#### O N L I N E

### **Professionalism versus sincerity**

From your own online explorations, you know the difference between e-mail and your website. Effective e-mail is aggressive, demanding attention, offering multiple 'click here' options and suggesting irresistibly why the target-individual should perform that click. Websites sit placidly, waiting for visitors to arrive.

Nonprofits that cede total control of their websites to commercial webmasters run a peculiar risk: they can preside uneasily over too slick a site, mirroring commercial enterprises.

This deep into web ubiquity and dominance, slickness can be a serious detriment, because it can negate sincerity.

In many conventional messages, in print and for that matter in one-to-one presentations, overproduction not only can be as negative a factor as underproduction; it can be even more negative a factor because the cost-per-contact is considerably higher.

So what criteria should you apply to your sites, assuming the ego factor is out of the way and recognition of the competitive nature of all fundraising is accepted? Here are a few criteria:

Primary – Of what value is the site in explanation and recruitment? Is it just a 'blah' repetition of the 'we need help' cry? Is it a 'how fine we are' crowing? Or, is it saturated with sincerity, promise and guileless authenticity?

Primary – Does it offer the visitor an

opportunity to explore, within its rhetorical catacombs, each level adding to the power that engenders the exploration?

Primary – Does it imply a uniqueness in both mission and achievement, so an action resulting from the visit supplies ego-food for the donor? (Ego-food for the donor is a giant key; ego-food for the webmaster is a mistake.)

Secondary, but not insignificant – Is the site well organised and visually attractive without seeming so formidable the potential donor feels relegated to a position of minor importance?

Third, but not insignificant – Is the terminology bright, contemporary, and intellectually non-threatening?

The web is the most emotion-laden mass-communication medium to ever present itself, not just to us in the nonprofit arena but to any person, business, structure, government branch, religious institution, or worthy or unworthy enterprise seeking to convince powerfully enough to initiate a positive beneficial action.

Because of its potency and universality, you can find as many options of what works and what doesn't as there are commentators willing to risk such options.

These are mine.

Herschell Gordon Lewis is the principal of Lewis Enterprises, Fort Lauderdale. Visit www. herschellgordonlewis.com.

Adapted from The NonProfit Times, July 15, 2006. Visit www.nptimes.com



ere's a round up of great conferences coming up in 2007:

Fundraising Institute of Australia. FIA's 30th International Fundraising Conference. 24-27 February 2007, Grand Hyatt Melbourne, Australia. Visit www.fia.org.au

Association of Fundraising Professionals 44th International Conference on Fundraising. 25-28 March, Dallas Convention Centre, USA. Visit www.afpnet.org

South African Institute of Fundraising.

SAIF Biennial Convention. 12– 14 September 2007, Boksburg. Visit

www.saifundraising.org.za

National Catholic Development Conference 'On the Rise: Catholic Fundraising 2007'. 13-16 September, Phoenix, USA. Visit www.ncdcusa.org

The Resource Alliance 27th International Fundraising Congress. 23-26 October, NH Leeuwenhorst Hotel, Netherlands. Visit www.resource-alliance.org



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#### Downes Murray International

Downes Murray International are fundraising consultants, working with non-profit and non-government organisations of all kinds, to increase their fundraising effectiveness.

We offer feasibility studies, strategic planning workshops, direct mail fundraising, mail/phone, corporate and capital fundraising campaigns, Internet fundraising and website design, church fundraising and bequest promotion programmes. In addition, Downes Murray International has close links with a number of fundraising consultancies across the globe, and represents DVA Navion International Consultancy in Africa, enabling us to keep a finger on the pulse of international trends and techniques. For more information contact your nearest office.

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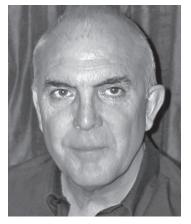
e-mail: justin@dmi.co.za

# FUNDRAISING

Number 74 December 2006

#### Published by Downes Murray International

## New privacy laws on the cards



Two new draft pieces of legislation have recently been presented to the public for comment prior to them being presented to Parliament and gazetted into law. Andy Quinan explains.

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The new laws are the Protection of Personal Information Bill (the PPI Bill) from the Department of Justice and the newer Consumer Protection Bill (the CP Bill) from the Department of Trade and Industry.

