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## Marketing Tips

# Nonprofits can thrive by using 'feedback loops'

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Nonprofits and benevolent organizations, just like their for-profit corporate cousins, have an audience or constituencies that they must serve and with whom they must communicate.

A for-profit is accountable to its employers, customers, prospects and local community, while a nonprofit - according to mission or purpose - must answer to its employees, members, donors, beneficiary populations, various corporate interests and the community at large.

Not surprisingly, one of the keys to a healthy, dynamic nonprofit - whether it's an association, membership-based organization or foundation - is the creation and maintenance of active "feedback loops," or ongoing dialogues between the nonprofit and the public it serves.

### Tools to use

The fruits of regular dialogue with your constituencies can be used to improve almost every aspect of your organization's activities. Some of the more obvious tools include:

- Donor and membership relations management. You can identify ways to strengthen bonds with your donors or membership base, explore their expectations and how effectively those goals are being met, and determine factors with the most potential to contribute to a long-term sense of success;
- Target needs through evaluation. Evaluate usage, perceived importance of and satisfaction with the programming, initiatives and services delivered by your nonprofit, as well as help identify and anticipate the changing needs of those you serve;
- Communications audits. You can assess the effectiveness of your efforts (via newsletters, Web sites, public relations, advertising, direct mail, etc.) to communicate strategic messages and information to donors, members, beneficiary populations and other targeted members of the public;
- Planning annual and capital-giving campaigns. Enhance your fund-raising initiatives by honing rationales for giving/identifying strategic messages that motivate action, and discovering donor expectations and preferences when it comes to recognition programs and recognition methods;
- Managing image and brand reputation. You want to shape public perceptions of the

importance of your nonprofit's purpose and mission, but you first must grasp what the community thinks of you and your organization. This need for information can be satisfied only by asking, listening and measuring. Then you must identify the strategic messages that put your face forward and again.

Two of the most accessible tools for establishing and maintaining feedback loops are focus grouping and survey research.

Focus groups - roundtable discussion sessions of generally eight to 12 participants - are an excellent and highly flexible methodology for examining perceptual landscapes, relevant experiences, satisfaction levels and expectations of a targeted public or constituency segment.

Best when led by a professional moderator, the focus group produces rich, qualitative information and allows for detailed probing to unearth the underlying motivations and visceral reactions that drive perceptions, attitudes, preferences and actions.

Survey research is a quantitative methodology that uncovers patterns of group similarities, perceptions and behaviors. It gives a nonprofit the opportunity to investigate issues and understand broader trends through posing questions to a large number of people, and can be conducted via telephone, Internet, mail or direct interviews.

## **Benefits all around**

Although it's easy to envision the benefits of regular feedback loops with your constituencies, the evil specter that discourages many nonprofits is the ever-present squeeze for money.

What you must remember is that listening and communicating with your public is an investment and, therefore, is not free.

There also is a difference between conducting research inexpensively and doing it "on the cheap," especially if your organization has little marketing expertise.

Marketing researchers often will offer special prices for nonprofits or benevolent organizations.

The net outcomes of properly conceived and executed feedback loops are stronger relationships with your contributors, your patrons, your members and the others to which you are accountable.

These, in turn, better define the strength and performance of your organization: the growth of programming and expansion of audience impact, more thoughtful and benefit-oriented programs, more effective fund-raising and development efforts, and enhanced image and standing in the community.

Perhaps the most subtle but important benefit of all is that you truly care enough to ask, listen and respond.

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