and contributions

This dissertation attempts to examine the presumption of market orientation and fundraising effectiveness relationships among all of the non-profit sub-sectors in Hong Kong. Specifically, this paper assesses the relevance of the western fundraising market orientation model in the Chinese context in Hong Kong, and compares the marketing behaviour that contributes to effective fundraising. Additionally, this study investigates whether relationship marketing influences the effect of market orientation on fundraising performance. This section presents the research issues that require information to "satisfactorily solve the research problem" (Perry, 1998, p. 14). Section 2.5.3 explains the following problem addressed in this research:

Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?

This research concludes that, although marketing skills are essential to fundraising effectiveness across different cultures, marketing behaviour that constitutes appropriate strategies are geographically specific. It is also argued in this study that relationship marketing with donors has no impact on the relationship between market orientation and fundraising performance. Additionally, unlike in the commercial sector, the need for non-profits to implement relationship marketing with donors activates market orientation implementation. Once the non-profits adopt market orientation, the effect of relationship marketing on fundraising vanishes, because the cultivation of donor relations becomes an integral part of the organisations' marketing strategies. This study proposes a new research agenda for future research which centres on the mediation effect of market orientation and non-profit sub-sectors' differences in market orientation.

This paper answers the research issues and provides contributions that will be presented in Section 5.5. In summary, this research makes four contributions. Firstly, it confirms the expectations derived in Chapter 2 from seminal literature that, although non-profit market orientation enhances fundraising performance, marketing behaviour contributes to market orientation and, hence, fundraising performance varies by culture and is country specific. Secondly, it validates the irrelevancy of organisational size in relation to market orientation adoption and fundraising performance. Thirdly, it disconfirms the effect of relationship marketing in fundraising-related market orientation, as presupposed in the previous literature. Fourthly, it discovers new areas which were not raised in the previous literature concerning the mediating role of market orientation between the connection of relationship marketing with donors and the respective fundraising performance.

1.2 Justification for the research

The justification for this replicated research in the Chinese context in Hong Kong includes five factors that demonstrate that the research gap is important. Firstly, non-profit organisations are of increasing importance to the economy and society. However, non-profits are facing fundraising challenges that affect their financial viability and pose a threat to the society. Secondly, although market orientation is important for non-profits so as to be able to combat competition for donations and financial resource dependence, their adoption of market orientation is poor. Thirdly, the poor adoption of non-profit market orientation mainly results from a lack of understanding and knowledge of non-profit marketing. Fourthly, deficiencies in non-profit marketing research are the major reason for the misunderstanding and insufficiency of knowledge to implement market orientation effectively in the non-profit sector. Finally, there is no prior research that studies the effect of market orientation on fundraising effectiveness in the Chinese context in China, Hong Kong and Taiwan. Therefore, empirical research to investigate the feasibility of deploying a validated western fundraising-related market orientation model in Hong Kong is fundamentally essential. As per Phillips and Pugh (2010, p. 4), this dissertation applies an existing theory in a new setting that fulfils the criterion to make an original contribution in a doctoral thesis. The following sub-sections elaborate each of the five factors respectively.

Firstly, non-profit organisations have become an important focus throughout the world because of their ever-increasing importance in the economy and society (Leete, 2006; Pope et al., 2009; West & Sargeant, 2004). Globalization has driven “multi-lateral agents” such as the World Bank and many western charitable foundations to increase their presence and influence all over the world (Andreasen & Kotler, 2008, p. 18; Mitchell, 2014). However, non-profit organisations are facing fierce competition for funding in order to maintain their operation and services, owing to the increase in their number by reason of the number of global economic recessions (Alexander, 2000; Froelich, 1999; Levine & Zahradnik, 2012). Non-profit organisations in Hong Kong, similarly to rest of the world, are facing challenges to remain financially viable so as to sustain their organisational survival and carry out their missions (Mitchell, 2014; Weisbrod, 1998). In order to secure funding for survival and mission achievement, non-profit organisations must rely on external resources and be able to solicit external funders' support (Froelich, 1999). From a theoretical perspective, the application of resource dependence theory is important in order to understand the survival of non-profit organisations in terms of resources acquisition and maintenance (Pfeffer & Salancik, 1978). Among various fields of research that address managing funding resources dependence, Vásquez, Álvarez, and Santos (2002) testify that the use of marketing techniques is highly relevant to the non-profit sector that must fiercely compete for funding.

Secondly, although market orientation is shown to enhance fundraising performance and, therefore, financial viability, most non-profit organisations are "organisational-oriented" rather than "market-oriented" (Dolnicar & Lazarevski, 2009). While non-profit organisations seek solutions to elevate fundraising performance and combat resource dependence, most of them are dubious about the adoption of marketing in the non-profit context (Sanders, 2012). On the other hand, non-profit organisations which concur with the importance of marketing also find the adoption of marketing in the non-profit context difficult (Andreasen, 2012). Consequently, the implementation of non-profit marketing is poor.

Thirdly, Kotler (2005) concludes that the poor adoption of non-profit market orientation is the inevitable corollary of insufficient understanding and knowledge of marketing. Non-profit practitioners have demonized the implementation of business or commercial practices, such as marketing, and allege that these practices contaminate their societal role (Shoham, Ruvio, Vigoda-Gadot, & Schwabsky, 2006). With inadequate understanding of non-profit marketing, stakeholders and management of non-profit organisations assume that marketing is a misuse of funding rather than a fundraising strategy (Helmig, Jegers, & Lapsley, 2004). Nonetheless, Andreasen and Kotler (2008) aver that numerous empirical studies have rebuked the misconception of the frivolousness of non-profit marketing. Additionally, non-profit practitioners who affirm the importance of marketing for effective fundraising, usually find the application of for-profit marketing strategies in the non-profit arena to be difficult (Sanders, 2012). Consequently, the lack of a comprehensive understanding of marketing knowledge and the capabilities to use marketing techniques further cultivates the belief in the irrelevance of marketing in non-profit organisations (Kotler, 2005; Pope et al., 2009).

Fourthly, Andreasen (2012) claims that the deficiency in non-profit marketing research is the major reason for the misunderstanding and insufficiency of knowledge for implementing market orientation in non-profits. Researchers have focused on market orientation research extensively for the commercial sector and underplayed the importance of non-profit marketing studies (Chad, 2013). Therefore, empirical research to facilitate non-profit market orientation adoption for various non-profit sub-sectors in different contexts is indispensable.

Finally, the deficiency of non-profit marketing research prevails in Hong Kong. There is no prior research that studies the effect of market orientation on fundraising effectiveness in the Chinese context in China, Hong Kong and Taiwan. As marketing strategies developed in western contexts are non-transferable across cultures (Kirca et al., 2005), local non-profit market orientation studies are necessary in order to effectually enhance fundraising performance. Thus, the student researcher has conducted replicated research to identify and compare marketing behaviour from western contexts that is detrimental to fundraising success in Hong Kong. The merits of this research are twofold: firstly, it examines to what extent the western market orientation model in relation to fundraising is relevant to Hong Kong non-profits, and, secondly, it explores country specific marketing behaviour for Hong Kong non-profits in order to rejuvenate fundraising performance.

1.3 Methodology

This study is a replication of western research whereby it critically examines and compares the relevance of western market orientation models in Hong Kong. Monroe (1992) advocates that replication research that "extends previous findings is nevertheless a necessary ingredient for the advancement of marketing research" (p. v).

This research undertaken in the Hong Kong context, which is a former British colony, replicates two prior similar studies done in the UK and Australia (also a former British colony). Chapter 2 illustrates the theoretical framework adopted from these UK and Australian studies (Bennett, 1998; Brady et al., 2011). As replicated research which was undertaken to extend knowledge into the Chinese context and for comparison purposes, the research methodology significantly follows the study of Bennett (1998) and Brady et al. (2011). As stipulated in Chapter 3, this study primarily uses a quantitative research strategy to examine the relevance of western non-profit market orientation models in Hong Kong. It also addresses the effects of market orientation and relationship marketing on donors in predicting fundraising performance. The quantitative research method allows the student researcher to explain the phenomena in real-life contexts and to scientifically compare the fundraising-related marketing behaviour with that of western countries using inferential statistics (Aliaga & Gunderson, 1999). The analysis of variance (ANOVA), multiple regression and factor analysis are the major statistical processes for data analysis that are utilised in Chapter 4.

1.4 Dissertation outline

Chapter 1 introduces the central research problem, justifies the importance of conducting this research and explains the rationale for using a replicated theoretical framework from western studies. This chapter also provides the background to the growing importance of non-profit sector and the fundraising challenges that require them to combat resource dependence with marketing techniques.

Chapter 2 presents a critical review and synthesis of the extant theories and perspectives on the nature and evolution of the use of marketing in the non-profit arena. The review of extant literatures identified the research gap in non-profit fundraising marketing in Hong Kong. This chapter concludes with a theoretical framework of market orientation models adopted from western studies for comparison. The student researcher will use the theoretical framework to examine "the research problem and hypotheses arising from the body of knowledge developed" (Perry, 1998, p. 4). The research endeavours to explore marketing behaviour critical to fundraising performance across all non-profit sub-sectors in Hong Kong, and compare them against western contexts.

Chapter 3 delineates the research methodology and research design implemented for this research. This chapter begins with a discussion of the importance of the philosophical stance of the researchers and explains the rationale for the critical realism paradigm adopted. The chapter also discusses alternative research methods relating to a quantitative research strategy, prior to the illustration of research design and implementation for this dissertation. In conclusion, the chapter provides an examination of the reliability and validity of the research instrument (MARKOR market orientation scale), assumptions and restrictions of data analytical techniques, limitations, and ethical issues pertinent to this research.

Chapter 4 discusses the analytical techniques and data analysis results by applying the research design, methodology and strategies delineated in Chapter 3. According to the data analysis addressing the research problem in this dissertation, additional findings that enrich the contribution of this dissertation are also discussed in Chapter 4 and Chapter 5.

Chapter 5 concludes with a discussion concerning the research problem and hypotheses based on the results of the findings drawn from the data analysis in Chapter 4 and the literature review outlined in Chapter 2. Chapter 5 also discusses any implications of the findings for theory and practice, the limitations of this research and any implications for future research.

1.5 Definitions

Since researchers may adopt dissimilar definitions, this section briefly defines key or controversial terms used in this dissertation to provide clarity for the readers (Perry, 1998). Additionally, Chapter 2 will provide an in-depth discussion of the key terms and explain how they fit into the body of literature. The following paragraphs supply definitions of (1) market orientation; (2) market orientation construct; (3) non-profit organisation; and (4) fundraising.

Firstly, Cervera, Molla, and Sanchez (2001) assert, that while there is no standard definition for **market orientation**, researchers usually refer to market orientation as “the use of marketing concepts in a company or organisation” in marketing research (p. 1260). However, Pandelica et al. (2009) observe that most market orientation research has adopted the definition proposed by Kohli and Jaworski (1990), and Narver and Slater (1990). Kohli and Jaworski (1990, p. 6) define market orientation as:

> "specific *activities or behaviour* that translates the (marketing concept) philosophy into practice. These activities are organisation-wide generation of market intelligence pertaining to customer needs, dissemination of intelligence across departments, and organisation-wide responsiveness to intelligence."

In contrast, Narver and Slater (1990, p. 20) define market orientation as:

> "the *culture* that produces behaviour that creates superior value for customers. The practical implication of their work is that management must develop a high ongoing level of market orientation to maximize flexibility in dealing with conditions as they arise and create a sustainable competitive advantage."

While Kohli and Jaworski (1990) focus on the behaviour and activities that translate the marketing concept into practice, Narver and Slater (1990) advocate that market orientation relates to the business culture or philosophy of the organisations to be reflected in the marketing policies and behaviour. As this study endeavours to identify relevant market behaviour that enhances non-profit fundraising effectiveness in Hong Kong, **market orientation** in this dissertation relates more closely to the proposed definition of Kohli and Jaworski (1990) that focuses on the behaviour and activities which translate the marketing concept into practice.

Secondly, Dew (2008) states that "in the context of survey research, a **construct** is the abstract idea, underlying theme, or subject matter that one wishes to measure using survey questions" (p. 134). Since researchers have identified that market orientation is a multidimensional scale, they have determined the centrality and operationalized questions to the construct of market orientation using various statistical methods (Farrell & Oczkowski, 1997; Kohli et al., 1993; Narver & Slater, 1990; Pandelica et al., 2009). Statistically, **constructs** consisting of highly correlated variables in a model or a research instrument are distinct factors or latent variables in the solution (Pett, 2008). Consequently, the term **market orientation constructs** in this dissertation refers to the distinct factors central to the measurement of market orientation.

Thirdly, (Powell & Steinberg, 2006) proposes that the most common definition of **non-profit organisation** is:

> "… an organisation that is precluded, by external regulation or its own governance structure, from distributing its financial surplus to those who control the use of organisational assets. Non-profit boards have some ownership rights, such as the right to direct the use of resources, but not others, such as the rights to profit from that use of resources and to sell these rights to others for a profit" (p. 1).

Based on this cross-national definition of non-profit organisation (Hansmann, 1980; Powell & Steinberg, 2006), the non-profit boards have no ownership of profit or financial surplus.

Lastly, **fundraising** in Hong Kong refers to "the collection of donations to the organisations" (Chu, 2010, p. 3). According to the Inland Revenue Department of Hong Kong:

> "…for the funding collected to constitute a donation (or a gift in its ordinary sense), the property transferred must be transferred voluntarily and not as a result of a contractual obligation to transfer it, and no advantage of a material character is received by the transferor by way of return (Chu, 2010, p. 3)."

Thus, fundraising in Hong Kong refers to the collection of donations by non-profit organisations at the discretion of private or commercial donors with no advantage received in return.

1.6 Delimitations of Research

This section provides key assumptions and a justification of the delimitations of this dissertation. Perry (1998) stipulates that delimitations are within the control of the research to set the scope of the research including industries, locations, environmental factors, and variables that cannot be controlled. This dissertation focuses on the non-profit sector because this is an area with insufficient marketing research (Chad et al., 2013). The student researcher also limits the geographic location to Hong Kong, because there is no prior fundraising-related marketing study covering all non-profit sub-sectors in that geographic area. A preliminary understanding focusing on the impact of the implementation of marketing on fundraising effectiveness will be beneficial to the non-profit sector in the hometown of the student researcher. Since this research studies fundraising effectiveness, the population will include non-profit organisations that depend on fundraising for financial viability, and exclude non-profits that operate via government funding or revenue resources other than public fundraising. Therefore, this research will provide benefits to the adoption of non-profit market orientation in Hong Kong in order to improve fundraising effectiveness among non-profits.

1.7 Conclusion

This chapter has laid the foundations for the dissertation. Sections 1.1 and 1.2 introduced the research problem and research issues with justification. There is a clear research gap in understanding the effect of marketing on fundraising performance among non-profit organisations in Hong Kong. Section 1.3 briefly explained and justified the methodology. The choice of quantitative method has largely resulted from the objective of using a replicated study to explore the relevance of a western market orientation model. This replication study aims to compare the adoption of marketing among non-profits in Hong Kong with that in western contexts. Section 1.4 described the outline of this dissertation. Sections 1.5 and 1.6 provided the definitions of key terms and the delimitations of the scope of this paper. On these foundations, the dissertation proceeds into the following chapters that address the major research problem:

> **Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?**

> "The interesting thing about marketing is that all organisations do it whether they know it or not. When this dawns on nonprofit organisations, the response is much like Moliere's character in *Le Bourgeois Gentilhomme* who utters: 'Good Heavens! For more than forty years I have been speaking prose without knowing it.'"
>
> Philip Kotler (1979, p. 41)

CHAPTER 2 LITERATURE REVIEW

2.0 Introduction

Non-profit organisations depend on external resources, including funding, support to carry out their mission (Froelich, 1999). Due to increasing competition for funding, coupled with the decline in growth of donations amidst global economic recessions, non-profits face an ongoing challenge to attain financial viability (Andreasen & Kotler, 2008; Bennett, 2005; Carroll & Stater, 2009; Levine & Zahradnik, 2012; Pope et al., 2009). Fundraising to finance the survival of these organisations and thereby support their missions is vital for non-profit organisations (Froelich, 1999; Gallagher & Weinberg, 1991; Hodge & Piccolo, 2005; Levine & Zahradnik, 2012; Sanders, 2013). Given that marketing strategies are successfully deployed in the private corporate arena, various researchers advocate their extension into the non-profit world (Balabanis, Stables, & Phillips, 1997; Kotler, 2005). Marketing scholars advocate that the implementation of marketing concepts is crucial for non-profit organisations to achieve and improve overall fiscal performance (Andreasen & Kotler, 2008; Bower, 2002; Chad, 2013; Dolnicar & Lazarevski, 2009; Ellis, 2006; Levine & Zahradnik, 2012; Pandelica et al., 2009; Rey García et al., 2013). Despite research supporting the notion that non-profit market orientation contributes to better fundraising performance (Balabanis et al., 1997; Bennett, 1998; Dolnicar & Lazarevski, 2009; Shoham et al., 2006), non-profit organisations find the transition to market orientation difficult. This is because they have limited understanding, knowledge and resources with which to adopt market orientation and thereby increase their fundraising effectiveness (Chad et al., 2013; Pope et al., 2009; Rey García et al., 2013). Due to the deficiency in non-profit marketing research (Chad et al., 2013) and the low degree of generalizability of western studies in other cultural contexts (Cacija, 2013;

Ellis, 2006; Kirca et al., 2005), local research to facilitate non-profit market orientation adoption in order to effectively enhance fundraising performance is essential. This literature review synthesizes studies based on non-profit organisations using marketing strategies to enhance fundraising performance in various geographies around the world. While no empirical studies have explored whether extant theory may be applied equally to non-profit organisations in Hong Kong, this paper addresses the geographical research gap in understanding the efficacy of market orientation strategies within the Chinese context of Hong Kong. The central research question of this study is to ascertain the effectiveness of using marketing orientation techniques in fundraising across all non-profit sectors in Hong Kong. Therefore, this chapter presents a critical review and synthesis of the extant theories and perspectives on the nature and evolution of the use of marketing to manage resource dependence in the non-profit arena. This overview is conducted in order to provide a platform for a theoretical foundation and framework to explore the relevance of fundraising market orientation models developed in western countries in Hong Kong. The research will benefit the adoption of non-profit market orientation in Hong Kong in order to improve fundraising effectiveness.

Firstly, Section 2.1 discusses the rising importance of non-profit organisations and their fundraising challenges. Secondly, Section 2.2 presents a critical review of the use of marketing strategies among non-profit organisations to enhance fundraising effectiveness. Thirdly, Section 2.3 reviews the literature on resource dependence theory and its implications for and links to non-profit funding strategies. Fourthly, Section 2.4 summarizes the debates concerning non-profit market orientation, including the arguments in support of and in opposition to the use of marketing in non-profits. Lastly, Section 2.5 proposes a literature based theoretical framework that attempts to compare market orientation in Hong Kong to that in western countries and consolidate western studies on non-profit market orientation adoption for their application in Hong Kong.

2.1 The rising importance of non-profit organisations and their fundraising challenges

Non-profit organisations have become an important focus throughout the world because of their increase in economic and social importance (Leete, 2006; Pope et al., 2009; West & Sargeant, 2004). Pope et al. (2009) report that the growth in both the scale and charity income of non-profit organisations enables them to exert influence beyond national boundaries. Globalization has driven "multi-lateral agents" such as the World Bank and many western charitable foundations to increase their presence and influence all over the world (Andreasen & Kotler, 2008, p. 18; Mitchell, 2014). The number of non-profit organisations has significantly increased and this sector now creates jobs more rapidly than the for-profit sector in most developed countries (Leete, 2006; Pope et al., 2009). West and Sargeant (2004) posit that a large percentage of citizen in the UK and USA regularly contribute time or monetary donations to non-profits.

Scholars and practitioners have proposed various definitions of non-profit organisations (Powell & Steinberg, 2006). Hansmann (1980) has proposed the most common definition of non-profit organisation (Salamon & Anheier, 1992), that is:

> "… non-profit organisation as one that is precluded, by external regulation or its own governance structure, from distributing its financial surplus to those who control the use of organisational assets. Non-profit boards have some ownership rights, such as the right to direct the use of resources, but not others, such as the rights to profit from that use of resources and to sell these rights to others for a profit" (Powell & Steinberg, 2006, p. 1).

Based on the cross-national definition of the term non-profit organisation (Hansmann, 1980), non-profit organisational boards have no ownership that allows profit or financial surplus, thereby they are dependent on external funding for survival. Thus, fundraising performance, that is, "the effectiveness of fundraising activities in the context of resources spent versus the amount of funds raised" (Sargeant & Shang, 2010, p. 201), is central to non-profit organisations' financial viability and mission attainment (Carroll & Stater, 2009; Mitchell, 2014; Weisbrod, 1998). However, non-profit organisations are facing fierce competition for funding to maintain their operation and services owing to the increase in the number of non-profit organisations compounded with global economic recessions (Alexander, 2000; Froelich, 1999; Levine & Zahradnik, 2012). In addition, some non-profit sub-sectors, such as healthcare services and education, are also competing with for-profit companies for revenue income and resources (Andreasen & Kotler, 2008, p. 25). In the US, about 15% of non-profit organisations have not survived through economic downturns (Levine & Zahradnik, 2012). The fierce competition for charitable donations in Hong Kong is illustrated by the gap in the growth rate of charities and donations. The total number of charities in Hong Kong grew by 53% from 2005 to 2010, but the total amount of charitable donations increased by only 12% (iDonate, 2011b). Henceforth, new non-profit organisations need to make extra efforts to drive public awareness in order to attract donations (Vásquez et al., 2002). According to iDonate (2011a), among the top thirty unaided recalls of non-profit organisations, Hong Kong people mentioned only two new organisations out of the 2,200 increments since 2005. Likewise, while new non-profit organisations attempt to entice donors to switch, existing charities manifestly need to secure the donation preference of their donors and to solicit their continuous support (Bennett, 2006). Ramesh (2010) reports that Hong Kong ranks eighth in a global study of charity donation and has a higher percentage of the population that donates to charities than Australia, the USA and most European countries. However, as the inflation rate and housing expenditure has outgrown GDP since the 2009 global financial crisis (HKSARGovernment, 2014), people in Hong Kong people have become wary regarding charity donations (iDonate, 2011a).

Therefore, the ever-increasing importance of non-profit organisations and their challenges to be financially viable has drawn the attention of researchers in the quest to identify effective fundraising strategies to sustain financial resources and organisational survival (Mitchell, 2014; Weisbrod, 1998). In order to secure funding for survival and mission achievement, non-profit organisations must rely on and be able to solicit external funders' support (Froelich, 1999). From a theoretical perspective, the application of resource dependence theory is important for understanding the survival of non-profit organisations in terms of resources acquisition and maintenance (Pfeffer & Salancik, 1978). Meanwhile, scholars from multiple disciplines have developed theoretical tools to use for effective fundraising performance and resource dependence management (Birdi, Patterson, & Wood, 2007; Bishop & Green, 2010; Cacija, 2013; Macedo & Pinho, 2006; Verschuere & De Corte, 2014). Vásquez et al. (2002) states that "the growing number of participants who fiercely compete to raise funds was a major factor making the concept of market orientation highly relevant for the non-profit sector" (p. 1024). Since this research studies market-oriented fundraising strategies in Hong Kong and its effectiveness in generating funding revenue from donors, this literature review aggregates the extant theories on resource dependence and market orientation to provide a theoretical framework for the study of non-profit fundraising effectiveness in Hong Kong. The next two sections outline the non-profit funding strategies within the context of market orientation and resource dependence theory.

2.2 Market orientation theory and its links to non-profit fundraising

Along with research initiatives that investigate methods to address financial viability of non-profit organisations, the use of marketing strategies to improve non-profit fundraising performance is becoming more prevalent (Chad, 2013). Section 2.2.1 firstly reviews the market orientation theory. Secondly, since organisational performance is a major selection criterion in donations, Section 2.2.2 explains the relationship between market orientation and non-profit organisational performance. Thirdly, Section 2.2.3 details the use of marketing strategies to enhance non-profit fundraising performance. Lastly, Section 2.2.4 discusses the relevancy of relationship marketing for fundraising in the Chinese context in Hong Kong.

2.2.1 Market orientation theory

Kotler and Levy (1969), the renowned marketing scholars, were early pioneers in advocating the broadening of the marketing concept to the non-business arena. They believed that the "marketing-like" challenges non-profit organisations faced could be addressed fruitfully with marketing concepts (Kotler, 2005). While non-profit organisations face fierce competition for funding support, researchers attest that the implementation of marketing concepts enhances non-profit organisational and fundraising performance (Andreasen & Kotler, 2008; Bennett & Sargeant, 2005; Pope et al., 2009; Rey García et al., 2013). The use of marketing concepts in a company or organisation is usually termed as "market orientation" in marketing research (Cervera et al., 2001). "Market orientation" was first denominated in the early 1990s by two teams of researchers, Kohli and Jaworski (1990) and Narver and Slater (1990). Thereafter, scholars have proposed six major definitions of market orientation including cultural, behavioural, strategic, client orientation, strategic actions and value chain perspectives (Pandelica et al., 2009). Nonetheless, Pandelica et al. (2009) observed that most market orientation research has adopted the definition first proposed by Kohli and Jaworski (1990), and Narver and Slater (1990). Kohli and Jaworski (1990) defined market orientation as the implementation of the marketing concept to be reflected in the behaviour and activities rather than the business philosophy of the organisations. Accordingly, any organisations implementing "specific activities that translate the marketing concept (philosophy) into practice" are regarded as market oriented (Kohli & Jaworski, 1990, p. 6). In comparison, Narver and Slater (1990, p. 20) defined market orientation as the "business culture to create superior value for customers" to be reflected in the management policies and behaviour.

Based on the definition of market orientation, researchers developed scales and constructs to measure the adoption of marketing concepts in a company or an organisation. The two earliest and most commonly adopted forms of measurement are the MARKOR scale, developed by Kohli et al. (1993), and MKTOR, developed by Narver and Slater (1990). MARKOR is a 20-item scale that measures three constructs (information generation from the marketing, market information dissemination and response by the organisation). MKTOR is a 15-item scale that measures three constructs (customer orientation, competitor orientation and inter-functional coordination). Scholars have tested these two scales individually and comparatively to study the development methodology of the scales (Deshpandé & Farley, 1998a; Harris, 2002; Morgan & Strong, 1998); scale validity and reliability (Deng & Dart, 1994; Gray, Matear, Boshoff, & Matheson, 1998; Modi & Mishra, 2010); and the generalizability to different contexts (Bhuian, 1998; Deshpandé & Farley, 1998b). Both MARKOR and MKTOR have been criticized as having numerous drawbacks including small samples used in scale development, average accuracy in validity and reliability, and limited generalization for different cultures (Pandelica et al., 2009). Therefore, many researchers have attempted to modify the two scales across to adjusted models thus enhancing their usefulness. Ruekert (1992) extended the two scales from a strategic perspective. Cadogan and Diamantopoulos (1995) integrated them to fit the characteristics of multinational companies. Lado, Maydeu-Olivares, and Rivera (1998) lengthened the scale to 36 items in 9 constructs to increase generalizability. Deshpandé and Farley (1999) shortened the MARKOR scales to 10 items and Farrell and Oczkowski (1997) reduced the MKTOR scales to 8 items to increase the ease of usage. Modi (2012) revised the MARKOR scale solely to develop a proprietary scale for non-profit organisations. Other researchers integrated components such as learning orientation, environment orientation, innovation and employee orientation into the measurement of market orientation to fit their context of studies. Nevertheless, MARKOR and MKTOR scales remain the most commonly adopted measurements of market orientation since their development (Pandelica et al., 2009).

2.2.2 Market orientation and non-profit organisational performance

Empirical research has verified a positive relationship between market orientation and organisational performance measured by sales, market share and profitability in various contexts, since the introduction of two major market orientation measurement scales discussed above, MARKOR and MKTOR (Pandelica et al., 2009). Organisational performance is a significant consequence of market orientation in companies of different sizes (Jaworski & Kohli, 1993; Pelham & Wilson, 1996); of different industry types such as production, service, industrial and consumer goods (Bhuian, 1998; Cano, Carrillat, & Jaramillo, 2004; Kirca et al., 2005); and in developed and developing countries (Dolnicar & Lazarevski, 2009; Modi & Mishra, 2010). Apart from a small number of exceptions, most of the studies have confirmed that market orientation enhances organisational performance in various contexts, regardless of organisation size, type of industry, geographic location and whether or not it occurs in a developed or developing country (Pandelica et al., 2009). Consequently, researchers began to study how to facilitate the adoption of market orientation to improve organisational performance including market orientation antecedents and consequences (Cervera et al., 2001; Kirca et al., 2005); moderating factors (Cano et al., 2004; Kumar, Subramanian, & Yauger, 1998); a methodology to measure market orientation (Harris, 2002; Pandelica et al., 2009) and limitations in market orientation implementation (Harris, 2002; Jaworski & Kohli, 1993).

Shortly after market orientation indicated enhanced organisational performance of for-profit companies, researchers began to examine its relevance in non-profit organisations. Academic studies confirmed the same positive relationship between market orientation and organisational performance in various non-profit sub-sectors including education, charities, healthcare, youth centres and the public sector (Balabanis et al., 1997; Bennett & Sargeant, 2005; Bower, 2002; Brady et al., 2011; Cervera et al., 2001; Chan & Chau, 1998; Gonzalez, Vijande, & Casielles, 2002; Kara, Spillan, & DeShields, 2004; Modi & Mishra, 2010; Pinho & Macedo, 2006; Sargeant, Foreman, & Liao, 2002; Shoham et al., 2006; Zhou, Chao, & Huang, 2009).

However, when researchers attempted to study non-profit performance improvement through the adoption of marketing strategies, the measuring of organisational performance was found to be difficult (Rey García et al., 2013). This is because, firstly, measuring and reporting the performance of non-profit organisations is complicated because "non-financial objectives," as one of the unique characteristics of non-profit organisations, is difficult to quantify (Gallagher & Weinberg, 1991; Sargeant et al., 2002). The mission-related influence of non-profit organisations (such as raising the awareness of green living to minimize the impact of global warming) is sometimes intangible, which makes the measuring of performance difficult (Mano, 2010). Secondly, measuring organisational performance as a performance comparison between different non-profit sub-sectors can be misleading and unrealistic (Ebrahim & Rangan, 2010). In the commercial world, financial indicators such as sales growth or profitability can conveniently compare the organisational performances of different industries or sectors. Kanter and Summers (1987) point out that some charities should measure short-term and immediate outcomes (such as the number of blood donors for blood transfusion services), whereas some should focus on long-term impacts (such as poverty alleviation in developing countries or movements to enhance female education opportunities in the Middle East) (Ebrahim & Rangan, 2010). Thirdly, Rey García et al. (2013) observe that non-profit organisations often have inadequate resources, skills and knowledge to conduct performance measurement and evaluation. That is, most non-profit organisations do not have systematic or readily available records of performance and are, thus, unable to communicate their organisational performance effectively to their donors to influence their charity selection (Van Iwaarden, Van der Wiele, Williams, & Moxham, 2009). Therefore, researchers have chosen to focus on the adoption of market orientation to enhance a non-profit fundraising performance that is measurable, comparable and vital to the financial viability of non-profit organisations (Mano, 2010; Pope et al., 2009; Sargeant & Shang, 2010).

2.2.3 Market orientation and non-profit fundraising performance

Fundraising effectiveness is a quantifiable and comparable performance indicator that is utilised to study the relevance of market orientation among non-profit organisations: various non-profit marketing empirical research studies that have been conducted in different countries endorse the positive relationship between market orientation and fundraising performance (Chad et al., 2013; Dolnicar & Lazarevski, 2009; Ellis, 2006; Levine & Zahradnik, 2012; Pope et al., 2009; Rey García et al., 2013). Therefore, owing to the fierce competition in funding and donations among non-profit organisations, marketing scholars advocate the use of marketing techniques to improve fundraising performance. Andreasen and Kotler (2008) claim that fundraising has reached a marketing orientation in its development and it is no longer about raising money based on the philanthropic motives, but rather as understanding and meeting the needs of donors and potential donors. Consequently, recent non-profit marketing research focuses on facilitating the adoption and operationalization of marketing strategies among non-profit organisations to enhance fundraising effectiveness (Andreasen, 2012; Chad et al., 2013; Pope et al., 2009).

Many non-profit organisations regard effective fundraising as the ability to motivate individuals to make a charitable donation through marketing or fundraising activities (Weinstein, 2009). Based on over 500 scholarly journals relating to charity donations, Bekkers and Wiepking (2011) summarize the reasons why people donate money to charities into eight drivers: "awareness of need; solicitation; costs and benefits; altruism; reputation; psychological benefits; values; and efficacy" (p. 1). However, enhancing the motivation of making charitable donations among donors does not benefit all charities alike (Bennett, 2003). For example, an awareness of the need to help elderly people in the community will not motivate donors to give charitable donations to all elderly homes.

As non-profit organisations are competing for limited donations and donors are readily able to switch their donations to other organisations, it is important to study beyond what motivates people to give charitable donations. Traditionally, non-profit practitioners have concentrated on short-term immediate fundraising results that utilize the transactional approach to collecting funds. Therefore, Sargeant (2001) argues that non-profit organisations should embrace strategic fundraising that concentrates on influencing donors' choice of charities to enhance their loyalty to the organisation. Tschirhart (2006) affirms that long term donors and members are crucial to providing non-profit organisations with stability in income and stronger advocacy for social and environmental causes. Thus, strategic fundraising research aims to study how to transform episodic and irregular donors into long-term regular members of and donors to the charities (Bennett & Barkensjo, 2005; Gardner, 2013; Knox & Gruar, 2007; Paswan & Troy, 2004; Waters, 2008). Since the strategic fundraising approach focuses on enhancing donors' longevity to organisations through the maintenance of a relationship with donors (Sargeant, 2001), it resembles relationship marketing very closely (Bennett, 2005; Helfert, Ritter, & Walter, 2002). The next section explicates the effect of relationship marketing on donors' longevity and long-term financial viability for non-profit organisations.

2.2.4 Relationship marketing and fundraising

Relationship marketing (or relational marketing) is the concept of meeting organisational objectives through establishing, maintaining, and enhancing a relationship with stakeholders (Gronroos, 1994). Waters (2008) emphasizes that "the best predictor of future charitable giving is an individual's previous history of giving" (p. 78) and recommends that a non-profit fundraising department invest in donor relations. Specifically, non-profit organisations that have a proactive relationship marketing program with their donors evidence more loyal, generous and frequent donors (Bennett & Barkensjo, 2005; Waters, 2009). Brennan and Brady (1999) recognise that relationship marketing is highly relevant to the non-profit sector because long-term connections with donors and beneficiaries provide steady funding support to organisations. As well as long-term donors, Gronroos (1990) indicated that beneficiaries may become donors or supporters of organisations through the cultivation of long-term connections.