The Direct Marketing Association (DMA) of South Africa has spent 10 months drafting submissions on these two new bills, in a marathon effort to give the law drafters valid legal and practical reasons to amend the proposals to prevent potentially disastrous economic consequences.

#### International practice

The many submissions were crossreferenced with internationally accepted practice from the European Union and elsewhere, showing how other countries balance the need for strict regulation of data privacy with the need to promote economic growth.

Corporates such as Sanlam, Edcon, Foschini and Telkom also presented submissions after consultations with the DMA and in support of the DMA's submissions.

The South African Contact Centre Community (SACCCOM) also endorsed the DMA's submissions. The DMA also aligned itself with Business Unity South Africa (BUSA) to prepare submissions regarding the CP Bill.

Both bills looked like having a major impact on the direct marketing and fundraising industries, but we are relieved that the DTI has dropped a very restrictive section of the CP Bill after taking note of the submissions by BUSA and the DMA.

The DMA Legislation Sub-Committee's first task was to tackle a submission on the PPI Bill. They met with the SA Law Commission, and were also strongly represented at the SA Law Commission's consultative workshops in Cape Town, Johannesburg and Pretoria.

The problematic issues in the PPI Bill are firstly the constitutional right of privacy, and the delivery of that right to the individual. It is the DMA's view that this right as expressed in the bill overrides the right of freedom of trade and the right to access to information, to too far an extent.

The key issue is the interpretation of 'consent' and the right to store consumer information on a database and use it for

marketing purposes. The PPI Bill in its first draft is definitely asking for 'opt-in' – consent is required before you contact a consumer.

The DMA prefers the 'opt-out' option, where we can contact people without consent, but an individual has the right to opt-out via a national 'do not contact' database. This issue is fundamental to the existence of the direct marketing and fundraising industries as many of the lists we use don't have any 'consent' from the people on these lists. This means we could be cut off from the prospect lists that form the heart of our business.

However, the SA Law Commission has been quite receptive to our arguments and we can hopefully continue to influence the law makers to see things our way.

The interpretation of confidential information is another key issue. The PPI Bill sees all information about an individual as confidential but the DMA offered the option of separating simple contact information from more sensitive and confidential information such as religious affiliation and financial status.

#### Compliance

It has been an underlying objective of the PPI Bill to make South Africa compliant with EU data legislation in order to aid the country's drive to be a worldwide contact centre/BPO competitor. Taking the route we suggest would take the sting out of the bill for business, but still make South Africa EU compliant and keep the privacy of an individual's confidential information protected.

The PPI Bill brought in the prospect of more bureaucracy in the form of the Privacy Commissioner, to control the registration of all databases and oversee the movement, security and integrity of all consumer data.

While the DMA is concerned about the extra administration requirements, it is generally supportive of additional measures to promote integrity and security of information.

We are waiting for the second draft of the PPI Bill with some anxiety, but we are ready to continue the fight to protect our industry's interests and the right to access to information.

Andy Quinan is managing director of Database Solutions, a direct marketing consultancy and list broking business, which operates the www.listsa.co.za website. He is a board member of the DMA and chairman of their Legislation Sub-Committee.

# Waste not, want not

**C**all me a 'grumpy old man' if you will – but I become really upset when I see reputable charitable organisations throwing money away on hopelessly poor methods of fundraising. Just recently, there have been many

SMS-based campaigns, and the tragedy here is two-fold. First consider the advertising costs often including radio, press and billboards.

> And secondly, the fact that there may be the really tragic result that the charity ends up not knowing who donated to them – so they have failed to gather names and addresses of new donors, who can be re-approached and encouraged to become regular supporters.

Having made a few enquiries, I have established that the charity can get the cell phone numbers of those people who SMS'd their donations. But without knowing the names of the donors, this means that they have to embark on a

time-consuming and very expensive exercise of telephoning each one of them and trying to persuade them to become a regular donor and/

or give their names and addresses, so that they can be mailed.

The next wasteful method of attempting to recruit first time individual donors is the use of large and expensive advertisements.

Once again, this is

an example of charities throwing away good money on a medium which has proved beyond doubt to be far less cost effective than direct mail.

