

# **BRANDED IN OREGON: DEVELOPING ORGANIZATIONAL IMAGE IN THE NONPROFIT SECTOR**

By

DULCIE H. JANTZ

TERMINAL PROJECT

Presented to the Department of Planning, Public Policy & Management  
of the University of Oregon  
in partial fulfillment of the requirements  
for the degree of  
Master of Public Administration

DECEMBER 2008

-OVER-

“BRANDED IN OREGON: DEVELOPING ORGANIZATIONAL IMAGE IN THE NONPROFIT SECTOR,” a terminal project prepared by DULCIE H. JANTZ in partial fulfillment of the requirements for the Master of Public Administration degree in the Department of Planning, Public Policy and Management. This project has been approved and accepted by:

*(signature)*

\_\_\_\_\_  
Renee Irvin, Chair of the Committee

\_\_\_\_\_  
DATE

Committee: Renee Irvin  
Jessica Greene

## ***Abstract***

Ever-increasing competition for donor dollars, volunteers and quality staff has demanded a large-scale increase in the professional practices of nonprofits. To enhance organizational effectiveness, nonprofits have been turning to business practices traditionally found in the for-profit sector. Among these practices, the formal “branding” of an organization has increased in popularity in the nonprofit sector. “Branding”—the strategic development of an organizational image around which all activities, advertising campaigns and promotional materials are centered—has long been used in the for-profit world to form an easily-referenced image in the consumer’s mind of a company or product and has been used increasingly in the nonprofit sector. For this project, marketing professionals specializing in nonprofit branding and staff members from three Oregon nonprofits that have undergone organizational branding were interviewed. The resulting case studies reveal their experiences with organizational branding as positive and that branding represents a potentially powerful tool in the operational effectiveness of a nonprofit.

## ***Introduction***

Ever-increasing competition for donor dollars, volunteers and quality staff has demanded a large-scale increase in the professional practices of nonprofits. To enhance organizational effectiveness, nonprofits have been turning to business practices traditionally found in the for-profit sector. Among these practices, the formal “branding” of an organization has increased in popularity in the nonprofit sector, albeit with some controversy. “Branding”—the strategic development of a business image around which all activities, advertising campaigns and promotional materials are centered—has long been used in the for-profit world to form an easily-referenced image in the consumer’s mind of a company or product. For-profit branding has evolved through the years to encompass not only the visual, tangible aspects of a company brand, but also intangible elements such as expressions of personality and values (Stride, 2006).

Several large-scale nonprofits have used the power of their organizational brands for years to present a clear, unified message to the public about their values, their mission and their goals in fundraising campaigns, informational materials, political endorsements, etc. As in the corporate world, “image is everything,” and many organizations—for good or ill—are “branded” almost accidentally simply through their regular actions, activities and associations (Bishop, 2005). Branding initiatives seek to strategically develop and cultivate the organization’s image for maximum future advantage. As the nonprofit sector grows more sophisticated and competitive, an organization’s survival and success may depend not only on its ability to deliver on its mission and goals, but on name recognition and reputation: “Nonprofits are more likely to succeed if their target audiences know who they are and what they stand for...in other words, nonprofits must have a carefully developed brand” (Chiagouris, 2005).

## ***Literature Review***

A large body of literature exists on branding in both the for-profit and nonprofit sectors. Differentiation is the primary objective of branding strategy (Stride, 2006) and as the number of nonprofits continues to grow, setting itself apart from similar organizations is crucial for the survival of a nonprofit. As in the for-profit world, successful branding can reap financial rewards for the nonprofit in terms of additional donation dollars: “successful brands are a company’s lifeblood, their future source of income, and there is no reason to suppose that charity brands might not be used similarly” (Hankinson, 2001). In a direct comparison of organizations, Hankinson determined that fundraising managers in the UK who are highly brand-oriented attract more funds than low brand-oriented fundraisers (2002). Chiagouris maintains that a well-developed brand is even more significant to nonprofits than for-profits because nonprofits have fewer resources with which to undertake multiple promotional efforts (2005). Those marketing and fundraising efforts must be focused and targeted for maximum effectiveness the first time. The sophistication of the modern consumer/donor demands that the promotional efforts of the nonprofit appear just as professional and captivating as those of its for-profit counterparts. Additionally, the perspective and expectations of the younger generation of donors has changed the face of philanthropy, forcing corresponding changes in how nonprofits market themselves. These new donors increasingly view the nonprofit sector as a “big business” that should be held accountable for its effectiveness in mission delivery and goal attainment (Venable et al, 2005).

The rise in “venture philanthropy” has contributed to a shift in the traditional donation paradigm: instead of “giving,” a donation is seen as “social investing” (Andreason, Goodstein and Wilson, 2005). These expectations and comparisons to the for-profit sector fuel the need for a successful, modern nonprofit to have an effective and engaging organizational brand in order to differentiate itself and compete for attention. As the technology of the Internet has created a “borderless” environment where donors are no longer restricted by geographical concerns, differentiation becomes even more imperative. A nonprofit must pay close attention to its online brand, ensuring that the warmth and strength of its values and its organizational integrity are communicated through the electronic medium (Chiagouris, 2005; Naddaff, 2004). Even with a well-established organizational brand, failure to meet the modern consumer/donor’s expectations for professional design, ease of use/navigation and appropriate advertising content in a nonprofit website can negatively affect the user’s perception of organizational credibility both on- and off-line (Long and Chiagouris, 2006).

