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The Power of Brands

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The Power of



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BRANDS

MOST PEOPLE UNDERSTAND THE VALUE THAT strong brands bring to the business sector. Coca-Cola, McDonald's, Toyota, and FedEx are just a few examples of megabrands, each with distinctive personality traits, powering huge corporations. What many people don't realize is that strong brands are equally important in the nonprofit sector.

Ask a typical nonprofit executive to describe the personality of his or her brand, and you are likely to hear traits like "caring," "supportive," and "sympathetic." Or you might hear traits like "pioneering," "transforming," and "engaging." These are all wonderful traits, ones that most people in the social sector would embrace. But therein lies the problem. Brand personality traits like caring, pioneering, and engaging are certainly good ones to have, but these traits are shared by so many other nonprofits that they are almost a given.

To be successful, nonprofits, just like their business counterparts, need to develop brands that convey not only an attractive personality, but also a distinctive one. With more than 1.5 million 501(c)(3) nonprofits in the United States, and another 170,000 in the United Kingdom (where much of the research for this article was conducted), the need to stand out from the crowd has never been greater.

Some nonprofits have done a terrific job developing original and powerful brands, and they have benefited from doing so. Two of the most successful nonprofits in the U.K. are the National Society for the Prevention of Cruelty to Children (NSPCC) and the Royal Society for the Prevention of Cruelty to Animals (RSPCA).

The NSPCC launched its "Full Stop" campaign in 1999 – rebranding the organization around its central mission: ending child cruelty. Its distinctive green "Full Stop" logo is known throughout the country. All aspects of the organization's activities and communications reflect its brand personality – authoritative, warm, passionate, and confident. Full Stop has gone on to become one of the leading campaigns in the U.K. It is on target in 2006 to provide more than \$400 million worth of programs aimed at protecting children from abuse.

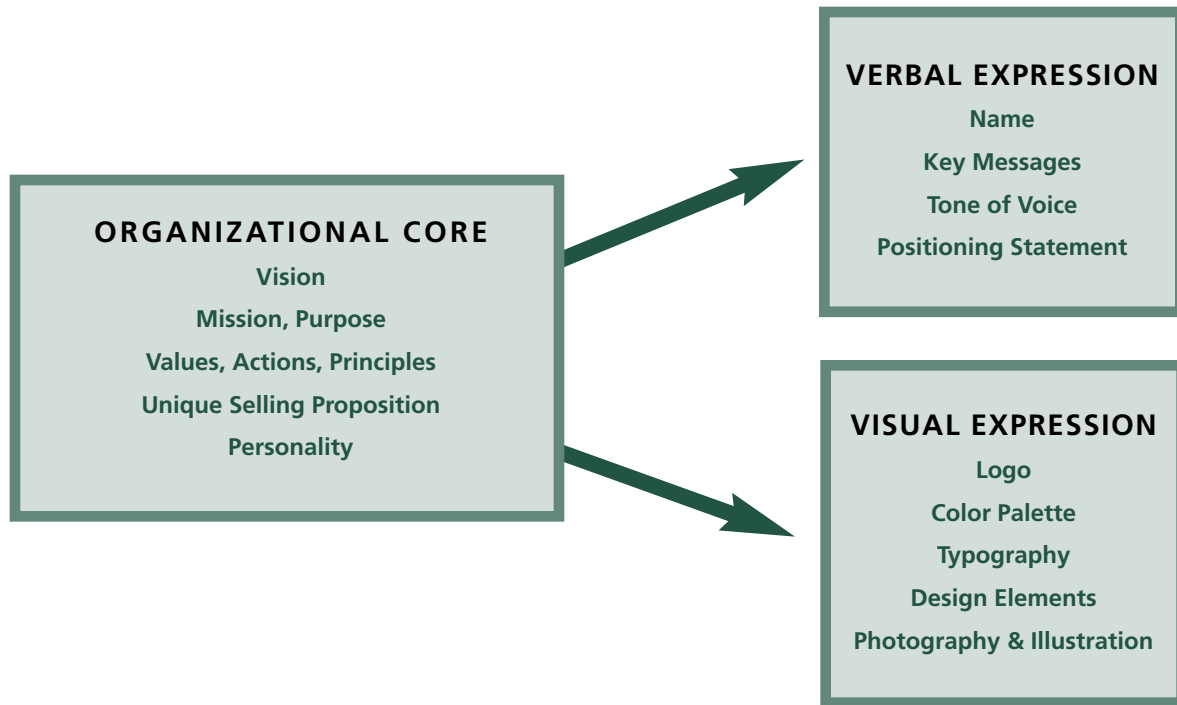
The RSPCA began life in 1824 and is now one of the largest and best-known charities in the U.K. – ranking among the top 10 charities for the highest levels of public awareness and recall. The organization's \$150 million annual bud-

