

Marketing Matchmaker

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This white paper explains the concept of “social branding” and the dynamics of creating social branding relationships between nonprofits and corporate sponsors. It uses marriage as an extended metaphor to explain how nonprofit-corporate partnerships are formed and maintained.

In today’s crazy world of changing times, uncertain values, and selfish suspicions, it’s a match made in heaven; social branding for nonprofits is an idea whose time has come.

The calculus is simple. Nonprofit organizations need dollars to deliver their programs, through which they create a social brand. Corporations need a social brand to distinguish themselves from their competitors, as a result of which they earn dollars. It’s everything you need for a perfect organizational marriage.

Contemporary divorce rates are sufficient evidence to show, though, that marriage is not an easy relationship. The social branding relationship has parallel difficulties: finding the perfect mate; building a relationship; arranging the marriage; learning to live together; coping with the offspring; and alas, when necessary, parting on good terms. In the old-world tradition of matchmakers, consulting companies today are arranging marriages and helping the parties start their conjugal lives together on the best possible footings.

What Will People Think?

Around the world, marriage is a respected institution and everyone loves a good wedding. The social branding match is no exception.

A large body of research now shows that consumers respect corporations that have associations with social issues. Consumers are more willing to purchase products and services from these companies, and even pay a premium to do so. Consumers perceive added value in their purchases when they believe part of the moneys they spend is directed to worthy social causes rather than simply to bottom-line company profits.

By allying with nonprofit organizations, companies establish a positive social brand. Social branding is the process of integrating social initiatives into corporate marketing strategies. A social brand is the image, identity and reputation an organization has earned within the public’s mind. A social brand gives a company a personable, recognizable face. If it’s a face people feel comfortable with, they are more inclined to spend their money.

Every company has some type of social brand. For a company that has not established itself within the social sphere, the brand may be totally neutral – the public associates the company with nothing in particular in the social environment. Or, the public may have a negative perception of a company’s social brand either because of something negative the company has

done, or from just associating the company with a generally negative commercial image (e.g., fossil fuels pollution, high-cost attorneys, hard-sell auto salesmen). Finally, of course, a company's social brand can be improved and inflated by aligning it with a well-respected nonprofit organization.

In the eyes of the public, a marriage is equally good for the nonprofit. Americans give enormous sums of money to nonprofits but hold them to unrealistic demands. They want charitable organizations to function with strong efficiency, delivering services promptly and competently, and they want this to be done on a shoestring. They want charities to have money but not to spend any money on fundraising. Americans prefer to see charitable services coming from community-based nonprofits rather than from big-government agencies, and they are pleased to see big-business ante up toward the costs. Americans get uncomfortable with charities that have too much money to work with; so they feel much better knowing their charities have sources of funding (corporate partnerships) that are perceived to be legitimate sources of "spare" money.

Each nonprofit also has its social brand. For a nonprofit, part of its social brand is an intrinsic part of its mission, intimately tied to what the organization is all about, and usually highly respected on the face of it (e.g., feed the hungry, house the homeless, protect the weak). Another aspect of the social brand, however, is the public's perception of the honesty, efficiency, and competency with which the mission is accomplished. Just as a company draws value to its social brand by associating with a nonprofit, the nonprofit enhances the value of this second aspect of its social brand by finding support from a company. That is, people regard a nonprofit more favorably from the impression that a business is helping it raise funds and do good deeds.

Are You Ready to Get Hitched?

It takes two to tango, and both partners need to know the steps. Marriage isn't for everyone. Before anyone pops the question, both potential partners need to make sure they are ready.

Some charities mistakenly think they could happily make do with any corporate sponsorship, as long as it proved to be a reliable source of funds. The parallel of a marriage for convenience is obvious and equally unsuited to today's world. Placed into a bad marriage, a nonprofit can find its reputation sullied, its vision blurred, and its mission compromised.

A nonprofit must start with an open-minded assessment of its own social brand. The nonprofit should know what image it projects to the public and how those messages have been received and processed in the community. Next, the charity must ask whether a partnership with a corporation can be structured to reinforce its brand. How would corporate partnership activities complement – or contaminate – its existing marketing program?

