

PHILANTHROPY AS A BRAND-BUILDING Strategy

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RESEARCH GROUP

The more sophisticated a company is about building and enhancing its brand position, the more it turns to a marketing philosophy called 360-degree brand integration. The 360-degree integration is based on an understanding that a brand's audience is not limited to internal and external audiences. Nonusers and brand influencers are part of the 360-degree marketing mix.

Reaching these sometimes-disconnected audiences is why companies integrate philanthropy into their brand-building strategy. According to Shelly Lazarus, chairman of Ogilvy & Mather Worldwide, "A company's philanthropy tells you what it is at its core. So companies have to think seriously about how to use their marketing dollars to do things out in the world that make a difference to the people who are part of their brands."

Challenge

A multinational auto manufacturer sought to determine the brand perceptions and attitudes within the U.S. communities where it operated manufacturing facilities. Although the auto manufacturer brought jobs to the respective communities, it also enjoyed generous tax incentives from the local governments.

The challenge was to determine if the company's strategy of generous philanthropic contributions was successful in improving its brand image in addition to its overall public acceptance in the communities where it operated and with consumers at large.

Research Solution

To accurately benchmark the success of the company's corporate philanthropy, Thoroughbred Research Group designed a study to measure the perceptions of the auto manufacturer against a comparable peer group of large employers. The research design used a random sample of respondents in enlarged employment areas surrounding each location of the company's auto plants.

The design included a representative sample of the population of the home county and the larger surrounding area from which the company attracts employees for seven plants throughout the United States. Utilizing a blind comparison study approach with site-specific customization and generalized questions, attitudes of local citizens, community business leaders and elected officials were measured.

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Due to the wide variety of respondents, a mixed methodology based on the specific market was executed. Methodologies included online, mail and telephone interviews.

The study was repeated every other year over a decade to first establish a baseline measurement and then measure variations in perceptions due to changing circumstances and the ongoing philanthropic giving.

Outcome

The study yielded satisfying results incrementally over the decade. Thoroughbred Research Group did segmentation by location to assess the rise of the manufacturer's image and determined that the auto manufacturer – and its public relations program – had a net positive effect in the communities in which it was based. The company's corporate image was enhanced, and it was accepted as a valuable member in its communities.

Specific measured areas that indicated a positive brand perception were the neutralizing of complaints relative to tax breaks, along with a broader recognition of the economic impact of primary jobs created and dependent jobs in the communities.

A secondary goal was the identification of a messaging strategy that resonated within each community, as well as common themes across all communities.

Conclusion

Philanthropy is fascinating and an important component of a company's marketing mix. It's a lot deeper than traditional charitable giving, which for some is very often just writing checks to cultural institutions. As the research indicates, a 360-degree view of the marketplace ensures that all stakeholders can be positively impacted through a strategic philanthropy plan.

Integral to this brand-building strategy is research. It provides the baseline from which all future benchmarks can be determined. Research provides the real-time feedback to adjust giving based on the market, as well the ability to create and measure corporate goodwill on a market-by-market basis.