One of the most important, but often overlooked, ways that a nonprofit can improve its effectiveness is to develop a strong brand. Not only does a distinctive brand personality help a nonprofit raise its visibility among the general public, but it also develops deeper ties with donors, partners, and other stakeholders.

by *ADRIAN SARGEANT & JOHN B. FORD*

Brand Framework

Great nonprofit brands start with a clear understanding of the organization,
from which verbal and visual elements flow



get comes exclusively from donations and bequests, supporting 323 uniformed RSPCA inspectors and 146 animal collection officers who work around the clock to save animals in distress. The use of a blue color palette in its promotional materials positions the charity as a professional “emergency service” in the U.K. The brand is projected as heroic – tough on neglect and cruelty (and those who perpetrate it) – but caring and responsible with regard to their animal clients.

In spite of the success that these and other organizations have had, strongly differentiated nonprofit brands are surprisingly rare. Our research¹ shows that most people have a great deal of difficulty discriminating between the personalities of even leading nonprofit brands, seeing most as identical in many respects. Brand values such as caring, supportive, and sympathetic might

be worthy ones, but the public sees them as “nonprofit” values that are shared with the rest of the sector. Nonprofit leaders and board members might believe strongly that these sorts of traits are essential to their organizations’ identities, but they convey little that is genuinely unique about one’s own organization.

If the general public has a favorable perception of the nonprofit sector, does this lack of distinctiveness really matter? Our research indicates that it does. A favorable perception is not enough to get donors’ attention. Brands need to be distinctive to cut through the clutter of other nonprofits’ communications and the distractions of everyday life. And, as we shall show, differentiation is the key to this task. Organizations that create distinctive brand personalities are able to create more awareness among the public, raise more money, and be more effective.

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A Framework for Nonprofit Brands

When it comes to branding, most people think about color palettes, logos, advertising campaigns, and the like. But a brand is rooted much deeper in an organization than these visible public displays. In fact, nonprofit brands are an amalgam of everything an organization is, says, and does. Indeed, the NSPCC likes to use the shorthand “Is, Says, Does.” A useful way to think about the concept is to use a brand framework (see diagram above).

A brand framework starts with an organization’s vision – in the case of the NSPCC, to create a society where all children are valued and able to fulfill their potential. The brand also is rooted in the organization’s mission – to end child abuse; and



in its unique selling proposition – that it is the only U.K. non-profit dedicated to this goal.

The organization's vision, mission, and unique selling proposition are the foundation for what is distinctive about its work and why it deserves our attention. There is little point in developing a brand based on a "me too" strategy, merely emulating the values of another organization. Donors will inevitably, and quite rightly, challenge the need for the existence of any organization that is not distinctive.

What also makes an organization distinctive are its values, the actions it takes, and the manner in which these actions will be undertaken (i.e., the organization's principles). To help articulate the brand and bring it to life, it is useful to construct a brand personality – a set of personality traits that reflects the vision, mission, unique selling proposition, values, actions, and principles of the organization. Some of these personality traits will be shared with other nonprofits, but some of them must also be unique, reflecting what is different about the organization.

In the case of NSPCC, its distinctive brand personality is that it is authoritative (without being aggressive), empathetic, challenging, passionate, active, warm, personal, and confident (without being arrogant or smug). All the key messages the non-profit conveys to the public are communicated consistently in this style.

Only after establishing these aspects of the brand does one begin to focus on developing the verbal and visual expressions of the brand – logos, ads, Web sites, promotional literature, and the like – those things that most people think of first when they

think of brands. NSPCC's visual identity, for example, is made up of a green Full Stop appearing on all communications, along with internal brand guidelines specifying typography, color palette, and design.

