

# Conducting Market Research for Your Nonprofit



Finding out what you need to know  
to remain relevant and attract donors.

► **ARTICLES & SAMPLE INTERVIEW QUESTIONS**



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Red Rooster Group is a branding agency  
that creates effective websites, publications and  
marketing campaigns for nonprofits to increase  
their visibility, fundraising and effectiveness.

# Introduction to Research for Your Nonprofit

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A quick review of the primary forms of research you can use to learn more about your organization.

DEVELOPING AN ORGANIZATION dedicated to advancing the public interest and successfully implementing these goals presents a unique set of challenges to nonprofits. In this article, we'll explain how you can define your nonprofit's value, both internally and externally, by researching what similar organizations are doing, how they are doing it, and whether or not your nonprofit has what it takes to stand out and build a following.

Reliable research helps you create a map to guide you in defining your mission relative to similar organizations and in locating and tapping resources. Knowing that your agency offers distinct, rewarding benefits sustains internal motivation and engages donors and other supporters.



## What You Need to Know

Every nonprofit starts with an idea sparked in response to a need.

- A family whose child suffers from a rare, incurable disease forms an organization to raise money for medical research aimed at a cure.
- A hospital creates a nonprofit foundation to help patients without insurance get the care they need.
- An urban neighborhood forms an alliance to raise money for green spaces where residents can grow gardens and build safe playgrounds.

Regardless of its origins, a nonprofit flourishes only when the founders and their stakeholders are confident in the value of their unique, compelling purpose.

While you may think your mission, audience or model is unique, chances are that isn't. With 1.4 million nonprofits in the U.S., many address similar issues or respond to similar needs.

As a result, nonprofits need to find ways to maneuver through the crowd to acquire funding and supporters. Too many of the same type of organization also confuses the public. If they can't tell the difference between your nonprofit and others, how can they decide which is worthy of their time, energy and money?

Take, for example, Susan G. Komen for the Cure and the Avon Foundation's Walk for Breast Cancer. Both organizations support community-based events focused on raising money for breast cancer. Funds from the Komen race support research aimed at finding a cure for the disease. Proceeds from the Avon events also support research, but most contributions are used to give medically under-served women and men diagnosed with breast cancer access to much-needed screening, support and treatment.

## Research 101

Research helps you discover the who's who within the universe of similar nonprofits. Spending a few hours on the Internet searching for like-minded organizations gives you the first set of directions in deciding where you stand among your peers.

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Additionally, you'll need to do more in-depth analysis of similar nonprofits by:

- Talking with funding sources that give money to similar organizations and learning why they support these groups.
- Speaking with stakeholders at other nonprofits within your sphere to find out what other resources are needed to help the cause and how they are willing to help.
- Reviewing industry-related publications and media coverage of like-minded nonprofits to learn their story and how they are telling it.
- Visiting sites like Charity Navigator or Guidestar to gather funding and organizational data of other nonprofits.
- Studying marketing and communications materials from other organizations to learn their “language” and how they visually present themselves to their audience.

- ▶ [idealist.org](http://idealist.org)
- ▶ [foundationcenter.org](http://foundationcenter.org)

After completing your research, it's time to reexamine your own messaging and mission:

- Are you meeting an unmet need?
- Are you distinct and remarkable?
- Is your offer to donors and members compelling?
- Do you do a good job telling your story?

If you can clearly communicate your unique advantage at solving a problem or meeting a need, you've successfully differentiated your organization from the crowd and have a better chance of engaging support.

But, if research leads you to discover that your organization is simply vanilla, one of too many others, sustaining your nonprofit will likely be an ongoing and long-term challenge.

### The More You Know

Other valuable research tools can help further sharpen your focus and establish your niche.

- **Internal:** Involve your staff, board members and volunteers in assessing your nonprofit's strengths, weaknesses and values. Ask your staff to explain your nonprofit's mission. Is everyone on the same page, or are you getting different responses? Make sure your vision and value have traction internally so that everyone is singing the same song.

- **External:** Talk with members, donors and clients to find out their perceptions of your organization's purpose. Their answers will help you identify both challenges and opportunities in communicating your brand message.

