

Marketing for Non-Profit Organizations: The Brand

Though there is a ranged breadth of research and publications regarding branding in the non-profit sector, little research has delved deeper into any of the subjects. Essentially, there are singular papers on any one topic, but few topics have more than this. Partially, this might be attributed to the smaller budget and demand of marketing research in non-profit organizations (NPOs). With limited funds, NPOs often don't see the value in marketing research. While a fair amount of information may be extrapolated from secondary research using readily available resources, primary research is critical to make new findings and design new programs and applications.

It is a fact taken for granted that branding is an essential part of a successful business strategy. However, the notion is not automatically assumed in the case of NPOs. In fact, there is a common misperception that because an organization is labeled as “non-profit” it implies that there is somehow a lack of funds. A misleading name since non-profits, like any organization, must have income to fund their expenditures (Gilligan and Golden, 2009; Kotler and Andreasen, 2007). So often there is a distinction between business organizations and charitable non-profits. This may at one time in history been an accurate perception of the non-profit, today many organizations are beginning to take on a business model to help them succeed in generating a profit—or in the case of a “non-profit” a surplus—to continue in their endeavors (Kotler and Andreasen, 2007).

With globalization and the compounding factor of growth in technological advances the world is working at a fast pace. While there is an array of benefits enjoyed by these intellectual developments, there are in turn many costs and many groups are left behind. New causes arise

daily in the non-profit sector. Certainly many of these organizations are able to help those in great need as well as entertain and enrich the lives of the public at large. Marketing for non-profits is essential in our modern geo-political climate because it is those organizations that propagate a significant portion of social good, or “social profit” (Gilligan and Golden, 2009). However, marketing strategies that are implemented in for-profit companies cannot be directly transplanted into marketing strategies for NPOs. Non-profits have their own set of challenges to overcome, threats to manage, strengths to draw upon, and weaknesses that must be addressed (Voeth and Herbst, 2008). As the world advances technologically, it is expected that the economy and politics keep pace with it. Similarly, it should be expected of the non-profit to not let social good fall behind.

The shift is positive in many aspects, but it has also made it difficult for non-profits to operate. By sheer volume of variety, audience, size, region, services, etc. the number of NPOs is overwhelming. This overload has a number of impacts. Aside from having their attention called away at every turn, consumers have so many choices it’s difficult to know which is the organization he or she would like to support. The quality may come into question. How can a person be sure the organization is reliable and not a scam to make money? What makes them better than the other NPOs asking for contributions? As government funding and grants dwindle in economic downturn, potential constituents become increasingly skeptical of where to spend their extra income. Competition within the non-profit sector has skyrocketed since the 1990s, and the smart NPOs are turning to marketing to help themselves stand out in the crowd (Voeth and Herbst, 2008).

Brand personality is the set of traits and characteristics specific to a brand—a long-established understanding in the for-profit sector. But non-profits are only beginning to see the

need for utilizing such a valuable asset. Brand personality can be the determining factor as to why an individual decides to give to one NPO versus the one across the street (Voeth and Herbst, 2008).

Late to the game, NPOs face the challenge of catching up to speed. In the face of competition, non-profits have mostly focused on internal changes, large donors, programming, reaching new audiences etc. Rather than putting emphasis on a customer-orientation, many NPOs fall into the trap of product-orientation—the assumption that if the product or service being offered is well done of high quality, it will necessarily be desirable to the audience (Kotler and Berstein, 1997). During these years, the NPOs' constituents were quickly forgetting what their initial interest was. People had no sense of loyalty to non-profits they once dutifully supported because they didn't have a way to cognitively identify the organization in their intellectual landscape. There was a distinct lack of connection between the individual and the non-profit (Voeth and Herbst, 2008). This is problematic since the majority, by percent, of the income non-profits receive comes from their individual patrons (via single-visit admissions, memberships, donations, etc.) rather than government agencies or even corporate sponsors (Kotler and Andreasen, 2007).

Though it is more costly to attract and woo new donors—as opposed to keeping and maintaining an already existent relationship with proven donors—non-profits tend to neglect the branding element of marketing. Many have explored other techniques (ex. market segmentation, database marketing, etc.) but little effort has been devoted to the value of a brand. This is largely in part because of the complexity of branding an NPO. Unlike branding for a tangible product that is visually present in daily situations, the NPO brand is tied to the mission of the non-profit, the idea that is essentially driving the organization and all of its practices. That is, the brand

should be tied to the social and personal good that is accompanied by the experience rather than focusing on the experience itself. Additionally, that good should entail a shared ideal set between NPOs and their respective patrons. Again, the cerebral nature of the association is a particularly complex feat to accomplish when compared to traditional product-based branding (Voeth and Herbst, 2008).

