

# Driving Social Change

## The Unique Challenges of Nonprofit Marketing

Traditionally, a key difference between for-profit corporations and nonprofit organizations has been their strategies for reaching new audiences. Corporate ad campaigns have become a large part of American culture, with ads, jingles and commercials (“*Mikey likes it!*” “*Where’s the beef?*” “*Just do it!*”) becoming so pervasive that they define pop culture. Given this potential for driving behavior, many for-profit corporations dedicate untold sums to their marketing efforts, even in an economic downturn.

In contrast, nonprofits often do not even have an advertising budget, never mind the creative staff to write the ads that solicit such great attention. Because of the serious nature of their missions and pervasive budget constraints, nonprofits have avoided these higher profile and more expensive efforts to bring attention to their causes. In addition, building community support through grassroots activism has proved to be an effective and much less expensive foundation for nonprofit fundraising.

But the lines between the sectors are beginning to blur – starting with for-profit corporations establishing a socially responsible community profile. For-profits are connecting with compelling community issues to enhance their brand, hoping that they can drive purchases as well. Examples abound, including TOM’s One-for-One shoe campaign, Starbuck’s Ethos Water and Nike’s collaboration with LIVESTRONG. These corporations are essentially using the same message of engagement that drives donors to nonprofits and builds a loyal constituency of people who want to do well with their resources.

Nonprofits, on the other hand, are having more difficulty applying traditional advertising techniques to sustain their missions. But a challenging economy and the emergence of social media have brought both a new urgency and new opportunities to nonprofits willing to take some risks. Just understanding these available opportunities and assessing their risks can overwhelm under-staffed nonprofits – but in today’s economic climate, the effort is worth it.

The biggest marketing risk for nonprofits is doing nothing at all. If nonprofits cede Social Responsibility to corporations, for-profit market share will likely grow – and nonprofits may find themselves marginalized in their own territory. In the face of corporate activism and competitive campaigns for diminishing resources, the



Making the Case for  
Evaluation



Agency in Action:  
The Cambodian Family



The Motel Kids of  
Orange County

## Driving Social Change – The unique challenges of nonprofit marketing (continued)

nonprofit sector stands to lose the comfortable niche it has historically enjoyed. At stake is the loyalty of socially motivated donors and investors – the sector’s best hope for sustainability.

The recent Pepsi Refresh campaign provides an example of how corporate campaigns can effectively blur the lines between the two sectors. Distributing more than a million dollars in donations each month on the basis of online voting, Pepsi has effectively linked its Corporate Social Responsibility to the ability of nonprofits to draw attention to their community efforts. Pepsi’s success with this program is clear—a corporate profile enhanced by providing a funding boost for participating nonprofits. But the impact of such programs on the nonprofit sector is still an open question—whether this effort is really philanthropy or just a new level of social marketing with negligible benefits to the nonprofits who participate.

Nonprofits are taking advantage of new social media opportunities, as shown by increased interest and activity across the sector. A recent survey of more than 200 small to mid-sized nonprofits found that a) on average, agencies had only been using social technology for 12 months; b) 51% devoted only 1 to 5 hours a week to social technology; c) 74% either had raised less than \$100 through social technologies, or were not tracking donations or volunteers; and d) a majority planned to increase their use of social technology in the near future. Although these results clearly show interest and the strong appeal of social media for nonprofits, they also suggest that more careful planning and follow-up procedures need to be developed (Philanthropy Action Survey, 2009).



*Is Pepsi's Refresh Campaign really philanthropy or just a new level of social marketing?*

The growing number of social media methods for communicating with potential customers and stakeholders is increasing the noise level for nonprofits and for-profits alike. A new corporate ideology pushes people to connect their purchases with their feelings (to feel good about remembering to use their re-useable bag, for example). “Feeling good” has been basic to nonprofit fundraising, but an increase in corporate promotions and social media appeals may dilute the impact of the traditional efforts of the nonprofit sector.

Marketing strategies that generate website hits or tweets may not translate into sustained commitment to a nonprofit cause. For the for-profit corporation, effective marketing increases traffic and interest that results in product and service purchases. For nonprofits, effective marketing results in an increased engagement of the community with the organization’s mission. Rather than a point-in-time purchase, the nonprofit seeks a sustained subscription to the purpose behind the mission. Good marketing creates action; great marketing creates both action and commitment. And nonprofits, who struggle daily with issues of sustainability, must seek out both. So what’s a nonprofit to do?

