BRANDING IN THE NONPROFIT SECTOR:
THE CASE OF A NONPROFIT ORGANIZATION IN GAUTENG

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ABSTRACT

Nonprofit organizations (NPOs) in the welfare field play a significant role in the national economy. They provide not only care, but also employment to a large component of the population. Therefore, their existence and well-being serve a social as well as an economic purpose. Various changes globally as well as in South Africa, affect the world in which NPOs function. They have to assess the impact of these changes on their operations and implement new strategies to survive and flourish. One of the challenges faced by NPOs is how to differentiate and promote themselves in such a way that it allows them to compete effectively for scarce resources but at the same time remain true to their core mission and values. The concept of branding, to create a lasting and positive impression in the consumer's mind, is one strategy NPOs can pursue to create distinction and competitive advantage.

This study was undertaken to determine whether a specific re-branding exercise undertaken by Rand Aid Association during 2005/2006 has had a positive effect on its services and the financial viability of the organization.

The results show that the re-branding exercise has had a significant positive impact on the way the organization implemented and achieved a critical strategic objective, namely the development and sale of a new retirement village. It also made staff more aware of the brand and assisted the organization in obtaining greater clarity on the different businesses it pursues. However, the study also shows that the implementation of a brand orientation holds particular challenges. Many of the challenges are tied to the particular nature of the organization, such as a lack of human and financial resources and the difficulty in justifying expenditure on marketing above allocating these resources to meeting customer needs. Time, knowledge and money constraints also impacted on the process that was followed and on involving staff at all levels. In addition, the diversity of the services and target groups in the organization's portfolio made it very difficult

to reach agreement on the true values and essence of the organization. This affected a clear and common understanding of the identity and meaning of the RAA brand.

It is recommended that NPOs begin the brand orientation process by developing a clear focus on what the organization stands for and what it aims to deliver. An in-depth examination of the vision, purpose, values and underlying philosophies of the organization is essential. These must be clearly identified and internalized by all staff in order to develop a shared understanding of the brand and work towards consistency in delivering the brand promise. NPOs should realize that staff is one of the most important audiences for branding efforts as they determine the image and ultimately the reputation and continued existence of the organization. Internalization starts with recruiting employees whose values will support the brand, training them to understand and deliver the brand promise and fostering a culture that reinforces positive brand behaviour.

NPOs can enhance their brands by utilizing their unique opportunities to develop close and warm relationships with consumers. One of the best ways to differentiate their services is through the relationships they offer and through their responsiveness to changing needs. Many NPOs also depend on word-of-mouth communication to promote their services and build their reputation, therefore conscious and concerted efforts to enhance relationships with existing customers should receive a high priority.

Finally, it was evident that NPOs should be aware of and plan for the time, money and effort it will take to develop a brand orientation. Branding cannot be practiced as a once-off event nor do shortcuts pay in the long term. In particular, NPOs should remember that the development of a logo, corporate colours and brochures are the output of the process and not the starting point. The ultimate aim should be to achieve consistency across all points of contact with customers and to ensure that these are in line with the brand promise.

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I am grateful to my study leader, Hennie Visser, for his insight and guidance which helped me to focus this research. I also appreciate his personal interest in Rand Aid Association and his willingness to spend time and effort with us looking at marketing needs and solutions.

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CHAPTER 1

ORIENTATION

1.1 Introduction

South Africa is a developing country experiencing a range of social problems and needs. Consequently, there is a proliferation of nonprofit causes aiming to address these issues, all competing for scarce resources from government, business and the general public. Even in one area of need, there is a high fragmentation of organizations, increasing the competition for resources.

More and more, nonprofit organizations are realizing that it is no longer a viable option to rely on donations and grants to continue their services. Government agencies that have traditionally provided the majority of funding for these organizations, are reiterating this view. As a result, practices to generate income and become more sustainable are being adopted by many organizations in order to survive financially.

However, organizations in the same field of service are often implementing the same business model in this respect, not only increasing competition, but further blurring the lines that distinguish them.

These income generating practices also place them in direct competition with traditional for-profit or business organizations and create identity challenges for nonprofits. In addition, it means developing a new client base that is distinct from traditional clients, and implementing a market orientation to meet their needs. All these factors bring particular challenges to nonprofit organizations and their staff.

The critical question that arises for many nonprofit organizations is how to differentiate and promote themselves in such a way that it allows them to

compete effectively for scarce resources but at the same time remain true to their core mission and values.

1.2 Purpose of research

The purpose of this research is to explore:

- current issues facing nonprofit organizations regarding financial survival and maintaining awareness amongst increasing competition,

- branding as a resource to create distinction and competitive advantage,

- the antecedents to and benefits of developing and maintaining a brand orientation in nonprofit organizations,

- the critical aspects and challenges for merging branding methodologies into nonprofit organizations.

A case study of a nonprofit organization, Rand Aid Association (RAA), will be undertaken to explore the many dynamics associated with developing and managing branding for a nonprofit organization.

1.3 Statement of the problem and subproblem

1.3.1 Statement of the problem:

Nonprofit organizations are subject to the same market forces as for-profit organizations. However, it can be reasoned that an increase in the demand for services combined with an increase in the cost of delivering these services place nonprofit organizations under more pressure than for-profits. Due to the nature of the services provided by nonprofit organizations they do not have the same ability as for-profits to pass cost increases on to consumers. To meet their financial needs, many nonprofits in South Africa have traditionally relied on the government as their major provider of funds. This is not a sustainable option and other avenues of raising funds have to be explored. An obvious measure that nonprofit organizations can take is to increase their fundraising activities. With this approach nonprofits run into difficulties because there is a proliferation of

good causes and organizations struggle with the dilemma of what they can do to make the public care more about their specific organization and cause than about others. Another approach that nonprofit organizations can follow is to engage in specific types of business activities that are income generating. In the field of caring for the aged many organizations develop and sell retirement accommodation or provide an up market frail care service. Here again, organizations may find that they not only compete with each other, but also with traditional business organizations that are active in this field. A similar difficulty than with normal fundraising practices arises, namely that an organization needs to take some action to stand out above the competition and attract paying customers.

The concept of branding has been around for centuries (Kotler & Keller, 2006) and is all about creating differences between products and services. The idea of branding is to create a lasting, positive impression in the consumer's mind, resulting in specific attitudes and behaviours that will give the organization a competitive advantage above others. Branding can be applied anywhere where the customer or stakeholder has a choice. Therefore, it can also be applied in the nonprofit sector to create distinction and competitive advantage. However, this concept is relatively new to the nonprofit sector (Napoli, 2006) and is not practiced widely to achieve organizational goals.

This study proposes to assess whether the characteristics of a brand orientation are utilized in RAA as a resource to create distinction and competitive advantage and if so, if this has a positive effect on the services and financial viability of the organization.

1.3.2 Subproblems:

The first subproblem is to determine how managers in the organization understand the concept of branding and the RAA brand.

The second subproblem is to determine how branding practices are implemented in the organization.

The third subproblem is to determine whether branding practices add value to the operations of the organization.

The fourth subproblem is to identify the constraints and difficulties in implementing a branding orientation in the organization.

The fifth subproblem is to develop guidelines for the implementation of a brand orientation in RAA and similar organizations.

1.4   Boundaries and delimitations

The study will focus on a nonprofit organization in the social services sector, providing accommodation and frail care service to older persons. This is an established organization that is registered in terms of the Nonprofit Organizations Act, 1997 (Act 71 of 1997) and one that has traditionally received funding from provincial government for aspects of its services. The study therefore is only applicable to similar organizations and services.

The study is exploratory in nature, and whilst it will attempt to provide guidelines, should not be used to generalize the situation of nonprofit organizations.

The study does not aim to predict success in branding or income generating activities.

The study is limited in that it will focus on a particular branding exercise that was initiated during 2005 in a particular organization, and the causes and effects of this action.

1.5   Definition of terms

Nonprofit organization – A trust, company or other association of persons a) established for a public purpose, and b) the income and property of which are not distributable to its members or office bearers except as reasonable compensation for services rendered (South Africa, Act 71 of 1997).

For-profit organization – Any organization engaged in business activities with the aim of creating wealth for its stakeholders.

1.6   Abbreviations

RAA is the abbreviation used for Rand Aid Association.

NPO is the abbreviation used for a nonprofit organization.

1.7   Key assumptions

First assumption: Nonprofit organizations play an important role in providing essential social services to communities. Their survival is in the public interest. In order to survive, they must develop strategies to maintain awareness, support and sustainability.

Second assumption: That the issues and challenges being experienced by Rand Aid Association, being an established nonprofit organization with a wide range of services in the field of caring for the aged, are not unique and may reflect those of other similar organizations.

1.8   Importance of the study

Considering the importance of NPOs in meeting community needs, a greater understanding of the challenges they face is imperative to their survival in the 21st Century. These organizations need to communicate with a diversity of stakeholders in an environment characterized by increasing competition amongst themselves as well as competition with business organizations. The message they communicate and the image they portray will have a decisive effect on their ability to stand out and attract the resources required to meet their objectives.

In order to establish themselves in the hearts and minds of donors, NPOs are increasingly resorting to marketing practices. These take the form of advertising,

website development, special events campaigns, high profile partnering with business organizations or personalities and such like. However, these activities appear to be ad hoc. The literature is clear that any attempt to develop a marketing programme without first understanding the brand, its customers and the environment in which it operates, is bound to fail (Nissim, 2003).

There is a need for a study that will bring to the fore the underlying factors affecting long term sustainability in the marketing arena, which include a comprehensive understanding of environmental factors impacting on NPOs, the value of branding in income generation and the particular challenges to develop and sustain successful branding in the NPO sector (Ewing & Napoli, 2005). The results from this study and the guidelines proposed would potentially enable NPOs to understand their situation better and be more focused in developing and managing their brand.

CHAPTER 2

FOUNDATIONS OF THE STUDY

2.1 The role of NPOs in the economy

The NPO sector generally encompasses voluntary organizations in the fields of culture and recreation, development and housing, health, education and research, social services, advocacy and politics, environment, philanthropy and voluntarism promotion, international causes, religion as well as business and professional bodies. According to the latest annual report of the Department of Social Development, there were 37 532 organizations registered in terms of the Nonprofit Organizations Act, 1997 on 31 March 2006 (South Africa 2006). As registration is voluntary, this number does not include all NPOs and the sector is much bigger than registered details imply. The impact of the sector on the national economy in terms of employment and income is similarly not readily available from official statistics. The Department of Social Development only recently initiated a process with Statistics SA to include the contribution of the NPO sector in the country's national accounting system (South Africa, 2006).

However, a study undertaken by Swilling & Russell (2002) provides valuable quantitative and empirical information about the NPO sector in South Africa, enabling an understanding of its size and impact. It was found that there were 98 920 NPOs in South Africa in 1999, with a total operating expenditure of R9,3 billion in 1998, representing 1,2% of GDP in 1998. The sector also employed 645 316 workers, that is 7.6% of the non-agricultural workforce, with a further 1.5 million volunteers contributing their time and energy worth R5,1 billion. The NPO sector was larger than the average among the 28 other countries for which the researchers had comparative figures. Just over 50% of the NPOs in the study were informal, smaller organizations.

Most of the NPOs were in the culture and recreation, development and housing and social services sector. Together, these 3 sectors also employed the majority of the workforce (54%). The organizations in the social services sector comprised 23% (22 755) of the total number of NPOs, and were on average 23 years in operation. Of these, 1242 concentrated on services for the elderly. Because NPOs in the social services sector traditionally focused on labour intensive service industries such as residential care, their contribution to direct employment is significant.

The NPO sector had an income of R14billion, of which government contributed R5,8 billion or 42%. The majority of the funding went to social services (R2,1b), health (R1,7b) and development and housing organizations (R1,1b). The social services and health sectors were characterized by well-developed formal organizations which tended to be more active in urban and middle class communities. It raised the question of whether government funding is reaching the poorest groups. The social services NPOs were the highest generators of fees for services and raised R1,2 billion in this way in 1998. However, this sector lagged behind others when it came to private sector funding - this made up only 11% of its income. The bulk of private sector funding went to health, development and housing, and education and research NPOs.

The NPO sector is still growing, as evidenced by the 13 405 applications for registration in terms of the Nonprofit Organizations Act that were received by the Department of Social Development during the period 1 April 2005 to 31 March 2006 (South Africa, 2006). Of the 44 197 organizations that were on the roll of registered organizations on 9 May 2007, 11 439 have their major focus in the social services field (Bosman, 2007).

2.2   Different types of NPOs

The principle characteristic of a nonprofit organization is not that it may not make a profit. What is meant by the term "nonprofit" is that any profit generated by the

organization may not be distributed to its members, staff, directors or trustees (South Africa, Act 71 of 1997). Profits must be reinvested in the services that the organization was set up to provide. Other key distinctions of an NPO are the following:

-       It represents a group of people, organized in pursuance of a common goal.
-       It is voluntary; membership or support is not compulsory.
-       It is self-governing and private, as opposed to being part of government or the business sector.

NPOs generally think that they are closer to the people and do a better job of serving community needs, are more innovative and less bureaucratic than government or business organizations (Swilling & Russell, 2002).

However, the common principles of NPOs do not mean that these organizations are all alike. The NPO sector is characterized by its diversity. Examples include different founding groups based on religion, culture or interest, whether the bulk of services are provided by volunteers or paid professionals, whether direct services are provided versus advocacy or research services and how income is acquired. NPOs can also be described according to field of operation, i.e. children and families or the disabled, and whether they are regarded as established (funded by government) or developing and informal.

Several academic writers have tried to develop a formal categorization of NPOs in an effort to better understand the sector, including an international classification system to enable comparison across countries (Sargeant, 2005). One of the difficulties is that the work of many NPOs cuts across the categories and the conclusion drawn is that a truly definitive classification is still to be developed.

To understand the NPO sector in South Africa, it is useful to consider a classification based on the different roles played by these organizations (Swilling & Russell, 2002):

- Development NPOs are those organizations engaged directly in improving the social, cultural, and economic well-being of certain sectors of society, quite often supported by resources from the state and/or private donors. Until the late 1980s, most development NPOs catered for white interests as is indicative of most of the traditional 'welfare organizations'.

- Survivalist NPOs are concentrated in communities where the majority of people barely survive. A survivalist NPO tends to be created to share or maximise the meagre resources of its members, or to act as a coordinator for community services not provided by the state or the private sector. Examples include stokvels and burial societies. Survivalist NPOs often have links with religious institutions (including those related to traditional African religions), which define whom they serve.

- Oppositional NPOs are mainly involved in organizing and mobilizing people, for various purposes, but usually to pressurize government bodies and/or private companies, or even major institutions to make specified changes to policy, practices and legislation.

The above roles are not mutually exclusive. A given NPO could play one or more of these roles, and this could change over time. An oppositional NPO lobbying against violence, may end up delivering direct services to victims, thus playing a developmental role, while a survivalist NPO often goes on to join the ranks of oppositional NPOs (Swilling & Russell, 2002).

In order to evaluate market orientation and branding for established organizations in the social services sector, it is can be useful to consider the classification developed by Hansmann (1980) based on how NPOs are financed

and controlled. In terms of this classification, 4 dimensions of NPOs can be distinguished:

- Donative nonprofits who receive a substantial portion of their income from donations and grants.

- Commercial non-profits who receive most of their income from fees for services or the sale of goods and products.

- Mutual non-profits where the office bearers are elected by the membership and members thus have direct control over the activities of the organization.

- Entrepreneurial nonprofits who are largely free of direct control by its members or beneficiaries, due to control mechanisms allowing for the appointment of office bearers from persons other than members.

These dimensions combine to create 4 categories of NPOs: Donative mutual and donative entrepreneurial as well as commercial mutual and commercial entrepreneurial. It is recognized that many organizations do not necessarily fall into a pure category; rather the classification should be viewed on a continuum, with the possibility of organizations moving along the continuum. Hansmann's categorization has the benefit that it clearly spells out the context in which the NPO functions. This allows for an assessment of the financial impact of a marketing orientation and the different stakeholders that have to be considered. As such, it may facilitate a managerial understanding of the nature of the strategies the organization can adopt and the difficulties it may encounter in its execution (Harding, 1998; Sargeant, 2005).

2.3 The current challenges facing NPOs

2.3.1 Financial resources

Donations by individuals, legacy bequests, grants from trusts and donations from the business sector and certain interest groups have always played an important role in the NPO sector. All these forms of income are becoming under increasing pressure. Individual donations and grants from trusts are affected by the sheer number of organizations trying to raise funds. Legacy bequests are affected by

the fact that people now live longer and that a longer life costs more, eroding the size of their estate (Hankinson, 2002). In South Africa, corporate donations are directly affected by the Government's social priorities such as HIV/Aids, education, children, youth at risk and rural development. Organizations providing services in other fields or for other target groups struggle to access corporate social responsibility programmes. This can be attributed to the need for the business sector to meet equity targets and achieve a balanced scorecard, in which support of formerly disadvantaged groups and government's priorities for social development play a significant part.

