PHILANTHROPIC TRENDS QUARTERLY 2010: Issue 4

trends[4]

The definitive [4] times per year source of philanthropic trends analysis in Canada

The Communications Issue

As 2010 draws to a close with dark mornings and chilly temperatures, our thoughts turn to warmth; whether it's a sun vacation or curling up with family and friends around a cozy fire during the holiday season. It's also a time to reflect on the year gone by and think about how we'll gear up for 2011.

It's hard to imagine the philanthropic environment changing as much in the next 10 years as it has in the last decade. And yet, the changes we've seen, especially in the ways we communicate, can be thought of as more of a cultural revolution than a trend. As we deliver our messages to increasingly savvy, diverse and segmented audiences, ever-evolving and innovative technology has certainly made our jobs more complex.

Looking ahead, I believe we need to ensure that technology doesn't take over and become the end as opposed to the means. There's no question that the ability to see each other through phone or computer screens and create and send communication from anywhere we are has increased our reach and efficiency. But what I'm hearing from our Advisory Board, clients and colleagues is that *warmth* – the "human side" of our business – can never really be replaced. While texting, Facebooking and Twittering may be the new communication norms for the younger generation or those baby boomers and seniors who have embraced these new technologies, the fact remains that although the tools we use to get results are changing, our industry is still about people. Whether our goal is to engage, empower, inspire or build relationships, we just can't do that without some face-to-face interaction.

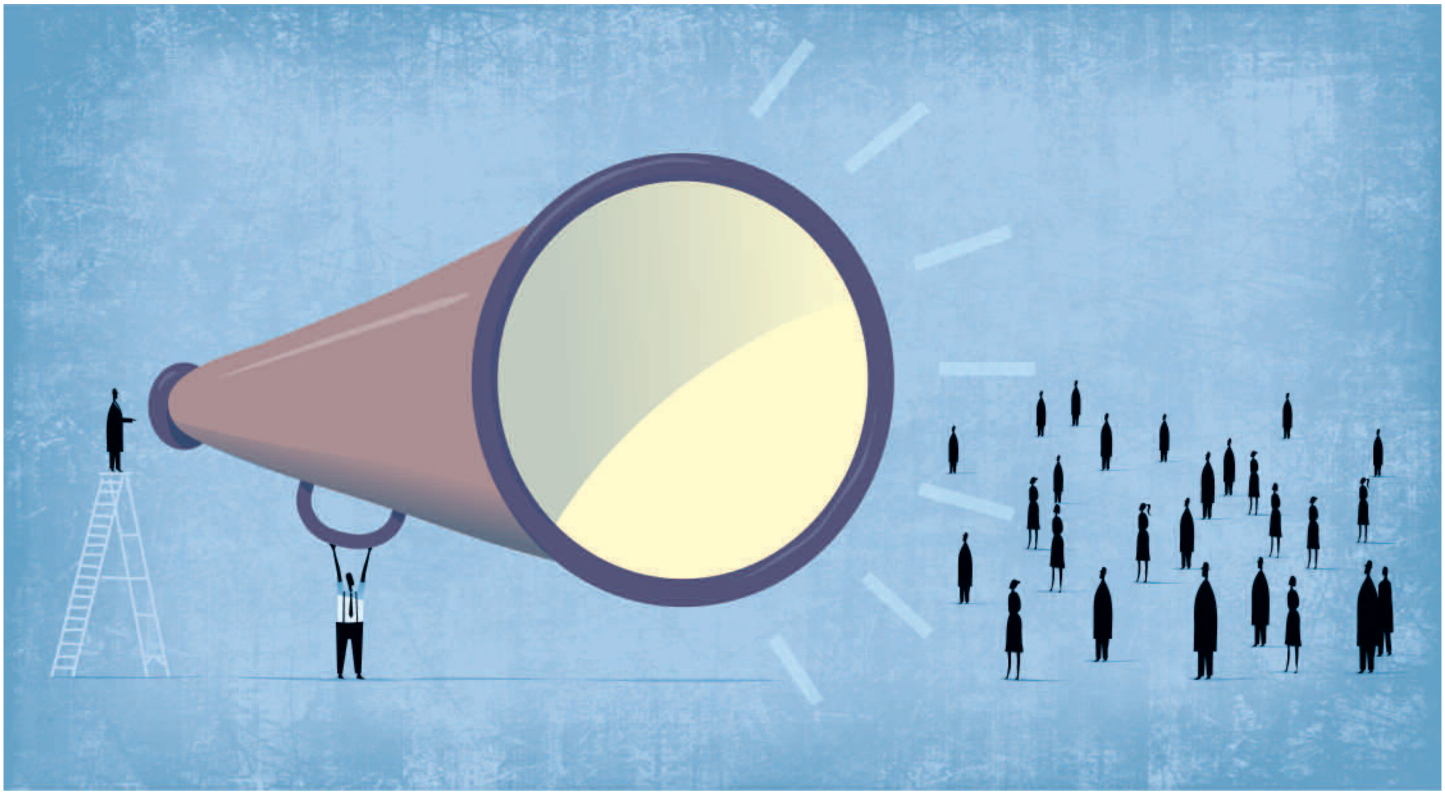
In 2010, *Philanthropic Trends Quarterly* has reported on general industry trends, trends in technology and trends in attracting, recruiting and retaining volunteers. In this final issue of 2010 we shine our spotlight on trends in communication.

