

# Articles

Category: [Vol. 5, 2013](#)

## Survival of the Fittest: Developing a Cost-Effective Branding Strategy for Nonprofit Organization to Survive and Thrive in a Competitive Environment

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Hits: 2321

The South Shore Journal, Vol. 5, 2013, pp. 183-202.

### **I: Introduction**

In today's competitive economy many corporate giants are struggling to stay afloat. This economic recession has been just as devastating to the nonprofit sector, and many are vanishing all together.

With the pocketbooks of Americans shrinking and so many hands reaching out for money, cuts must be made, and only the strongest and most trusted nonprofit organizations (or nonprofits, in short) are surviving.[1]

In its 2010 annual survey, the Nonprofit Finance Fund reported that over 60 percent of nonprofit organizations have less than three months of operating capital available, and 12 percent have none at all. According to the same study, 80 percent of nonprofit organizations anticipate an increased demand for services in coming years, while only 36 percent expect to be able to meet this demand. It seems that Americans have learned a hard lesson through the economic downturn and have become far more frugal with their hard-earned dollar.

Our study addresses this important challenge faced by nonprofits. We have conducted extensive research on the extant branding and marketing literature to identify a suitable branding strategy for nonprofits. Based on the findings of our research, we have developed a cost-effective branding strategy with an emphasis on the incorporation of online and social media in the marketing and business strategic plans. This strategy will help any nonprofit organization to strategically position their brand for future success. The remainder of the paper is organized as follows. First, we outline the challenges faced by the nonprofits today. Specifically, we will emphasize the challenge of continuous engagement with the benefactors. Next, we describe the branding strategy we recommend for the nonprofits. In particular, we will highlight the different elements of the branding process, including brand audit, brand positioning, brand mission, and brand values. In the next section, we elaborate on the online branding of nonprofits. Here, we outline how the digital media including the web and the

social media can be harnessed to build a e-brand for nonprofits. Finally, we offer our concluding comments on what it takes for a nonprofit organization to survive in a difficult economic environment.

## **II: The Nonprofit Challenge**

During the current economic crisis and quickly changing times, nonprofit organizations have, and are, confronted with many new challenges. Some of the biggest obstacles nonprofits are faced with include lack of funding, increased demand for services, weak levels of engagement, and communication barriers; of these challenges, we will focus on the last two, engagement and communication, because effective engagement and communication will address many of the challenges faced by nonprofits.

With over 1.5 million 501(c) organizations in the United States, spanning 28 categories, nonprofit organizations are a key part of U.S. livelihood, and the roles they serve are vital for a functioning and healthy society. A 2010 survey of 2,500 nonprofit organizations by the Nonprofit Research Collaborative found that in 2010, 37 percent experienced a decrease in funding. Of the 37 percent that reported decreased funding, 7 percent fear for existence.

A major caveat for nonprofits is that in a down economy, demand for their services often increase. The survey also found that despite reduced funding (in many cases), 68 percent of the respondents indicated an increased demand for services. These findings are particularly troubling for smaller nonprofits, with annual expenditures totaling less than \$25,000. Of these smaller organizations, only 23 percent reported an increase in contributions in 2010, as opposed to 46 percent of nonprofits reporting an increase, with annual expenditures \$20 million and over.

### **How to keep your supporters engaged to your cause**

The key to successfully marketing and branding a nonprofit organization is supporter and potential supporter engagement. The importance of engagement in the nonprofit sector is heightened due to the fact that supporters generally receive nothing tangible in return for their contributions. Supporting a nonprofit organization moves beyond a person's desire for material possessions and more into the desire for emotional and social fulfillment.

While tangible items such as "thank you gifts" and other tokens of appreciation may entice a certain audience to engage with the organization, these are generally lower level relationships and memberships lapse the following year and no additional contributions are made. This is a great time for expanding the initial relationship and further engaging the supporter by offering them a deeper more meaningful type of value that no other organization can match.