The evolution of brands and what they encompass in the minds of the modern public would seem to make them perfectly suited for the nonprofit world. Brands have become a means of personal expression and social identification (Stride, 2006); they are seen as embracing a “particular set of values and attributes, both tangible and intangible” (Haigh and Gilbert, 2005). As certain values are integral to a nonprofit, a successful brand would merely be the formalized articulation of these values. A strong, values-based brand communicates the organizational message to the public and attracts those who embrace these same ideals. Particularly when dealing with new donors, “brand personality” can influence likelihood to contribute (Venable et al, 2005). In terms of long-term associations, “donors’ financial and emotional commitment is greater with strong brands” (Haigh and Gilbert, 2005). Strong brands can help nonprofits attract more than dollars: because of increased name recognition and visibility, brands can also help attract valuable volunteers (Hankinson and Rochester, 2005). Bryce sees an organizational brand as a projection of social capital, one that “induces the public to enter into certain relationships with [the organization]” (2005). Forging those relationships with the public is crucial to the

Significant internal benefits can also result from branding initiatives. In the for-profit world, there are strong ties between brand management and organizational success and unity. In their study of the “Top 100” brands, Hankinson and Hankinson found “the development of a deep-seated, brand-supportive culture which encourages enthusiasm, pride and commitment” (1999). Similarly, the consistency of the visual brand is linked to widespread internal knowledge of organizational strategy and long-term goals (van den Bosch, de Jong and Elving, 2006). Hankinson and Lomax found that nonprofit staff members felt their knowledge of their organization’s mission, values, slogan and key messages had increased as a result of re-branding (2006). In the same study, there were also positive associations between the re-branding activity and staff motivation, sense of involvement/ownership and staff retention.

The process of discussing what the organization is “about” and what it represents can help rejuvenate staff and remind them of why they are a part of the nonprofit. As previously discussed, emphasizing the “values” base of the nonprofit strengthens the organization and its brand image. Even if additional marketing efforts or a full-scale branding campaign is not pursued, branding exercises can force staff participants to confront and discuss issues of organizational priorities (Vinjamuri, 2004).

Despite the benefits that may be realized through nonprofit branding, there are reservations, even amongst proponents. As with any activity in a nonprofit, an organization must consider that the diversion of funds and human resources to brand development means less money and labor can go to existing programs, at least for the immediate future. Not every nonprofit is fiscally or psychologically ready to undertake a branding campaign. As much of the literature emphasizes, developing a brand is only the beginning—the organization and its staff must be committed to managing and nurturing the brand constantly to maintain it and maximize its power: “Building brand identity takes time and the discipline to use it consistently everywhere” (Brown, 2007).

In addition to the question of fiscal capability, there is debate amongst professionals and academics as to the appropriateness of using for-profit business practices in the nonprofit sector. By introducing the idea of competition into the nonprofit realm rather than advocating collaboration and cooperation, some feel that branding and other commercial practices weaken the sector as a whole, reducing it to parts, rather than a united whole (Spruill, 2001). Clohesy warns of the dangers of the growing universality of the “business model” in the public sector: advocating that government or nonprofits should be viewed as a “business” with stakeholders as “clients” risks a philosophical shift in the public sector’s role from serving the common good to meeting individual demands (2003).

Some feel that branding specifically is “too commercial” to bring into the nonprofit arena—a fear exists that by aligning itself with commercial practices of the corporate world, the nonprofit sector tarnishes its image in society (Ritchie, Swami and Weinberg, 1999). Others would argue that brand associations have become such an integral part of modern life that it is impossible for any organization—commercial or nonprofit—to avoid some sort of branding by the public: “Brands exist whether we wish to accept the fact or not” (Haigh and Gilbert, 2005). If the public will brand the organization anyway, would it not best serve the nonprofit to take an active and strategic role in the shaping of that brand? In his warnings on the potential pitfalls in “commercializing” the public sector, Clohesy advocates the use of clear, informational, values-based messaging in nonprofit marketing and fundraising to combat the dangers of over-commercialization and “fad” or “convenience” donations (2003). One could conclude that a well-conceived and -executed, values-based and mission-appropriate branding could be the nonprofit’s best defense against mixed messaging through inappropriate associations and activities. While she also advocates caution in adoption of commercial practices in the nonprofit sector, Stride proposes that “branding provides a tool whereby charities can benefit from differentiation while also developing their identity as values-led organisations[sic]” (2006).

Despite the large quantity of literature regarding branding and nonprofits, very few specific studies on nonprofits and branding in the U.S. were found. Several studies of nonprofit branding effectiveness and impacts were available on nonprofits in Europe, but most American scholarship focuses on more general discussion of trends and benefits. The anecdotal evidence of U.S. nonprofit branding deals primarily with large, well-known national nonprofits and does not discuss smaller organizations and what impact such activities have had or might have on them.

## **Purpose**

The purpose of this study is to understand how branding in smaller local/regional nonprofits in Eugene and Portland might impact organizational effectiveness in terms of fundraising capacity, donor cultivation, volunteer recruitment and operational stability. This is a qualitative study of three nonprofit organizations in Oregon and two nonprofit marketing professionals. From the information gathered, case studies were developed of the branding experience of these organizations and their stakeholders.

The study seeks to answer the following research questions:

- What are the primary reasons for a nonprofit to pursue branding?
- What perceived impact do branding activities have upon a nonprofit organization (internally and externally)?
- What perceived impact do branding initiatives have upon stakeholder perception and/or satisfaction? Stakeholders include:
  - Staff
  - Clients
  - Donors/volunteers

## **Methods**

### **Data**

The data was collected from a series of interviews conducted in the summer of 2008 of staff members from three different nonprofit organizations in Eugene and Portland. At least two staff members from each organization were interviewed. Each of these nonprofits is at a different stage in its post-branding process: Organization A completed its branding in 2001, Organization B branded in 2005-6, and Organization C branded in 2007-8, just finalizing its brand roll-out at the time of interview. Additionally, two marketing consultants who specialize in nonprofit campaigns were interviewed for their perspective on the state of nonprofit branding in general.