Government priorities regarding social needs also have a direct impact on its own funding schemes. Especially formal organizations providing residential care and treatment services in the social services sector, such as frail care services in the form of old age homes, have come under increasing pressure. Government funding historically has been the most significant source of financial support for these services. An indication that this situation had to change, was already given in the White Paper on Developmental Social Services, published in 1996 (South Africa, 1996: 70): "There is an unrealistic emphasis on institutional care for older persons….the current dispensation is unaffordable …. There is also an inappropriate emphasis on the Government's responsibility for the care of the aged".

It is a fact that residential care and treatment services are expensive. Residential services, of which old age homes is an example, operate on a 24hour basis requiring high numbers of professional and care staff , professional services and property infra structure with the resultant maintenance and operational costs. Although older persons is one of the vulnerable target groups identified for government support, the focus clearly is on alternative means of care as illustrated by the following quotation from the policy document on the financing of NPOs (Department of Social Development, 2005:10): "The Department of Social Development prioritises the provision of financial awards (transfer payments) for

services that ensure the maximum utilisation of already limited resources. This also requires exploring more cost-effective and community-based service provision in order to widen the scope of social development services whilst ensuring adherence to minimum standards".

Recent trends in Government funding show a steady decrease in the amount of financial support towards formal, established organizations, with many asserting that the level of funding per service has not increased for more than 10 years despite a significant increase in service costs over the years (Brown, 2007).

2.3.2 Legitimacy

Historically, the government took limited responsibility for the delivery of social welfare services and this led to the establishment of a plethora of organizations in various sectors, communities and at different levels of society since the early 1900's. However, the governments of the time were pressurized to mediate the effects of a market economy on White civil society and initiated several subsidy schemes to provide financial support to certain NPOs (Swilling & Russell, 2002). Over the years, a partnership between the State and these NPOs evolved, with the State providing financial resources and the nonprofit sector taking responsibility for providing a range of social welfare services in line with the State's subsidy schemes. When the apartheid regime ended in the early 1990s, there was a well established infrastructure of social services in White communities, and very limited resources available for the majority of the population who are Black. In addition, about 61% of the total national welfare budget was spent on social security and social welfare services for the elderly (South Africa, 1996). In a sense, the funded NPOs were used by the previous government to suit its aims. However, this has created a legitimacy crisis for these organizations:

- They are viewed with suspicion by the new authorities.
- They still depend on the State for financial support but are not seen to provide services in line with the new philosophies and priorities.

- They do not have bonds or partnerships with the previously oppressed NPOs and are not readily accepted into their interest and information coalitions.
- The clientele to serve has expanded and the extent of social problems seems so much bigger.
- Diversity has to be incorporated and managed in the workforce, management and clientele.
- Priority communities and groups question these NPOs' motives for extending their services to them and community entry is difficult.
- The traditional support base can be resistant to the organization's changed focus, with a concomitant reduction in financial resources.

The current government continues to use NPOs as a medium for delivering services to communities and as such NPOs can be useful partners for government. The financial future of the formal, established organizations lies to a great extent in their ability to transform themselves in line with government priorities to be able to access state funding. However, the more these and developing organizations become or remain dependent on state financing, the dilemma of their independence continues. NPOs are expected not only to deliver essential services, but also to maintain a critical voice raising questions about government policy and practices that affect the interest of the public. As in the past, the question remains whether a heavily funded NPO is able to fulfill its watchdog role or if it is compelled to act as an extension of government due to its dependence on state funding? (Swilling & Russell, 2002; South Africa, 1996).

2.3.3 Institutional environment

South African law has always accepted the principle of free association and the right of people to set up voluntary associations with legal personae. The majority of organizations functioned according to this provision.

Previously, the most important statutory provision regarding NPOs was Section 21 of the Companies Act, 1973 which provides for the creation of nonprofit

companies (Swilling & Russell, 2002). Although the Fundraising Act, 1978 made registration as a fundraising organization compulsory if an NPO wished to raise funds from the public, this was regarded as a punitive instrument of apartheid and widely disregarded. The latter act was repealed by the Nonprofit Organization Act of 1997. The Nonprofit Organization Act does not make registration compulsory, but rather aims to provide an enabling environment for NPOs and to set and maintain adequate standards for governance, transparency and accountability (Department of Social Development, 2007).

By registering in terms of the Nonprofit Organization Act, an NPO becomes eligible to apply for funding from the Department of Social Development, the National Lotteries Distribution Trust Fund and the National Development Agency amongst others. In addition, the Taxation Laws Amendment Act of 2000 effectively exempts NPOs from income tax and makes donations to a 'public benefit' organization tax deductible in the hands of the donor (Swilling & Russell, 2002). However, 2007 taxation amendments introduce taxation on NPOs' trading profits which could have an adverse effect (Brown, 2007).

The State has set an attractive scene for the development and support of the NPO sector, but to access these resources, it has to change from informal, voluntary associations and enter the world of formal institutionalization (Swilling & Russell, 2002). This requires functioning strictly according to a constitution or trust deed, instituting general accounting procedures with formal audits, meticulous recordkeeping and contractual relationships with staff, volunteers, funders and other partners.

The focus on corporate governance in the business sector also holds implications for NPOs. These organizations cannot ignore the King II report and must implement practices to promote institutional integrity. The public have been disillusioned by the actions of trusted businesses and public figures and are becoming increasingly skeptical of all institutions of society. Even well-known

NPOs cannot just rely on their long history, they have to make a business case for support and demonstrate their commitment to ethical values. Just to have a good cause is no longer enough.

The demands of the new institutional environment in which NPOs function are time and resource consuming. They also change the fundamental nature of an organization from one managed by volunteers to one where specialized knowledge of financial management, human resources, information management and strategic planning for example, become imperative. Without adequate funds and the ability to attract competent staff, many organizations lack the capacity to implement the required practices and make the most of the new institutional framework and opportunities for funding that it holds.

The multiple stakeholders of an NPO bring yet another challenge. Most NPOs would have at least the following stakeholders involved: Governing body, professional managers, service providers, service recipients, donors, creditors, business contracts and government at different levels as well as volunteers and members. Each stakeholder group has different expectations and makes different demands on the NPO – it must meet multiple bottom lines (Anheier, 2000). Accordingly it has been stated that an NPO is often several organizations in one, and that its management is infinitely more complex than a commercial organization of the same size.

2.3.4 Financial sustainability

The Department of Social Development is clear that NPOs should not depend on it for continuous funding (South Africa, 2005:35): "The department will fund organisations or service providers when there is enough evidence that they have a sustainability plan or programme in place. The service provider should make efforts to sustain itself after cessation of funds from the department". In view of the fact that the Department has historically been the major provider of financial resources on an ongoing basis and that operational expenses for welfare

programmes are high, statements such as these cause great uncertainty for NPOs regarding their future.

Financial management in NPOs often comes to little more than measures to control and reduce costs (Anheier, 2000). This is due to the fact that NPOs cannot maximize income from services provided because they have to consider factors such as the value of compassion to the poor and vulnerable, the need to provide a service to the public good, and in South Africa specifically, the need to meet equity targets in caring for the Black population group which is historically the poorest of the poor and cannot be excluded on the basis of financial resources. It is obvious that only a small percentage of a vulnerable target group may be able to pay for the services provided and that any fees generated is seldom sufficient to sustain an acceptable standard of service. In addition, it is difficult to raise the level of funding required from donations and other traditional sources of income due to the huge cost of these services, especially where professional staff have to be employed and residential care is offered. The services provided by NPOs come at a cost: they have to adhere to minimum service standards, labour law affects salaries, property costs in terms of municipal services have to be paid, and they are subject to the same level of inflation as anybody else.

According to Anheier (2000), organizations in distress look to outside models they perceive as successful. Successful models are more likely to be found in the business world therefore NPOs turn to commercial enterprises looking for management tools and strategies to overcome their financial uncertainty. This then leads to the commercialization of the NPO sector, albeit without the same profit motive that drives business. The demands of survival force NPOs to change their face - of organizations established to 'look after the poor and vulnerable' to multi-faceted organizations that are just as capable as the for-profit or business sector to engage in practices that generate substantial income.

The focus on income generating practices is not without problems. First of all, a viable business proposition has to be found. It is easier if this business proposition is related to the organization's existing services and expertise. Organizations in the field of ageing are fortunate in that they can focus on the ageing middle class's need for secure accommodation and care. A number of them have entered the retirement accommodation market by developing and selling accommodation on the life right principle combined with up market frail care services. However, in marketing the same type of service directed at a niche market, NPOs effectively extend their internal competition from the donor market to the business market.

Secondly, NPOs that derive a significant percentage of their income from business-related services are often plagued by the following dilemmas and constraints:

- Ethical aspects: To what extent and how can the organization remain true to its original mission? Is the welfare component of the service playing second fiddle to the business component?
- Quantity decisions: What is an acceptable ratio of business versus welfare services? How much of an organization's financial and human resources should be devoted to each component of the services?
- Quality decisions: How should each component be approached in terms of specific service offerings, prices and communications? Does the organization invest more time and energy in meeting the demands of a paying clientele versus that of the non-paying group? Is it acceptable to differentiate in terms of quality of care?
- Status issues: To what extent do the business practices impact on and threaten the organization's nonprofit status and the benefits that it holds? Is the organization alienating traditional supporters and what is the impact?
- Capacity issues: Does the organization have the management expertise and capacity to meet all requirements of complex business

practices? Are staff ready to take on new challenges and how do they reconcile and make sense of the organization's services and priorities?

In the third instance, NPOs start competing with the business sector. The question is not only if NPOs are able to compete at this level, but whether an organization's business practices will have an effect on its ability to:

- Raise significant donations from the sector's corporate social responsibility programmes.
- Form lucrative partnerships with business such as co-branding of products.
- Enlist professional services on a pro bono basis.
- Attract company volunteers.

2.4   Conclusion

NPOs play a significant role in the national economy and provide not only care, but also employment to a significant component of the population. Their existence serves not only a social, but also an economic purpose.

The very nature of NPOs, being part of a community, addressing community needs, places them in a position where they are intimately affected by all factors that have an impact on society. In South Africa, it is evident that the economic, political, legal and social changes in the country have converged to dramatically affect the world in which NPOs operate. NPOs cannot remain indifferent to these changes. They have to assess its impact and implement new strategies to survive and flourish in the future. One of the challenges faced by NPOs is how to stand out in the crowd – how to develop and market an identity that can create distinction and attract support from multiple groups of stakeholders. The role of branding in this quest is explored in the next section.

CHAPTER 3

LITERATURE REVIEW

3.1   Implementation of a marketing orientation in NPOs

The theoretical rationale for a marketing orientation in NPOs is that it should be instrumental in creating a more responsive organization which provides better customer satisfaction, leading to increased cash flow and more and better services (Harding, 1998). Kotler and Levy (1969) first broadened the concept of marketing to the nonprofit sector by reminding us that the marketing concept actually means to sensitively serve and satisfy human need. They stated that all organizations, including the NPO sector, are formed to meet the needs of a particular target group, must develop appropriate products to meet these needs and use modern communication tools to reach their audience. Therefore, the question is not to market or not, because no organization can avoid marketing. The question is to do it poorly or to do it well. These days it is generally accepted that marketing can lead to a better understanding of the needs of different client groups, to a more careful planning of services, to more effective methods of service delivery and to higher levels of client satisfaction (Kotler,1979).

The implementation of a market orientation in NPOs can be quite difficult. Research undertaken by Padanyi (2001) indicated that market orientation is not a managerial approach, that once adopted, is applied equally to all stakeholder groups. The complexity that follows from a dual targeted market of beneficiaries or users of services on the one hand, and resource donors on the other hand, must be emphasized (Gonzalez, Vijande & Casielles, 2002). Separate models of the relationship must be acknowledged for each stakeholder group in recognition that each group make different demands on the organization and must be managed in different ways. It stands to reason that it is critical how the organization identifies which stakeholder group(s) constitutes the group(s) generating the cashflow and what approach it follows in terms of other

stakeholder groups. For instance, if a NPO only focuses its marketing efforts on those customers who pay for services, it may affect the organization's mission and mandate and alienate groups sympathetic to the original target group.

In addition, lack of employee understanding and commitment can impact negatively on the implementation of a market orientated culture in NPOs. Many organizations deem marketing activities as necessary evils and would rather do without them. This makes it difficult to build up a culture valuing marketing principles. Therefore, contrary to conventional marketing wisdom that behaviour stems from organizational values, in NPOs a market orientation may only develop after the organization has experienced the beneficial effect of successful marketing activities (Padanyi, 2001).

As a number of studies have found a positive relationship between the market orientation of an organization and organizational performance, it is in the interest of every manager to work towards a market orientation in the organizations they lead (Gainer & Padanyi, 2003).

3.2   The meaning of a brand

A brand can be either a name, symbol, term or design which identifies a product, service or organization in such a way that the unique meaning and values of such product, service or organization are clear to the target audience (Ambler, 2003). The concept of branding constitutes a dramatic change in the way we think and act. Kunde (2002) states that the old product orientated economy is a thing of the past. Product life cycles are short, imitation is easy and owning a specific product or service segment is of less value than before. Sustainable competitive advantage now lies in strong brands based on a unique value proposition. To stand out in the market, organizations must offer something so attractive and so valued that it transcends being merely a product or service. Of course the actual product or service still matters, but it needs to be strengthened by its value position. The factors that surround it, i.e. the way it is marketed, what

the organization stands for, the way it treats its customers and staff, its role in society and what utilization of the product or service says about the consumer, are the factors that determine value.

Brands are much more than merely well promoted names. According to Haigh & Gilbert (2005) brands may start as names, but soon acquire unique personalities which identify them. The objective of brand management and promotion is to create, in the mind of the consumer, a particular set of values and attributes of the brand, both tangible and intangible, which ensure differentiation from the competition and attract consumer recognition and loyalty.

It is useful to try and understand the term "brand" as a multi dimensional concept that consists of four dimensions: brand equity, brand image, brand identity and brand personality (Venable, 2001).

Brand equity is the reputational asset that any company builds in the hearts and minds of its stakeholders (Ambler, 2000). It embodies the traits related to the customer's perception of the brand, namely loyalty, perceived quality, associations and awareness. However, loyalty is regarded as the core of brand equity and represents the emotional attachment the customer forms with the organization (Venable, 2001). Central to a brand is its *identity.* This is the particular vision, aim and values that the sender tries to portray and consists of a visual identity and key messages. Brand identity is different from brand image in the sense that brand identity is what the sender strives to communicate whereas *brand image* is the perceived impressions of a brand by its audience (Ambler, 2003). *Brand personality* on the other hand consists of the human characteristics associated with a brand and are formed as a result of a person's contact with the brand. Five major dimensions of brand personality are generally utilized, namely sincerity, excitement, competence, sophistication and ruggedness (see Annexure A for a list of traits per dimension). However, for nonprofits, a sixth dimension of nurturance should be acknowledged, identified by traits such as loving, caring,

compassionate, kind, helpful and caring (Venable, 2001). Where personality traits in humans can develop over time, a brand's personality develops very quickly in the mind of the customer through its interaction with the brand and can make or break the brand.

Holistically a brand can be described as the totality of the messages, experiences and perceptions regarding that product, service or organization. Sargeant (2005) makes it clear that brands can convey many different levels of meaning to a consumer:

- The attributes the organization possesses. As such the brand serves as a vehicle for communicating what the organization does and how it does it.
- The functional and emotional benefits the customer will experience from supporting the brand, e.g. enjoyment or the satisfaction of making a difference to someone's life.
- The values on which the organization is based as well as those that guide the way the organization approaches issues, i.e. helpful and caring or challenging.
- The culture that characterizes the organization, how it does business.
- The distinctive personality of the brand, its image of being caring or not.
- The nature of the user, i.e. adventurous or concerned.

Venable (2001:28) rightfully states that a brand is the manifestation of the character, values and personality of the organization as well as the products or services it offers. It is a guarantee of consistency and value and as such, should be viewed as one of the most valuable assets an organization possesses.