It may be more challenging for the non-profit it is not impossible. NPOs must employ creative thinking when strategizing their branding methods. Once the connection has been made, constituents may even feel a deeper loyalty to the brand. Brand personality is a concept going back to the 1950's based on the notion that people tend to personify the things around them (Voeth and Herbst, 2008). Capitalizing on this fact, traditional for-profit marketing has taken advantage of brand personality to create and solidify strong long-term relationships between the brand and the consumer. People were not only able to differentiate a specific brand from others, but they perceived a two-way relationship where the brand had true characteristics and contributed. In the mind of the consumer, the brand is equated to a person (Voeth and Herbst, 2008). In foundational research of brand personality, researchers found that consumers not only wanted to purchase goods for their function. Consumers purchased for what the product meant. Consumers transitioned from purchasing their goods for utilitarian purposes (the item was kept separate from the identity of the consumer) to a philosophical process (where the consumer purchased an item—or service—and associated it with their own person (Mizera, 2013). In essence, the product was no longer doing the heavy lifting in attracting buyers. The brand took over in engaging the consumer, and brand personality was, and still is, a key element in gaining customer trust and loyalty (Mizera, 2013).

Research on Brand Personality has elicited a number of different personality types that a brand can intentionally take on and presumably produce the predicted market response. However, because of ethical misconceptions and some ignorance to the importance of marketing practices non-profits have been largely left out of personality types research. Non-profits are still noticeably unique in circumstance so that previous findings could not simply be forced to fit the non-profit profile. Some additional research has been conducted for the non-profit sector but it is still preliminary (Voeth and Herbst, 2008; Mizera, 2013). For example, traits and characteristics might not be inherent in any brand, but is there an expectation from a non-profit by virtue of the fact that is an NPO? Are there traits that “feel” or are identified as charitable? Identifying personality types that may belong distinctly to charitable organizations is important in managing and developing the brand (Mizera, 2013).

Brand personality is one element of branding that clearly appeals to the consumer. Or rather, a group of consumers that falls into one of several personality type categories. In any case, the connection a person feels due to brand personality is based on an evocative response. The evocative response is because of the association with the person—how one sees oneself and how do others see you when associated with a given brand.

But there are other elements of customer perception related to branding that are less intimate. Brand orientation assumes that the processes of an organization revolve around building and protection of the brand identity through interactions with the customers—i.e. the brand is developed with consumer needs in mind; the process acts as a dialogue rather than the company developing the brand itself (Sargeant et. al., 2008). Brand orientation and market have been found to have positive effects on an NPOs performance, fundraising capabilities, ability to

meet stakeholder needs more effectively than its competitors, and overall the ability to achieve institutional goals (Sargeant et. al., 2008).

Traditional brand values imbue a sense of security to reduce perceived cognitive dissonance in the consumer with the ultimate goal of gaining brand loyalty, promoting the overall success of the company, its product, and the brand representing it. Non-profits, alternatively, have a different set of brand values. Additionally, NPOs can achieve positive social changes depending on the strength of their brand.

Branding helps a non-profit organization by communicating and representing the value of the brand, which helps to decrease energy and resources invested in coaxing giving. It is more readily volunteered because consumers have a clear sense of the NPO and the values it stands for. Consumers also feel a personal connection through the personality of the brand (Sargeant et. al., 2008). It is evident that brand orientation from the customer perspective is essential since the brand of any organization is an irreplaceable asset.

Some non-profit organizations still resist the business model, marketing tools, and specifically branding techniques for fear of appearing as a commercial venture. This resistance is typically an internal struggle. In some cases there are advocates for progress, but other members continue to hold out. These holdouts struggle with conflict of the non-profit, which exists for pure social good, being helped by commercial tools that are designed for generating extreme wealth. The focus should be on the moral values of the organization, rather than the representation of the NPO. For them, it's an ethical violation that cannot be reconciled. The tenets of for-profit, wealth-generating corporations cannot exist in the same realm of the humble, self-sacrificing non-profit organization (Kotler and Berstein, 1997; Miller and Merrilees, 2013). Disregarding the value of branding, holdouts don't realize how their actions may be defeating

their own purposes at the cost of their social cause. Constituent buy-in is crucial to brand development. Resistance, in contrast, is a major setback in developing the brand for a non-profit organization. It is the participation and collaboration of the non-profit staff and skilled volunteers that comprise the service of an organization, but more importantly they create and carry out the mission of the NPO. These members are essential in creating the brand for their non-profit organization (Kotler and Bernstein, 1997; Miller and Merrilees, 2013). The stakeholders' rebellion leaves the brand viewed in a narrow capacity.

NPO leadership in response is shy to drastically change the image of the organization. This is another major problem in branding or rebranding an NPO. The challenge is complex because the brand of a non-profit must include multiple value sets (Miller and Merrilees, 2008). To be successful in branding, all stakeholder groups must be involved in the branding process. Understanding these groups' brand experience informs a complex brand development.

Branding for non-profits is a rich field with incredible potential. Though NPOs see themselves as distinct from for-profit entities, there are many similarities. NPOs can learn from business models to operate more efficiently and engage their audiences in a more meaningful capacity. Resistance is still strong in many non-profit organizations, however many are seeing the benefit of adopting marketing tools. Though a fair amount of research has identified the characteristics of non-profits in relation to branding, there is little research that has resolved these issues. It is evident that brand values are essential to organizational success, and non-profits are an untapped resource that must be utilized.

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