To ensure longevity for their organisations, non-profits should implement relationship marketing through strategic marketing techniques including understanding donors' needs and motivations in order to gain effective segmentation and communications (Pyne & Robertson, 1997). Ineffective relationship marketing cripples the recruitment, longevity and generosity of donors and, hence, negatively impacts fundraising performance (Bennett & Barkensjo, 2005; Waters, 2008). Although most non-profit organisations use basic relationship marketing tactics such as targeted direct mail for fundraising (Bennett & Gabriel, 1998; Brennan & Brady, 1999; Voss & Voss, 1997), Bennett (2006) has revealed that non-profits are not aware of the importance of relationship marketing for fundraising effectiveness. In light of this, Rey García et al. (2013) propose that relationship marketing strategies are indispensable to any fundraising-related marketing study. This research addresses non-profit market orientation in Hong Kong, which is appropriate, as Ambler (1994) indicates that relationship marketing should be an integral part of any marketing strategy in the Chinese context.

Since one of the intended outcomes of market-oriented fundraising strategies is to enhance non-profits' effectiveness in generating funding resources from donors, the next section explains the linkage of non-profit market-orientation with resource dependence theory.

2.3 Resource dependence theory and its links to non-profit fundraising

Non-profit organisations rely on "resource providers to support their mission-related work," resource dependence theory explains the mechanisms of funding strategies adopted by non-profits (Froelich, 1999, p. 247). Firstly, Section 2.3.1 briefly reviews the resource dependence theory. Then, Section 2.3.2 presents the major non-profit funding strategies that have evolved to manage financial resource dependence. Lastly, Section 2.3.3 summarizes theoretical assertions from various academic disciplines regarding fundraising effectiveness, and explains the linkage with market orientation theory.

2.3.1 Resource dependence theory

Resource dependence theory suggests that an organisation, as an open system, depends on external resources, including financial, physical, and information resources, for survival (Pfeffer & Salancik, 1978). As organisations engage in interchange with the environment in an open system (Buckley, 1967), the ability to acquire and maintain sufficient resources from the environment is crucial to survival (Pfeffer & Salancik, 1978). Froelich (1999) explains that the importance, concentration, scarcity and uncertainty of resources determine the degree of dependence experienced by an organisation. Hodge and Piccolo (2005, p. 171) state that "privately funded agencies were less vulnerable to economic shock than externally funded agencies" and provide support for assertions of resource dependence theory in the non-profit sector. Therefore, the reliance of non-profits "on the external environment for financial support exposes them to resource dependence and the possibility of external control" (Mitchell, 2014, p. 69). Since non-profit organisations depend largely on external funding providers to maintain financial viability and to support mission-related activities, continual change in the environment has induced evolving non-profit funding strategies to manage resource dependence (Hodge & Piccolo, 2005; Kay-Williams, 2000; Mitchell, 2014; Saunders, 2013). The next sub-section discusses various funding strategies that non-profit organisations utilize to acquire and maintain financial resources.

2.3.2 Resource dependence and sources of non-profit funding

To manage resource dependence and maintain financial viability, non-profit organisations have a critical need, via the fundraising department, to acquire and maintain adequate funding support (Froelich, 1999). Pfeffer and Salancik (1978) affirm that effective organisations should recognize and maintain alternative sources of funding providers to combat resource dependence. The major approaches to funding management include private contributions, government funding and commercial sources of revenue (Froelich, 1999; Hodge & Piccolo, 2005; Kay-Williams, 2000; Mitchell, 2014; Sargeant & Jay, 2009; Saunders, 2013).

Private contributions is a traditional source of funding that includes individual and business donations (Froelich, 1999). Saunders (2013) explains from a historical perspective that many religions advocate charitable giving to help the people and community in need. Due to moral obligations and religious doctrine, the general public donates money to various beneficiaries through religious non-profits (Bremner, 1994). Sargeant and Jay (2009) state that many non-religious charities continue to follow the approach of religion-oriented fundraising by promoting the virtues of charitable donations in return for a peaceful mind and a better world. However, owing to intense competition for individual donations associated with increasing uncertainty about the maintenance of stable funding resources (Froelich, 1999), non-profit organisations have diversified their strategies to business-oriented fundraising (Sargeant & Jay, 2009, p. 6). Saunders (2013) links business-oriented funding with the solicitation of funding from corporations and philanthropists, through building and managing stronger relationships with these key benefactors. As business fundraising focuses on soliciting donations from business and philanthropists, many researchers have been studying the benefits and limitations of fundraising by social venture capitalists, philanthrocapitalists and social entrepreneurs (Bishop & Green, 2010; Edwards, 2008; Reis & Clohesy, 2001; Wagner, 2002). Although business-oriented fundraising provides non-profit organisations with financial stability (Wagner, 2002), non-profit practitioners are sceptical about the rising influence of benefactors on organisational governance, performance measurement and the distribution of fundraising revenue (Edwards, 2008; Sargeant & Jay, 2009). Thus, individual donations have continued to be an important part of private contribution funding strategies (Kay-Williams, 2000). In Hong Kong, individual donations account for 61% of the total annual charitable donations, while business donations add approximately 30% to this (HKIRD, 2013, p. 49).

Government grants are another common source of funds for non-profit organisations (such as health care, social service and education) that support their socially valued programs (Anheier, Toepler, & Sokolowski, 1997; Froelich, 1999). Although government funding provides lower revenue volatility, scholars criticise the fact that non-profit organisations that are financed predominantly by government funding suffer substantially reduced administrative autonomy (Chavesc, Stephens, & Galaskiewicz, 2004; Payne, 1998; Verschuere & De Corte, 2014).

Therefore, non-profit organisations have extended their funding sources to incorporate a commercial approach with greater organisational flexibility (Saunders, 2013). A commercial source of revenue is an income generation strategy that uses commercial activities such as selling products and services to customers (Bennett & Sargeant, 2005; Mottner & Ford, 2005). The benefits of a commercial income includes self-sufficiency and the financial ability to attract and retain staff (Guo, 2006). Although the commercial funding strategy offers the least revenue volatility (Carroll & Stater, 2009), Dees and Anderson (2003) argue that commercial activities have a negative influence on organisational image and mission accomplishment. This is because as customers become the primary resource provider, non-profit organisations are distracted by commercial activities that are irrelevant to mission and service delivery (Weisbrod, 1998). In contrast to this, Froelich (1999) recognizes that the popularity of commercial funding sources is consistent with resource dependence theory as non-profits continue to “modify the locus of their dependence and develop alternative sources of funding” (p. 249).

However, while different funding strategies have advantages and disadvantages, non-profit organisations continuously evolve their strategies to the resource environment to manage their resource dependencies (Pfeffer & Salancik, 1978). Since many non-profit organisations have a high level of reliance on traditional funding sources from individual and business donations (Froelich, 1999), this study focuses on fundraising from private contributions of funds. Therefore, the next sub-section details major fundraising approaches that aim to effectively solicit funding support from private contributions.

2.3.3 Major fundraising approaches of private contributions

As non-profit organisations face increasing competition for individual donations, scholars of various disciplines have postulated different fundraising approaches to cope with resource dependence and financial uncertainty (Weinstein, 2009). In a quest to determine what might influence the donation preferences and longevity of individual donors, Van Iwaarden et al. (2009) have imputed individual donation decisions to non-profit organisational performance. Similarly, business donors also demand measurable results to quantify their social investment (Letts, Ryan, & Grossman, 1997; Van Iwaarden et al., 2009). Therefore, to assist non-profits to effect private contributions, business and social sciences scholars have identified different approaches that enhance non-profit organisational and fundraising effectiveness (Weinstein, 2009; Weisbrod, 1998).

Firstly, management scholars advocate enhancing fundraising performance through: effective corporate governance (Mueller, Williams, Higgins, & Tou, 2005); leadership and management (Carver, 2006; Hodge & Piccolo, 2005); organisational value creation (Moore, 2000); learning orientation (Calantone, Cavusgil, & Zhao, 2002; Mahmoud & Yusif, 2012); and innovation (Hull & Lio, 2006; McDonald, 2007). Secondly, accounting scholars propose performance measurement tools to evaluate mission accomplishments and escalate non-profits' organisational performance (Kaplan, 2001; Ritchie & Kolodinsky, 2003). Thus, the primary research aims of most management and accounting studies have a propensity to enhance non-profit organisational performance, but these approaches are also direct and resource demanding (Letts et al., 1997; Van Iwaarden et al., 2009). On the other hand, the social sciences and marketing approaches appear to associate directly with fundraising effectiveness (Kay-Williams, 2000). Social sciences scholars posit that an understanding of donation motivation (Bekkers & Wiepking, 2011); revenue diversification (Carroll & Stater, 2009); strategic positioning and mission communication (Frumkin & Kim, 2001); and effective donor communication (van

Leeuwen & Wiepking, 2013) contribute to non-profit fundraising success. Writing from a social sciences perspective, Kay-Williams (2000) asserts that non-profit organisations use various marketing tools such as advertising, direct mail or telemarketing to reach the general public in order to educate them about social causes and charitable giving.

Marketing scholars have promoted a market-oriented approach (the use of marketing techniques) to non-profit fundraising since the 1960s (Kotler & Levy, 1969). Thereafter, there has been an increasing interest among marketing scholars in researching the enhancement of non-profit organisational and fundraising performance through the implementation of marketing concepts (Kotler, 2005; Rey García et al., 2013; Sargeant et al., 2002; Shoham et al., 2006). This movement has been signified by the rising number of non-profit marketing research articles being published in marketing journals, such as the European Journal of Marketing and the Journal of Marketing (Pope et al., 2009). In a study of the relationship between resource dependence and market orientation in non-profit organisations, Macedo and Pinho (2006) verify a significant relationship between resource dependence and organisations' market-oriented revenue strategies. However, although researchers assert ceaselessly that marketing techniques effect non-profit fundraising performance in various contexts (Chad, 2013), non-profit scholars and practitioners are dubious about non-profit market orientation (Dart, 2004; Eikenberry & Kluver, 2004). Therefore, the next section discusses the arguments for and against the implementation of marketing concepts in the non-profit sector.

2.4 Debates relating to non-profit market orientation

Although empirical studies have demonstrated that market orientation enhances the organisational and fundraising performance of non-profit organisations, most non-profit organisations are "organisational-oriented" than "market-oriented" (Dolnicar & Lazarevski, 2009; Rey García et al., 2013). The major obstacle to non-profit market orientation has been the opposition to operating non-profit organisations like businesses or to adopting business practices, such as marketing, in the non-profit arena (Andreasen, 2012; Bush, 1992; Dart, 2004; Dees & Anderson, 2003; Mano, 2010; Sanders, 2012). The following sub-sections details the debates on the implementation of business and marketing concepts developed in the for-profit arena in the non-profit sector. Section 2.4.1 presents the arguments for and against non-profit organisations operating like businesses. Next, Section 2.4.2 extends this discussion to the necessity of marketing for non-profit organisations based on the propensity to practice business skills. Lastly, although marketing scholars postulate that marketing techniques enhance the organisational and fundraising performance of non-profits, Section 2.4.3 explains the debates concerning the relevance of for-profit marketing strategies to non-profit organisations.

2.4.1 Should non-profit organisations be businesslike?

The debate as to whether non-profit organisations should practice "marketing" originated from a higher order question of whether non-profit organisations should be "business-like" in operation (Dart, 2004; Drucker, 1989; Kotler, 2005; Kotler & Levy, 1969; Sanders, 2013; Weisbrod, 1998). Those scholars who are against non-profit organisations being businesslike, have warned that an unconditional espousal of business ideology in non-profit organisations will be devastating as non-profit commercialization adversely affects non-profits in their pursuit of social mission (Bush, 1992; Eikenberry & Kluver, 2004; Sanders, 2012). Bush (1992) claims that, although non-profits should learn from business, there are inherent dangers in blindly believing that non-profit organisations must become business-like. Eikenberry and Kluver (2004) argue that "the outcome of adopting the values and methods of the market to guide management and service delivery is the potential deterioration of the distinctive contributions that non-profit organisations make to creating and maintaining a strong civil society" (p. 133). Empirical studies have also found that the adoption of a business ideology in many non-profit organisations has resulted in internal and external conflict, organisational dysfunction and distraction from mission-based work (Eikenberry, 2009; Ruud, 2000).

While the opponents of non-profit commercialization believe that non-profits should be detached from "market" operation because of their "societal role" (Shoham et al., 2006), scholars supporting the business-like imperative affirm the increasing expectation for non-profits to operate using business methods in a market economy (Brainard & Siplon, 2004; Dart, 2004; Dees & Anderson, 2003; Knutsen, 2013; Tuckman, 1998; Weisbrod, 1998). Tuckman (1998) states that it is imperative for non-profit organisations to commercialize and use for-profit business skills to accomplish their charitable missions while "non-profits compete with for-profit organisations in selling goods and services" as an alternate source of income (p. 177). Therefore, the distinction between for-profit companies and non-profit organisations has become blurred and the essential character of non-profits is changing (Tuckman, 1998). As the debates continue, Dees and Anderson (2003) have found that many non-profit organisations have been attempting to be "more cost-effective and sustainable to address social problems and deliver socially important goods" (p. 16) using business methods and structures. Drucker (1989), the renowned management scholar, avers that:

> "Management was a dirty word for those involved in non-profit organisations. It meant business, and non-profits prided themselves on being free of the taint of commercialism and above such sordid considerations as the bottom line. Now most of them have learned that non-profits need management even more than business does, precisely because they lack the discipline of the bottom line. The non-profits are, of course, still dedicated to 'doing good.' However, they also realize that good intentions are no substitute for organisations and leadership, for accountability, performance, and results. Those require management and that, in turn, begins with the organisations' mission" (p. 88).

As non-profits are becoming a hybrid form of organisation "paired with a community base and a not-for-profit identity" but also competing for survival in a market economy, the adoption of business practices seems to be "the inevitable corollary of their inadequacy of the value-based self-sustaining mechanism" (Knutsen, 2013, p. 1001). However, Brainard and Siplon (2004) believe that "non-profit organisations must constantly struggle with the extent to which they are to emphasize their role as efficient and competitive economic actors or their role as institutions important to democracy" (p. 436). Therefore, non-profit practitioners should observe the "mission-market tension" in the espousal of business ideology in non-profit organisations (Sanders, 2012, 2013). Even though non-profits could benefit from the practice of business skills, such as leadership and management, it is questionable whether marketing skills are necessary for non-profit organisations (Dart, 2004). Thus, marketing scholars have been attempting to address the "mission-market tension" in the application of marketing strategies among non-profit sectors (Chad, 2013; Pope et al., 2009). The next section extends the discussion to the necessity of marketing in the non-profit sector.

2.4.2 Is marketing necessary for non-profit organisations?

As an extension of the "business-like" dilemma, non-profit organisations also face "marketing-like" problems (Kotler, 2005). Although empirical research affirms that non-profit market orientation improves organisational and fundraising performance (Chad et al., 2013; Pope et al., 2009; Shoham et al., 2006), non-profit decision makers or influencers, such as donors and stakeholders, often dispute the need for marketing for their organisations (Andreasen & Kotler, 2008; Rey García et al., 2013). Eikenberry and Kluver (2004) argue that "marketization" in the non-profit sector is conceptually wrong, as it will cause the deterioration of the distinctive roles and contributions of non-profit organisations to civil society. Some non-profit organisations perceive marketing as a "bad thing", because it stimulates unnecessary consumption through manipulating people's mindset and, thus, clashes with the noble work of non-profit organisations (Bruce, 1995; Dolnicar & Lazarevski, 2009). Religious organisations are also strong opponents of the use of marketing for fear of polluting their "sacred mission and goals" (Kotler, 2005). In addition, non-profit organisations have limited autonomy in funding and resources allocation in the presence of influential stakeholders (Mano, 2010; Pope et al., 2009). Stakeholders of non-profit organisations, including beneficiaries (or customers/clients), volunteers, patrons, donors, board members, trustees, committee members, the government, general public, politicians, partners, competing organisations and internal staff have a complex interplay in organisational decisions (Dolnicar & Lazarevski, 2009; Gonzalez et al., 2002; Knox & Gruar, 2007). Therefore, an understanding of market orientation and the perception of its relevancy to non-profit influencers and decision makers also play a crucial role. Influencers such as individual and corporate donors often underplay the importance of marketing and regard marketing expenses as an ineffective use of funding (Bennett & Savani, 2004; Helmig et al., 2004). It can be a major hurdle for many non-profit organisations to obtain funding from donors for marketing activities beyond fundraising or educational programs (Pope et al., 2009). At a time when stakeholders are doubtful of the necessity for marketing, non-profit organisations are compelled to sacrifice market orientation to maintain stakeholders' support (Mano, 2010).

However, the perception that non-profit organisations do not need or should not use marketing evolved from a limited understanding of what marketing really is

(Andreasen & Kotler, 2008, p. 42; Gonzalez et al., 2002). Factually, there is misuse of marketing practices such as deceptive promotion, product and pricing; high-pressure selling; and misleading advertising that cultivates materialism and cultural pollution in society (Kotler et al., 2012). However, studies have demonstrated that the use of marketing concepts is beneficial to non-profit organisational and fundraising performance (Andreasen & Kotler, 2008; Arnold & Tapp, 2003; Bennett, 1998; Brady et al., 2011; Chad, 2013; Dart, 2004). It is unfortunate that the lack of a comprehensive understanding of the marketing concept suffocates the need for recognition of market orientation, thus jeopardizing the fundraising performance of non-profit organisations. As witnessed by the success of marketing orientation in the non-profit areas such as education and health care, many non-profit organisations have started to incorporate marketing practices to draw beneficiaries, stimulate donations, build membership and strengthen their social and political influence (Kotler, 2005). However, Kotler (2005) alleges that many non-profit organisations still avoid describing their activities as "marketing" activities and name the responsible department as "development" or simply "fundraising", based on the opposition and a fear of marketing. One of the many notable examples of this is the recent recruitment of a "Development Director" byWWF (2013) (an international organisation focusing on environmentalism and ecology) in Hong Kong. The job specification in the recruitment advertisement stated, "the Director of Development leads the Marketing, Fundraising and Communications Department to …… growth in revenues and supporter numbers, brand recognition and oversee …… corporate messages to a broad range of markets" (WWF, 2013). The nature of the position relates to the formulation and implementation of marketing strategies and potential applicants were required to be veteran marketers. Yet, the position has been named "Development Director" instead of "Marketing Director," illustrating the tension between the perceived need and the mindset to fully embrace marketing in non-profit organisations such as WWF. To address the "mission-market tension" for non-profits so that they might pursue their social missions in a market economy (Sanders, 2013), Andreasen (2012) posits that non-profit marketing cannot be simply considered to be a direct adoption of for-profit marketing practices in the non-profit world. The next section provides discussion regarding the relevance of marketing strategies to the non-profit arena.

2.4.3 Are for-profit marketing strategies applicable to non-profit organisations?

Along with the growing recognition of non-profit market orientation, the implementation of traditional marketing strategies in the non-profit arena is dubious (Andreasen, 2012; Andreasen & Kotler, 2008; Chad, 2013; Dart, 2004; Pope et al., 2009; Sanders, 2012). Although marketing techniques are proven to drive non-profit organisational and fundraising performance effectively (Cervera et al., 2001; Gonzalez et al., 2002; Macdonald & Sharp, 2003; Shoham et al., 2006), Sargeant et al. (2002) disputes the non-profit application of effectual marketing concepts developed ostensibly for and in for-profit corporations. Yorke (1984) claims that the influence of consumer behaviour in the non-profit context through a marketing mix (product, price, place and promotion) is limited. It is unfeasible for non-profit organisations to adjust their products or services to better meet the requests of customers as this might clash with their missions and the expectations of multiple stakeholders (Blery, Katseli, & Tsara, 2010; Yorke, 1984). In terms of pricing, non-profit organisations cannot adjust service pricing frequently, based on market demand, as pricing is often voluntary (Blery et al., 2010; Dolnicar & Lazarevski, 2009). Likewise, non-profit organisations have limited control over distribution due to resources and budget limitations (Blery et al., 2010; Dolnicar & Lazarevski, 2009).

However, scholars claim that the perception of limited autonomy in manipulating a marketing-mix is fundamentally related to a limited understanding of marketing concepts (Akchin, 2001; Andreasen & Kotler, 2008, p. 37; Bulla & Starr-Glass, 2006; Dolnicar & Lazarevski, 2009). For instance, research attests that effective marketing communications based on effective segmentation and targeting strategies generate more donation support for non-profits (Levine & Zahradnik, 2012; McDonald & Scaife, 2011; White & Peloza, 2009). However, as most non-profits have a limited understanding of communication based on effective customer segmentation (Bennett, 2003), these organisations used ineffective communication-mix to reach their beneficiaries and donors without knowing it (Arnold & Tapp, 2003). Mano (2010) reveals that traditional marketing communications tactics appear to be ineffective in non-profit organisations in soliciting stakeholders' support, mainly due to ineffective message development coupled with incorrect segmentation and targeting strategies. As "managing multiple stakeholders" is one of the unique challenges faced by non-profit organisations, it is impossible to formulate efficacious communications to different donor segments (for example, business donors and individual donors) in the absence of basic marketing strategies such as segmentation (Andreasen & Kotler, 2008; Bruce, 1995).

In addition, Blery et al. (2010) recognize that most of the staff responsible for marketing in non-profit organisations are not trained in marketing. Many non-profit organisations have social workers, activists, clerical staff or volunteers to carry out marketing activities. The lack of trained marketing personnel in these organisations might be due to a misconception among non-profit leaders and stakeholders that relates to the meaning of marketing, or simply a lack of resources and funding (Blery et al., 2010). This misconception regarding the usefulness of marketing then diminishes the motivation for non-profit organisations to acquire marketing knowledge (Andreasen & Kotler, 2008). Consequently, the lack of a comprehensive understanding of marketing knowledge within the organisations, and a dearth of capabilities to use marketing techniques, further cultivates the belief of the inapplicability of marketing in non-profit organisations (Kotler, 2005; Pope et al., 2009). As non-profit organisations indubitably need to adopt marketing and become competent to use marketing concepts to drive organisational and fundraising success, empirical studies have been conducted to assist non-profit organisations to adopt market orientation and improve performance (Chad et al., 2013). Moreover, Andreasen (2012) espoused that:

> "…non-profit and social marketing represent the most complex and difficult contexts in which marketing activities are carried out and that the appropriate classification of commercial applications is (only) one simplified variety of this complexity, principally the sales of products and services" (p. 36).

As for-profit marketing strategies are not unconditionally applicable to non-profit organisations, researchers have tried to provide solutions for non-profit organisations appropriate to their cultural context and non-profits landscape such that they can use marketing techniques for better organisational and fundraising performance (Balabanis et al., 1997; Bennett, 1998; Brady et al., 2011; Bulla & Starr-Glass, 2006; Cousins, 1990; Dolnicar & Lazarevski, 2009; Pope et al., 2009; Rey García et al., 2013). In the same way that the marketing discipline has evolved over time, non-profit organisations also have to incorporate new marketing techniques (such as services marketing, brand marketing, relationship marketing, social marketing, online marketing and social media marketing) into fundraising (Andreasen, 1994; Arnett, German, & Hunt, 2003; Berry & Parasuraman, 1993; Gronroos, 1994; Kay-Williams, 2000; Waters, Burnett, Lamm, & Lucas, 2009). However, as market-oriented fundraising approaches involve positioning donors central to the non-profit organisations as important stakeholders, non-profit organisations have to reconfigure the organisational structure and manpower arrangement to implement the concept of putting the donors first (Kay-Williams, 2000). Therefore, organisation and marketing strategies require cultural adaptation (Harris, 2002; Kirca et al., 2005). The next section elucidates the research problem as it relates to the fact that there has been no prior study on fundraising-related market orientation among non-profit organisations in Hong Kong.

2.5 Research problem

2.5.1 Empirical research of non-profit market orientation and fundraising performance

Non-profit organisations and their organisational performance effectiveness are of growing importance and focus (Andreasen & Kotler, 2008; Pope et al., 2009). In addition, the drastic increase in the number of non-profit organisations also poses increasing challenges for these same organisations to compete for funding and resources, which has forced them to find ways to improve their fundraising effectiveness (Bower, 2002; Carroll & Stater, 2009; Wagner, 2002; Weinstein, 2009). Although research illustrates that the implementation of market orientation contributes to better organisational and fundraising performance of non-profit organisations in different countries (Balabanis et al., 1997; Blery et al., 2010; Dolnicar & Lazarevski, 2009; Gonzalez et al., 2002; Shoham et al., 2006), non-profit organisations find the transition to market orientation to be difficult. The greatest challenge is the lack of knowledge in using marketing techniques that are prevalent in the non-profit arena (Chad, 2013; Pope et al., 2009). To facilitate the adoption of market orientation to enhance non-profit fundraising performance in Hong Kong, a local study is required because: (1) non-profit market orientation research is not extensive; (2) market orientation models validated in western countries are not transferable across cultures; and (3) any prior study of fundraising performance as a consequence of non-profit market orientation across all non-profit sub-sectors in Hong Kong is lacking.

Firstly, non-profit market orientation in academic research is limited (Andreasen, 2012) and this poses a major hurdle for non-profit organisations attempting to enhance fundraising performance through market orientation adoption. Chad et al. (2013) reports that market orientation studies are predominantly focused on for-profit companies, and only 15% of market orientation literature covers non-profit organisations. This is considered "very low" in terms of research intensity and Chad et al. (2013) avers that non-profit market orientation has not been extensively researched by academia.

Secondly, Kirca et al. (2005) concede that market orientation studies predominantly conducted in western countries are non-transferable across cultures. Meta-analyses of research on the relationship between market orientation and organisational performance from over twenty nations conclude that national culture dimensions (power distance, uncertainty avoidance, individualism, masculinity, and long-term orientation) and national economic characteristics moderate the relationship between market orientation and performance (Ellis, 2006; Kirca et al., 2005). National cultural values manifestly shape personal values (a key driver of charitable donations) and significantly influence philanthropy promotion and fundraising (Bekkers & Wiepking, 2011; McDonald & Scaife, 2011). Thus, Harris (2002) posits that market orientation constructs are not indisputably generalizable across cultural contexts even when reliable and validated research models are used. Wang (2014) studied cultural and societal influences on charitable giving and demonstrates that determinants of donations in the collectivistic culture that exists among the Chinese are different from those in the western world with its individualistic culture. Therefore, the direct application of market orientation model, that has been validated in the western countries, into other cultural contexts is not feasible (Kirca et al., 2005). Subsequently, researchers conducted studies in local contexts to operationalize the implementation of market orientation among non-profits in their countries (Balabanis et al., 1997; Brady et al., 2011; Bulla & Starr-Glass, 2006; Mahmoud & Yusif, 2012; Modi & Mishra, 2010).

Thirdly, any prior study of fundraising performance, as a consequence of non-profit market orientation across all non-profit sub-sectors in Hong Kong, is absent. As the western models are non-transferable (Kirca et al., 2005), local non-profit market orientation studies are indispensable. Based on the literature search from comprehensive databases including Proquest, EBSCOhost, Sage Journals Online from the University of Newcastle library and Google Scholar, there is no evidence of a similar study of market orientation and fundraising performance across all non-profit sectors in the Chinese context including China, Taiwan and Hong Kong. Market orientation studies conducted in Hong Kong, China and Taiwan predominantly focused on for-profit companies. Moreover, the minimal non-profit market orientation studies conducted in these countries were all limited to a single non-profit sub-sector. In China, the only internationally published non-profit market orientation study done by Zhou et al. (2009) focused on blood collection centres. However, blood collection centres are primarily funded by the China government and fundraising is irrelevant to the centres' marketing strategies (Zhou et al., 2009). The three studies published in local Chinese scholarly journals (Hu & Cai, 2009a, 2009b; Zhou, Luo, & Huang, 2008) examined construct, antecedents and consequences, excluding the implications to fundraising performance. Table 2.1 summarises details of these 4 journals of non-profit market orientation in China.

Table 2.1 Summary of non-profit market orientation studies in China

Author	Journal	Area of non-profit MO study	Aim of study	Respondents
(Zhou et al., 2009)	International Marketing Review (English)	Measurement of MO	To test a set of modified MARKOR scales used to measure market orientation and organizational antecedents in an emerging market (China)	Management in various blood collection centres in China
(Hu & Cai, 2009a)	Journal of public management (Chinese)	Measurement of MO	To verify the market orientation construct of MARKOR scales in China	223 NPOs from 2 non-profit sub-sectors (community health organization; and trade association) across Zhejiang Province in China
(Zhou et al., 2008)	Wuhan University Journal (Chinese)	Antecedents of MO	To explore the antecedences on market-orientation of non-profit organization in China	Blood collection centres in Guangdong, Zhejiang, and Xinjiang China
(Hu & Cai, 2009b)	Chinese Journal of Management (Chinese)	Consequences of MO	The impact of market orientation on performance in non-profit organizations - an empirical study under Chinese background	Top managers of 223 NPOs from 2 non-profit sub-sectors across Zhejiang Province in China

Based on literature search from databases for international and local Chinese journals, all scholarly articles citing these 4 journals did not study fundraising-related non-profit market orientation. In Taiwan, only a few non-profit marketing studies investigated donation drivers of individual donors (Lee & Chang, 2008), corporate donation behaviour (Hsieh, 2004), advertising and fundraising effectiveness (Chang & Lee, 2010) or marketing practices in a single non-profit sub-sector (Chang, 2010; Hsieh, 2010). In Hong Kong, Chan and Chau (1998) performed the only non-profit market orientation research and affirmed the positive relationship between market orientation and organisational performance in terms of target groups' satisfaction and financial resources attraction. However, this study, conducted fifteen years ago, concentrated on a single non-profit sub-sector (children & youth centres). None of the previous research studies have comprehensively explored market orientation and its implication for fundraising performance among all non-profit sub-sectors. Hence, a research gap has been identified, as no prior studies have attempted to explore how to operationalize market orientation across all non-profit sub-sectors in Hong Kong. Since market orientation constructs vary among non-profit sub-sectors (Brady et al., 2011) and national cultures (Harris, 2002; Kirca et al., 2005), there is a clear need to ascertain the effectiveness of using market orientation techniques in fundraising across all non-profit sectors in Hong Kong. The following sub-sections introduce the origins and details of the theoretical framework, research question and hypotheses in this paper which surmount the research gap of fundraising market orientation in Hong Kong.

2.5.2 Theoretical framework

This research adopts a theoretical framework of market orientation models from western studies (Bennett, 1998; Brady et al., 2011) for the purpose of theory extension and comparison across cultures. The student researcher has used the adopted theoretical framework to examine "the research problem and hypotheses arising from the body of knowledge developed" (Perry, 1998, p. 4). Since western scholars have developed reliable and validated market orientation models to access fundraising-related market orientation, "evolution from established theoretical frameworks rather than revolution will be more likely to provide long-lasting positive change" for the study of non-profit marketing in Hong Kong (Black, 1999, p. 11). This study will primarily confirm the positive relationship between market orientation and non-profit fundraising performance in Hong Kong. Furthermore, the research intends to identify fundraising related marketing behaviour to facilitate market orientation adoption and fundraising effectiveness. To examine and compare the relevance of western market orientation models in Hong Kong, the student researcher conducts a replication of studies done in the UK (Bennett, 1998) and Australia (Brady et al., 2011) for the Hong Kong non-profits. Although social science editors perceive that replication is an uncreative and unimportant process, Easley, Madden, and Gray (2013) assert that a replication study offers external validity and contributes to theory development. The findings regarding a theory or model are strengthened if studies in a variety of testing contexts display similar effects (Sternthal, Tybout, & Calder, 1987). Furthermore, Monroe (1992) advocates the need for replication as, "while replication research has not received favourable consideration over time, research that replicates and extends previous findings is nevertheless a necessary ingredient for the advancement of marketing research and is acceptable to the Journal of Consumer Research" (p. v).

As a former British colony, Hong Kong has a similar non-profit foundation to those in the UK and other former British colonies such as Australia (HKSARGovernment, 2011; Lee, 2005). Therefore, a research framework developed in the UK or other former British colonies such as Australia is relevant to Hong Kong (Brady et al., 2011). Among different types of replication studies, Easley, Madden, and Dunn (2000) explain that "close replications of a prior study are the most common form of replication research in marketing settings and are useful in testing phenomena in multiple contexts" (p. 85). In order to make a further contribution to the fundraising-related market orientation model that has been validated in western countries, this research follows a "close replication" approach by adjusting the research framework which was developed by Brady et al. (2011) for Australian charities and was replicated from the study of Bennett (1998) in the UK. This research follows the western framework closely, with minor modifications being made to bridge the research gap in the local Hong Kong context. A modification in the framework was to add relationship marketing as a moderator in the relationship between market orientation and fundraising performance; and a modification in the sampling which extended the sample of study to include all non-profit sub-sectors of all sizes. The following paragraphs detail the research frameworks in the original western studies and this is followed by an explanation of the research framework, research question and hypotheses for this paper.

The market orientation framework (Figure 2.1), as proposed by Kohli and Jaworski (1990), was chosen by Bennett (1998) in order to study market orientation among charitable organisations in the UK. In so doing, Bennett (1998) limited the scope of consequences in Kohli and Jaworski (1990) framework to fundraising performance and focused the study on the implication of market orientation among small to medium sized charitable organisations in the UK. Using the same market orientation framework (Figure 2.1) proposed by Kohli and Jaworski (1990), Bennett (1998) amended the items of the MARKOR instrument to test fundraising related market orientation behaviour among UK charities. Figure 2.2 shows the adjusted theoretical framework, as proposed by Bennett (1998).

