

# **Corporate Strategy for Community Impact**

**Evelyn Horng**

**Sidharta Oetama**

**Grace Wardhana**

**Henry Wu**

**Sinclair Wu**

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## **EXECUTIVE SUMMARY**

The goal of our project was to perform a business analysis for Community Impact (CI), a nonprofit organization in the San Francisco Bay Area. Our analysis relied primarily on the decision analysis framework, Porter's Five Forces model, a dynamic model of CI's projected growth, and conjoint analysis.

We determined that CI occupies a market niche that is competitive and fraught with threats of forward and backward integration. The projected results of CI's current strategy were forecasted using our dynamic model, and it revealed the need for a new marketing and pricing scheme, one that is better tailored to its clients' preferences. The products of our conjoint analysis were novel service packages with demonstrated advantages over the current structure in terms of catering to the needs of clients and generating revenue for CI.

We recommend that CI actively seek new corporate contracts, expand its service offerings to include \$1 000, \$5 000, and \$10 000 packages, and emphasize one-time, independent projects as its primary service to companies.

## INTRODUCTION

Community Impact (CI) is a nonprofit organization that benefits Bay Area communities by recruiting volunteers to provide services for other nonprofit agencies. Founded in 1988 with the goal of encouraging people to perform service work, CI members are usually full-time employees who require flexible volunteer opportunities. (Current members include management consultants, programmers, and marketing and human resources personnel.) To ensure flexibility, CI partners with other nonprofit organizations to identify and organize one-day projects that accomplish specific, tangible tasks. CI members then pick from a variety of dates and times when selecting projects to attend. In recruiting volunteers and organizing projects, CI serves as a crucial link between individuals working in the for-profit sector and nonprofit organizations seeking additional volunteer effort.

Traditionally, CI has focused on developing its volunteer and project base. As a result, CI has grown to an organization of 1,300 members since its incorporation in 1988. CI has also worked hard to develop a diverse range of volunteer opportunities to suit different interests. Current projects tend to fall into four categories: people-oriented projects, environmental projects, facilities/renovation projects, and organizational/sorting projects. In fiscal year 1997, CI members attended 213 projects, contributing approximately 26,353 hours of volunteer effort. (This translates into \$500,000 worth of work at corporate rates.)

As the organization grows and matures, a key issue that arises is the sustainability of CI's activities. Local businesses donate some project supplies, and CI charges a nominal fee to its members to cover some of the production costs of the monthly newsletter. However, CI must make up the rest of these costs in addition to paying the rent for its office and the wages of its four paid employees. As the membership base grows, more newsletters will be printed, and more projects will be funded. Its current funding from foundations and individuals will not suffice to support the growth of the organization.

Because of the perpetual funding issue, CI is considering the potential of corporate sponsorships. Recently, CI has cooperated with companies on an ad hoc basis to organize projects for their employees. In return, CI has charged a nominal fee for this service. CI views these corporate activities as a means to not only encourage public service among employees, but also to generate revenue for funding CI's activities and developing new projects. Because of limited resources, however, CI has not yet developed a structured strategy for increasing corporate participation.

## **PROBLEM STATEMENT**

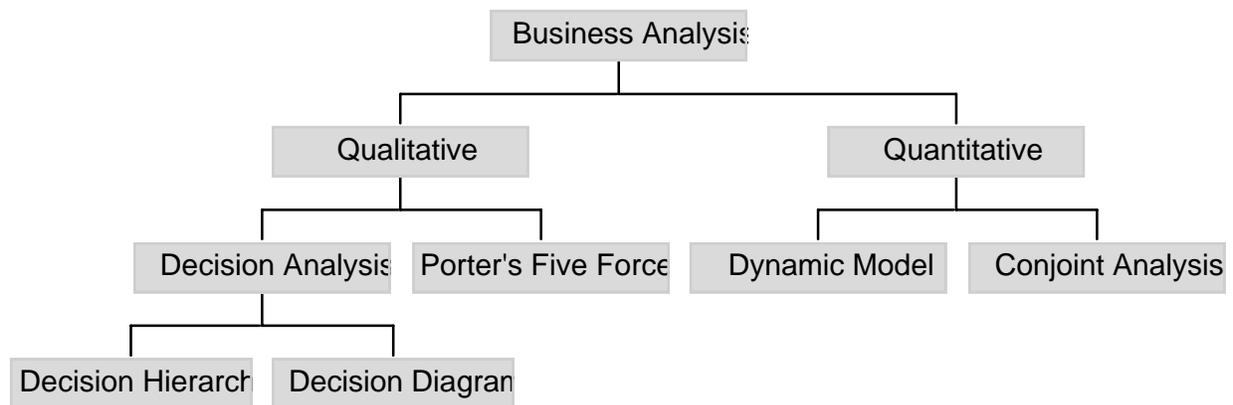
In seeking to expand its client base of Bay Area corporations, Community Impact is looking to devise a new, structured pricing and marketing strategy. CI currently charges companies about \$2,500 for one-time projects (which generally involve about twenty people) and up to \$50,000 for services provided over an entire year. Traditionally, CI's expansion has relied primarily on word-of-mouth publicity, with interested individuals and companies approaching them about organizing community service projects and performing related services. CI's corporate clients have included middle- to large-size companies such as Alza, AT&T, Oracle, and Viacom.

CI would like to offer different packages of services to companies and correspondingly charge different prices for them. Services currently include advertisements, newsletters, press releases, web-site development, internal surveys, and on-site training. One of our primary tasks was to help CI determine an efficient set of service offerings and an optimal pricing strategy. CI will consequently be able to streamline its efforts and expenditures, and maximize its revenue.

Our recommendations incorporated the incentives for companies to get their employees involved in the community: building teamwork, boosting company morale, presenting a good image in the community, and developing and enhancing employee skills in project management and public relations.