- **Qualitative:** Focus groups and formal interviews allow people to share their experiences with your organization, their passion for the cause and what they are willing to do to support your purpose. Where do they get information related to your nonprofit's purpose? Do they go online, read newspapers or join clubs? Are people enthusiastic and motivated about the work your organization does or are they burned out? While anecdotal, the information can be very powerful in helping you solve problems and develop new approaches.

- ▶ [artafact.com](http://artafact.com)

- **Quantitative:** Based on statistical data gathered from a large number of people, this type of research is typically conducted through surveys. Online, telephone and mail questionnaires, the most common types of tools used in quantitative research can help you assess what issues or services have broad-based support.

- ▶ [questionpro.com/nonprofit-research](http://questionpro.com/nonprofit-research)

- **Ethnographic:** The purpose of ethnographic research is to uncover the actual habits and behaviors of people as they experience your organization rather than what they may say in response to a survey. By connecting with people based on their beliefs and behaviors, you're much more likely to make a deep and meaningful connection with them and move them to action. The concept of ethnographic research was used successfully in motivating Third World country residents to use soap to prevent the spread of diseases by uncovering what local people believe is dirty. You can find out more about this fascinating campaign at [globalhandwashing.org](http://globalhandwashing.org).

- ▶ [ethno-insight.com](http://ethno-insight.com)

Understanding your stakeholders more deeply and assessing your message, mission and value shows you where you fit in the world of nonprofits. Research helps you take stock, test theories and make clear decisions about your organization's direction to guide your long-term success. ■

# Assessing Your Brand & Communications

## ► CONDUCTING A BRAND REVIEW

Ten steps to evaluate how well your organization reaches its donors.

HOW WELL DO YOUR DONORS KNOW YOUR ORGANIZATION? In large part that depends upon how well you are communicating your brand — your vision, values and personality. If done well, you can form deep and lasting bonds with your donors. If not, you risk confusing your audience. In a short-attention span world, organizations that are able to quickly communicate their value are the ones that attract the most overall support.

This article focuses on how you can evaluate your brand and marketing communications. A 10-step brand review will help you assess how your brand is holding up or, if you are just starting out, it will help you develop a successful brand.



### 1. Uniqueness Matters

With 1 million nonprofits in the United States competing for donors' attention, your organization needs to stand out. A clear and compelling mission is crucial for attracting people to your cause. Is your mission unique, easy to understand, and inspiring? Or has it become muddled over the years?

### 2. Message

You know what your organization does, but do other people? Getting others to understand your message requires persistence. A recent survey we did of long-time donors to an organization showed they didn't fully understand the nonprofit's services. Repetition is key, and just as you begin to tire of hearing your story, it is probably just starting to get through to your donors.

### 3. Brand Personality

Personality is a powerful way of distinguishing organizations with similar missions. For example, in finding a cure for a disease, one organization may communicate in an authoritative tone to establish credibility on policy issues, and another may speak more emotionally to inspire people to action. Your organization's personality is conveyed through the language, images, colors, and even the media that you use (think policy report versus Facebook). Review your marketing materials with this in mind (or, better yet, have others do it) to determine how your organization comes across.

### 4. Emotional Impact

People choose to donate to an organization because they are motivated to do so in some way. They may feel an affinity for the organization's values, be moved by a story of someone the organization has helped, or feel inspired by the organization's mission or leader. Language in brochures and websites that is organization-oriented and merely describes services (often with industry jargon) misses out on the opportunity to inspire donors to action.

### 5. Perception

Your brand can build trust and positive perception when you speak with a genuine voice, are consistent in your actions, and follow through on what you promise. Strong leadership, empowered employees, and fiscal responsibility set the right tone. Decisions inconsistent with your mission — such as partnering with a corporate sponsor that doesn't share your core values — undermines your credibility. Are all of your organization's actions in alignment with its values?

## 6. Professionalism

If you want people to take your organization seriously, you have to do so as well. This starts with presenting a professional face to the world. You wouldn't take someone seriously if they wore jeans to a job interview, so why solicit donors with an unprofessional logo, brochure, and website? To earn people's trust, you need to ensure that all your marketing meets a high standard of excellence.