The sad truth is that very few donors take the trouble to respond to press or magazine donor recruitment advertisements and the 'cost per new donor gained' is usually exorbitant.

#### **Brand-building**

In fact, if you were using direct mail to recruit new donors and were offered a free magazine or newspaper campaign, you would be far wiser to use the advertisements to build your brand and create advance publicity for the theme of your mail appeal before the donor acquisition mailing arrives in people's post boxes.

A little tip: if you have a website which allows donors to make secure gifts online, then ensure that your latest mailing is prominently featured on the first page.

Compare these methods, to a well-written appeal letter, with good photographs and an emotive ask and a pre-addressed donation form with a series of donation amounts and descriptions.

The donation form has both credit card and debit order options and is accompanied by an addressed envelope (which may not require a stamp) and finally, it's all there in the potential donor's hands and not competing with the news or other magazine articles for their attention.

#### Carefully directed

This is why direct mail has never been overtaken by any other method of acquiring those all important first time individual donors. And your direct mail acquisition package is not a shot gun approach to all the readers of a newspaper or magazine – but is carefully directed to well chosen lists of mail-responsive people.

People who are known to have sufficient money to make purchases through the mail or who read the type of publication that is known to be read by other potential donors.

Of course, the Internet is becoming a fast-growing means of recruiting donors (especially in an emergency or crisis) and e-mail communication is growing in usage as a method

"Once again, this is an example of charities throwing away good money on a medium, which has proved beyond doubt to be far less cost effective than direct mail."

of communicating with your donor community – but at the moment, direct mail remains far and away the most cost effective method of identifying large numbers of new individual donors to your cause – and surely you have a duty

as a nonprofit organisation to spend money as wisely as you possibly can rather than throwing it away?

To my knowledge, the United Kingdom is the only country in the world where press advertisements are still used to recruit donors with some degree of success.

So, there's no excuse for poor usage of funds to recruit new individual donors when there is ample free expert advice available from fundraising magazines, books and newsletters to prove which methods of donor acquisition work best.

As this is the last issue of *Fundraising Forum* for 2006, may I wish you all the very best for the holiday season and a highly successful fundraising year in 2007?

And may I share with you my New Year's resolution – to be a whole lot less grumpy and critical of the bad fundraising going on around us – and to focus on the positive and good things which you can do to increase your fundraising income!



Terry A Murray is former chairman of Downes Murray International and recently retired president of DVA Navion South Africa.

## When the money doesn't come in

ike any creative endeavour, the ups and downs of writing direct mail fundraising copy can be a roller coaster of emotion. But it gets particularly tricky when you do your job by crafting a warm, cohesive and compelling package . . . only to learn that the money just doesn't come in as expected.

That's when the finger-pointing can begin. And when the writing can become an easy target in the blame game of an underperforming package. But the reality is there is always a variety of individual and interconnected factors that come into play.

Yes, copy is critical. And yes, it can interest, entertain and motivate people to send money. But we're the first to admit it: there's a lot more that goes into the success – or in this case, the failure – of a direct mail package!

So here's a checklist of reasons why a package might not do as well as intended – wordsmithing and copy notwithstanding.

#### Find the right audience

You've heard the old adage that in real estate, it's 'location, location, location'. Well, in direct mail, it's 'list, list, list'. The general rule of thumb is that 60% of a package's success is premised on getting the mailing into the hands of the right people. In acquisition, that means finding those lists that will be particularly responsive to your message. In a housefile mailing, proper segmentation of your donorbase can be equally important.

#### Find the right time

The best direct mail

should disaster strike

when it's in the mail.

package can fall victim

to dismal response rates,

An election is coming up and the mail's flooded with political

FLOOD

VICTIMS

pieces. Maybe there's a major holiday on the horizon. Or the unexpected occurs, like a hurricane, terrorist attack, or other national or international emergency. Oops! If you've just dropped your latest mailing – especially an acquisition package – and your audience's attention is significantly diverted elsewhere, results can be pretty dismal. Sometimes, it's a matter of checking the calendar. In other instances, it just boils down to bad luck, pure and simple.