Figure 2.1 Antecedents and consequences of market orientation (Kohli & Jaworski, 1990, Figure 1)

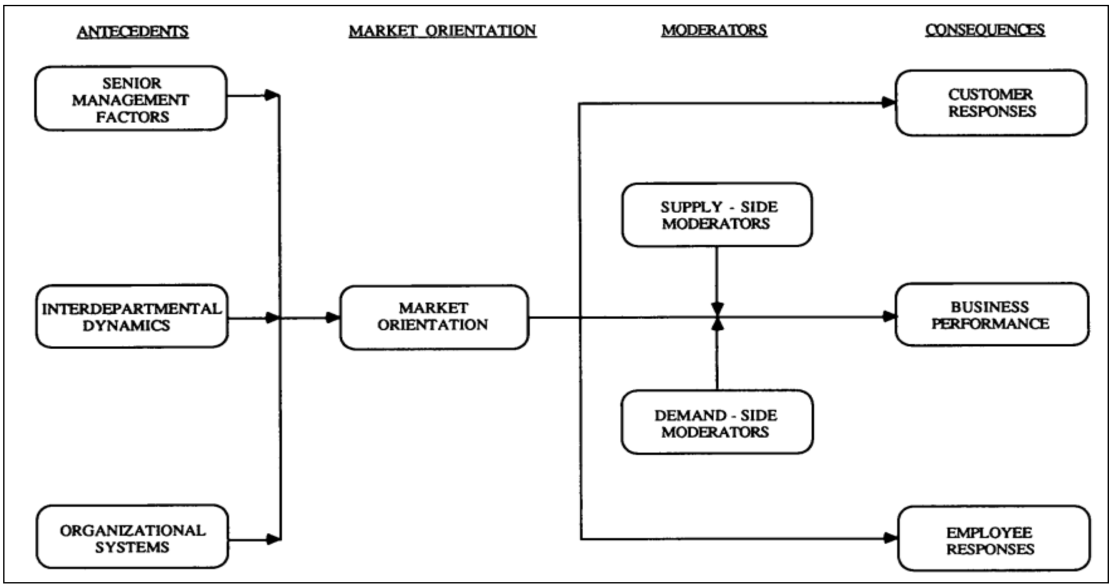
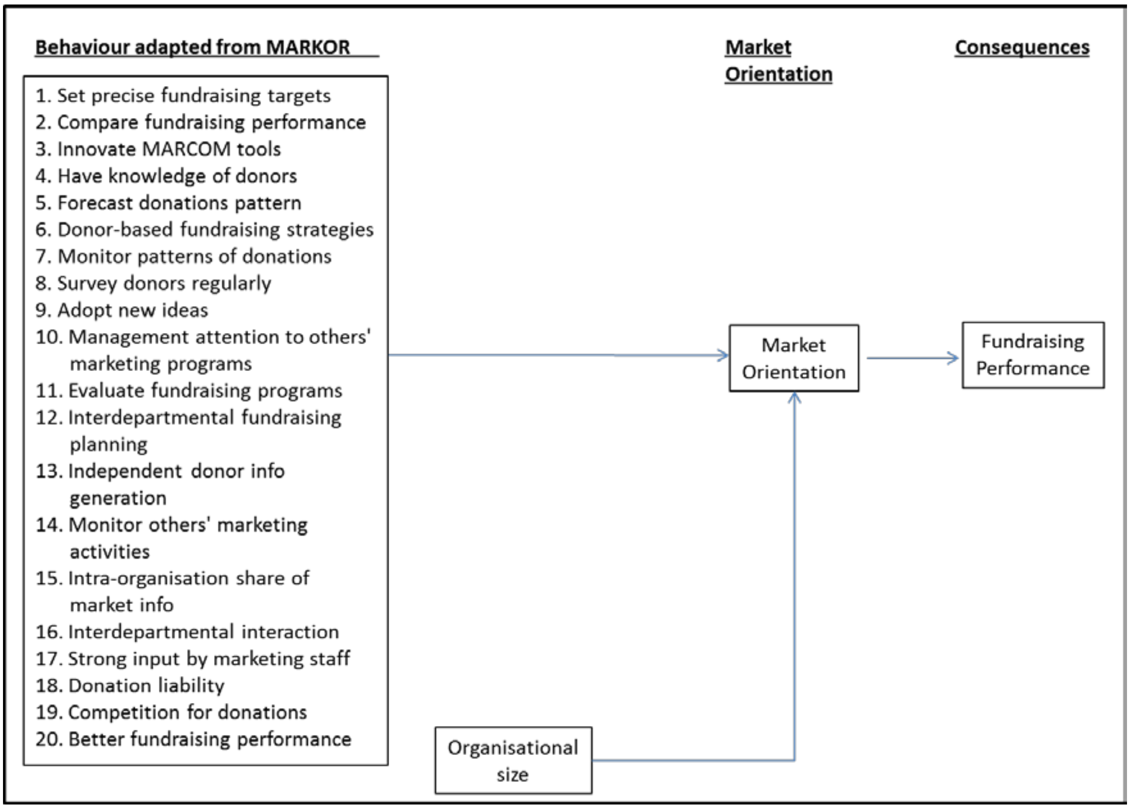
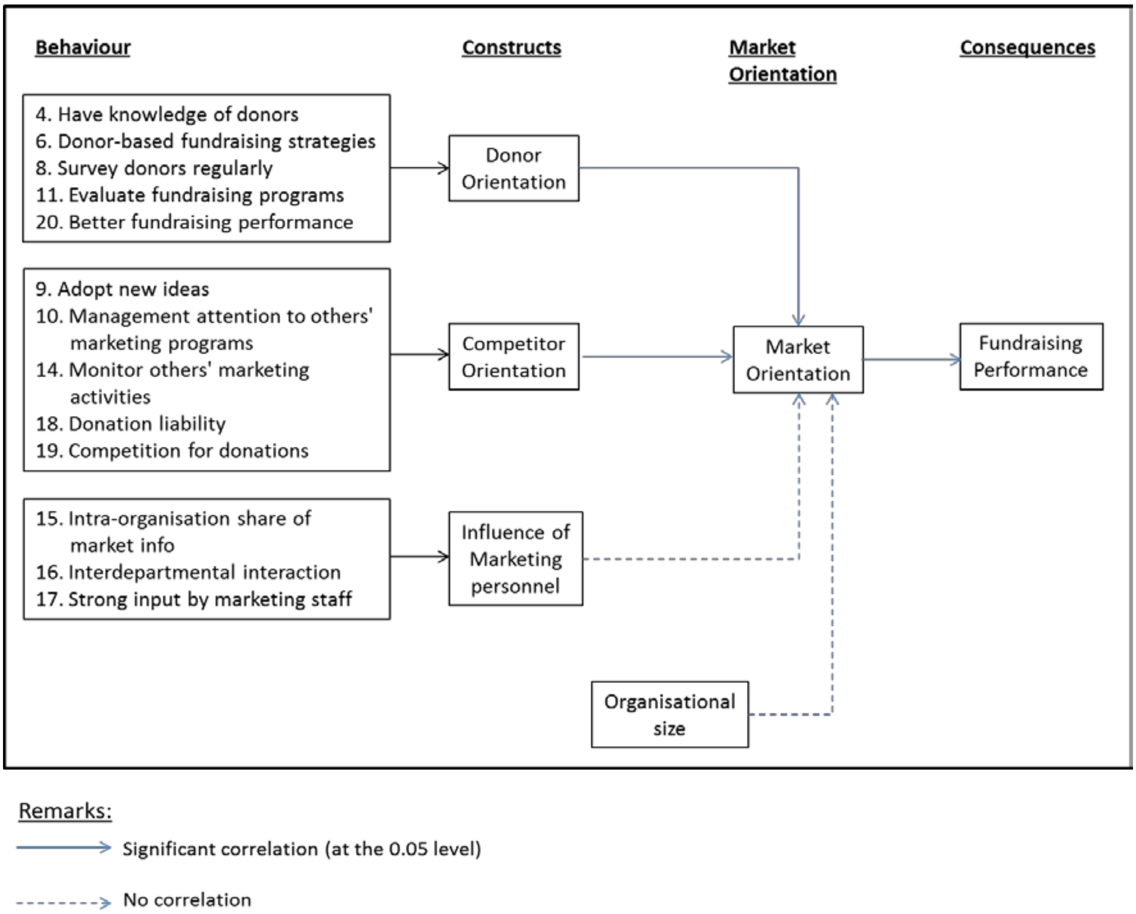


Figure 2.2 Behaviour and consequences of market orientation (theoretical UK model) (Bennett, 1998)



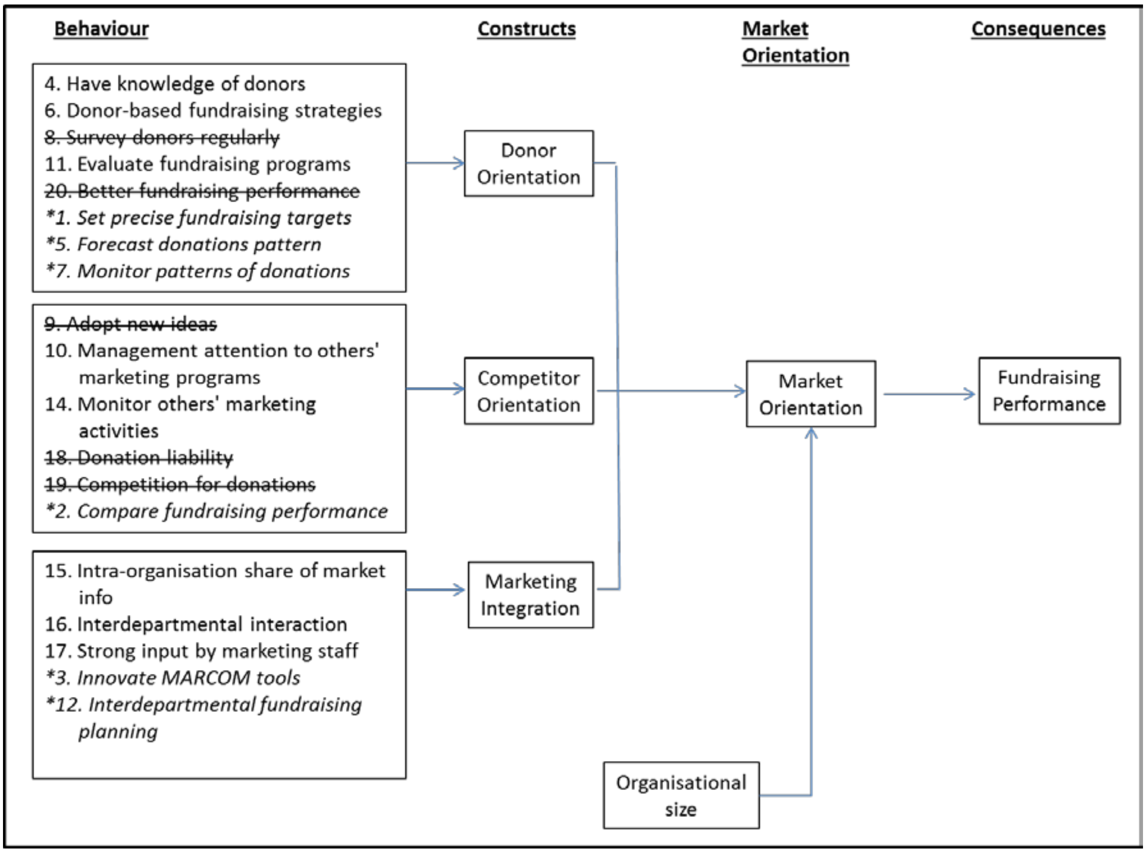
Using the results of the study, Bennett (1998) then consolidated the fundraising-related marketing behaviour into three dimensions or constructs of market orientation (donor orientation, competitor orientation and influence of marketing personnel) to better explain fundraising performance among UK charitable organisations. ‘Donor orientation’ refers to an understanding of the donors and using this knowledge to formulate fundraising programs (Waters, 2009). Bennett (2005) further defines donor orientation as “the need for an organisation to undertake regular and systematic research into donors’ requirements” (p. 465). Seminal papers advocate the value of donor orientation for fundraising success in terms of donor solicitation, donor communication, donations activation and donor loyalty (Bennett, 2005; Sargeant, 2001; Shier & Handy, 2012; Van Iwaarden et al., 2009; Waters et al., 2009). Competitor orientation refers to the collection, analysis and application of information regarding competing organisations and general competitive conditions within the non-profit arena (Simkin, 1997). Tuckman (1998) believes that non-profit organisations, such as the health care service and education providers, should also regard for-profit organisations as competitors. In relation to beneficiaries or service recipients, non-profit organisations usually collaborate rather than compete with other charities, so Chad et al. (2013) narrowed the scope of non-profit competition to the competition for resources, such as funding and volunteers. The influence of marketing personnel (or marketing integration) refers to inter-organisational coordination of marketing activities and joint decisions of fundraising activities pertaining to the understanding of donors and competition (Bennett, 2005). Scholars recognize that “market orientation is not a marketing orientation. Marketing is only a function of the business. A business is market-oriented only when the entire organisation” is involved (Slater & Narver, 1994, p. 24). Bennett (1998) demonstrates that donor and competitor orientations are significant in explaining market orientation that drives fundraising performance among small to medium sized non-profit organisations in the UK. However, the influence of marketing personnel and organisational size are insignificant in the prediction of market orientation. Figure 2.3 depicts the revised model based on the results of Bennett’s study.

Figure 2.3 Behaviour, constructs and consequences of market orientation (revised UK model) (Bennett, 1998)



Based on the findings that behaviour constituting market orientation measures varies according to national culture (Harris, 2002; Kirca et al., 2005), Brady et al. (2011) replicated Bennett's model and conducted a similar study among all non-profit sub-sectors in Victoria in order to assess the fundraising and marketing activities in Australia. The results show that the behaviour constituting various market orientation constructs in Australia is different from that in the UK. In contrast to the conclusion of Bennett (1998), Brady et al. (2011) find that organisational size is positively related to market orientation and fundraising performance. Figure 2.4 shows the revised Australian model, as identified by Brady et al. (2011).

Figure 2.4 Behaviour, constructs and consequences of market orientation (revised Australian model) (Brady et al., 2011)



Remarks:

~~Strikethrough~~ = indicates that the behaviour exists in Bennett's UK model but not in Brady's Australian model

* = new in Brady's Model

To ascertain the effectiveness of using marketing techniques for fundraising across all non-profit sectors and to identify marketing behaviour relevant to non-profit fundraising in Hong Kong, the aforementioned framework by Brady et al. (2011) will be replicated with minor modifications so as to fit the Chinese context in Hong Kong. The modified research framework for this study incorporated relationship marketing that is relevant to the Chinese context. The next section delineates the research question and hypotheses of this study and depicts the adjusted theoretical model for hypothesis testing.

2.5.3 Research question and hypotheses

The research question and hypotheses address the clear research gap in the area of non-profit market orientation and its implication for fundraising performance in Hong Kong. Owing to the absence of prior market orientation and fundraising studies across all non-profit sub-sectors, this study aims to explore fundraising-related marketing behaviour in a local Chinese context, as compared to the western market orientation models.

Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?

H1: The market orientation constructs from western models do not predict market orientation in Hong Kong:

- H1a: Donor orientation does not predict market orientation
- H1b: Competitor orientation does not predict market orientation
- H1c: Marketing integration does not predict market orientation.

H2: The marketing behaviour that contributes to various market orientation constructs is different:

- H2a: The marketing behaviour that contributes to donor orientation is different
- H2b: The marketing behaviour that contributes to competitor orientation is different
- H2c: The marketing behaviour that contributes to marketing integration is different.

Chad et al. (2013) have concluded that there are no consistent findings that show whether there is any linkage between organisational size and market orientation for non-profit organisations. Two empirical studies that were completed in the UK present contradictory results. Balabanis et al. (1997) find that large non-profit organisations are more reluctant to become market oriented, whereas Seymour, Gilbert, and Kolsaker (2006) find that small-sized non-profit organisations are less market oriented compared to large organisations. However, in the Australian study, Brady et al. (2011) show that organisational size relates positively to market orientation. An understanding of the relationship between organisational size and market orientation among non-profit organisations (Chad, 2013) will contribute to non-profit market orientation adoption in Hong Kong.

H3: There is no relationship between organisational size and market orientation:

- H3a: Organisational size in terms of number of staff does not predict market orientation
- H3b: Organisational size in terms of turnover does not predict market orientation.

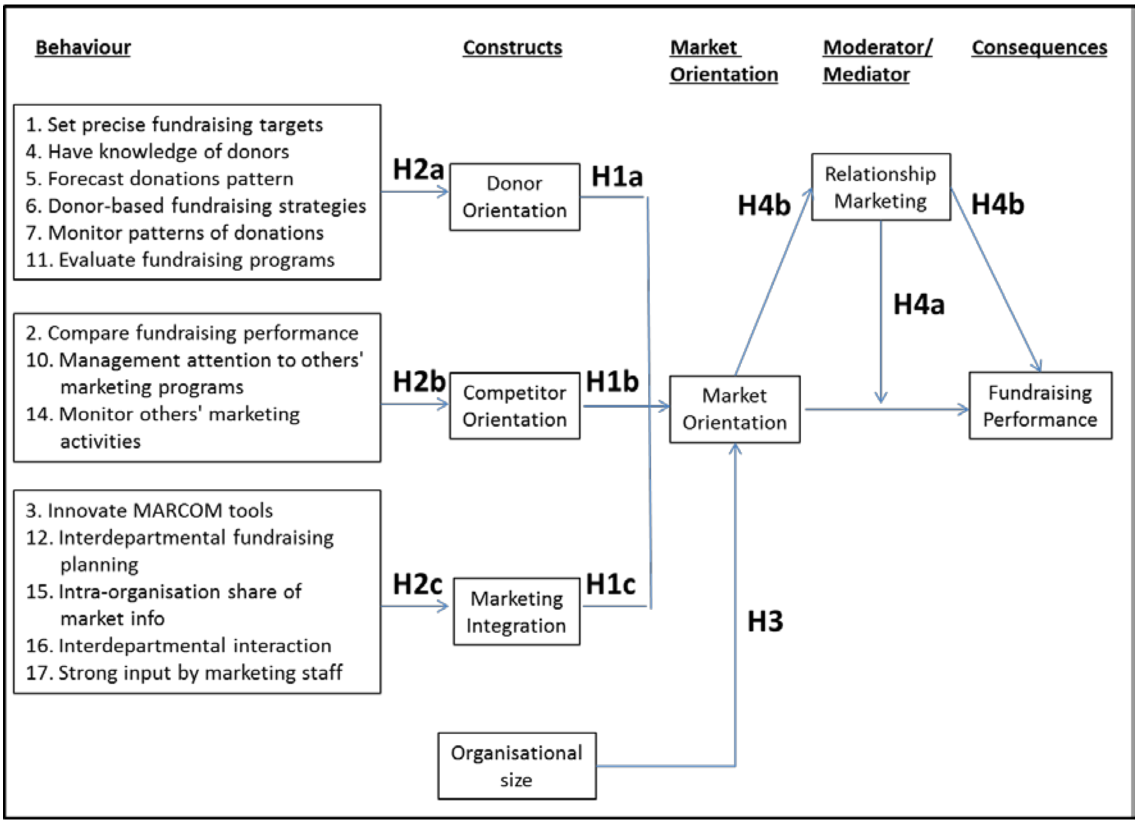
Rey García et al. (2013) propose that relationship marketing moderates the effect of market orientation on non-profit organisational performance. Since relationship marketing (or relational marketing) is central to stakeholder relationship management and funding resource solicitation in the Chinese context (Wong & Leung, 2001), exploring the moderating effect of relational marketing between the relationship of market orientation and non-profit fundraising performance will contribute to fundraising market orientation in Hong Kong.

H4: The adoption of relationship marketing by donors influences the relationship between market orientation and fundraising performance:

- H4a: Relational marketing has a moderation effect on the relationship between non-profit market orientation and fundraising performance
- H4b: Relational marketing has a mediation effect on the relationship between non-profit market orientation and fundraising performance.

Chapter 2 presented a critical review and synthesis of the extant theories and perspectives relating to the nature and evolution of the use of marketing to manage funding resource dependence in the non-profit sectors. This chapter concludes with a theoretical framework of market orientation models adjusted from the western studies for comparison. Figure 2.5 depicts the adjusted theoretical framework that is proposed to test the research question and hypotheses in Hong Kong.

Figure 2.5 Behaviour, constructs and consequences of market orientation (adjusted HK model)



The student researcher uses the theoretical framework to examine "the research problem and hypotheses arising from the body of knowledge developed" (Perry, 1998, p. 4). This research endeavours to explore marketing behaviour critical to fundraising performance across all non-profit sub-sectors in Hong Kong, and compare them against the western contexts. In the next chapter, the student researcher will explain the methodology and research design employed to examine the theoretical framework proposed in this chapter to solve the research problem:

Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?

> “Cynical observers claim that science in the traditional sense is already corrupted, spoiled, and lost. However, realism is a philosophy which encourages us to fight for science, for its methods and ethics. If anything, this is a good social reason for keeping up the high spirit of critical realism about science.”
>
> Ilkka Niiniluoto (Hunt, 2010, p. xv)

CHAPTER 3 METHODOLOGY AND RESEARCH DESIGN

3.0 Introduction

This chapter defines the selected research methodology and research design implemented for this study. As was believed by Churchill (1979), research design is an important part of a study, because it provides an overall framework for data collection and analysis. The chapter begins with the research philosophy and strategy that explains the choices between quantitative and qualitative approaches. Section 3.1 unfolds the nature of the inquiry into marketing research. Section 3.2 then justifies the critical realism research paradigm and strategy, replicated from prior studies, that corresponds to the research question in this article. Next, Section 3.3 discusses alternative research methods that are a part of the quantitative research strategy, and argues for the method that is adopted. Section 3.4 illustrates the research implementation process in terms of the instrument adopted, the sampling methods, respondent selection, data collection, pilot study and the timetable of implementation. Section 3.5 follows this with analysis and a determination of the most suitable methods by which to measure the reliability and validity of the study, based on the chosen research methods. Section 3.6 next details the assumptions and restrictions of analytical techniques for the data analysis in Chapter 4. The chapter then concludes with any limitations pertaining to the research methodology and design, incorporating ethical considerations and the researcher’s creditability.

3.1 Background to the methodology and research design

Marketing scholars have held contentious views regarding the philosophical stance of marketing research since early in the twentieth century (Deshpandé, 1983; Hunt, 1990; Tadajewski, 2004; Zinkhan & Hirschheim, 1992). Researchers question the nature of inquiry in marketing and debate as to: “whether marketing is a science”;

“whether marketing theory should be developed inductively or deductively”; the question, “should marketing pursue the goal of objective research”, and many other “philosophy debates” (Hunt, 2003). Tadajewski (2004) postulates that the research philosophy adopted by researchers reflects their “assumptions about the nature of the world being investigated” (p. 307) and the research methodologies adopted in their studies. Therefore, the research paradigm of researchers determines research problems worthy of exploration and the methodology used to explore those problems, and encompass the research philosophies (Deshpandé, 1983). According to Filstead (1979, p. 34), a research paradigm intends to achieve four objectives:

“(i) To serve as a guide to the professionals in a discipline for it indicates what are the important problems and issues confronting the discipline;

(ii) To go about developing an explanatory scheme (i.e. models and theories) that can place these issues and problems in a framework which will allow practitioners to try to solve them;

(iii) To establish the criteria for the appropriate "tools" (i.e. methodologies, instruments, and types and forms of data collection) to use in solving these disciplinary puzzles;

(iv) To provide an epistemology in which the preceding tasks can be viewed as organizing principles for carrying out the "normal work" of the discipline. Paradigms not only allow a discipline to "make sense" of different kinds of phenomena but provide a framework in which these phenomena can be identified as existing in the first place.”

Tadajewski (2004) asserts that “marketing scholars need to be aware of the philosophical assumptions embedded in their research output because all research is underpinned and delimited by a particular stance toward the world they study (ontology) and how this is investigated (epistemology) which, in turn, influences the methodology used to seek knowledge” (p. 307). Hence, the research paradigm and philosophy will also influence the choice of research strategy and methodology. The design of this research is philosophically aligned with critical realism. The next section provides the justification for the research paradigm, strategy and methodology of this paper.

3.2 Justification for the research paradigm, strategy and methodology

The section justifies the research paradigm, strategy and methodology that the student researcher has used to answer the research question:

Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?

This study aims to identify marketing behaviour that leads to effectual non-profit fundraising performance in Hong Kong, as compared to the western models. This research adopts a predominantly critical realist philosophical stance of inquiry rather than a purely positivist or phenomenological philosophy (Easton, 2002). The realist perspective concerns the "causal powers or liabilities" that will assist non-profits' implementation of market orientation to elevate fundraising performance. Therefore, the philosophical stance of this paper is critical realism that is concerned with causality and explanation, instead of a mere identification of the relationship between the cause and effect of discrete events (Sayer, 1992, p. 104). The following sub-sections explain the choice of the critical realism research paradigm in terms of epistemology and ontology.

3.2.1 Epistemology

The epistemological issue pertaining to social sciences and business research is the belief in "the criteria by which we can know what does and does not constitute warranted, or scientific, knowledge" (Johnson & Duberley, 2000, p. 3). There are multiple epistemological paradigms in which the two major paradigms are positivism and interpretivism (Howe, 2003). Positivism advocates that social reality can be studied by the methods of the natural sciences, as the world is assumed to work according to fixed laws of cause and effect. Patton (2002, p. 37) states that positivism entails the principle of deductivism (theories that can be tested to explain laws) and the principle of inductivism (knowledge obtained through collection of facts provides the basis for laws). Interpretivism, as a contrasting epistemology to positivism, advocates that there is a fundamental difference between people and the natural sciences such that researchers should "grasp the subjective meaning of social action through the inductive derivation of second-order frameworks based on regularities and patterns of empirically observed and theorized phenomena" (Heracleous, 2008, p. 722).

As this study intends to examine the relevance of western models in the Chinese context in Hong Kong by the testing of hypotheses, the student researcher has organized the research from the positivism perspective, as the outcome of the study will either reject or provisionally accept the hypotheses according to a scientific approach. The aim of this study is to examine whether the market orientation scale developed in western countries is applicable in the Chinese context among non-profit organisations in Hong Kong.

This study is part of the research area of market orientation implementation and conceptualization and targets the identification of the behaviour of market orientation that enhances non-profit fundraising performance in Hong Kong. Therefore, the research design of this paper includes a replication of similar studies so as to compare the results in Hong Kong with previous studies in the western contexts. The student researcher conducts a modified replication of the study by Brady et al. (2011) to measure non-profit market orientation and examine the cultural sensitivity of various market orientation constructs that have been developed in the western world. As this research seeks to identify the effect of non-profit market orientation and relationship marketing on fundraising performance in a hypothetic-deductive approach without advocating subjective interpretation (Deshpandé, 1983), this study is conducted from the positivism perspective.

3.2.2 Ontology

The issue with ontology concerns the nature of reality (Easton, 2002). The two ontological positions are subjectivism and objectivism. Subjectivism asserts that social phenomena and their meanings are created from the perceptions and actions of social actors (Hirschman, 1986). Subjectivism is regarded as:

> "…a certain way of conceptualizing subjectivity and includes processes denoted by the terms mental, mind, conscious, experience, agency, will, intentionality, thinking, feeling, remembering, interpreting, understanding, learning, and psyche. Subjectivity is what makes us subjects rather than objects" (Ratner, 2008b, p. 840).

Objectivism asserts that social phenomena are value-free facts and independent of social actors. Objectivism is regarded as:

> "…an ontology (the world exists, is real), and an epistemology (knowledge can increasingly approximate the real nature, or quality, of its object and become increasingly objective). Objectivist epistemology presupposes an objectivist ontology that a real world exists but cannot be known objectively because human perception is biased, for example" (Ratner, 2008a, p. 567).

The relationship between objectivist epistemology and ontology is referred to as critical realism. Critical realism is concerned with causality and explanation, and Sayer (1992, p. 104) states that causality from the realist perspective "concerns not a relationship between discrete events ('Cause and Effect') but the 'causal powers' or 'liabilities' of objects and relations, or more generally their ways of acting or mechanisms."

In this study of non-profit fundraising effectiveness from a critical realist perspective, the student researcher attempts to "identify structures, the mechanisms and related processes" by which the nature of the relationship between market orientation and fundraising performance is brought into being (Sayer, 1992, p. 161). This research collects factual information about fundraising related marketing behaviour in order to analyse the causal power of market orientation on fundraising performance. The student researcher intends to study the necessary conditions for market orientation to predict fundraising performance through hypotheses testing. Thus, the respondents are not required to make sense of their social experience. As the identification of generative mechanisms (how market orientation influences fundraising performance) offers the prospect of introducing changes (enhancing non-profit fundraising performance) that can transform the practical work, critical realism is central to addressing the research question of the relevance of western models to effect fundraising performance in Hong Kong (Bhaskar, 1989; Reed, 2009).

3.2.3 Research strategy: quantitative, qualitative and mixed methods

Research strategy and methodology are concerned with the investigation of knowledge, and Creswell (2013, p. 4) claims that the research strategy consists of three major approaches: quantitative, qualitative and mixed methods. The following paragraphs define each approach and explain the rationale of using the quantitative method to answer the research problem.

Firstly, qualitative research strategy: emphasises the collection of qualitative data such as words and images to understand how individuals interpret their social world (interpretivism epistemology); views social reality as a constantly changing phenomena of human creation (subjectivism ontology); and entails an inductive approach that aims to generate theories. Qualitative methods in business research give researchers "an opportunity to produce new knowledge about how things work in complex real-life business contexts, why they work in a specific way and how we can make sense of them in a way that they might be changed. Qualitative business research can also be used to provide a critical and reflexive view about the social world of business and its core processes" (Eriksson & Kovalainen, 2008, p. 3). Secondly, the quantitative research strategy: emphasises quantification in data collection and analysis using the natural scientific approach (positivism epistemology); views social reality as an external and objective reality (objectivism ontology); and utilises a deductive approach that aims to test theories and generalise conclusions for hypotheses (Kalaian, 2008). Donmoyer (2008) explain that quantitative research is the "approaches to empirical inquiry that collect, analyse, and display data in numerical rather than narrative form. Furthermore, some quantitative researchers actually move beyond primitive forms of quantification and report results in the form of statistics" (p. 714). Therefore, quantitative methods in business research enable researchers to explain phenomena scientifically in real-life contexts using inferential statistics. Thirdly, the mixed methods strategy uses multiple approaches, including both quantitative and qualitative methods, to collect and analyse data in order to resolve a research problem.

This research examines the relevance of western models and the principle research question is:

> **Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?**

This research question lends itself most appropriately to the quantitative approach, because the student researcher aims to assess the relevance of existing models instead of undertaking theory generation. This research, as a modified replication of a prior study that follows a deductive approach, uses non-profit market orientation theories as the theoretical foundation to formulate hypotheses. The hypotheses are then tested by quantitative data collected using a highly structured model. The outcome of the inquiry will either confirm the theoretical findings of the western models (Bennett, 1998; Brady et al., 2011) or modify the theory for the Chinese context in Hong Kong. Therefore, the quantitative methodology is the major research strategy used in this study.

Despite the above, it must be noted that some researchers argue that using "only a quantitative or qualitative method falls short of the major approaches being used today in the social and human sciences" and suggest the use of "pluralistic approaches to derive knowledge about the problem" (Creswell, 2013, p. 12). Creswell (2013) explains that mixed methods can neutralize or cancel the biases of using a single research strategy through triangulation. However, the research problem of this study focuses on a comparison of fundraising related marketing behaviour across cultural contexts which will serve as a foundational understanding of non-profit market orientation in Hong Kong, such that future studies might be conducted using pluralistic methods. Moreover, the student researcher did not have the resources to conduct the study using multiple methods. Therefore, the inquiry into the research problem in this study is predominantly quantitative in nature. The next section discusses alternative research methods according to the quantitative research strategy, and explains the choice of the quantitative approach to data collection in this study.

3.3 Alternative research methods according to the quantitative research strategy

The two hypothesis testing methods used in the confirmatory stage of the quantitative research cycle are the experimental and non-experimental methods (Black, 1999). In social and business research, it is difficult to conduct experimental research as it is usually impossible and sometimes unethical for researchers to manipulate social situations (Hoy, 2010, p. 17). In this study, the student researcher had no direct control of the marketing behaviour of non-profit organisations (the independent variables) and, therefore, could only perform non-experimental research. In the following sub-sections, the student researcher discusses alternative research methods of non-experimental quantitative research and explains the choice of method to collect data in order to examine the relationship between independent and dependent variables in this study.

3.3.1 Content analysis

Content analysis examines documents and texts by quantifying content into predetermined categories in a systematic and replicable manner (Neuendorf, 2002). Content analysis can be "defined as the systematic, objective, quantitative analysis of message characteristics" (Neuendorf, 2002, p. 1). One of the advantages of content analysis is that it is an unobtrusive method that allows researchers to study the values and cultures of organisations and perform longitudinal analysis. If the student researcher employed content analysis as the research method, possible sources of materials to be analysed would be the non-profit organisations' websites, annual reports, financial reports, mass-media coverage, social media content and other internal documents.

However, there were two difficulties pertaining to the adoption of content analysis in this study. Firstly, many non-profit organisations are resource constrained, and most of their budget is disbursed on their services (Rey García et al., 2013). Therefore, very few non-profit organisations have their websites, reports, or media coverage available in public sources to a student researcher. Secondly, many non-profit organisations do not have the knowledge, skills and resources to systematically retain organisational documents (Rey García et al., 2013). It is impossible to research these non-profit organisations (particularly small to medium sized organisations) by content analysis. Therefore, the student researcher was unable to study non-profit organisations of different sizes and sub-sectors using the content analysis research method.

3.3.2 Secondary analysis and official statistics

Secondary analysis is the analysis of data collected by other researchers (commercial or academia) or the analysis of official statistics (Glass, 1976). Official statistics are usually high quality data and allow researchers to conduct longitudinal and cross-cultural analysis. Moreover, secondary analysis assists in saving cost and time for the student researcher by eliminating the steps necessary to reach potential respondents and collect data from them (Corti, 2008). However, most non-profit research involves collecting subjective data from respondents in preference to objective secondary data, because of the difficulties in obtaining non-profit organisational performance information (Mahmoud & Yusif, 2012). Similarly, unlike information from commercial companies, there are very limited secondary data and official statistics from non-profit organisations in Hong Kong (iDonate, 2011a). Given that no prior studies have been conducted for fundraising related market orientation across all non-profit sub-sectors in Hong Kong, there is no available for analysis data that has been collected from prior research. Thus, it was unfeasible for the student researcher to use secondary analysis or official statistics as the research method because many theoretically important variables in this study might not have been present in the secondary data.

3.3.3 Structured observation

Structured observation, also identified as systematic observation, is a research method in which the researcher uses clearly formulated rules for observing and recording behaviour (Martinko & Gardner, 1985). The benefit of structured observation is that it allows behaviour to be observed and recorded directly instead of being reported by informants. If the student researcher used structured observation to observe the marketing behaviour of non-profit organisations, it would have been difficult to access the intention behind the behaviour. However, this was not a problem for this study, because the objective of this study was to identify behaviour contributing to market orientation antecedents in Hong Kong and make a comparison with those in the western context (Martinko & Gardner, 1985). The rationales behind the behaviour of non-profit organisations were beyond the scope of this study. Therefore, it appears that structured observation could be a research method option for exploring fundraising-related marketing behaviour. However, the execution of structured observation among non-profit organisations in Hong Kong is unfeasible because non-profits are usually understaffed (Mesch, 2010). Fundraising duties are sometimes performed by part-time staff or volunteers (Pope et al., 2009). Due to the lack of resources, very few non-profit organisations would be willing to work with a student researcher to arrange structured observations in their organisations. Therefore, the student researcher would have been unable to gather adequate samples from various sizes and sub-sectors of non-profit organisations, in order to perform quantitative analysis to confirm or refine the western models for Hong Kong.