### CASE STUDY

## How a Nonprofit Association Improved Its Membership Appeal

When a statewide nonprofit organization was facing sagging membership renewals, they turned to Red Rooster Group to address the problem. Armed with an understanding of the organization, we started by reviewing all their membership materials – brochures, flyers, letters, and emails. Over time they had developed a series of different materials, and so to sort these out, we described each piece on a spreadsheet showing the target audience and intended purpose, whether it was used for acquisition or renewal, the main message each one imparted and how it was printed (some were in color, and some were photocopies).

Charting this helped to uncover the membership renewal process, such as what materials were sent out, in what sequence, and the key messages used.

We found that the materials contained a lot of good information about the benefits, but were not well organized, so the information was difficult to discern. Overall, the materials lacked a professional appearance, and sent confusing messages. For example, membership benefits differed from one publication to the next.

Our recommendations were to use the goodwill of the organization as part of the membership appeal. We strengthened the logo to create a more dynamic feel for the organization and grouped the organization's services into 3 main categories so they could be more clearly understood.

We then developed one brochure that used testimonials and photos from members to instill credibility and establish a personal connection. An abundance of photos shows people in action benefiting from the organization's services and a palette of 3 colors reinforces the organization's brand identity. The new brochure, being rolled out in the fall, creates a compelling package for potential members that clearly explains the benefits and ties in with the organization's overall mission and look.

## 7. Consistency

When your donor receives your newsletter in the mail, visits your website and receives an email requesting a donation, do they know that they come from the same organization? Is there consistency in how your logo colors and images are used, the values and messages that are conveyed, and the tone of voice that is used? Consistency breeds familiarity, recognition and trust. And it maximizes your marketing budget by reinforcing your brand at every opportunity.

## 8. Communication Strategy

The method and frequency in which you reach people can be just as important as what you say. Everyone has their own preferences for printed newsletters, email, social media, and events. The extent to which you can tailor your marketing to your individual donor preferences will improve your responses and potentially save you money on printed mailings.

## 9. Budget

Planning your marketing budget for the year is critical to maintaining a regular brand presence in front of donors. Consider all the ways you reach donors and map out the costs for each in a spreadsheet to see your total fundraising and brand investment for the year. This will also help to plan for subsequent years and provide a good basis of comparison.

## 10. Ongoing Measurement & Monitoring

Developing an effective brand is part art and part science. You may not get everything right the first time, but you shouldn't repeat the same mistake twice. Establish systems to track your responses and periodically review them to determine which tactics to eliminate and which to increase. A combination of quantitative research, such as web traffic reports, and qualitative feedback, such as interviews, will help you keep your message, brand and strategy on target.

### What Next?

A brand assessment will indicate the ways in which you can improve your message as well as give you a better understanding of your stakeholders. The results may help you refine or redefine your programs and mission. You'll feel empowered, knowing that you are proactively shaping your organization's brand, rather than leaving it to fate. This assessment can help you to:

- Communicate more clearly with donors
- Build your organization's visibility and recognition
- Allocate your marketing budget in ways that are most effective
- Determine if you need outside help to set up a marketing plan with ongoing assessment and refinement

To be most effective, the brand assessment should be overseen by one knowledgeable decision-maker who can communicate well with both staff and board members. This "brand champion" can lead the efforts to a more effective organization. There are many resources to help you get started, including The Nonprofit Brand Institute ([npbrandit.com](http://npbrandit.com)).■

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## Rate Your Marketing Efforts

For a quick assessment your brand, rate your organization's marketing on a scale of 1 to 10. This will give you an overview of your strengths and weaknesses.

1. Staff members and donors understand and agree on our mission — they know exactly what our organization stands for and hopes to accomplish.
2. Our brand clearly sets us apart from other nonprofits that operate in our sphere.
3. Our communication materials convey a modern, professional image that holds up compared to other organizations.
4. Our public messages accurately represent our organization's core values and personality.
5. We communicate with stakeholders in a way that inspires passion and generates excitement.
6. Our website looks contemporary, accepts donations and can be easily updated by staff (and is kept current).
7. It is evident that all our marketing (brochures, newsletters, website, etc.) comes from the same organization.
8. We reach people in many different ways (including social media), depending on their communication preferences.
9. We know how much we spend on marketing and communications annually.
10. We regularly monitor our marketing and review our marketing and solicit feedback about our brand to ensure that we are on track.