This brand personality must be consistently conveyed to all stakeholders over an extended period of time, so that their knowledge and understanding of the brand is deepened and enhanced as time goes on. The critical word is *consistent*, because to be effective the brand personality must be properly reflected in *all* visual and verbal communication, and in all aspects of the organization's practices.

Many Brands Are Undifferentiated

Ask most nonprofits whether they have a distinctive brand and the answer is likely to be "yes." "Of course we are different," they say. But our research finds that nonprofit brands are not as distinctive as many might think. The public has a strong sense of what it means to be a nonprofit, but finds it very difficult to distinguish between causes, much less specific nonprofits. Our research also tells us that nonprofits may be competing more on simple name recognition than on the basis of a strong, unique brand personality.

To be blunt, nonprofits are perceived as a bland, homogeneous mass of well-meaning but similar organizations. This perception matters because individuals are motivated to offer higher levels of support and exhibit higher levels of loyalty to

HOW WE CONDUCTED OUR RESEARCH

We recruited nine charities to participate in our two studies. Three of these organizations represented children's charities, three represented animal welfare charities, and the remaining three represented charities for the visually impaired. Each organization supplied the contact information and giving histories of 500 donors who reside in or near London. For the first study, we recruited nine or 10 donors from each of the nine charities to participate in a focus group, for a total of nine focus groups and more than 80 participants. The discussion moderator asked donors to describe the charity they all had in common, as well as the other charities to which they contributed. Using tapes of these focus groups, we gleaned a total of 61 adjectives that donors used most to describe the charities.

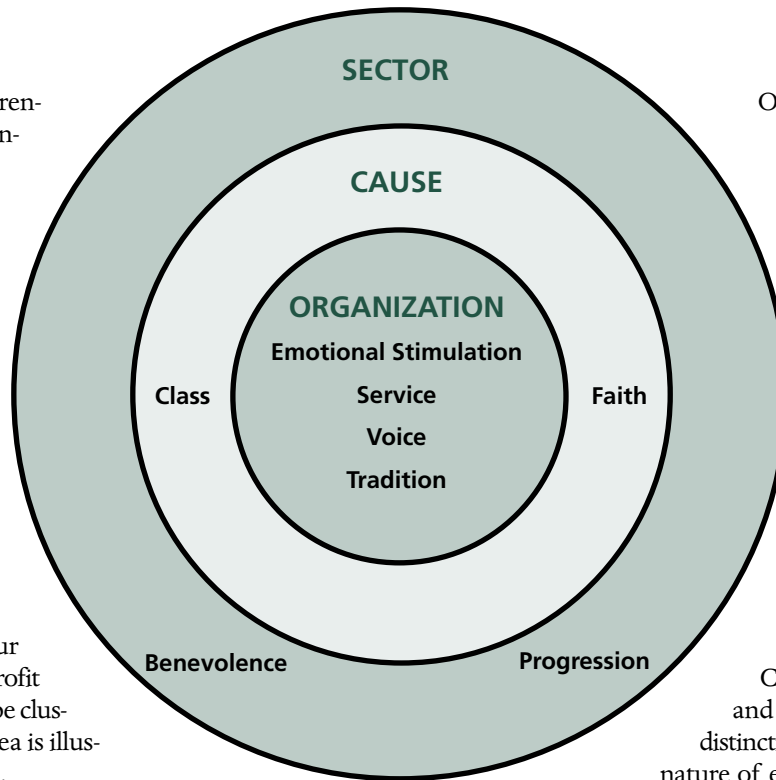
For our second study, we used these adjectives in a questionnaire that we mailed to 500 donors from each charity. Each questionnaire was customized so that donors rated their own charity on each of the 61 adjectives. More than 1,300 respondents completed this task. From this survey, we were able to tell which adjectives were used to describe the non-profit sector as a whole, and which truly differentiated organizations from each other. We were also able to group those adjectives that distinguished individual organizations into four different categories. Finally, with our data we could test whether different brand adjectives were linked to different levels and habits of giving. –A.S. & J.F.

ZEROING IN ON A UNIQUE BRAND

To attract donors, organizations must distinguish themselves from the non-profit sector as a whole, their cause, and each other

brands that are seen as differentiated. Without this differentiation, there is little loyalty or emotional bonding between donors and non-profit organizations.