To increase the likelihood of engaging supporters, it is imperative that all communications be looked

at from the perspective of a supporter or potential supporter. With this in mind, it's important to understand donor motives. As mentioned above, individuals typically donate for reasons beyond material possessions. According to Sandra Sims, of Step By Step Fundraising, there are 5 basic reasons that individuals choose to give: (1) personal experiences, (2) desire to make a difference, (3) desire to take a stance on a particular issue, (4) personal recognition, and (5) the belief that giving is simply a good thing to do. Of the motivations listed, the belief that *giving is a good thing to do* is recognized as the top motivator. A recent scientific study conducted by the National Institute for Health took MRIs of people's brains while the decision to give was made, and a warm glow was observed during the process. The warm glow observed is indicative of positive feelings and fulfillment. This evidence suggests that giving decisions are made partly at an affective level. Thus, the most effective communications are those that appeal to the top levels of Maslow's Hierarchy of Needs; social needs, esteem needs, and self-actualization.

### III: Branding Strategy

#### Developing the *Value* of a Nonprofit Brand

Research has shown a strong correlation between a brand's image and an organization's financial value. A 2009 study conducted by Cone Inc. found that the three most powerful and financially stable nonprofits also ranked among the six highest in the category of brand image. See Figure 1 for more details.

**Figure 1: *Brand Image & Financial Value***

Nonprofit Organization	Financial Value Ranking (millions)	Brand Image Ranking
YMCA of the USA	#1 \$6,393.6	#6
The Salvation Army	#2 \$4,702.9	#2
United Way of America	#3 \$4,516.9	#3

These particular organizations include YMCA of the USA, The Salvation Army, and United Way of America. For this study, determining the power of the brand was based on three factors: Brand image, Revenue, and Propensity for Future Growth. As the times are quickly changing and new technology is being developed and implemented daily, many of the largest and most financially sound nonprofits are realizing the need to either re-brand or realign their brand to meet changing consumer demands.

Among those nonprofits that have chosen to refresh their brand include YMCA of the USA, Girl

Scouts of America, United Way, Susan G. Komen for the Cure, and Feeding America. Kate Coleman, senior vice president and chief marketing officer for YMCA of the USA explains the need for re-branding very clearly, "There's so much noise out there that if you don't do a good job of explaining what you are about, you get lost in the noise." Discussing the re-branding of the YMCA of the USA, president and CEO, Neil Nicoll said, "Organizations have to continually re-look at how they come across, how younger generations see them, how they're perceived and connect, and particularly with a lot of the new media, how you're presenting yourself in a way that is compelling."

While creating a branding strategy for a nonprofit organization is very similar to that of a for-profit company, there are also several differences. These differences come to play as a result of the nature or mission of the organization, and also a general lack of resources, such as labor and capital. Many nonprofit organization's marketing budgets are, or are nearly, nonexistent.

The good news is that in these technology dependant times, there are a plethora of cost efficient options available to nonprofits. With a bit of creativity, research, and careful planning any organization can create an effective branding strategy within its budget constraints. The key to effectively developing and implementing a cost-effective branding strategy is exploring what resources are currently available, and which ones your supporters and target market are currently using.

Bandyopadhyay and Serjak (2005) have identified the following set of key success factors for online brand management:

- Create brand recognition
- Protect the domain name
- Differentiate the brand
- Know the visitors to your site
- Encourage brand loyalty
- Address the privacy issue readily and openly
- Utilize the cross-selling and cross-promotion to gain competitive advantage
- Use traditional means to develop and manage your brand
- Measure brand performance

Although the above branding strategies are meant for for-profit brands, many of them (e.g. creating brand recognition, differentiating the brand, know your customers or supporters, measuring brand performance) are applicable to nonprofit branding strategy as well. But nonprofit branding is somewhat different from for-profit branding. Here, individuals donate money not necessarily to avail of a product or a service but to support a cause they believe in. Also, nonprofits do not have a substantial budget to implement an elaborate branding strategy. Keeping these differences in mind, we have outlined the critical components of a successful branding strategy for nonprofits.

## Brand Audit

To explore a brand's current identity, a brand audit must be conducted (see Keller 2008 for a detailed discussion on brand audit). A brand audit can be as simple as administering a survey and conducting focus groups. Those included in the audit should be both internal and external to the organization.

Comparing the results of both the internal and external questionnaires can be very eye opening by providing a candid look at how the organization's brand is perceived from both within the organization and outside the organization.

It is often found that even those within the organization are uncertain of the brand's mission, values, and vision. This can be troublesome for the organization since these are the individuals that should create and sustain the brand image. A survey, conducted by Louws Management Corporation, of over 700 advertising and marketing professionals, found that only 25 percent respondents could verbally communicate their brand's positioning, while 80 percent indicated that they were strongly aware of it.