The following model of a brand (Sargeant, 2005:137) can be used to undertake a detailed analysis of an organization or product, seeking to identify those issues that are, or could be, distinctive. It helps to understand the brand and to draw a

distinction between the components that can make a rational impact on the audience and those that would appeal to the audience on a subconscious or emotional level.
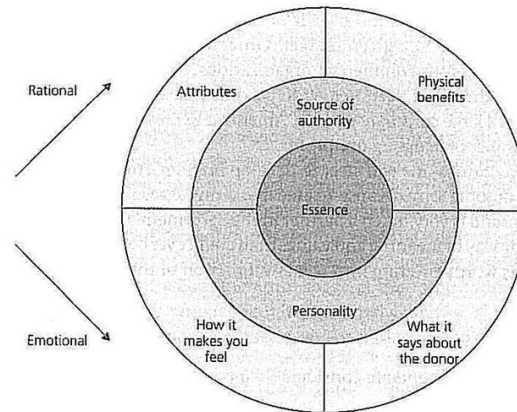
Figure 1: Model of a brand

Source: Sargeant 2005:137

On the functional or rational side, a brand simplifies recognition and selection and provides a guarantee of origin and quality. On the emotional side, brands provide reassurance, fulfill associative desires, self-expressive needs and are aspirational (Haigh & Gilbert, 2005; Hankinson, 2001). A strong brand must do more with its image and emotion than with its function and rationality. After all, it is the ability of the brand to create understanding and sympathy, to speak to the consumer's spirit, which provides differentiation between two functionally similar products or services (Kunde 2002).

3.3   Branding in the NPO sector

Hankinson & Lomax (2006) state that an NPO brand can be perceived as a product, service or organization PLUS. The PLUS indicates a unique set of values which allows differentiation and choice within competitive environments.

Traditionally, brands in the NPO sector have just developed over time, based on the expectation that the public should be aware of the 'good deeds' of the organization. The brand was also rooted in the problem the organization tried to

address, e.g. an organization against elder abuse, child abuse or alcohol abuse. It can almost be said that where brands exist, they have mostly developed and survived by default, not active management.

Over the years researchers have paid attention to a range of marketing issues in the NPO sector such as pricing, competition, service quality, promotion, customer satisfaction, relationship marketing and the link between marketing and organizational performance (Napoli, 2006). However, it is only in more recent times that the concept of branding has been receiving attention as part of the market orientation of NPOs. Napoli (2006) identifies two main streams of research regarding branding in the NPO sector:

- The impact of brand image on donor attitudes and actions.
- The processes involved in creating strong NPO brands.

Csaba (2005) on the other hand is of the opinion that branding is not an entirely new approach for nonprofits and that at times it can be difficult to tell where marketing ends and branding begins as much of the discourse on the branding of nonprofits looks like marketing under a different label.

However, both Csaba (2005) and Napoli (2006) stress the importance of brand management in the NPO sector to secure funding and advance their causes. Branding can help NPOs to become more visible, efficient and accountable as they need to attract media coverage and public attention amidst growing competition from other nonprofits and even business organizations entering the social services realm. They need to create and sustain a desirable brand identity, understand stakeholders' perceptions of the brand, select the right brand position and communicate this effectively to a range of stakeholders. As Ewing & Napoli (2005:842) have pointed out, "… creating a suitable brand identity is becoming as important for nonprofit organizations as for their commercial counterparts and involves amongst other activities, giving consideration to a brand's functional elements as well as its symbolic components…..Efforts should be directed toward building brand trust, aligning a brand's identity with the inherent

psychological needs and desires of potential donors and communicating these point of difference to stakeholders". Csaba (2005) concludes that branding represents an opportunity to revive an organization's sense of mission and that we might regard the adoption of brand management practices in the NPO sector not only as an adjustment to environmental change, but also as an approach with great potential for the sector.

There has been some research into the development of an overarching brand for organizations working in the same field, or for certain types of activities common to several organizations, such as volunteering (Hankinson & Rochester, 2005). The difficulty with this is that a single brand may potentially lead to a loss of identity for individual organizations in an umbrella organization, alienating traditional supporters and that 'subbrands' would have to be developed to overcome this possibility. The key word is unity amongst NPOs, not uniformity (Goff, 2006).

3.4 The equity value of branding in the NPO sector

The greatest value today is generated by brands and the companies that will flourish in the future are those that have captured a customer group that shares the company's brand values (Kunde, 2002). As in the business sector, branding for nonprofits form part of a deliberate marketing communication process that aims to engage and win over its target audience. Therefore, brands may be seen and used as a strategic resource to achieve competitive advantage, not only financially, but in terms of public awareness and support (Ambler, 2003; Csaba, 2005; Hankinson, 2001; Hankinson and Rochester, 2005).

Several writers are of the opinion that the NPO sector does not pay sufficient attention to branding and the branding process and are therefore under-utilizing one of its most important assets. A strong brand can be used inter alia to educate or change public opinion, lobby politicians, obtain funding through cause-related marketing and win volunteers for its cause. It can be argued that due to the

intangible nature of many of the services NPO's provide, branding is more critical for these services than for product orientated businesses (Gray, 2006).

A strong brand attracts supporters. The traditional supporters of the NPO sector are ageing and it is clear that its future lies in its ability to attract the attention of younger generations. Hankinson and Rochester (2005) found that the image of volunteering does not appeal to the younger generation due to its staid impression of 'worthiness'. Goff quotes Robert Jones, head of consulting at brand agency Wolff Olins, who went so far as to say that "the notion of charity is an old Victorian idea" and warns that those charities that fail to adapt will lose out (2006:26). There is a need to develop a more upbeat and modern approach that accurately represents what the NPO sector stands for in the 21st Century.

In addition, people's reasons for giving to NPOs have changed. These days people need NPOs to work on the causes of problems, and to demonstrate that they are movements for change. To 'be a good cause' is no longer sufficient; actions that make a difference and the ability to engage the emotions and intellect of the audience are required (Goff, 2006). The success of well-known charity brands to engage public support, highlights the advantages of NPOs building attractive brand personalities for their organizations, not only as a means of differentiation and advantage in the race for resources, but also to build meaning into relationships with stakeholders (Hankinson, 2004). CHOC and Childline are local examples of such NPO brands.

The importance of branding in superior service quality should be noted. Napoli (2006) found that brand orientation plays a significant role in discriminating between low and high performing organizations, and that brand orientation can lead to a notable improvement in performance. A brand can unite employees behind a common purpose and acts as a blueprint to guide staff behaviour (Hankinson, 2004).

In summary, strong brands with high brand equity persuade people to make decisions based on emotional rather than rational criteria. They therefore have a profound economic impact and value. In the NPO sector, it is useful to understand the economic impact of a brand on the major 'audiences' of an organization and to quantify the scale of its financial significance (Haigh & Gilbert, 2005). The results should be used as a management tool to develop a deeper understanding of brand value, where it comes from and what drives it.

Target audience	Economic impact of brand on target audience
Donors	Higher donations and lower lapse rate
	Higher share of overall cause contribution
	Higher frequency of donations
Business	Professional services on a pro bono basis
	Partnerships such as sponsorships, licensing and co-branding of products
	Employee volunteer services
Consumers (of income generating products/services)	Willingness to pay higher prices
	Satisfaction level – complaint reduction
	Higher referral and/or repeat purchase rate
	Willingness to accept terms and conditions of sale, eg life right purchases for accommodation
	Security of demand for products and services
Staff	Lower recruitment cost
	Lower staff turnover costs
	Lower retention costs, eg salaries and benefits
	Higher motivation, commitment and productivity
Suppliers	Lower prices
	Better discounts and payment terms
Bankers and financiers	Lower borrowing costs
	Better repayment terms
	Higher interest rates on investments

Table 1: Impact of brand value on the target audience
Source: Adapted from Haigh & Gilbert, 2005

3.5   The development of a brand orientation

Brand orientation can be described as the extent to which an organization regards itself or its services as a brand (Hankinson, 2001). It means that the practices by and within the organization are consistent with the brand construct. To operate according to a brand orientation involves giving effect to the following aspects:

- Understanding what the brand does and the values it represents.
- Communicating the brand to internal and external target groups.
- Using the brand as a strategic resource.
- Managing and maintaining the brand.

Obviously, brand orientation is not an 'either or not' situation. Most organizations would show differing degrees of the above aspects.

An organization can develop a brand in many different ways. The starting point is to establish something that no one else has, something that will make the organization unique. However, this requires knowledge of the organization and branding expertise: "Without branding expertise it is impossible to direct the company properly into the value economy and then stake your unique value position in the minds of customers" (Kunde, 2002:65). Furthermore, much more than a unique product or service is required. Brands start with and are defined by the customer's values and these values in turn define what features, price, communication and other attributes the product or service needs to develop (Bauer, Bloching, Howaldt & Mitchell: 2006). These authors maintain that it is not possible to build a strong brand without connecting with the customer's values first. Values are what people feel and believe is important in their lives, what they regard as desirable or undesirable, right or wrong and how this translates into behaviours and preferences. Therefore, an organization needs to align its brand to the values of its target group, not try to align customers to its brand. The 19 core values that are common to most consumer markets in Europe, and how they can be positioned on a values grid, are given in Annexures B and C to provide practical illustration of the concept.

The question that arises is what else must combine to make a great brand? Keller (2000) identified the top 10 characteristics that the world's strongest brands share and combined them in a brand report card:

- The brand excels at delivering the benefits customers truly desire, by ensuring all tangible and intangible aspects of the service or product combine to form a desirable whole. This is based on a concerted effort to find out what customers really want.

- The brand stays relevant by adapting to new trends, improving services for customers and purposefully managing its image. It is not only how and what the brand does for customers, but how the brand responds to challenges in society that has an effect on its image.

- The pricing strategy is aligned to consumers' perception of value and the product or service and not over or under priced.

- The brand is properly positioned, striving to create points of parity in those areas where competitors are trying to find an advantage and creating meaningful points of differentiation in other areas.

- The brand is consistent and sends clear messages to stakeholders. It works in a clear direction and keeps its promise to customers.

- The brands in the organization's portfolio make sense and form a logical package in terms of scope, quality, price and type.

- The brand implements a full repertoire of marketing activities to create brand equity. All appropriate communication activities are used to consistently promote the brand.

- Brand managers understand what the brand means to customers and ensures that all products and services are consistent with this expectation and perception. They are acutely aware of all the associations the customer makes with the brand, whether positive or negative. Any spending to obtain detailed knowledge of the target customer's profile and needs is regarded as an investment to secure the future.

- The brand is given proper support and that support is sustained in the long run. A strong brand requires ongoing investment in marketing activities to ensure the target group maintain the proper depth and breadth of awareness and are exposed to positive associations with the service or product.

- The organization operates according to a brand charter that describes its general approach to brands and contains guidelines for implementing branding strategies. It monitors sources of brand equity in the way of brand audits on the products and services being offered and how they are marketed and branded. Furthermore, tracking studies are undertaken to understand where the brand has been, where it is now and whether marketing programmes are having their intended effects.

Hinshaw (2005) makes the point that effectively defining and communicating a brand is a challenge for even the most sophisticated organization. In his research senior marketing professionals identified factors very similar to those of Keller (2000) when asked what is most important to develop and support an effective brand: brand promise, customer experience, management's understanding of the importance of branding and consistent visual and voice delivery of the brand.

Based on Keller's (2000) balanced scorecard, Ewing and Napoli (2005) developed a psychometrically robust measure of nonprofit brand orientation or NBO. They define nonprofit brand orientation as an organization-wide process of generating and sustaining a shared sense of brand meaning that provides superior value to stakeholders and superior performance to the organization. Nonprofit brand orientation involves putting the brand at the centre of the organization's decision making processes and making sure that those internal and external processes that are essential to develop and sustain a strong brand, are in place (Napoli, 2006). Knapp's brand strategy doctrine process (Nissim,

2003) can be applied to achieve a practical understanding of the development of brand orientation. In terms of this, the process consists of the following 5 steps:

- Brand assessment

  This step involves a factual audit to determine the brand's current image and perception. The activities could include an assessment of the marketing plan, customer research and competitive trends.

- Brand promise

  During this step answers to the following questions are sought: What business is the brand in, what differentiates it from competitors and what superior value does it hold for customers? All employees must be clear on the functional and emotional benefits the brand should hold for stakeholders in order to live this promise in all their interactions with these groups.

- Brand blueprint

  The brand blueprint contains the methodology for communicating a brand identity. It consists first of all of the steps and the strategy that will be followed for designing and communicating the desired brand perceptions to all stakeholders. It also contains the development of the character, style, personality and collective architecture (logo, colours, graphics) of the brand. The outcome is effective communication of the desired perceptions. Central in the brand blueprint is the brand story – that is the story or legend that brings to life the purpose of the organization. It should act as an inspiration to all employees and assist to form a meaningful identity which all stakeholders can embrace.

- Brand culturalization

  The purpose of this step is to get all employees to live the brand. First of all, a written document detailing the brand values, beliefs and behaviours is required to serve as a roadmap for employees ensuring consistency to customers and other stakeholders. Secondly, it should involve a process to reinforce the values and beliefs in the hearts and

minds of employees and may involve a process to change the existing culture in an organization to the new desired culture.

- Brand advantage

 The final step consists of all activities necessary to sustain, innovate and manage the brand. It includes regular assessments of the brand and of employee buy in and customer perceptions.

Branding can be developed along two fronts, namely by communicating a key message and secondly by providing a common visual identity. However, these two fronts are interdependent and all communication the organization creates, both in character, style and content, should reinforce the brand image the organization is trying to project. Clearly, there is much more to branding than deciding on a name, logo and advertising campaign. Similarly, it is also much more that mere words or looks that count. As Goff (2006) points out, one of the key factors influencing donor support is the tone of voice adopted in communications. This not only includes advertising and public relation activities, but the manner in which the organization responds to telephone enquiries, interacts with customers and even presents its annual reports and financial statements (Sargeant, 2005).

A point that Sargeant (2005) convincingly makes, is that in a nonprofit organization, its reason for existence is likely to drive what is distinctive about the organization. This means that its mission should be the starting point for the development of a brand orientation. The following framework (Sargeant, 2005:128), illustrates the many complexities involved in developing a brand orientation:
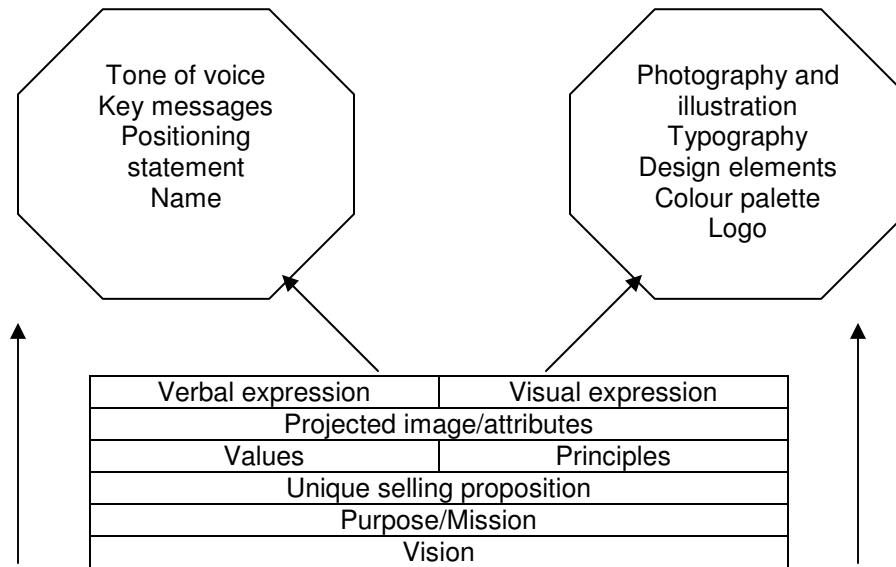
Figure 2: Brand framework

Source: Sargeant 2005:128

It is evident that a brand orientation must be rooted in the vision and mission of the organization. A clear, shared mental picture of who and what the organization is and what it strives to achieve, forms the identity of the organization which can then be implemented and maintained through brand building practices. Logos, corporate colours, brochures and such material aren't the solutions. They are the end products which can only be developed once the organization has developed a deep understanding of itself – its purpose in society, the values it aims to live by and the vision it seeks to achieve.

An organization that develops a brand orientation moves away from merely delivering services or products to building a brand around its services and products and thus establishing value for its customers. Kunde (2002) furthermore makes the point that it does not matter whether this value represents the very cheapest product every time, value for money or unsurpassed quality. The point is that the value proposition must be appropriate for the target group and that the organization must understand itself so well in this that it can ensure this unique value experience for each and every customer, every time.

3.6   The importance of brand communication

Brand communication can be described as the deliberate and active understanding and management of people's perceptions and experiences, both tangible and intangible, through consistent and coherent messages to stakeholders. Communication is vitally important for brand development and optimization. If one cannot communicate the lifeblood of an organization, it will be invisible and unheard in the crowd (Kunde, 2002). It is also generally accepted that firms create brand equity not only by delivering quality products, but also by creating strong brand associations through appropriate communication strategies (Rao, Agarwal & Dahlhof, 2004).