To examine why this might be true, and to explain how we can optimize the performance of a brand, it is necessary to begin by explaining how non-profit brands are structured. Unlike the business sector, where little of a brand is shared from one organization to another, our results show that in the nonprofit sector, personality seems to be clustered in three levels. This idea is illustrated in the diagram above.



Organizations that share a common cause – be it environmental activism, the arts, or faith-based organizations – share a common set of personality traits as well.

Participants identified faith-based organizations as having a personality distinctive from the balance of the sector. They applied traits such as spiritual, devout, holy, and religious to church and parachurch organizations. Moreover, they viewed Catholic, Methodist, Jewish, and Muslim charities as having distinctive identities that reflected the nature of each faith, as well as the various behaviors and ideas expressed in that faith.

The Mission Aviation Fellowship, for example, strives to provide aid to Third World communities, investing in projects such as sanitation and the provision of fresh water, while simultaneously raising awareness of the Gospel in the communities in which it works. Its donors are therefore supporting both practical and spiritual aid when they offer a donation. The Christian values that the organization embodies can therefore differentiate it from many secular international relief agencies, such as Oxfam or the Red Cross, but not from many faith-

Nonprofit Brand Personality

Our research shows that a large part of the personality of a brand is shared with other nonprofits. These are the personality traits clustered in the outer circle of the diagram, what we call the “sector.” There are many benevolent traits, such as being “fair,” “honest,” “ethical,” and “trustworthy,” that the public attributes to organizations simply because they are charitable. In our focus groups, comments such as “Well, it’s a charity so it must

Nonprofits are perceived as a bland, homogeneous mass of well-meaning but similar organizations with which donors find it hard to bond emotionally – and financially.

be caring, mustn’t it?” and “Compassionate – goes without saying” were typical.

Nonprofits didn’t need to earn these traits. Instead, people started with the assumption that these traits applied to all nonprofits until evidence appeared to the contrary. Similarly, participants saw nonprofits as agents of change and imbued organizations with traits that reflected the nature of this progressive engagement with society. They viewed personality traits such as “transforming,” “pioneering,” “responsive,” and “engaging” as being charitable traits.

Our research also identified what we call a “cause” dimension to brand personality. This is the middle circle in the diagram.

based organizations.

We also found evidence that some causes were perceived as being “upper class,” “intellectual,” or “sophisticated.” Education and arts nonprofits were frequently referred to in these terms and regarded as “elite.” For some, these traits were terms of derision, but for others they were viewed as desirable personality traits that would actively draw in donors and foster engagement with the organization.

Yet many museums, galleries, opera houses, concert halls, colleges, and universities may find it difficult to carve out a unique personality on the basis of these class-based attributes. Donors will tend to imbue such organizations with these char-



acteristics on the basis of their connection with a particular cause, rather than through an understanding of personality built up through communication.

Delineating which aspects of brand personality are shared within sector and causes is important because the shared and unique aspects of personality affect giving in different ways. A belief that nonprofits are progressive and benevolent is a necessary prerequisite to becoming a donor in the first place. An understanding that an organization is faith-based may be a necessary prerequisite for a follower of that faith to consider including it in what marketers refer to as their “consideration

set” (i.e., the range of brands they will consider supporting). But our data show that they have no impact at all on the actual amounts of money that people will give, or on the levels of loyalty that a charity might gain.

What *does* affect both aspects of a donor-nonprofit relationship are those facets of brand personality that are genuinely distinctive, the ones that we have grouped in the inner circle and call “organization.” Projecting a unique or differentiated brand personality by focusing on characteristics that are unique to the organization makes it more likely that donors will give

What Fundraisers Should Know About Brands

Fundraisers have an easier time getting donors to open their wallets when they represent a nonprofit with a strong brand. Here are four reasons why:

1 Brands enhance learning. One of the ways that people become aware of an organization, and then remember new information about it, is to have a mental hook on which to hang the organization. Brands can function as that hook. Nonprofits that consistently use branding to raise awareness of their organization make a fundraiser’s job much easier. That’s because potential donors will already have a good understanding of the nonprofit’s identity and goals. When a nonprofit has not established a strong brand, donors may ignore a fundraising appeal because it’s irrelevant to them, or because they doubt the appeal’s authenticity.¹

2 Brands reduce risk. Donors want to be sure that any money they give to a nonprofit is used effectively. One of the ways to reassure donors that this will happen is to develop a brand identity that is associated with a commitment to delivering high-quality goods and services. This kind of brand reassurance is all the more important in the nonprofit sector because individual donors often have no way of directly determining whether their donations were actually used in the way that was promised. Brands are also important in impersonal forms of fundraising such as direct mail and print and radio advertising, where the donor may rely entirely on his or her *perception* of the nonprofit when deciding whether to donate money.

