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OPINION

Misconceptions Often Undermine Charity Marketing Efforts

By Robert C. Wilburn and Peter Rogovin

Many charities have turned to for-profit marketing firms to help them improve their "brand," the term coined in the corporate world to describe the products, services, images, perceptions, and other factors that influence people's decision to support an organization. But the tools used in revitalizing commercial brands, while effective, are usually tricky to apply in nonprofit settings and dogged by high failure rates.

In theory, charities should find it easier than companies to identify and promote appealing, compelling brand messages. Their very existence involves pursuing missions that inspire and help others.

In fact, the process of building a corporate image can work every bit as effectively for nonprofit groups, helping them attract clients and donors, recruit employees, and convey clear, persuasive messages. However, based on what we have seen as a nonprofit chief executive and as a brand consultant, charities need to get beyond the following widespread misconceptions:

Everyone understands the need. While nonprofit leaders are often enthusiastic about efforts to improve how their organizations are perceived, they should realize that rank-and-file employees may see such projects as abandoning or changing the ideals to which they have devoted their working lives. Re-brand to regain relevance? The very notion is offensive.

Research with hundreds of managers suggests why ambitious, well-resourced efforts to enhance an organization's public image fail with dismaying frequency. The chief problem managers cite in such failures is inadequate engagement in the project among employees, board members, and other key players.

What's more, brand-building campaigns in the corporate sector are used to solve problems such as eroding market share. In the nonprofit world, the problem behind the campaign may be less obvious and cause less distress. Employees may see less incentive for the charity to change as long as donors keep writing checks.

That's why charity leaders should not focus on the problems behind an image-building project. Instead they should talk about how a strong, distinctive reputation and a message that improves its ability to attract donors and volunteers can support the organization's core work. This approach affirms the employees' values and helps them see the project as a way of advancing — not forsaking — their ideals.

The Carnegie Institute and Library of Pittsburgh took such an approach during a capital campaign and decided to revive the organization's image at the same time. When Andrew Carnegie built the library and museums in the 19th century, he envisioned a multidisciplinary "Palace of Culture" represented by the statues of Michelangelo, Beethoven, Galileo, and Shakespeare in front of the building.

Campaign leaders framed the drive as a recommitment to their benefactor's original intent; in addition to donations, the outcomes would be increased numbers of visitors and greater recognition among local movers and shakers. That approach not only engaged employees in the organization's work, but also helped triple the institution's membership.

Consensus is essential. Many nonprofit groups are managed by consensus; by and large, that's not a bad thing. But giving too many people the power to shape, influence, and veto a brand-enhancing project will inevitably prolong it and compromise the results, virtually guaranteeing that things won't shift. Creating a strong brand is not a democracy.

That isn't to say that bad ideas should be muscled through. But with consensus the only ideas that get accepted are those that everyone can agree on, and those ideas are usually not the ones to move an organization forward.

The Wallace Foundation, in New York, managed to avoid the consensus trap. Under the leadership of its president and communications director, the foundation sought to unite three programs under a single banner, change the name and look of the organization, and shift its image from simply being a source of money toward being an accessible, trusted source of knowledge for grantees and policy makers.

The project was marked by openness and high levels of involvement throughout the organization. But when differences of opinion arose, it was clear that the president would make the final decision. Wallace completed the project in less than six months, an unusually short time.

Money spent on marketing hurts services. Charities historically have shortchanged marketing for reasons ranging from cost constraints to the conviction that marketing dollars are better spent on providing services or salaries. Many groups question whether brand consultants are necessary or if advertising matters.

When they do pursue brand-strengthening efforts, nonprofit groups often seek pro bono assistance to avoid paying the five- or six-figure fee that a marketing consultant would typically charge. But consulting firms that agree to such projects may not let their best employees do unpaid work. Charities themselves are less likely to commit to a plan for which they pay nothing.

Instead of seeing a brand project as an unnecessary expense, a better approach is to regard it as an investment in a long-term asset with demonstrable returns that will bring more resources to bear in providing services, not less.

It takes a substantial cash commitment to develop and carry out such projects, and the payoff may not be evident for years. But treating the brand effort as an investment helps counter the attitude that the money should be spent elsewhere, which can taint the project before it starts. By connecting a brand project to the benefits it delivers, showing how increased awareness and emotional connection will lead to a doubling of unrestricted gifts, for example, charity leaders can convey that the project does not compete with programs, but ultimately improves them.

Charities know their audience best. Colonial Williamsburg is one of the nation's foremost historical restorations, but attendance declined in the 1990s as families flocked to Disney World and other attractions instead. When we asked a Williamsburg official about this, he raged that Williamsburg is an authentic historical site, while Disney was a paved-over orange swamp. His failure to recognize an astute competitor was part of the problem.

In fact, Colonial Williamsburg's competition was not limited to amusement parks. It also was losing visitors to science museums, shopping malls, and other entertainment venues.

When an organization defines what makes it competitive in terms of its cause, it can lose sight of how it is perceived by constituents. Colonial Williamsburg officials saw the place as a living-history museum, where people needed to see all of the sights and displays to have a meaningful experience. Its visitor guides gave short shrift to casual visitors, insisting that one couldn't possibly do justice to the place in less than four days. To breeze through in a half day, cherry-picking only a handful of sites, would defeat the purpose of coming at all.

To reverse a six-year decline in attendance, Colonial Williamsburg made its events and displays more fun and interactive, after the nonprofit group's officials realized their views of what visitors wanted were incorrect.

But many people were not looking for a multi-day learning experience; they wanted a relaxed and enjoyable family outing. That realization led to big changes in Colonial Williamsburg's marketing approach and in its attractions. Officials began to find fun ways to involve and engage visitors, rather than simply providing a historical tableau for them to view.

The educational appeal of the historic city was reframed as "the most important vacation you will ever take." The changes, made in the late 1990s, reversed a six-year decline in attendance.

Corporate brands inspire charities. All was going well during a videoconference to discuss ways to enhance the image of a well-known Jewish international relief group — until the consultants suggested that the principles guiding the Coca-Cola and Nordstrom brands might be applicable to the charity. Several of the nearly 100 participants in the conference immediately bristled and said they did not want to be part of such a project.

The consultants failed to realize that the idea of branding can be anathema to charity leaders. To many, it represents the chicanery of Madison Avenue, ploys that make people want things they don't need. Many people work for nonprofit organizations because they believe their work is loftier than companies' relentless pursuit of profits.

Consultants aren't the only ones who miss the point. Many corporate marketers take nonprofit jobs, believing they can easily apply private-sector tools to charities. But the more they talk about their corporate experience, the more they risk alienating their new colleagues.

While marketing controls or strongly influences products in corporations, it generally plays a lesser role in charities. Marketing may be the hub in a corporation, but it is a spoke in a nonprofit organization.

A marketing executive's role in a charity may be reduced to promotions and other communications, a decidedly less visible, though no less important, role. That's why the person leading a project to build a charity's brand may need the chief executive to play a big role in keeping the process on track. This is not a sign of weakness or ineffectiveness; it is part of the structural difference between charities and companies.

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