## METHODOLOGY

In the course of this analysis, a variety of qualitative and quantitative methods were used. Our qualitative methods included the decision analysis framework, which helped us in framing the decision and identifying key uncertainties, and the Porter's Five Forces model, which was useful in analyzing CI's position in the competitive market. In addition, we developed a dynamic model to explore the projected market share and number of clients under CI's current strategy. Using the results from these analyses, we determined the important attributes in our market survey and performed a conjoint analysis to develop a comprehensive new marketing and pricing scheme.

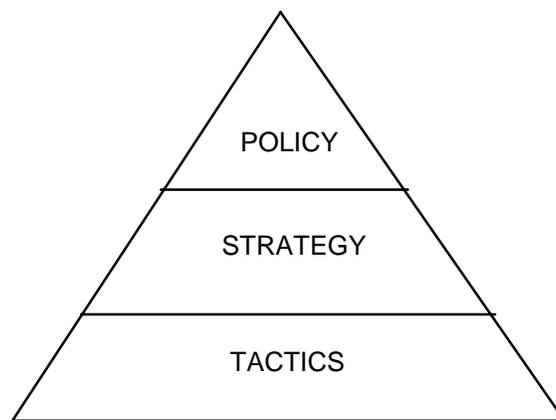


**Figure 1: Scope of the Analysis for CI**

## DECISION ANALYSIS

### Decision Hierarchy

The decision analysis framework was applied to CI's situation. The relevant decisions and uncertainties were identified by consultation with CI's management, as well as through interviews with 32 of CI's potential and current clients. The issue was framed according to the decision hierarchy below:



**Figure 2: The Decision Hierarchy Pyramid**

#### *Policy*

CI's policies form a basic framework that defined some of the underlying assumptions of our analysis. Some of the objectives dictated to our team by CI included the following:

- to widen the range of services offered by the corporate services unit;
- to maximize revenue from corporate clients and volunteer hours donated;
- to expand the corporate base; and
- to maintain CI Day as a gateway for bringing in additional corporate clients.

#### *Strategy*

CI needs to develop a marketing and pricing strategy to achieve the policy objectives

outlined above. The following issues were the focus of our analysis:

- The types of services needed by corporate clients; and
- Prices for each package of services.

### *Tactics*

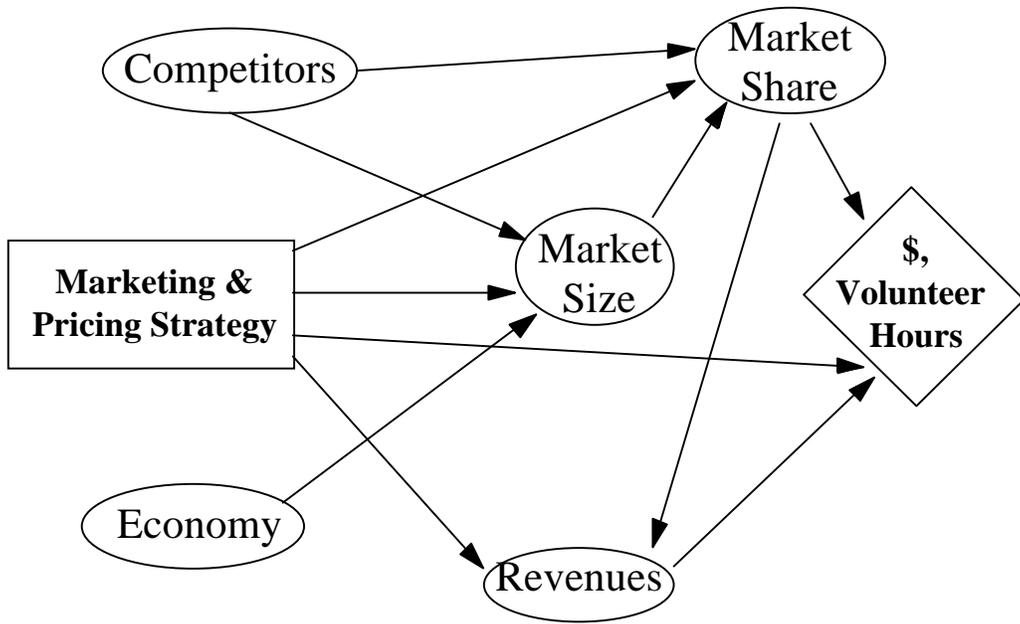
Depending on which strategy CI decides to pursue, certain day-to-day tactical decisions need to be made. These tactical issues were not directly addressed in our analysis:

- how to approach the clients (cold-calling, through other contacts, word-of-mouth, advertising); and
- what type of project to offer (people, facilities, environmental and organizational projects).

### **Decision Diagram**

We depicted the situation facing CI in the form of a decision diagram, which summarizes the relationships between various alternatives and their relevant uncertainties. The resulting diagram aided us in identifying the factors and the interdependent relationships among the uncertainties that impact the decision.

The value function dictated to us by CI was to maximize both the corporate revenues and the amount of volunteer hours contributed by each client company. The uncertainties affecting this function included the overall economy and competitor pool, market size, market share, and revenues. The decision at hand for CI was the structuring of the marketing and pricing scheme.



**Figure 3: The Decision Diagram for CI**

## PORTER'S FIVE COMPETITIVE FORCES MODEL

A qualitative analysis was performed to elucidate Community Impact's position in the market for project organization services. CI's competitiveness was evaluated on the basis of: Entry Barriers, Determinants of Supplier Power, Determinants of Substitution Threat, Determinants of Buyer Power, and Rivalry Determinants.