In this issue, you'll read about the importance of being proactive and getting ahead of "bad news" issues before they negatively impact your brand. You'll also find inside information from leading organizations about how they make the most of their communication resources, differentiate themselves in today's crowded marketplace through their brands and what it means to communicate with confidence and greater transparency.

On behalf of *Philanthropic Trends Quarterly* and the entire KCI team, all the best to you over the holidays. And here's to a great 2011!

Marnie Spears
President and CEO

KCI
FORWARD THINKING



The changing face of fundraising communication

Of all the ways that technology has changed the world of non-profits, its impact is probably felt most strongly in how we communicate with each other. Its accessibility (internet access, mobile devices) and real-time transparency (online and social media) are having a huge impact on fundraising communications. And all indications are that these newer communication channels are not passing fads but here to stay.

While growing in use in the philanthropic world, it is also apparent that they are not replacing traditional "high touch" channels (face-to-face interaction, print materials, direct mail, events), but rather co-existing. As we discovered in our research and interviews, most organizations continue to leverage the traditional channels while exploring and using the newer ones. And what this means is that there is a need in organizations for multi-faceted communication strategies, tactics and resources.

Through our interviews and research, four overarching communications trends emerged. They illustrate not only how things are changing...but also how they're staying the same.

Your brand is your cornerstone

With more than 160,000 not-for-profit organizations in Canada, talking to your audiences with a voice that will register above the "noise" of conflicting and overlapping philanthropic messages is a formidable challenge. Furthermore, not-for-profits today are more thoroughly scrutinized and held to much higher standards by supporters in terms of outcomes for the time and money they invest.

One powerful way to gain mindshare and differentiate your organization is by crafting an authentic, meaningful brand. An often misused and misunderstood word, the definition of "brand" goes far beyond logos, colours, names, slogans and trademarks. Building a brand begins with identifying what your organization stands for, what makes it unique and forging emotional and personal connections with your audiences and stakeholders. Every organization has a "brand" in the sense of what people think, feel and say about it, but the key is leveraging your brand to embody and promote your desired reputation, identity and goodwill. A well-executed brand can buoy your organization through any communications challenge or adversity. Because it is synonymous with reputation, a brand has significant market value.

At Toronto's Centre for Addiction and Mental Health (CAMH) Foundation, CEO Darrell Gregersen believes that the Foundation's communication strategies play a pivotal role in building a successful brand. "The CAMH brand aims to capture generosity of spirit and curiosity, to motivate people to seek us out. Our biggest priority at the Foundation is building awareness for CAMH, then developing and reinforcing perception. We do that by creating communication strategies that are deeply rooted in the mission of the institution."