A brand audit will be slightly different for each organization, as each has its own unique objectives; however, some items are pertinent to all organizations and should be explored. Below are examples of questions to consider (Keller 2008).

- What is the overall mission of the organization?
- What are the values of the organization?
- What is the vision of the organization?
- What value(s) does the organization provide to its constituents?
- How does the organization compare to its competitors?
- How do you personally view the organization?
- How is the organization viewed by the general public/community?
- Who currently supports the organization?
- Who benefits from the organization?

Sandi Weindling, Marketing Director of the Lubeznik Center for the Arts in Michigan City, Indiana, and a branding expert, created this clear and straight-forward seven question worksheet for auditing a current brand:

1. What obstacles/barriers keep the organization's mission from being fully realized?
2. With the above obstacles/barriers in mind, what **goals** should be set to better enable/position the organization to realize its mission?
3. How do we **describe** the person we most need to connect with in order to realize our mission?
4. **How** does he/she relate to our brand?

5. **What** is the key brand issue?
6. What is the key customer **Insight**?
7. What **Single Message** can we send that will create a stronger connection with our key constituents?

A complete brand audit gives an accurate assessment of how solid the brand currently is. Once the brand audit has been completed and all of the responses are compiled and analyzed, the organization's branding needs will become more evident; some organizations may need to re-brand all together, while others may simply need to realign or fine-tune their brand.

### **Brand Definition and Position**

With over 1.8 million nonprofit organizations in existence in the United States, clearly defining a brand is crucial to make it stand out from the numerous similar organizations; all of which are seeking a limited, and still declining, amount of donor support. The ideal place to start defining a brand would be using the information compiled from the brand audit. Reviewing this information should paint a fairly clear picture of how the brand is currently perceived, both internally and externally.

Along with the information from the brand audit, an analysis of the organizational strengths, weaknesses, opportunities, and threats (in short, SWOT analysis) will provide much insight as to how to define and position the brand. Using the information from these two analyses will help immensely in finding a brand's unique niche that makes it stand out from the rest, and hits the sweet spot for supporters and potential supporters.

### **Brand Mission**

A brand's mission statement should express the organization's direction and purpose of existence. An effective mission statement should achieve its goal in as little as one sentence, and no more than a single paragraph; generally, the shorter and more direct, the better. Developing an effective mission statement will lay the groundwork for the brand's message package, providing guidance to those within the organization, and convey a general overview of the organization's objectives and nature to supporters and potential supporters alike.

A mission statement is most effective when it is realistic and attainable, and focuses on what the organization can actually deliver on a consistent basis. One common mistake that organizations make is developing a mission statement that is so grandiose that it isn't realistically attainable. An unattainable mission statement defeats its purpose altogether, and can set the organization up for failure by not living up to its expectations, and consistently falling short of reaching its goals. Failure to operate in accordance with an organization's mission can quickly cause an organization to lose credibility, funding, and supporters.

With the numerous nonprofit organizations in operation, one key objective of a mission statement is differentiating the brand from all of its competitors providing the same, or similar, services and objectives. According to BoardSource, a nonprofit building resource, effective mission statements should be concise, motivational, informative, and emotional (see [boardsource.com](http://boardsource.com) for more details). It's also imperative that the audience be considered, and avoid the use of jargon and statistics. The mission statement should be considered in constructing all communications, setting organizational goals, and measuring success.

### **Brand Values**

Clearly defined organizational values are also critical for any organization to successfully brand itself. Every communication generated by an organization should be carefully constructed to ensure that each element of the message exudes the brand's values. A brand's core values should serve as the framework or guidelines for all organizational conduct.

Values need not be expressed in the format of an extensive formal statement. Rather, simple bullet points are just as effective, if not more so. Brand values should be kept to a minimum; generally less than ten are sufficient. To illustrate, the core values of the YMCA of the USA include caring, honesty, respect, and responsibility. Another example of a nonprofit organization with clearly defined values is the World Wildlife Foundation (WWF). Their values are results, integrity, and respect.

### **Brand Vision**

After an organization has developed a direct and powerful mission statement and brand values, creating a vision statement should be a fairly straight-forward task. A brand's vision statement is essentially an extension of the mission statement, incorporating the brand values. Much like a mission statement, a vision statement should be limited to no more than a paragraph.