### **Entry Barriers**

The community service sector has traditionally been one in which entry into the market is relatively easy. A successful organization like CI needs healthy relationships with nonprofit organizations and potential clients, an inventory of supplies and tools, financial stability, and name recognition. In fact, according to Sharon Oster in her book, Strategic Management for Nonprofit Organizations, "Reputation is the major entry barrier in most nonprofit markets." CI has established its reputation mainly through word-of-mouth advertising and its annual Community Impact Day, in which twenty to thirty mid-size to large firms participate. Because reputation plays such an important role, writes Oster, "nonprofits may need to be more concerned about rumors of misbehavior than the for-profit sector" (33). Indeed, CI has already learned from its encounters in this arena and strives to preserve a sterling image in the Bay Area.

In addition to reputation, access to distribution is a potential entry barrier in this market. Peter Drucker writes in his book, Managing the Non-Profit Organization, that one of the key relationships that should be utilized is the Board of Directors. He emphasizes that in addition to its role in overseeing the operations of the organization, "The board is also the premier fund-raising organ of a non-profit organization -- one important role it does not have in the for-profit business" (157). CI has a very strong and influential board, which includes Congressman Tom Campbell, Donald Kennedy, the former President of Stanford University and former commissioner of the Food and Drug Administration, and Gordon Russell, General Partner of Sequoia Capital and Chairman of the Palo Alto Medical Foundation. CI should be able to

effectively leverage its board to build its corporate client base. As mentioned before, CI has already amassed a client pool through CI Day, and can expand that one-day-per-year relationship into a year-long endeavor. CI also has contacts in the form of individuals who have participated in past CI projects, and may be able to utilize those as a means to engage a company from the inside out.

### **Determinants of Supplier Power**

CI's supplier pool is composed of the abundant number of nonprofit organizations throughout the Bay Area who require services from CI. CI receives the projects at no charge, and there is no cost to change suppliers. However, there is a very present threat of forward integration in this industry; that is, the nonprofits may attempt to form their own close relationships with corporate sponsors, thereby effectively bypassing CI as their liaison. Peggy Propp, the Executive Director of CI, believes this threat to be high, and our surveys of companies has revealed that this phenomenon has occurred to an alarming extent. In addition, once a firm has been captured by an organization, it is extremely unlikely that it will ever separate itself, and so is effectively taken out of the market for the long-term.

### **Determinants of Substitution Threat**

In our surveys, the potential clients of CI gave only four responses to the question, "What are your company's motivations for participating in community service projects?" These were: 1) Improving public relations in the community, 2) Promoting teamwork among employees, 3) Boosting company enthusiasm, and 4) Improving the quality of life in our communities. Some possible substitutes that could still result in 2 and 3 are: holding company parties, engaging in teambuilding workshops (such as ropes courses), or paying higher salaries to employees. In replacing community service work and yielding 1 and 4, companies could donate more money or supplies to community organizations. However, the vast majority (84%) of responses to our question, "Does your company prefer donating money over participating in projects?" were "No"

or “Indifferent,” strongly suggesting that firms cannot replace community service projects without sacrificing some of the important benefits that they receive in return.

### **Determinants of Buyer Power**

The buyers in this market are made up of the companies for whom CI wishes to provide organizational services. The Bay Area has a high concentration of firms that are involved in community service, but switching costs between service providers is very low, and the companies have a very good knowledge of local volunteer opportunities, since nearly every firm has employees who have their own special community interests. Hence, the threat of backward integration, in which buyers would bypass CI and directly form long-term relationships with nonprofits, is extremely high and has already occurred to some extent. However, very large corporations usually have enough funds set aside for philanthropy that they would still be interested in contracting CI. Some of these large companies have an internal community service group, consisting of one or a few full time employees dedicated to the task, or a larger group which volunteers its time and decides how money is allocated on a monthly or quarterly basis.

As mentioned before, some of the benefits the buyers seek in participating in community service projects include improving public relations in the community, promoting teamwork among employees, boosting company enthusiasm, and improving the quality of life in their communities. For these benefits, there are no real substitutes for service projects. Many of the firms interviewed had heard of CI Day and were interested in learning more about CI’s services. However, these companies were also extremely price sensitive. It seems likely that price-conscious firms would engage nonprofits directly or initially hire CI, and after learning how to plan projects, do so without CI. One unique benefit of hiring CI is that CI offers is the diversity of projects, due to their wide range of contacts.

## **Rivalry Determinants**

We considered CI's competitor pool to include in-house corporate departments that plan projects and volunteer centers who are interested in branching out to plan projects for firms. There are three volunteer centers in the South Bay/Peninsula area who are seeking corporate sponsors. However, our interviews with these centers revealed that these sponsors comprise a modest percentage of their income, and their strategy for obtaining more clients is non-competitive with respect to CI.

In addition, some large companies have established small departments within the firm that are responsible for organizing community service projects. Although these companies have more money at their disposal, the community relations group may be hesitant to engage CI, since CI could serve as their replacement. Due to these factors, the threat of rivalries to CI is moderate.

## **Conclusion for the Porter Analysis**

As a result of the Porter's Five Forces analysis, the following conclusions were made:

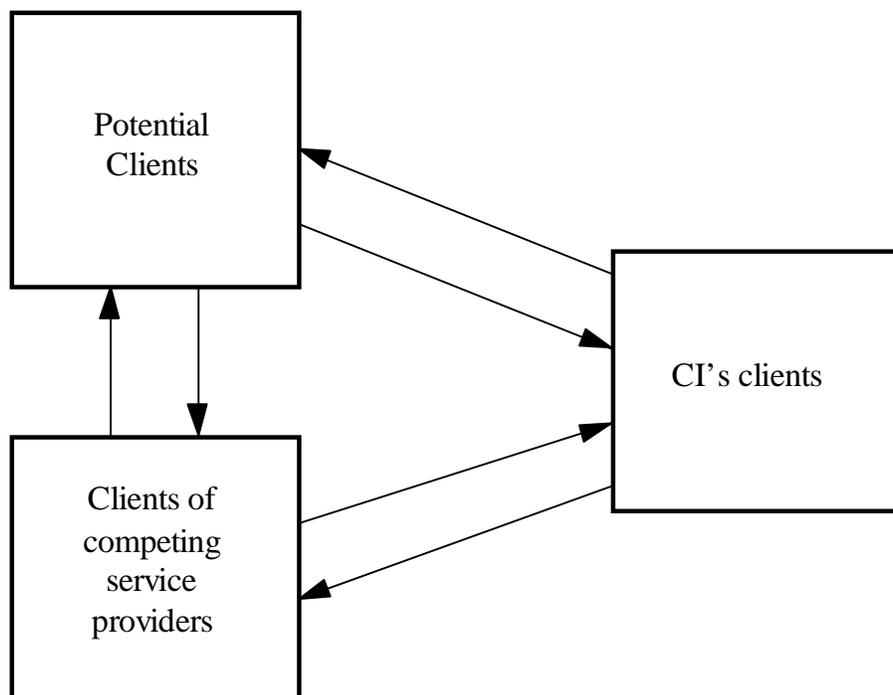
- 1) Entry Barriers: The threat of new entrants into the market is potentially severe due to low entry barriers.
- 2) Determinants of Supplier Power: Important in the threat of forward integration.
- 3) Determinants of Substitution Threat: No real substitutes for community service.
- 4) Determinants of Buyer Power: Very significant, especially in the threat of backward integration.
- 5) Rivalry Determinants: Modest rivalries with in-house company departments that plan projects, as well as volunteer centers that are seeking corporate clients.

## DYNAMIC MODEL

We developed a model to characterize market dynamics that will influence the community service project industry in the future. Our analysis incorporates information gathered from market surveys with potential and current clients of CI, interviews with volunteer centers in the Bay Area, and CI itself. The model represents how the market will evolve in the future, given that CI does not change its present pricing and marketing strategy.

### Problem Formulation

Our model focuses on interactions between three main groups of people: potential clients; clients of competing service providers; and current clients of CI. We can formulate the problem using a stock-flow model with three stocks, as shown in the diagram below:



**Figure 4: Dynamic Model of CI's Market Position**

We defined the three stocks in the following manner:

- **Potential clients.** This comprises the total number of companies in five counties in the Bay Area which have 100 or more employees. Our findings from market surveys suggest that companies in this category would be most likely to participate in community service projects in the Bay Area. For the purposes of our analysis, we decided to include five counties to represent the geographical range of potential clients applicable to CI: Alameda, San Mateo, Santa Cruz, San Francisco and Santa Clara. We took an average of the number of establishments with 100 or more employees in these five counties over the years 1989-1994 to arrive at an estimate of 3037 companies in the potential client pool. (Please refer to Appendix A for more details.)
- **Clients of competing service providers.** We included companies which had exclusive contracts with volunteer centers in the Bay Area, as well as companies which had in-house capabilities of organizing community service projects for their own employees. We felt that these companies would be unlikely to enter a contract with CI in the same period.
- **Clients of CI.** As described earlier, CI currently offers two types of corporate services: an annual event known as Community Impact Day in which many companies participate, as well as exclusive service contracts with individual companies. In this model, we included only companies which had exclusive contracts with CI. This was to keep the states of our model mutually exclusive and to avoid the problem of double-counting.

Flows are allowed among any of the stocks. For example, potential clients could become clients of competing service providers or clients of CI in the next period. Similarly, clients of CI or its competitors could quit and return to the pool of potential clients. Furthermore, since the service contracts tended to be renewed on an annual basis, we took each period length to be one year.

In order to facilitate our analysis, we made several simplifications and assumptions. First, we assumed that companies with 100 or more employees in the five counties were homogeneous enough to be grouped together in the same potential client pool. Next, we assumed that CI's competitors shared enough similar characteristics that they can be considered a single undifferentiated competitor. Finally, we assumed that each company can hold only one contract at any given time, and quits, renews or enters a new contract at the end of the year.

For simplicity, we modeled the coefficients of the flows among the stock variables as constants. We specified the constants in our model to match the information given to us by volunteer centers and CI regarding corporate client growth and retention rates. At the same time, we enforced the following relationships:

- The growth rate of the potential client pool was assumed to be zero. This was because of fluctuations in the number of establishments between 1989-1994. We could discern no significant upward or downward trends. (Please refer to Appendix A for details.)
- The fraction of potential clients signing up with CI's competitors in each period is much larger than the fraction of potential clients signing up with CI. This is to account for the fact that there are several volunteer centers in the relevant five counties, whereas CI is only a single organization. Furthermore, these volunteer centers are perceived to have more established reputations than CI. Finally, potential clients may decide to develop internal capabilities for community service.
- Companies that decide not to renew contracts with CI are equally likely to join the potential client pool or become a client of CI's competitors in the next period (either by developing in-house capabilities or entering a contract with a volunteer center).