3.3.4 Structured interview

The structured interview (or standardized interview) is a form of research interview in which the questionnaire is administered personally by the interviewer (Firmin, 2008). This form of research ensures respondents receive the same interview stimulus with standardization in both the asking of questions and the recording of answers. The benefit of the structured interview methodology is the possibility of reducing interviewer variability by exposing interviewees to very specific questions, a fixed range of answers and identical cues from the interviewers (Campanelli & O'Muircheartaigh, 1999). The structured interview is the most commonly employed form of research interview in survey research (Firmin, 2008). However, as a part-time student, the researcher could not employ this research method due to limitations in the time and manpower resources needed to conduct personal interviews.

3.3.5 Self-completion questionnaire

The self-completion questionnaire (or self-administered questionnaire) is a research method in which respondents answer questions by completing the questionnaire themselves, “without intervention of the researchers or interviewers collecting the data” (Wolf, 2008, p. 804). The advantages of this method include it being cheaper and quicker for the researcher to administer, greater convenience for the respondents to participate and no interviewer variability and effects (Jenkins & Dillman, 1997). Since the student researcher did not have abundant time and resources to perform data collection, the self-completion questionnaire appeared to be a suitable research method. Nevertheless, there are many disadvantages associated with self-completion questionnaires. The disadvantages of using self-completion questionnaires include (Yu & Cooper, 1983):

- Impossible to prompt, probe and collect data beyond the questionnaire
- Uncertainty regarding the eligibility of the people who respond
- Problems that might arise from missing data or incompletely answered questionnaires
- Limited number of questions that are included so as to avoid “respondent fatigue”
- Low response rates.

As the self-completion questionnaire method appeared to be the optimal choice among major quantitative research methods, the student researcher needed to address its possible disadvantages before its adoption in this study (Holyk, 2008; Yu & Cooper, 1983). Firstly, no prompting, probing and further data collection was required beyond the questionnaire because this study is a replication of two western studies that were modified to verify model relevance in Hong Kong. Secondly, the number of questions is more or less the same as in the western research in which “respondent fatigue” did not appear to be a problem. Thirdly, screening questions were used at the beginning of the questionnaire to confirm the eligibility of the respondents. Fourthly, a research engine that includes a function to prevent missing data and incomplete questionnaires was employed.

With the recent rapid technological advancement, Nathan (2008) states that the self-completion questionnaire using an internet survey has become an important mode of data collection. The advantages of using internet surveys include (Nathan, 2008, p. 357):

- Lower administrative costs compared to mail and email surveys
- “Direct processing of the collected data in electronic form, bypassing the tedious and error-prone processes of data-capture, editing, coding, and logical checks required in traditional data collection methods”
- Better protection of respondents’ confidentiality than by conventional data collection methods.

On the other hand, the limitations of using internet surveys include:

- Coverage is limited only to respondents with internet access and usage
- Severe problems in the sampling frame resulting in representativeness issues
- Non-response bias is huge as response rate is usually low.

However, Hong Kong is a well-developed country and all the non-profit organisations are listed in the WiseGiving provide website or email addresses, which demonstrate that all of the organisations in the population are accessible using internet surveys. Thus, the problems with coverage and sampling frame are resolved. Finally, the student researcher should be able to manage the low response rate issue that arises from the use of the self-completion questionnaire research method by internet survey. The next section discusses research implementation and, Sub-section 3.4.4 demonstrates the remedies for the response rate issue.

3.4 Research design and implementation

Section 3.4 details the research design that guides the implementation and execution of the research process and the analysis of data collected, as discussed in Chapter 4. The research design section provides the framework for the collection of data and the subsequent analysis of data. The aim of the research design is fourfold. Firstly, it presents the research instrument used for data collection in this study. Secondly, it details the sampling method of this paper that maximizes the generalizability of the results. The research design also explains the choice of an organisation as the unit of sampling and analysis. Thirdly, it illustrates the sample size required to perform various statistical processes, as detailed in Chapter 4. Fourthly, it discusses the respondent selection criteria and methodology used to collect data from the target respondents. Finally, this section concludes with the implementation and findings of the pilot study and a summary of the research implementation timetable.

3.4.1 Research instrument

This study adopts the Kohli et al. (1993) MARKOR scale, revised and validated by Bennett (1998), as the research instrument to measure non-profit fundraising market orientation. Firstly, scholars use the modified the MARKOR and MKTOR scales for the non-profit sector or identifying market orientation scales specifically for non-profit organisations (Dart, 2004; Modi, 2012). However, the MARKOR scale remains more applicable to NPO research in terms of validity & reliability (Bennett, 1998; Sargeant et al., 2002; Shoham et al., 2006). Cervera et al. (2001) appraise the MARKOR scale "as the most comprehensive conceptualisation of the market orientation construct" for non-profit organisations (p. 1263). Secondly, the MARKOR scale was tailored-made for measuring fundraising related marketing behaviour by Bennett (1998) and is adopted in this research because it allows a direct comparison of results from Hong Kong with those from western countries (UK and Australia). Bennett (1998) revised the MARKOR scale developed by Kohli et al. (1993) in order to study fundraising performance among small to medium sized non-profit organisations in the UK. Brady et al. (2011) chose to replicate the study of Bennett (1998) using the revised fundraising MARKOR scale that was validated by Bennett (1998), because "the Australian third sector has drawn from the UK for some of its legal definitions" (Brady et al., 2011, p. 87). Since the organisational structure and functions of the non-profit organisations in Hong Kong largely originated from non-profit organisations in the UK (Lam & Perry, 2000), the survey instrument from their research is applicable to this study. Therefore, the fundraising MARKOR scale validated by Bennett (1998) and adopted by Brady et al. (2011) is the research instrument in this study used to enable results comparison with prior western studies.

Table 3.1 Research instrument – questionnaire adjusted from the study in the UK and Australia

Question 1 – 22, choose from 1-5 to describe your level of agreement with the statement: (1 - strongly disagree; 2 - disagree; 3 - neither agree nor disagree; 4 - agree; 5 - strongly agree)	
1	We set precise targets for our fundraising programs
2	We regularly compare fundraising performance with comparable charities
3	We often experiment and innovate in the use of MARCOM tools (advertisement, promotional materials, PR …etc.)
4	We have good knowledge of the characteristics / demographics of our donors
5	We have monitoring systems to determine value and frequency of donations
6	We formulate fundraising strategies based on understanding the motives, characteristics and behaviour of donors.
7	We quickly detect changes in patterns of donations
8	We survey a sample of donors at least once a year to understand their reasons for donations
9	If comparable charities implement effective new fundraising ideas, we adopt them quickly
10	Top managers within our organisation regularly discuss the marketing programs of other comparable charities
11	We frequently evaluate the effectiveness of fund-raising programs
12	Our colleague and departments get together to plan responses to the changes in the fund-raising environment
13	In our organisation, the information about donors and other comparable charities is generated independently by several departments
14	We regularly monitor marketing and fund-raising activities of other charities
15	Fund-raising information gathered is shared with all other people, sections and departments in the organisation
16	Marketing people interact frequently with other sections and departments to discuss fund-raising programs
17	In this organisation, marketing people make strong recommendations about how the organisation should be managed and organized.
18	Our donors are liable to switch their donations to others
19	Competition for donations in this field is very intense
20	Our fundraising performance has been better than other comparable charities
21	We establish, maintain and enhance relationships with our donors
Question 22, choose from 1-5 to describe your rating: (1 - poor; 2 - fair; 3 - average; 4 - good; 5 - excellent)	
22	How would you rate the overall fundraising performance of this organisation (over past 5 years)?

Profile:			
23	No. of employees (full-time only) in this organisation?	a.	under 10
		b.	10-49
		c.	50-99
		d.	100-499
		e.	more than 500
24	What is the annual turnover of this organisation?	a.	under HK$1,000,000
		b.	HK$1,000,001 - 5,000,000
		c.	HK$5,000,001 - 10,000,000
		d.	HK$10,000,001 - 50,000,000
		e.	More than HK$50,000,000
25	What is the core services type of this organisation?	a.	animal protection
		b.	arts and culture
		c.	children and youth
		d.	Elderly
		e.	emergency relief
		f.	environment and conservation
		g.	family and communities
		h.	health and medicine
		i.	human rights
		j.	people with disability
		k.	Poverty
		l.	Religion
		m.	school education
		n.	Sports
		o.	Women

The instrument is a questionnaire with 22 items measured by the five-point Likert scale, followed by 3 questions for organisation profiling. The first 20 items measure market orientation in three sub-constructs (adopted from the study of Bennett (1998)) and an additional item inquire into a self-reporting level of relationship marketing adoption. A separate item measures fundraising performance and is followed by questions on core service types, turnover and organisational size. Table 3.1 displays the questionnaire used in this study. This study has a few modifications to address the limitations of previous studies and to apply the research instrument appropriately within the Chinese context. Firstly, unlike the two previous surveys (Bennett, 1998; Brady et al., 2011), there is no restriction on organisational size, thereby identifying the relationship between size and the market orientation of non-profit organisations. Secondly, the survey is extended to study the adoption of relationship marketing through the translation of effective relationship with donors into improved fund-raising performance (Rey García et al., 2013). Finally, the student researcher prepared a Chinese version of the questionnaire and the translation was verified by the Hong Kong Management Association. All the target respondents initially received an English version of the questionnaire inasmuch as the online survey platform does not support Chinese characters. Although the respondents had the option of requesting a bilingual questionnaire according to the invitation email, no requests from respondents were received throughout the research, possibly because most Hong Kong people know English.

3.4.2 Sampling method and unit of analysis

The unit of sampling is "the elementary unit that is sampled or selected for detailed examination and it gives the level at which detailed information is acquired" (Liao, 2008, p. 420). Researchers should choose the sampling unit with caution because the primary sampling unit of a survey sets a limit for the level of analysis of the research (Sukhatme, Sukhatme, Sukhatme, & Asok, 1984). Meanwhile, the research design also specifies the unit of analysis to evade ecological fallacy (Robinson, 1950) that results in "an incorrect inference about individual or micro-level effects or relationships drawn by analysing aggregate or macro-level data" (Liao, 2008, p. 421). Liao (2008) asserts that "the choice of level of analysis should be driven by the researchers' theory and, subsequently, their research questions" (p. 422). Since the research problem of this dissertation examines fundraising-related market orientation implementation among non-profit organisations in Hong Kong, an "organisation" is set as the level of analysis. The unit of sampling in this study can be set at the micro individual level and the aggregates of individual data may become the units of analysis. However, as discussed in Section 3.3.3, non-profit organisations in Hong Kong are usually deprived of manpower and resources (Mesch, 2010). Therefore, surveying a small number of individuals in each non-profit organisation is unfeasible. (Please note, Section 3.4.4 elaborates the advantages and limitations of using a "single informant" from each organisation.) Therefore, both the unit of sampling and analysis is an "organisation."

Babbie (2013, p. 85) reports that there are two major types of sampling methods: probability and non-probability sampling. The sampling methods of probability sampling are: simple random sampling, systematic sampling, cluster sampling, stratified random sampling, area sampling and double sampling. Non-probability sampling includes: convenience sampling, judgment sampling and quota sampling. To increase the generalizability of the research findings, probability sampling designs are used in this study. Cluster sampling and stratified random sampling are cost efficient and effective random sampling methods for the student researcher with limited time and resources. However, they are also inappropriate sampling methods to choose from due to the low generalizability of findings to all non-profit organisations in Hong Kong, and for comparison with western studies. Double sampling is also unsuitable as it amplifies the original biases and does not add value to the overall generalizability. As the contact information of non-profit organisations is conveniently available on the government website, both systematic and simple random sampling methods are feasible (Babbie, 2013).

In Hong Kong, there are approximately 14,000 non-profit organisations approved as tax-exempt charities by the Inland Revenue Department of Hong Kong (iDonate, 2011b). However, most tax-exempt charities do not have public fundraising activities. These charities are churches and religious organisations that rely on members' donation; schools and educational organisations that rely on government subsidiaries; and organisations that are supported by foundation funds of commercial companies, such as the Hong Kong Jockey Club. Since this study focuses on market orientation and its implications for fundraising performance, the population is centred on non-profit organisations with public fundraising activities.

The Inland Revenue Department of Hong Kong defines the target population as organisations approved as tax-exempt charities. These organisations should be registered under the WiseGiving platform operated by The Hong Kong Council of Social Service, whose agency members provide over ninety percentage of the social welfare services in Hong Kong (HKCSS, 2013). The population size consists of 230 non-profit organisations listed in the WiseGiving website. Thus, the student researcher invited all 230 non-profit organisations listed in the WiseGiving website to participate in the study to limit the bias and increase the generalizability of the research findings (Moutinho & Hutcheson, 2011, pp. 270-280). Table 3.2 summarises the demographic of the population comprising tax-exempted non-profit organisations that operate via public fundraising, as per the list published in the WiseGiving website (HKCSS, 2013). The next paragraphs discuss the minimum sample size required for this study.

Table 3.2 Demographic of non-profit organisations in Hong Kong (listed in www.wisegiving.org.hk)

Core Services Type	**Organisational Size: Turnover (HK$)**					
	<1M	**1-5M**	**5-10M**	**10-50M**	**>50M**	**Grand Total**
Animal protection	1	2	0	2	1	**6**
Arts & Culture	2	1	0	2	1	**6**
Children& Youth	2	8	5	12	4	**31**
Elderly	1	3	3	1	4	**12**
Emergency Relief	0	2	0	1	1	**4**
Environment & Conservation	1	1	2	1	0	**5**
Family & Communities	7	9	4	9	16	**45**
Health & Medical	4	10	7	4	6	**31**
Human Rights	2	1	0	0	1	**4**
People With Disability	7	15	4	5	6	**37**
Poverty	3	3	5	9	3	**23**
Religion	0	1	2	0	0	**3**
School Education	0	4	1	5	2	**12**
Sports	0	0	0	0	1	**1**
Women	0	5	3	2	0	**11**
Grand Total	**30**	**65**	**36**	**53**	**46**	**230**

3.4.3 Sample size

Scholars have suggested simple rules-of-thumb to determine the minimum sample size for business and social research (Warner, 2013). However, seminal literature attests that, although simple rules-of-thumb are an easy solution for estimating minimum sample size in research design, these rules are useless and inaccurate when conducting multivariate data analysis, such as factor analysis and multiple regression (Green, 1991; MacCallum, Widaman, Zhang, & Hong, 1999; Warner, 2013, p. 766; Wilkinson, 1999). This sub-section introduces the simple rules-of-thumb for the determination of minimum sample size, explains the benefits and constraints of using the methods in this study and illustrates the target sample size required to perform multiple regression and factor analysis in this study.

The two simple rules-of-thumb for minimum sample size calculation are (Warner, 2013):

(1) Using a specific constant

(2) Using a 'subjects to predictors' ratio.

The first method suggests a constant as the minimum sample size. Table 3.3 shows the minimum sample size recommended for multivariate data analysis, including any regression and factor analysis.

Table 3.3 Recommendations for using a constant as the minimum sample size

Suggestions of Minimum Sample Size	Seminal Literature
100	Gorsuch (1990); Heckler (1996)
150	Hutcheson and Sofroniou (1999)
200	Cooley and Lohnes (1971)
250	Catell (1978)
200 (fair); 300 (good); 500 (very good); 1000 (excellent)	Lee and Comrey (1979)
500	MacCallum et al. (1999)

Although using a specific constant as the minimum sample size, as shown in Table 3.3, provides an easy reference for research design, Mundfrom, Shaw, and Ke (2005) explain that using an "absolute minimum necessary sample size" is unrealistic in research implementation. In this study, the population size is 230, so having a sample size greater than 200 is unrealistic. Moreover, research demonstrates that achieving the minimum sample size does not guarantee satisfactory communality in factor analysis (MacCallum et al., 1999; Mundfrom et al., 2005). Fritz and MacKinnon (2007) also argue that this simple rule-of-thumb of using a constant as a sample size for all research does not meet "the increase in requirements for statistical power calculations" (p. 238) in regression analysis. Thus, researchers attempt to provide another simple rule-of-thumb and recommend using "subject-to-predictor ratios" to determine sample size (minimum number of subjects) within a power analytic framework (Table 3.4).

Table 3.4 Recommendations for using a subject-to-predictor ratio for the determination of minimum sample size

Suggestions of Minimum Subject-to-Predictor Ratio (N = no. of subjects; m = no. of variables)	Seminal Literature
N > 50 + m	Harris (1975)
N = 3m to 6m	Catell (1978)
N = 5m	Tabachnick and Fidell (2001)
N = 10m	Everitt (1975)
N = 20m	Preacher and MacCallum (2002)
N = 15m to 25m	Pedhazur (1982)

Using a subject-to-predictor ratio provides analysis with better accuracy than the simple minimum sample size rule-of-thumb, however a research design using this method becomes impracticable in research implementation when the number of predictors increases (Warner, 2013). Researchers argue that using a minimum sample size or a minimum subject-to-predictor ratio in factor analysis invariantly across studies is fallacious (MacCallum et al., 1999; Mundfrom et al., 2005). MacCallum et al. (1999) posit that researchers should "assure good recovery of population factors, which is not constant across studies and is dependent on aspects of the variables (such as the level of communality) and design in a given study" (p. 96). For research using multiple regression, Cohen (1988) avers that many empirical studies using these simplistic methods (using a constant or a subject-to-predictor ratio) do not have sufficient power to correctly reject a false null hypothesis in various statistics analytical methods, including multiple regression. Green (1991) stipulates that "these simple rules-of-thumb ignore the idiosyncratic characteristics of research studies" (p. 501) and proposes that it is necessary to "estimate minimum sample size as function of effect size as well as the number of predictors" (p. 499).

Cohen (1988) rebuts this with the claim that the number of subjects required for conducting a regression analysis differs significantly for studies with different effect size. A study with a small effect size will require a larger sample size to conduct an accurate analysis, whereas the sample size can become dramatically smaller as the effect size increases. Thus, Green (1991, p. 502) has computed a sample size table that satisfies the following criteria required by power analysis to perform an accurate study:

- Alpha (α) = 0.05
  (It is the traditional level of significance that limits the probability to commit type I error by incorrectly rejecting a true null hypothesis to less than 5 %.)
- Power (1-β) = 0.8
  (Cohen (1988) recommends a less than 20% probability to commit type II error that fails to reject a false null hypothesis.)
- Effect size (R^2 or f^2)
  (Green (1991, p. 507) proposes R^2 = 0.02; 0.13; 0.26 or f^2 = 0.02; 0.15; 0.35 for small; medium; and large effect size that represents "the degree to which the criterion variable is related to the predictor variables in the population.").

In this study, the maximum number of predictors among all hypotheses is two (market orientation and relationship marketing) in the hypothesis testing of mediation and moderation effect using multiple regression (hypothesis H4, Section 2.5.3). Therefore, based on the sample size table of Green (1991, p. 503), the minimal sample size for this study should be 27 for a large effect size and up to 63 for a medium effect size.

Additionally, MacCallum et al. (1999) demonstrates that sample size for a study using factor analysis is dependent on the level of communality of the variables and the level of over-determination of the factors (Table 3.5). The communality of a variable is "the portion of the variance of that variable that is accounted for by the common factors" (Pennell, 1968; Pett, 2008, p. 378). In Table 3.5, a low level of communality refers to a value of 0.2 to 0.4; wide communality ranges from 0.2 to 0.8; and a high level of communality has a value of 0.6 to 0.8 (MacCallum et al., 1999). Over-determination of factors refers to the intention of obtaining too many factors from a set of variables (for example, 20:7 ratio means obtaining 7 factors from 20 variables). MacCallum et al. (1999) observe that "the optimal condition for obtaining sample factors that are highly congruent with population factors is to have high communalities and strongly determined factors (e.g. 20:3 variable-to-factor ratio). Under those conditions, sample size has relatively little impact on the solutions, and good recovery of population factors can be achieved even with fairly small samples" (p. 95).

Table 3.5 Sample size assessment for factor analysis (MacCallum et al., 1999, table 1)

Ratio of variables to factors and communality level	Sample size			
	60	100	200	400
10:3 ratio				
Low communality	74.6	78.7	95.2	99.0
Wide communality	99.0	98.0	99.0	98.0
High communality	100	100	100	100
20:3 ratio				
Low communality	87.0	97.1	100	100
Wide communality	100	100	100	100
High communality	100	100	100	100
20:7 ratio				
Low communality	4.1	15.8	45.9	80.7
Wide communality	16.5	42.9	72.5	81.3
High communality	39.7	74.6	91.7	97.1

This research has a variable to factor ratio of 20:3 (20 items in the MARKOR scale and 3 market orientation constructs) and, thus, the level of over-determination is low (MacCallum et al., 1999). If the communalities of the variables in this study varied over a range of 0.2 to 0.8 (wide communality), even a small sample size of 60 would yield 100% convergent solutions. Therefore, in combining the considerations of using multiple regression and factor analysis, the target sample size of this study is set to be 60 in the data collection phase. To assure an accurate study using multivariate data analysis, the student researcher will assess whether the number of subjects collected in this study meets the assumptions and restrictions of analytical techniques in Chapter 4. Sections 3.6.2 and 3.6.3 will detail the statistical tests to assess the assumptions of sample size for multiple regression and factor analysis respectively.

3.4.4 Respondent selection

The fundraising directors/managers were the primary respondents invited to participate in the survey. Since non-profit organisations vary in size and organisational structure, staff with various titles such as fundraising director/manager, development director/manager, marketing director/manager, social worker or even volunteer may conduct the implementation of marketing and fundraising. If the participating organisations do not have a position titled fundraising director/manager, staff who have the major accountability for fundraising in their organisations were also eligible respondents. Organisational consent from WiseGiving was obtained to use the contacts for the non-profit organisations that are publicly available at www.wisegiving.org.hk (Berry, 2004). As the survey was anonymous and was completed on a voluntary basis, organisational and individual consent was implied once the respondents voluntarily completed the online survey (Varnhagen et al., 2005).

Thereafter, it is necessary to determine whether to use a “single intra-organisational informant” or “multi-source, multi-informant” design. “Single intra-organisational informant” means that only one informant from each organisation is invited to participate in the survey research and the data is based on that informant’s judgement of the organisation (Homburg, Klarmann, Reimann, & Schilke, 2012a). However, the “single intra-organisational informant” design has been criticized for being a major limitation in most market orientation research (Harris, 2002) as it may result in key informant bias and common method bias (Homburg, Klarmann, & Totzek, 2012b, p. 84; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Key informant bias is a bias in the variance and covariance structure of data resulting from data collection from one single key informant (Van Bruggen, Lilien, & Kacker, 2002, p. 469). Systematic measurement error comes from the inaccurate judgement of the organisation by the single informant. Common method bias is a bias in the variance and covariance structure of data resulting from data collection for both the independent and dependent variables of a research model from the same survey method. Common method bias occurs when the informants answer the survey according to theories or their implicit assumption of the relationship between the independent and dependent variables (Feldman & Lynch, 1988). Therefore, multi-source and multi-informant designs are recommended for survey research in marketing and management studies to minimize key informant and common method bias (Van Bruggen et al., 2002).

In a “multi-source and multi-informant” design, the researcher collects data of different constructs from different informants or uses secondary data to validate key informant’s judgements of the organisation. Although the “multi-source and multi-informant” design is a more accurate data collection method to eliminate key informant and common method bias, it is a complex, time consuming and usually expensive method (Rindfleisch, Malter, Ganesan, & Moorman, 2008). Homburg et al. (2012a) argue that data collected from single key informant can be highly accurate if certain conditions are met. According to Homburg et al. (2012b, p. 90), the five criteria used for risk assessment are: key informant's self-interest; key informant competency; construct operationalization; construct domain; and relations between constructs. The "multi-source and multi-informant" design is preferable to boosting the validity and reliability of data if the risk of key informant and common method bias is high. Therefore, the risk of having key informant and common method bias will be analysed to determine whether to use the "single intra-organisational informant" or "multi-source, multi-informant" design in this study.

Firstly, a key informant's self-interest in presenting a good position in relation to market orientation and fundraising performance should be low, because the survey data is collected anonymously. Neither the identity of the informants nor their organisations are identified, so the informants should not be tempted to present a better picture other than what is the reality. Therefore, the risk of key informants manipulating the research variables through self-interest is low (Feldman & Lynch, 1988). Secondly, the key informants are targeted to be those who are competent at providing accurate judgements of their organisations. Since the target respondents are fundraising director/managers who are currently involved in or have knowledge of fundraising in their organisations, they should be familiar with the planning and organisational performance of fundraising, as well as be able to access relevant data to answer questions precisely. This is supported by Dawes (1999) who finds that the correlation between subjective and objective organisational performance data is significant and supports the reliability of the subjective evaluations of single informants. Therefore, the risk of having incompetent informant and inaccurate performance evaluations is low (Homburg et al., 2012a). Thirdly, some constructs in the research are common performance indicators, so the risk of construct operationalization is low. Fourthly, the construct domains fall into performance, intra-organisational, and inter-organisational categories that might be accessed from multiple sources. However, the risk of collecting inaccurate and unreliable responses from key informants is low in this study, because the questions are all related to "objectively verifiable and salient" actions and current practices (Homburg et al., 2012a). Finally, the perception among non-profit organisations that the use of marketing concepts is bad or unnecessary (Kotler, 2005; Shoham et al., 2006) may lead to a tendency for the key informants to devalue the relationship between market orientation and fundraising performance. Despite this, multiple informants from the same organisations will not solve this issue, because different informants from the same organisations may have similar biases (Kotler, 2005). Although fundraising performance can be triangulated by objective sources such as government data or annual reports, it is unfeasible to implement a multi-source method to collect data for the dependent variable, because data collection for independent variables is anonymous (Warner, 2013, p. 871). Therefore, the risk that the positions of the key informants will lead to an implicit relation between market orientation and fundraising performance is high, but the "multi-source, multi-informant" design is not a solution to this issue. Consequently, the "single intra-organisational key informant" design will be used as it is less complex and more pragmatic, and the risk of key informant and common method bias is not high (Homburg et al., 2012a).

3.4.5 Data collection

This research is comprised of a singular data collection strategy. The student researcher collects data anonymously using a self-completion questionnaire in an online survey platform: SurveyMonkey. SurveyMonkey is a popular online survey tool, with more than fifteen million business customers, that provides a free online platform to create and send online surveys, polls, questionnaires, customer feedback and market research to target research respondents (SurveyMonkey, 2013). Symonds (2011) asserts that SurveyMonkey "can be employed as an assessment tool with advance planning by evaluators to capture the responses and opinions of users. And, it is a cost effective and time-saving option for small assessment projects" (p. 436). In this study, all questions in the survey were set as mandatory using the "require answering" feature in SurveyMonkey to prevent the missing data problem that commonly occur in the self-completion survey method. An email with the research aims, participant information statement, consent form and URL link of the questionnaire was be sent to all non-profit organisations listed on the WiseGiving platform. Based on the research design of 3.4.3, the optimal sample size with which to perform multiple regression and factor analysis in Chapter 4 was around 60 (Green, 1991; MacCallum et al., 1999). The student researcher sent follow-up reminders to target respondents in case the valid responses received were less than 60 upon the deadline of questionnaire completion. Following the completion of data collection, all the data collected was downloaded and stored in the password-protected computer of the student researcher. To protect the privacy of the respondent organisations, the survey and all the responses to this survey on the SurveyMonkey website was permanently deleted. There is no restoration feature in SurveyMonkey, so the deleted survey and responses were permanently deleted from the website.

3.4.6 Pilot study

A pilot study was conducted by the student researcher with two non-profit organisations that have with long-term donations. The first pilot organisation was the Alliance Bible Seminary. The student researcher conducted a phone interview with the Assistant Director of the Development Department of Alliance Bible Seminary. The purpose of piloting with a phone interview was to test the respondent's understanding of the questions. The second pilot organisation was the Evangel Children's Home. The student researcher received verbal consent to participate in the pilot study from the social worker in charge of fundraising at the Evangel Children's Home. Thereafter, the student researcher sent an email, including an invitation letter, the research aims, the participant information statement and the consent form, to the staff in charge of fundraising at the Evangel Children's Home. The contents of the invitation email were the same as those in the real data collection stage, but an additional bilingual version of questionnaire was attached for reference. The purpose of sending a mock invitation email was to test respondents understanding of instructions , ease of response, the clearness of questionnaire presentation and time taken for self-completion (Black, 1999).

The phone interview pilot was completed smoothly and the respondent involved in organisational fundraising demonstrated no difficulty in understanding the questions literarily. However, the self-completion questionnaire pilot encountered an unexpected episode, inasmuch as the respondent filled out the questionnaire by inputting the answers on the bilingual questionnaire sent through as a reference. Henceforth, the respondent emailed the bilingual questionnaire file back to the student researcher rather than completing the survey online. Therefore, the student researcher had to invite the respondent to complete the questionnaire again through the online platform and follow up with a call to collect feedback regarding the instructions, presentation and ease of completion. Based on the findings of the pilot study, no adjustment was required in terms of the invitation email and the online survey design. However, to minimise confusion, the bilingual questionnaire was not emailed to respondents unless requested.

3.4.7 Timetable of research implementation

The above sub-sections detail the research design including research instrument, sampling methods, sample size, respondent selection, data collection and pilot study. This sub-section ends Section 3.4 with a timetable of the research implementation of this study (Table 3.6), summarising the times and dates for the research implementation.

Table 3.6 Research implementation timetable

Date (2013)	Research Implementation
	Preparation of the Research Instrument (Questionnaire)
May 31	1. Online questionnaire created in SurveyMonkey
Jun 14	2. Chinese version verified by HKMA
	Sampling
Aug 1 – 31	1. Preparation of respondent contact list based on information in WiseGiving website
	HREC Approval
Sep 11	1. Ethical clearance and approval of the research study obtained from the Human Research Ethics Committee of University of Newcastle, Australia
	Pilot Study
Sep 13	1. Pilot study with Alliance Bible Seminary
Sep 13 – 15	2. Pilot study with Evangel Children's Home
	Data Collection
Sep 17	1. Student researcher sent invitation email to target respondents
Sep 17 – Oct 16	2. Respondents accessed and completed questionnaire voluntarily using SurveyMonkey
Oct 18	3. Student researcher downloaded all the data from SurveyMonkey
May 18, 2014.	4. Student researcher deleted all the data in SurveyMonkey website

3.5 Reliability and validity

Reliability and validity are two basic properties of empirical measurements that allow a study to be scientifically useful by "giving consistent results on repeated measurements and reflecting its intended theoretical concept" (Carmines & Zeller, 1979, pp. 15-16). The following sub-sections define reliability and validity and explain how the student researcher assesses the reliability and validity of the research instrument and the model of this study in Chapter 4.

3.5.1 Reliability

Reliability indicates the extent to which measurements are repeatable and stable (Nunnally, 1978). Reliability is related to the consistency of measures and "concerns the extent to which an experiment, test, or any measuring procedure yields the same results on repeated trials" (Carmines & Zeller, 1979, p. 11). Reliability is usually measured in quantitative data analysis by examining the internal reliability to test the consistency of the indicator making up the scale or index. Cronbach (1951) suggests using Cronbach's alpha to measure the squared correlation of items to indicate the internal consistency of items within the scale. This study uses Cronbach's alpha to assess the internal reliability of the western market orientation models, as developed in the UK and Australia (Bennett, 1998; Brady et al., 2011) in the testing of hypothesis H1. The student researcher expands the analysis to the internal consistency of market orientation constructs (donor orientation, competitor orientation and marketing integration) using Cronbach's alpha in the testing of hypothesis H2. If a Cronbach's alpha closer to 1.0 is obtained, the internal consistency reliability will be higher. George and Mallery (2003, p. 231) suggest that a Cronbach's alpha below 0.5 is considered to have unacceptable level of internal reliability; a figure higher than 0.5 but lower than 0.6 is poor; up to 0.6 is questionable; up to 0.7 is acceptable and higher than 0.8 is considered to have very good internal reliability. Therefore, if any of the western market orientation models and constructs within the models has a Cronbach's alpha of greater than 0.7, the model is considered to be reliable for the Hong Kong non-profits.

3.5.2 Validity

Validity is associated with the extent to which a measuring instrument devised to study a concept empirically measures that concept (Messick, 1998). Carmines and Zeller (1979) state that validity "is evidenced by the degree that a particular indicator measures what it is supposed to measure rather than reflecting some other phenomenon (i.e. non-random measurement error)" (p. 16). This study examines both internal and external validity to affirm that "the results of this study can be used to make causal inferences," and can be generalised to all non-profit organisations in Hong Kong (Warner, 2013, p. 18). As Carmines and Zeller (1979, p. 11) posit, internal validity interrelates the authenticity of the cause-and-effect relationship and the external validity concerning the generalizability beyond the research context. This study samples the entire population and, therefore, achieves external validity (Campbell, Stanley, & Gage, 1963). Henceforth, the analysis of validity in Chapter 4 will focus on the assessment of internal validity. There are three broad types of internal validity including content validity, criterion-related validity and construct validity (Carmines & Zeller, 1979, p. 17).

Firstly, content validity (sometimes measured by face validity) attempts to ensure that the measure contains adequate and representative dimensions and items from the concept being measured. However, content validity is assumed for this study because an establish market orientation scale is adopted, and the student researcher did not develop a new instrument (Haynes, Richard, & Kubany, 1995).

Secondly, criterion-related validity aims to ensure that the expected difference among individuals on a criterion can be measured. Nunnally (1978) wrote that criterion-related validity "is at issue when the purpose is to use an instrument to estimate some important form of behaviour that is external to the measuring instrument itself, the latter being referred to as the criterion" (p. 87). Criterion-related validity can be obtained through establishing concurrent validity or predictive validity. Predictive validity "concerns a future criterion which is correlated with the relevant measure" (Carmines & Zeller, 1979, p. 18), and is difficult to obtain in this cross-sectional study. Concurrent validity of the current criterion will be assessed by correlational analysis of market orientation and the fundraising performance of non-profit organisations studied (Carmines & Zeller, 1979, p. 18).

Thirdly, construct validation is defined as the process of investigating a measure's scores to see whether they perform as the construct is postulated to perform (Peter, 1981). Construct validity intends to ensure that the results obtained from the instrument fit the theories from which the study is designed. Construct validation is assessed through convergent and discriminant validity. As illustrated by Peter (1981, p. 136),

> "Convergent validity is based on the correction between responses obtained by maximally different methods of measuring the same construct. Discriminant validity is determined by demonstrating that a measure does not correlate very highly with another measure from with it should differ."