Effective communication management is an enormous challenge for organizations (Jenkinson, Sain & Bishop, 2005; Sargeant, 2005). Meaningful and congruent messages have positive effects, whereas contradictory, fuzzy and ambivalent messages are dysfunctional, diluting the message and the brand. It can even create negative perceptions about the brand. In addition, one is up against the old rule that says communication must entertain and make as many people as possible remember it. In the NPO sector the key to success lies in the ability to express the soul of the organization in a clear and consistent manner.

Planning is central to purposeful communication. Jenkinson et al (2005) are proponents of the Open Planning process which can be described as a rigorous process for the selection of communication options which combines facts and imagination to drive continual improvement. It is based on five principles:

- Identify each stakeholder community segment for communication purposes.
- Plan from the highest strategic levels of brand positioning to the fine detail of a banner, mail pack insert or newsletter using a single standard planning and evaluation framework to ensure consistency in the message.

- Plan, optimize and brief across anything that can communicate: charity shop, website, signage or advert. Do not take anything for granted.
- Recognize that any communication medium can potentially achieve a variety of communication objectives. Use mediums creatively.
- Always undertake post-execution evaluations to assess communication effectiveness.

Brand communication traditionally consisted of verbal or scripted and visual communications. However, modern branding places a high premium on the third element in the communication process, namely behavioural communications. Behavioural communications bring what the NPO stands for to life, in the form of its actions and the publicizing of such actions. This is often the strongest form of communication as it embodies and portrays the values of the cause and promotes a message of consistency between words and actions. A prime example is a society protecting the elderly exposing elder abuse.

Another aspect of behavioural communications includes the actions of staff in recognition of the fact that they represent the brand at its point of delivery: "It is the employees who deliver the service which convey the brand to the customer" (Ostrom, Iacobucci & Morgan, 2005:193).The everyday actions of each and every staff member need to be consistent with the values the brand claims to embody. This is in line with the views of senior marketing executives, namely that better buy-in by the internal stakeholders is the single most important factor in improving brand performance (Hinshaw, 2005). The best and most expensive service can be completely undermined by the inability or inattentiveness of a lower paid frontline worker such as a cleaner or porter. However, it requires an inclusive approach in the development of the brand, managerial support and deep commitment to engage the hearts and souls of staff. As Hankinson & Rochester (2005) point out, it is one thing to get the staff to understand the brand, it is quite another to get them to live those values.

In an NPO, many communication vehicles can be used to facilitate brand communication (Kunde, 2002; Sargeant, 2005):

- Website
- Brochures and sales catalogues
- Space and time advertising
- Participation in community and trade events with tailored exhibits
- Newsletters, direct appeals
- In-house publications
- Special events
- Signage on buildings, vehicles and billboards
- Corporate stationery
- Stories and legends
- Brand book containing guidelines regarding the implementation of the brand

Communication material should relate directly to the target group, product and services. It should be based on clear objectives and be persuasive. Brand communication cannot be generic and bland, it needs to create involvement.

In summary, effective brand communication can hold the following benefits:

- Brand recognition and image enhancement which means better management of stakeholders with greater loyalty and long term financial benefits.
- Simplification of the aims and objectives of the organization, sharply and convincingly conveying key messages.
- Media multiplier effects which result when different communication channels work in harmony.
- Enhanced selection of communication media and tools, with greater communication effectiveness and cost efficiencies.
- Employee understanding, commitment and loyalty to the brand resulting in synergy between brand promise and brand experience.

- Integration between disciplines, functions and departments of an organization, reducing fragmentation and contradictory messages and experiences.

(Hankinson, 2004; Jenkinson et al, 2005)

3.7   Antecedents to a brand orientation

From the literature it is clear that several factors can contribute to or detract from the development of a brand orientation. These can be regarded as prerequisites to a brand orientation:

- Personal vision

   The development of a brand orientation does not happen by itself. It has to be driven by the vision and belief of top management personnel. Leadership therefore is critical to the change from nonprofit organization to nonprofit brand (Hankinson, 2001).

- Understanding of the brand concept by key managers

   It is very important to have the right organizational structure to support brand orientation. Bauer et al (2006) is of the opinion that the key position driving branding in the organization should be a board position to develop the necessary legitimacy. It should also be understood that branding remains a work in progress, and can never result from one-off campaigns. Other researchers propose that successful branding is directly linked to key managers' experience of branding in the commercial sector, their level of educational qualifications in this field and the level of top-down understanding of the value, meaning and importance of the brand (Hankinson, 2001; Hinshaw, 2005).

- Supportive culture in the organization

   Branding is often a foreign concept to NPOs and may not be well understood by the non-executive management of such an organization. An internal resistance to change amongst entrenched staff and management will negatively affect brand orientation. An inclusive and democratic culture where experimentation and innovation

are valued and change managed, will support a brand orientation. At the same time it is essential that staff are kept informed and understand their role in the branding process. Many people working in an NPO may understand the importance of the brand, but do not really see it as their business, it is something the marketing department should attend to. However, as Grounds (2005:65) put it: "…for a brand to really live and grow, it has to be owned at some level by everyone who represents it. The challenge is to turn brand strategy into something meaningful for the majority of a charity's own people".

-       The identification and support of core values

Core values can be described as those rules of life or the set of timeless guiding principles that permeates all activities of the organization – its services and products, the way it does business and the culture of the organization. The following quotation from Urde (2003:1020) sums up the importance of core values: "When an organisation grows from a position in which the mission, vision and organisational values are brought together in the form of core values, a vital step on the road towards high-level brand orientation has been taken". Clarity on and internalization of core values are vital for consistency and credibility in the brand development process. Kunde (2002) goes on to emphasize the importance of reliability. In today's society where everything from governments to financial institutions seems to have feet of clay, NPOs have a unique chance to gain on lost security and trust. However, it is essential then to understand the values the organization has to live up to when consumers buy into them.

-       Level of environmental change

Some NPOs tend to depend on a very small number of donors and others focus on particular categories of supporters, e.g. religious groups, government or business. The level of reliance on donations, donor market size and composition of donors has an impact on brand

orientation (Balabanis, Stables & Phillips, 1997). Nonprofit organizations operating in a safe environment with strong support from donors will be less likely to experience the need for change. However, where competition is strong, traditional sponsors have dwindled away and resources are scarce, organizations will experience more pressure to implement a differentiation and survival strategy in the form of branding.

3.8   Benefits of branding for nonprofit organizations

The following positive consequences of a branding orientation in the NPO sector can be identified (Bennet & Sargeant, 2005; Csaba, 2005; Gray, 2006; Hankinson, 2001; Hankinson, 2002; Napoli, 2006; Sargeant, 2005; Venable, 2001):

- Development of strong values and beliefs

    Strong brands stem from strong values and beliefs, the cornerstone to building a brand orientation. A concerted effort to develop a brand orientation forces an organization to clarify its values and its identity. This can bring staff together behind a common purpose, motivate them and enable them to undertake their duties in such a way that it supports the desired values and identity the organization strives to project. When this happens, the organization starts to effectively communicate and live the values that will enable the target group to form a strong affinity with it. A fit between the values of the organization and those of the target audience is critical.

- Development of a strong image

    A salient and sound image stimulates trust and creates a halo effect. This helps the organization to withstand occasional adverse publicity during difficult times, i.e. when it is trusted and well understood, the public will tend to understand that the organization can make mistakes and these will not have such a devastating effect on donations and general support.

- Successful implementation of organizational objectives

    Extensive communication between an organization and its stakeholders enable the organization to identify and eliminate non-value added activities and implement strategies that provide a swift and appropriate response to needs. This is likely to lead to the provision of better services. Furthermore, consistency between what is said and what is practiced builds reputation, which in turn leads to enhanced perceptions of service quality, trustworthiness and differentiation as well as the attraction and retention of good employees. All these factors enhance an organization's reputation, which enables the organization to use its brand as a strategic resource. The purpose of this can be to raise funds, lobby politicians or influence public opinion, all essential to achieving organizational goals.

- Inclusive employee culture

    A successful brand cannot be built without the direct involvement of employees. Employees are the face of the organization and the instrument that can directly affect a positive or negative experience of the organization. Therefore, where a strong brand exists, employee buy-in and support is assumed. The literature on leadership is clear on the benefits of an inclusive employee culture, for example staff taking greater responsibility for organizational goals, showing greater commitment towards projects and other staff, working in a more coordinated manor, more willing to go the extra mile, share information and pursue innovation. By making the brand the priority of all departments and branches, a greater sense of oneness and intra-organizational coordination and collaboration may be achieved.

- Differentiation

    A brand can communicate what is distinctive about the organization, and thus can aid recognition, support and loyalty. This makes the marketing task much easier as the audience is already familiar with the

brand, can place communications in context and is more likely to trust messages.

- Enhanced loyalty

Persons choosing to associate with a particular brand may derive functional or emotional benefits from this association. In the nonprofit world, this usually comes from the good feeling of supporting a particular cause or campaign. People's need for affiliation and to contribute to causes larger than themselves, are often satisfied by brands that tap their emotions. Thus, the personality of the brand can deepen the emotional benefits a person experience and serve to enhance loyalty.

- Marketing partnerships

An organization that has developed a strong and trusted brand will find it much easier to enter into profitable partnerships with business organizations. One example is cause-related marketing where the buying public's positive attitudes towards a specific nonprofit organization are linked with the image of the sponsoring company. The focus is not just on what the business can do for the organization, but an equal focus on what the organization can do for the business.

- Fundraising

A strong brand and appealing brand personality enables the organization to build a competitive advantage in the fundraising arena. Several studies have shown that the image of the organization has a significant impact on a donor's likelihood to make a financial contribution to the organization. In addition, it influences consumer preferences for NPO branded products. Research has also shown that the brand orientation of a fundraising manager has a direct bearing on the success of fundraising efforts.

3.9   Brand maintenance

Despite its many advantages, developing and sustaining a brand orientation requires hard work. The development process can often be slow and will require the investment of financial resources. Once an organization is on the road towards achieving a strong brand, managing and maintaining the brand should become a key priority. As Hankinson & Lomax (2006) stated, brands are dynamic, they need to stay relevant to the customers they serve as well as the many stakeholders an NPO may engage. In addition, any brand can run into trouble from time to time. The best defense is to build as much credibility and content into it on an ongoing basis. A strong brand with a history of positive experiences and values will be in a better position to overcome adversity. A weak brand will just be crushed and will disappear (Kunde, 2002).

Branding is a continual and ongoing process built on an interactive relationship with the target audience, its strength linked to certain ongoing practices (Delgado-Ballester & Munuera-Aleman, 2005; Ewing & Napoli, 2005; Gray, 2006; Ostrom et al, 2005):

- Investing in marketing communications to improve customer awareness and understanding of brand values.
- Playing a role in the wider community to improve corporate reputation or image.
- Improving internal communications to encourage staff buy-in into the corporate vision and to ensure front-line staff are better informed on customer needs and the organization's services.
- Improving service quality by inter alia investments in customer satisfaction, complaint and feedback programmes as well as staff training and development – improving all 'touch points" between the organization and its stakeholders.
- Relationship building programmes, positioning the brand as a promise to provide a certain level of value and integrity. Providing this value on a consistent basis creates the level of trust required for lasting

- Integration of communication, service innovation and delivery strategies to ensure consistency in the message and the service the customer experiences.

- Continuous monitoring and the adjustment of all types of interactions between an organization and its stakeholders to ensure consistency between the organization's brand vision and the stakeholders' perceptions and beliefs.

relationships with stakeholders and continuous positive word of mouth promotion.

Managing internal relationships is a key component in brand maintenance. All employees, functions and departments must be systematically guided towards achieving the aims of the brand. The starting point obviously is the individual, to treat each employee as a customer, ensuring that their needs are met. The premise is that happy employees will be in a better position to satisfy the needs of external customers (Ahmed & Rafiq, 2003). However, the total collective that makes up the organization is as important as the individual. The interrelationships between individuals, between departments and the coordination of functions must be managed (Hankinson, 2004). Companies cannot afford to operate in silos with barriers between functions and departments. As Ahmed & Rafiq (2003:1179) put it: "If all efforts are integrated, the net result is a continuous stream of value-rich actions and outcomes".

Brand maintenance, like marketing expenditure, is often seen as a cost and the question arises as to how its relevance and value can be demonstrated. The answer lies in a set of reliable metrics. The impact of branding activities can only be appreciated if they can be measured. However, research undertaken by Hinshaw (2005) showed up a significant gap between executives' views on the importance of metrics and activities to consistently track those metrics. He makes a case for a measurement-driven brand management culture that holds the key to maximizing the brand's effect on tangible business results particularly in critical

areas such as customer experience, retention, loyalty, profitability and value. It is evident that knowing what to measure and designing the performance dashboard precedes the implementation of systems to track and interpret the data.

3.10   Branding difficulties for nonprofit organizations

In the old product oriented economy, most resources were spent on the product/service and very little on winning customers (Kunde, 2002). Whilst the business sector can easily do new and great things to win the hearts and minds of customers, this is not so easy in the NPO sector. The NPO sector also needs to engage in innovative marketing strategies, but these cannot be overt. Goff (2006:28) quotes Saxton who said "Charities have a bigger challenge than profit-making brands in that the public wants the products of good marketing but they don't want charities to be too slick or market-orientated. Charities need to do those things but can't be seen to be doing them".

Apart from subtlety, transparency and trust in any branding exercise is very important for NPOs. Whilst NPOs enjoy a lot of goodwill from the public, they tend to be scrutinized more severely and judged more harshly than business organizations. It should never be forgotten that NPOs need people to support them, and that even support from the business and government sector ultimately comes down to winning people over to their cause. Building relationships and maintaining the trust of the public is of utmost importance.

In line with the above, any organization needs to be prepared to explain changes in its vision, purpose, values and marketing practices in an honest and open manner. This is particularly the case where an NPO has to enter a new market or seek new customers as part of a strategy to develop financial sustainability. Since the 1990's, many NPOs focusing on services for older persons have entered the retirement housing sector, selling accommodation on a life rights basis to a more affluent clientele. Where this change is not adequately understood and communicated, it causes conflict in the hearts and minds of staff

and other stakeholders as they perceive the organization to be losing direction and moving away from its main purpose in society.

The NPO sector, contrary to the belief of many, does not have the right to exist. These organizations must justify their existence and the rationale for their services to an increasingly cynical public. Often, there is a gap between what an organization says it does and what it actually delivers. To change the public's perception of an organization may require a change first in the behaviour of the people who live and work for the brand (Griffiths, 2005).

Branding requires an ongoing effort and investment in terms of time and resources. It is not a once-off event, as many NPOs practice. Successful branding relies on consistency over time as that is a prerequisite to build credibility and trust (Hankinson, 2002). There needs to be consistency in communicating the services and values of the organization to its various stakeholders, consistency in its visual identity and consistency in its behaviour at all levels and involving all staff. Branding therefore implies a strategy of investment in communications and public awareness. The aim is of course to attract support and generate income to continue its services. However, brand building requires resources that will initially mean the diversion of scarce resources from beneficiaries to branding (Csaba, 2005). The commitment and investment required to achieve consistency is often difficult to maintain in cash strapped and under resourced organizations.

It is sometimes contended that branding practices in the NPO sector is futile. This is based on the argument that the sheer numbers of NPOs and their greater focus on marketing and branding would create a saturation point for the public, and that their compassion to support good causes will be eroded. The opposing view is that organizations use this so-called compassion fatigue as a smokescreen to hide poor marketing and branding practices (Goff, 2006). This is

supported by research that the public can withstand a high level of promotion by nonprofits (Levine, 1999). The message is that if you don't ask, you won't get.

Several writers warn that commercial activities, such as branding, can pull an organization away from its original mission and change its relationship with stakeholders (Dees, 1999). For many people, commercial activities and meaningful values do not sit well together. However, Levine (1999:47) tries to make NPOs see the fallacy of this view and urges as follows: "If you have a project that can make the world a better place, then surely it's wrong – in fact, sinful – to waste it. Not only is there a moral argument for promoting humanitarian projects, it is immoral *not* to promote them".

Many NPOs lack a customer orientation (Balabanis et al 1997) due to factors such as the value-based intrinsic nature of the work, the reliance on volunteers and division on the question whether the needs and wants of the customer rather than expert opinion on what services they should have, drive the organization. Such NPOs implement a sales orientation where marketing, and for that matter branding, is viewed as a threat to the autonomy and power of those at the helm of the organization. Therefore, staff and management lack of understanding and commitment to a market orientation can serve as an important barrier to effective branding practices (Gainer & Padanyi, 2003). Furthermore, the fact that decision-making in the NPO sector is affected by a diverse group of internal and external stakeholders, can impact adversely on market responsiveness, especially where there is ideological, affective or cognitive opposition to marketing practices (Balabanis et al, 1997). The result of these difficulties is that organizations restrict their marketing activities to advertising and public relations. They lose out on the opportunity to implement a revolutionary new way to find a more meaningful position in society (Kotler, 1979).