**Total Score**

# Uncovering Opportunities for Uniqueness

## ► CONDUCTING A COMPETITIVE REVIEW

HOW DOES YOUR ORGANIZATION COMPARE with other organizations with similar missions? It helps to know how donors view your organization relative to others. Even organizations with similar missions may have a different way of accomplishing their missions that may appeal differently to different people.

Understanding how other organizations present themselves can help you understand how to reach donors.

For example, two organizations, both addressing searching for the solution to the same disease can come across as very different. One may be seen as having a long history of breakthroughs and clout in the medical community, while the other is seen as innovative and responsive in developing programs in addressing people's needs. Each organization will achieve the best fundraising results by focusing on the strengths and attributes that make them unique. If both claim to have the same approach, donors will have a more difficult time discerning why they should donate to each organization.

### Conducting a Competitive Review

To uncover this type of insight for your organization, you can conduct a competitive review that assess how other organizations with similar missions present themselves. The easiest way to get a quick glimpse at other organizations is to review other organization's websites and create a spreadsheet with the following fields:

- Organization's Name
- Mission
- Key Services
- Audiences Served
- Location
- Area Served
- Funding Sources & Events
- Tagline, Slogan or Key Messages
- Fundraising Campaigns
- Prominent Board Members or Spokesperson
- Media Used & Social Media Activity
- Strengths
- Weaknesses
- Uniqueness

This information will make it easy to compare your organization and see where they may be opportunities. For example, if no other organization is appealing directly to a younger audience or has a directed giving program, you might explore the possibility of doing so. ■

# Insight from the Inside

## ► SAMPLE QUESTIONS FOR STAFF & BOARD

THE PEOPLE THAT ARE CLOSEST TO THE ORGANIZATION should best be able to describe the organization's vision, value and culture. This kind of information can help tell you a lot about how your organization sees itself and wants to be seen. (And if they can't describe it accurately, or are inconsistent with each other, you know you have a problem).

Staff and board should be consistent in their understanding of your organization.

In any case, it's a good starting point for understanding your organization. Once you know what you want to be conveying, you can measure it against what people are actually perceiving. This can help you to uncover any perception gaps and help you to present your organization in the best light.

### Conducting Interviews

Interviews with the staff and board are best conducted by a third party, if possible, so that people can speak freely with full candor. Interviews can be conducted in person or over the phone and typically last between 30 and 60 minutes. Start by explaining the purpose of the interview and whether the responses will be kept anonymous, which is preferred. You'll want to establish rapport quickly and allow people to express themselves, so use these questions as the starting point and follow up with responses that require further clarification or are drawing out the person or leading to insights. And of course, remember to thank people for their time. ■

### Sample Questions

- What was your initial perception of the organization? How has that perception changed?
- How would you describe our mission?
- Who you describe our vision?
- What do you think of our mission and our vision?
- Would you say that we are successful in achieving our mission?
- What do you consider our strengths? What can we improve upon?
- What is the best part of your job? What is the worst part of your job?
- What other organizations do we compete with or might be confused with?
- What other organizations do we work with, or should we be working with?
- What is the one word that you would use to describe our organization?
- What do you think of our organization's name? Do you feel it represents us accurately?
- Do you know what our tagline or slogan is?
- If you were to write a tagline for us, what would it be?
- Have you visited our website? When was the last time? How often do you visit? Why?
- What do you think of the website? What would you do differently?
- Are you involved in any other similar organizations? Which ones?
- If you could change one thing about the organization, what would it be?
- Anything else you would like to add?

# Perception is Everything

## ► SAMPLE QUESTIONS FOR DONORS

SO YOU'RE TOILING AWAY DAILY at pressing social problems and you expect people notice. In fact, you expect them to match your generosity with theirs. Unfortunately, donors are busy people, occupied by work, family, and entertainment, not to mention, bombarded with ads of all kinds.