The student researcher will examine the convergent validity of the models in this study by correlational analysis between market orientation and three market orientation constructs (donor orientation, competitor orientation and marketing integration). Convergent validity is provided if the correlations between all market orientation constructs in the model and market orientation are significant. This study assesses discriminant validity by comparing the correlation between market orientation constructs and their reliability estimates as measured by Cronbach's alpha. The discriminant validity of the model is provided if the correlation coefficients between donor orientation, competitor orientation and marketing integration are smaller than their respective Cronbach's alphas.

3.6 Assumptions and restrictions of analytical techniques

This section discusses the necessary assumptions for conducting the analytical techniques in this research. This study uses various analytical techniques such as multiple regression, analysis of variance (ANOVA) and factor analysis to test the hypotheses detailed in Chapter 2. Therefore, the student researcher will assess the assumptions and restrictions of the analytical techniques prior to analysis of data in Chapter 4.

3.6.1 Analysis of variance (ANOVA)

This study uses one-way between-groups ANOVA to test whether non-profit organisations that differ in size have different levels of market orientation (Section 2.5.3 Hypothesis H3). An analysis of variance (ANOVA) is "a statistical technique that is used to compare groups on possible statistically significant differences in the average (mean) of a quantitative (interval or ratio, continuous) measure" (Klugkist, 2008, p. 27). Before conducting the ANOVA, the two necessary assumptions to be met are normality and homogeneity of variance (Warner, 2013, p. 218).

Firstly, testing of normality is an important assumption of many inferential statistical techniques, because normality of data distribution "can have an effect to a greater or less degree on the properties of estimation or inferential procedures used in the analysis of the data" (Thode, 2002, p. v). Therefore, the data collected in the study should be approximately normally distributed throughout the entire sample and within each group (divided by organisational size) with no extreme outliers. The common assessment methods of normality include the Shapiro-Wilk test, the Kolmogorov-Smirnov test and chi-square goodness-of-fit test (Black, 1999). D'Agostino, Belanger, and D'Agostino Jr (1990) demonstrate that the Kolmogorov-Smirnov test and chi-square goodness-of-fit test have low power and should not be used to test normality, particularly for a study with a small sample size. Since the target sample size in this study and in each comparison group (by organisational size) is less than 100 (Section 3.4.3), this study uses the Shapiro-Wilk test (Shapiro & Wilk, 1965), as it is a more powerful test for examining normality for small sample sizes (Shapiro, Wilk, & Chen, 1968; Thode, 2002, p. 146). If the entire sample collected in this study and among the comparison groups (different organisational size) have a statistical significance > 0.05 for the Shapiro-Wilk test, the data are appropriately normally distributed.

Secondly, this study tests the homogeneity of variance assumption to ensure that all comparison groups have homogeneous variances so as to avoid invalid interpretations of significance. As groups of non-profits with different organisational sizes are likely to have unequal group sizes, large groups and smaller groups with different variances will reduce or inflate the chance of finding a significant outcome (Tabachnick & Fidell, 2001, p. 85). The test of homogeneity of variance detects whether groups of non-profit organisations which have been divided according to organisational size have substantial differences among variances. By comparing various parametric and nonparametric tests for homogeneity of variance, Conover, Johnson, and Johnson (1981) prove that Levene's test (Levene, 1960) is "robust and has good power" to examine the assumption of equal variances. If the Levene's test value is not statistically significant ($p > 0.05$), we are confident that the population variances of each group (divided by the organisational size of non-profit organisations) are approximately equal.

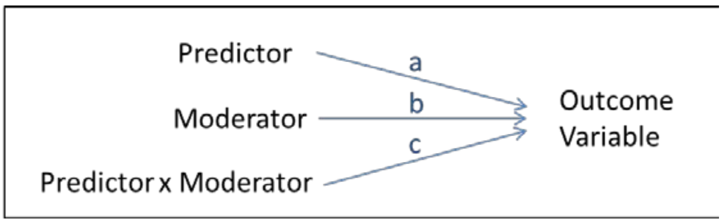
This study tests hypothesis H3 (Section 2.5.3) using ANOVA if the data sample meets the assumptions of normality and homogeneity of variance. The F-test is used to test the hypothesis as it “compares the magnitude of differences among group means with the amount of variability of scores within groups that arises due to the influence of error variable” (Warner, 2013, p. 996). If the F-ratio in the post hoc tests is significant ($p < 0.05$), the researcher must reject the null hypothesis and accept that non-profit market orientation is related to organisational size.

3.6.2 Multiple regression

This study uses multiple regression to test the role of relationship marketing as a moderator or mediator between the relationship of non-profit market orientation and fundraising performance (Section 2.5.3 hypothesis H4). Baron and Kenny (1986) composed specific analytical procedures in which regression analyses are conducted and the significance of the coefficients is examined at each step to assess the moderation and mediation effect appropriately.

Moderation “implies that the causal relation between two variables changes as a function of the moderator variable” (Baron & Kenny, 1986, p. 1174). Figure 3.1 visualizes the properties of a moderator variable (Figure 1 from the study of Baron and Kenny (1986, p. 1174)). If the product (or interaction) of the predictor and moderator measured by path c in Figure 3.1 is significant, the moderator hypothesis is provided. In this study, the predictor is non-profit market orientation and the outcome variable is fundraising performance. To test whether relationship marketing is a moderator of the relationship between market orientation and fundraising performance (hypothesis H4a), this study assesses the significance of effect for the product of market orientation (predictor) and relationship marketing (moderator) using multiple regression. If the interaction is significant, the moderator hypothesis for relationship marketing is supported.

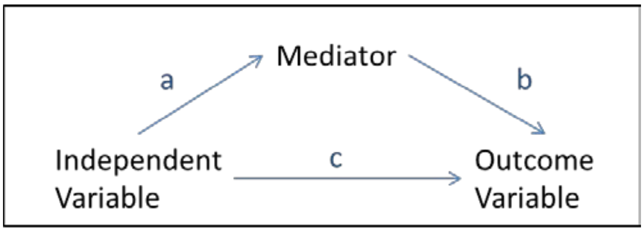
Figure 3.1 Moderator model from the study of Baron and Kenny (1986)



A mediator is “an intervening variable in a causal sequence” (Warner, 2013, p. 397) and it accounts for the relationship between the independent variable and the outcome variable. Figure 3.2 details the mediation model described in the study of Baron and Kenny (1986, p. 1176) which states that a variable mediates the relationship of an independent variable and the outcome variable if it meets the following conditions:

(1) The independent variable significantly predicts the alleged mediator variable (path a);
(2) The alleged mediator variable significantly predicts the outcome variable (path b);
(3) The independent variable significantly predicts the outcome variable (path c);
(4) The significant relationship between the independent variable and outcome variable (path c) is reduced (partial mediation) or becomes zero (full mediation) when paths a and b are controlled.

Figure 3.2   Mediator model from the study of Baron and Kenny (1986)



In this study, the predictor is non-profit market orientation and the outcome variable is fundraising performance. To test if relationship marketing is a mediator and mediates the relationship between market orientation and fundraising performance (hypothesis H4b), this study tests the four conditions using multiple regression. Judd and Kenny (1981) suggest using the multiple regression model as an examination of mediational hypotheses, because many other statistical methods have limitations in testing mediation appropriately (Fiske, Kenny, & Taylor, 1982). If the above four regression equations are met, hypothesis H4b is provided and relationship marketing functions as a mediator between the relationship of market orientation and fundraising performance.

However, prior to hypotheses testing using multiple regression, the student researcher needed to assess the assumptions of multiple regression including minimum sample size, normality, linearity, outliers, independent of residuals, and multicollinearity (Warner, 2013, pp. 432-435). Firstly, as discussed in Section 3.4.3, the size of the data sample collected should have adequate power (> 0.8) to minimize type II error and increase effect size (Cohen, 1988; Wilkinson, 1999). The student researcher used G*Power (Faul, Erdfelder, Buchner, & Lang, 2009) to compute and examine the statistical power and effect size of the regression model in Chapter 4. G*Power is a free "stand-alone power analysis program for many statistical tests commonly used in social and behavioural research" (Faul et al., 2009, p. 1149). The sample size meets the minimum level if the statistical power of the regression model (with 2 predictors, namely market orientation and relationship marketing) is > 0.8, and the effect size is at least medium ($R^2 > 0.13$ or $f^2 > 0.15$) (Green, 1991). Secondly, the testing of normality should be supported when the student researcher tests hypothesis H3 using the Shapiro-Wilk test (Section 3.6.1). Thirdly, linearity is assumed if the inter-variables correlations between market orientation, relationship marketing and fundraising performance are significant. Fourthly, casewise diagnostics using SPSS software can screen out outliners that are three standard deviations away from the mean (Coakes & Ong, 2011, pp. 139-140). Fifthly, independence of residuals assumes that the residuals have non-linear relationships with the outcome variable, and are not correlated with each other (Pedhazur, 1982). The Durbin-Watson statistic is an effect test to assess the correlation between the residuals (Durbin & Watson, 1971; Jarque & Bera, 1980). The Durbin-Watson statistic is measured on a scale of 0 to 4. If the statistic is close to 2, the residuals appear to have no correlation. Any figure below 1 or above 3 indicates a strong positive or negative correlation, and this assumption is violated. Lastly, multicollinearity "describes a situation in which more than two independent variables are associated, so that when all are included in the model one observes a decrease in statistical significance (increased p values)" (Enders, 2008, p. 209). Therefore, if there is a multicollinearity problem among the two independent variables (market orientation and relationship marketing), the reduced significance that appears in the last equation of the regression model may result from multicollinearity rather than a true moderation or mediation effect. O'brien (2007) advocates the use of a variance inflation factor (VIF) to measure the degree of multicollinearity problem among independent variables in a regression model. If the VIF is larger than 10, the independent variables show severe multicollinearity. Thus, if the VIF figure is higher than 10, data samples are inappropriate for testing for moderation or mediation effect.

Henceforth, if the data samples meet all the above assumptions, the model is fit for regression analysis to study moderation and mediation effects for hypothesis H4.

3.6.3 Factor analysis

This study conducts factor analysis to identify marketing behaviour that contributes to non-profit market orientation in Hong Kong if hypotheses H1 and H2 are rejected when the western market orientation models are inapplicable in the Chinese context in Hong Kong (Section 2.5.3). Factor analysis is a data reduction method to group highly correlated variables into "latent variables" or "factors" that "represent the underlying dimension of a construct that is as distinct as possible from other factors in the solution" (Pett, 2008, p. 376). The two basic forms of factor analysis are exploratory factor analysis and confirmatory factor analysis. In the situation whereby the number of factors necessary to explain the interrelationships among a set of characteristics initially remain unknown, researchers use exploratory factor analysis for theory and instrument development by exploring the underlying dimensions of a construct. On the other hand, if researchers aim to "assess construct validity of an established instrument when administered to a specific population, confirmatory factor analysis is used to assess the extent to which a hypothesized organisation of identified factors fits the data" (Pett, 2008, p. 376). The research question of this study is to examine the relevance of western models among non-profit organisations in Hong Kong and the student researcher has prior knowledge about the constructs of the non-profit market orientation model (donor orientation, competitor orientation and marketing integration). Therefore, this study uses confirmatory factor analysis to test the marketing behaviour of market orientation constructs identified in the western studies in order to compare factor structures with prior studies, and to test hypothesis H2 concerning the structural relationships in the non-profit market orientation model. Among the two widely used methods in factor analysis (principal components and principal axis factoring), Warner (2013, p. 785) reports that principal axis factoring is more commonly used in social and behavioural science research than principal components. Therefore, this study uses principal axis factoring as the factor extraction method in the assessment of hypothesis H2.

The assumptions underlying the application of factor analysis include sample size, linearity, multicollinearity and factorability of the correlation matrix (Pett, 2008).

Firstly, linearity is important because factor analysis is based on the correlation of variables (Pett, 2008). Therefore, the student researcher will examine the correlation matrix to ensure that a considerable number of correlations exceed 0.3 (Black, 1999). Secondly, Dziuban and Shirkey (1974) suggested assessing the factorability of the correlation matrix using the following procedures:

(1) Compute and confirm a large and significant Bartlett's test of sphericity ($p < 0.001$) to ensure a good correlation between the independent variables

(2) Compute and confirm a Kaiser-Meyer-Olkin measure of sampling adequacy that is greater than 0.6 to ensure the absence of a multicollinearity problem among independent variables

(3) Inspect the measures of sampling adequacy using the anti-image covariance matrix, and exclude variables with a sampling adequacy of less than 0.5.

The matrix is suitable for factoring if these statistical tests meet the requirements. Finally, if the levels of communality of the variables fall within the "wide communality" range of 0.2 to 0.8 (Section 3.4.3), a sample size as small as 60 will give 100% convergent solutions. Moreover, if the communality of most variables are greater than 0.5, the sample has sufficient communality to determine the constructs that make up the concept (MacCallum et al., 1999). Therefore, if the data samples meet all the above assumptions underlying the application of factor analysis, the student researcher will test hypothesis H2 and derive market orientation constructs relevant to Hong Kong non-profits using the MARKOR items collected from the study.

3.7 Limitations

The limitations pertaining to the use of a quantitative research strategy include inaccurate analysis resulting from a failure to meet the assumptions of using inferential statistical analytic techniques (Creswell, 2013). The research instrument (a short 15 to 20 minute questionnaire) that is rigid in structure is not the most flexible research method and, when handled improperly, is especially vulnerable to statistical error. The misuse of sampling and weighting can completely undermine the accuracy, validity and generalizability of a quantitative research study. With a population size of 230 non-profit organisations, the logistical difficulties inherent in gathering a large sample can sabotage the study before it even gets off the ground. Nevertheless, since the population size is small, the appropriate target sample size of 60 (Section 3.4.3) yielded a challenging 26% response rate. Although the target was compact and defined, it was difficult to have adequate representation from 15 non-profit sub-sectors. Follow-up reminders were sent to boost the response rate in the cases of insufficient responses or low representation from any non-profit sub-sectors. Since the questionnaire was translated into the Chinese language (Section 3.4.1), the exact notion of the original market orientation items might not have been fully represented. To overcome this limitation, a bilingual questionnaire was sent to the respondents only upon request. Moreover, as only one key informant was surveyed, the data obtained was highly subject to the respondents' perception of the organisation and its fund-raising performance. The negative perception and lack of understanding of the use of marketing practices in non-profit organisations might have created implicit assumptions in the minds of informants and might have influenced their responses. There is rarely any precaution to be taken in the research design stage but the student researcher will consider this limitation cautiously in data analysis and interpretation. Although the reliability and validity could have been further improved by triangulation and mixed method, it was virtually impossible for this study because of the limitation of having to use the "multi-source, multi-informant" research method, as explained in Section 3.4.4.

3.8 Ethical considerations

Ethical clearance was obtained from the Human Research Ethics Review Panel of University of Newcastle, Australia. The requirements of the Human Research Ethics Committee (HREC) of University of Newcastle were followed in order to conduct the research in an ethical manner. As stated on the HREC website (HREC, 2013), "the HREC has responsibility for reviewing the ethical acceptability of research and ensuring compliance with regulatory and legislative requirements as well as University policies relating to human research." The Participant Information Statement was sent together with the invitation email to explain the survey and invite the recipients to participate in the research. SurveyMonkey was used to collect questionnaire data so that the participants could remain anonymous. Implied consent was assumed if participants voluntarily filled out the online questionnaire (Varnhagen et al., 2005). Personal data was not required in the questionnaire. No participants received any direct benefits in completing the questionnaire. Data collected through the SurveyMonkey website was deleted once the data collection process was finished and all the data were downloaded. All the data collected was stored in the researcher's computer under password protection. Only the researcher had access to any copies of the data. All data will be retained for five years after the conclusion of the study, and all data will be erased.

3.9 Researcher’s credibility

The student researcher, Ms. Lee Suet Mui Daisy, holds a BA in Psychology, BERG in Information Engineering, and MBA. She is currently teaching at the City University of Hong Kong and at the same time pursuing her Doctoral Degree in Business Administration at the University of Newcastle. With the necessary knowledge and skills acquired from these institutions she is enrolled in a DBA and has completed all coursework, including research related courses.

The Project Supervisor, Dr. Paul A. Markham, has a BBus, MBA and DBA coupled with research experience. The research involved an empirical qualitative exploration into transformational leadership and the physician adoption of technology. Consequently, the Project Supervisor has developed a deep understanding of: human behaviour in organisational settings, qualitative research methods, and the use of NVivo Qualitative Data Analysis software in content analysis and the University of Newcastle's research and ethics requirements. Coupled with theoretical research, he brings forth 25 years' experience in business and marketing research in the healthcare devices and information technology domains. Through his professional career, Dr. Markham has undertaken a vast number of focus groups and participant observation studies, and analysed the data from such studies. The combination of this real world experience in the healthcare IT realm, using primary and secondary research in the marketing profession, provided a suitable foundation from which to complete this research. He is the Chief Investigator/Doctoral Supervisor at the University of Newcastle. Dr. Paul A Markham is a seasoned scholar and practitioner in marketing and management.

3.10 Conclusion

This chapter delineated the research philosophy and strategy of the student researcher. Based on the fact that this study is a replicated study examining the behavioural differences between western and Hong Kong non-profit organisations, a quantitative research approach has been implemented. As a result of comparing the advantages and disadvantages of alternative quantitative methods, it was decided that the self-completion questionnaire survey method would be adopted. Research implementation and a method for addressing the reliability and validity of the research design have been thoroughly explained. Thus, this chapter summarized the limitations pertaining to conducting marketing research in the local non-profit context and discussed necessary ethical considerations. In the next chapter, the student researcher will analyse the data collected based on the methodology detailed in this chapter to test the hypotheses proposed in Chapter 2.

CHAPTER 4 ANALYSES OF DATA

4.0 Introduction

Chapter 4 reviews the analysis of the data collected according to the research design and methodology stipulated in Chapter 3. The data analysis intends to test the hypotheses and to answer the central research question of this study presented in Chapters 1 and 2:

Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?

The focus of this research is to enhance fundraising performance among non-profit organisations in Hong Kong through the implementation of market orientation. Firstly, Section 4.1 gives an overview of the analysis methodology. Secondly, Section 4.2 presents a general description of the data collected, including a profile of the samples and the descriptive statistics. This section also summarizes the demographics of the participating organisations and their marketing practices. Moreover, this section compares the marketing practice among non-profit organisations in Hong Kong and the western counties. Thirdly, Section 4.3 examines the reliability and validity of the fundraising MARKOR scale prior to using it for hypothesis testing. This section also discusses the analysis methodology adopted for this research to enable comparison with western models. Fourthly, Section 4.4 analyses the conceptual framework developed in Chapter 2 using data collected according to the research methodology proposed in Chapter 3. This section tests the hypotheses and prediction that the western model of market orientation is inapplicable in the Chinese context in Hong Kong. Finally, Section 4.5 ends this chapter with a summary of the data analysis and hypothesis testing. The entire chapter focuses on presenting and analysing the collected data in order to test the hypotheses. The next chapter (Chapter 5) will discuss the findings of this chapter within the literature context set out in Chapter 2.

4.1 Analysis methodology

This chapter discusses the analysis and results obtained from the data collected based upon the research design and methodology of Chapter 3. As explained in Section 3.2, the research strategy of this study is predominantly quantitative. Therefore, the data analysis employs statistical tests to evaluate data quality, examines the hypotheses and validates the replicated model adjusted for Hong Kong non-profits (Black, 1999, pp. 272-273). The use of inferential statistics allows the student researcher to generalize the analysis and results to non-profit organisations of different sizes and sub-sectors in Hong Kong (Tabachnick & Fidell, 2001). The student researcher uses SPSS, "a sophisticated piece of software used by social scientists and academic scholars for statistical analysis" (Coakes & Ong, 2011, p. vi), to perform the statistical analysis in this chapter.

4.2 Descriptive data

Prior to the analysis of data quality in Section 4.3 and hypotheses testing in Section 4.4, Section 4.2 adumbrates the descriptive information of the data collected according to the research design in Section 3.4. Firstly, Section 4.2.1 summarizes the profile of samples collected according to the sampling methods stipulated in Section 3.4.2. Secondly, Section 4.2.2 describes the statistics of the marketing behaviour rated by non-profit organisations using the research instrument deployed in Section 3.4.1.

4.2.1 Profile of the samples

This section details the profile of samples collected according to the sampling methods stipulated in Section 3.4.2. The profile of participating organisations includes demographic characteristics of the samples, such as their distribution across various organisational sizes, annual turnover and non-profit sub-sectors. Of the 230 non-profit organisations invited to participate in the study, 56 responses were received through the SurveyMonkey online survey platform. The online questionnaire was set to mandate participants to answer all questions, so all of the 56 responses proved to be useful with no missing data. The response rate was 24%, which is regarded as satisfactory based on the acceptable range of 12-20% posited by Churchill (1995).

Table 4.1 Profile of participating organisations by sub-sector and number of employees

	Number of employees in the organisation							
	Under 10	10 - 49	50 - 99	100 - 499	Over 500	Total	% of total samples	% of sector population
Non-profit Sub-sector								
Animal protection	0	1	0	2	0	3	5%	50%
Arts & culture	0	1	0	0	0	1	2%	17%
Children & youth	6	3	2	4	4	19	34%	61%
Elderly	0	0	0	0	1	1	2%	8%
Emergency relief	0	0	0	0	0	0	0%	0%
Environment & conservation	1	0	0	0	0	1	2%	20%
Family & communities	1	2	1	2	0	6	11%	13%
Health & medicine	5	2	0	1	0	8	14%	26%
Human rights	1	0	0	0	0	1	2%	25%
People with disability	1	2	0	0	0	3	5%	8%
Poverty	2	3	0	3	0	8	14%	35%
Religion	0	2	0	1	0	3	5%	100%
School education	0	0	0	0	0	0	0%	0%
Sports	0	0	0	0	0	0	0%	0%
Women	2	0	0	0	0	2	4%	20%
Total	19	16	3	13	5	56		
% of Total	34%	29%	5%	23%	9%		100%	24%

Table 4.2 Profile of participating organisations by sub-sector and annual turnover

	Annual Turnover of the Organisations (HK$)							
	Under 1M	1 - 5M	5 - 10M	10 - 50M	More than 50M	Total	% of total samples	% of sector population
Non-profit Sub-sector								
Animal protection	0	1	0	1	1	3	5%	50%
Arts & culture	0	0	0	1	0	1	2%	17%
Children & youth	0	8	2	6	3	19	34%	61%
Elderly	0	0	0	0	1	1	2%	8%
Emergency relief	0	0	0	0	0	0	0%	0%
Environment & conservation	0	0	0	1	0	1	2%	20%
Family & communities	1	1	3	1	0	6	11%	13%
Health & medicine	2	4	1	1	0	8	14%	26%
Human rights	0	1	0	0	0	1	2%	25%
People with disability	0	2	1	0	0	3	5%	8%
Poverty	0	2	3	1	2	8	14%	35%
Religion	0	1	2	0	0	3	5%	100%
School education	0	0	0	0	0	0	0%	0%
Sports	0	0	0	0	0	0	0%	0%
Women	0	2	0	0	0	2	4%	20%
Total	3	22	12	12	7	56		
% of Total	5%	39%	21%	21%	13%		100%	24%

Among the 15 non-profits sub-sectors, this study received responses from 12 sub-sectors. Over 70% of the participating organisations were from four sub-sectors: children and youth; health and medicine; poverty; family and communities (Table 4.1). Four non-profit sub-sectors (art and culture; elderly; environment and conservation; and human rights) had only one participating organisation per sub-sector and three (emergency relief; school education; and sports) had a zero sample. Therefore, it was impossible to conduct inter-sub-sector comparison and analyse differences between non-profit sub-sectors in Hong Kong statistically. According to the statistics in Table 4.1 and Table 4.2, two-thirds of the samples are from non-profit organisation of small size and annual turnover. In terms of organisational size, 63% of the participating organisations have less than fifty staff, 5% are medium size with staff ranging from fifty to a hundred, and 32% are big organisations with more than one hundred staff (Table 4.1). An inquest into the annual turnover of the organisations shows that 66% of the samples operate on a small budget with less than ten million HK dollars; 21% have an annual turnover of between ten to fifty million and only 13% have more than fifty million. Therefore, it is feasible to perform a comparison across non-profit organisations of different sizes and annual turnovers in Section 4.4.4 using the statistical method detailed in Section 3.6.1. In next section, the student researcher will describe the statistics of the marketing behaviour rated by non-profit organisations using the research instrument deployed in Section 3.4.1.

4.2.2 Analyses of descriptive statistics of data

This section describes the statistics of the marketing behaviour rated by the sampling organisations using the research instrument deployed in Section 3.4.1. The descriptive statistics provide an overview of the marketing behaviour and fundraising performance among non-profit organisations in Hong Kong. Firstly, most non-profit organisations are satisfied with their fundraising performance. 64% of non-profit organisations rate their fundraising performance over past five years as good or excellent. Thus, according to the five-point Likert scale in this study (1=poor; 2=fair; 3=average; 4=good; 5=excellent), the mean score of fundraising performance rating by Hong Kong non-profits is 3.54 (Table 4.3). Secondly, fundraising related marketing practices are widely adopted among participating organisations. Among the 20 items of market-oriented behaviour, 15 items have mean scores greater than 3.0 in the five-point Likert scale (1=strongly disagree; 2=disagree; 3=neither agree nor disagree; 4=agree;

5=strong agree). The results in Table 4.3 indicate that non-profit organisations in Hong Kong appreciate the use of most fundraising marketing strategies.

Table 4.3 Mean score of market orientation items, relationship marketing and fundraising performance

	Mean Score
Fundraising MARKOR Items	
1. Set precise fundraising targets	**4.32**
5. Have systems to determine value & frequency of donations	**4.04**
15. Fundraising information gathered is shared within the organisation	**4.00**
12. Interdepartmental planning for fundraising responses	**3.91**
11. Evaluate fundraising effectiveness frequently	**3.77**
16. Marketing people interact frequently with others to discuss fundraising	**3.70**
17. Marketing people make strong input into the organisation	**3.55**
6. Formulate fundraising strategies based on understanding of donors	**3.54**
4. Have good knowledge of donors	**3.52**
3. Often experiment & innovate in the use of MARCOM tools	**3.45**
7. Quickly detect changes in patterns of donations	**3.25**
13. Information about donors and other charities is generated independently	**3.14**
14. Monitor others' marketing and fundraising activities regularly	**3.09**
19. Competition for donations is very intense	**3.09**
9. Quickly adopt effective fundraising ideas from others	**3.07**
10. Top managers regularly discuss others' marketing programs	**3.00**
20. Fundraising performance has been better than others	**2.96**
2. Compare fundraising performance with others regularly	**2.79**
18. Donors are liable to switch donations to others	**2.77**
8. Survey donors at least once a year	**2.46**
Market Orientation	**3.37**
Relationship marketing with donors	**4.02**
Overall rating of fundraising performance (over past 5 years)	**3.54**

Remarks:

- Questions using five-point Likert scale:
1=strongly disagree; 2=disagree; 3=neither agree nor disagree; 4=agree; 5=strong agree
- Mean score = 3.0 means neither agree nor disagree with the sentence
- Mean score > 3.0 indicating that respondents agree with the sentence in average
- Mean score < 3.0 indicating that respondents disagree with the sentence in average

From Table 4.3, the top three marketing practices that non-profit organisations in Hong Kong mostly agree to have currently adopted score a mean score greater than 4.0. The top three marketing practices are:

1. Set precise fundraising targets
   (Mean = 4.32)
2. Have monitoring systems to determine value and frequency of donations
   (Mean = 4.04)
3. Fundraising information is shared within the organisation
   (Mean = 4.00).

On the contrary, the bottom three marketing behaviours have mean scores lower than 3.0, indicating that these practices are relatively unimportant or uncommon. The least practiced marketing behaviours include:

1. Survey donors at least once a year
   (Mean = 2.46)
2. Donors are liable to switch donations to others
   (Mean = 2.77)
3. Regularly comparing fundraising performance with others
   (Mean = 2.79).

Moreover, relationship marketing with donors is crucial to non-profit organisations in Hong Kong with a mean score of 4.02 (Table 4.3). 78% of the responding organisations agreed with the question "We establish, maintain and enhance relationships with our donors." Both the market orientation and relationship marketing score of all non-profit sub-sectors (except human rights) is greater than 3.0 (Table 4.4), showing that non-profits of various sub-sectors in Hong Kong implement marketing and concepts and relationship marketing in fundraising. After the above general description of responses from this study in Hong Kong, the next section will examine the reliability and validity of the fundraising MARKOR scale proposed in western models.

Table 4.4 Mean score of market orientation items, relationship marketing and fundraising performance across non-profit sub-sectors

(Questions using five-point Likert scale: 1=strongly disagree; 2=disagree; 3=neither agree nor disagree; 4=agree; 5=strong agree)

Major service type	**Elderly**	**Women**	**Animal protection**	**Children and youth**	**Health and medicine**	**People with disability**	**Environment and conservation**	**Poverty**	**Arts and culture**	**Religion**	**Family and communities**	**Human rights**	**Average rating**
No. of data collected	1	2	3	19	8	3	1	8	1	3	6	1	
Market Orientation Items													
1. Set precise fundraising targets	4.00	4.50	5.00	4.21	4.38	4.33	5.00	4.50	3.00	4.33	4.33	3.00	**4.32**
5. Have systems to determine value & frequency of donations	4.00	4.00	4.33	3.79	4.50	4.33	2.00	4.50	3.00	4.00	4.00	3.00	**4.04**
15. Fundraising information gathered is shared within the organization	5.00	5.00	4.67	4.00	4.38	3.67	2.00	3.50	4.00	3.33	4.17	4.00	**4.00**
12. Interdepartmental planning for fundraising responses	4.00	4.50	4.67	3.89	3.88	3.33	5.00	4.00	4.00	4.67	3.33	2.00	**3.91**
11. Evaluate fundraising effectiveness frequently	4.00	4.00	4.67	3.84	3.38	4.00	4.00	4.13	3.00	3.33	3.50	2.00	**3.77**
16. Marketing people interact frequently with others to discuss	4.00	5.00	4.67	3.53	3.63	3.67	5.00	3.50	3.00	3.67	3.50	4.00	**3.70**
17. Marketing people make strong input into the organization	4.00	5.00	3.00	3.58	3.63	3.67	4.00	3.50	3.00	3.33	3.33	3.00	**3.55**
6. Formulate fundraising strategies based on understanding of donors	4.00	4.50	4.33	3.26	3.88	4.00	5.00	3.50	4.00	3.33	2.83	3.00	**3.54**
4. Have good knowledge of donors	4.00	3.50	3.67	3.32	3.50	4.00	4.00	3.88	4.00	3.67	3.00	4.00	**3.52**
3. Often experiment & innovate in the use of MARCOM tools	4.00	4.00	4.00	3.53	3.38	3.33	2.00	3.13	4.00	3.67	3.33	3.00	**3.45**
7. Quickly detect changes in patterns of donations	3.00	4.00	3.67	3.53	3.00	3.00	2.00	3.13	4.00	3.67	2.50	3.00	**3.25**
13. Information about donors and other charities is generated	5.00	3.50	2.00	3.26	2.63	4.33	4.00	3.25	3.00	3.00	2.83	3.00	**3.14**
14. Monitor others' marketing and fundraising activities regularly	2.00	3.00	3.33	3.37	3.13	2.00	3.00	3.25	3.00	2.67	2.83	3.00	**3.09**
19. Competition for donations is very intense	4.00	3.50	3.00	3.05	3.25	2.67	4.00	3.00	3.00	3.00	2.83	4.00	**3.09**
9. Quickly adopt effective fundraising ideas from others	4.00	4.00	2.67	3.21	3.00	3.00	3.00	2.88	3.00	3.00	3.00	2.00	**3.07**
10. Top managers regularly discuss others' marketing programs	3.00	3.50	2.33	3.37	3.13	2.33	3.00	2.88	3.00	2.00	3.00	2.00	**3.00**
20. Fundraising performance has been better than others	4.00	3.00	3.67	3.11	2.75	3.33	2.00	2.88	3.00	2.67	2.67	2.00	**2.96**
2. Compare fundraising performance wth others regularly	4.00	1.50	2.67	3.00	3.13	3.00	2.00	2.25	3.00	2.33	3.00	2.00	**2.79**
18. Donors are liable to switch donations to others	3.00	2.00	3.33	2.84	2.75	3.00	3.00	2.50	3.00	2.33	2.83	3.00	**2.77**
8. Survey donors at least once a year	3.00	2.50	1.67	2.58	2.38	2.33	3.00	2.50	3.00	2.00	2.67	2.00	**2.46**
Market orientation	3.80	3.73	3.57	3.41	3.38	3.37	3.35	3.33	3.30	3.20	3.18	2.85	**3.37**
Relationship marketing with donors	4.00	4.50	4.00	3.74	3.88	4.33	5.00	4.88	4.00	4.33	3.50	3.00	**4.02**
Last 5 years fundraising performance	4.00	3.50	4.00	3.68	3.25	3.33	3.00	3.50	3.00	3.67	3.67	2.00	**3.54**

4.3 Reliability and validity of the fundraising MARKOR scale

This section examines the reliability and validity of the instrument and scale adopted in this study prior to the data analysis and hypothesis testing in the next section.

Firstly, this section tests the reliability of the MARKOR scale adopted from the study of Bennett (1998) for the measurement of fundraising related marketing orientation (Section 3.5.1). Secondly, it verifies the validity of the market orientation scale employed as stipulated in Section 3.5.2.

The 20-item MARKOR scale has a Cronbach's alpha of 0.83 (Table 4.5). As explained in Section 3.5.1, a scale has acceptable internal reliability if the Cronbach's alpha is up to 0.7 and very good reliability if it is up to 0.8 (Cronbach, 1951; George & Mallery, 2003, p. 231). Thus, the 20-item fundraising MARKOR scale has very good internal reliability in measuring non-profit market orientation in Hong Kong as it is supported by a Cronbach's alpha of 0.83.