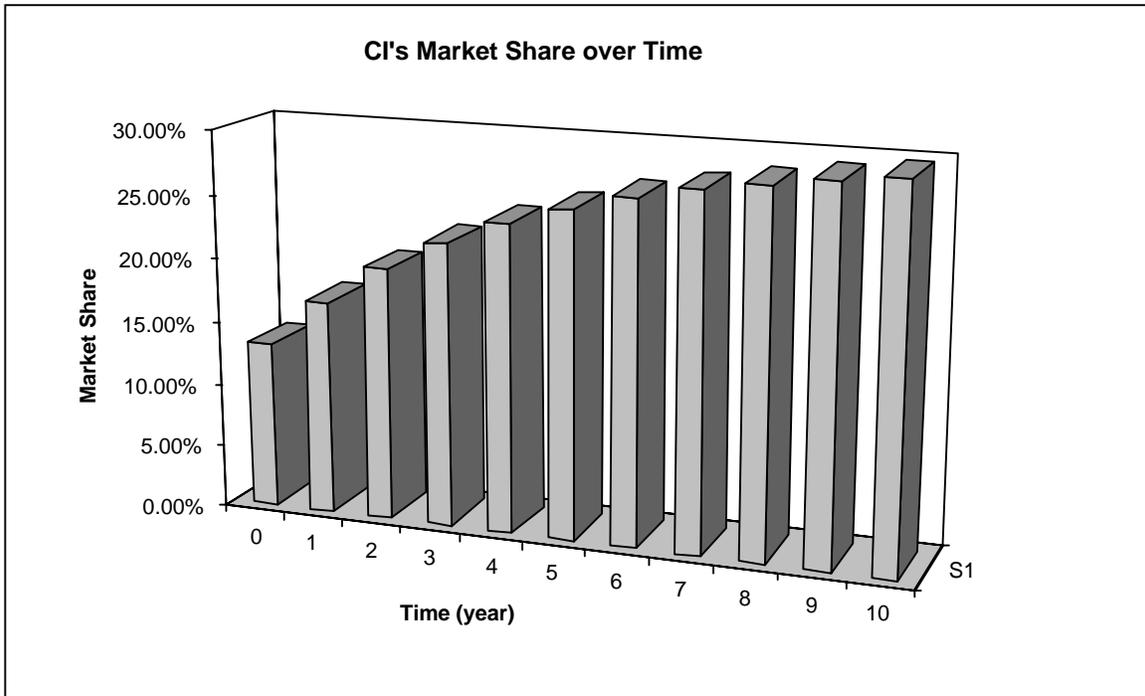
- Companies that decide not to renew contracts with volunteer centers or decide to outsource organization of community service projects are equally likely to join the potential client pool or sign up with CI in the next period.

Having established these coefficients, we ran the model from 1997 to 2007 to predict what will happen if CI does not change its current pricing and marketing strategy (holding other factors constant).

Our next step was to relax our assumption that the coefficients governing the flows were deterministic in nature. By allowing the number of new clients acquired by CI and the number of new clients acquired by its competitors to vary stochastically, we ran a Crystal Ball simulation to arrive at a probability distribution of what CI's market share would be in the future. (Please refer to Appendix A for details.)

## **Discussion of Results**

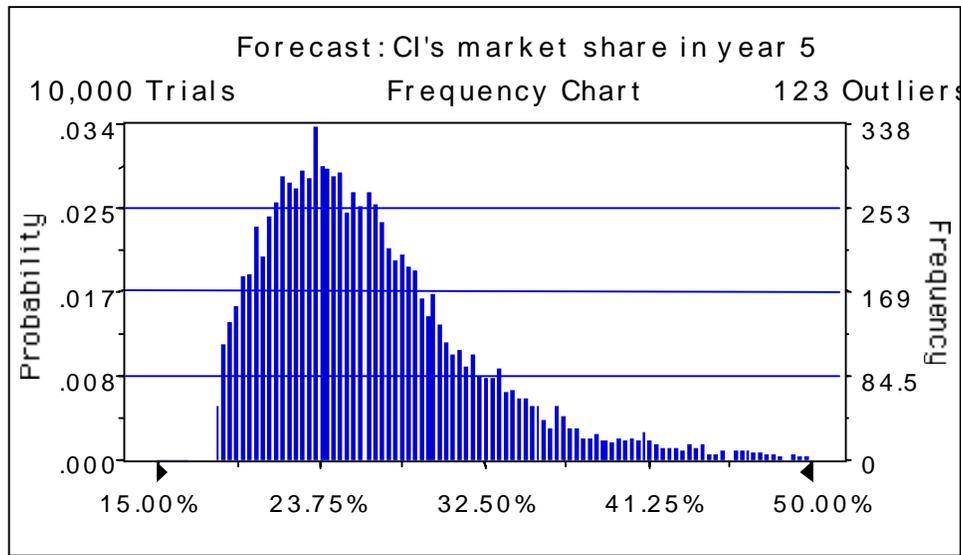
Given the coefficients of the flows that we have established, the model results in CI attaining a market share of 25.58%, up from the present 13.04%, by the year 2002 with 8 corporate contracts. This represents an increase of 12.54% over the five year period. According to the model, CI will attain a 29.64% in the year 2007. (Please refer to Appendix A for details.)



**Figure 5: CI's Market Share over Time**

As shown in the graph, the rate of increase of market share from years one to five is considerably larger than the rate of increase in years five to ten. CI's growth in market share appears to flatten out over the years.

By varying the number of new clients acquired by CI and its competitors each year, we ran a Crystal Ball simulation for CI's market share in year 5 with the following results:



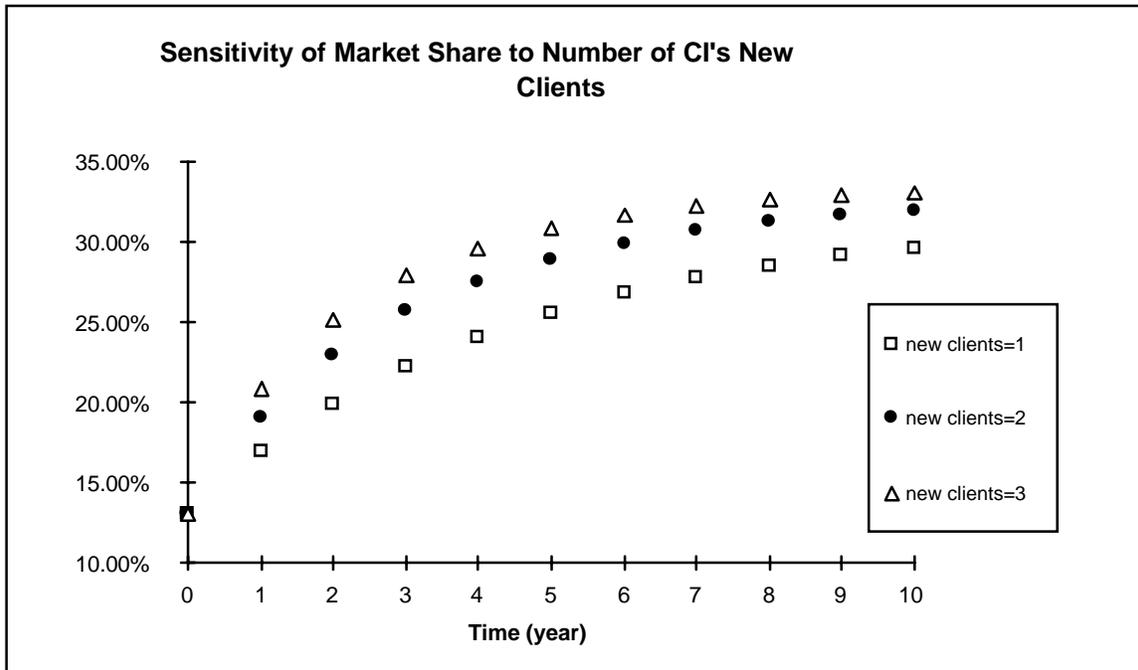
**Figure 6: Crystal Ball Forecast of CI's Market Share in Year 5**

The distribution for CI's market share in year 5 is shown in the figure above and has a mean of 27% and a standard deviation of 7.1%. In addition, there is a 90% probability that CI's market share will be greater than 20.5% in year 5. (Please refer to Appendix A for a detailed Crystal Ball report and projections for year 10.)

With these results, it appears that CI will experience promising growth within the next five years. However, we noted that a total of 8 contracts in year 5 was a mere drop in the bucket, with a potential pool of more than 3000 clients. There are huge benefits to be gained from devising a new marketing strategy to acquire more new clients for CI.

Given the simplifying assumptions we have made, our model faces certain limitations in approximating reality. For example, using time-invariant constants for the coefficients of flows assumes that the system will evolve in the same directions over time. This does not account for changes such as an increase in the number of new entrants into the community service project industry, or an increase in the rate of companies beginning to show greater interest or commitment to community service. Another possible change might be fluctuations in the economy, which may cause companies to reduce or expand their community service budgets.

Along with running simulations of CI's growth, we performed a sensitivity analysis to see how the rate of new clients acquired per year would affect CI's market share. CI currently acquires an average of one new client a year. By varying this rate to two and three new clients per year, we were able to find the corresponding increases in market share. The results are shown in the graph below:



**Figure 7: Sensitivity of Market Share to New Clients**

If CI were to increase the number of new clients acquired per year from 1 to 2, market share would increase by 10.8%. Increasing the number of new clients per year from 2 to 3 increases market share by an additional 5.8%.

Given these results, it appears that CI's growth in market share is significantly affected by the number of new clients it acquires per year. Since there exists a potential pool of more than 3000 companies that might be interested in signing up, we felt that there was a huge incentive for CI to change its marketing strategy to attract more of these clients. Our next step was to determine what corporate client preferences were in terms of community service project

organization, in order to devise a new marketing strategy for CI. This will be discussed in the next section of our analysis.

## MARKET SURVEY & CONJOINT ANALYSIS

To assess corporate preferences for outsourcing the planning of community service projects, we conducted interviews with 32 companies throughout the San Francisco Bay Area. These companies ranged greatly in revenue size and number of employees, and we obtained their contact information by referring to the recruiting lists of Stanford University's Career Placement and Planning Center. (Data regarding these companies is included in Appendix B.) We asked each company representative to complete both a written questionnaire (included in Appendix B) and a computerized conjoint analysis survey. Importantly, each corporate representative possessed relevant background for answering questions regarding his or her company's preferences toward participating in organized community service projects. The positions held by our interviewees included Human Resources Managers, Executive Directors, and Community Relations Managers.

After the data was collected, it was compiled and analyzed with Sawtooth's Adaptive Conjoint Analysis System (ACA) 4.0 software. The following attributes and levels were evaluated:

### ***Core Services***

- Have an outside group organize a community service project (\*)
- Have an outside group train employees to organize a community service project
- Have an outside group both organize a community service project and train employees

### ***Supplementary Services***

- Press releases
- Food for employees
- Company's name and logo on T-shirt
- Acknowledgement in organization's literature
- Newspaper ads
- Radio ads
- TV ads
- Internal surveys to assess employee preferences (\*)

### ***Number of Volunteers***

- Less than 10

11-20 (\*)  
21-50  
51-100  
More than 100

**Frequency**

- One time
- Twice a year (\*)
- Three times a year
- Four times a year
- Six times a year
- Monthly