**Be realistic** about new proposals and your agency’s capacity to support them— **but don’t avoid new strategies**. Pilot test social technologies or other new strategies before committing large sums of money and time. And never start a pilot without establishing a benchmark for measuring the effort’s success. (For more see the article “Do You Measure Up?”)

Treat marketing like an **ongoing dialogue**, not a line-item allocation from your annual budget. The newest technologies have turned marketing into a two-sided conversation with a huge upside, but this dynamic and changing context requires more frequent planning sessions, realistic shorter-term goals, and a message both consistent and fresh. Be ready to meet regularly with your staff to gauge and “refresh” your effort.

**Keep your eye on the prize – engaged investment**. Generating website traffic is relatively easy, but capturing the sustained interest and energy of your visitors is another challenge entirely.

**Remember your message!** Your invitation to drive change is what’s important, and that message is far more important than the channel you use to deliver it.

# Making the Case for Evaluation

***Everyone wants it...but few funders fund it.  
Here's why nonprofits should do it anyway.***

Evaluating programs can be a hassle for nonprofits. Effective evaluation takes staff time and money, and every hour or dollar spent on evaluation means one less hour or dollar going towards helping people directly. Many program managers feel that collecting data and measuring outcomes, while helpful for grant applications, won't tell them anything they don't already know from running their programs. And some are afraid to highlight program weaknesses without assurances that there will be resources to address them. For all these reasons—no resources, no time, and wariness about the impact—evaluation is a low priority for many organizations.

Yet investment in nonprofit efforts to support the community depend on an agency's ability to show **results**. Savvy funders, guided in part by recent market losses, are doing more due diligence than ever before on the claims nonprofit organizations are making about how they impact community issues.

From this angle, evaluation is not just a data collection hurdle, but a critical component of driving investment, and thus a critical area of focus for every nonprofit. Outcome measures provided by evaluation can help quantify an actual return on donor investment, which is a key factor in future funding decisions.

An organization that is willing to track outcomes and engage in open dialogue with investors about ways to make a program more effective will attract larger investments and deepen funder relationships. Evaluation also demonstrates program effectiveness internally to clients, staff, and board leadership, providing a measurable basis from which to promote and continue the program. Finally, evaluation plays a role in the larger philanthropic community, conveying knowledge about program effectiveness. Foundations are now looking at evaluation as a way to better understand what does and what does not work for grantees.

But if funders see so much potential in effective evaluation, why are funding requests for evaluation such a tough sell? While funders value data, requesting direct funding for evaluation efforts is difficult to promote unless clearly tied to a capacity building request or an outcome like reaching more people with services. Because the real costs of evaluation are not commonly known, some well-meaning funders may assume that "data collection" is all you need to evaluate a program's impact, a function they assume can occur without additional funding.

## **So how do you make the case for evaluation?**

First, have a clear evaluation framework that includes a plan for use of the evaluation findings. Because evaluation for its own sake is a hard sell, be prepared to explain how it will improve programs and results for your clients and the community.

Second, try incorporating evaluation costs as a legitimate cost of running your program, with its own line item and discussion in each and every program grant.

Third, evaluation activities can also be discussed as an ongoing quality control activity of the organization in general operations requests; funders are increasingly amenable to requests that support core business functions such as IT, marketing, accounting and legal expenses, and you can add evaluation to that list as well.

Finally, bolder requests may include a direct ask for a special evaluation project. In this case, emphasize how the evaluation will directly impact the organization's capacity to better serve the community, provide better programs, and assess community gaps in services and needs.

As funders increase their demands for data-filled evaluations that demonstrate program results, nonprofits that want to remain competitive will improve their ability to collect, analyze, and report on how their programs affect the lives of the people they serve. Fortunately, the benefits of evaluation extend beyond the ability to satisfy grantors. Well designed evaluation can also lead to more effective programs and better services for clients. So while the initial driver to expand evaluation efforts may be the demands of funders, the real winners will be the clients who experience improved programs that really meet their needs.

## **Evaluation resources to consider:**

**American Evaluation Association:** [www.eval.org](http://www.eval.org)

**Free Management Library:** [http://managementhelp.org/evaluatn/fnl\\_eval.htm](http://managementhelp.org/evaluatn/fnl_eval.htm)

# Agency in Action

## The Cambodian Family



For more than 30 years, The Cambodian Family has been supporting the health and wellness of refugees, immigrants, and community members through services designed to develop knowledge and skills for independence and prosperity.