Table 4.5 Reliability analysis: Cronbach's alpha and item-total statistics of the MARKOR scale

(Cronbach's Alpha of Market Orientation measured in this study = 0.830)

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
1. Set precise fundraising targets	63.09	82.556	.155	.452	.832
2. Compare fundraising performance with others regularly	64.63	78.820	.251	.355	.832
3. Often experiment & innovate in the use of MARCOM tools	63.96	78.362	.292	.372	.829
4. Have good knowledge of donors	63.89	75.588	.584	.612	.815
5. Have systems to determine value & frequency of donations	63.38	80.675	.225	.410	.831
6. Formulate fundraising strategies based on understanding of donors	63.88	73.202	.623	.671	.811
7. Quickly detect changes in patterns of donations	64.16	77.701	.432	.449	.822
8. Survey donors at least once a year	64.95	77.070	.389	.591	.824
9. Quickly adopt effective fundraising ideas from others	64.34	78.701	.407	.608	.823
10. Top managers regularly discuss others' marketing programs	64.41	76.828	.412	.553	.822
11. Evaluate fundraising effectiveness frequently	63.64	75.870	.581	.618	.815
12. Interdepartmental planning for fundraising responses	63.50	76.400	.480	.587	.819
13. Information about donors and other charities is generated independently	64.27	73.072	.528	.551	.816
14. Monitor others' marketing and fundraising activities regularly	64.32	73.058	.642	.570	.810
15. Fundraising information gathered is shared within the organization	63.41	78.719	.272	.366	.830
16. Marketing people interact frequently with others to discuss fundraising	63.71	74.717	.542	.651	.816
17. Marketing people make strong input into the organization	63.86	76.816	.458	.609	.820
18. Donors are liable to switch their donations to others	64.64	81.761	.200	.351	.831
19. Competition for donations is very intense	64.32	79.677	.213	.395	.833
20. Fundraising performance has been better than others	64.45	77.888	.423	.518	.822

The deletion of an item from the MARKOR scale will not significantly increase the overall reliability according to the last column of Table 4.5 (Cronbach's alpha if item deleted), suggesting that all items are appropriate to make up the scale (Coakes & Ong, 2011). As reliability of the fundraising MARKOR model is provided, its validity among the non-profit context in Hong Kong will be assessed in next paragraph.

This study examines the construct validity and criterion-related validity, because content validity is assumed, as stipulated in Chapter 3 (Section 3.5.2). Firstly, criterion-related validity measured by concurrent validity in this study is demonstrated through correlational analysis of market orientation and fundraising performance of non-profit organisations studied with a correlation coefficient $r = 0.513$ at 0.01 significant level ($p < 0.001$, one-tailed test). The correlation results indicate that there is a significant positive relationship between market orientation and fundraising performance among non-profit organisations in Hong Kong (Rice, 1989). The results confirm the positive correlation between non-profit market orientation and fundraising performance posited in the literature and justify the concurrent validity.

Table 4.6 Correlation matrix for items of the fundraising MARKOR scale

Item	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	1																			
2	.116	1																		
3	-.125	.129	1																	
4	.083	.274*	.142	1																
5	.222	.196	.061	.292*	1															
6	.270*	.170	.163	.644**	.226*	1														
7	-.046	.038	.195	.267*	.231*	.284*	1													
8	.069	-.088	.092	.117	.043	.162	.263*	1												
9	.192	.081	.158	.134	.049	.158	.054	.326**	1											
10	-.027	-.083	.035	.151	0.000	.273*	.171	.491**	.422**	1										
11	.323**	.143	.140	.378**	.187	.411**	.389**	.131	.222	.309*	1									
12	.275*	-.019	.060	.361**	.072	.484**	.443**	.183	.186	.259*	.662**	1								
13	.123	.263*	.153	.454**	.138	.320**	.127	.453**	.486**	.283*	.279*	.215	1							
14	.037	.331**	.306*	.458**	.164	.404**	.420**	.338**	.132	.405**	.377**	.326**	.302*	1						
15	0.000	.325**	.161	.181	.039	.272*	.200	-.085	.022	.104	.247*	.074	.117	.275*	1					
16	.119	.222	.322**	.405**	-.008	.530**	.262*	.089	.099	.167	.421**	.349**	.227*	.434**	.450**	1				
17	.145	.048	.022	.186	.112	.245*	.122	.427**	.554**	.382**	.340**	.211	.419**	.245*	.131	.431**	1			
18	-.243*	.027	.112	.166	.211	.024	.122	.074	.061	.249*	.148	.049	.145	.276*	-.023	.151	.113	1		
19	-.039	.031	.250*	.185	-.176	.305*	.054	.328**	.121	.135	-.017	.063	.191	.178	-.032	.144	.023	.140	1	
20	-.011	.127	.300*	.401**	.222	.340**	.435**	.189	.304*	.151	.348**	.344**	.170	.368**	.020	.095	.119	.015	.043	1

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

Secondly, construct validity of the MARKOR items measured by discriminant and convergent validity is supported by the comparison of Cronbach's alpha of market orientation and the correlation among the MARKOR items (Peter, 1981). All the correlation coefficients between items in the MARKOR scale measuring market orientation (Table 4.6) are less than the Cronbach's alpha of fundraising-related market orientation (α = 0.83, Table 4.5). The results support the discriminant validity of the scales. As shown in Table 4.7, the significant correlation between items of the MARKOR scale and market orientation (all correlations with $p < 0.05$; inter-items correlations of 18 items with $p < 0.01$) indicate that all items are converging to a common scale and demonstrate the convergent validity of the scale.

Table 4.7 Correlation coefficients between items and market orientation; relationship marketing with donors; and fundraising performance

	Market Orientation	Relationship marketing with donors	Last five years fundraising performance
1. Set precise fundraising targets	0.227*	0.159	0.174
2. Compare fundraising performance against others regularly	0.361**	-0.038	0.260*
3. Often experiment & innovate in the use of MARCOM tools	0.396**	0.012	0.146
4. Have good knowledge of donors	0.643**	0.592**	0.371**
5. Have systems to determine value & frequency of donations	0.314**	0.268*	0.250*
6. Formulate fundraising strategies based on understanding of donors	0.688**	0.407**	0.326**
7. Quickly detect changes in patterns of donations	0.506**	0.239*	0.305*
8. Survey donors at least once a year	0.480**	0.175	0.221
9. Quickly adopt effective fundraising ideas from others	0.477**	0.088	0.277*
10. Top managers regularly discuss others' marketing programs	0.500**	0.166	0.167
11. Evaluate fundraising effectiveness frequently	0.639**	0.515**	0.496**
12. Interdepartmental planning for fundraising responses	0.555**	0.487**	0.380**
13. Information about donors and other charities is generated independently	0.617**	0.279*	0.182
14. Monitor others' marketing and fundraising activities regularly	0.703**	0.281*	0.369**
15. Fundraising information gathered is shared within the organization	0.377**	-0.088	0.052
16. Marketing people interact frequently with others to discuss fundraising	0.616**	0.316**	0.114
17. Marketing people make strong input into the organization	0.534**	0.294*	0.314**
18. Donors are liable to switch donations to others	0.276*	0.103	0.036
19. Competition for donations is very intense	0.324**	-0.067	0.135
20. Fundraising performance has been better than others	0.497**	0.194	0.552**
Market Orientation	1		
Relationship marketing with donors	0.432**	1	
Last five years fundraising performance	0.513**	0.266*	1

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

The justification of both discriminant and convergent validity provide the construct validity of the fundraising MARKOR scale. With the proven reliability and validity of the fundraising MARKOR scale in measuring market orientation and its relationship with fundraising performance in Hong Kong, the next section will use the adopted fundraising MARKOR scale to perform hypothesis testing.

4.4 Analysis and hypothesis testing

The testing of hypotheses in this study aims to verify whether the marketing behaviour reflecting the fundraising performance in Hong Kong differs from that in western countries. The testing includes quantitative analysis using bivariate correlation, ANOVA, multiple regression and factor analysis. The following sub-sections will assess the assumptions and restrictions of using ANOVA, multiple regression and factor analysis (Section 3.6) prior to the analysis of the hypotheses with respective quantitative methods.

4.4.1 The relevance of western non-profit market orientation models in Hong Kong

Hypothesis H1 hypothesizes that the market orientation constructs from western models (H1a: donor orientation; H1b: competitor orientation; H1c: marketing integration) do not predict market orientation in Hong Kong. The relevance of market orientation constructs of western models among Hong Kong non-profits is the main research focus in this study. Therefore, in addition to the correlation analysis between market orientation constructs and market orientation, the study also examines the reliability and validity of models proposed in the UK study (Bennett, 1998) and the Australian study (Brady et al., 2011). Based on the analysis, hypothesis H1 is accepted because the results do not support the validity of the western models in Hong Kong (Table 4.8 and 4.9).

According to Tables 4.8 and 4.9, correlations between all the market orientation constructs from the western models and market orientation in Hong Kong are significant at the 0.01 level. The correlation between the three constructs (donor orientation, competition orientation, influence of marketing personnel) based on the UK model and market orientation in Hong Kong are 0.872, 0.755 and 0.675 respectively (Table 4.8). The correlation between the three constructs (donor orientation, competition orientation, marketing integration) based on the Australian model and market orientation in Hong Kong are 0.807, 0.748 and 0.799 respectively (Table 4.9). Since some of the inter-items correlations are significantly high at the 0.01 level (Table 4.6), the strong and significant correlation between market orientation and constructs proposed in the western models may result from multicollinearity (Warner, 2013). Therefore, the relevance of western models in Hong Kong should also be assessed by reliability (Section 3.5.1) and validity analysis (Section 3.5.2).

Table 4.8 Reliability and correlations of market orientation constructs using the UK model (Bennett, 1998)

(Cronbach's alpha using the UK model = 0.71)

Construct	Mean	SD	Cronbach's Alpha	Correlation coefficients			
				Bennett DO	Bennett CO	Bennett IMP	Market Orientation
Bennett DO	3.30	0.58	0.74	1			0.872**
Bennett CO	3.00	0.56	0.57	0.577**	1		0.755**
Bennett IMP	3.75	0.74	0.60	0.443**	0.378**	1	0.675**

**. Correlation is significant at the 0.01 level (1-tailed).

Table 4.9 Reliability and correlations of market orientation constructs using the Australian model (Brady et al., 2011)

(Cronbach's alpha using the Australian model = 0.75)

Construct	Mean	SD	Cronbach's Alpha	Correlation coefficients			
				Brady et al. DO	Brady et al. CO	Brady et al. MI	Market Orientation
Brady et al. DO	3.74	0.54	0.71	1			0.807**
Brady et al. CO	2.96	0.71	0.45	0.475**	1		0.748**
Brady et al. MI	3.72	0.61	0.59	0.574**	0.503**	1	0.799**

**. Correlation is significant at the 0.01 level (1-tailed).

The reliability of the model using UK and Australian market orientation constructs in Hong Kong is measured by Cronbach's alpha. The western models are regarded as having acceptable internal reliability if the Cronbach's alpha is greater than 0.7 (George & Mallery, 2003). The Cronbach's alpha using the western models in Hong Kong is 0.71 (UK model) and 0.75 (Australian model) showing that the western models can be adopted in Hong Kong with satisfactory reliability.

However, the western models do not support construct validity as measured by both discriminant and convergent validity (Section 3.5.2). According to the results, the convergent validity in both models is provided, because the correlations between all constructs in the models and market orientation are significant at the 0.01 level (Table 4.8 and Table 4.9). However, both western models do not support discriminant validity, because the correlation between composite constructs is greater than the reliability estimates (Peter, 1981). The correlation coefficient between the two constructs “donor orientation” and “competitor orientation” of the UK model is 0.577, which is greater than the Cronbach’s alpha of the “competitor orientation” construct (α = 0.57, Table 4.8). Similarly, the correlation coefficients between “competitor orientation”, “donor orientation” (r = 0.475) and “marketing integration” (r = 0.503) in the Australian model are greater than the reliability estimates of the “competitor orientation” construct (α = 0.45, Table 4.9). Therefore, the results of this study do not support validity in using the western market orientation models in Hong Kong and the acceptance of hypothesis H1. However, the testing of next hypothesis will identify constructs that are suitable for the Chinese context in Hong Kong.

4.4.2 Comparison of non-profit marketing behaviour in the western and Chinese contexts in Hong Kong

Hypothesis H2 predicts that marketing behaviour contributing to various market orientation constructs (H2a: donor orientation; H2b: competitor orientation; H2c: marketing integration) in Hong Kong is different from that in the UK and Australia. The results reject hypothesis H2a and suggest that marketing behaviour comprising “donor orientation” in Hong Kong is similar to that in the UK and Australia. However, it supports H2b and H2c as marketing behaviour that contributes to “competitor orientation” and “influence of marketing personnel/marketing integration” in Hong Kong is found to be different from that in the western models. As stipulated in Section 3.5.1, any constructs with a Cronbach’s alpha less than 0.60 has low internal consistency reliability and is considered unacceptable (George & Mallery, 2003, p. 231). However, Cronbach’s alpha of market orientation constructs according to the UK model for hypothesis H2a donor orientation, H2b competitor orientation and H2c marketing integration in this study are 0.74, 0.57 and 0.60 respectively (Table 4.10). Cronbach’s alpha of constructs, according to the Australian model for H2a to H2c, are 0.71, 0.45 and 0.59 respectively (Table 4.11). Therefore, only “donor orientation” in both models has a Cronbach’s alpha larger than the acceptable level of 0.60 and is able to predict reliable construct of donor orientation, which means that hypothesis H2a must be rejected. Consequently, the results only support hypotheses H2b and H2c, that marketing behaviour contributing to "competitor orientation" and "marketing integration" is different in Hong Kong compared to the western context.

Table 4.10 Reliability of scale and construct comparison with the UK model (Bennett, 1998)

(Cronbach's alpha using the UK model = 0.71)

Market Orientation Construct	No. of Item	Items	Reliability in Bennett (1998) study	Reliability in Brady et al. (2011)	Reliability in this study
Donor orientation	6	4. Have good knowledge of donors 6. Formulate fundraising strategies based on understanding of donors 8. Survey donors at least once a year 11. Evaluate fundraising effectiveness frequently 20. Fundraising performance has been better than others Overall rating of fundraising performance (over past 5 years)	0.77	0.65	0.74
Competitor orientation	5	9. Quickly adopt effective fundraising ideas from others 10. Top managers regularly discuss others' marketing programs 14. Monitor others' marketing and fundraising activities regularly 18. Donors are liable to switch donations to others 19. Competition for donations is very intense	0.62	0.41	0.57
Influence of Marketing personnel	3	15. Fundraising information gathered is shared within the organization 16. Marketing people interact frequently with others to discuss fundraisin 17. Marketing people make strong input into the organization	0.72	0.60	0.60

Table 4.11 Reliability of scale and construct comparison with the Australian model (Brady et al., 2011)

(Cronbach's alpha using the Australian model = 0.75)

Market Orientation Construct	No. of Item	Items	Reliability in Brady et al. (2011) study	Reliability in this study
Donor orientation	6	1. Set precise fundraising targets 4. Have good knowledge of donors 5. Have systems to determine value & frequency of donations 6. Formulate fundraising strategies based on understanding of donors 7. Quickly detect changes in patterns of donations 11. Evaluate fundraising effectiveness frequently	0.76	0.71
Competitor orientation	3	2. Compare fundraising performance against others regularly 10. Top managers regularly discuss others' marketing programs 14. Monitor others' marketing and fundraising activities regularly	0.65	0.45
Marketing Integration	5	3. Often experiment & innovate in the use of MARCOM tools 12. Interdepartmental planning for fundraising responses 15. Fundraising information gathered is shared within the organization 16. Marketing people interact frequently with others to discuss fundraising 17. Marketing people make strong input into the organization	0.67	0.59

The substantiation of hypothesis H2 suggests that behaviour constituting market orientation constructs in Hong Kong differs considerably from that in the UK and Australia. Therefore, the next section will perform a factor analysis to identify behaviour contributing to market orientation constructs among non-profit organisations in Hong Kong.

4.4.3 Constructs of market orientation model for non-profits in Hong Kong

Factor analysis of the items has yielded factors that constitute the constructs of new market orientation model for Hong Kong and affirms that market orientation scale is multi-dimensional (Kohli et al., 1993; Narver & Slater, 1990). To ensure the new market orientation model for Hong Kong consists of reliable factors (constructs), this paragraph addresses the assumptions and restrictions of conducting factor analysis as illustrated in Section 3.6.3. Firstly, the examination of the correlation matrix (Table 4.6) indicates some correlations in excess of 0.3 and, therefore, linearity is assumed. Secondly, the factorability of the correlation matrix is accessed by the measures of sampling adequacy using the anti-image covariance matrix, a large and significant Bartlett's test of sphericity and a Kaiser-Meyer-Olkin measure greater than 0.6 (Section 3.6.3). The inspection of the anti-image correlation matrix (Table 4.12) reveals that all our measures of sampling adequacy are above the acceptable level of 0.5, with the exception of items 1, 5, 18 and 19. Therefore, these four items should be excluded from the principal axis factoring analysis. The matrix, excluding items 1, 5, 18 and 19 shown in Table 4.13, has a considerable number of correlations exceeding 0.3. Moreover, inspection of the anti-image correlation matrix (Table 4.13) also reveals that all measures of sampling adequacy are well above the acceptable level of 0.5. Thirdly, according to Table 4.14, Bartlett's test of sphericity is large (319.7) and significant at the 0.001 level confirming that there is good correlation between the variables. Fourthly, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy shown in Table 4.14 is 0.729. With a KMO greater than 0.6, the assumption of no multicollinearity has been satisfied (Kaiser, 1960).

Table 4.12 Anti-image correlation matrix (examined by SPSS)

Anti-image Matrices

		1. Set precise fundraising targets	2. Compare fundraising performance against others regularly	3. Often experiment & innovate in the use of MARCOM tools	4. Have good knowledge of donors	5. Have systems to determine value & frequency of donations	6. Formulate fundraising strategies based on understanding of donors	7. Quickly detect changes in patterns of donations	8. Survey donors at least once a year	9. Quickly adopt effective fundraising ideas from others	10. Top managers regularly discuss others' marketing programs	11. Evaluate fundraising effectiveness frequently	12. Interdepartmental planning for fundraising responses	13. Information about donors and other charities is generated independently	14. Monitor others' marketing and fundraising activities regularly	15. Fundraising information gathered is shared within the organization	16. Marketing people interact frequently with others to discuss fundraising	17. Marketing people make strong input into the organization	18. Donors are liable to switch donations to others	19. Competition for donations is very intense	20. Fundraising performance has been better than others
Anti-image Covariance	Item 1	.548	-.023	.119	.075	-.168	-.091	.114	-.071	-.139	.122	-.150	-.032	.029	-.064	.078	-.041	.075	.185	.014	.114
	Item 2	-.023	.645	.057	-.001	-.094	.031	.060	.082	-.037	.087	-.027	.069	-.120	-.171	-.127	-.037	.040	.050	-.054	-.035
	Item 3	.119	.057	.628	.091	-.110	.025	.028	-.002	-.104	.070	-.051	.057	-.050	-.097	.005	-.172	.133	.046	-.133	-.114
	Item 4	.075	-.001	.091	.388	-.087	-.132	.037	.050	.019	.040	-.029	.000	-.154	-.082	.043	-.053	.032	-.008	-.031	-.093
	Item 5	-.168	-.094	-.110	-.087	.590	-.097	-.128	-.032	.044	.038	.004	.073	.031	.039	-.011	.143	-.081	-.219	.188	-.012
	Item 6	-.091	.031	.025	-.132	-.097	.329	.012	.056	.046	-.108	.050	-.086	-.026	.020	-.054	-.104	-.006	.086	-.163	-.078
	Item 7	.114	.060	.028	.037	-.128	.012	.551	-.098	.005	.058	-.046	-.119	.021	-.085	-.092	-.042	.044	.014	-.005	-.112
	Item 8	-.071	.082	-.002	.050	-.032	.056	-.098	.409	.086	-.160	.070	-.012	-.173	-.066	.064	.021	-.127	.078	-.177	-.062
	Item 9	-.139	-.037	-.104	.019	.044	.046	.005	.086	.392	-.162	.070	-.039	-.145	.082	-.022	.059	-.193	-.023	-.064	-.155
	Item 10	.122	.087	.070	.040	.038	-.108	.058	-.160	-.162	.447	-.099	.013	.060	-.139	-.047	.042	.027	-.086	.073	.079
	Item 11	-.150	-.027	-.051	-.029	.004	.050	-.046	.070	.070	-.099	.382	-.193	-.042	.027	-.076	-.017	-.081	-.070	.012	-.085
	Item 12	-.032	.069	.057	.000	.073	-.086	-.119	-.012	-.039	.013	-.193	.413	-.003	-.021	.092	-.029	.049	.010	.033	-.007
	Item 13	.029	-.120	-.050	-.154	.031	-.026	.021	-.173	-.145	.060	-.042	-.003	.449	.018	-.025	.042	-.015	-.046	.048	.108
	Item 14	-.064	-.171	-.097	-.082	.039	.020	-.085	-.066	.082	-.139	.027	-.021	.018	.430	-.041	-.038	-.017	-.103	.009	-.074
	Item 15	.078	-.127	.005	.043	-.011	-.054	-.092	.064	-.022	-.047	-.076	.092	-.025	-.041	.634	-.125	.033	.113	.046	.072
	Item 16	-.041	-.037	-.172	-.053	.143	-.104	-.042	.021	.059	.042	-.017	-.029	.042	-.038	-.125	.349	-.171	-.084	.036	.086
	Item 17	.075	.040	.133	.032	-.081	-.006	.044	-.127	-.193	.027	-.081	.049	-.015	-.017	.033	-.171	.391	.025	.066	.034
	Item 18	.185	.050	.046	-.008	-.219	.086	.014	.078	-.023	-.086	-.070	.010	-.046	-.103	.113	-.084	.025	.649	-.138	.068
	Item 19	.014	-.054	-.133	-.031	.188	-.163	-.005	-.177	-.064	.073	.012	.033	.048	.009	.046	.036	.066	-.138	.605	.087
	Item 20	.114	-.035	-.114	-.093	-.012	-.078	-.112	-.062	-.155	.079	-.085	-.007	.108	-.074	.072	.086	.034	.068	.087	.482
Anti-image Correlation	Item 1	.398[a]	-.039	.202	.163	-.295	-.215	.208	-.150	-.300	.245	-.328	-.067	.058	-.133	.133	-.095	.162	.310	.024	.221
	Item 2	-.039	.620[a]	.089	-.003	-.152	.067	.101	.160	-.074	.162	-.055	.133	-.222	-.325	-.199	-.078	.080	.078	-.087	-.062
	Item 3	.202	.089	.518[a]	.184	-.181	.056	.048	-.003	-.210	.131	-.104	.112	-.094	-.186	.007	-.367	.267	.072	-.216	-.207
	Item 4	.163	-.003	.184	.779[a]	-.182	-.370	.079	.125	.048	.095	-.075	-.001	-.368	-.201	.087	-.143	.083	-.015	-.064	-.216
	Item 5	-.295	-.152	-.181	-.182	.430[a]	-.219	-.225	-.065	.092	.073	.007	.147	.061	.077	-.017	.314	-.168	-.354	.314	-.023
	Item 6	-.215	.067	.056	-.370	-.219	.735[a]	.028	.152	.129	-.281	.142	-.234	-.067	.054	-.119	-.306	-.016	.185	-.365	-.196
	Item 7	.208	.101	.048	.079	-.225	.028	.770[a]	-.206	.011	.117	-.099	-.250	.042	-.175	-.156	-.096	.095	.023	-.008	-.217
	Item 8	-.150	.160	-.003	.125	-.065	.152	-.206	.591[a]	.214	-.373	.176	-.029	-.404	-.158	.126	.055	-.317	.151	-.356	-.139
	Item 9	-.300	-.074	-.210	.048	.092	.129	.011	.214	.544[a]	-.386	.180	-.096	-.345	.199	-.043	.159	-.492	-.045	-.131	-.356
	Item 10	.245	.162	.131	.095	.073	-.281	.117	-.373	-.386	.618[a]	-.238	.031	.134	-.316	-.088	.105	.063	-.160	.141	.170
	Item 11	-.328	-.055	-.104	-.075	.007	.142	-.099	.176	.180	-.238	.749[a]	-.485	-.101	.066	-.154	-.046	-.209	-.141	.025	-.197
	Item 12	-.067	.133	.112	-.001	.147	-.234	-.250	-.029	-.096	.031	-.485	.777[a]	-.008	-.050	.180	-.076	.121	.019	.065	-.017
	Item 13	.058	-.222	-.094	-.368	.061	-.067	.042	-.404	-.345	.134	-.101	-.008	.715[a]	.042	-.047	.106	-.037	-.085	.093	.232
	Item 14	-.133	-.325	-.186	-.201	.077	.054	-.175	-.158	.199	-.316	.066	-.050	.042	.801[a]	-.078	-.098	-.041	-.195	.017	-.163
	Item 15	.133	-.199	.007	.087	-.017	-.119	-.156	.126	-.043	-.088	-.154	.180	-.047	-.078	.677[a]	-.267	.067	.176	.074	.131
	Item 16	-.095	-.078	-.367	-.143	.314	-.306	-.096	.055	.159	.105	-.046	-.076	.106	-.098	-.267	.680[a]	-.462	-.177	.078	.208
	Item 17	.162	.080	.267	.083	-.168	-.016	.095	-.317	-.492	.063	-.209	.121	-.037	-.041	.067	-.462	.637[a]	.049	.135	.079
	Item 18	.310	.078	.072	-.015	-.354	.185	.023	.151	-.045	-.160	-.141	.019	-.085	-.195	.176	-.177	.049	.443[a]	-.221	.121
	Item 19	.024	-.087	-.216	-.064	.314	-.365	-.008	-.356	-.131	.141	.025	.065	.093	.017	.074	.078	.135	-.221	.457[a]	.161
	Item 20	.221	-.062	-.207	-.216	-.023	-.196	-.217	-.139	-.356	.170	-.197	-.017	.232	-.163	.131	.208	.079	.121	.161	.656[a]

a. Measures of Sampling Adequacy(MSA)

Table 4.13 Correlation matrix and anti-image correlation matrix (with item 1, 5, 18, 19 removed)

Correlation Matrix

		Item 2	Item 3	Item 4	Item 6	Item 7	Item 8	Item 9	Item 10	Item 11	Item 12	Item 13	Item 14	Item 15	Item 16	Item 17	Item 20
Correlation	Item 2	1															
	Item 3	.129	1														
	Item 4	.274	.142	1													
	Item 6	.170	.163	**.644**	1												
	Item 7	.038	.195	.267	.284	1											
	Item 8	-.088	.092	.117	.162	.263	1										
	Item 9	.081	.158	.134	.158	.054	**.326**	1									
	Item 10	-.083	.035	.151	.273	.171	**.491**	**.422**	1								
	Item 11	.143	.140	**.378**	**.411**	**.389**	.131	.222	**.309**	1							
	Item 12	-.019	.060	**.361**	**.484**	**.443**	.183	.186	.259	**.662**	1						
	Item 13	.263	.153	**.454**	**.320**	.127	**.453**	**.486**	.283	.279	.215	1					
	Item 14	**.331**	**.306**	**.458**	**.404**	**.420**	**.338**	.132	**.405**	**.377**	**.326**	**.302**	1				
	Item 15	**.325**	.161	.181	.272	.200	-.085	.022	.104	.247	.074	.117	.275	1			
	Item 16	.222	**.322**	**.405**	**.530**	.262	.089	.099	.167	**.421**	**.349**	.227	**.434**	**.450**	1		
	Item 17	.048	.022	.186	.245	.122	**.427**	**.554**	**.382**	**.340**	.211	**.419**	.245	.131	**.431**	1	
	Item 20	.127	**.300**	**.401**	**.340**	**.435**	.189	**.304**	.151	**.348**	**.344**	.170	**.368**	.020	.095	.119	1

Anti-image Matrices

		Item 2	Item 3	Item 4	Item 6	Item 7	Item 8	Item 9	Item 10	Item 11	Item 12	Item 13	Item 14	Item 15	Item 16	Item 17	Item 20
Anti-image Correlation	Item 2	**.613**[a]	.078	-.017	-.008	.090	.132	-.097	.228	-.086	.155	-.206	-.329	-.203	-.030	.075	-.048
	Item 3	.078	**.553**[a]	.132	.022	-.014	-.049	-.191	.120	-.046	.162	-.093	-.174	.006	-.354	.277	-.233
	Item 4	-.017	.132	**.766**[a]	-.429	.012	.160	.108	.060	-.044	.042	-.390	-.203	.096	-.103	.045	-.249
	Item 6	-.008	.022	-.429	**.825**[a]	.058	-.032	.029	-.158	.087	-.250	.000	.072	-.105	-.281	.040	-.129
	Item 7	.090	-.014	.012	.058	**.818**[a]	-.191	.092	.078	-.062	-.219	.036	-.166	-.180	-.034	.032	-.277
	Item 8	.132	-.049	.160	-.032	-.191	**.671**[a]	.140	-.308	.172	-.031	-.390	-.168	.167	.089	-.278	-.073
	Item 9	-.097	-.191	.108	.029	.092	.140	**.614**[a]	-.335	.105	-.125	-.338	.179	.000	.144	-.461	-.302
	Item 10	.228	.120	.060	-.158	.078	-.308	-.335	**.695**[a]	-.186	.047	.093	-.354	-.105	.079	.027	.129
	Item 11	-.086	-.046	-.044	.087	-.062	.172	.105	-.186	**.794**[a]	-.533	-.091	.017	-.113	-.059	-.200	-.139
	Item 12	.155	.162	.042	-.250	-.219	-.031	-.125	.047	-.533	**.746**[a]	-.010	-.053	.176	-.123	.154	-.021
	Item 13	-.206	-.093	-.390	.000	.036	-.390	-.338	.093	-.091	-.010	**.721**[a]	.034	-.050	.089	-.052	.225
	Item 14	-.329	-.174	-.203	.072	-.166	-.168	.179	-.354	.017	-.053	.034	**.807**[a]	-.037	-.145	-.018	-.130
	Item 15	-.203	.006	.096	-.105	-.180	.167	.000	-.105	-.113	.176	-.050	-.037	**.721**[a]	-.267	.040	.080
	Item 16	-.030	-.354	-.103	-.281	-.034	.089	.144	.079	-.059	-.123	.089	-.145	-.267	**.723**[a]	-.446	.250
	Item 17	.075	.277	.045	.040	.032	-.278	-.461	.027	-.200	.154	-.052	-.018	.040	-.446	**.678**[a]	.024
	Item 20	-.048	-.233	-.249	-.129	-.277	-.073	-.302	.129	-.139	-.021	.225	-.130	.080	.250	.024	**.705**[a]

a. Measures of Sampling Adequacy(MSA)

Table 4.14 KMO and Bartlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.729
Bartlett's Test of Sphericity	Approx. Chi-Square	319.759
	Df	120
	Sig.	.000

Table 4.15 Communality table of factor analysis

Communalities

	Initial	Extraction
2. Compare fundraising performance against others regularly	.333	.327
3. Often experiment & innovate in the use of MARCOM tools	.305	.186
4. Have good knowledge of donors	.587	.665
6. Formulate fundraising strategies based on understanding of donors	.572	.535
7. Quickly detect changes in patterns of donations	.399	.463
8. Survey donors at least once a year	.511	.542
9. Quickly adopt effective fundraising ideas from others	.560	.475
10. Top managers regularly discuss others' marketing programs	.484	.426
11. Evaluate fundraising effectiveness frequently	.563	.542
12. Interdepartmental planning for fundraising responses	.574	.777
13. Information about donors and other charities is generated independently	.541	.587
14. Monitor others' marketing and fundraising activities regularly	.550	.624
15. Fundraising information gathered is shared within the organisation	.332	.368
16. Marketing people interact frequently with others to discuss fundraising	.610	.740
17. Marketing people make strong input into the organisation	.576	.633
20. Fundraising performance has been better than others	.474	.460

Extraction Method: Principal Axis Factoring.

Lastly, according to Table 4.15, the extracted communalities have a wide range from 0.2 to 0.8 indicating that the sample size of 56 in this study has yielded a high level of convergent solutions (Section 3.6.3). Therefore, based on the assumptions of factor analysis, the correlation matrix of Table 4.13 is suitable for factoring as it has a sample size that yields a high level of convergent solutions, variables with sampling adequacy, reasonable significant inter-items correlation, and is free from multicollinearity.

By using principal axis factoring analysis, 16 items are reduced into market orientation dimensions with varimax orthogonal rotation and an eigenvalue cut-off of

1.0. As "the more items there are per factor, the more likely it is that the factor will replicate," Raubenheimer (2004, p. 16) recommends that each factor should have no fewer than three items. As there is a number of cross product loadings, items that are loaded on multi-factors are grouped into the factor of higher factor loading.

Table 4.16 shows the new market orientation model developed in this study for Hong Kong. The new model explains the 43.9% of variance in the data and consists of the following constructs (Section 2.5.2):

- Competitor orientation (four items, with 28.4% of explained variance)
- Donor orientation (four items, with 9.3% of explained variance)
- Marketing integration (three items, with 6.2% of explained variance).

Table 4.16 Revised factor loadings in the new model derived in this study

(Cronbach's alpha of the new Hong Kong model = 0.71)

Market Orientation Construct	No. of Item	Items	Factor loading DO	Factor loading CO	Factor loading MI	In Bennett (1998) scale	In Brady et al. (2011) scale
Donor Orientation	4	4. Have good knowledge of donors	0.393			Yes	Yes
(α = 0.79)		6. Formulate fundraising strategies based on understanding of donors	0.495			Yes	Yes
		11. Evaluate fundraising effectiveness frequently	0.629			Yes	Yes
		12. Interdepartmental planning for fundraising responses	0.853			--	Yes (MI)
Competitor Orientation	4	9. Quickly adopt effective fundraising ideas from others		0.658		Yes	--
(α = 0.73)		10. Top managers regularly discuss others' marketing programs		0.580		Yes	Yes
		13. Information about donors and other charities is generated independently		0.576		--	--
		17. Marketing people make strong input into the organization		0.719		Yes (MI)	Yes (MI)
Marketing Integration	3	14. Monitor others' marketing and fundraising activities regularly			0.350	Yes (CO)	Yes (CO)
(α = 0.65)		15. Fundraising information gathered is shared within the organization			0.580	Yes	Yes
		16. Marketing people interact frequently with others to discuss fundraisin	0.337		0.760	Yes	Yes

The new model for Hong Kong has good reliability (Cronbach's α=0.71, Table 4.16 and 4.17). The inter-correlation between constructs is less than the upper boundary of 0.6 suggested by John and Reve (1982) showing that the three constructs are separate constructs in the model (Table 4.17). The correlation between the three constructs (donor orientation, competition orientation, marketing integration) and market orientation using constructs derived in the model of this study are significant at the 0.01 level (r = 0.803, 0.718 and 0.730 respectively, Table 4.17). Construct validity that the western models failed to achieve is also provided in the new model through discriminant and convergent validity. Discriminant validity is supported as the inter-construct correlations (r = 0.428; 0.554; 0.350) are smaller than any of the corresponding reliabilities (Cronbach's α = 0.79; 0.73; 0.65, Table 4.17). Convergent validity is also demonstrated as the correlations between market orientation and all the three constructs are significant at the 0.01 level (donor orientation r = 0.803; competitor orientation r = 0.718; marketing integration r = 0.730, Table 4.17).