Nonprofit organizations that implement branding techniques are often criticized for being too commercial and businesslike. Branding in the commercial sector is

used to influence purchasing behaviour, even when the consumer has no need or use for the product. Its aim is to stimulate customer need. Branding in the NPO sector must be practiced sensitively. NPOs that use branding in a manipulative way are justifiably criticized for acting too commercially. An example is to elicit feelings of anger, fear or guilt in order to raise funds (Griffiths, 2005). An NPO that uses its brand image indiscriminately as a tool to get a certain response undermines the very values on which the NPO culture is built (Stride, 2006). So too are NPOs who resort to shock tactics to grab the public's attention and force their conscience to give towards a good cause. These organizations may even find that their tactics are counter productive as it can dilute the message and offend the target group.

Values are the NPO sector's reason for existence and its brand identity and practices must be built around key values. Therefore, where the aim of branding in the commercial sector is to create needs and desires that will result in greater consumption of the branded product, the NPO brand must aim to seek out supporters whose values reflect its own, and to create a vision that is so powerful that it inspires people to support its cause. The essence of good brand management lies in the ability to internalize and reflect the target group's values; to 'pull' not to 'push' (Bauer et al, 2006). This is a difficult task.

The reality is that NPOs need to maximize awareness in an environment cluttered with millions of messages. In addition, the work of many NPO's may be worthy but it is dull. Worthiness does not necessarily shine and capture people's attention, making the building of an attention grabbing brand extremely difficult. This task calls for something creative that challenges, provokes reaction and changes behaviour (Grounds & Griffiths, 2005). These authors describe the National Society for the Prevention of Cruelty to Children's successful Full Stop campaign which involved using a cartoon very effectively to show the public what happens if they do not do something about abuse. The cartoon enabled them to be much more honest, graphic and direct without alienating the public. The

bottom line is that NPOs have a complicated communication task that calls for expertise. They will benefit from building partnerships with creative agencies in order to develop powerful creative ideas and maximize communication effectiveness.

3.11   Re-branding in the NPO sector

Re-branding exercises in the NPO sector are occurring more and more these days and are often the result of some sort of crisis when it is realized that the old concept of the organization does not appeal to donors anymore, has not kept pace with the growth and development of the organization or that its face has become politically incorrect. Re-branding is often very necessary. As Grounds (2005:66) stated "… successful brands grow. They don't stand still. They take account of the world around them and the changing expectations of their audiences". Therefore, brands must evolve and change, but without losing what is in the heart and soul of the organization.

An example of an organization that has repositioned itself through re-branding is the metamorphosis of Greenpeace's 'blokes in boats' to a scientifically based environmental charity with global responsibilities (Hankinson, 2001). Closer to home there are numerous examples of term changes to more acceptable ones such as a change from "the aged" to ageing or older persons and mentally handicapped to mentally challenged. Internationally, re-branding is often associated with a move away from a focus on the problem being addressed, to a more positive focus on the solution the organization represents. In the United Kingdom, the National Society for the Prevention of Cruelty to Children (NSPCC) is an example of an organization being very successful in refocusing its message from marketing the problem, to marketing the solution (Hankinson & Rochester, 2005). Unicef now introduces itself as the driving force that helps build a world where the rights of every child are realized (Goff, 2006). In the business sector, re-branding is often accompanied by a name change. NPOs are warned of this and in the interest of maintaining public trust, advised to restrict their re-branding

to ones that reinvent the organization, rather than trying a name change (Goff, 2006). This enables them to capitalize on their history, which is often a powerful reminder of the values that hold the organization together.

Although re-branding is more often than not accompanied by changes in the organization's visual identity (logo, colours, strip line), it is the change within the organization that matters most. The external aspects should be a reflection of an inner process to make sense of the organization's function, values and mission.

Being in the service industry, real change is dependent on staff buy-in into the change process and their engagement with the values and promises of the brand. Recruiting staff whose values are consistent with that of the organization and keeping staff informed during a re-branding exercise enable them to better understand their roles, own the re-branding process and deliver the brand promise. It is not much use if managers alone live the brand, as the brand will be judged by the experience of customers and other stakeholders in their daily contact with service level staff. Change that permeates the whole of the organization and at all levels is required. Therefore, successful re-branding goes hand in hand with an inclusive approach that will ensure the translation of brand values into organizational practice: "For leading charity brands, the process of re-branding was thought as important as its outcomes since it was the process itself that drove the finer detail of the debate and facilitated full engagement with its outcomes" (Hankinson, 2004:90).

Hankinson & Lomax (2006) researched how re-branding in the NPO sector affects staff in terms of knowledge, attitude and behaviour. Interestingly, it was found that staff knowledge benefited the most from the re-branding exercise. Staff felt that their knowledge of the organization's values, mission and key message had increased and that they were better informed about the organization and the people it aimed to serve. In terms of attitudes, re-branding made staff feel more responsible, involved and part of the team. Surprisingly, one

of the most positive effects of re-branding was its effect on behaviour, specifically staff retention. Staff indicated that because of the re-branding, they were more likely to continue working for the organization and help improve its image and services. One of the key learnings from the research by Hankinson & Lomax (2006) is to what extent communication with staff determines the success of a re-branding exercise:

- Internal channels of communication must be consistent, continuous and relevant to staff. This points to an effective internal communication system to reinforce and update staff on key messages so that they are better able to communicate the organization's message to customers and other stakeholders.

- Great care must be taken to ensure that information and knowledge cascade down to all levels of staff. Generally, managerial staff are more informed and others are left out of the loop. Management must take more responsibility to ensure that brand messages are communicated to all levels of the organization in a manner that makes sense to the recipients of that communication.

- Communication strengthens staff's feeling of involvement and contributes towards commitment, loyalty and identification with the changed organization. Dialogue and communication across the company will facilitate trust and cooperation.

- It is very difficult to change staff behaviour, to get people to live the values. This can be assisted by continuous communication in the form of training, staff focus groups, chat rooms on the intranet, seminars and brand bonding events. It is also important that all staff have the tools to implement change efficiently, to appoint brand ambassadors, build networks and to use rewards and incentives to encourage new-brand behaviour.

These findings are supported by the views of Bauer et al (2006) on the determinants of successful brand engagement strategies. They maintain that

when employees are involved in the process – with the ability to influence the outcome – they are much more motivated and more likely to provide the day-to-day work needed to make implementation possible. Unfortunately, too many organizations still operate on the command and control concept where change is driven by top management along one-way communication lines.

Re-branding practices stem from the realization that change is necessary to safeguard the future. However, success will only be possible if the organization can identify those aspects that will give its re-branding direction, sharpness and clarity in the market. It needs to optimize the value of its brand. According to Kunde (2002) this is possible only by focusing on the value position that consumers most want and identify with. He goes on to describe how Proctor and Gamble built up the brand value of a washing powder by focusing all efforts, including positioning and product development, on the almost banal principle of 'washing clean with optimal efficiency'. Most brands get devalued by being too generic, and by focusing on aspects that have very little impact on the brand's position in the market. The same principle applies to nonprofit organizations. To illustrate the matter, there are many organizations that provide care and accommodation for older persons. To stand out, an organization needs to identify what matters most to its target group, and develop and position its service specifically to have a distinct advantage in that area.

3.12   Conclusion

Branding practices in an NPO start with a clear vision, mission and unity on the values that underpin the organization's existence. It enables the organization to identity and develop those aspects that create distinction and to build value for its diverse customers. Branding takes the organization from merely providing a service to serve with passion and to deliver consistently on the specific promise inherent to the brand, thus continuously enhancing the image and reputation of the organization and improving organizational performance.

CHAPTER 4

RESEARCH METHODOLOGY

4.1 Selection of a research strategy

A qualitative study was undertaken. This approach is appropriate as the strength of the qualitative approach lies inter alia in its flexibility and the fact that it focuses more on an understanding of the organizational processes and issues than on predicting outcomes (Lee, 1999). Qualitative research is also grounded in the local context within which the phenomena of interest occurs and allows for adaptation and responsiveness to the research situation as well as the uncovering of multiple perspectives (Leedy & Ormrod, 2005).

4.2 Description of the research methodology

A case study was used to uncover the concept of and orientation to branding in RAA. Whilst a case study is useful to develop an understanding of branding in this particular context, its major weakness is that the findings cannot be generalized to other situations (Leedy & Ormrod, 2005). However, as branding is a little understood concept in the NPO sector in South Africa, an in-depth study has merit in exploring the phenomenon and developing information for further utilization.

The case study focused on the organization's re-branding exercise initiated in 2005, the activities undertaken in this process, its effect on the sales of a new retirement complex and staff understanding of the process. The results were analyzed to determine whether the re-branding exercise added value to the organization's goals and if a brand orientation has been established and maintained in the organization. It also aimed to uncover the difficulties and constraints associated with branding in the organization and to assist in the

development of guidelines for the implementation and management of a brand orientation.

Methods included:

- Analysis of written documents
- Interviews with staff members

4.3 Sample size and data collection methodology

The following written documents applicable to the time period was studied to obtain information on organizational spend on branding as well as the value this has added to the objectives of the organization:

- board minutes and related reports
- branding material, including written material and promotions
- financial records
- sales records on Phase 1 of Inyoni Creek retirement village
- sales records on Phase 1 of Thornhill Manor retirement village

Semi-structured interviews were conducted with staff members to obtain information on how they understand the concept of branding, whether and how branding practices are implemented and the constraints and difficulties experienced in this process.

Two subgroups were solicited for participation. The first group represented senior management. The aim was to enable the researcher to obtain an understanding of the reasoning behind the re-branding exercise and whether the aims and objectives set by the senior management team had been achieved. In order to achieve maximum input, all executive committee members but 1 (the researcher) was selected for interviews, therefore a total of 4 from senior management. This group represents the Chief Executive Officer, the General Manager Finance, the Human Resource Manager and the Operational and Marketing Manager.

For the second group, 12 staff members out of the corps of 110, who form the frontline of communication with customers and suppliers, were selected for interviews. The sampling was purposeful. This sample included the managers of 3 retirement complexes run by the organization as well as staff from the following functional areas: nursing, sales and fundraising, accounts, security, maintenance and grounds. The staff were selected on the following basis:

-       Management responsibility in the particular area.
-       Responsibility for communicating organizational information to staff at lower levels and interpreting information for others.
-       Level of frontline contact with customers and suppliers.
-       Likelihood of yielding the most information about the topic

As a general criterion, all staff selected had to be in the employ of the organization for at least 2 years. This timeframe is necessary to ensure the participants were part of the organization at the time the re-branding exercise was started.

For the interviews, the data was collected using a combination of note taking and recording.

4.4   Research instruments

For the document analysis, a guideline was developed to assist in the data gathering process. This is attached as Annexure D.

An interview guide was developed to assist in conducting the semi-structured interviews with the sample groups of employees. The same instrument was employed to steer the interview process with both groups of respondents. The purpose of the interview guide was to ensure that all participants are interviewed on the same themes and to ensure focus. However, all efforts were made to elicit discussion and to prevent a question and answer situation. The guideline is attached as Annexure E.

The interview guide is broadly based on the dimensions identified in Ewing & Napoli's (2005) Nonprofit Brand Orientation Scale. This scale is an operationalization of Keller's (2000) brand report card, adjusted for the idiosyncrasies of the nonprofit sector. Ewing & Napoli (2005) identified 3 underlying dimensions of brand orientation which they labeled interaction, orchestration or implementation, and affect. The factor of interaction assesses whether the organization is responsive to changes in market conditions and stakeholder needs, based on a dialogue with key stakeholders. The factor of implementation or orchestration gives an indication of whether the organization's brand portfolio and related marketing activities are structured and effectively communicated to staff as well as the range of external stakeholders. The factor of affect provides an assessment of whether the organization understands what the stakeholders feel about the brand – what they like and dislike and why they feel that way.

Two additional categories were regarded as essential and added to the guideline. As the terms of "brand" and "branding" are not widely used in RAA, it was necessary to first set the context by exploring how the respondents interpret this concept and how they feel about the RAA brand. Finally, questions were added to give the respondent the opportunity to make recommendations for improving branding practices in the organization.

CHAPTER 5

RESEARCH RESULTS

5.1   Orientation

Rand Aid was founded in 1903 as part of a community effort to combat the social problems that existed on the Reef at the time. It developed from an organization delivering food parcels and assisting unemployed men with accommodation and job seeking to a sophisticated organization providing care and treatment services in the fields of ageing and addiction. It currently specializes in retirement housing developments, frail care services and inpatient alcohol rehabilitation. The organization is registered as a nonprofit organization and has historically received substantial government subsidies for residential services delivered to poor and vulnerable persons in both the field of ageing and the field of addiction.

The research results are organized to first of all provide an overview of the strategic importance of branding for Rand Aid, the process of and factors impacting on the 2005/2006 re-branding exercise and the most important financial benefits of this exercise as indicated by the sale of retirement accommodation. This is followed by a discussion of five themes identified during the interviews with respondents. Sixteen staff members were originally selected for semi-structured interviews, however only 14 interviews materialized due to organizational factors. The two interviews that did not materialize would have represented additional views from middle managers. Due to the representation of this group in the sample, it is considered that the two interviews would not have made a significant difference to the results.

5.2   Strategic significance of marketing and branding for Rand Aid

In the late 1980's the Board of Management agreed that alternative sources of income needed to be developed as it would not be sustainable in the long term to depend on increases in government funding to continue its services. The development of retirement villages for the economic market on the life rights principle was accepted as an income generating strategy in 1989 and the residents in the first village developed by the organization took occupation in 1990. Since then, the organization has developed 736 housing units and are currently busy developing a further 175 units in its fourth village. The retirement villages generate income for the organization in two ways:

- Interest is received on the capital paid by purchasers and held in trust by the organization.
- A portion of the purchase price is retained by the organization when the contract of purchase and sale is terminated due to the death or departure of the purchaser.

The income generated by the retirement villages is used to maintain the properties and to fund the shortfall on the organization's expenditure on its welfare services. The importance of this source of income is clear from the following transfers to cover shortfalls on the welfare side:

2005/2006 financial year: R7 462 556

2006/2007 financial year: R8 706 828

The nature of the organization's income generating strategy has caused it to operate 2 distinct businesses since 1990, namely:

- the life rights retirement villages for up-market clients, and
- welfare services for aged persons and males with alcohol problems.

However, these dual and conflicting aims and objectives have never been fully marketed and communicated to staff and other major stakeholders. An examination of the marketing material used up to 2005 shows that it focused on the financial and social needs of the target groups and the image conveyed was

one of charity to poor and frail elderly persons and to males dependent on alcohol. The visual image consistently used in fundraising appeals was that (or similar) of an old lady sitting on a bench needing the support of the potential donor. The place and purpose of the up-market retirement villages in this setup was unclear. The result was that the business of the organization became unfocused and confusing. A significant number of staff members had difficulty in placing the services of the organization into perspective and interpreting it to stakeholders and potential purchasers of life rights accommodation. In fundraising efforts there were particular problems in communicating to donors why an organization with substantial life right developments would be engaging in fundraising and how donors could be assured that their donations would not be used to benefit the wealthy. A form of discontent also became evident when the third life rights village (Thornhill Manor) was developed in 2001, and key staff members expressed concern that the organization was deviating from its original mission as a welfare organization and turning into a business.

As the organization depends on its sale of life right developments to carry out its welfare mission, the Board of Management became worried when the Thornhill Manor development did not sell as quickly as anticipated, despite long waiting lists at the other villages. This village consists of 213 units and construction took 2 years. The development was phased so that residents could move into a completed phase whilst the builders moved to the next phase. However, sales did not meet expectations. Very few units were sold off plan and at the completion of phase 1 only 34% of the complex had been sold. At the date of practical completion of the last phase, 15% of the total number of units was still not sold. Although these units sold quickly after that, the long holding period put a strain on the organization's cash flow. It had to increase its overdraft facility and liquidate some investments in order to meet all obligations. A comparison of budget versus actual expenditure shows that the organization suffered an unexpected cash shortfall of R13 853 596 on this development which will only be equalized in the next 10 to 15 years from life rights resales. The shortfall was

due mainly to an increase in builder's costs, higher finance charges because of an increase in interest rates and slow repayments as well as an operating loss experienced during construction due to the slow rate of sale and occupation. The latter constituted the single biggest cause of the loss. Marketing expenses on this development was negligible and consisted mainly of compensating staff for working at the show house over weekends.

When financial forecasts undertaken during 2004 showed that the organization needed to develop at least another 150 housing units to secure its financial future, the Board of Management was understandably cautious to provide the go ahead for a new development as it could not afford another situation of slow sales and losses. Considerable deliberations took place before it was eventually agreed early in 2006 that the proposed new project would be feasible and that building operations could commence. However, with new executive management on board, there was a general understanding that this project, called Inyoni Creek, had to be tackled differently.