### **Measures**

The interviews with the nonprofit staff (executive director, others involved at a leadership level in the branding decisions, staff participating in activities) included questions (Appendix A) intended to answer the following:

- What was the motivating factor behind implementing organizational branding?
- What was the attitude within the organization about branding before, during and after (internal/external)?
- How did you feel about the process during the “branding?” After?
- Do you feel the branding was a worthwhile experience (and was it successful)?

The marketing consultants were asked the same questions (excluding agency-specific questions #1-3) to help determine from a professional marketing perspective:

- Is nonprofit branding different from for-profit branding (if so, how)?
- Is there awareness/acceptance of branding in the nonprofit sector?
- What makes a successful nonprofit brand?

The main goal of this research is to explore what the nonprofit branding experience has been like on the local/regional level in Eugene and Portland. Since much of the existing literature focuses on large, long-established national organizations, it would be useful to see what kind of perceived impact branding has on a smaller organization: has it created more community/donor awareness? Has branding impacted fundraising capacity and/or organizational stability? In a smaller organization, does branding significantly impact staff morale, ownership and mission knowledge? Creating case studies of organizations that have undergone branding initiatives will help form a clearer understanding of what nonprofits of similar scale and experience may hope to achieve through organizational branding.

## **Results**

### **Case Study #1**

Organization A is a social services organization in Oregon founded in the early 1970s . It serves a diverse population, concentrating on shelter provision. It has actually gone through multiple branding initiatives throughout its lifespan. The most recent took place in 2000-01. Three individuals were interviewed: the executive director, the development director and the volunteer coordinator. All three participated in the brand development activities of 2001, although the development director and volunteer coordinator held different positions at the time (previously development associate and employment specialist/counseling advocate, respectively).

The first two “brandings” that the organization went through were little more than name changes. When the nonprofit first opened, it had a very limited mission—local emergency housing for families—and its name reflected that mission. As the nonprofit grew, its activities expanded to include long-term care programs and transitional housing for families and individuals. It also extended its programs into the surrounding communities in the county. In the mid 1990s, the staff recognized a need to change the name to reflect the expanded focus of the organization, so that potential clients and donors would not be deterred from seeking assistance or giving support due to a misconception. The organization developed this new name and brand internally.

A few years later, Organization A wished to expand its fundraising activities and begin building an endowment for long-term financial stability. For the first time in the organization’s history, a full-time development director was hired. Before beginning an endowment campaign, the leadership team wanted an idea of how successful this campaign would be. The organization was not sure what the public knew or thought about its work: the number of programs it operated, the variety of clients and needs that it served, etc. As the organization had grown to include many different types of assistance throughout the course of its decades-long history, there was a concern that due to the complexity of the organization, there was not a unifying brand that the public could identify. The name itself, while implying housing assistance, did not fully convey the specificity of the client group served or the breadth of its programs. To identify issues and opportunities with its public image, Organization A partnered with a local communications firm that wished to pursue some work with nonprofits and a student group from the local university’s graduate business school.

The students performed a SWOT analysis of the organization as a part of a feasibility study for the proposed endowment campaign. The group interviewed donors and community members to discover the public image of Organization A. In that analysis, the students identified problems with the organization's messaging and visibility within the community, key factors in expanding fundraising capacity. The organization had many different programs and houses throughout the community, but did not have a consistent logo, message or image accompanying the program/house name on the various properties or in all the programs' written communications. Many of those interviewed by the students had an awareness of a particular house or program, but were unaware that the individual program was part of a larger organization. As Organization A wished to develop and grow a fundraising program, public identification with the organization's image—not just the individual programs—was crucial. It needed a “commonality” to all the programs that it was currently lacking.

Another area of confusion for the public was the organization's name, which at that time, included the name of the county. When the staff voted to change the name in the mid-1990s, the county name was originally intended to identify that the organization provided services to neighboring communities as well as its hometown. However, the inclusion of the county name led the public to believe that Organization A was a *county* agency already receiving public funds, instead of an independent nonprofit seeking charitable donations. Even if the public was aware of and looked favorable upon the work that Organization A did, donors would not look to make a charitable contribution if they did not know that the organization was a nonprofit.

With this information, the communications consultants met a group of about 30 from Organization A for a two day workshop to form the foundation of a new brand. The group was a cross-section of the agency—the executive team, board members, staff and direct care providers from each program—to ensure that the various internal views of the organization were represented. The cross-section was also important for morale and buy-in—many of the direct care staff were already questioning the need for spending precious dollars on hiring a full-time development director and did not understand why they were taking time away from their program work for the workshop, why the organization's name and logo needed to be changed, etc. The executive team and the consultants had previously decided to make the branding workshop more accessible to the group by not calling it a “branding” exercise. Nonprofit branding in smaller organizations was not widely known at this point and they felt that to this particular group, it would feel too “cold and commercial” and there would be even more resistance than they were already working against. A lot of the process during the first day was spent educating the group on what they were doing (both in the workshop and for the organization), why they were doing it and what the long-term effects might be.

As the workshop progressed, participants felt it to be a very powerful process. The activities focused on the values and mission of the organization—“white boarding” who they were, why did they work, what they cared about, brainstorming key values for points of emphasis, guiding a graphics designer to a logo that evoked the organization's “feel” in one image. Because this nonprofit provided such a range of services, it was easy for program staff to get hung up on the differences from program to program, instead of recognizing the commonalities. This process helped to reestablish the focus on the overall goals and common values and unite the various

pieces into a whole: by working side-by-side with people from all levels of the organization, staff and board members were able to put a face to programs and leaders with whom they did not usually interact. Involving all levels of staff built in pride of ownership to this process that the participants would take back to their separate teams to help unify everyone behind this new brand. The executive director believes that the internal cohesion that was created through this process was one of the most lasting and important outcomes.

