

Brands govern people's perceptions far more than the necessarily imprecise metrics with which we measure our efficacy. But by not filling form with substance, you risk implosions that harm the field.



The Eight Building Blocks of Strong Nonprofit Brands

by Peter Frumkin

TO SOME, THE VERY IDEA OF NONPROFIT BRANDING is a vulgar topic. No doubt, the nonprofit sector should be about mission, about performance, about excellence. We all want nonprofits to get the support they deserve, and we may sincerely wish that effectiveness were the coin of the realm—but it rarely is. Not only are measures of performance imprecise in many fields, the metrics we do have are incommensurable across fields. For all the talk of social investing and venture philanthropy, the reality is that brands still dominate the capital markets in the nonprofit sector. Decisions about support are a function of what the public thinks a nonprofit is doing far more than what it actually knows about what the organization is accomplishing.

So, what is a brand? It is the construct that stakeholders hold about the identity, including the character, of a nonprofit organization. It is the sum



total of perceptions about what a nonprofit stands for, what it does, and how much social impact it is thought to achieve. Brands are connected to reputations, in that recognizable brands are often, though not always, associated with good reputations. Brands can be tarnished and reputations ruined after scandals or bad press—and in that case, the brand may endure in the awareness of stakeholders but it will no longer be able to contribute to the organization's ability to pursue its goals. Should one be fortunate enough to have a great brand, protecting it becomes an absolute organizational priority. Arguably, it is the most valuable asset in the nonprofit sector, because it is the gateway to all other assets, both human and financial.

But if brands are valuable, why don't all organizations work hard to build them? The answer is that brands and the contributors to brands are caught up in a complex circular logic. At one level, brands are

the product of having necessary resources on hand because of good fundraising and outreach, producing documented results, and putting in place a talented team of managers. At another level, brands *determine* all these things, as strong brands attract more resources and drive acceptance and success.

Untangling causality in the nonprofit sector between how an organization is perceived and what it is actually doing turns out to be a difficult proposition. There are obvious cases where operational excellence in all its forms leads to a nonprofit's breaking through the crowded pack and emerging as a leader; there are also cases

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where organizations build strong brands and then coast for years, independent of what they are actually accomplishing programmatically. Overall, however, nonprofit organizations operate in a world where brands drive many of the key factors affecting success—and success is sometimes, but not consistently, translated efficiently and reliably into brand recognition.

The Eight Building Blocks of Brands

Brands are so valuable because they make the life of the nonprofit so much easier. They open doors, attract support, create buzz, and bring resources that in turn allow the brand to flourish and become even stronger. How can a nonprofit start this snowball of perception and organizational success rolling? One place to begin is by applying the following eight building blocks of brands. (Note that a nonprofit need not have all eight blocks in hand to have a strong brand; a combination of three or four is probably good enough.)

1. Clear Impact Claim

The starting point for a strong brand is having a clear intended impact. It is hard to imagine having a strong brand that is not anchored in a social impact objective that is broadly accepted, consistently relevant, and compelling to multiple audiences. All the clever positioning and communication in the world will not help a nonprofit that is unclear about its objectives and why they should matter to others.

2. Recognized Leadership

Having a big-name CEO in the nonprofit sector is one of the best ways to build a brand. Few nonprofit CEOs possess widespread name recognition. Having a leader whose name is readily associated with excellence is a way to quickly build brand recognition and credibility. Charisma helps a lot, as well. If the leader writes articles, gives speeches, and is seen as an important voice or thought leader in the field, the organization will reap many benefits in terms of brand recognition.

3. Impressive Funders

Winning at the grant game is also a signal moment in the process of building a brand. It is no wonder that many organizations list their funders

prominently on their websites, hoping the glow of monied influencers will convince stakeholders that something important is going on inside the nonprofit. Getting a grant from the Gates Foundation, for example, is a significant event in building a nonprofit brand. If one can claim to have passed the vetting process of influential funders, other donors and peer organizations will take note.

4. Influential Partner Organizations

The company a nonprofit keeps is important. Working with other nonprofit organizations that have big brands can build the reputation, visibility, and brand of the smaller, less well-known organization. Most nonprofits think about inter-organizational collaboration as a way of mobilizing new operational capacity to accomplish program goals more effectively; partnering is also a great way to build a nonprofit brand if the partner organization has the glow of a great and recognized brand.

5. Effective Communications

The story a nonprofit tells about its work can be more important than the work itself—at least when it comes to building a brand. In the past, a great annual report was a valuable sell document. Today, a well-designed website is the coin of the realm when it comes to building a brand. Not only is it often a nonprofit's first point of contact with its stakeholders, it's also where the organization controls how its story is told. Since almost no one challenges the content of organizational web pages, it is the place where a nonprofit can describe its work however it sees fit and however it believes will register best with visitors.