5.3   The 2005/2006 re-branding exercise

The executive management realized that the success of the Inyoni Creek development depended as much on a professional approach in planning and executing the development as on resolving the conflicting and confusing identity problems of the organization. After an executive workshop in 2005 it was recommended that management attend to the following inter alia:

- Developing a strategic vision for the organization and setting strategic objectives in order to give long term direction to the organization.

- Separating the life right developments and welfare services into two distinct business units, each with their own strategy and actions that support the overall organizational strategy.

- Branding of the organization to be in line with its identity and strategic directions.

- Communicating the brand and organizational strategies to all staff members and beneficiaries of services in order to ensure comprehensive understanding and buy-in.

In a nutshell, the outdated image and marketing strategy of the organization had to change so that it could be aligned with the growth and development of the organization and the new markets it served. To achieve this, the executive management:

- Consulted a marketing expert to assist them in gaining clarity on the business, the target groups and stakeholders of the organization.
- Engaged the services of a marketing company to assist them in developing a fresh new image for the organization together with new marketing material.

With the professional input engaged, executive management then proceeded with the following re-branding activities during the latter half of 2005, and these carried over into 2006:

- Restructuring the organization's activities to clearly distinguish between the welfare side and the retirement village developments. It was decided to group the welfare services under the name Rand Aid Social React. The retirement village services where grouped under the term Rand Aid Advance.
- The business model of the organization was clearly spelled out, and the reason for the retirement village developments unequivocally stated as being to generate income to enable the organization to meet the needs of the less fortunate and vulnerable. The status of the purchasers in the retirement villages, as partners of the organization in creating a better society, was openly acknowledged.
- The mission of the organization was encapsulated in the words Assist, Alleviate, Accompany and included as a strip line in the logo.
- A new logo and corporate colours were selected.

- Information brochures on all services run by the organization were updated and reprinted using the new logo and colours.
- The website was updated in line with the new image.
- An overview brochure on the organization, its vision, services, business model, management and values were developed and included in all information packs.
- Vehicles were repaired and branded with the corporate logo.
- The reception areas in the different facilities were upgraded to reflect the new image and colours.
- Gate entrances off the main roads were upgraded and branded.
- Business cards were printed for all managers and client liaison staff.

The re-branding exercise coincided with the period that the Board of Management agreed to proceed with the development of Inyoni Creek. The introduction of the new brand was also done at the same event where staff were given a preview of the launch of Inyoni Creek. This has diluted the effect, most noticeably for middle managers. During the interviews it was clear that members of the executive management mostly understood that the re-branding exercise was more than trying to attract an upmarket clientele. Its main purposes were seen to tie the 2 businesses of the organization into a meaningful whole and develop an image that is caring, trustworthy, sincere and competent in the services it delivers. However, this was somewhat lost when it came to the understanding of the rest of the group. Many of the re-branding activities were simply seen as an updated image necessary to launch and sell Inyoni Creek. In addition, middle managers were not part of the process to develop the new brand and this has impacted on their understanding of the brand and the business of the organization. Although staff in the lower echelons were not interviewed, it can be postulated that understanding and buy-in will decrease amongst those categories due to the fact that the organization did not embark on a conscious and concerted effort to communicate with them and reinforce the message that the re-branding tried to create.

5.4 Impact of the re-branding exercise on the sale of retirement accommodation

In line with the information in the previous section, and confirmed in interviews with respondents, it is evident that the effect of the re-branding exercise is most visible in the way the organization managed the marketing and sale of Inyoni Creek village. In contrast to the previous approaches where the housing units were sold by a 'faceless and non-descript' organization, the Inyoni Creek development was kicked off with a massive launch on Rand Aid property attended by more than 600 interested persons and it proudly displayed the Rand Aid name with its promise of security and life long care. The Board of Management was strongly represented and the organization, not only the new development, was introduced to the audience. A DVD of the organization and its services was developed for this purpose. Contrary to previous sales efforts, the organization realized the importance of the first contact between the prospective buyer and the organization. It therefore released a member of the executive committee from normal duties to be dedicated to the launch and sales effort. A project office was set up and great care taken to manage clients according to the values espoused in the branding material. The focus was on a professional and positive encounter that could form the basis for a future relationship. The input from the executive committee member was aimed at ensuring that the clients received a consistent message. Furthermore, instead of developing a product and selling it on a take it or leave it basis, the organization endeavoured to elicit recommendations from existing clients on how to improve the housing units before the draft building plans were developed. Even thereafter new clients' comments and requests were noted and if feasible, implemented. From the interviews and management minutes, the main differences between the marketing of Thornhill Manor and Inyoni Creek can be summarized in the table below.

Activity	Thornhill Manor	Inyoni Creek
Feasibility study	Limited and focused only on some financial aspects.	Size and needs of market established and comprehensive financial feasibility study commissioned.
Price determination	No real guidelines. Due to low sales, special offers were made.	Based on market values and building costs, with professional input from property expert. Prices updated and increased over construction period.
Sales team	Sales staff supplemented by team of workers from the organization, but not necessarily trained or experienced in sales.	Dedicated sales staff led by experienced Exco member. Rand Aid image consistently projected.
Sales venue	Initially no site office/show house.	Dedicated project office on site, with full range of branded marketing material.
Marketing material	Limited and in-house developed. Consisted mainly of price lists according to the details of units.	Professionally developed brochures and visual tools marketing the organization as well as the new development. All material branded.
Image of organization	Not promoted and fuzzy. The objectives of the retirement village development not clear to sales staff. Sales staff not promoting the organization, only the particular village.	Fresh new image of the organization promoted. Welfare and income generating businesses of organization clearly identified and separated. Purchasers encouraged to become partners of the organization in improving the lot of others.
Sales method	Commitment of potential purchasers not secured. Informal arrangements until signing of contracts. High rate of non-take up of options to purchase.	Professional contract developed and substantial deposit required in order to secure a position on the preferential allocation list. Low cancellation rate.
Marketing costs	Not budgeted for and amounted to R261 375 in total over 2 years, mainly for staff working over weekends at the show house.	Accepted as an essential part of the budget. The official launch and the marketing material required for that alone amounted to R509 584.

Table 2: Comparison of marketing activities: Thornhill Manor and Inyoni Creek

The impact of the branded sales and marketing effort on the selling of Inyoni Creek is clear from the charts below. Whereas only 3% of the Thornhill Manor

units were sold off plan before building commenced, the percentage increased to 41% for Inyoni Creek. Both villages were developed in phases. At the start of phase 2 Thornhill Manor, 66% of the units (139 of the total 213 units) were still unsold. When phase 2 on Inyoni Creek commenced, only 38% of the units (66 of the total of 175) were still available for sale. All 46 units in phase 1 had been sold as well as 63 in phase 2. It also has to be mentioned that the 63 units in phase 2 were sold almost 2 years before the planned occupation date. The Inyoni Creek purchasers had to pay a R50 000 deposit to secure a unit and the organization placed this money in trust with interest accruing to the purchaser. Although the organization did not benefit financially from the R5 450 000 generated through the deposits, it provided security that the persons signing a preferential agreement, were serious purchasers. The few cancellations that have occurred during the process had all been for acceptable reasons and can be seen as an indication of the trust placed in the organization.
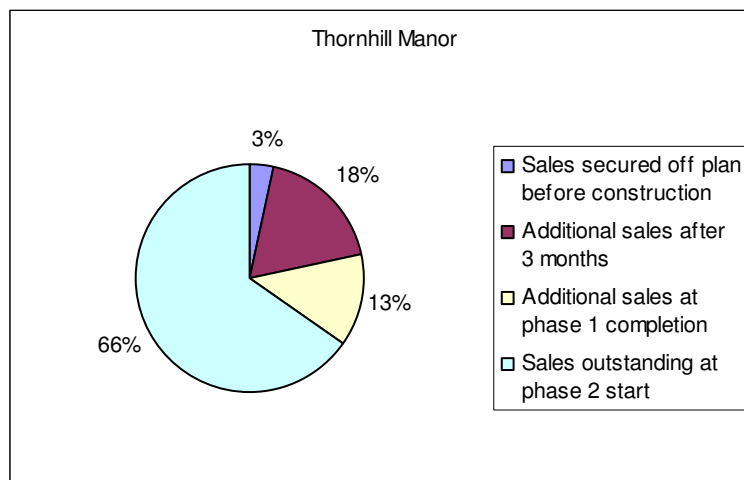

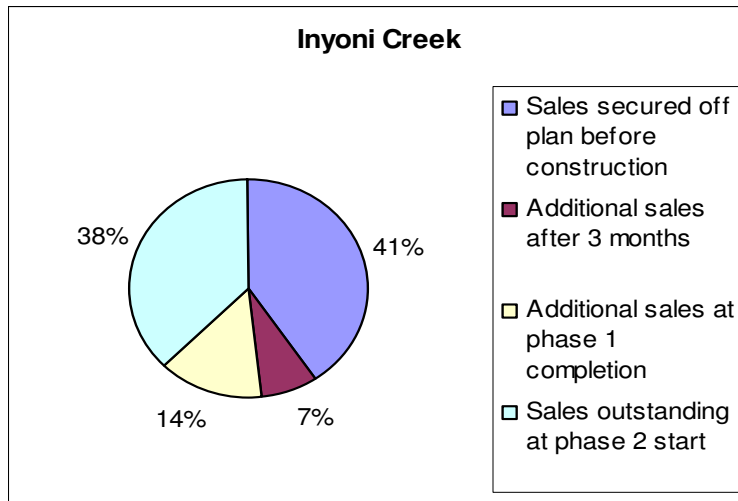**Figure 3: Thornhill Manor Sales Progress**

Figure 4: Inyoni Creek Sales Progress

The sales success in respect of Inyoni Creek holds significant financial value for the organization:

- The organization secured a loan from a prominent bank on extremely favourable interest terms. One of the conditions attached to the loan specified a percentage of sales off plan. The organization exceeded the target and this, together with meeting other conditions, enabled the organization to access this loan facility and save on interest charges. This saving of 1% on R135 000 000 amounts to R1 350 000.

- As part of the feasibility study, the organization developed a detailed budget and cashflow projection for the project. It is imperative that the targets be met in order to remain within budget. The sale of the units and the income derived form an inherent part of the projections. At this point in time the level of sales is ahead of projections and it would appear that the organization will be able to meet its debt obligations as planned and that additional loans and finance charges will be prevented.

- The success of the Inyoni Creek development is vital for the financial survival of the welfare services of the organization, bearing in mind that the organization needs to generate in excess of R8 million per annum to fund its shortfall. If the sales had been slow the feasibility of continuing with the current range of welfare services would have been in jeopardy.

5.5   Theme 1: Brand awareness

Brand awareness derives mainly from an organization's presented brand. This is the controlled communication of its identity and purpose through its advertising, service facilities and the appearance of its service providers. The organization's name and logo and their visual presentation together with advertising are core elements that influence whether customers can recognize and recall the brand (Berry, 2000). All respondents were in agreement that the Rand Aid brand is relatively unknown in the community and that no financial investment has been made to increase awareness. As was said by one respondent: 'People drive past these gates and walls everyday and have no idea of the services being provided on the inside'. The lack of awareness is regarded as having the greatest impact on fundraising efforts where the market is highly competitive. It is extremely difficult to raise funds for relatively unattractive target groups (the elderly and persons with addiction problems) whilst at the same time trying to convince the customer of the worthiness and reliability of the organization making the appeal. The respondents were unanimous that existing customers' positive word-of-mouth communications have had the greatest effect on brand awareness but that this is only applicable to resales in the life rights villages. This is verified by the fact that the organization does not need to advertise its life rights developments and that most resales are to people who have been in contact with existing residents and have been positively influenced by their experiences with the organization.

The need to increase brand awareness is a difficult issue for the organization. It has limited capacity in terms of the services it can provide and respondents fear that any attempt to increase awareness in the general community will just elicit more requests for services, especially on the welfare side, which the organization would be unable to manage. There is concern that this could have a negative effect and label the organization as one that promises but cannot deliver. It would appear that targeted brand building, to increase fundraising, has not yet been

explored. One respondent suggested that the organization explores the possibility of appointing a high-profile public figure as patron in order to improve awareness and image.

5.6   Theme 2: Brand identity

This aspect can be described as the particular vision, aim and values that the organization tries to portray and consists of a visual identity and key messages (Ambler, 2003; Berry, 2000; Venable, 2001). Most respondents had difficulty in describing the Rand Aid brand's identity due to the diversity of the organization. Although the re-branding efforts have gone a long way in acknowledging and clarifying the two distinct business of the organization, it would appear that many uncertainties remained. The respondents were generally clear about the differences between the Social React and Advance divisions, yet some were still questioning the 'moneymaking' business of the organization and the priorities assigned to the different divisions. It was also difficult for some to see the purpose of the Advance division as meeting human need over and above utilizing this division for income generating purposes. In addition it was felt that the separation into two divisions can increase compartmentalization and negative competition in the organization if it is not followed by a sustained effort to tie the two together and promote the interdependencies and linkages to all staff.

The most important difficulty however, lay in communicating the essence of the organization to stakeholders. It was felt that the name Rand Aid does not have a particular meaning, that the word 'Aid' impacts on the identification of upmarket customers with the organization and that the diverse nature of the services and target groups makes it very difficult to communicate to staff and outsiders what the organization is about. Respondents were asked about the concept of corporate branding versus the branding of each service and opinions were divided. On the one hand it was agreed that the branding of each service would facilitate clients' identification with that particular brand. On the other hand there are concerns that the organization would loose unity and some of its character

should the name Rand Aid take backstage. In the latter regard, a few respondents mentioned that with the growth of the organization the history is being forgotten - that nobody talks about the challenges that were overcome in the past, that staff do not even know how the organization was started and why it has two very different target groups and that new staff are not properly orientated. There is a feeling that the history and culture of the organization are not being utilized to anchor and give meaning to the current situation.

As previously mentioned, most of the positive effects of the re-branding exercise pertain to the sale of Inyoni Creek. The majority of the respondents are of the opinion that the organization should do more to differentiate itself from similar organizations by discussing sources of differentiation, ie security and life long care, communicating it to all staff and building on these competencies.

The organization does not have a brand book or blueprint that explains the brand and sets its standards. This impacts on consistency throughout the organization - not only in visual, verbal and written communication but also on the forming of a meaningful identity which all employees can embrace.

5.7   Theme 3: Brand meaning

Brand meaning is the perceptions and images that immediately come to mind when the brand is mentioned. It was interesting that a significant number of the respondents referred to the need for staff to be 'Rand Aid persons', yet could not articulate clearly what is meant by the term, apart from being caring. When prompted to describe their own understanding of the meaning of the Rand Aid brand, respondents in general referred to the name, logo, colours, quality and extent of services being provided. The values underlying the brand and the concept of a brand as a cluster of functional and emotional values that promise a particular experience (De Chernatony & Segal-Horn, 2003) did not readily come to mind. Respondents also agreed that frontline workers, who represent the largest component of the staff, had very little knowledge and understanding of

the values that drive the organization. In addition respondents recognized the importance to use each encounter with customers as a vehicle to communicate the values of the organization and build a relationship of trust. However, there is agreement that the organization is not capitalizing on these opportunities due to the lack of in-depth brand meaning amongst the majority of staff members. Respondents mostly attribute the positive gains to date to the committed efforts of staff in key positions who have an inherent service ethic and interest in the organization or those who provide a quality service due to loyalty to the profession they belong to, e.g. nursing.

Despite these obstacles it was generally felt that residents in the retirement villages had positive feelings about the Rand Aid brand. Most of the respondents felt that persons who have had direct interaction with the organization or who have experienced its services would agree with a description of Rand Aid as being caring, fair and sincere in delivering a quality service that provides them with physical and emotional security in their later years. However, as with brand awareness, the broader community, when confronted by the name 'Rand Aid', would not attach any significant meaning to the name.

It is important to note that there is a feeling amongst some respondents, albeit the minority, that the re-branding exercise marked a change in the culture and values of the organization. It is perceived as being more commercially orientated and less caring in the way it operates and deals with the problems of staff and residents alike. It is felt that money has become the key value and that it overrides human need. These feelings could stem from management and policy changes in the organization, but it would seem that they are also related to the timing of the re-branding and linking it to the sale of Inyoni Creek where the focus definitely was on accelerating sales to prevent the same kind of financial losses incurred during the previous development.