#### Find the right topic

What you write about – its relevance to those receiving your mailing and how it resonates with your audiences – is another key element to success. But more often than not, the writer is taking creative direction from someone up the food chain: especially when it comes to the topic. So it's a classic case of don't blame the messenger if the message is off base.

#### Find the right offer

In the case of membership organisations with lots of tangible benefits, making the offer as attractive as possible will undoubtedly have a major bearing on results. For other nonprofits, it's the gift string that can make or break a package. That's why testing Ask amounts in acquisition – and personalising Ask amounts based on a donor's previous giving – is so critical.

#### Find the right envelope

It takes a recipient between 7 - 10 seconds to decide whether to open an envelope . . . or toss it. So the last thing you want to do is shoot yourself in the foot with an ineffective outer. The look, size and even feel of an envelope is key to getting it opened – along with any teaser copy you may, or may not, decide to use.

#### Find the right components

What's included in that envelope counts, too. For instance, a generic brochure or insert can bog down an appeal's message – and response rate. So can a reply device that's confusing or

doesn't fit handily into the reply envelope. Meanwhile, mangle the recipient's name, and you might very well lose a gift. And the amount of personalisation – if any – may also play a role.

40 Killed in BLASTS

Hurricane destroys towns

Managing editor Deborah Block and Paul Karps are partners in BK Kreative, 1010 Varsity Court, Mountain View California, e-mail bkkreative@aol.com The success of any direct mail fundraising programme relies on much more than a well-crafted package, as Deborah Block and Paul Karps explain.

With acknowledgement to Mal Warwick's newsletter November 2006 Visit www.malwarwick.com

### A measurable, brand-building strategy is more than a tag line The call to action

Have you considered the benefits of distilling your mission statement into a call to action? Paula Oyer Berezin and Julie Hogan tell how two organisations have successfully translated their mission statements. Often a call to action encourages consumers to purchase a product and a donation goes to the cause.

A call to action can spur citizens to take part in a run or walk to benefit a cause, or it can encourage consumers to 'vote' with a purchase or take an action to further an advocacy effort.

Many top tier nonprofits are successfully deploying calls to action in lieu of tag lines that simply state their missions. A call to action done right can:

•Translate the essence of your mission with a memorable, simplified message;

•Provide a compelling statement for cause (related) marketing promotions;

•Utilise a unique communication expression specific to your cause, which is preferable to general statements like 'Make a difference' and;

•Be tailored to reflect a specific programme or individual partner's needs.

Developing your organisation's call to action is an educational, consensus-building process.

Essentially you want to translate your organisation's mission into a short, actionable statement that can be applied to a multitude of marketing campaigns and different partners.

If your mission is hard to narrow in scope, a call to action can be your organisation's tag line that you make actionable.

For example, the Susan G. Komen Breast Cancer Foundation's mission is: 'To eradicate breast cancer as a life-threatening disease by advancing research, education, screening and treatment'. The essential message for Komen is finding a cure for breast cancer, resulting in one of the most recognisable and successful calls to action: *For the Cure*.

#### Core message

America's Second Harvest – The Nation's Food Bank Network's mission is: 'To create a hunger-free America. We distribute food and grocery products through a nationwide network of certified members, increase public awareness of domestic hunger and advocate for policies that benefit America's hungry'.

The core message to America's Second Harvest's mission is ending hunger. The result: their branded call to action became *Ending Hunger* or, depending on the promotion, *To End Hunger*.

While America's Second Harvest uses a verb phrase in 'end' or 'ending', Komen's short phrase of *For the Cure* works as well. In any case, you want to set up your organisation's call to action to be easy to attach to a verb to make the call to action tag line an actionable – and marketable – statement.

Here are some great examples of how

Komen and America's Second Harvest put their calls to action in place with corporate partners. Among Komen's many high profile *For the Cure* promotions, one standout is KitchenAid and its *Cook for the Cure*<sup>®</sup> programme, designed to appeal to consumers who enjoy cooking and are likely to support a worthy organisation at the same time. *Cook for the Cure* is more than a transaction donation-with-purchase tie; it employs co-branded products, special events, grassroots initiatives to aid supporters in hosting their own *Cook for the Cure* fundraising dinners and more.