A well composed vision statement should reflect the goals in the mission statement, and should clarify the 'why' of the mission. The vision is a forward-looking statement that illuminates the primary goal(s) of the organization's mission, and what *it* aspires to become or achieve.

Once these aforementioned steps are carried out, we are ready to implement the branding strategy. A critical element of this implementation process, the web, is addressed below.

## **IV: Online Presence**

A brand's identity on the Internet has become crucial in this rapidly changing technology-driven era.

The days of having to go to a physical location to engage with an organization are long gone, and many are turning to the Internet for researching, donating, and engaging. Developing and maintaining a strong and cohesive online presence is becoming key success factors for nonprofit and for-profit organizations alike.

Great effort and attention should be devoted to creating a seamless online presence for any brand.

Broken links, outdated information, and misleading messages can damage a brand's credibility very quickly. It is critical to ensure that all communications are in line with the brand's mission, values, and objectives. Even one communication that isn't true to the brand can prove to be very damaging.

## Online Engagement

The traditional hierarchy-of-effects models from the consumer behavior literature posit that consumer engage with a product, service or a message at different levels. For example, according to the popular AIDA model, awareness, interest, desire, and action are the different levels of engagement. While the AIDA model and other hierarchy-of-effects models are applicable in general to online and social media marketing, models that capture the characteristics of the online media, will be more useful in representing an individual's online engagement.

We reviewed several models of online engagement. Here we will discuss The Engagement Pyramid, a model of online engagement developed by Groundwire (see [www.groundwire.com](http://www.groundwire.com) for a detailed description of the model). According to this model, there are five levels of engagement for nonprofit supporters and constituents. They are: casual observer, follower, endorser, contributor, owner/leader (see Figure 2 for more details for each level of engagement).

**Figure 2: Nonprofit Engagement Levels**

<b>Engagement Level</b>	<b>Supporter's Behavior</b>	<b>Goal for this supporter</b>
<b>Owner/Leader</b>	Frequent deep involvement and demonstrates acts of leadership	Show this individual how they "own" the mission and their responsibility in achieving it
<b>Contributor</b>	Active involvement in the organization's mission	Deepen this supporter's commitment to the organization's mission & values
<b>Endorser</b>	Impulsive involvement to few individual engagements	Earn enough of this individual's trust for them to feel confident supporting the organization
<b>Follower</b>	Regular communication	Offer "value" to this supporter and expand proactive communication
<b>Casual Observer</b>	Occasional indirect communication	Inspire this individual to look deeper in to your mission

The higher levels of engagement (i.e. owner/leader, contributor and endorser) are more difficult to achieve through online engagement alone; these levels of engagement drive individuals to take an active lead in the organization. However, the lower levels of engagement can easily be achieved through an effective and proactive social media marketing strategy.

## The Official Website



The official website of an organization is one of the most critical elements of establishing a credible online image. Many times a visit to an organization's website will be the first, and possibly the only encounter that supporters and potential supporters will have with an organization. An official website should be clearly organized and reflect the mission, values, and vision of a brand. A cluttered and unfocused homepage will leave the visitor unclear and confused about the organization's overall mission.

### *Use testimonials and personal success stories to maximize impact*

The most effective way to capture a visitor's attention and interest is to provide a compelling testimonial and supporting images focusing on a success that the organization has had, and changes they have made possible. According to Guidestar, there are currently over 1.8 million U.S. nonprofit organizations, all of which are seeking donor support (see [www.guidestar.com](http://www.guidestar.com) for more details). With so many options for a donor to choose from, the homepage must captivate the viewer from the moment they view it and keep them from moving along to another organization's website.

Rather than focusing solely on the overall accomplishments and accolades of the organization, it is important to showcase individual success stories and testimonials. The story or testimonial of an individual success is far more compelling than just a number or statistic. While numbers and statistics are reassuring to see, and help establish credibility for the organization, individual specific stories appeal in an entirely different way, by tugging at the heart strings and establishing a sense of attachment.