6. Replication

Imitation is the highest form of flattery. If a nonprofit can show that others are replicating its work, this can be a profound brand builder. Many nonprofits operate for long periods of time in obscurity and isolation. Having others pay attention to a nonprofit's work, believe in it, and replicate it are significant signals that something notable is going on in the organization.

7. Organizational Age

Of all the ways that nonprofit brands are built, one is the least complicated and sophisticated: just hanging around over the years. If a nonprofit can survive for decades and keep out of trouble, it will be rewarded with some brand-recognition returns. The failure rate in the nonprofit sector is high, and the number of new organizations started each year is huge. As a result, simple staying power will contribute to a brand, regardless of all other considerations. There is also a sense that the sector is competitive enough that any organization that survives must have something on the ball, and this translates into brand recognition.

8. Budget Size

Of all the annoying injustices of the nonprofit sector, none is as galling as the iron law of budget size. The larger the resources an organization is able to mobilize, the more it is seen as legitimate. Bigger budgets are rarely thought to be a function of caprice but rather the result of real market forces working themselves out to reward

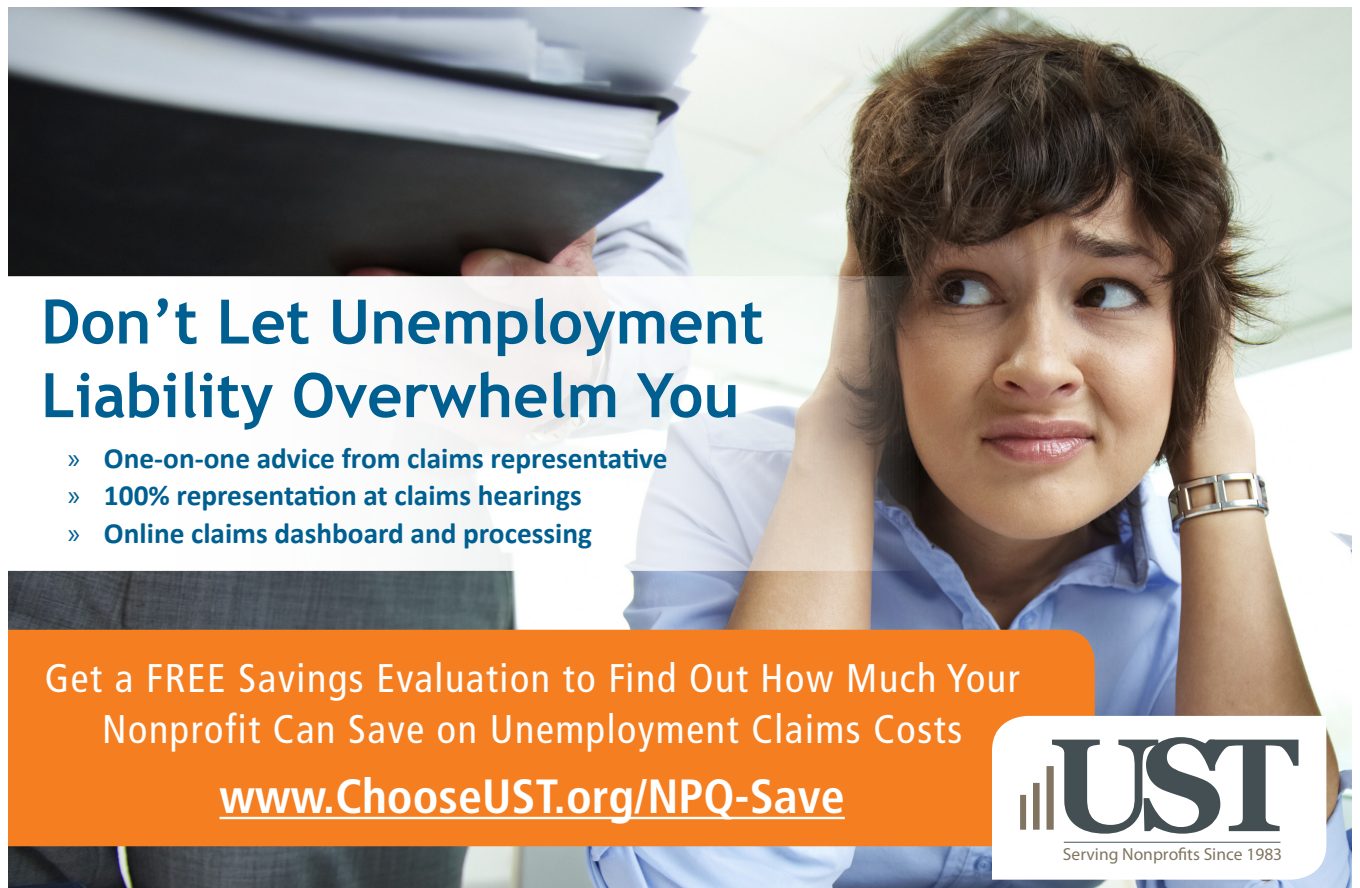
some organizations by directing more resources to them. Bigger budgets also convey a sense of permanence and relevance—rightly or wrongly.