#### Brand building

KitchenAid heavily promotes its tie to the foundation with co-branded materials and a dedicated website. To date, the relationship has raised more than \$3 million for the Komen organisation in addition to brand-building.

America's Second Harvest created an actionable programme utilising its call to action through a retail-targeted *Shop to End Hunger* programme, a turnkey initiative to engage retailers and their vendors. The *Shop to End Hunger* branded logo utilises America's Second Harvest's core colours as well as integrates the cause's name and logo.

Within the first year of launching the call to action, America's Second Harvest has brought in three retailers to participate. One aspect to employing a call to action programme is that sometimes a corporate partner, often a retailer, will want to customise the programme to a greater degree.

Both Komen and America's Second Harvest have integrated their call to action partner promotions within deeper relationships, epitomising philanthropic marketing partnerships with numerous touch points that strive to further the causes' missions.

More and more the nonprofit industry is seeing call to action promotions as a marketing strategy that works – and that can translate to most nonprofit genres.

Between drilling down into your mission to find the core message and determining the right partners to activate the concept, most causes can find success with a call to action.

Paula Oyer Berezin and Julie Hogan are with Social Capital Partnerships in Chicago, a consultancy dedicated to building sustainable partnerships between nonprofits and corporations.

Social Capital Partnerships is an industry authority on philanthropic marketing working with The NonProfit Times and American Marketing Association.

Visit www.socialcapitalpartnerships.com

With acknowledgement to The NonProfit Times August 15, 2006 Visit www.nptimes.com



# Taking food to where it's needed most

n 1999, Bianca du Plessis – while working on a film set in Cape Town – was appalled by all the food which was going to waste every day.

She decided something had to be done about it. And so something remarkable began.

In just a few months, Bianca had raised enough money to start her brainchild – FEEDBACK Food Redistribution. And it wasn't long before she delivered the first food to hungry people living in the poorest neighbourhoods.

By November 2002, one million kilograms of donated food had been delivered to the hungry.

Today FEEDBACK in Cape Town and Johannesburg each deliver food to provide more than 10 000 meals each day.

Since then they have opened branches in Durban – delivering 300 000 meals each month – and a new branch in Pietermaritzburg delivers 95 000 meals monthly.

FEEDBACK does not give food to individuals, but rather to legitimate, approved organisations that give desperate people in their communities a hand up, not a hand-out.

No money changes hands in the collection or delivery of food – generous friends make it possible for FEEDBACK to redistribute food free of charge. To the people who need it most.

Visit www.feedback.org.za (Readers are invited to submit photographs, together with a brief overview of their organisation's work, for inclusion in this regular feature.) Every day tons of good quality, excess food goes to waste. But FEEDBACK Food Redistribution is doing something about getting that food to people who would otherwise go hungry.

# FUNDRAISING

Fundraising Forum is a regular newsletter dedicated to the enhancement of management, fundraising techniques and the promotion of community service, welfare and not-for-profit organisations of all kinds.

It is published by Downes Murray International and circulated, free of charge, to anyone with an interest in the growth and improvement of the non-profit sector and those served by it. In addition to regular features written by Downes Murray International staff, there are extracts from worldwide fundraising publications which are reprinted with acknowledgement to the publishers.

We welcome submissions for publication from all writers involved in not-for-profit work.

Visit www.dmi.co.za

### Milestone Thinking

On-target observations in brief

Pick the single most appealing or urgent aspect of your work and base your appeal on that; avoid trying to cover all your projects and needs in one appeal. *Visit www.dmi.co.za* 

The perception that an organisation is well managed and its money well spent drives long-term giving, more so even than the personal connection to an organisation or cause.