### *Demonstrate accountability – show how donated funds are put to good use*

Donors particularly like to know how their money is being allocated and what exact impact their donation has. This said, another noteworthy element to include in a nonprofit organization's website is a breakdown by dollar amount of the impact that a donation has. A recent campaign of the Chicago based animal welfare group, PAWS Chicago, included a request for donation, and what specific impact that donation would make. Examples from the campaign include: \$15 - Provides toys and treats for a homeless pet, \$86 - Spay/neuter and vaccinate one homeless pet, and \$1,000 - Helps to meet surgical costs for an injured animal. Providing the impacts of these donation levels increases the likelihood that an individual will donate, since they will know the change they have made, and can feel fulfilled by their action(s).

## **Social Media**

Social media is a broad term used to describe websites that connect individuals based on one or more similarities or interests. There are as many social media types as there are likes and interests that people have. Figure 3 illustrates some of the most common uses (e.g., social network, professional networking, video sharing etc.) of social media along with examples of each type.

**Figure 3: *The Social Media Explosion***



Some social media sites, such as LinkedIn, offer a platform for professional networking, while other sites, such as YouTube, facilitate video sharing. Traffikd.com, a social media and internet marketing site, has a comprehensive list of 475 social media sites, and more are continually being added. The 475 sites listed span 40 unique categories ranging from health to automobiles.

In the few short years that social media has been in existence, it has revolutionized the communication process between individuals, and between individuals and organizations. In a sense it has leveled the playing field between organizations and the society at large by providing a platform for anybody to be heard by the masses; this can be either beneficial or devastating to the future of a nonprofit organization, depending on the organization’s actions.

Social media websites account for a large portion of today's online traffic. Figure 4 displays top social media websites, along with the corresponding U.S. and Worldwide Alexa rating. Alexa - an online data company - measures web traffic and other vital internet usage information. Currently, five of the ten top websites in the United States are social media websites. Those included in the top 10 are, Facebook, You Tube, Blogger.com, Wikipedia, and Twitter. Figure 5 outlines the key characteristics of a number of major social media sites.

Through the use of social media, organizations have a unique opportunity to personify their brand and give it a voice as they never have before. Connecting through social media is particularly beneficial for nonprofit organizations, since engagement is the key to their survival. Of the most powerful nonprofit brands, all have chosen to embrace one or many forms of social media and reap its benefits. Figure 6 provides a list of major nonprofits that use social media sites extensively. An organization is doomed for failure if they simply choose to ignore social media and believe that it is just a trend that will eventually fade away.

**Figure 4: *Effective Social Media Sites & Alexa Ratings***

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<b>Category</b>	<b>Site</b>	<b>Alexa Rating</b> <b>U.S./Worldwide</b> <b>Mar. 1st 2011</b>
<b>Video</b>	<b>YouTube</b>	<b>4/3</b>
	<b>Metacafe</b>	<b>343/255</b>
<b>Images</b>	<b>Flickr</b>	<b>24/34</b>
	<b>Photobucket</b>	<b>63/118</b>
<b>Micro-blogging</b>	<b>Twitter</b>	<b>8/10</b>
	<b>Loopt</b>	<b>39,469/87,933</b>
<b>Social Networking</b>	<b>Facebook</b>	<b>2/2</b>
	<b>Myspace</b>	<b>36/62</b>
<b>Consumer Reviews</b>	<b>Yelp</b>	<b>41/226</b>
	<b>Kaboodle</b>	<b>932/1,829</b>
<b>Professional</b>	<b>LinkedIn</b>	<b>12/19</b>
	<b>SlideShare</b>	<b>53,153/155,146</b>
<b>Check In Sites</b>	<b>FourSquare</b>	<b>608/944</b>
	<b>Gowalla</b>	<b>3,500/5,431</b>
<b>Social Bookmarking</b>	<b>Digg</b>	<b>82/133</b>
	<b>StumbleUpon</b>	<b>65/132</b>
<b>News</b>	<b>Reddit</b>	<b>52/148</b>
	<b>Propeller</b>	<b>13,306/62,882</b>

### *The importance of a social media marketing strategy*

Before blindly introducing a nonprofit organization to the social media world, it's important to enter with a strategy and to set realistic and measurable goals. Without a strategy and goals there is no accurate way to measure the success of the actions being taken. An organization must be prepared to devote a fair amount of time to monitoring and maintaining its social media presence. A 2010 benchmark study conducted by M+R Strategic Services found that among nonprofit organizations currently engaging in social media marketing, the average post on their Facebook page six times per week, and also generated Twitter messages four to five times daily.