After the full brand roll-out (including updated graphic logo on physical signage, letterhead and all printed communication), Organization A saw significant impact externally as well. The development director remembers receiving regular phone calls from the public up to two years after the branding—including previous and current donors—who did not realize how large the agency was, how many different houses and programs that it had or that a particular house nearby the caller was part of the organization. Two years after the branding, a public relations firm polled the community and found that recognition of the organization had greatly improved (specific numbers unknown).

Those interviewed felt that the branding was really a point where Organization A “turned a corner” and began to represent a more modern, professional organization. While the work they do remains the same, the executive director states that they are much more cognizant of how they are communicating their mission to the community and how the image is represented to the public. Staff began to recognize the importance of not distributing “homemade” literature, reports/letters not on letterhead, that everything they did represented the organization and the organizational brand. Organization A’s fundraising activities became more high-profile and professional, and as a result, more financially successful—they developed fundraising activities that tied in more closely to the mission and became community events. Their annual auction has grown from 200 attendees to over 1000 in a little over 4 years. The volunteer coordinator feels that this branding and its effects have contributed to the organization’s “thoughtfulness” of what it is, where it is going and where it wants to be: as a result of the “self”-examination during the branding process and the strategic decisions made, employees are much more knowledgeable and conscious of the underlying values and mission and how present activities contribute to the organization’s future. He also notes that this organizational “thoughtfulness” is one of the reasons that he loves working for this nonprofit.

Those interviewed in Organization A all felt that the branding process was beneficial to their nonprofit and agreed that they would recommend it to others. Particularly in cases where there has been significant change in the organization—or if significant change is desired—branding can help define or redefine the path and unite the members of an organization. The development director firmly believes that using outside professional help is crucial to the success of the branding activities as consultants provide an objective outside perspective, keep the process organized and focused and prevents “infighting.” Although this process took place several years ago, the leadership team feels that they have done a good job in integrating and maintaining the brand in their day-to-day service delivery and development work. The executive director does admit that they could and should reinforce and refresh the brand in some sort of annual ritual—a retreat, employee workshops, training updates.

## Case Study #2

Organization B is an environmental nonprofit founded in the mid 1970s. It focuses on environmental advocacy and education throughout Oregon. It has also undergone a few brandings in its history. Its most recent rebranding took place in 2005-6. Two individuals were interviewed, the communications director and the communications associate, who both participated in the branding discussions and implementing the branding changes in the organization.

Organization B began as a coalition group, uniting various local environmental groups around the state working to protect the natural resources, wildlife, lands and waters of Oregon. Eight years later, the group became its own nonprofit and changed its name to reflect its transition from a coalition group to an independent organization.

While its mission has remained largely the same, in 2005 the organization's leadership began to question whether the name chosen over 20 years earlier was still valid and appropriate for the present and future of the organization. A grant received that year allowed funding for a professional communications plan by outside consultants. This plan evaluated the nonprofit's current communication, public image and public perception, in addition to developing brand strategies for the future. Several issues contributed to the decision that the name and vision statement were no longer assets to the nonprofit in its activities and mission delivery and may in fact work against the nonprofit in certain situations.

One recurring issue was that the name was similar to that of a national environmental group, leading the public to believe that the organization was a state branch of that national group, instead of an independent, state-focused nonprofit. Potential donors and members could be confused by this and believe themselves already contributing to the cause by supporting the national organization. Conversely, those who wanted to donate to a cause "closer to home" might be dissuaded by the name, thinking it part of a larger machine.

Another common misconception was that Organization B was a state agency. The name contained "Oregon" and "sounded formal" or "official," causing the public to believe that it was a governmental agency, not a nonprofit. Some felt that the "formalness" of the name made the organization sound "stuffy" and "old." As the organization had been around for quite some time, its current membership was growing older—for the long-term sustainability of the organization, it wanted to reenergize and refresh its image to attract a new generation of younger members, volunteers and staff.

A third issue was one that affected the general environmental community, and particularly a nonprofit with a long history in Oregon. Polling done in conjunction with the communications plan showed that environmental groups were often perceived as agitators and trouble-makers, concerned about "the cause" and not necessarily representative of public good. In part because of conflicts in the late 1980s and early 90s, the public image of environmental groups was often an antagonistic one instead of one of protection. While Organization B certainly did and does file lawsuits to enforce policy and "keep people honest," promoting the image of "aggressive defenders" would not necessarily be the most effective or compelling message. The organization wanted to emphasize that its work is about protecting the state's natural resources and places for

future generations, not about warring against some institutional “evil.” Although there was a lot of history behind Organization B’s name, not all of that history was good to all people. The name that was too stale and formal to attract a younger demographic also carried a lot of negative reminders to some older segments of the population. The organization wanted to move beyond this image and ensure that the right message was communicated to the public about its activities, priorities and mission.

The dissemination of the communications plan sparked discussion amongst the entire staff and board about changing the organization’s name. Having decided on a name change, the organization conducted focus groups of the organization’s members and other citizens and additional staff and board discussions before deciding upon a new name. Not wanting to alienate long-time supporters as well as not wanting to completely abandon its entire historical context, the organization chose to rename itself after its wilderness campaign that it started in the mid 1990s. This name, already tied to the organization, seemed to better reflect the goals and intent of the nonprofit for the future and eliminate some of the negative issues and confusion caused by the old name.