Gregersen makes another crucial point about the role the Foundation plays related to the brand of CAMH - and that is that the brand belongs to the institution. "While we at the

Foundation can provide thoughts and input related to the brand and how it should be positioned with our stakeholders, ultimately CAMH owns the brand; it's our job to burnish it." A good reminder for all of us, whether working in a foundation that fundraises for the institution or in the development department of the institution itself.

A well-articulated brand can also be helpful in opening doors to financial partnerships with organizations that share complimentary or similar brand characteristics. Such was the experience of The Rooms in Newfoundland – an institution that counts the Provincial Archives, Art Gallery and Museum among its divisions – in securing a $2.5 million gift from Husky Energy, the largest private donation ever made to a cultural institution in the Atlantic provinces. "Our "branding" strategy positions The Rooms as an inclusive organization where everyone can belong", says Dean Brinton, CEO, "which is an image that reflects the identity that Husky has created for itself. By seeing its own values reflected in our brand, Husky saw us as a natural partner for its philanthropic activities."

Integrate, Invest, Balance

With increasingly savvy, discerning audiences of diverse backgrounds that span all generations, organizations must invest strategically in technology and resources while, most importantly, maintaining a balance between new and traditional communication channels.

As Gary Durbeniuk, Vice President Development, University of Calgary points out, "Our senior donors don't Twitter; some don't even use email. For them, it's face-to-face or the phone. We need diverse strategies that speak to each specific age group but they can also be blended; I believe it's a mistake to think that face-to-face communication is ancient history with the younger generations. Take engaging volunteers for example. Those in their '20's and '30's like to stay connected by Blackberries and Smart Phones, and you can provide key messages and certain data that way. But when you want to explore fundraising approach strategies – to really get inside their minds and cement understanding – you want personal contact."

It's also important to remember that newer communication techniques and data require specialized talent to manage them. Winnipeg Foundation CEO Rick Frost says, "If you're looking at Twitter you have to offer content, but there has to be value in that content geared for your audiences. We hired somebody with the skills and expertise to do it right."

> "Integrated communication means ensuring all your audiences – internal and external – are in the loop and have the information they need."

Gary Durbeniuk adds, "And it's not just Twitter and Facebook that needs to be managed. If your communications vehicles, like your website, social media and databases, aren't "talking to each other", it's only a matter of time before you find yourself in unfortunate—and avoidable—situations with past, existing and potential donors".

What Durbeniuk is referring to can manifest itself in myriad ways - organizations not being 100% confident that everyone who gave online received a thank you other than the automatic one generated by the system, or that a donor who does not want to be contacted this year gets called in error. As we all know, relationships are not just a series of transactions; they are touch points that affect how people view and relate to your organization. So, be sure to integrate data and eliminate silos with your communications mechanisms.

To sum up, Ron Dumouchelle, CEO of the VGH & UBC Hospital Foundation says, "Communication is very expensive today because it has so many aspects. You must know your target audience and be selective of communication vehicles and methodologies, both new and traditional, that will have the greatest impact. All of this requires wise investment that includes a consideration of your cost benefit and an understanding of the end result of all your efforts."

Present a united front

Communication today travels at lightning speed over multiple channels and platforms and bad news seems to travel at warp speed. And so it is critical for organizations to devote time and attention to creating communications plans and strategies. Ted Garrard, CEO with Toronto's SickKids Foundation, says, "As the CEO of a major foundation, I would say that most people wouldn't anticipate that I spend as much time as I do on communications. But every CEO should be spending a considerable amount of time on this topic because it has become an integral part of organizational strategy."

And yet, a great many organizations have no formal communications plan and strategy. One reason for this may be the perception of many organizations, particularly smaller ones, that communications activities are the domain of large, sophisticated charities – a perception that can't be further from the truth. Communications doesn't have to be complicated. In fact, distilled to its most basic form, a communications plan consists of three elements – your messages, your audiences and the methods and timing by which one reaches the other.

Another key element related to communications is the importance of not forgetting your internal audiences, which is another common

What does a crisis communications plan look like?

