

Branding and Nonprofits

By Martin E. Thoma

Strange as it may sound, branding is more important in the nonprofit sector than in the for-profit world.

How can this be—isn't the for-profit world where cutthroat competitors vie for customers, market share and profits? Well, the fact is that the nonprofit world is vastly more competitive. I have yet to make this assertion to a nonprofit executive or board member and be refuted.

As far as I can tell, the simple fact underlying this truth is that in the nonprofit sector, the exchange of value between players is so intangible. Nonprofits have little to “sell” to donors beyond the good feeling of doing good. And that feel-good feels a lot better when the donor's accomplishment is clear, concise and compelling.

The Twentieth Century Club found this to be true during a period of great transition. Started by women wrapping bandages during World War II, the nonprofit had evolved into an aid society offering free housing to cancer patients and their families visiting a world-class treatment facility. The club had sold its historic Victorian mansion and was anticipating a major capital campaign to build a new lodge. Its leadership recognized that it had to clarify its identity, mission and vision to be successful.

A rebranding program delivered a crisp new logo, a name that skirted a trademark infringement risk, the positioning tagline, “Hope Away From Home,” and new fundraising messages and materials. In its first year with the new focus, the organization tripled its corporate sponsorship and set a record at its annual fundraising gala.

As cutthroat as the business world is reputed to be, the world of nonprofits is even more competitive. That's our analysis, after nearly 20 years of serving both sectors with marketing services of every kind.

Nonprofits must compete for every resource there is—contributions, volunteers, buzz, membership, board leadership, grants. That's why a powerful, compelling brand is no luxury for the nonprofit—its an absolute imperative.

*Martin Thoma is a principal in the brand development and activation firm Thoma Thoma, and author of *Branding Like The Big Boys: How to Grab Market Share, Improve Margins and Increase Loyalty in Your Small Business*. He can be reached at martin@thomathoma.com.*