In March 2010, The Cambodian Family moved to its new building: the Achievement Center located at 1626 E. Fourth Street in Santa Ana, California, only one mile from their previous location. This new facility serves as its headquarters and hub of operations. The Achievement Center allows The Cambodian Family to serve more members of the community, expand to new regions in Santa Ana, and continue to offer services to refugees throughout Orange County.

# DO YOU MEASURE UP?

## Measuring the Impact of Social Media

Nonprofits everywhere are jumping on the social media bandwagon, but how do you know if your strategies are resulting in increased engagement with your cause? The analytical tools below are free and, most importantly, help you gauge who is listening to your message and how frequently.

### Free Resources for Analytics

#### Websites

##### Google Analytics

[www.google.com/analytics](http://www.google.com/analytics)

Your website is more than a stagnant online brochure. You can now update your website with purpose with the help of Google Analytics. Google Analytics collects pertinent information regarding visitor traffic to your website. Features include how visitors found your website, which links are popular and least popular, and how many visitors are loyal repeat visitors.

#### Facebook Like Pages

##### Facebook Insights

[www.facebook.com/insights](http://www.facebook.com/insights)

The number of fans you have on Facebook is easy to view but now you can view their demographics and visiting behaviors. In addition, you can also track who is sharing your information with other Facebook users and their media content preferences.

#### Twitter & Other Social Media

##### HootSuite

[www.hootsuite.com](http://www.hootsuite.com)

This interface is a great tool to manage your agency's Twitter account. You can schedule tweets, organize multiple accounts and see what is trending. Facebook, MySpace, WordPress, LinkedIn and more can be updated through this interface as well. Most importantly you can track statistics regarding your tweets, including retweet data and link-sharing data.



The move marks an important milestone in the life of the organization, which for so long has worked to help immigrants and refugees settle in America. Now, The Cambodian Family has a new home to call its own, and the impact on its financial sustainability and ability to serve the community promises to be great.

For more information please contact:  
Sundaram Rama, Executive Director  
714.571.1966 ext. 102  
sundaramr@cambodianfamily.org

Contact The Olin Group for support developing your case statement and other development collateral.  
[www.theolingroup.com/services](http://www.theolingroup.com/services)

# The Motel Kids of Orange County

An HBO Documentary  
on Orange County's  
Homeless



Nonprofits serving Orange County know how difficult it is to communicate the real needs of our communities in the face of the continuing mythology of “a wholly affluent Orange County.” These misconceptions are shattered by an HBO documentary that shows the life of children living in Orange County motels.

Directed and produced by Alexandra Pelosi, the documentary follows students from Project Hope, a county-run school designed to help homeless children. Through the eyes of the children, the documentary shows the fragile living conditions and the instability of life in the motels in which these families find themselves after losing their homes. Pelosi asks one mother the question that many ask when confronted with the phenomenon of Orange County families who cannot afford to live in Orange County: “Why don’t you just leave?” The mother responds passionately: “Orange County is home to us.”

*This film puts  
a new face on  
the homeless.*

– Alexandra Pelosi,  
Director and Producer

The struggle for basic needs, economic stability, and the elusive comfort of “home” when there is no home continues to be a challenge for the homeless families of Orange County. And yet the discussion around homelessness often excludes these vulnerable families. This one hour documentary is an opportunity to learn more about the unique housing challenges facing Orange County and an important step in expanding the dialogue to address “the new face” of homelessness. To learn more about the film, visit <http://ow.ly/2oKnG>. To learn more about Project Hope, visit: <http://projecthopeschool.org/>.



## Building a Foundation for Social Change

The Olin Group provides strategic support at many levels of nonprofit operations. We work with our clients to determine the best strategies to meet their needs, foster sustainable projects, and bolster organizational capacity — all based on current analysis of the market and philanthropic environment.

**To learn more about how we can support your organization visit [www.theolingroup.com](http://www.theolingroup.com)**

**Follow us on Twitter!**

**[www.twitter.com/theolingroup](http://www.twitter.com/theolingroup)**

The  
**Olin**  
Group

2101 East Fourth Street,  
Suite 180B  
Santa Ana, CA 92705