Even though the new name had historical ties and the majority of the staff had supported the change, when the name change was implemented, it met with some resistance. Some long-time staff who had been around since the founding wanted to keep the old name for its history and the brand equity already established. The older staff and membership treasured the “watchdog” image and did not want to abandon the role of “aggressive defender.” As the in-house communication department oversaw most of the written and visual communication for the organization, even with dissenters it was possible to implement the brand changes. Those interviewed admit that it has been a difficult change for some staff members. The leadership and communications teams still have to remind the resistant staff that it is not about abandoning history but about what the organization is trying to say to the public and how that message will contribute to the long-term effectiveness of the nonprofit.

Because of its long history and established membership, Organization B had to carefully transition into its new brand. There was a well-publicized name launch explaining why the name was changing and for a long period of time, all written communications included the current name with the former name underneath to reinforce the connection. While it did not want to lose its older member base, one of the main reasons behind the branding was to attract a younger crowd to its cause. To support the new, fresher image, Organization B began to host activities and events that would appeal to younger people—expanding the already-existing hikes program, hosting presentations and discussions at popular brew pubs, etc. By promoting these new events, the organization reinforces its new brand—it is not only saying that it is a younger, fresher organization, but showing it through its actions.

After two years, the brand transition is largely complete and the organization is pleased with the results. They believe that the most significant outcome of the branding is to get rid of the “us vs. them” image that has plagued them and other environmental groups—both internally and externally. Another important outcome was the ability to carve out a separate and distinct identity from the groups it was often confused with. In contrast to many nonprofits, Organization B does not concern itself much with differentiation amongst most other

nonprofits—as a statewide group, it continues to do a lot of coalition work, so a lot of funds are pooled for multi-agency action. However, the communications associate does admit that they probably should focus on distinguishing itself from others for the donating public, particularly since so many environmental nonprofits exist in Oregon.

### **Case Study #3**

Organization C is another environmental nonprofit with a long history in Oregon. It is among the oldest nonprofit groups in the state and supports a wide variety of programs intended to create environmental change on three broad levels: helping individuals “live green,” helping farms, health care providers and businesses thrive financially through ecologically sustainable practices, and advocating for practical and effective environmental policies. It began rebranding discussions and activities approximately two years ago and staff has been implementing the changes throughout the past year. The former marketing director and the current communications director were interviewed.

Several factors prompted the decision to rebrand. In 2006, the organization revisited its strategic plan and examined its strategic goals through 2012. One goal was to strengthen and enhance the nonprofit’s status through earned media, increased donations and membership. The organization was also approaching a milestone anniversary, spurring reflection on what and where it had been, where it was now and where it wanted to be in the future. Its leaders wanted it to continue to remain as effective, influential and forward-thinking of a nonprofit as it had been in the past. The hiring of a new executive director (also in 2006) brought new perspective into the senior leadership. The new executive director was marketing- and brand-savvy, the result of over a decade of experience in senior management in large national organizations. She and the marketing director were very conscious of the importance of public perception and image to effective mission fulfillment of a nonprofit and were eager to reshape what they felt had become a stale and stagnant brand.

The organization partnered with a local communications firm specializing in nonprofit branding to evaluate its current brand identity, how staff and members talked about the nonprofit and how the nonprofit was perceived by the general public. They conducted focus groups with members, select staff, volunteers and citizen groups. Ideas coming out of these focus groups were bounced off of the rest of the staff for feedback.

While the organization had a long and well-established history in the state, there were still several issues raised by these discussions. One issue was that Organization C had so many areas of interest and expertise that it did not really present one united image, but many. As the communications director noted, the nonprofit was more a “house of brands” instead of a “branded house.” Within a broad spectrum of environmental concerns, some of Organization C’s focus included energy policy, land use, transportation policy, recycling, pesticide and other toxin reduction and groundwater protection, each with its own program director and staff. Outside of the communication and marketing department, there was little attention to organizational branding. Individual program directors and staff inherited procedures from the previous director, rather than having a uniformity of policy and procedure handed down throughout the organization. Reports and written communication seemed as if they had just been

“tossed off” rather than professionally and carefully prepared. Since the organization had such a wide scope, it was crucial to develop a more tightly controlled image to maintain brand integrity.

Other issues were similar to those of Organization B: its name also implied a governmental entity, instead of an independent nonprofit, causing some donor confusion; as an environmental organization whose original membership was aging, how would it project its image to a younger generation without alienating older members, etc. However, unlike Organization B, the leaders decided that the name held too much brand equity to be abandoned: since its founding, the organization has been the driving force behind many environmental policies and movements in the state. It has also introduced programs that have received national recognition and/or become the national standard for excellence in green living, including helping to start the first “car-sharing” firm in the nation and creating nationally award-winning programs to help parents and childcare providers reduce children’s exposure to toxic chemicals. With so much accomplished throughout the lifespan of the organization on the local, state and national stages, it was agreed that other elements of the brand would be refreshed but that the name would be retained to maintain its historical ties.

After the initial focus groups and inter-agency discussions, the communication department largely took over the “work” of the branding—deciding what the organizational logo/font/colors would be; updating the website, creating templates for written communications, etc. All were presented to the board, executive and program directors for approval at quarterly meetings. Final implementation of the new brand took place in early summer 2008.

Besides graphics and visual standards for all organizational communication, the staff and consultants had determined that the messaging needed to evoke more of a community-based feel. One of the arguments against keeping its name was that the name sounded “distant” and “official” and did not really convey the individual-empowerment and collaborative ideals behind the organization. Its mission and activities centered around fostering long-term environmental change by educating individuals to make more responsible choices, protecting people against environmental toxins and working on solutions that would be both financially and ecologically beneficial for businesses. However, its name, as one interviewee put it, “sounds like [we’re] handing down environmental commandments” to be forced upon the public. If they were to keep the name, the leaders needed to connect it to images and phrases that would impart those cooperative values. They decided to do this by bringing all messages to the individual, personal level: “This is how we want to help *you, your* family, *your* business, etc, live/work/play better.” This message is reinforced in the organization’s newsletter and website by highlighting brief “snapshots” of members/member businesses throughout the state—conveying that the nonprofit is really about how individuals contributing to the common good are really helping their individual good in the bargain.