3 Brands provide insurance. A strong brand can give nonprofits what might be called reputation insurance – the ability to weather any bad news that temporarily damages the organization’s reputation. Organizations that have a well-established brand can withstand short-term negative publicity that might otherwise inflict significant damage. Of course, organizations need to rectify the problems that cause bad news, but if they do so their chances of recovering are much better when they have a strong and respected brand. And it’s not just major scandals that nonprofits need to fear. Small mistakes, such as losing a donor’s check, can also cause damage.

4 Brands build loyalty. Donors are drawn to nonprofits that they perceive as having a personality that encompasses values similar to their own, whether those values are ones they actually hold or ones they aspire to adopt.² In other words, donors can express something of their own identity, or who they would like to be, through the personality of the brand. Convincing donors that their identities are expressed through the nonprofit can be a powerful aid to building donor loyalty. –A.S. & J.F.

¹ Bendapudi, N. and S.N. Singh. 1986. “Enhancing Helping Behavior: An Integrative Framework for Promotion Planning.” *Journal of Marketing* 60(3): 33-49.
² Aaker, David A. 1996. *Building Strong Brands*. New York: The Free Press.

How to Differentiate a Brand

Nonprofit leaders often don't know where to begin when it comes to developing a distinctive brand personality. Here are four places to start:

1 **Map your nonprofit using the four organizational dimensions.** The starting point for differentiating a brand is the four organizational dimensions that have been proven to work. Nonprofits should examine whether there are opportunities to be distinctive in the emotional stimulation they generate, the tone of their media voice, the nature of their service, or their ties to tradition. Many organizations will find they can take advantage of all four dimensions. The trick is to combine them in ways that are unique for your organization. The four dimensions that we discovered in our research may not be an exhaustive list, because our work only reflects current professional practice. There may be other dimensions to organizational differentiation that have yet to be discovered, so try some new ones out.

2 **Emphasize what is distinctive about your organization.** It is the distinctive components of a brand's personality that have the greatest impact on fundraising. The greater the differentiation achieved, the higher the average donor contribution, lifetime value, and level of retention. Brand managers therefore need to review and, if necessary, embellish the distinctive facets of their brand. An analysis of competing brands, particularly brands within the same subsector or cause, is absolutely vital. The use of such tools as perceptual mapping, where donor perceptions of competing organizations (on various traits) are illustrated pictorially, allows nonprofit managers to assess the distinctiveness of their brand and its driving attributes.

3 **Pay close attention to the perceptions of your donors.** Brand managers need to remember that from a donor's perspective, perception equals reality. The words used to describe a brand in an organization's brand manual might be distinctive, but they mean nothing if they're not successfully communicated to donors. When planning a brand strategy, organizations must begin by researching the current perceptions of donors, mapping the results against the desired perceptions, and taking action accordingly. If people do not believe an organization's words, spending more money to say the same words, only louder, will not help.

4 **Understand which of your traits are shared with others.** Nonprofit leaders need to understand that donors perceive a number of personality traits to be shared by many nonprofits. Because of this, organizations that want to be seen as benevolent or progressive need only make sure that they are *recognized* as a nonprofit. This approach allows nonprofits to conserve valuable resources. The same is true for faith- or class-based values. It may not be necessary to actively promote these dimensions. Instead, the task may be as simple as making it clear that the organization is faith-based or is working with a certain category of cause. —A.S. & J.F.

at a higher level and for longer periods of time. Most nonprofits, however, project personalities that are indistinct from other nonprofits, thereby lumping themselves with the general hodgepodge of organizations. This does little to help their organization be better known, raise more money, or be more effective.

Brands Can Be Differentiated

Despite the many characteristics that nonprofits have in common at the sector and cause levels, organizations can distinguish their brands by focusing on the ways that they are different from similar nonprofits.

