

Frequently Asked Question

**Marketing and Communication**

**Terminology**

In order to understand the world of "marketing and communication" it would be helpful to begin with a number of definitions:

- **Marketing:** a process designed to bring about the voluntary exchange of values between a nonprofit organization and its target market, such as a transfer of a donation in exchange for addressing a social need, recognition, or a feeling of good will. **Market:** an audience of potential constituents that have certain characteristics in common. **Target market:** a group of constituents that have certain characteristics in common, toward which a concerted effort is to be directed. **Public relations:** the activity of developing public awareness among opinion leaders and the general public; attitude of the public toward an organization. **Advertising:** to communicate through mass media to persuade people to take a particular action, such as buying or giving, or to form an opinion about a subject. When material is paid for, it is fully controlled in content and presentation.
- **Branding:** a process that utilizes market research in the development of an organizational identification that positions the nonprofit at a desired level in the marketplace and moves people to meet their desires and needs through involvement in the organization (use of services, volunteering, and financial support).

**What role does marketing and communication play in the nonprofit sector?**

Normally nonprofits are defined by their mission, vision and programs. They can have a global mission such as responding to the health needs of people afflicted with AIDS, but if those who need the service or those who are willing to fund it do not know about it, it will go unnoticed and fail. It would be like Coca-Cola dropping its universally recognized brand or label, and putting its soda in a plain unmarked bottle or can. No one would buy it.

The role of marketing and communication is the act of tailoring a nonprofit and its programs to best fit constituent (customer) needs. This involves research and planning. The organization must then launch and sustain a communication plan to make sure its target market is influenced to utilize the service or product and or provide support.

**What is marketing?**

"Marketing is the discipline that applies whenever one has the challenge of influencing the behavior of others." That finds expression in a wide range of activities that make sure the organization is continuing to meet the needs of its customers and in doing so gets value in return. (Example: A mental health clinic provides knowledge about mental health issues and expert

clinicians. The local county mental health department exchanges that for referrals of individuals and families and payment for service.)

### **How is marketing different than public relations?**

The public relations program disseminates the nonprofit's messages developed to influence behavior and includes ongoing activities that ensure the organization has a strong public image. Usually public relations are conducted through the media, such as newspapers, television, magazine, the Internet, etc. While much of public relations is preplanned and intentional, it is also reactive to issues or occurrences. Public relations should be part of every crisis management plan. (Example: When a fire occurs in the community museum a public relations effort is launched to reassure the constituents of the ongoing viability of the collection.) No nonprofit can sustain and grow over time if it ignores either long term marketing or current public relations.

### **How does this fit within a nonprofit's communications effort?**

A total communications program encompasses advertising, promotion, marketing, public relations, publicity and sales. These five components come into focus using a quote from *Reader's Digest* by M. Booth and Associates. This story is found on <http://www.managementhelp.org>.

*"If the circus is coming to town and you paint a sign saying 'Circus Coming to the Fairground Saturday', that is **advertising**. If you put the sign on the back of an elephant and walk it into town, that is **promotion**. If the elephant walks through the mayor's flower bed, that is **publicity**. And if you get the mayor to laugh about it that is **public relations**. If the town's citizens go to the circus, you show them the many entertainment booths, explaining how much fun they will have spending money at the booths, answer their questions and they spend a lot of their money, that is **sales**."*

The research into the town's past response to circuses and the kind of acts, animals and other parts of the circus lead to an overall **marketing** plan that encompasses the exchange between the circus and the town.

### **Who does marketing for the organization?**

Some nonprofits are large enough to employ a professional marketer or engage a specialized firm. Most nonprofits do not have such resources, needing to attend first to general, financial, and program management; human resources; and information technology. In these organizations this critical function might remain in the office of the chief executive officer or someone who is specifically appointed to attend to it.

### **How does an organization go about marketing?**

Marketing must be part of the strategic planning process and encompass a long range set of goals, objectives and budget. It must be developed into an intentional and articulated strategic marketing plan. Rather than briefly outlining the components of a marketing plan we would prefer to share the five steps.

- Step 1 - Set marketing goals  
Step 2 - Position the organization  
Step 3 - Conduct a marketing audit  
Step 4 - Develop a marketing plan
- Step 5 - Develop a promotional plan

Fortunately there are a number of excellent resources to guide the organization through this process. The above five steps are laid out in [Marketing Workbook for Nonprofit Organizations Volume 1: Develop the Plan, 2nd Edition](#) by Gary J. Stern and Elana Centor (March 2001)

Another excellent resource is the "Marketing Matrix Planning Tool" utilized in the board training program of the ASU Lodestar Center. It can be adapted for organizations from the following table:

Target	Current Status	Tool	Status Desired	Cost	Status Achieved

**What is branding for a nonprofit?**

The definition of branding is given at the beginning of this FAQ. Branding of the organization includes the look and feel of the physical site(s) and communications including how employees and volunteers transmit this brand through word and actions. An example of successful branding efforts in the nonprofit world is Habitat for Humanity. Habitat for Humanity has successfully branded itself to the point where the name of the organization instantly conjures an image of volunteers building homes for those in need.

**Related Resources**

First, as your organization seeks to do board development, recruit a volunteer that has background in the complicated field of communication, marketing and public relations.

Second, review the firms who specialize in these areas in the community to determine the feasibility of engaging them at least in a consultant role.

Finally, search the Internet for sources such as <http://www.managementhelp.org>. In addition, some recommended books are listed below.

### **Publications:**

- Alan R Anderson (Georgetown University) and Philip Kotler (Northwestern University), *Strategic Marketing for Nonprofit Organizations - 6th Edition*. (Upper Saddle Rive, NJ: Prentice Hall, 2003).
- Stern, Gary J. *Marketing Workbook for Nonprofit Organizations - 2nd Edition* (St. Paul: Amherst H Wilder Foundation, 2001) <http://www.wilder.org>
- Hershey, R. Christine *Communication Toolkit* Santa Monica, CA: Cause Communications, 2005) <http://www.causecommunications.org>

*(This list of questions regarding Marketing and Communication has been developed by the many persons and organizations seeking assistance from the Lodestar Center for Philanthropy and Nonprofits Innovation. We invite you to add your questions and reactions through the "Ask the Nonprofit Specialist" section of the center's website so that we might improve and expand these FAQ.)*

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