While it may be too early to see definitive external results from such a recent branding, those interviewed have seen significant internal changes. Even though the importance of organizational branding was poorly grasped previously, the new policies and procedures meant to clarify and unite the brand have been universally accepted and followed by staff. The communications director feels that by developing communication standards and policy, inter- and outer-office communication is more efficient and more professional. As with many

organizations with a wide variety of programs, the tendency had been for each program to develop a “silo” around itself and really focus on its own activities and concerns, rather than common organizational goals. The discussions and the redevelopment of a common brand reminded the staff of their shared values and made everyone more conscious of how they talk about the collective organization. The communications director comments that it is the “little things” that affect both internal and external perception that he has seen already have impact. The updated website, business cards and other visual representations of the brand have boosted morale—not only do staff members feel good about the work that they do, but they also love that their organization “looks cool” and more modern.

While Organization C did work with outside consultants, the communications director believes that if a nonprofit has a strong leader with marketing knowledge, good internal communication and rapport and can come to a consensus about key issues, that outside consultants are not crucial. However, without internal marketing experience or in a “broken” environment with lots of dissent, it would be important to have an objective, outside perspective.

Both the communications director and the marketing director would recommend organizational branding to nonprofits as an important component to strategic growth and development. They maintain that it does not have to be an expensive marketing/media affair, as long as there is consistency: a nonprofit should ensure that all communication, activities, organizational representatives, etc are sending out a clear and consistent brand message in everything that they do. At this time, all external communication goes through the communication department as a “checkpoint” while the new brand standards are being reinforced. The directors have contemplated developing their own “brand book” for reference, but are slightly worried that it would seem “too corporate.”

## **Marketing Perspective**

Two communications/marketing consultants from firms specializing in nonprofit branding were also interviewed for their perspectives and opinions on what contributes to the creation and maintenance of a successful nonprofit brand. Each has had approximately 10 years of experience with brand development in the nonprofit sector. They have seen the awareness and acceptance of organizational branding grow particularly in the last five years as a professionalizing force has steadily intensified in the nonprofit sector.

According to the consultants, one of the biggest obstacles to overcome in nonprofit branding has been the attitude that branding is “beneath” the nonprofit sector, that the name and the logo of the organization was all the branding that a nonprofit needed. In the past several years, as more professionals are leaving the for-profit world for the nonprofit, it has become easier for organizations eager to expand and grow to see the benefits of a strong brand. More marketing and branding activities are built into the nonprofit budget than before, and more grant money is being sought for capacity building activity such as branding. Internal communication/marketing departments in nonprofits are becoming more commonplace. Ultimately, the nonprofit still has “consumers” of its services, of its activities, of its values, etc, that need to be reached through a strong brand message. Branding in both the for-profit and nonprofit world is about creating an emotional bond between the public and the organization. As one consultant stated, in order for

the nonprofit to be valid and successful in the modern world, an organization needs to find a way to connect to the culture and make itself a part of people's lives. He asserts that "everyone"—for-profit and nonprofit alike—is clamoring for attention, trying to get noticed and if a nonprofit does not find a way to make itself visible, it will probably not succeed.

Strong leadership and a strong grasp of organizational mission and values are crucial to successful brand development. Usually the initiator of the branding discussions is either the executive director or development director (in the case of an organization with an internal marketing department, discussion often originates there). Especially since nonprofits do not have a lot of resources to continuously reinvent their brands, part of the branding process needs to include examination, discussion and consensus on what the organization is and what its goals are for the future. As seen in the three case studies, almost all branding campaigns evolve from some form of a long-term organizational plan (strategic, communication/marketing plan, etc).

While strong leadership is needed to initiate branding, it is equally important to have representative participation throughout the entire organization for several reasons. The consultants have seen brand development campaigns that ultimately fail because the nonprofit leadership only involved the "top-tier" of the organization in the discussions and decision-making. It is important to have as many different perspectives from within the organization as possible to see if there are internal issues: does one department or program view the mission/vision differently? Are there needs to be served that the executive leadership is unaware of? How do other stakeholders view the organization? One critical component of a successful brand is honesty—the nonprofit has to be realistic and honest about what it is, what it does and whom it serves or the branding will fail in the long-term. By asking these questions throughout the organization, the leaders and brand consultants can get a more complete picture of the nonprofit. If possible, one consultant recommends conducting interviews or focus groups with those "just outside" the organization—donors, volunteers and clients. She has found that those external constituencies can pick up nuances about the nonprofit that internal staff may not. For a truly successful branding, all employees, volunteers, board or other representatives of the organization need to be "ambassadors" of the brand, embracing the values and ideals that the brand represents in everything that they do. Having had a voice in the discussions and decisions of the brand helps to ensure that the whole organization is on board and understands their role in promoting and maintaining the image of the nonprofit.

Both consultants agree that the challenges—limited resources, little internal understanding or awareness of the concept—can make nonprofit branding more rewarding and sometimes even more successful than for-profit branding. Because of limited resources, the outside consultants and the nonprofit staff need to focus on a brand message that will have long-lasting impact and validity. A nonprofit brand needs to be founded upon and developed around the core values of the organization, not on a transitory trend that will seem dated in the next month/year, as is the case with some for-profit campaigns. The values-based brand, while sometimes more labor-intensive to identify, is ultimately more authentic and enduring. Despite limited awareness of branding and marketing concepts within the nonprofit world, the consultants find it very rewarding when organizational staff are rejuvenated through the renewed focus on the mission and vision of the nonprofit resulting from focus groups, brainstorming sessions and other discussions in a branding campaign.