In our research, we were able to identify traits that distinguished the nine organizations we studied. We could then

conduct a factor analysis of these traits to identify any patterns that might exist in the data. This technique enabled us to reduce the list of differentiated traits to a set of underlying dimensions. We found four dimensions that differentiated the nine organizations.

Our research tells us that there are four ways in which nonprofits are currently distinguishing their brand personalities at the organizational level: stimulating a variety of emotions in their donors, having a distinctive media voice, offering a different type of service, and evoking a sense of tradition.

To use our findings, nonprofits must conduct a thorough audit of perceptions of their competitors and seek to emphasize what might be different about themselves on one or more of these four dimensions. Nonprofits can, of course, look beyond the four dimensions we outline here, because our study



was limited, and there may well be other potential routes to differentiation not reflected in our work. What we can be clear on, however, is that characteristics associated with benevolence or progressiveness will not distinguish adequately between one organization and another.

Brand personalities at the organizational level are currently differentiated in four ways:

Emotional stimulation. Personality traits such as exciting, heroic, innovative, and inspiring all have the ability to evoke an emotional response in donors and to encourage them to give money.

The Royal National Lifeboat Institution (RNLI) has been patrolling the waters off the coast of Great Britain since 1824. It responds to emergency calls and has saved the lives of many sailors in distress. The organization's brand projects the courage and rugged heroism of the lifeboat crews, and these values are reflected in many of the images used in campaign materials. Internal research has taught the RNLI that donors identify most strongly with these characteristics and respond better to communications that reinforce them. Although many lifeboat coxswains are now female, and few of their male counterparts actually sport beards, the advertisements using bearded men in lifeboats remain the organization's most effective recruitment device because they best reflect the rugged personality of the organization and create a focus for donations.

Voice. Brands can also be differentiated on the basis of the tone of voice they project in the media.

The NSPCC, for example, regards itself as challenging, courageous, and protecting, and its media voice reflects those traits. That is why the organization does not shy away from media controversy. It sets out to challenge opinions, without unduly distressing the very audience it is determined to help. That's why the NSPCC is careful to avoid shocking depictions of child abuse that might upset some audiences, and instead uses powerful imagery that leads the reader to the conclusion that abuse is about to take place. Few charities are willing to be as challenging in their media imagery as the NSPCC is. Its green "Full Stop" logo is now one of the most widely recognized brand symbols in the U.K.

Service. The style or philosophy behind how an organization delivers its services can be an effective route to differentiation. Human service charities in particular might carve out a unique personality on the basis of characteristics such as inclusive, approachable, dedicated, or compassionate in the way they

deal with their service-users.

One of the unique aspects of the RSPCA, for example, is that its animal welfare inspectors have some of the very same powers that the police have to investigate and prosecute animal cruelty and neglect. The RSPCA takes advantage of this unique service by promoting it in advertisements. For example, one ad shows an RSPCA inspector rescuing a kitten from a garbage can where its former owner left it to die. The ad was designed to raise funds and to communicate the organization's brand personality, namely being authoritative, compassionate, effective, and responsible.

Tradition. Donors view some nonprofits as traditional, and regard giving as a duty, particularly during certain events or seasons. Who can deny the power of the Salvation Army kettles positioned outside shops across the U.S. around Christmastime? And in the U.K., the Royal British Legion sells poppies in advance of Remembrance Sunday to recognize those who have lost their lives in the service of their country. These symbols of remembrance have become so powerful that no politician, newscaster, or person of influence in the media will be seen without a poppy during the run-up to the event.

Although the differentiation of brand personalities is important, it is by itself not sufficient. Simply having a different persona does not mean that donors will flock to an organization.

Organizations must also pay adequate attention to all of the dimensions of the brand framework. Its vision, mission, unique selling proposition, and other characteristics must all be consistent with and appropriate to the needs that the organization serves. Just as important, brand personalities must also reflect the needs and aspirations of the donors who support the organizations. □

1 Sargeant, A., J. Hudson, and D.C. West. 2008. "Conceptualising Brand Values in the Charity Sector: The Relationship Between Sector, Cause, and Organization." *Service Industries Journal* 28(4). Hudson, J. and A. Sargeant. 2007. "Managing the Nonprofit Brand." *The Nonprofit Companion*. Eds. A. Sargeant and W. Wymer. London: Routledge. (For copies of the research papers, contact Adrian Sargeant at asargean@iupui.edu.)

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