**Size of Event**

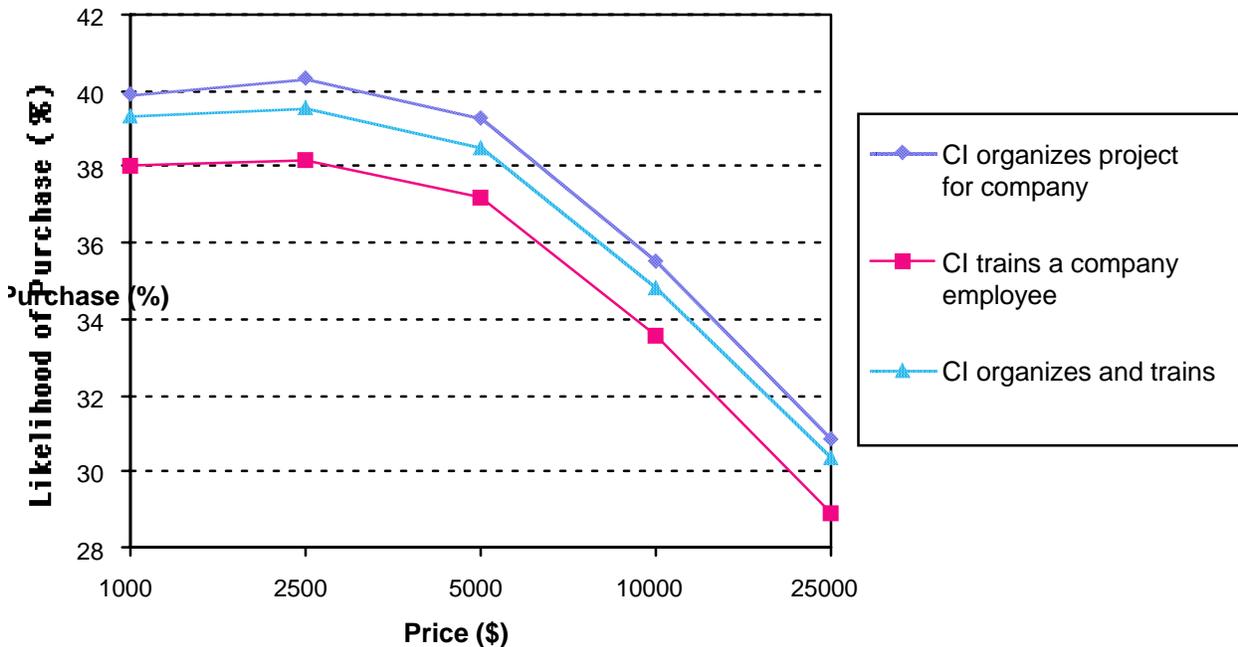
- Independent (stand alone) (\*)
- Work with less than 10 other companies
- Work with more than 10 other companies

**Price**

- \$1,000/year
- \$2,500/year (\*)
- \$5,000/year
- \$10,000/year
- \$25,000/year

Utility values for each level of each attribute were determined by ACA’s Market Simulator. The level receiving the highest utility value is starred (\*) above. These utility values allowed us to determine which levels of each attribute are most highly desired.

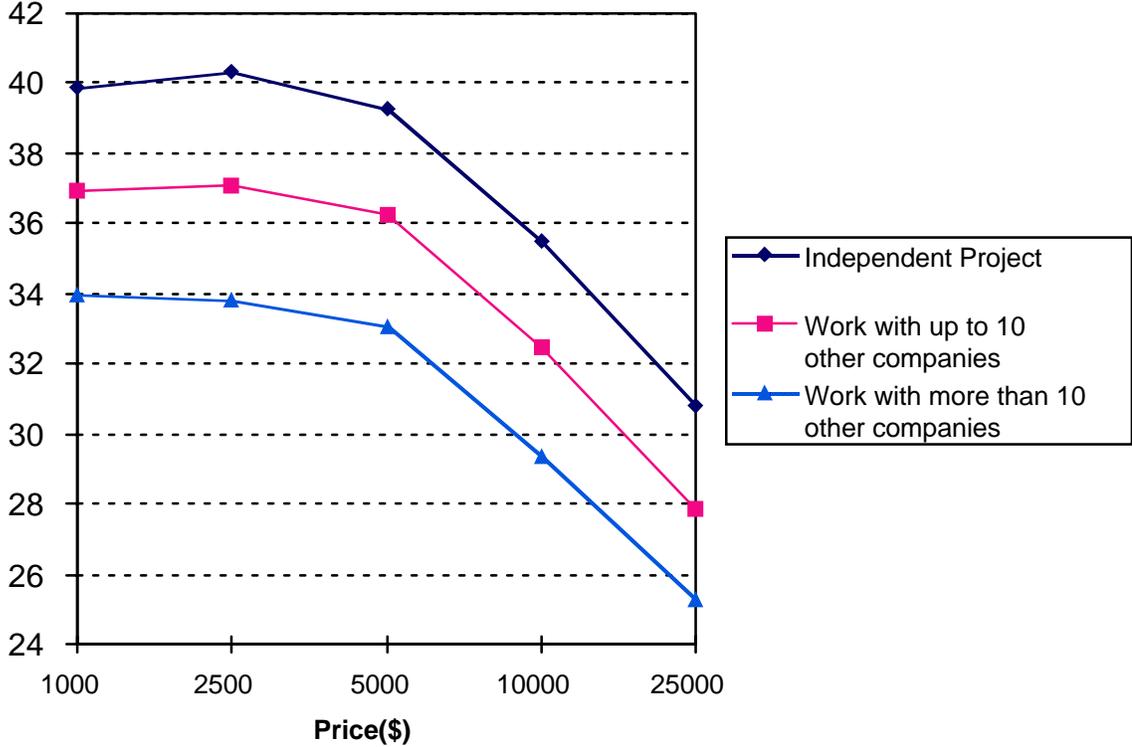
Having obtained these utility values, we then examined the price sensitivity of some of these features. First, we analyzed CI’s core services and arrived at the following graph:



**Figure 8: Price Sensitivity to CI's Core Services**

This result suggests that CI, which currently charges \$2,500 for one-time projects, could increase the its price to \$5,000 without significantly affecting demand. The sudden decrease in the likelihood of purchase after \$5,000 indicates that increasing prices significantly above that amount would greatly reduce demand.