After the branding is completed, the consultants caution against organizational complacency in maintaining it. The leadership needs to ensure that once the consultants are gone and the new website/brochures/business cards are rolled out, that the attention to the details and activities laid out in the brand plan are implemented and executed properly and consistently. For nonprofits that are large enough to have a marketing and/or communications department to act as “gatekeepers” of all external communication, brand maintenance tends to be easier. For organizations without those departments, part of their brand development should include a brand standards manual for the executive team and staff to reference.

## ***Conclusions and Recommendations***

This study examined the organizational branding of three Oregon nonprofits to see what perceived impact these activities may have had upon the organizations. As most of the literature on nonprofit branding in the U.S. discusses general trends and the experience of large organizations, it was important to acquire specific insight into the experience of smaller local and regional organizations. Overall, the nonprofit staff interviewed found the experience to be rewarding and informative from both a personal and organizational perspective and all highly recommended some form of the branding process as useful to a nonprofit’s operational health and growth. However, these interviews have also illustrated some interesting commonalities worth noting.

## **Common Themes**

While on a broad level the three organizations’ experiences and results parallel the general trends and benefits of branding found in previous research, certain recurring themes reveal important components to successful nonprofit branding and some distinctions between nonprofit and for-profit branding not fully described in the literature.

In each nonprofit interviewed (and confirmed by the marketing specialists), the branding activity started with some form of structured data collection (focus groups, formalized internal discussions, etc) to analyze the current brand position in terms of internal/external perception and awareness, as well as to identify key components, goals and values for brand redevelopment. The literature discusses the importance of determining values and highlighting those values in nonprofit brand development, but not really how to get there. This reliance upon external data for brand development mirrors the for-profit sector—in order to sell the product most effectively, the company must know what the public is thinking. The “product” in the nonprofit’s case is its mission and values and it must know how donors, volunteers, potential staff, etc view that product in order to make an emotional connection. That “emotional connection” is important for a nonprofit to maintain for current stakeholders during branding and therefore is probably more likely than a for-profit to seek internal feedback as well.

All three of these organizations had a strategic plan in place and as a result (direct or indirect) of revisiting that plan, decided to initiate re-branding. The data collected at the beginning of the branding activities resembles that which would be collected for a strategic plan: identifying goals, strengths, opportunities, weaknesses, etc. Increased awareness of and focus on organizational priorities and reminders of shared values could also result from strategic planning activity, but the subjects noted these as benefits of their re-branding. It would seem that although

branding and strategic planning are complementary organizational activities, the interviewees seemed to relate more to the branding. Perhaps this is because the branding puts a “face” or “shape” to the goals and values of the strategic plan—the brand is more of a living, breathing entity that the whole organization can embrace and live by daily, whereas the strategic plan once completed can become just another reference on a bookshelf.

The marketing professionals and some of the literature note little to no difference between nonprofit and for-profit branding, which may be true in terms of external results. It is not contested that nonprofits have “consumers” of their services and values and need to project themselves and their images just as professionally as for-profits. The interview responses did suggest that in the nonprofit sector, the *internal* benefits of branding may actually be perceived as more significant than the external results. All three organizations began the branding process in order to achieve the standard external benefits: increased community awareness, attracting donations/members/volunteers, improved public perception, etc. After the branding activity was completed, however, it seemed to be the perceived internal benefits that made more of an impact on the interviewees. Each person made glowing reference to improvements in unity of purpose, internal cohesion, staff morale, professionalism, etc, but spoke only generally and briefly of external outcomes—there was little, if any mention of specific numbers of increased dollars donated, additional membership generated, polling of community awareness. For the two most recently branded nonprofits, it is probably too early to be able to measure and quantify those external results. Also, some of this emphasis on the internal versus external may be due to the nature of the study—feelings about the process and the organization since the activity are easier to recall and talk about in an interview than rattling off numerical statistics. However, even in the case of Organization A, branded seven years ago, the executive director cited the “internal cohesion” as one of the most lasting and significant outcomes of their branding.

One of the biggest concerns reflected both in the literature and in the interviews is that branding activities or outputs of branding seem too “commercial” or “corporate” to be appropriate in the nonprofit sector. The literature acknowledges that “differentiation from competitors” as a key goal of nonprofit branding, but none of the subjects interviewed for this study cited this as a primary objective, even when directly asked. This is most likely due to what they called the “collaborative nature” of the nonprofit sector in Oregon—they do not see other nonprofits as “competition” and are often willing to work with and through other organizations, even though they may be chasing the same donor dollars. However, representatives from each nonprofit admitted that they desired to increase their organization’s visibility in the community to attract more “public support” for their mission. It would seem that “competition” amongst nonprofits in Oregon does exist, but that nonprofit employees may be unwilling or uneasy to recognize it as such.

Despite a reluctance to appear “commercial” or “competitive,” nonprofits should not discount the psychological value of “professionalizing” their operations and “looking cool” as a result of branding, particularly when the internal results seem to have such a lasting impact on staff. All the interviewees made note of some aspect of professional practice, image or unity (sometimes all of the above) resulting from the branding as a reason that they felt good about the organization and its effectiveness. This would seem to be more significant in the nonprofit versus the for-profit sector. While all employees want to feel good about where they work, in a

sector that depends heavily upon a values-driven work force—instead of a financially- and competitively-driven one—the importance of high morale and unity of purpose cannot be ignored.