> With acknowledgement to The NonProfit Times July 1, 2006

Acquiring new members or donors is one of the biggest challenges in the fundraising world – and typically the most costly. The second most difficult task may very well be getting these new supporters to renew their commitment for a second year. *With acknowledgement to Mal Warwick's Newsletter May 2006 Visit www.malwarwick.com* 

Too few charities use their board members to help promote their organisations to companies and other potential donors. *With acknowledgement to The Chronicle of Philanthropy March 9, 2006* 

How often do you invite the persons who make up your entire mailing list to consider your charity in estate plans? Be conscious about conveying that message regularly – in your newsletter or magazine, in presentations and during one-on-one calls. *With acknowledgement to Successful Fund Raising May 2004, Vol XII, No.5* 

Monthly giving programmes are one of the best ways to reduce donor attrition and upgrade a donor's giving level. *With acknowledgement to The NonProfit Times June 15, 2006* 

Use a premium that relates to the mission or a programme of your organisation. With acknowledgement to The NonProfit Times July 15, 2006

#### WIN OR BIN?

# Our mystery donors have received a Mixed bag in the mail

Downes Murray International's creative director, Richard Solomon, reviews some of the appeals that our mystery donors have received over the past few months.

то

t's one thing to send your donors a wellcrafted appeal letter featuring strong, emotive photographs to back up the copy.

But it's another thing to repeat the message too often.

That's the main thought we had with the 'Urgent letter package' we received from the International Fund for Animal Welfare (IFAW). The package consisted of an oversized

Permit Mail 8

outer envelope printed in bright red and black, a two-page American 'letter' sized letter, two sheets of personalised address labels (56 labels), a reply form, a slip describing the backend premium, a note to recipients who decide not to donate, another 'letter' sized letter describing the monthly giving concept, and a pre-addressed pre-paid reply envelope. Whew! That's seven pieces

in the envelope.

Our concern was that besides repeating the message – why people should sign up as a monthly donor – a 'Champion for Animals' – the donor might be distracted by all the separate enclosures.

But thumbs up for a well-crafted appeal letter, which we think could have stood alone, without the note to people who don't donate, the letter explaining the monthly giving concept and the slip describing the back-end premium, a fluffy toy dog.

Besides reducing costs, this would also have reduced the 'noise' and distraction of having to sift through all the separate pieces.

Urgency

**Cotlands Babies** 

Medicate

8

We'd also suggest careful use of the word 'urgent' when describing an ongoing need, rather than a once-off emergency. Use it too often and your donors may suspect that you're 'crying wolf.

Next up is an appeal from Cotlands, which consisted of a DL outer envelope printed in two colours and featuring the organisation's logo, a

Clothe

DL donation form, a pre-addressed pre-paid envelope and an A4 sheet of cardboard with paper dolls printed in full colour (see left).

There was no appeal letter, which we felt was a missed opportunity.

Nothing can quite beat a well written appeal and photographs of children and babies which pull at the heart strings.

There was also no explanation as to the inclusion of the paper dolls. We guessed they served to illustrate the children's needs, but they were far too small to actually cut out.

We'd suggest replacing the sheet of paper dolls with a great letter, explaining the needs, with real stories, telling donors how their gift will make a tangible difference.

The only 'ask' I could find was an 11-word lasered message on the donation form.

No ask

Then there's a pack which we received from Guide Dogs with a PS which baffled all of us!

The pack consisted of a manilla DL-sized outer envelope featuring the organisation's logo, an A4 sheet Z-folded and a fridge magnet.

Now the thing about the PS which confused us was that it told the donor that the pack was not an appeal, but if they'd like to help cover the cost of the magnet and the postage, they were welcome to make a donation specifically for that purpose.

The letter copy mostly thanked the donor for their support, and described how their generosity helps to breed, train – and place – guide dogs with blind people.

Our concern was the old adage 'if you don't ask, you don't get'. And while we realise the importance of acknowledging and thanking donors for their support, we think there's a missed opportunity to ask donors to renew their support.

I also felt that existing donors are probably quite well aware of the organisation's work, and describing it in this brochure-format letter was perhaps not necessary.

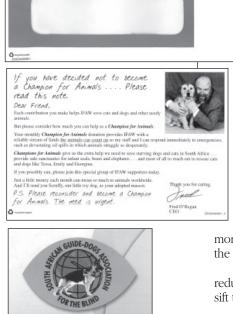
What we'd have suggested is a strong appeal based on a real case history – either someone who has received a guide dog, or someone who's waiting for one.

Including actual costs – of a harness, an hour's training for a blind person, a month's food – would have further strengthened the appeal. And motivated the donor to continue their support.