Another important aspect of our analysis was the surprising results obtained from evaluating the size of event. We used the number of participating companies as a proxy for size of event, and we obtained the following price sensitivity graph from our data:



**Figure 9: Price Sensitivity of Size of Event**

Increasing the number of participating companies increases the size of event and increases the potential for publicity. Our results demonstrate the preference for independent, stand alone projects, however. We in turn recommend that CI expand independent projects for companies.

Data from the conjoint analysis, in conjunction with knowledge about CI’s goals and constraints, was used to design new service packages that CI should offer to its corporate clients. Currently, CI offers two main alternatives, a CI Day package and a non-CI Day package. The

primary differences between these two packages are the publicity services and size of event. The attributes for these two currently-offered packages are described below:

<b>Attribute</b>	<b>CI Day</b>	<b>Non-CI Day</b>
Contribution	\$2,500	\$2,500
Core Service	Organize project	Organize project
Supplementary Services	Press releases T-shirts Food Acknowledgment	Acknowledgment
Size of Event	Up to 10 companies	One company
Number of Employees	11-20	11-20
Project Frequency	One-time	One-time

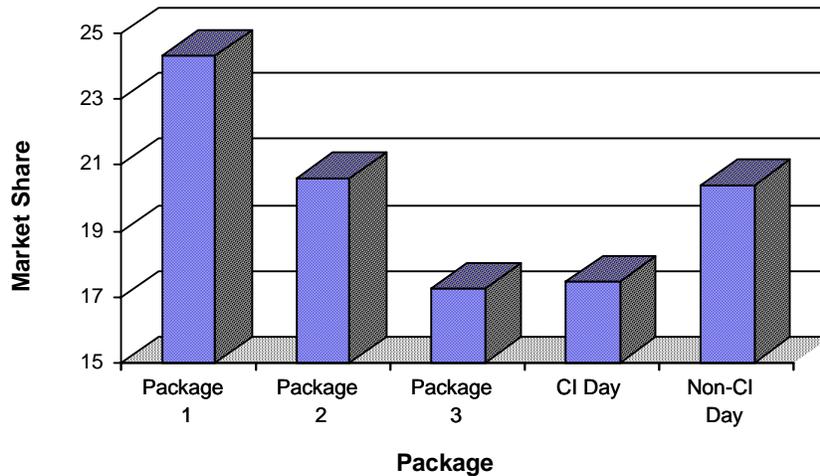
**Figure 10: CI's Current Package Offerings**

The results of our conjoint analysis were used to generate three new service packages for CI. In designing these packages, we considered the utility values of the various levels of attributes, the price being charged, and the amount of resources that CI would have to commit to provide them.

<b>Attribute</b>	<b>Package 1</b>	<b>Package 2</b>	<b>Package 3</b>
Contribution	\$1,000	\$2,500	\$5,000
Core Service(s)	Organize project	Organize project	Organize project Train employees
Supplementary Services	Acknowledgment	T-shirts Food Acknowledgment	Press releases Internal surveys T-shirts Food Acknowledgment
Size of Event	Up to 10 companies	One company	One company
Number of Employees	Up to 10	11-20	11-20
Project Frequency	One-time	2 per year	Up to 4 per year

**Figure 11: Recommended Service Packages**

We examined the viability of these packages by running a simulation that competed CI's current package offerings with the new packages we created. The following graph describes the results of the simulation:



**Figure 12: Projected Market Shares of Current and Recommended Packages**

Although Package 1 obtained the highest market share (24%), Community Impact should also market Packages 2 and 3. Package 2 would replace Non-CI Day. Both of these packages offer essentially the same services, and the low price sensitivity between \$1,000 and \$5,000 suggests that an increase in price would not greatly decrease demand. Although Package 3 holds the lowest market share of the five packages, we feel that this product is still worth marketing. CI would not have to expend a lot of its resources by marketing this item as one of many potential packages. Moreover, many companies who were interviewed indicated the desire to make relatively high minimum donations (\$5,000 and above). Package 3 should therefore be available to large companies with large community service budgets.

CI Day is currently Community Impact's largest, most-publicized, and most well-known project. It is a gateway for CI to recruit more corporate participants. Despite CI Day's low market share, we do not recommend that CI Day be eliminated. CI Day offers a number of non-financial benefits to the organization; namely, it helps CI establish a strong reputation within the community, and it allows CI to recruit individual volunteers.

## CONCLUSION

Our analysis yielded the following recommendations for CI's marketing and pricing scheme:

- Based on our dynamic model analysis, we strongly recommend that CI more actively seek new corporate contracts. CI can reap huge benefits from tapping into the enormous potential client pool of more than 3000 companies in the Bay Area.
- CI should expand its service offerings to include \$1 000, \$5 000, and \$10 000 packages to better fit clients' preferences and needs.
- CI should emphasize one-time, independent projects as its primary service to companies. Our analysis demonstrated that companies greatly prefer independent projects to ones involving multiple firms.

In addition, we recommend that CI explore the option of assembling a hybrid project / CI-Day package, perhaps to be used as a bridge in helping corporate clients make the transition from a one-time to a longer-term relationship.

## LESSONS

This project course was a valuable experience, as it allowed us to apply EES & OR concepts and principles to a real business problem. In a real-world setting, the acquisition of data is a challenging task. One of our most time-consuming activities was setting up appointments and meeting with corporate representatives to administer the ACA survey, which was critical to our project. This involved everything from cold-calling companies to using contacts and referrals.

Our main challenge in performing the analysis required for this project was learning to use the ACA software. We learned how to create a survey that would elicit the information we needed from our respondents, as well as how to analyze the results of the survey in a way that would be meaningful to CI. Up to a certain point, we found the ACA software to be relatively user-friendly; however, the software presented some unexpected constraints and did not allow us to segment the data.

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**APPENDIX A - Dynamic Model**

**APPENDIX B - Conjoint Analysis**