The World Is Not Always Fair

In a perfect world, nonprofits would easily be able to control and construct their brands to drive support and resources. But creating a strong brand is long, hard work; it is a more subtle process than merely creating a new logo or tagline.

Take, for instance, Harlem Children's Zone. Its brand is built on a combination of a long record of working in a geographically defined community and documented results. It is also a function of its longtime, charismatic chief executive officer, Geoffrey Canada, whose work roused a movement in urban education before he stepped down (last year) after over two decades of leadership. And a large part of its brand rests on all the news stories, Harvard case studies, profiles in magazines, and media attention the organization attracts. Harlem Children's Zone has also been replicated in many other locations around the world, giving the model

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Be patient about building your reputation, budget, and brand over time. Realize that the more success you *have*, the more success you *will have*.

a level of confirmation that is surely the envy of many other human service organizations. But this took many years and was not the product of short-term brand-management tactics. In the case of Harlem Children's Zone, there is a fair amount of evidence that brand success and organizational success are reasonably aligned.

One of the clearest examples of brands distorting the market is the former Lance Armstrong Foundation, which translated the fame of its founder into enormous branding successes—from the rubber bracelets bearing the word *Livestrong* to a suite of products ranging from water bottles to clothing, all playing off the yellow jersey worn in the Tour de France by the seven-time bicycle racing champion. As tens of millions of dollars flowed in during the early years, the foundation searched for a way to translate its focus on "survivorship" into an actionable mission. In some ways, its wild branding success made it a reverse nonprofit: loaded with funding and searching for a mission instead of possessing a clear mission and searching for funding.

As money flowed into the foundation's coffers as a result of its founder's athletic triumphs, charisma, and inspirational story of cancer survival, surface financial success fed more perceptions of organizational success. Of course, the entire pyramid of branding collapsed spectacularly when Armstrong confessed to being a cheater and liar. Donations soon fell off a cliff, the name of the organization was changed to the Livestrong Foundation, and the search for a way to relegitimize the charity began and continues to this day.



Rather than dream of a performance-driven nonprofit sector that does not exist or exists only in a few foundation officers' minds, nonprofits would be better served to work hard on building their brands to drive a consistent flow of small, individual donations and increase earned income from clients drawn to their organization's well-known and respected brands. While many of the eight building blocks of strong brands seem hard to control and shape, all nonprofits can take some basic first steps toward building their brands:

- Get clear on mission and intended impact. Even if proving impact is hard, there is absolutely no

excuse for not communicating intended impact cleanly and clearly. A simple sentence that has two parts will do the job best. The first half of the sentence should set out the goal or impact being sought, and the second half should lay out the programmatic model being followed. This sentence is not a flowery mission statement but rather a simple description of the impact that is being sought and the means to that target.

- Understand the different audiences to which the nonprofit will speak over time. Talk to those audiences so that you master how they think and what message they will be most responsive to hearing. Find ways to communicate the intended impact consistently but in different voices that fit the needs of different audiences.
- Scan the funding and nonprofit community for potential allies and partners. Think about why some might care about your work and how you might add value for others. Having something to offer is the best way to start the conversation about support and collaboration.
- Invest serious time and money in a website and collateral materials that truly communicate what you want people to understand your organization does, why it is different from other organizations in the field, and why people should care about the impact you are pursuing.
- Be patient about building your reputation, budget, and brand over time. Realize that the more success you *have*, the more success you *will have*. The self-reinforcing cycle of brand building and resource flow will eventually lift your organization if you do good work and communicate your message effectively.

None of these steps is rocket science; however, few are easy to do—evidenced by the fact that few nonprofits have powerful brands. While much of the talk in the sector has been focused in recent years on effectiveness and strategy, there is an uncomfortable argument to be made that brand management—not performance—is the overlooked pathway to nonprofit growth and success.

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