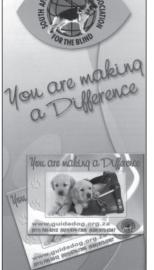
#### Appealing

There was no pre-addressed reply envelope enclosed, meaning donors would have had to find one and address it, not making it easier for them to send their gift.

Appealing photographs of the dogs brought the brochure to life. Despite a few shortfalls, we suspect some donors might have sent a donation, regardless.



URGENT LETTER PACKAGE



### How different are you from the charity down the street? Manage your brand!

**N** onprofits have some of the strongest, most widely-recognised brands in the national consumer marketplace.

From the United Way to the scouting organisations to the YMCA, nonprofit brands are as strong, if not stronger, in consumer recognition than many commercial brands.

But for every widely-recognised national brand there are literally thousands of well-known local brands in every geographic area.

In fact, it can be said that every nonprofit beyond the start-up stage has some level of brand strength. That means that it has an asset that can be helpful in accomplishing its mission. So the real question is how one manages the brand.

#### Elements of a brand

A famous ad man named David Ogilvy famously defined a brand as 'the intangible sum of a product's attributes: its name, packaging and price, its history, its reputation, and the way it's advertised'. Add two other important elements to the statement: an implicit promise about what one's experience with the brand will be like, and all the people and systems that go into ensuring that those experiences are reliable.

A less well-recognised aspect of the brand experience for consumers is that a successful brand reduces the buyer's risk.

#### **Taking control**

Streetsmart managers know that the power of the brand lies in its ability to persuade funders, consumers, and other stakeholders that they will get the same top quality results each time they use the service.

Some managers think that values are the most important part of the brand experience, but that is only half of the equation. The other half of the equation is replicability.

Many nonprofits are not good at replicability, which is why they're not good at brand management. What they are good at is solving problems in highly individual ways. This earns trust, but does not constitute a brand. When services consist of solving different problems in different ways, one earns a good reputation. When services consist of solving the same problems in predictable ways, one has the makings of a brand.

In many areas where nonprofits are active there are no widely accepted ways of delivering services. In fact, many times this sector gets involved in an area precisely because there are no established ways of tackling the problem and there needs to be some good, thoughtful experimentation. This is exciting and personally rewarding for those involved; it just doesn't necessarily lead to good conditions for a brand name. Only when there is a well-established framework for providing services can a true brand name even have a chance to emerge.

#### Managing multiple brands

A growing number of nonprofits have a different problem: multiple brands. Many forces can make it essential to have multiple brands. Multiple brands are also inevitable whenever a single organisation without a strong centralising brand provides a variety of small programmes.

There are advantages to programmes having their own identity. The most common way to resolve this problem is to have an organisationwide brand that appears in some way in every programme's name. Another approach is to associate the programme brand name with the organisation's brand name.

To see if your brands are separate enough, evaluate them according to these four strategic factors.

#### Additional issues

*Geography.* What geographic territory does each brand cover? Generally this is determined by the boundaries of the bulk of the users and potential users. Geographic separation is a powerful protector of brand integrity.

*Consumers.* Age is one of the most important demographic indicators. If brands have distinctly different demographics they are highly unlikely to conflict.

*Services*. Service models are also a source of differentiation. This indicator tends to work in tandem with consumer demographics, but it also has a separate kind of power. Service models that appeal to some consumers won't work for others. This is one of the weaker sources of differentiation, but it grows much stronger in connection with one of the others, such as funders as described below.

*Funders.* Finally, funding sources often maintain distance from each other. For those managing the services this is a problem, but for managing the brand it can be of help.

Regard these strategic factors as axes of differentiation. The less overlap a brand has among these factors the easier it will be to maintain its integrity without confusion.

Building a brand takes time and constant attention, and managing it takes even more. But the power of a brand can be a nonprofit's biggest intangible asset, and is one of the ways that it helps shape our culture.

Thomas A. McLaughlin is a national nonprofit management consultant with Grant Thornton in Boston. He is the author of the book Nonprofit Strategic Positioning (John Wiley and Sons, 2006). E-mail thomasmclaughlin@gt.com Are you managing your brand properly? Thomas A. McLaughlin explains why you should be, and how you can go about ensuring that your organisation's brand stands out from the crowd.

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