Table 4.17 Reliability and correlations of market orientation constructs of the new model derived for Hong Kong non-profits

(Cronbach's alpha of the new Hong Kong model = 0.71)

Construct	Mean	SD	Cronbach's Alpha	Correlation coefficients			
				Donor Orientation	Competitor Orientation	Marketing Integration	Marketing Orientation
Donor Orientation	3.68	0.71	0.79	1			0.803**
Competitor Orientation	3.19	0.72	0.73	0.428**	1		0.718**
Marketing Integration	3.60	0.78	0.65	0.554**	0.350**	1	0.730**

**. Correlation is significant at the 0.01 level (1-tailed).

The revised model for non-profits organisations in Hong Kong shown in Table 4.16 differs considerably to the western models in the UK and Australia (Bennett, 1998; Brady et al., 2011). Firstly, donor orientation in Hong Kong has little resemblance to the same construct in the UK and Australian models. Similar to the western models, donor orientation is the most reliable construct (α = 0.79, Table 4.16). According to the factor analysis in this study, five items removed from donor orientation in western models are:

- Set precise fundraising targets (item 1)
- Have systems to determine value and frequency of donations (item 5)
- Quickly detect changes in patterns of donations (item 7)
- Survey donors at least once a year (item 8)
- Fundraising performance has been better than others (item 20).

The donor orientation construct of the Hong Kong model has the following three items similar to the UK and Australian models (Table 4.16):

- Have good knowledge of donors (item 4)
- Formulate fundraising strategies based on understanding of donors (item 6)
- Evaluate fundraising effectiveness frequently (item 11).

Moreover, "Our colleague and departments get together to plan responses to the changes in the fund-raising environment" (item 12) is loaded into the construct and indicates that internal collaboration should be part of the donor-oriented strategy in Hong Kong compared to the western non-profits.

Secondly, the competitor orientation in Hong Kong differs significantly from the western models (with less than 50% of similar behaviour, Table 4.16). Hong Kong non-profit organisations do not "monitor others' marketing and fundraising activities regularly" (item 14) as compared to the western non-profits. Moreover, to be competitor oriented, Australian non-profits actively "Compare fundraising performance with others regularly" (item 2). However, this item does not contribute to competitor orientation in Hong Kong. Furthermore, external drivers of competitor orientation in the UK that seem to be irrelevant to Hong Kong non-profits are:

- Donors' liability to switch donations to others (item 18)
- Competition for donations is very intense (item 19).

The "influence of marketing people" makes a major difference between Hong Kong and western non-profits. "Marketing people make strong recommendations about how the organisation should be managed and organized" (item 17) is loaded into competitor orientation construct in Hong Kong but it was loaded into marketing integration construct in the UK and Australia.

Thirdly, the marketing integration construct also differs considerably across cultures. Beside the absence of "Strong marketing input" (item 17) in marketing integration among Hong Kong non-profits, the following marketing behaviour is also irrelevant to the Hong Kong model:

- Often experiment and innovate in the use of MARCOM tools (item 3)
- Interdepartmental planning for fundraising responses (item 12).

However, the marketing integration construct in Hong Kong includes a new item “Monitor others’ marketing and fundraising activities regularly” (item 14) and this item is loaded in competitor orientation in both western models.

Based on the factor analysis results (Table 4.16), behaviour contributing to “donor orientation” in Hong Kong is similar to most of that in the UK and Australia. It matches the quantitative analysis that accepts H2a. Furthermore, half of the behaviour constituting “competition orientation” in Hong Kong is different from the UK and Australia, and supports H2b. The Hong Kong model has to add items into the UK model or remove items from the Australian model to build the “marketing integration” construct and, therefore, also accept H2c. The data analysis supports H2 that marketing behaviour constitutes market orientation constructs in Hong Kong are different from those in the western models in the UK and Australia. The next sub-section will test if organisational size predicts market orientation in Hong Kong.

4.4.4 Relationship between organisational size and market orientation

Hypothesis H3 speculates that organisational size measured by number of full-time staff or organisational turnover does not predict market orientation of non-profit organisation. Although various non-profit market orientation studies demonstrated inconsistent correlation between organisational size and market orientation, this study affirms H3 that organisational size does not predict market orientation.

Firstly, there is no correlation between the number of staff and market orientation ($r = 0.112$, $p = 0.410$ and >0.05, Table 4.18), supporting H3a that there is no relationship between the number of staff and market orientation. According to the checking of assumptions for the use of ANOVA illustrated in Section 3.6.1, the data meets the population normality assumption with the significant level of Shapiro-Wilk statistic for market orientation and among the comparison groups (different organisational size) greater than 0.05 (Table 4.19). As per Table 4.20, the data also meets the homogeneity of variance assumptions, because the Levene’s test for homogeneity of variances is not significant ($p = 0.305$ and > 0.05). Therefore, it can be stated with confidence that the population variances for each group (different organisational size) are approximately equal.

Table 4.18 Correlation of coefficients between number of staff, annual turnover, market orientation and fundraising performance

	Number of staff	Annual turnover	Market orientation	Fundraising performance
Number of staff	1			
Annual turnover	.568**	1		
Market orientation	.112	.028	1	
Fundraising performance	.248*	.152	.513**	1

*. Correlation is significant at the 0.05 level (1-tailed).
**. Correlation is significant at the 0.01 level (1-tailed).

Table 4.19 Tests of normality (number of staff)

Dependent Variable: Market Orientation
Factor: No. of Staff

	Shapiro-Wilk		
	Statistic	Df	Sig.
Market Orientation	.960	56	.062

	No. of staff	Shapiro-Wilk		
		Statistic	df	Sig.
Market Orientation	under 10	.961	19	.601
	10 – 49	.949	16	.481
	50 – 99	1.000	3	1.000
	100 – 499	.892	13	.102
	more than 500	.836	5	.155

Table 4.20 Test of homogeneity of variances (number of staff)

Dependent Variable: Market Orientation
Factor: No. of Staff

Levene Statistic	df1	df2	Sig.
1.243	4	51	.305

Henceforth, this study uses one-way between-groups ANOVA with post-hoc comparisons to examine whether large or small non-profit organisations are more market oriented (Table 4.21). Hypothesis H3a is accepted because there is no significant difference in market orientation across different organisation groups classified by number of staff ($F(4,51) = 1.969$, $p = 0.113$ and > 0.05).

Table 4.21 One-way between-groups ANOVA analysis comparing market orientation among organisations of different size (number of staff)

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.563	4	.391	1.969	.113
Within Groups	10.121	51	.198		
Total	11.684	55			

Multiple Comparisons

Dependent Variable: Market Orientation
Tukey HSD

(I) No. of staff	(J) No. of staff	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
under 10	10 - 49	.16809	.15115	.799	-.2593	.5955
	50 - 99	-.46316	.27676	.459	-1.2458	.3194
	100 - 499	.07915	.16034	.988	-.3743	.5326
	more than 500	-.28316	.22391	.714	-.9163	.3500
10 - 49	under 10	-.16809	.15115	.799	-.5955	.2593
	50 - 99	-.63125	.28027	.178	-1.4238	.1613
	100 - 499	-.08894	.16634	.983	-.5593	.3814
	more than 500	-.45125	.22824	.292	-1.0967	.1942
50 - 99	under 10	.46316	.27676	.459	-.3194	1.2458
	10 - 49	.63125	.28027	.178	-.1613	1.4238
	100 - 499	.54231	.28533	.330	-.2645	1.3492
	more than 500	.18000	.32533	.981	-.7400	1.1000
100 - 499	under 10	-.07915	.16034	.988	-.5326	.3743
	10 - 49	.08894	.16634	.983	-.3814	.5593
	50 - 99	-.54231	.28533	.330	-1.3492	.2645
	more than 500	-.36231	.23442	.538	-1.0252	.3006
more than 500	under 10	.28316	.22391	.714	-.3500	.9163
	10 - 49	.45125	.22824	.292	-.1942	1.0967
	50 - 99	-.18000	.32533	.981	-1.1000	.7400
	100 - 499	.36231	.23442	.538	-.3006	1.0252

Secondly, there is no correlation between organisational size in terms of turnover and market orientation ($r = 0.028$, $p = 0.812$ and >0.05, Table 4.18), supporting H3b that there is no relationship between organisational turnover and market orientation. The data meets the population normality assumption with all the significant levels of Shapiro-Wilk statistics being greater than 0.05 (Table 4.22). The data also meets the homogeneity of variance assumptions, as illustrated in Table 4.23, as the Levene's test for homogeneity of variances is not significant (p = 0.27 and > 0.05). One-way between-groups ANOVA with post-hoc comparisons (Table 4.24) explains that there is no significant difference in market orientation among non-profit organisations across different organisation groups classified by turnover ($F(4,51) = 0.686$, $p = 0.605$ and > 0.05) and, therefore, supports hypothesis H3b.

While the analysis confirms hypothesis H3, that organisational size in terms of number of staff or turnover does not predict the market orientation of non-profit organisations in Hong Kong, the hypothesis testing continues to study the mediating and moderating effects of relational marketing on the relationship between market orientation and fundraising performance in next sub-sections.

Table 4.22 Tests of normality (annual turnover)

Dependent Variable: Market Orientation
Factor: Turnover

	Shapiro-Wilk		
	Statistic	Df	Sig.
Market Orientation	.960	56	.062

	Turnover	Shapiro-Wilk		
		Statistic	df	Sig.
Market Orientation	under HK$ 1M	1.000	3	1.000
	HK$ 1M - 5M	.940	22	.198
	HK$ 5M - 10M	.898	12	.149
	HK$ 10M - 50M	.914	12	.242
	more than HK$ 50M	.849	7	.120

Table 4.23 Test of homogeneity of variances (annual turnover)

Dependent Variable: Market Orientation
Factor: Turnover

Levene Statistic	df1	df2	Sig.
1.334	4	51	.270

Table 4.24 One-way between-groups ANOVA analysis comparing market orientation among organisations of different size (annual turnover)

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.597	4	.149	.686	.605
Within Groups	11.087	51	.217		
Total	11.684	55			

Multiple Comparisons

Dependent Variable: Market Orientation
Tukey HSD

(I) Turnover	(J) Turnover	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval Lower Bound	Upper Bound
under HK$ 1M	HK$ 1M - 5M	.16591	.28696	.978	-.6455	.9774
	HK$ 5M - 10M	.25833	.30097	.911	-.5927	1.1094
	HK$ 10M - 50M	-.03333	.30097	1.000	-.8844	.8177
	more than HK$ 50M	.12857	.32175	.994	-.7812	1.0384
HK$ 1M - 5M	under HK$ 1M	-.16591	.28696	.978	-.9774	.6455
	HK$ 5M - 10M	.09242	.16732	.981	-.3807	.5656
	HK$ 10M - 50M	-.19924	.16732	.757	-.6724	.2739
	more than HK$ 50M	-.03734	.20233	1.000	-.6095	.5348
HK$ 5M - 10M	under HK$ 1M	-.25833	.30097	.911	-1.1094	.5927
	HK$ 1M - 5M	-.09242	.16732	.981	-.5656	.3807
	HK$ 10M - 50M	-.29167	.19035	.547	-.8299	.2466
	more than HK$ 50M	-.12976	.22175	.977	-.7568	.4973
HK$ 10M - 50M	under HK$ 1M	.03333	.30097	1.000	-.8177	.8844
	HK$ 1M - 5M	.19924	.16732	.757	-.2739	.6724
	HK$ 5M - 10M	.29167	.19035	.547	-.2466	.8299
	more than HK$ 50M	.16190	.22175	.948	-.4651	.7890
more than HK$ 50M	under HK$ 1M	-.12857	.32175	.994	-1.0384	.7812
	HK$ 1M - 5M	.03734	.20233	1.000	-.5348	.6095
	HK$ 5M - 10M	.12976	.22175	.977	-.4973	.7568
	HK$ 10M - 50M	-.16190	.22175	.948	-.7890	.4651

4.4.5 Analysis of the moderating effect of relationship marketing

Hypothesis H4 theorizes that the adoption of relationship marketing with donors influences the relationship between market orientation and fundraising performance. Hypothesis H4a assumes that relational marketing has a moderation effect between the relationship of non-profit market orientation and fundraising performance. Baron and Kenny (1986) define moderation as "the causal relation between two variables changes as a function of the moderator variable" (p. 1174). The results show that relationship marketing has no moderation effect between the relationship of non-profit market orientation and fundraising performance and, thus, H4a is rejected. The moderating effect of relationship marketing between market orientation and fundraising performance is analysed using multiple regression.

The checking of assumptions and restrictions (as per Section 3.6.2) shows that the data collected is usable to perform multiple regression analysis. The statistical power of using two predictors in the multiple regress analysis of data collected from 56 samples is 0.962, showing that this study has enough of a sample size to obtain a large effect size so as to avoid type II errors (Green, 1991). Casewise diagnostics show that there is no univariate outlier exceeding three standard deviations from the mean, which is acceptable. There is a significant correlation among the variables of the hypothesized moderation model ($r = 0.266$ to 0.513, $p > 0.05$, Table 4.25) and linearity is assumed as the inter-variables correlations are significant. Moreover, a VIF = 1.299, which is much lower than the limit of 10 (O'brien, 2007), shows that there is no multicollinearity problem (Table 4.26) among the predictors (market orientation and relationship marketing). The test of the independence of residuals using Durbin-Watson statistic obtains a figure of 1.787 (Table 4.27), which is close to 2, showing that there is no correlation between the residuals (Jarque & Bera, 1980). With the assumptions and restrictions fulfilled, the next paragraph will assess the hypothesized moderation model using multiple regression.

Table 4.25 Mean scores and correlations of relationship marketing with donors, market orientation and fundraising performance

	Mean	SD	Correlation coefficients		
			Relationship marketing	Market Orientation	Fundraising Performance
Relationship marketing with donors	4.02	0.77	1		
Market Orientation	3.37	0.46	0.432**	1	
Fundraising Performance	3.54	0.66	0.266*	0.513**	1

**. Correlation is significant at the 0.01 level (1-tailed).
*. Correlation is significant at the 0.05 level (1-tailed).

Table 4.26 Collinearity statistics

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.987	.599		1.648	.105					
	Relationship marketing	.046	.111	.054	.414	.681	.266	.057	.049	.813	1.229
	Market orientation	.701	.187	.490	3.755	.000	.513	.458	.442	.813	1.229

a. Dependent Variable: Last 5 years fundraising performance

Firstly, the researcher analyses the regression model of market orientation and relationship marketing as predictors of fundraising performance (Sections 3.4.3 and 3.6.2). The independent variables (market orientation and relationship marketing) in the model explain 23.8% of the variance of fundraising performance (adjusted $R^2 = 0.238$, Table 4.27). Although the regression model explains only 23.8% of the variance, the model is highly significant at predicting the outcome of fundraising performance ($F(2,53) = 9.6$, $p < 0.001$). An examination of the t-values (Table 4.27) indicates that market orientation significantly contributes to the prediction of fundraising performance ($\beta = 0.701$, $t = 3.755$, $p < 0.001$), whereas relationship marketing with donors does not contribute to the outcome variance ($\beta = 0.046$, $t = 0.414$, $p = 0.681$).

Secondly, the researcher analyses whether relationship marketing acts as a moderator affecting the strength of relationship between market orientation and fundraising performance. If relationship marketing is removed from the hypothesized regression model, market orientation still indicates a significant prediction of fundraising performance (adjusted $R^2 = 0.250$, $F = 19.33$, $p < 0.001$). When relationship marketing is brought as a moderator into the model between the relationship of market orientation and fundraising performance (Table 4.28), the adjusted R^2 increases slightly from 0.250 to 0.278. This shows that the adjusted model with relationship marketing as a moderator does not significantly improve prediction of fundraising performance. Moreover, the moderating effect of relationship marketing on market orientation is not significant ($\beta = -0.103$, $t = -1.753$, $p = 0.85$). The p-value of t-test is much higher than the 0.05 significant level, suggesting that relationship marketing does not moderate the relationship between market orientation and fundraising performance in Hong Kong.

Table 4.27 Regression model (market orientation and relationship marketing as predictors of fundraising performance)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.516[a]	.266	.238	.576	1.787

a. Predictors: (Constant), Market orientation, Relationship marketing

b. Dependent Variable: Last 5 years fundraising performance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.363	2	3.182	9.600	.000[b]
	Residual	17.565	53	.331		
	Total	23.929	55			

a. Dependent Variable: Last 5 years fundraising performance

b. Predictors: (Constant), Market orientation, Relationship marketing

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.987	.599		1.648	.105
Relationship marketing	.046	.111	.054	.414	.681
Market orientation	.701	.187	.490	3.755	.000

a. Dependent Variable: Last 5 years fundraising performance

Table 4.28 Multiple regression analysis (market orientation as the predictor of fundraising performance with relationship marketing as moderator)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.551[a]	.304	.278	.561	1.865

a. Predictors: (Constant), Moderator (Relationship Marketing), Market orientation

b. Dependent Variable: Last 5 years fundraising performance

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.272	2	3.636	11.569	.000[b]
	Residual	16.657	53	.314		
	Total	23.929	55			

a. Dependent Variable: Last 5 years fundraising performance

b. Predictors: (Constant), Moderator (Relationship Marketing), Market orientation

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.295	.574		2.257	.028
	Market Orientation	.678	.167	.474	4.053	.000
	Moderator (Relationship Marketing)	-.103	.059	-.205	-1.753	.085

a. Dependent Variable: Last 5 years fundraising performance

Therefore, although non-profit organisations in Hong Kong have mostly adopted a relationship marketing strategy, hypothesis H4a is rejected as relational marketing does not moderate the relationship between market orientation and fundraising performance.

4.4.6 Analysis of the mediating effect of relationship marketing

This sub-section evaluates the existence of the mediating effect of relationship marketing between market orientation and fundraising performance (hypothesis H4b). Warner (2013, p. 397) defines a mediator as “an intervening variable in a causal sequence” and a mediator accounts for the relationship between the independent variable and the outcome variable. The analysis results reject H4b that hypothesizes that the adoption of relationship marketing with donors mediates the relationship between market orientation and fundraising performance. On the contrary, the analysis suggests that market orientation fully mediates the relationship between relationship marketing and fundraising performance.

The checking of assumptions and restrictions, as per Section 4.3.5, has confirmed the feasibility of performing multiple regression using the data collected. The following four-step approach, as stipulated in Section 3.6.2, will assess the existence of mediation effect of relationship marketing using multiple regression equations:

1. Market orientation (independent variable) predicts fundraising performance (dependent variable)
2. Market orientation (independent variable) predicts relationship marketing (mediator)

3. Relationship marketing (mediator) predicts fundraising performance (dependent variable)
4. By controlling relationship marketing (mediator), market orientation (independent variable) will no longer predict fundraising performance (dependent variable).

Table 4.29 Multiple regression analysis (market orientation as the predictor of fundraising performance with relationship marketing as mediator)

Equation (1)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.513[a]	.264	.250	.571	1.802

a. Predictors: (Constant), Market Orientation
b. Dependent Variable: Last 5 years fundraising performance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.306	1	6.306	19.325	.000[b]
	Residual	17.622	54	.326		
	Total	23.929	55			

a. Dependent Variable: Last 5 years fundraising performance
b. Predictors: (Constant), Market Orientation

Equation (2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.432[a]	.187	.172	.705	1.493

a. Predictors: (Constant), Market Orientation
b. Dependent Variable: Relationship marketing with donors

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.154	1	6.154	12.387	.001[b]
	Residual	26.828	54	.497		
	Total	32.982	55			

a. Dependent Variable: Relationship marketing with donors
b. Predictors: (Constant), Market Orientation

Equation (3)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.266[a]	.071	.053	.642	1.736

a. Predictors: (Constant), Relationship marketing with donors
b. Dependent Variable: Last 5 years fundraising performance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.689	1	1.689	4.102	.048[b]
	Residual	22.239	54	.412		
	Total	23.929	55			

a. Dependent Variable: Last 5 years fundraising performance
b. Predictors: (Constant), Relationship marketing with donors

Equation (4)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.516[a]	.266	.238	.576	1.787

a. Predictors: (Constant), Market Orientation, Relationship marketing with donors
b. Dependent Variable: Last 5 years fundraising performance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.363	2	3.182	9.600	.000[b]
	Residual	17.565	53	.331		
	Total	23.929	55			

a. Dependent Variable: Last 5 years fundraising performance
b. Predictors: (Constant), Market Orientation, Relationship marketing with donors

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Correlations			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.987	.599		1.648	.105					
	Relationship marketing	.046	.111	.054	.414	.681	.266	.057	.049	.813	1.229
	Market Orientation	.701	.187	.490	3.755	.000	.513	.458	.442	.813	1.229

a. Dependent Variable: Last 5 years fundraising performance

In Table 4.29, equation (1) shows a significant positive relationship between market orientation and fundraising performance (R^2 = 0.264, F(1,54) = 19.325, p < 0.001). In equation (2), market orientation is significantly and positively related to relationship marketing (R^2 = 0.187, F(1,54) = 12.387, p < 0.001). Equation (3) suggests a weaker but still significant positive relationship between relationship marketing and fundraising performance ($R^2 = 0.071$, $F(1,54) = 4.102$, $p < 0.05$). However, in equation (4), by controlling relationship marketing, market orientation still indicates a strong prediction of fundraising performance (adjusted $R^2 = 0.238$, $F(2,53) = 9.6$, $p < 0.001$). Therefore, the results suggest that relationship marketing has no mediation effect between market orientation and fundraising performance, and hypothesis H4b is rejected.

However, the results shed light on the effect of market orientation as a mediator of the relationship between relational marketing and fundraising performance. With the significantly positive relationship among the three variables (market orientation, relationship marketing and fundraising performance) shown in Table 4.25, the results indicate that:

1. Relationship marketing (independent variable) predicts fundraising performance (dependent variable) ($r = 0.266$, $p < 0.05$)
2. Relationship marketing (independent variable) significantly predicts market orientation (mediator) ($r = 0.432$, $p < 0.01$)
3. Market orientation (mediator) significantly predicts fundraising performance (dependent variable) ($r = 0.513$, $p < 0.01$).

Additionally, equation (4) of Table 4.29 demonstrates that relationship marketing will no longer predict fundraising performance by controlling market orientation, as the correlation coefficient dropped from 0.266 (zero-order) to almost zero (partial and part) ($\beta = 0.046$, $t = 0.414$, $p = 0.681$). Therefore, market orientation appears to have a full mediation effect between the relationship of relational marketing and fundraising performance.

Non-profit organisations in Hong Kong are shown to generally practice relationship marketing more than market orientation, as the mean score of relationship marketing (4.02) is higher than that of market orientation (3.37) (Table 4.3). However, the correlation between relationship marketing and fundraising performance is weak ($r = 0.266$, $p < 0.05$, Table 4.25) and is fully mediated by market orientation. Thus, the analysis rejects hypothesis H4b and suggests that market orientation is a full mediator of the relationship between relational marketing and fundraising performance.

4.5 Conclusion

In conclusion, the quantitative analysis confirms the hypotheses that western non-profit market orientation models and behaviour comprising the market orientation constructs do not apply to the Chinese context in Hong Kong. Organisational size in terms of number of staff or turnover does not predict the implementation of market orientation of non-profit organisations in Hong Kong. Even though relationship marketing seems to be widely adopted among non-profit organisations in Hong Kong, it does not affect the relationship between market orientation and fundraising performance. In the next chapter, the student researcher will discuss the findings in this chapter within the literature contexts and present conclusions about the research problem and the implications.

> “When I started working in the non-profit world, marketing was a dirty word. Philip Kotler’s book, Strategic Marketing for Non-Profit Organisations, was an eye opener for those of us who were struggling to find ways of making our non-profits relevant to a world gone mad with its love of things.”
>
> Joanne Fritz (2011)

CHAPTER 5 CONCLUSIONS AND IMPLICATIONS

5.0 Introduction

The aim of this chapter is to discuss the findings obtained from the analysis of Chapter 4 and draw conclusions from them. The discussion summarizes conclusions and implications of this research for the resource dependence and market orientation theory reviewed in Chapter 2 to identify contributions and practical implications for non-profit organisations in Hong Kong. The discussion concludes with limitations and opportunities for further research. Chapter 1 introduced the overall adoption of market orientation among non-profit organisations and a background to the limited understanding of fundraising-related market orientation adoption among non-profits, as well as a discussion on the importance of conducting this research. Chapter 2 presented a thorough interdisciplinary review of seminal literature on resource dependence and non-profit marketing thoroughly and identified the inadequacy of non-profit market orientation studies in relation to fundraising in the Chinese context. The review presented a clear research gap in the understanding of fundraising related market orientation adoption among non-profit organisations in the Chinese context. Chapter 2 concluded by proposing a theoretical framework based on western models in the UK (Bennett, 1998) and Australia (Brady et al., 2011) in order to analyse the research question:

> **Does market orientation that affects fundraising performance in Hong Kong differ from that in western countries?**

Chapter 3 delineated the research methodology and research design employed in this paper. The chapter discussed different research paradigms and philosophies and analysed the advantages and disadvantages of various research methods under the critical realism perspective adopted for this research. Next, the chapter explained the research implementation and design including the research instrument, sampling methods, respondent selection, data collection and pilot study. The chapter concluded with an examination of reliability and validity, assumptions of statistical methods and the limitations and ethical considerations pertaining to this research. Chapter 4 detailed the data analysis process using data collected as per the research design and methodology in Chapter 3 so as to answer the research question raised in Chapter 2.

The focus of this research is to provide non-profit practitioners in Hong Kong with marketing strategies relevant to the local Chinese context to elevate fundraising performance. By reviewing the findings of this research, non-profit practitioners may be able to adopt a non-profit market orientation more effectively and translate their relationship strategy with donors into better fundraising performance. The following is a summary of contributions to knowledge on the theory and practice of fundraising related market orientation:

1. Confirmation of expectations derived in Chapter 2 from seminal literature that, although non-profit market orientation enhances fundraising performance, marketing behaviour contributing to market orientation and hence fundraising performance varies by culture and is country specific (Figure 5.1 shows a summary of marketing behaviour constituting the three constructs of market orientation in the UK, Australia and Hong Kong).
2. Validation of the irrelevancy of organisational size in relation to fundraising performance in Hong Kong.
3. Disconfirmation of the effect of relationship marketing in fundraising-related market orientation as speculated in the previous literature.
4. Discovery of new areas which had not been raised in the previous literature concerning the mediating role of market orientation between the relationship of relational marketing with donors and respective fundraising performance.

5.1 Findings on the market orientation and non-profit fundraising performance in Hong Kong

The outcome of this study matches the findings of numerous prior investigations, namely that non-profit organisations which implement marketing strategies tend to have better fundraising performance (Section 4.3). This research complements the non-profit marketing studies completed in various countries (Section 2.3.3) by supporting the effect of market orientation on fundraising performance regardless of culture. Thus, this study supports previous findings on the market orientation–fundraising performance relationship and provides empirical evidence for the extendibility of this theory to the Chinese context across all non-profit sub-sectors (Section 4.3).

In addition, this research expands previous research in non-profit marketing, namely that the western market orientation models are inapplicable in the Chinese context among non-profit organisations in Hong Kong, according to the reliability and validity test (Section 4.4.1). Similar to the conclusion of the replication study conducted in Australia, the structures of market orientation model developed in other countries should be re-examined locally to better reflect the local context (Brady et al., 2011). Although a local study to re-examine structures of the market orientation model would extend previous research into local adoption of fundraising-related marketing strategies, this study treats the construct of market orientation as per the UK model of Bennett (1998) to facilitate comparison with previous studies in the western contexts.

5.2 Findings on the constructs of non-profit market orientation in Hong Kong

This research builds on the western models and compares behaviour contributing to the three market orientation constructs (donor orientation, competition orientation and marketing integration) in the UK, Australia and Hong Kong (Section 4.4.2). The findings suggest that behaviour contributing to non-profit market orientation constructs is different in the Chinese context in Hong Kong (Section 4.4.3). The following sub-sections will discuss the comparison of market orientation constructs between western models identified in the UK (Bennett, 1998) and in Australia (Brady et al., 2011) with the Hong Kong model found in this study.

5.2.1 Findings on donor orientation

This research agrees with prior western studies that donor orientation appears to be an important dimension of market orientation (Bennett, 1998; Brady et al., 2011). Firstly, the findings agree with previous studies, as donor orientation shows the most significant and reliable prediction of market orientation in Hong Kong and in all the western models by comparison (Section 4.4.3, Table 4.16). Moreover, this research extends prior studies by showing that, although donor orientation is important across cultural contexts, the adoption of donor-oriented strategies varies across cultural contexts.

The behaviour contributing to donor orientation in Hong Kong includes:

- We have good knowledge of the characteristics or demographics of our donors
- We formulate fundraising strategies based on understanding the motives, characteristics and behaviour of donors
- We frequently evaluate the effectiveness of fundraising programs
- Our colleague and departments get together to plan responses to the changes in the fundraising environment.

Secondly, although similar marketing activities are vital to becoming donor-oriented, not all countries demonstrate this behaviour to foster donor-driven strategies and fundraising effectiveness. When comparing studies conducted in the three countries (Hong Kong, UK and Australia), only three marketing behaviours are found to be important in constituting donor orientation consistently in the western and Chinese contexts in Hong Kong (Section 4.4.3). The marketing behaviours similar in all countries are:

- We have good knowledge of the characteristics or demographics of our donors
- We formulate fundraising strategies based on understanding the motives, characteristics and behaviour of donors
- We frequently evaluate the effectiveness of fundraising programs.

Common marketing behaviours are interconnected, as per the suggestions in seminal papers. So as to formulate fundraising programs according to donor understanding (Bekkers & Wiepking, 2011; Sargeant, 1999), "frequent evaluation of fundraising effectiveness in terms of comparing the donors' views to those of the fundraising team is seemingly the most important behaviour" (Waters, 2009, p. 340). The responses from this study (Section 4.2, Table 4.3) show that Hong Kong non-profit organisations tend to practice the behaviours central to donor orientation.

Thirdly, the findings support the Australian study (Brady et al., 2011) that non-profit organisations might not use formal research methods in understanding and building relationship with donors. Over 60% of non-profit organisations in Hong Kong claim to have good knowledge of donors and formulate fundraising strategies based on an understanding of their donors. However, only 5% of them regularly survey their donors. Moreover, both relationship marketing and fundraising performance show a significant relationship with "Having good knowledge of donors," but not with the practice of "Survey donors at least once a year" (Section 4.3, Table 4.7). The findings suggest that donor-oriented fundraising strategies are crucial to fundraising performance, but non-profits do not seek to understand their donors through formal and regular surveys.

5.2.2 Findings on competitor orientation

This research supports prior western studies that the strength of competition depends on the perceived competitive environment and the non-profit managerial predispositions (Bennett, 2005; Kirca et al., 2005). The behaviour contributing to competitor orientation in Hong Kong includes (Section 4.4.3, Table 4.16):

- If comparable charities implement effective new fundraising ideas, we quickly adopt them
- Top managers within our organisation regularly discuss the marketing programs of other comparable charities
- In our organisation, the information about donors and other comparable charities is generated independently by several departments
- In this organisation, marketing people make strong recommendations about how the organisation should be managed and organized.

The competitor-oriented behaviour is related to the perceived competition for fundraising and managerial predispositions toward competition. The findings also extend those studies and suggest that "Strong influence of marketing people in the organisations" is part of the competitive strategy in Hong Kong in contrast to the western contexts. It shows that the fact that "Marketing people make strong recommendations on how the organisation is managed and organized" is important for advocating competitor-oriented strategies among non-profits in Hong Kong.

Firstly, the findings suggest a minimal understanding of the competition among non-profits and have resulted in a low intention to compete against other charities, as shown in Section 4.2.2. According to the results in Section 4.2.2 (Table 4.3), non-profit organisations in Hong Kong focus more on self-evaluation of fundraising performance, and rarely monitor and benchmark the performance against similar charities (mean score of “set precise fundraising targets” = 4.32, whereas “Monitor others' marketing and fundraising activities regularly“ = 3.09 and “Regularly comparing fundraising performance with others” = 2.79). Although 37% of the non-profit organisations claim that they regularly monitor others’ marketing and fundraising activities, only 18% of them regularly compare fundraising performance against others. As a result, the perceived competitive intensity in the non-profit sector is low, because it is not a common practice across non-profits in Hong Kong to monitor and compare fundraising performances.

Secondly, “Regular top management discussions of others’ marketing programs” is the only competitor-oriented practice common to all countries compared (Section 4.4.3). The findings in both the western and Chinese contexts support the notion that management emphasis is detrimental to non-profit competitor orientation. However, non-profit top managements in Hong Kong and Australia are not competitor-oriented (mean score = 3.00 and 3.08). Differing significantly from the western models, strong marketing influences in those organisations seem to drive non-profit competitor orientations in Hong Kong. “Marketing people make strong recommendations on how the organisation is managed and organized” is loaded in competitor orientation constructs in Hong Kong, but not in any of the western models. The construct of the Hong Kong model suggests that the influence of both top management and marketing people contribute to non-profit competitor orientation in Hong Kong. However, non-profit top management in Hong Kong are generally not competitor oriented. According to this study, over 60% of the non-profit organisations report that “Marketing people make strong recommendations on how the organisation is managed and organized.” The results suggest that competitor orientation among non-profits in Hong Kong is mainly driven by marketing people rather than the top management.

5.2.3 Findings on marketing integration

This research agrees with prior western studies that an organisation will be market-oriented only if the entire organisation is involved (Chad et al., 2013) (Sections 4.4.3 and 2.5.2). The findings also extend the non-profit studies, finding that marketing people do not need to "make strong input into the organisation" to enhance marketing integration in Hong Kong. The behaviour that contributes to marketing integration includes:

- We regularly monitor the marketing and fundraising activities of other charities
- Fundraising information gathered is shared with all other people, sections and departments in the organisation
- Marketing people interact frequently with other sections and departments to discuss fundraising programs.

Firstly, Chad et al. (2013) posits that an organisation will be market-oriented only if the entire organisation is involved, thus it is necessary to influence internal stakeholders through frequent sharing and discussion of fundraising strategy. In western countries, marketing staff and issues were highly influential in decision-making and marketing information was widely disseminated within the non-profit organisations (Bennett, 1998). The western studies in the UK and Australia have identified that "strong marketing influence and input into the organisation" is important to marketing integration within the organisations and, hence, market orientation. However, unlike in the western countries, non-profit marketers in Hong Kong do not exhibit strong input into organisations to facilitate marketing integration within those organisations. The findings fit with research into the cultural differences and management studies disciplines, indicating that Chinese marketing managers (low individualistic) have a high propensity towards group decision-making, whereas marketing managers in individualistic cultures tend to make decisions unilaterally (Poon, Evangelista, & Albaum, 2005). Therefore, "strong marketing input" is a detrimental behaviour towards non-profit marketing integration in western countries, but not in the Chinese context in Hong Kong. Non-profit marketing integration for fundraising in Hong Kong is achieved through internal collaboration (such as frequent sharing and discussion of fundraising and marketing activities), rather than a powerful marketing influence.

