

## The Importance of Marketing to Nonprofits



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Recently the Atlanta Chapter of the American Marketing Association convened its executive committee for a roundtable discussion on how consumers will be different in 2020—what will they want, how will they relate to brands, and how can marketers best prepare for the changes ahead?

Key takeaways:

- Brands will be loved or be “out.” To be loved, get to know your consumers more intimately, inspire trust and demonstrate loyalty.
- Technology creates new opportunities for “digital intimacy.” Opportunities lie in creating a narrative or becoming part of your consumer’s narrative.
- Be nimble and quick! Set a clear direction, move fast, and be flexible on how you get there.

Another study, “Branding Forward: Navigating a Branding World in the Midst of Transition” ([brandingforwardproject.com](http://brandingforwardproject.com)) uncovered a gem—a significant number of marketers believe there is still a need to understand the fundamentals of marketing, even while embracing change.

So what does all this mean for nonprofit marketers? By now I’m sure that we all agree that marketing is essential for an organization’s survival.

After all, nonprofits are a business; they have customers. Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers—donors, members, volunteers, clients and other stakeholders. And, these relationships result in value for the organization and its stakeholders.

At the heart of marketing is positioning. As described by Philip Kotler, marketer extraordinaire, positioning designs an organization’s image and

value offer so that its customers appreciate what the organization stands for in relationship to its competitors.

Marketing is known to “pull” the audience from where it is to the nonprofit to create a desired action. Communications “pushes” out messages. Positioning is the linchpin between the two.

Positioning flows from the nonprofit’s mission. Positioning guides the organization into the future and works to build an organization’s reputation with its audiences.

Positioning is strategic. Can you think of anything more valuable than a nonprofit’s reputation? And, in this changing landscape where nonprofit’s must be nimble and quick, positioning takes on even more importance in competition to be loved “or be out.”

## **Discovery Process**

The discovery process should be inclusive. I like to convene a blue ribbon panel composed of at least senior management and leadership. Task them to identify their niche in the market, e.g., market leader, challenger, follower or nicher. Chances are people sitting around the table will have a feel for the role their organization plays in the marketplace. Audience discovery phone calls provide insights from the nonprofit’s stakeholders.

If the leadership and staff identify themselves as a market leader, you will have to decide whether to emphasize expanding the total market, protect current market share or expand the market share; as a market challenger, decisions include whom to challenge and how; as a market follower, focus on following closely, at a distance or selectively; or as a market nicher, in what parts of the marketplace the organization will specialize, e.g., which services can be offered through specialization better than larger nonprofits.

The next step involves identifying challengers and collaborators within the niche. Time and again I hear that an organization is unique, that there are no challengers. More unsettling is the belief, especially by leadership that collaboration is not necessary.

Interestingly, as the exercise unfolds, the discovery of challengers (and what they do as well if not better) spurs very dynamic conversations.

SWOT is a tool for auditing an organization and its environment, and is extremely useful. The visioning exercise sets the stage; the SWOT analyzes

the strength, weaknesses, opportunities and threats to your preliminary plan.

Be realistic when you do a SWOT. Be as specific as possible. Here's data from a Georgia-based service provider:

**Internal Strengths:**

- Staff capacity
- Volunteer Corps
- Name is a strength—reporters remember us
- We're in community outreaching to people in Georgia
- Our momentum of change

**Internal Weaknesses:**

- Lack of capacity
- We don't give people a reason to be members
- Lack of events to engage members
- No crisis communications plan
- No board commitment to communications planning

**External Opportunities:**

- Disseminate data to increase partners
- Use data to increase media presence
- Untapped opportunities in Spanish/Hispanic media
- Grant opportunities
- Non-traditional funding sources

**External Threats:**

- Weak economy
- Unsettled political environment
- Potential loss of staff from funding cuts
- Variance in what funders want to support
- Competition among nonprofits for limited funding

Next explore SWOT Interplay. This is where we will look at Strengths and Opportunities, Strengths and Threats, Weaknesses and Opportunities and Weaknesses and Threats.

From this you'll learn:

- Clear matches of Strengths and Opportunities through which you can leverage your strengths to take advantage of an opportunity
- With the organization's Strengths and Threats if you need to mobilize your resources, either alone or through your network, to avert a possible threat
- Judgment calls to invest, divest or collaborate where you have Weaknesses and Opportunities

- The need to do damage control where the nonprofit has Weaknesses and Threats

Once you're finished the discovery process it will be time to write the positioning statement. Don't forget that a mission statement defines the nonprofit's purpose, whereas the positioning statement speaks to the organization's uniqueness.

The positioning statement is internal. All external communications should flow from and refer back to the positioning statement.

Don't forget, "If you don't know where you're going it doesn't matter which way you go!" said the Cheshire Cat in *Alice in Wonderland*.