5.8   Theme 4: Internal marketing

Internal marketing is extremely important as it can turn people who are 'just doing a job' into brand champions who make the brand come alive for customers (Fram & McCarthy, 2003; Mitchell, 2002). Respondents were unanimous that the organization had not done enough to ensure that staff at all levels had bought into and understood the meaning of the Rand Aid brand. In fact, the respondents at middle management level did not feel involved in the re-branding exercise and saw it mostly as a tool to sell the new development. It is also felt that apart from the physical evidence of a new logo and colours, very little has changed. Following the launch of the new village, there has not been any concerted effort to introduce, explain and sell the brand to employees and no marked difference in the way services are being delivered. The branding material that was developed targets potential customers and only certain administrative and management staff have access to these. Branding material and activities to motivate and inform staff in general, have not been developed. It has just been assumed or expected that employees must understand and live the brand. As a result it is felt that the majority of employees have not internalized the brand and that their potential to act out the values of the brand consistently and effectively, have not been realized. In fact, it was reported that a core group of staff feel undervalued and it is doubted that they would be motivated to work harder and go the extra mile to meet customer needs.

Most respondents at executive level attribute the lack of internal marketing to insufficient knowledge and understanding at the time as well as to financial and time constraints. The impact of staff attitude and behaviour on the brand at the very low levels where not sufficiently recognized. Inyoni Creek was a huge priority in keeping the organization afloat and a lot of human and financial resources were tied up in the project. There was also the dilemma of justifying the spending of significant resources on staff, rather than on needy recipients of services. However, some respondents feel that the lack of an internal marketing campaign stemmed from an executive perception that it was not necessary to

spend hard earned cash on people who are paid to do a job and who should be doing it properly anyway. The lack of investment in staff has caused resentment apart from the fact that people have not been given the tools to approach their jobs in ways that support the brand. It would also appear that the discontent experienced by some staff members can stem from inconsistencies between the internal and external brand messages. Whereas sincerity, care and kindness to residents are espoused, this has not been woven into the fabric of the organization to influence the way staff experience the workplace. Staff policy changes coincided with and followed the re-branding exercise but the rationale for the changes is not well understood. This causes a perception of harshness from the employer's side. As one respondent said: 'This was a wonderful place to work, caring and considerate…we gave our best…now, why should I be bothered?' There is a need to communicate the rationale for policy changes to staff in an effort to reduce feelings of disillusion with the direction the organization is taking.

It is also significant to note that a number of respondents are of the opinion that nonprofit organizations are at a disadvantage when it comes to building pride in the organization. This is because the general public does not see such an organization in the same light as a commercial business – it is somehow inferior and there is a perception that the staff 'work there because they cannot function or compete anywhere else'. This causes people to be almost embarrassed to admit where they work. Respondents have also mentioned that when responding to questions of where they work, people often become distant and wary that they will be asked for donations. This has implications for building a culture where employees live and sell the brand proudly.

A further factor that impacts on the organization is the large scale use of direct service workers obtained through a labour broker. This group of contracted staff includes domestic workers, food service assistants, gardeners and nursing aids. They come into direct contact with residents on a daily basis, have access to

their personal spaces and in many cases are responsible for residents' personal care. Respondents queried the use of contracted labour for core services as these workers, who have little reason to be loyal to the organization, have the ability to make or break the brand. In addition, the contracted staff have been excluded from the few efforts made by the organization to build the brand and they have no idea of their importance in ensuring a service that is consistent with what the organization is promising the client. Respondents are concerned that this group of workers feel disengaged from the organization or worse, feel hostile due to what they perceive as a lack of employment security.

5.9   Theme 5: Responsiveness to stakeholder needs

Respondents were encouraged to consider whether the organization does enough to understand changes in market conditions or customer needs. There was a general consensus that the organization should improve two-way communication between itself and the residents in the retirement villages for the following reasons:

-    Residents value the personal touch and it gives them security if they sense a feeling of warmth and belonging. Effective communication will reassure residents of the values the organization stands for and serve to enhance perceptions of the organization being caring and trustworthy. As the organization depends on word-of-mouth advertising by existing residents, activities to enhance its reputation amongst this group should receive more attention.

-    Most policies regarding services for residents are set at head office level. This points to the need for interaction between executive management and residents as the communication cannot just be left to the middle managers operating at village level. There is a need for the executive management to be seen to 'walk the talk' and to make efforts to understand resident needs. They should guard against being perceived as distant and out of touch with consumer needs.

- Communication can aid the organization in determining new needs and responding appropriately. It was felt that the organization, in the past, has had a paternalistic approach to service users in that it did not seek their opinions and provided 'what we thought they needed'. Obviously, this attitude is not conducive to longterm success and has to change. Respondents believe that the organization has to learn how to elicit and manage constructive criticism and recommendations from service users if it aims to remain relevant to their needs.

At the same time, many respondents made reference to the fact that the organization has grown tremendously in the last 5 years and that people are overstretched. There is a concern that nobody has the time to really listen to staff and residents alike and that consolidation is required before new strategies and services are pursued.

CHAPTER 6

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

6.1   Discussion

The purpose of this study was to determine whether the characteristics of a brand orientation are utilized in RAA as a resource to create distinction and competitive advantage, and if so, if this has had a positive effect on the services and financial viability of the organization. Through the study of various forms of documentation as well as interviews with staff new insight in the branding practices and their effects within the organization were obtained.

6.1.1   Understanding of the branding concept and the RAA brand

The concept of branding and the identity and meaning of the RAA brand is not well understood in the organization. As pointed out be Haigh & Gilbert (2005), brands may start out as names, but it means much more than a name. Service companies with the strongest brands make a conscious effort to carve out a distinct brand personality and to stand for something that is important to targeted customers (Berry, 2000). The diverse nature of RAA's services makes it very difficult for the organization to obtain clarity on the essence of its brand and to communicate it to stakeholders. It would appear that the income generating services pursued by the organization is one of the biggest stumbling blocks due to an inability to view these services holistically as they relate to meeting human need, and not just to raise funds. As a result, some respondents feel disillusioned with the extent of income generating services versus welfare services and the priorities attached to them by management. In addition, it is difficult for staff to logically incorporate services for the elderly and services for persons with addiction problems in one brand and to articulate this to stakeholders. This is exacerbated by the reality that the organization has practically forgotten its

history and the many factors that influenced what it is today, including the development of its focus on two different target groups.

Understanding of the RAA brand is also influenced by the time pressures on the organization when the re-branding exercise was undertaken. As a result, the re-branding process focused on the logo, colours and development of other visual branding material rather than the processes to achieve these outcomes. Consequently, the organization has not developed a deep understanding of itself and this comes out in the fact that staff do not readily articulate the vision, mission and values in which the brand are rooted or in some cases, question the sincerity of these values. According to Sargeant (2005), in a nonprofit organization its reason for existence is what drives what is distinctive about the organization and this must be followed by the values and principles by which it aims to live. One can state that the identity problems in RAA will only be solved once it has obtained a clear and shared mental picture of who and what the organization is, why it is like that and what it strives to achieve. This foundation is essential for the success of any further brand building practices. RAA has to remember that services are just as intangible for employees as they are for customers and that a clear brand identity and position is essential for staff to enable them to gauge and measure their actions in terms of the guiding philosophy of the organization.

6.1.2 The implementation of branding practices in RAA

Driven by the need to communicate a more acceptable image to a new clientele, the organization has implemented a variety of verbal and visual branding practices. These include a website, brochures on services, a newsletter, signage on buildings and vehicles, corporate stationery and hosting special events with the view to raise awareness and funds. However, modern branding practices place a high premium on behavioural communications which include the actions of staff in recognition of the fact that they represent the brand at its point of delivery. In order for employees to live the brand, they have to internalize the

brand and this is where the organization's biggest challenge lies. Internalizing the brand requires explaining and selling the brand to employees, it involves creative communication of the brand to employees, it involves training staff in brand-strengthening behaviours and rewarding and celebrating employees whose actions support the brand. Moreover, employees must be involved in the care and nurturing of the brand on an ongoing basis. They must understand it, feel part of it and believe in it (Berry, 2000).

Internalization of the brand requires an investment in internal marketing with an impact on human and financial resources. Due to the nature of the services provided by RAA, negative customer experiences are detrimental to the wellbeing of the organization. Superior customer experiences are also one of the few things that can differentiate the organization from others in the field. It is essential that the organization invest in a professional marketing campaign to bring the brand alive for employees. This should include the following inter alia:

- Efforts to build an emotional connection between employees and the services they deliver to ensure that there is 'heart' and 'passion' in the way they deliver services.
- Efforts to honour and build on the heritage of the organization with brand stories that inspire employees.
- Personal attention from the top of the organization to make employees realize the importance of their contribution and to make them feel valued.
- Ensuring that all policies within the organization and the way they are implemented are consistent with the values of the organization.
- Ensuring that internal and external marketing go hand in hand. Employees need to hear the same messages as customers in order to deliver on the promises.
- Developing a brand blueprint that can serve as a roadmap for employees in ensuring consistency in services for customers across the spectrum of the organization's services.

- Resolving the issue of contracted employees in such a manner that all direct workers are able to buy into and live the brand.

6.1.3 The value of branding practices to RAA

The research results have shown that the implementation of branding practices have had an extremely positive effect on the marketing and sale of the Inyoni Creek project. The sales targets have been exceeded and the organization has been placed in a position where it is able to meet all its financial commitments as required by the feasibility study. Several respondents have also mentioned that the re-branding exercise was beneficial in trying to shake off an outdated image, to become proud of the organization and to obtain a better understanding of the diverse services of the organization and where they themselves fit in.

However, the general advantages of branding in effecting an improvement in performance, in uniting all employees behind a common purpose and to act as a blueprint to guide staff behaviour, have not been realized. There is a long way ahead for the organization before it will be able to derive the following benefits, across the spectrum of its services, from its branding practices:

- Development of strong values and beliefs.
- Development of a strong image.
- Successful implementation of organizational objectives.
- Inclusive employee culture.
- Differentiation and distinctiveness.
- Enhanced loyalty from customers and staff.
- Increased fundraising and beneficial marketing partnerships.

As was stated by Padanyi (2001) in NPOs a market orientation may only develop after the organization has experienced the beneficial effect of successful marketing practices. Therefore, RAA needs to identify and promote the positive effects of its current branding practices and use these successes to promote the

consistent and enhanced implementation of a brand orientation throughout the organization.

6.1.4 The constraints and difficulties in implementing a branding orientation in RAA

The research results have shown that RAA is not different to other NPOs in the difficulties and constraints it experiences in implementing a branding orientation. The challenges relate to the following aspects in particular:

- It is difficult to justify the spending of resources on marketing in the face of the huge need for financial and practical assistance from the target groups the organization aims to serve. Management needs to believe in the value of marketing investments and be able to communicate this value to staff at all levels.

- As a NPO with limited resources, the organization does not have a marketing department with the skills required to implement and maintain a branding orientation. In fact, not one of the staff members has a formal qualification or previous experience in marketing (apart from sales) and this has been identified as one of the aspects that caused the organization not to realize the full benefits that could have been achieved by the re-branding exercise.

- Branding requires an ongoing investment in terms of time and resources. It cannot be practiced as a quick, once-off activity that will take care of itself afterwards. The brand needs to be managed and nurtured and this is difficult when skills and financial resources are limited.

- Branding brings to the fore or leads to changes in operating practices and values that have not necessarily been clear to staff before. These can be in conflict with what the staff have always believed about the organization or what they believe is the right thing to do. Thus, branding involves many details and sensitivities that need to be managed in order not to lose the engagement and commitment of staff members.

- It is difficult to implement a brand orientation when the concept of branding and the benefits of building a strong brand are not well understood by key staff members. In this case, branding is seen as similar to advertising and there is concern that it will just attract greater numbers of needy people whom the organization would not be able to help.

- Branding is a process that needs to involve all staff at all levels on an ongoing basis in order to achieve their buy-in and passion for the service. Aspects such as a logo, corporate colours and new brochures should be the output, not the start of the process. In this case, it may have been quicker and easier to develop these outputs at management level, but they have had limited benefits in terms of a change in staff attitude and behaviour.

- The target groups served by the organization are not exciting and the development of an attention grabbing brand is difficult. In addition the organization grapples with the diverse markets it serves and the question of whether and how these should be incorporated under one umbrella. Branding in the NPO sector is complex.

- It can never be assumed that people who work in a nonprofit organization will be passionately committed to the goals of the organization just because they may have a philanthropic attitude to life or that they would necessarily agree with the way management steers the organization. They, just as employees in the commercial sector, need to be convinced of the merits and credibility of the brand otherwise they will not exhibit the kind of behaviour that are needed to support the brand.

6.2   Conclusion

The re-branding exercise undertaken by RAA during 2005/2006 marked the beginning of a process to develop a brand orientation in the organization and to implement branding practices. To date, it has enabled the organization to define its two distinct businesses and to follow a brand orientated marketing and sales approach regarding its new life rights development. The latter has paid off in

terms of meeting the financial targets set and improving the image of the organization as projected to the clientele for this project. The re-branding exercise also made staff in general more sensitive to the image and reputation of the organization and the values that should drive the services being provided to customers. In addition, the new corporate colours, logo and marketing material have enabled staff and customers alike to develop a better connection with the particular area of the service with which they are associated. The marketing material acknowledges the diversity of the organization and does not just apply a broad-brush approach to all services.

However, it is clear that the debate about the identity and meaning of the brand and how it should be translated into the services being provided is far from over. Staff at middle and senior management level find it difficult to convey the essence of the brand and to identify those aspects that truly differentiate it from NPOs providing similar services. The priorities attached to the two business of the organization are still an issue as is making sense of its different target groups on the welfare side. Diversity, whilst maintaining unity, is difficult to manage. The impact of the name of the organization on different target groups and how to create an emotional connection between the brand and all staff as well as between the brand and its different customers are also confusing aspects for the organization.

This brings one to the question of whether the organization would be better off pursuing a house of brands strategy rather than a corporate branding strategy. Corporate branding strategies are generally associated with higher levels of Tobin's Q and lead to economies of scale in marketing, however these may not be so relevant in this case. A house of brands strategy has the advantage that distinctly customized brands can be offered but it leads to significantly higher costs in new service introductions (Rao et al, 2004). In the RAA situation several factors make a clear cut choice difficult:

- The various services do not function autonomously and a huge amount of work (including policy and standard setting) is undertaken at Head Office level as they lead to better economies of scale.
- Staff are in the employ of the organization, not the particular service where they may work. Staff are also transferred internally on a regular basis to meet short or long term needs.
- The individual services function legally as 'projects' of the organization and do not have independent registration in terms of property, financial and tax legislation.
- Ownership of the properties is in the name of a trust attached to the organization and the management of the services is also legally assigned to the organization, not to the individual services.

Thus it would appear that it is important for staff to identify with the organization and to develop a RAA culture that is conducive to service excellence across the spectrum of the organization's services. Customers also need to be aware of RAA as a trusted brand because they enter into a management agreement with the organization and invest a considerable amount of money in its property trust when they purchase a life right. On the other hand, these customers find it difficult to identify with a brand that raise funds for charity as that could mean that they are the recipients of welfare assistance. One way to overcome the dilemma is to implement a mixed branding strategy according to the needs of the situation. For instance, the corporate brand can be used to create a trusted service organization and a house of brands strategy followed when raising funds for the welfare side. This is a matter that would need careful consideration before a final decision is taken.

There are many reasons why the issues regarding the identity and meaning of the brand was not resolved during the re-branding exercise. This can first of all be traced to a lack of marketing knowledge and understanding in the organization. These factors then combined with huge pressure to market and sell

the new life rights development. Together, they had a profound effect on the way the re-branding exercise was managed. The new project had to receive priority due to its strategic significance to the organization. The time frames for the development of a new image to tie in with the launch of the new project were also extremely tight. In addition, the organization lacked the human resources to implement a large scale re-branding effort in a short space of time and struggled with justifying the cost of such an exercise. The result was a downscaled effort as far as staff and existing customers were concerned with more focus being placed on the image projected to the new customers for the new village.

One of the key learnings from RAA's re-branding exercise is the importance of communication with staff at all levels. It was found that middle managers did not really feel part of the re-branding exercise. There also is a feeling that little has changed in terms of ensuring that staff behaviour, especially at the level of direct care, will support and build the brand. In a NPO such as RAA, the service encounter experienced by the customer has the most profound effect on brand image and reputation. If staff behaviour is not consistent with the promise of the brand, there is ultimately little value in developing good looking marketing material. In fact, this can do more harm than good as the discrepancy between what was promised and what is being experienced will be much more visible and open to scrutiny.

The results point to the need for re-branding exercises to start with the staff. However, it is not only the persons in the direct employ of the organization that are important. All persons who are in a frontline position have to be involved and it is necessary to resolve those issues that could impact on such persons' commitment to the brand. Although it is difficult and time consuming, organizations must develop and utilize internal channels of communication fully to facilitate dialogue with all. Only through dialogue will an organization benefit from the ideas and experiences of the many people who play a role in its service delivery structure. Consistent, continuous and relevant communication is also an

essential part of brand maintenance to reinforce and update key messages and to ensure that information cascades down to all levels in the organization. Staff who are informed and feel part of the process, are more likely to buy into the changed brand and live its values.