Secondly, unlike in western non-profit organisations, “regular monitoring of others’ marketing and fundraising activities” is not part of competitive strategies, but is part of marketing integration. The monitoring of others’ marketing and fundraising activities is not loaded in the competitor orientation, but in the donor orientation and marketing integration dimensions (Section 4.4.3, Table 4.16). The findings suggest that regular monitoring of others' marketing and fundraising activities seems to serve as a reference for internal planning and strategies integration, instead of a pre-emption of competition. Non-profit marketers in Hong Kong influence and integrate with other internal departments through regular monitoring, frequent sharing and discussion of others’ marketing, and fundraising activities to drive market orientation and enhance fundraising performance.

5.3 Additional findings from analysis

5.3.1 Findings on the importance of relationship marketing

In addition to exploring the behaviour contributing to the three constructs of market orientation in relation to non-profit market orientation adoption in Hong Kong, this study also investigates the importance of relationship marketing in mediating or moderating the relationship between non-profit market orientation and fundraising performance (Section 2.5.3). As discussed in Section 4.4.5, this research agrees with prior studies that “high market orientation in fundraising was positively and significantly associated with the adoption of relationship marketing in fundraising” (Bennett, 2005, p. 464) and effective relationship with donors enhances fundraising effectiveness (Rey García et al., 2013). However, the findings disagree with prior western studies that have alleged the importance of relationship marketing in “operationalizing” market orientation (Bennett, 2005; Helfert et al., 2002). Additionally, the results suggest that market orientation has a full mediation effect on the relationship between relational marketing and fundraising performance (Section 4.4.6). The findings contribute to the non-profit marketing studies indicating that market orientation is required to effectively practice relationship marketing with donors, and enhance fundraising performance accordingly.

The analysis of the data in Chapter 4 indicates that relationship marketing and market orientation are highly correlated, and both are significant in predicting non-profit fundraising performance. This research finds that relationship marketing is an important practice among non-profit organisations in Hong Kong, as more than 97% of the respondent organisations claim that they practice relationship marketing with donors (mean score = 4.02). Although relationship marketing enhances non-profit fundraising performance, the results show that market orientation is more significant than relationship marketing in predicting fundraising performance (Section 4.4.6).

In addition, the results of this study contrast significantly with the western studies and suggest that market orientation is necessary to "operationalize" relationship marketing (Sections 4.4.5 and 4.4.6). The findings show that there appears to be a causal relationship between non-profit market orientation and relationship marketing with donors. On the one hand, a market-oriented organisation will undertake relationship marketing activities with donors, thus enhancing fundraising performance. On the other hand, an organisation which practices relationship strategies with donors tends to adopt market orientation, and thus enhances fundraising performance. Prior research conducted in western countries stipulates that the "greater the extent to which an organisation practised relationship marketing the stronger the impact of market orientation on performance" (Bennett, 2005, p. 456), and posits that relationship marketing "operationalizes" marketing orientation (Helfert et al., 2002). However, this study conducted in the Chinese context disputes that relationship marketing moderates or mediates the relationship between market orientation and non-profit fundraising performance (Sections 4.4.5 and 4.4.6). Non-profit organisations in Hong Kong may enhance their fundraising performance solely through the adoption of market orientation, and the practice of relationship strategy does not alter the impact of market orientation on performance.

The findings from this research (Section 4.4.6) also suggest that market orientation has a full mediation effect on the relationship between relational marketing and fundraising performance among non-profits in Hong Kong. The findings suggest that non-profit organisations which practise relationship marketing but are not market oriented will be less likely to have good fundraising performance. On the contrary, the relational strategy with donors will require market oriented practices in terms of donor orientation, competitor orientation and marketing integration to elevate fundraising performance. The findings explain the understanding that having good knowledge of donors (Waters, 2009) and extensive interdepartmental collaboration (Bennett, 2005) is required to make relationship marketing with donors successful in the non-profit context. Waters (2009) claims that an incorrect estimation of donor preference will damage the relationship with donors, and therefore a donor-oriented marketing strategy enables non-profits to properly cultivate enduring relationships with their donors. In the commercial sector, relationship strategies are usually part of a comprehensive marketing planning (Helfert et al., 2002). However, this study has discovered that the perceived need of relationship marketing with donors appears to be an important driver of why non-profit organisations in Hong Kong adopt market orientation. Non-profit organisations tend to start with relationship strategy and realize that it requires comprehensive marketing strategies to translate their relationship with donors into fundraising results.

5.3.2 Findings on the importance of organisational size

The findings indicate that non-profit organisational size, measured by the number of staff or turnover, has no effect on market orientation (Section 4.4.4). This study adds value to the pre-existing literature that has identified conflicting results regarding the existence of a significant link between organisational size and non-profit market orientation (Section 2.5.3). Although previous western research tends to suggest that larger non-profit organisations have greater resources and capabilities to utilize market orientation (Chad et al., 2013), those studies are limited to a single non-profit sub-sector or non-profits of certain sizes. This study, conducted across different non-profit sub-sectors in Hong Kong, echoes the findings of Brady et al. (2011), namely that specific marketing activities are more detrimental to good fundraising performance than organisational size.

5.4 Conclusions about the research problem

This study aims to assess the effectiveness of using market orientation techniques in fundraising across non-profit sectors in Hong Kong. The findings complement prior research that examines the significance of non-profit market orientation on fundraising performance. As this is the first research completed in Hong Kong across all non-profit sub-sectors, the results add a new depth to our understanding of the implementation of marketing strategies among non-profit organisations and their implications for fundraising performance. The contributions and additions to the pre-existing knowledge, based on the findings, include:

1. Confirmation of expectations derived in Chapter 2 from seminal literature whereby, although non-profit market orientation enhances fundraising performance, marketing behaviour contributing to market orientation and, hence, fundraising performance varies by culture and is country specific (Figure 5.1 shows a summary of marketing behaviour constituting the three constructs of market orientation in the UK, Australia and Hong Kong).
2. Validation of the irrelevancy of organisational size in relation to fundraising performance in Hong Kong.
3. Disconfirmation of the effect of relationship marketing in fundraising-related market orientation, as speculated in the previous literature.
4. Discovery of new areas which had not been raised in the previous literature concerning the mediating role of market orientation between the relationship of relational marketing with donors and respective fundraising performance.

Figure 5.1 Marketing behaviour and constructs of market orientation (a comparison of models in the UK, Australia and Hong Kong)

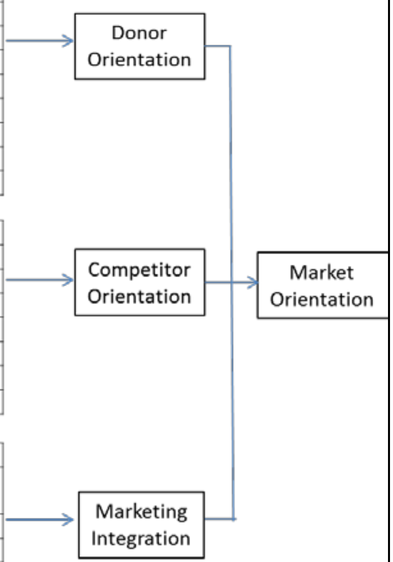
Behaviour

	HK	Aus	UK
4. Have good knowledge of donors	Y	Y	Y
6. Formulate fundraising strategies based on donors' understanding	Y	Y	Y
11. Evaluate fundraising effectiveness frequently	Y	Y	Y
12. Interdepartmental planning for fundraising responses	Y	*MI	
20. Fundraising performance has been better than others			Y
1. Set precise fundraising targets		Y	
5. Have systems to determine donation value & frequency		Y	
7. Quickly detect changes in patterns of donations		Y	
8. Survey donors at least once a year			Y
Last 5 years fundraising performance			Y

	HK	Aus	UK
10. Top managers regularly discuss others' marketing programs	Y	Y	Y
9. Quickly adopt effective fundraising ideas from others	Y		Y
17. Marketing people make strong input into the organization	Y	*MI	*MI
13. Info (donors and other charities) is generated independently	Y		
14. Monitor others' marketing and fundraising activities regularly		Y	Y
2. Compare fundraising performance against others regularly		Y	
18. Donors are liable to switch donations to others			Y
19. Competition for donations is very intense			Y

	HK	Aus	UK
15. Fundraising information gathered is shared within organization	Y	Y	Y
16. Marketing people interact frequently with others to discuss fundraising	Y	Y	Y
14. Monitor others' marketing and fundraising activities regularly	Y	*CO	*CO
17. Marketing people make strong input into the organization	*CO	Y	Y
3. Often experiment & innovate in the use of MARCOM tools		Y	
12. Interdepartmental planning for fundraising responses		Y	

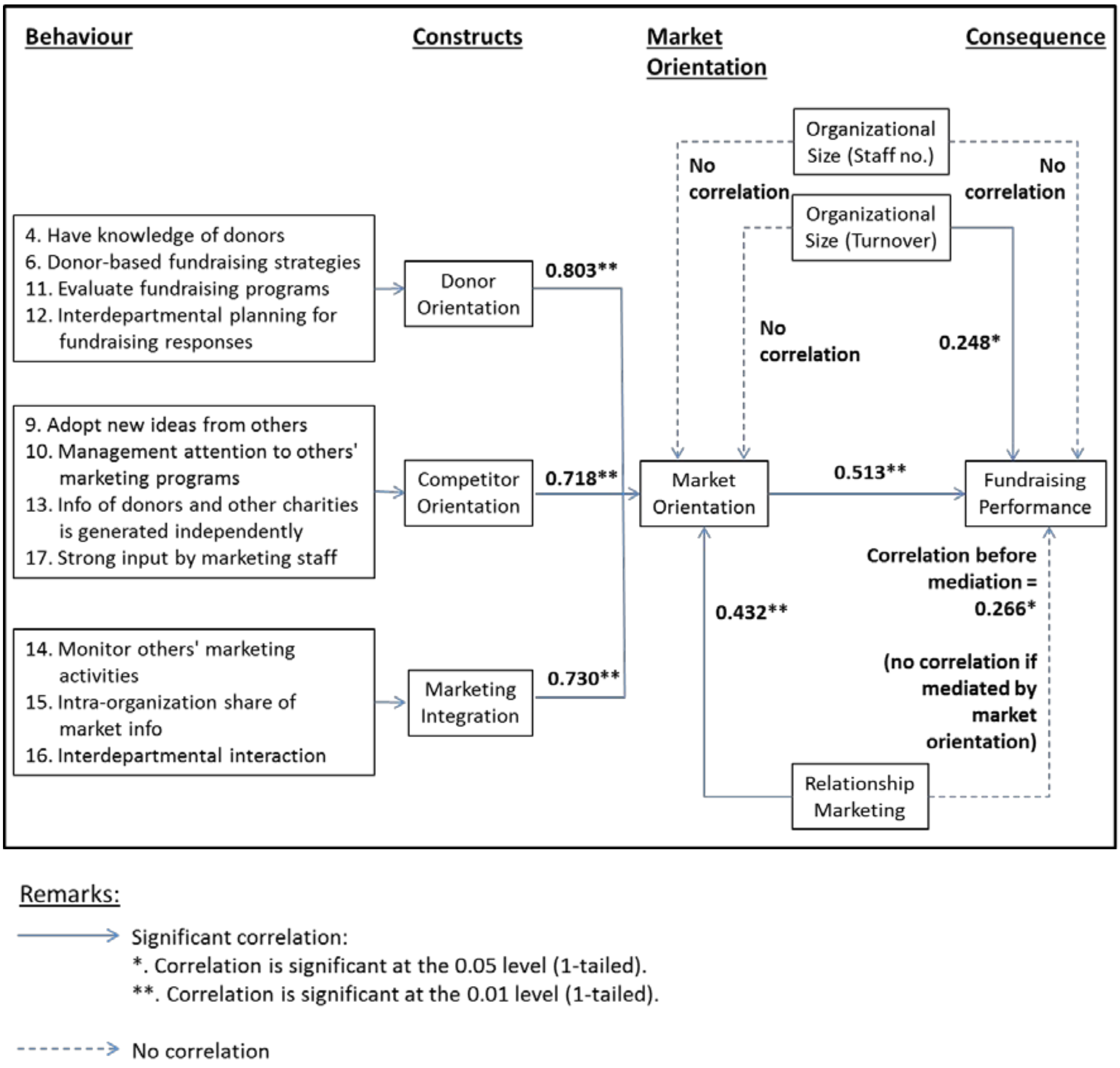
Constructs



Remarks:
*MI – items loaded in "marketing integration" in other countries
*CO – items loaded in "competitor orientation" in other countries

The analysis of the data in Chapter 4 (Section 4.4.2) indicates that marketing behaviour contributing to non-profit market orientation constructs in Hong Kong differs from that in western countries. Figure 5.2 summarizes the conceptual framework for Hong Kong indicating the specific marketing behaviour required for non-profit organisations to adopt market orientation and enhance fundraising performance. The model, which was derived from the analysis results in Section 4.4.4, also illustrates the irrelevancy of organisational size and relationship marketing in achieving market-oriented fundraising excellence.

Figure 5.2 Model for non-profit market orientation adoption in Hong Kong



5.5 Implications for theory

Market orientation and resource dependence are two primary theoretical explanations of non-profit fundraising effectiveness. This study adds value to pre-existing literature and offers insights for both theories. Firstly, this research contributes to market orientation theory by enriching its fundraising-related core constructs in the Chinese context. On the one hand, this study affirms the existence of a significant link between non-profit market orientation and fundraising performance across cultures. On the other hand, this study offers a richer conception of non-profit market orientation constructs in the Chinese context in Hong Kong. In prior research completed in western countries, the strong influence of marketing staff is assumed to drive marketing integration for fundraising in non-profit organisations (Bennett, 1998; Brady et al., 2011). In contrast, this study argues that the differences in cultural dimensions and context affects how marketing managers interact with other internal counterparts in managing donor-oriented fundraising activities and promoting internal marketing integration (Poon et al., 2005). Thus, marketing behaviour contributing to non-profit market orientation requires cultural adjustment across to the local context.

Secondly, this research contributes to the resource dependence theory by sharpening its prediction effect on fundraising performance. This study complements the prior understanding that relationship marketing with donors is important for fundraising performance, as non-profit organisations are highly reliant on external resources (Mitchell, 2014). In addition, this study expands the concept by discovering a full mediation of market orientation between relationship marketing with donors and fundraising performance. Prior research has emphasized that “marketing theory places too much emphasis on the rational approach” and has advocated a more ‘‘holistic’’ application of marketing strategies among non-profits (Gainer & Padanyi, 2005, p. 856). This study affirms that non-profit organisations could reduce dependence on external resources by influencing donors’ preferences, and enhance fundraising effectiveness through marketing strategies.

The key takeaway idea from this is that existing market orientation models developed in western countries are not effective across different cultural contexts. The analysis suggests a more relevant model of market orientation adoption for the Chinese context in Hong Kong. Moreover, the local market orientation models can also strengthen the effect and influence of relationship marketing on fundraising performance.

5.6 Implications for non-profit practitioners

Non-profit organisations are facing increasing competition for funding. Therefore, non-profit practitioners should be knowledgeable about the concepts of market orientation and be competent in applying them. This study identifies the marketing behaviour that contributes to non-profit market orientation and effective fundraising performance in Hong Kong. As non-profit market orientation in Hong Kong is not related to organisational size, this study assures non-profit practitioners that the adoption of market orientation enhances fundraising effectiveness, regardless of organisational size and resource level. Moreover, it provides important guidelines to non-profit practitioners regarding the specific marketing behaviour to adopt and on how to initiate fundraising-related market orientation in the organisations. From the donor orientation perspective, donor understanding prior to the formulation of respective fundraising strategies has practical advantages. Frequent evaluation of fundraising effectiveness and inter-departmental collaboration are also important for the detection of changes in donation patterns and the fine-tuning of fundraising strategies. From the competitor orientation perspective, non-profit organisations in Hong Kong are found to depend substantially on the strong input of marketing experts in order to be competitor-oriented. Traditionally, non-profit practitioners were usually organisationally oriented (Dolnicar & Lazarevski, 2009; Rey García et al., 2013) and paid little attention beyond the organisational mission and services. Should marketing people make strong recommendations on how the organisation is managed and organized, it may help to overcome this organisational orientation and ensure that the organisation is more sensitive to the competition for funding. From the marketing integration perspective, non-profit practitioners should gather and disseminate fundraising information to facilitate frequent discussion concerning fundraising programs with other sections and departments.

This research also provides important guidelines to non-profit practitioners about the adoption of relationship marketing with donors. Since many fundraisers “struggle with deciding the best methods for developing relationships with donors” (Waters, 2009, p. 328), non-profits should adopt marketing strategies in terms of donor orientation, competitor orientation and marketing integration to improve the quality of their relational marketing with donors and, hence, their fundraising performance. Gainer and Padanyi (2005) state that initiating relationship marketing with donors prior to the adoption of market orientation has practical advantages to overcome organisational and stakeholders' resistance to being "businesslike." This study has similar recommendations for non-profits, namely that they undertake relationship marketing prior to the adoption of market orientation based on a different substantiation. The initiative to build, maintain and enhance relationships with donors seems to impose an organisation-wide awareness of the need to be market oriented. Thereafter, the implementation of marketing strategies strengthens the effect of relational strategies with donors and enhances fundraising effectiveness.

5.7 Limitations

While this research contributes to both the theoretical and practical knowledge of fundraising-related market orientation among non-profit organisations, there have been a number of limitations about which further research could be undertaken. Firstly, the absence of responses from several non-profit sub-sectors makes the results comparison across sub-sectors unfeasible. Secondly, this study adopted the 20 item MARKOR scale to precisely measure fundraising-related market orientation and to facilitate results comparison against the comparable western study. Therefore, this research measures relationship marketing using a self-report question, instead of a full-length scale, in order to avoid respondent fatigue (Holyk, 2008). Thirdly, the use of multiple regression to test mediation effect may suggest an interpretation of "causal" impact. However, multivariate analysis only infers the existence of the causal impact which is subject to experimental verification. Lastly, although cross-sectional research is common in market orientation literature (Pope et al., 2009; Rey García et al., 2013), this study only provides a snapshot of how existing marketing behaviour contributes to fundraising success among non-profit organisations in Hong Kong. This cross-sectional study does not explore how non-profit organisations enhance performance through alteration of their marketing strategies according to the changing micro- and macro-environments.

5.8 Implications for further research

This study has provided a useful foundation for the further investigation of non-profit market orientation and fundraising effectiveness in the Chinese context in Hong Kong. Riding on the findings of this research, the student researcher suggests four implications for further research including (1) non-profit sub-sector differences; (2) validation using non-profit relationship marketing inventory; (3) mediated causality between market orientation and relationship marketing; (4) expand the study into Mainland China.

Firstly, the results of this study demonstrated sub-sector differences in terms of marketing behaviour and relationship marketing adoption. To provide a more complete understanding of differences across sub-sectors, quota sampling method is recommended for future research to ensure that a cross section of all sub-sectors in Hong Kong is achieved. However, some organisations provide services in various sectors and the categorization is a self-report of the core services type of the organisation. Some large organisations provided feedback that they serve multiple sub-sectors and all sub-sectors served are core to their services. Thus, a concise categorization of non-profit sub-sectors will also be a challenge for future inter-sub-sector study.

Secondly, future research may validate the findings of this study using relationship marketing inventory for non-profit organizations in Hong Kong. Based on the ground work of proven linkage between non-profit market orientation and fundraising effectiveness, future research may shorten the length of the questionnaire by adapting a short version of the validated market orientation and a full-length relationship marketing inventory to verify the results of this study.

Thirdly, the use of multiple regression to test mediation effect may suggest that an interpretation of “causal” impact of relationship marketing on fundraising performance might be largely mediated by the effects of relationship marketing on market orientation and the influence of market orientation on fundraising performance. However, further experimental research should be conducted to verify the mediated causal connections to provide stronger evidence of causality.

Lastly, while this study provides an understanding of fundraising-related market orientation in the Chinese context in Hong Kong, the results is not transferable directly into other Chinese context such as Mainland China. As Hong Kong share many similarities with western countries in socio-economic environments and non-profits development, the fundraising MARKOR scale validated in Hong Kong may prove otherwise in Mainland China. Therefore, the student researcher recommends expanding the study into China to facilitate the development of fundraising-related marketing strategies among non-profits in China.

5.9 Summary

The adoption of market orientation and relationship marketing by non-profit organisations has been postulated to enhance fundraising performance in many western countries (Chad, 2013). The extendibility of western models to the Chinese context is uncertain and worth exploring. This research builds on and extends the understanding of the market orientation posited in the seminal literature on non-profit fundraising effectiveness in the western context (Bennett, 1998; Brady et al., 2011). Furthermore, it builds on exploratory studies that suggest frameworks for non-profit marketing strategies (Chad et al., 2013; Pope et al., 2009; Rey García et al., 2013). This research clearly identifies that the western non-profit market orientation model is country specific and western models are inapplicable for the Chinese context in Hong Kong. Furthermore, this study provides a fundamental understanding of marketing behaviour that contributes to non-profit market orientation in Hong Kong. As non-profit market orientation does not depend on organisational size, non-profit organisations in Hong Kong may enhance their fundraising performances by taking up relevant marketing behaviour proactively using limited resources. Additionally, this study highlights the importance of market orientation, as compared to relationship marketing, with donors for elevating fundraising results. This research finds that relationship marketing is fully mediated by market orientation in relation to fundraising effectiveness. It implies that being market orientated is crucial to non-profit organisations should they plan to enhance fundraising performance through a relational strategy with donors. Finally, it is recommended that further studies be conducted across different non-profit sub-sectors in order to investigate the practice of marketing strategies in various sub-sectors in relation to fundraising effectiveness.

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Appendix A: Ethical clearance approval

HUMAN RESEARCH ETHICS COMMITTEE

THE UNIVERSITY OF NEWCASTLE AUSTRALIA

Notification of Expedited Approval

To Chief Investigator or Project Supervisor:	**Dr Paul Markham**
Cc Co-investigators / Research Students:	**Ms Suet Mui Lee**
Re Protocol:	**"Proactive Market Orientation techniques and effectiveness on Non-profit Organisations in Hong Kong and its links to Fund-Raising."**
Date:	**11-Sep-2013**
Reference No:	**H-2013-0233**
Date of Initial Approval:	**10-Sep-2013**

Thank you for your **Response to Conditional Approval** submission to the Human Research Ethics Committee (HREC) seeking approval in relation to the above protocol.

Your submission was considered under **Expedited** review by the Chair/Deputy Chair.

I am pleased to advise that the decision on your submission is **Approved** effective **10-Sep-2013**.

In approving this protocol, the Human Research Ethics Committee (HREC) is of the opinion that the project complies with the provisions contained in the National Statement on Ethical Conduct in Human Research, 2007, and the requirements within this University relating to human research.

Approval will remain valid subject to the submission, and satisfactory assessment, of annual progress reports. *If the approval of an External HREC has been "noted" the approval period is as determined by that HREC.*

The full Committee will be asked to ratify this decision at its next scheduled meeting. A formal *Certificate of Approval* will be available upon request. Your approval number is **H-2013-0233**.

If the research requires the use of an Information Statement, ensure this number is inserted at the relevant point in the Complaints paragraph prior to distribution to potential participants You may then proceed with the research.

Conditions of Approval

This approval has been granted subject to you complying with the requirements for *Monitoring of Progress*, *Reporting of Adverse Events*, and *Variations to the Approved Protocol* as detailed below.

PLEASE NOTE:
In the case where the HREC has "noted" the approval of an External HREC, progress reports and reports of adverse events are to be submitted to the External HREC only. In the case of Variations to the approved protocol, or a Renewal of approval, you will apply to the External HREC for approval in the first instance and then Register that approval with the University's HREC.

- ***Monitoring of Progress***

Other than above, the University is obliged to monitor the progress of research projects involving human participants to ensure that they are conducted according to the protocol as approved by the HREC. A progress report is required on an annual basis. Continuation of your HREC approval for this project is conditional upon receipt, and satisfactory assessment, of annual progress reports. You will be advised when a report is due.

- ***Reporting of Adverse Events***

1. It is the responsibility of the person **first named on this Approval Advice** to report adverse events.
2. Adverse events, however minor, must be recorded by the investigator as observed by the investigator or as volunteered by a participant in the research. Full details are to be documented, whether or not the investigator, or his/her deputies, consider the event to be related to the research substance or procedure.
3. Serious or unforeseen adverse events that occur during the research or within six (6) months of completion of the research, must be reported by the person first named on the Approval Advice to the (HREC) by way of the Adverse Event Report form (via RIMS at https://rims.newcastle.edu.au/login.asp) within 72 hours of the occurrence of the event or the investigator receiving advice of the event.
4. Serious adverse events are defined as:
    - Causing death, life threatening or serious disability.
    - Causing or prolonging hospitalisation.
    - Overdoses, cancers, congenital abnormalities, tissue damage, whether or not they are judged to be caused by the investigational agent or procedure.
    - Causing psycho-social and/or financial harm. This covers everything from perceived invasion of privacy, breach of confidentiality, or the diminution of social reputation, to the creation of psychological fears and trauma.
    - Any other event which might affect the continued ethical acceptability of the project.

5. Reports of adverse events must include:
    - Participant's study identification number;
    - date of birth;
    - date of entry into the study;
    - treatment arm (if applicable);
    - date of event;
    - details of event;
    - the investigator's opinion as to whether the event is related to the research procedures; and
    - action taken in response to the event.
6. Adverse events which do not fall within the definition of serious or unexpected, including those reported from other sites involved in the research, are to be reported in detail at the time of the annual progress report to the HREC.

- ***Variations to approved protocol***

If you wish to change, or deviate from, the approved protocol, you will need to submit an *Application for Variation to Approved Human Research* (via RIMS at https://rims.newcastle.edu.au/login.asp). Variations may include, but are not limited to, changes or additions to investigators, study design, study population, number of participants, methods of recruitment, or participant information/consent documentation. **Variations must be approved by the (HREC) before they are implemented** except when Registering an approval of a variation from an external HREC which has been designated the lead HREC, in which case you may proceed as soon as you receive an acknowledgement of your Registration.

Linkage of ethics approval to a new Grant

HREC approvals cannot be assigned to a new grant or award (ie those that were not identified on the application for ethics approval) without confirmation of the approval from the Human Research Ethics Officer on behalf of the HREC.

Best wishes for a successful project.

Professor Allyson Holbrook
Chair, Human Research Ethics Committee
For communications and enquiries:
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RIMS website - https://RIMS.newcastle.edu.au/login.asp

Appendix B: Participant information statement sent to respondents

Participant Information Statement

Dr. Paul A. Markham
Faculty of Business and Law
The University of Newcastle
Callaghan NSW 2308 Australia
Phone: +1.414.687.0272
Email: Paul.Markham@newcastle.edu.au

Suet Mui Daisy, Lee
Faculty of Business and Law
The University of Newcastle
Callaghan NSW 2308 Australia
Email: suetmui.lee@uon.edu.au

Information Statement for the Research Project:
Proactive Market Orientation techniques and effectiveness on Non-profit Organisations in Hong Kong and its links to Fund-Raising

Document Version 2; dated 21/08/2013

You are invited to participate in the research project identified above which is being conducted by Lee Suet Mui, Daisy, as part of her Doctor of Business Administration studies at the University of Newcastle under the supervision of Dr. Paul A. Markham.

Why is the research being done?

The aim of this study is to explore whether the behaviour constituting market orientation in western countries is differ from the behaviour in Hong Kong as it applies to non-profit organisations.

Who can participate in the research?

You are eligible to participate in this research if you are employed by a non-profit organisation registered Inland Revenue Department of Hong Kong and are responsible, or largely responsible, for fund-raising in your organisation.

What choice do you have?

Participation in this research is entirely your choice. Only those people who give their implied consent will be included in the project. Whether or not you decide to participate, your decision will not disadvantage you. If you do decide to participate, you may withdraw from the project at any time until you submit the online survey. Once you opt to submit the online survey, your submission of the survey will constitute implied consent.

What would you be asked to do?

If you wish to participate in the research, you are required to log onto an online survey and complete 25 questions. The link will be provided at the end of the Participant Information Statement.

How much time will it take?
The survey will take about 10 minutes to complete.

***What are the risks and benefits of participating*?**
There is no risk or direct benefit for you as a participant. However, the findings of this research may benefit the adoption of market orientation among non-profit organisations.

How will your privacy be protected?
The survey is anonymous and does not require personal information. The data from the surveys will be aggregated so it will not be possible to identify you or your organisation. As required by law, the aggregated data will be retained on password-protected computers accessible only to the researchers for a period of at least 5 years before it is destroyed.

How will the information collected be used?
The data collected will be reported as part of Ms Lee's doctoral dissertation and possibly in scholarly journal articles and conference papers. Once the dissertation has been approved, a summary of the results can be shared with the participants. Participants who are interested to receive a copy of results should contact the Ms Lee after April 30, 2014.

***What do you need to do to participate*?**
Please read this Participant Information Statement and be sure you understand its contents before you decide to participate or not. If there is anything you do not understand, or you have questions, contact me, the Chief Researcher, Paul.Markham@newcastle.edu.au.

Further information
If you would like further information, please contact Daisy Lee at suetmui.lee@uon.edu.au or Dr. Paul A. Markham at Paul.Marham@newcastle.edu.au

Thank you for considering this invitation.

Dr. Paul A. Markham
Chief Investigator

Ms Daisy Lee Suet Mui
Student Researcher

Complaints about this research

This project has been approved by the University's Human Research Ethics Committee, Approval No. H-2013-0233. Should you have concerns about your rights as a participant in this research, or you have a complaint about the manner in which the research is conducted, it may be given to the researcher (email: suetmui.lee@uon.edu.au), or, if an independent person is preferred, to the Human Research Ethics Officer, Research Office, The Chancellery, The University of Newcastle, University Drive, Callaghan NSW 2308, Australia, telephone (02) 49216333, email Human-Ethics@newcastle.edu.au

URL link of the online survey
If you wish to participate in the research, you are required to log onto
http://www.surveymonkey.com/s/67KGDX9
and complete the online survey.

Appendix C: Questionnaire (bilingual version)

Screening question	**Are you involved in or have knowledge in fund-raising of your organisation?** **你是否參與所屬機構的籌款, 或對之有一定程度的了解?**	Yes 是	No 否

In question 1 - 22, you need to choose from 1-5 to describe your level of agreement with the statement.
於以下問題 (1-22) , 請從 1-5 選出形容你同意每一句子的程度.

		1 Strongly disagree 非常不同意	2 Disagree 不同意	3 Neither agree nor disagree 無意見	4 Agree 同意	5 Strongly agree 非常同意
1	We set precise targets for our fundraising programs 本機構為籌款項目定立明確的目標					
2	We regularly compare fundraising performance with comparable charities 本機構定期與相同類型慈善機構比對籌款表現					
3	We often experiment and innovate in the use of MARCOM tools (advertisement, promotional materials, PR …etc.) 本機構於使用市場推廣工具 (如廣告, 宣傳推廣, 公關 … 等) 經常作實驗嘗試及創新					
4	We have good knowledge of the characteristics / demographics of our donors 本機構對捐款人的特性或人口特徵有充分了解					
5	We have monitoring systems to determine value and frequency of donations 本機構有監控機制或系統以確定籌款數額和頻率					
6	We formulate fundraising strategies based on understanding the motives, characteristics and behaviour of donors. 本機構以對捐款人的動機, 特性和行為之了解作為制定籌款策略的基礎					
7	We quickly detect changes in patterns of donations 本機構很快察覺捐款模式的變化					
8	We survey a sample of donors at least once a year to understand their reasons for donations 本機構每年至少一次抽樣調查捐款人, 以了解他們的捐款原因					
9	If comparable charities implement effectiveness new fundraising ideas, we adopt them quickly 如果同類型慈善機構實行有效的新籌款方法，本機構會趕快採用					
10	Top managers within our organisation regularly discuss the marketing programs of other comparable charities 本機構的高層管理人員定期討論其他同類型慈善機構的市場營銷					
11	We frequently evaluate the effectiveness of fund-raising programs 本機構經常對籌款項目的有效性進行評估					
12	Our colleague and departments get together to plan responses to the changes in the fund-raising environment 本機構的同事和部門聚集計劃如何應對籌款環境的變化					
13	In our organisation, the information about donors and other comparable charities is generated independently by several departments 在本機構內, 不同部門各自搜集捐款人及其他同類型慈善機構的資料					
14	We regularly monitor marketing and fund-raising activities of other charities 本機構定期監察其他慈善機構的市場營銷和籌款活動。					
15	Fund-raising information gathered is shared with all other people, sections and departments in the organisation 在本機構內, 籌款的資信會與所有部門及所有人分享					
16	Marketing people interact frequently with other sections and departments to discuss fund-raising programs 負責市場營銷的同事經常與其他部門互動討論籌款項目					
17	In this organisation, marketing people make strong recommendations about how the organisation should be managed and organized 在本機構，負責市場營銷的同事對機構如何管理和組織有強而有力的建議					
18	Our donors are liable to switch their donations to others 本機構的捐款人容易改變其捐助予其他機構					
19	Competition for donations in this field is very intense 在本機構的範疇, 爭取捐款是非常激烈的					
20	Our fundraising performance has been better than other comparable charities 本機構的籌款表現一直比其他同類型的慈善機構優勝					
21	We establish, maintain and enhance relationships with our donors 本機構建立, 維持並加強與我們的捐款人的關係					
		1 Poor 非常差	2 Fair 差	3 Average 一般	4 Good 好	5 Excellent 非常好
22	How would you rate the overall rating of fundraising performance (over past 5 years)? 你對過去五年籌款表現的總體評價是:					

Profile

23	No. of employees (full-time only) in your organisation? 貴機構有多少名全職員工?	a.	under 10	少於10
		b.	10 - 49	10 - 49
		c.	50 - 99	50 - 99
		d.	100 - 499	100 - 499
		e.	more than 500	多於 500
24	What is the annual turnover of your organisation? 貴機構的全年總支出是:	a.	under HK$1,000,000	少於 HK$1,000,000
		b.	HK$1,000,001 - 5,000,000	HK$1,000,001 - 5,000,000
		c.	HK$5,000,001 - 10,000,000	HK$5,000,001 - 10,000,000
		d.	HK$10,000,001 - 50,000,000	HK$10,000,001 - 50,000,000
		e.	More than HK$50,000,000	多於 HK$50,000,000
25	What is the core services type of your organisation? 貴機構的服務類別是:	a.	animal protection	動物權益
		b.	arts and culture	文化藝術
		c.	children and youth	兒童及青少年
		d.	elderly	長者
		e.	emergency relief	緊急救援
		f.	environment and conservation	環境及保育
		g.	family and communities	家庭及社區
		h.	health and medicine	醫療與健康
		i.	human rights	人權
		j.	people with disability	殘障人士
		k.	poverty	貧窮
		l.	religion	宗教
		m.	school education	學校教育
		n.	sports	體育
		o.	women	婦女