Corporate leaders tend to be hard-nosed guardians of their company resources. For them, the readiness question often comes down to "show me the ROI." These CEOs only need to look into newspapers, trade journals, and popular media programming to see that social branding partnerships are sprouting up like June weddings. Their sheer numbers, and their persistence over time, are proof that companies are profiting from their results.

The best corporate leaders realize that increased profit is not enough reason to make the deal. Like the nonprofits, companies stand to lose if they do not partner with the right charity, or do not shape a partnership program that makes sense for them. CEOs should ask their marketing people if they have planned for a partnership that would strategically support the company's mission and tactically blend into existing marketing programs. They say that two can live as cheaply as one, but this will not be true after creating a partnership with a nonprofit. From the company's point of view, a partnership may call for a large draw of time from marketing staff, public relations staff, legal support and employee volunteers, as well as committing the company to a significant expenditure of funds.

Building the Relationship

Like any marriage, the social branding partnership will start with a honeymoon. If the honeymoon magic hangs on, it could be the start of something big.

In today's world, building a successful relationship depends strongly on having a capable marriage counselor. Marketing consultants can help the company and the nonprofit work together to build cooperative marketing programs beneficial to both, and consistent with other marketing and PR programs they have already invested in. If the programs are designed cleverly and implemented correctly, they will simultaneously raise corporate profits, increase nonprofit donations, and strongly enhance the public perceptions of both organizations.

Coping with the Offspring

Nothing changes a marriage like children. You suffer through childhood illnesses, soccer mom schedules, and adolescent rebellion. At the end of it all, if you are lucky, you cuddle the grandchildren and thank God for the fruits of your labors.

Even when we have a happy ending, the social branding partnership is not a trouble-free ride. It starts with communication. The whole relationship makes sense only if it is publicized wide and hard. The whole idea is to impact the public's perceptions about the company and its nonprofit partner.

Ideally, companies would like nonprofit partners whose social brands are motherhood and apple pie. Everyone, for example, wants to beat cancer and feed the hungry. But this is precisely why a "safe" social brand can be less valuable – it fails to distinguish you from all the other partnerships that are trying to beat cancer and feed the hungry. How many walks for cancer will the average person want to do in a year?

On the other side of the spectrum, while raising money to beat AIDS is not a popular cause, it can distinguish a company strongly. It is also potentially divisive and repulsive to some types of consumers. It's a good bet that safe causes are common causes, which will bring a company neither extraordinary benefits nor extraordinary risks. Causes that are inherently more risky will bring more publicity, which may bring more benefit – or less.

A company's challenge is to find a social brand identity that will set it out clearly from all others, compel greater loyalty among its likely customers, and not repel anyone of consequence. The idea is to generate high visibility and publicity, not necessarily without controversy, because

good controversy can multiply the value of an event by orders of magnitude. A company needs to plan for a communications program it can properly manage; and it needs to prepare for the results of the communication program it puts into effect.

Both partners need to be careful what they wish for. Successful cooperative marketing programs can have results greater than either party imagined. Assuming the best of all possible responses to the program, is the company prepared to lay down the matching grants it has promised? Does the company have sufficient employee volunteer resources? Can the nonprofit deliver its social program at the desired quantity and pace?

Ready for Your First Date?

Corporate groups and nonprofits are eagerly looking for social branding relationships. Matchmakers are available to help bring the parties to the altar and help them through early relationship adjustments.

Dave Meurer is quoted as having said, “A great marriage is not when the 'perfect couple' comes together. It is when an imperfect couple learns to enjoy their differences.” Social branding relationships bring together corporate and nonprofit interests, highly different in their fundamental natures, to enjoy measures of success they could not have attained alone. Look carefully for your partner. Finding, developing and maintaining a fruitful relationship is not easy, but it can be a blissful event.

*For further information about Strategic Planning or CDR's Management Consulting services for nonprofit organizations, feel free to contact Dr. Zimmerman at Creative Direct Response, Inc. or read his book on Strategic Planning: **“Management Walkabout: Discovering Your Organization's Strategic Readiness.”***

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