## **Recommendations**

While these interviews did not contradict the findings in literature, the subtleties and details revealed by closer examination of nonprofit branding indicate that there is still opportunity for further study. Since two of the three organizations finalized their branding so recently, it would be interesting to reexamine the perceived impacts in a few years to see if anything has changed or emerged since initial study. Another opportunity for further exploration would be a quantitative analysis of branded nonprofit organizations to determine trends in organizational age, staff size, budget, etc and discover what statistical impact branding might have had. It would also be interesting to find a younger organization and follow it through the branding process. All of the nonprofits studied for this project had at least a 30 year history: Is that history and established foundation necessary to form a well-articulated and successful brand? Or can a young organization seize the opportunity from the start to strategically develop and capitalize upon its brand? These are just a few questions that might be interesting to explore in future research on the subject of nonprofit branding.

## Works Cited

- Andreasen, Alan R, Ronald C. Goodstein and Joan W. Wilson. "Transferring 'Marketing Knowledge' to the Nonprofit Sector" *California Management Review* 47.4 (2005): 46-67.
- Bishop, David. "Not-for-profit brands: Why are many under-utilised by their owners?" *Proceedings of the 2<sup>nd</sup> Australasian Nonprofit and Social Marketing Conference. September 22-23, 2005.* Melbourne, 2005.
- Brown, Elizabeth V. "Are you following the 4 C's of branding?" *Nonprofit World* May/June 2007: 11-13.
- Bryce, Herrington J. "The public's trust in nonprofit organizations: the role of relationship marketing and management." *California Management Review* 49.4(2007): 112-131.
- Chiagouris, Larry. "Nonprofit brands come of age." *Marketing Management* 14.5 (2005): 30-33.
- Clohesy, William W. "Fundraising & the Articulation of Common Goods." *Nonprofit and Voluntary Sector Quarterly* 32(2003): 128-140.
- Haigh, David and Stephen Gilbert. "Valuing not-for-profit and charity brands—real insight or just smoke and mirrors." *International Journal of Nonprofit and Voluntary Sector Marketing* 10(2005): 107-119.
- Hankinson, Philippa. "Brand orientation in the charity sector: a framework for discussion and research." *International Journal of Nonprofit and Voluntary Sector Marketing* 6.3(2001): 231-242.
- "The impact of brand orientation on managerial practice: A quantitative study of the UK's top 500 fundraising managers." *International Journal of Nonprofit and Voluntary Sector Marketing* 7.1 (2002): 30-44.
- Hankinson, Philippa and Graham Hankinson. "Managing successful brands: An empirical study which compares the corporate cultures of companies managing the world's top 100 brands with those managing outsider brands." *Journal of Marketing Management* 15(1999): 135-155.
- Hankinson, Philippa and Wendy Lomax. "The effects of re-branding large UK charities on staff knowledge, attitudes and behavior." *International Journal of Nonprofit and Voluntary Sector Marketing* 11(2006): 193-207.
- Hankinson, Philippa and Colin Rochester. "The face and voice of volunteering: a suitable case for branding?" *International Journal of Nonprofit and Voluntary Sector Marketing* 10 (2005): 93-105.

- Long, Mary M and Larry Chiagouris. "The role of credibility in shaping attitudes toward nonprofit websites." *International Journal of Nonprofit and Voluntary Sector Marketing* 11(2006): 239-49.
- Naddaff, Andrea. "Branding by design: How nonprofits can fight for dollars with a strong visual presence." *Communication World* 21.5(2004): 18-21.
- Ritchie, Robin J.B, Sanjeev Swami and Charles B. Weinberg. "A Brand New World for Nonprofits." *International Journal of Nonprofit and Voluntary Sector Marketing* 4.1 (1999): 26-42.
- Spruill, Vikki. "Build Brand Identity for Causes, Not Groups." *Chronicle of Philanthropy* 13.17 (2001): 45.
- Stride, Helen. "An investigation into the values dimensions of branding: implications for the charity sector." *International Journal of Nonprofit and Voluntary Sector Marketing* 11(2006): 115-124.
- van den Bosch, Annette L. M, Menno D.T. de Jong and Wim J.L. Elving. "Managing Corporate Visual Identity." *Journal of Business Communication* 43.2 (2006): 138-157.
- Venable, Beverly, Gregory M. Rose, Victoria D. Bush and Faye W. Gilbert. "The role of brand personality in charitable giving: an assessment and validation." *Journal of the Academy of Marketing Science* 33.3 (2005): 295-312.
- Vinjamuri, David. "What's In a Name? Branding Comes to the Nonprofit World". *Journal for Nonprofit Management* (2004): 2-12

## Appendix A

### Interview Questions

The impact of branding campaign on a nonprofit organization.

- 1) How old is your organization?
- 2) Do you have a strategic plan or other formalized, long-term organizational plan?
- 3) When did you decide to undertake a branding campaign?
- 4) What prompted the decision to brand?
  - Leadership change? Board change? Donor climate?
- 5) Who initially proposed a branding campaign?
  - Consensus or unilateral decision?
- 6) Who participated in the branding activities?
  - Management
  - Staff
  - Board
  - Volunteers/donor advisors
- 7) How was the concept of organizational branding perceived by staff:
  - Before
  - During
  - After the branding campaign?
- 8) How did you develop your brand? What activities were part of the branding process?
  - Internal discussion/consensus
  - External research (focus groups, surveys/questionnaires, etc)
- 9) What impact do you feel a formalized branding process has had on your organization:
  - Internally—staff morale, mission focus, operational focus, organizational stability
  - Externally—donor perception, visibility of organization, marketing effectiveness (impact on event promotion, competition against other organizations, etc), donor/volunteer recruiting
- 10) What do you feel was the most significant outcome of the branding activities?
- 11) How do you maintain your brand?
  - Who would you consider your “brand champion(s)“?
- 12) What do you feel is the most important aspect of your brand?
- 13) Would you recommend branding to other nonprofit organizations? Why/why not?
- 14) Final thoughts?