The real test is in how donors perceive your organization.

Charities often fall to the bottom of their list. To attract donors' attention, you need to stand out and distinguish your organization. How well do you do that? Asking is one way to find out. These questions are designed to uncover what donors think about your organization, so that you can ensure that your organization is on track and relevant for the way people approach problems today.

### Conducting Interviews

The same considerations apply here as the do for staff. If possible, have a third party conduct the interview, since you really want to get the truth from donors. It's best to keep these interviews anonymous, however, if someone says something wonderful about the organization, at the end of the interview, you can ask for their permission to use the testimonial on the website or fundraising materials. And again, remember to thank them for their time and input.■

### Sample Questions

- How did you first hear about our organization?
- What was your initial perception of us? How has that perception changed?
- When it comes to [your issue — homelessness, cancer, arts education, etc.] what is most important to you in addressing the issue?
- What motivates you to support this cause?
- Would you consider yourself optimistic or pessimistic about the future?
- What other organizations did you consider or currently donate to?
- What were the factors that went into your decision to donate to us?
- What do you consider our strengths? What can we improve upon?
- What is the one word that you would use to describe us?
- How would you describe our mission?
- Would you say that we are successful in achieving our mission?
- Which of our programs or initiatives are you most supportive of? Why?
- What do you think of our name? Do you feel it represents us accurately?
- Do you know what our tagline or slogan is?
- If you were to write a tagline for us, what would it be?
- Have you visited our website? Last time? How often do you visit? Why?
- What do you think of it? What would you do differently?
- Would a newsletter from us be of interest to you? Would you read it?
- What would you like to see in it? How often? Email or print?
- Are you involved in any other similar organizations? Which ones?
- Have you attended our events? What did you think of them? Did you learn more about us?
- As a donor, what do you expect to see from us?
- Anything else you would like to add?

# Building Professional Support

## ► SAMPLE QUESTIONS FOR REFERRAL SOURCES

Many nonprofit organizations rely on word-of-mouth for people finding their services. For some organizations this comes from the people in need, for others, it comes from professionals on the front lines of care – those who can identify the people who need help and are in a position to direct them to the appropriate agency for help. These professionals might include social workers, nurses, career counselors, government agencies, human resource departments at corporations and other nonprofit organizations.

Other professionals' opinions of your organization can carry a lot of weight. Make sure they're accurate.

Establishing visibility, credibility and a good working relationship with these professionals depends upon understanding their contexts, industry language, and specific needs. If your organization depends on referrals from other sources, it pays to periodically check in to make sure that you are meeting these professionals needs in the best way. The act of asking their feedback in itself can build trust, deepen the relationship and lead to additional referrals.■

### Sample Questions

- How did you first hear about us?
- What was your initial perception of us? How has it changed?
- How often do you refer clients to us? To other organizations? Which ones?
- How often does your referral get taken into consideration?  
What kind of feedback have you received after the referrals have been given?
- What qualities do you look for in an organization before giving a referral?
- How would you rank the similar organizations you refer to, including this one?
- What would make this organization a top choice for a referral from you?
- What do you consider our strengths? What would you improve?
- What is the one word that you would use to describe us?
- How would you describe our mission?
- Would you say that we are successful in achieving our mission?
- Which of our programs or initiatives are you most supportive of? Why?
- What do you think of our name? Do you feel it represents us accurately?
- Do you know what our tagline or slogan is?
- If you were to write a tagline for us, what would it be?
- Have you visited our website? Last time? How often do you visit? Why?
- What do you think of it? What would you do differently?
- Would a newsletter from us be of interest to you? Would you read it?
- What would you like to see in it? How often? Email or print?
- Are you involved in any other similar organizations? Which ones?
- Have you attended our events? What did you think of them? Did you learn more about us?
- Would you be interested in an event specifically for professionals? (for CUE credits?)
- Have you ever been to our facility or seen our programs in action? Would you be interested?
- Where do you get your information on [our issue]?
- Are you a member of professional organizations? Which ones? What do you get out membership?
- What is the biggest concern you have about your job? What would alleviate that?
- What do you see as the major trends affecting the sector?