The re-branding exercise in RAA has shown that it is not possible to practice branding on a once-off basis. It requires an ongoing effort and investment in terms of time and financial resources. It also requires skilled human resources. Moreover, it requires management commitment and understanding of the value of branding practices and an ability to motivate this to stakeholders.

A brand orientation in RAA will be marked by the vision and belief of top management in RAA as a brand, an understanding of the RAA brand by all key managers, staff buy-in, a culture in the organization that supports and builds the brand and core values that serve as guiding principles throughout the organization. This will lead to the development of a strong image, clear differentiation, an inclusive employee culture and improved implementation of organizational objectives. The research results have shown that RAA has a long way to go in developing a brand orientation. However, it is also clear that the branding practices that were implemented have had a positive effect. It stands to reason that the organization will benefit considerably from a brand orientation and that it should follow through and build on the branding practices that were started.

6.3   Guidelines for the development of a brand orientation in RAA and similar organizations

A strong brand can form the basis for the development of a relationship of trust between the customer and the organization. Trust is especially important in service organizations due to the intangibility of the service. In the case of life rights sales by NPOs, trust becomes even more critical as the customer will be required to invest a huge sum of money in the housing offered by the

organization. Thus, the level of financial and emotional security experienced by the customer will be directly related to the level of trust in the organization. Trust is as important in the welfare services provided by a NPO. An organization that does not have a trusted name will not find significant sponsors and donors or be support by government agencies. There is also a danger that welfare clients will feel exploited and underserved if they do not trust the organization to deliver a quality service to them despite their lack of means to pay for the service.

From the research and literature studied, the following broad guidelines can be put forward for the development of a strong and trusted NPO brand:

6.3.1 Develop a clear focus

Clarity on what the organization stands for and what it aims to deliver should be the starting point for any branding exercise. Clarity begins with an understanding of the vision of the organization, its mission and the values that underpin the services. Often, it is the philosophy that underlies the services that provide the clarity these organizations seek and that uncovers those aspects that differentiate it from others in the field (De Chernatony & Segal-Horn, 2003).

Therefore, the positioning of the brand, the functional and emotional benefits associated with the brand and thus the brand promise, should be clearly identified. This goes hand in hand with a shared understanding by all staff on what the brand does, how it does it, why it does it, the target groups it serves and the long term future it seeks to achieve. As NPOs in the welfare field aim to meet human need, they often take on more than they can or become too broad in their services, impacting on quality and clarity of services. NPOs should be careful not to try and be everything to everyone.

6.3.2 Understand and live the values that drive the organization

A deep service culture requires core values that are embedded throughout the organization. Values can drive staff behaviour to create a point of difference and also serve to motivate staff to go beyond the call of duty (De Chernatony & Segal-Horn, 2003). In an NPO values form part of the foundation of the brand and will determine the beliefs that are held about customers and staff, how stakeholders are treated, the networks the organization will build, the fundraising practices it will engage in, the partners it will seek and the processes it will use in developing and improving services. As was seen in this study, it is especially important that services are consistent with values and that the links between the values and services are clarified for all staff members. If not, they cannot believe in the direction the organization is taking and be passionate in the way they go about their duties.

However, merely having a set of brand values and expecting staff to act accordingly is not enough. As the services provided by NPOs are very personal and derive from a genuine wish to make a difference to society, the way the management of the organization gives effect to the values espoused in the branding material is crucial for staff buy-in and commitment. Values are rooted in deeply held beliefs and if managements' personal convictions are not in line with the organization's values it would be very difficult to get a feeling of congruency across the organization's practices. Management commitment precedes staff commitment. If not, the espoused values will just cause cynicism and superficial lip service by those lower down.

6.3.3 Internalize the brand

NPOs should realize that staff is one of the most important audiences for branding efforts as they determine the image and ultimately the reputation and continued existence of the organization. Internalization starts with recruiting employees whose values will support the brand, training them to understand and deliver the brand promise and fostering a culture that reinforces positive brand

behaviour (De Chernatony & Segal-Horn, 2003). Allocating financial and human resources for brand building practices should be regarded as a morally justified investment and not an expense that diverts resources away from a needy clientele. It is also of the utmost importance to involve staff at all levels in any brand development exercise and to involve them from the very beginning of the process. Branding is not an activity that can be implemented by management alone. The process of branding is as important as the outcomes. In fact, as Hankinson (2004) has pointed out, the process itself drives the finer detail of the debate and ensures the translation of brand values into organizational practice.

Internalizing the brand also means that the organization will manage its resources and core business processes in such a way that they support the brand. This would include investing in tangible, technological and strategic assets to deliver the brand promise, implementing human resource policies that support the brand, ensuring that its service development and delivery processes are consistent with the brand, managing its relationships with suppliers according to the brand values and engaging with other stakeholders in the broader community according to its values (Doyle, 2001).

6.3.4 Build strong relationships with customers

The services provided by NPOs involve complex social processes due to the fact that they deal with human need on a very personal basis. Although this provides a challenge, it also holds an opportunity to develop close and warm relationships with consumers. As De Chernatony & Segal-Horn (2001) point out, service brands can differentiate through the relationships they offer and through their responsiveness to changing needs. Staff behaviour is central in the aim to build strong relationships as staff represent the brand in each encounter with a customer. How they relate to the customer will determine whether the values espoused by the brand is reinforced in the interaction and whether the customer's trust in the brand's ability to deliver its promise, is enhanced. As many NPO's depend on word-of-mouth communication to promote its services

and build its reputation, conscious and concerted efforts to enhance relationships with existing customers should receive a high priority. Strong relationships with clients can also benefit the organization's ability to respond to changing needs. When relationships are positive, organizations would be more in touch with what customers feel and think and be more inclined to see complaints and criticism in a positive light as opportunities to learn and to improve services.

6.3.5 Ensure consistency in service encounters

Organizations with strong brands perform their services well across all points of customer contact (De Chernatony & Segal-Horn, 2003). This requires consistency between visual, verbal and written communication and staff behaviour at all levels as well as the implementation of supporting tools and systems to enable staff to give effect to the brand promise. Investment in staff in terms of human resource policies and marketing activities are essential forms of expenditure as brand consistency comes back to consistent staff behaviour throughout the organization. For instance, if staff do not understand the brand's identity, they will not be able to project the brand in service encounters and the customer will not experience what the brand promises. Similarly, if they do not have access to or have been trained in essential systems, tools or equipment to improve their work performance, they cannot deliver on the brand promise. Consistency in brand delivery is also dependent on well-designed service delivery processes and providing the necessary guidelines to staff to perform their services according to the desired standards. Although the purpose should not be to develop thick procedure manuals to regulate all forms of conduct, sufficient guidelines should be provided to ensure quality and consistency.

6.4   Recommendations for further research

This research is the result of a study of organizational documentation and interviews with a selection of managers in the organization. Therefore, it is not comprehensive nor can it be generalized to represent the views of all persons in

the organization, or for that matter be applied to all other similar NPOs. Also, it was not possible to do an in-depth study of all aspects that have an impact on branding in NPOs or in this organization in particular. Research on the following matters will improve an understanding of branding in RAA and similar organizations:

- Societal perceptions of NPOs in the welfare field and the implications that these perceptions hold for branding practices.
- Measures to develop employees of NPOs into champions of their brands, in particular measures to build pride amongst staff in NPOs and to improve the image they have of themselves as working for NPOs.
- The branding implications of utilizing contracted labour in direct service organizations, especially where these workers undertake core functions and function as frontline staff.

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ANNEXURES

Annexure A:Personality dimensions of brands

Dimension	Trait
Sincerity	Down to earth
	Small town
	Honest
	Sincere
	Real
	Wholesome
	Original
	Cheerful
	Sentimental
	Friendly
	Enduring
Excitement	Unique
	Contemporary
	Up to date
	Independent
	Exciting
	Spirited
	Cool
	Young
	Imaginative
	Trendy
Competence	Reliable
	Hardworking
	Secure
	Intelligent
	Successful

|	Leader
	Technical
	Confident
	Corporate
Sophistication	Glamorous
	Upper class
	Charming
	Good looking
	Feminine
	Smooth
Ruggedness	Outdoorsy
	Masculine
	Tough
	Rugged
	Western
Nurturance	Loving
	Compassionate
	Kind
	Helpful
	Caring

Venable (2001:83-84)

Annexure B:Core consumer values

Fair	Need for high ethical standards, rejection of exploitation, solidarity, active social engagement, readiness for self-sacrifice and rebellion on behalf of humanity
Passion	Need for admiration, reassurance, attention seeking, expressive attitudes, living out profound emotion, enthusiasm, showing off, narcissism, eroticism
Nature	Need for high ecological standards, holistic views, trusting, in harmony with and protective of nature, taking care of animals, giving up own needs for animals
Classic	Need for timeless elegance and style, beauty, aesthetics and design, conservative hedonism, conservative status and elitist thinking
Purism	Need for reduction to the essentials and simplicity, pure things, minimalism, understatement, not wasting things, rejection of affluence, looking for long-lasting things
Tranquil	Need for calmness, peace, relaxation, slowing down, de-stressing, regeneration, looking for harmony, inner peace, avoiding stress and a hectic life, soft escapism
Smart shopping	Need for systematic seeking of value for money, active bargain hunting, clever attitude, price sensitive, skepticism about a brand's pricing
Quality	Need for objective performance criteria, effectiveness, durability, reliability, high and continuous supplier effort, order, cleanliness
Total cost	Need for systematic least-cost purchase, extreme penny-pinching, extreme minimalism, also rebelling against materialistic society
Proven	Need for successful experience, maximum security, reliability,

	authority, scientific proof, tradition, routine, the 'good old things', extreme discipline, perfectionism
Vitality	Need for physical and mental fitness, activity, vitality, health orientation, healthy living. Also liveliness, mobility, independence, initiative
Thrill and fun	Need to have 'adrenalin in the blood', thrill, risk and adventure seeking, rebellious rule breaking, extreme challenge, pushing the limits, self-definition
Clanning	Need to belong, warmth, friendship, team spirit, desire for acceptance in a group, spending time with friends or family, having a 'good time' together
Carefree	Need for light heartedness, easygoing, optimistic, positive, spontaneity, playful diversity, 'Hakuna Matata' – no worries
Service	Need for uncomplicated information fulfillment, for competent and practical advice, for sensitivity, respect, and honesty, for 'warm' interaction
New and cool	Need to set trends, rule breaking, maximum variety and stimuli, avant-gardist status and elitist thinking, self-differentiation from the 'gray masses'
24/7 pro-tech	Need for application of newest/latest technology, scientific innovation, fast information and access, anytime, anywhere, 'cold' transaction
Personal efficiency	Need to make the best out of time, individual time management, extreme efficiency, best possible performance, speed, expecting stand-by solutions
Customized	Need for maximum individuality, just-for-me availability, direct involvement, one-to-one, controllable uniqueness, exclusivity, maximum flexibility and variety

Bauer et al, 2006: 38-39

Annexure C:Different regions of the values grid
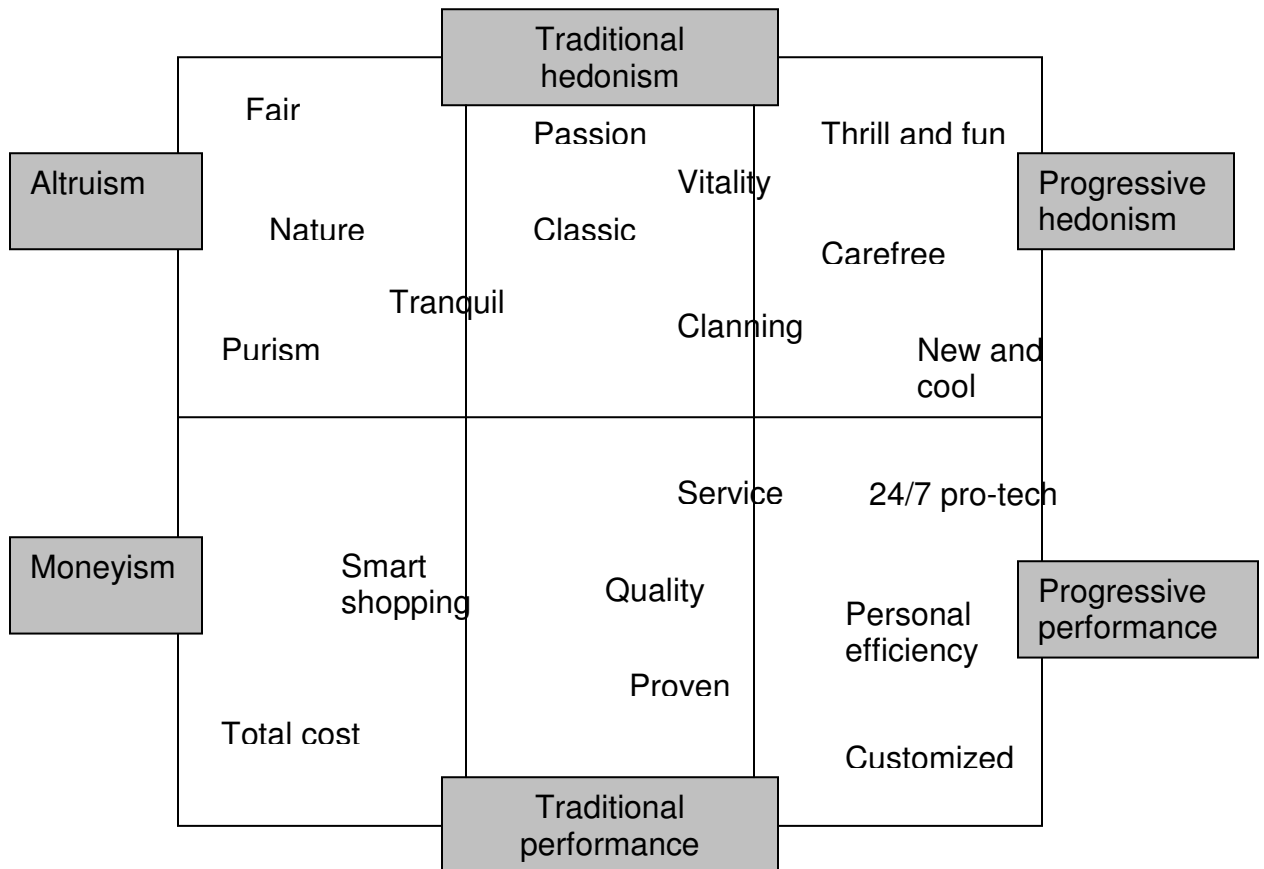
Bauer et al, 2006:42

(source: Roland Berger Strategy Consultants)

Annexure D:Guideline for assessing documentation

1.	Description of document:

2.	Date:

3.	Relevance and importance:

4.	Cost implications:

5.	Value derived from spend:

6.	Assessment in terms of brand framework:

	-	Visual expression:

	-	Verbal expression:

	-	Behavioural impact:

7.	Expression of brand orientation:

	-	Implementation

	-	Interaction

	-	Affect

Annexure E: Interview guideline

Name:

Position:

Department:

Age:

Educational qualification or business experience in the field of marketing:

Years service with the organization:

Theme 1   The meaning of the brand concept

Objective: To understand how the concept of branding and the RAA brand is viewed by the respondent.

1.   How would you describe the meaning of a brand

2.   When thinking of Mercedes Benz, what picture do you get in your head and what feelings or emotions does this elicit?

3.   When thinking of RAA, what picture do you get in your head and what feelings or emotions does this elicit?

Theme 2   Implementation of a brand orientation and brand practices

Objective: To determine if branding practices are purposefully implemented and if they add value to the organization. (First explain what brand orientation and practices entail to enable respondents to fully understand the context of the question).

4.   Give examples of specific branding practices that RAA implements. (Verbal, written, visual, daily communications)

5.   In what way do you think that these practices add value to the organization (awareness, goodwill, financial value, consistency, quality, trust, reputation)

6.   What has been done to ensure all staff understand and have bought into the meaning of our brand? Do you think it was sufficient?

Theme 3   Responsiveness to stakeholder needs.

Objective: To determine whether the organization responds to changes in customer needs or market conditions.

    7.   Do you think we do enough to understand our customers' needs and want they think of our services? What should we do?

Theme 4   Affect towards the brand.

Objective: To gauge whether the organization is in touch with general stakeholder perceptions and feelings about the RAA brand.

    8.   What do you think our customers think of RAA? (image, understand business model, satisfied)

    9.   How is the above different to the image that our staff have of RAA?

Theme 5   Constraints and suggestions.

Objective: To understand what impacts on the implementation of a brand orientation in RAA and how branding practices can be improved.

    10.   What do you think makes the implementation of branding practices difficult in our organization?

    11.   What would you do to improve the RAA brand - to make it stronger, more recognizable, more consistent and more appealing and to elicit more positive responses from stakeholders?