**Figure 5: Social Media Platform Overview**

<b>Platform</b>	<b>Average Age</b>	<b>Average Age Range</b>	<b>Gender</b>	<b>Income</b>	<b>Education</b>	<b>Active Users</b>
<b>Facebook</b>	38	25-44 (64%)	Male: 45% Female: 55%	75k- \$99,999 (30%)	Some post- secondary (52%)	500+ mil.
<b>Twitter</b>	39	25-44 (57%)	Male: 48% Female: 52%	25k- \$49,999 (33%)	Some post- secondary (48%)	175 mil.
<b>Youtube</b>	38		Male: 48% Female: 52%			300+ mil.
<b>LinkedIn</b>	44	35-44 (33%)	Male: 60% Female: 40%	50k- \$74,999 (25%)	Bachelor's Degree (41%)	90 mil.
<b>StumbleUpon</b>	39	25-34 (30%)	Male: 55% Female: 45%	25k- \$49,999 (37%)	Some post- secondary (52%)	10.6 mil.

<b>Digg</b>	39	25-44 (61%)	Male:68% Female:32%	25k- \$49,999 (29%)	Some post- secondary (41%)	
<b>Flickr</b>		25-44 (54%)	Male:52% Female:48%	25k- \$49,999 (32%)	Some post- secondary (43%)	
<b>Slideshare</b>			Male:  Female:			
<b>Reddit</b>		25-44 (65%)	Male:76% Female:24%	25k- \$49,999 (27%)	Bachelor's Degree (39%)	

**Source:** <http://www.socialtimes.com/2010/04/demographic-of-the-7-most-popular-social-media-sites-infographic/>

However, there will be a trial and error period for each organization to find the optimum level of posts. Too few posts or interactions will not provide optimal engagement levels, and too many is likely to be seen as irritating, and many will unsubscribe from future communications.

When first entering social media it is best to start small and then build up from there. Having too many profiles to maintain can be very time consuming and difficult to control or maintain. It is worse to have an inactive and outdated profile than none at all. Starting with two platforms in a social media marketing strategy is ideal, and can be realistically maintained. For most organizations, Facebook and Twitter are good platforms to begin with, due to their broad and extremely large user bases. Currently, there are over 500 million active Facebook users, and in excess of 175 million Twitter active users. Of these users, over 50 percent view their profile several times daily.

**Figure 6: Nonprofits Using Social Media (by sector)**

<b>Organization Type</b>	<b>Examples</b>	<b>Social Media Use</b>
<b>Health Advocacy</b>	American Cancer Society	Facebook: 219,049  Twitter: 104,366

	Special Olympics	Facebook: 99,636 Twitter: 7,383
<b>Education/Youth</b>	Bill & Melinda Gates Foundation	Facebook: 141,913 Twitter: 497,870  Facebook: Twitter:
<b>Environmental Conservation</b>	World Wildlife Foundation (WWF)  Greenpeace	Facebook: 428,695 Twitter: 67,142  Facebook: 84,367 Twitter: 32,226
<b>Relief</b>	American Red Cross  Doctors Without Borders	Facebook: 274,696 Twitter: 331,404  Facebook: 377,315 Twitter: 91,827
<b>Community</b>	YMCA of the USA  Boys & Girls Club	Facebook: Twitter:  Facebook: Twitter: 4,428
<b>Animal Welfare</b>	PETA (People for	Facebook: 981,824

	the Ethical Treatment of Animals)	Twitter: 123,227  Facebook: 493,424  Twitter: 38,405
	Humane Society of the United States	

Source: <http://jeffhurtblog.com/2010/04/19/14-social-media-stats-nonprofit-organizations-should-consider/>

Considering that the majority of social media users have profiles on multiple platforms, it is beneficial to post slightly different communications from one site to another. Doing so will eliminate viewer redundancy, and provide more opportunity for engagement. To ensure that communications are consistent and portray the brand image, content for posts can be derived from the organizations official website.