Crisis communications plans are also important tools for the communications tool box. And like general plans, they don't have to be complicated. It's simply a matter of staying alert to potential issues and proactively warding them off if possible. And if you do find yourself with a crisis on your hands, being guided by the principles of honesty and transparency. The rest is standard - what messages need to be delivered, by whom, how and when.

The University of Calgary makes staying ahead of problems a priority. The first agenda item is talking about the major risks facing the organization and how to manage them. The list rolls over every week and people have a chance to say, "here's a heads up", which creates better awareness and allows the institution to get in front of issues before they happen – having key messages in place, determining spokespeople, and managing what they can in advance. Gary Durbeniuk says, "Of course there will always be issues where we don't get advance notice and we have to respond, but regardless of size, every organization should be in a position to own their issues. I think the number one rule for any not-for-profit is that reputation and integrity are first and foremost."

misstep on the part of organizations. It is critical to ensure that everyone associated with your organization—development staff, volunteers, your Board, senior management, other employees and even donors—have the mindset and easy access to the tools they need to clearly communicate your mission, vision, goals and values.

Katita Stark, CEO Stark Communications and former board member at several educational institutions, says that unfortunately, all too many organizations today rely on non-personal forms of internal communications, such as intranet and email, instead of properly equipping their people to share the messages they want delivered. While these tools can certainly enhance efficiency and consistency of messaging to internal audiences, Stark says "remember to ask your internal audiences how they would like you to communicate with them. Just as external research guides the decisions you make in communicating to supporters and the general public, internal research should guide you in communicating with employees and volunteers". Have a plan to share important information with your internal audiences first, so that they are ready when the phone rings or they find themselves face-to-face with an existing or potential donor.

A final element to keep in mind is keeping messages clear and simple. Darrell Gregersen thinks one of the universal flaws of fundraisers is that "we're so passionate and committed to what we're doing and we talk amongst ourselves so often that we get bored and think we have to change our story to resonate with our audiences; when really, the message can still be so fresh." She goes on to say that simplicity, clarity and consistency of messaging is absolutely critical—whether it's key messages around your mission and vision, key messages in a news release or key messages in your case for support. "Put your audience first. Go for clear and compelling as opposed to comprehensive. Help your audiences focus on the main messages, and inspire them to take action."

The Evolving Case for Support

And speaking of the case for support, this communications vehicle is evolving as well. It used to be that the case was the "be all, end all" communications tool for fundraising organizations. Not so anymore.

Ron Dumouchelle says that at VGH & UBC Foundation the case is no longer widely distributed. "We use it in a targeted way. It's just one piece of the puzzle, along with our annual Community Report, specific donor brand sub-cases or proposals, social and traditional media and other ways we engage our donors and prospects."

Ted Garrard goes on to say that in the case of SickKids Foundation, there is no single case for support anymore. "The days of the one-size-fits-all elaborate colour brochure are over—it's not always cost-effective from an operations perspective and sometimes it's even hard to justify with supporters, who are more interested now in the costs of fundraising than ever before. Now we present multiple, more highly personalized "mini" cases that are all linked back to our mission and vision. This approach yields much better results."

Ultimately, when thinking about communications and what should guide our thinking, it still all comes down to putting a human face on your organization – whether in your case for support, your advertising or on your website. And the best way to do that?

In the way we always have – by telling stories. It is by building compelling stories that touch the minds, hearts and spirits of your audiences—not just listing facts and data—while staying true to your mission, vision and values. Own, shape and use your unique features to create your distinct story, which is still the best way to differentiate yourself in today's crowded philanthropic marketplace.

> Next issue:

Watch for our next edition in March 2011 that will focus on how to build and maintain a healthy pipeline of prospective donors.

Marnie A. Spears
President and CEO

Nicole Nakoneshny
Senior Consultant & Editor,
Philanthropic Trends Quarterly

Philanthropic Trends Quarterly© is published by KCI.

Philanthropic Trends Quarterly© is intended to provide an anecdotal 'snapshot' of philanthropy in Canada. We hope it will serve as a useful overview for observers of the charitable and nonprofit scene.

Aussi disponible en français. Illustrations by Rocco Baviera

KCI
FORWARD THINKING