*Use social media and the website as complementary platforms to engage supporters*

An important item to note is that social media marketing isn't generally very effective for fundraising, and doesn't always provide immediate results. However, it is proving to be extremely effective for raising awareness and increasing exposure. Social media is a great tool for building relationships and further engaging supporters, to cultivate a new generation of supporters and donors. To increase the likelihood of donations and a deeper level of engagement, social media should be used as a tool to link the viewer back to the organization's homepage, where they can be further persuaded to take action.

*Appoint a number of brand stewards to execute the online branding strategy*

Instead of having one single person mitigate and generate all online content, organizations should consider forming a group of ambassadors from within various areas of the organization. These brand stewards should exemplify the values of the brand, be especially aware of the organizational mission, values, and vision, and be thoroughly trained on the sort of content that is desired. Dividing this large task will create more frequent communications and more comprehensive perspectives and content. Having several individuals mitigating and generating online content will also minimize response time to potentially damaging content and will help the organization establish and maintain credibility.

However, content should be filtered through one central person to ensure that the communication is true to the brand's values and objectives, and also to create a uniform voice for the organization.

## **Return on Engagement**

Although the social media revolution is undeniably changing the communication process, many are

skeptical of the actual value of incorporating social media in the business plan. There has been much debate on the actual return on investment (ROI) of social media engagement, and how it should be calculated. Return on engagement (ROE) is the preferred industry term for measuring the value of social media marketing, as opposed to the more common term, ROI.

Setting clear and measurable goals is the necessary first step for measuring ROE. Once a goal has been set, key performance indicators (KPI) should be determined. Figure 7 relates social engagement levels with key performance indicators. For instance, if the primary goal is to increase brand awareness, a valuable KPI would be the number of unique page views. To measure a slightly deeper level of engagement repeat traffic can be measured. Similarly, if the

**Figure 7: Social Media Engagement & Key Performance Indicators**

<b>Engagement Level</b>	<b>Depth of Engagement</b>	<b>Key Performance Indicator</b>	<b>Behaviors</b>
<b>Owner/Leader</b>	Highest engagement	Creating	Frequent deep involvement and acts as a leader
<b>Contributor</b>	High engagement	Critiquing	Active involvement in the organization
<b>Endorser</b>	Moderate engagement	Chatting	Sporadic and limited involvement
<b>Follower</b>	Low engagement	Collecting	Regular indirect communication
<b>Casual Observer</b>	Passive	Clicking	Occasional indirect communication

Source: M+R Strategic Services: 2010 Nonprofit Social Media Benchmark Study; An Analysis of Growth and Social Engagement Metrics for Nonprofit Organizations goal is to convert “followers” to “endorsers”, a strong KPI would be the number of likes, favorites, tags, or retweets. It is essential that metrics be developed to measure ROE, in an effort to determine the effectiveness of communications.

Unfortunately, there is no single correct way of determining the ROE, as every organization is different and most likely has a slightly different set of objectives. The intention of incorporating social media in a marketing plan is not to directly make sales or increase revenue; rather, to engage with



supporters and potential supporters in an effort to connect and build a more solid, lasting relationship.

## **V: Concluding Comments**

The majority of nonprofits, particularly the regional and local nonprofits, operate on a very limited capital. Hence marketing budgets must be reevaluated and dollars shifted to new practices to operate more effectively. Traditional (and costly) marketing avenues such as television commercials and print ads are losing the effectiveness they once had. The demand for print publications and traditional television viewing are both rapidly declining, and the same level of exposure isn't provided from these sources as they once had. Many consumers of these markets have migrated to viewing the same, or similar, content online.

Meanwhile, social media web traffic is quickly escalating, and these platforms are also generally free to participate in. However, with the incorporation of social media in the marketing plan, more of the budget will need to be dedicated to labor. Maintaining and monitoring a brand's online presence can be quite labor intensive, especially as online and social media penetration deepen.

We believe that the social media and the online environment offer a unique opportunity for nonprofits to execute branding strategies comparable to for-profit organization but on a limited budget. As our research suggests, an implementable branding strategy for nonprofits to survive and even thrive in the difficult economic condition we face today is imperative or is essential.

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[1] We acknowledge the assistance of Aishariya Bandyopadhyay in background research. The first author acknowledges the financial support from Indiana University Northwest Research Support Grant and the Byron Root Foundation. The second author thanks Indiana University Northwest for an Undergraduate Research Fund. The second author also acknowledges the internship offered by the Lubeznik Center of Arts in Michigan City, Indiana.