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Conceptualizing brand orientation in non-profit contexts: A new perspective

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Article Info

Abstract

The comprehensive understanding and application of brand orientation, an aspect of organizational culture, seems to have limited practical relevance in the non-profit context. This paper investigated the definition of brand orientation by Thai scholars and practitioners in government, non-profit, and public sectors. Interview data underwent qualitative thematic analysis, delivering the proposed definition: non-profit brand orientation is an assigning importance to and acknowledges non-profit organizations as brands with aligned missions, visions, and values. It also serves reciprocally among all employees and is communicated through brand identity, seeking to communicate a brand's stance and values, both internally and externally, for members, customers, and other stakeholders. This definition can guide scholars and practitioners on corporate-style branding practices and strategies for non-profit organizations.

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Introduction

Competitive advantage has long been a central focus in academic development and business practices. From a strategic perspective, various examples of successful approaches can be identified (e.g. entrepreneurship orientation or customer orientation), and various internal and external factors can be considered around the question of which approaches make a company more successful (Schmidt et al., 2017). Moreover, the topic is an important consideration for top organizational management when determining strategic orientation, for example, when deciding the strategy that will succeed in a marketplace competition to achieve a goal while also building and contributing to the community and society. The strategy should also benefit the internal organization and respond to the needs of all stakeholders reciprocally (Enso, 2018).

In marketing and management literature, one strategic orientation approach that has garnered attention and debate regarding its conceptualization is brand orientation (BO). BO refers to firms' formulation of strategy to build, develop, and nurture a brand identity by regularly initiating interactions with stakeholders to develop a competitive advantage in the long run (Urde, 1999). Urde et al. (2013) emphasized that the creation of a unique brand identity should begin with the mission and vision of an organization and should be based on core values. Notably, there is a consensual scholarly definition of BO, for instance, using organizational values to strengthen brand capabilities (Brïdson & Evans, 2004), a shared sense of brand meaning (Ewing & Napoli, 2005), a mindset and favor in marketing strategy (Wong & Merrilees, 2007b), and a determination of top management with regard to branding (Baumgarth, 2009, 2010). Most scholars agree that BO needs to engage and balance the relationship between customers and stakeholders reciprocally.

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Two main observations can be drawn from existing studies on business orientation. First, numerous studies focused on internal factors, covering organizational attitude, organizational capabilities, and organizational behavior. Second, a majority of research on understanding branding practice has focused on business-to-consumers, business-to-business, or an industry-specific context. Brand orientation strategy can also be applied in the context of non-profit organizations; however, little attention has been paid to the concept of BO or brand culture in the non-profit sector, ignoring the communication factors of the BO construct. The purpose of this article is to develop a conceptual definition of BO from this perspective and to investigate real-world branding in non-profit organizations.

Literature Review

The concept of brand orientation (BO) was introduced by Urde (1994, 1999), representing an approach in which the processes of the organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with target customers to achieve lasting competitive advantages in the form of brands. Hankinson (2001a) defined BO as the extent to which organizations regard themselves as brands and an indication of how much (or how little) the organization conceptualizes the theory and practice of branding. Since then, the concept has been developed further by many other scholars from multiple national perspectives (Baumgarth, 2009, 2010; Brīdson & Evans, 2004; Ewing & Napoli, 2005; Gromark & Melin, 2011; Hankinson, 2001a; 2001b; and Wong & Merrilees, 2007a; 2007b). The issue driving different BOs is rooted in the mutual understanding of business orientation (or lack thereof), from a philosophical or behavioral foundation (Avlonitis & Gounaris, 1999). Thus, BO is conceptualized as a multidimensional construct that encompasses an organization's values, beliefs, behaviors, and practices regarding its brand identity (Brīdson & Evans, 2004).

The concept of BO emphasizes corporate brands, wherein brand focusing on market orientation has been mainly on product brands (Gromark & Melin, 2013). Gromark and Melin (2011) proposed that BO is embodied in an entire organization and its activities. This approach implies that BO represents the strategic and operative foundation of brand management. It is a deliberate approach to brand building, whereby brand equity is created through interactions between internal and external stakeholders. In this orientation, brand management is perceived as a core competency, and brand building is associated intimately with organizational development and superior performance. According to Hatch and Schultz (2003), in brand-oriented organizations, the identity of the brand and the identity of the organization are fully integrated. Brand values are the organization's values. They represent a dynamic relationship wherein corporate culture is expressed through identity, which leaves an impression on others external to the organization in the form of an image.

Methodology

This research study involved in-depth, qualitative expert interviews to explore the conceptual definitions and main characteristics of BO for non-profit organizations. Based on the existing literature (Gromark & Melin, 2013; Hankinson, 2001a), a semi-structured interview guide was developed. Its goal was to ask scholars and practitioners how they defined BO, and how it manifested in their thinking, behavior, and corporate performance. The guide was pre-tested for readability and content relevance in relation to the research questions with non-profit brand consultant and academic.

This research included 11 key informants in Thailand. Academically, the first group included five marketing, corporate communication, and human resource researchers, focusing on the public sector contexts. Practically, the second group included six corporate communications managers, advertising, and brand planners who worked or had experience in consulting for non-profit organization clients. The respondents were chosen based on their critical roles in the implementation of the brand-oriented strategy across the functional areas within the non-profit and public organizations. The benefits of using multiple interviews allowed the researchers to gain an in-depth understanding of key respondents' mindsets and decision-making logics. (Gyrd-Jones et al., 2013). The interviews took place during September 2018. Each interview lasted between 40 and 90 minutes.

Triangulation was employed in two stages to ensure the reliability of the study and to assess the findings (Creswell & Miller, 2000). Initially, the researchers determined the codes by assigning descriptive labels to explanations of the BO concept and brand-oriented strategy in a non-profit context. In the second stage, the data were verified for the content of thematic ideas, reviewing the key themes and facets for consistency across the analysis.

Thematic analysis was applied, as the approach offers a flexible method to analyze qualitative data, allowing further research into the patterns and main aspects of complex data. As the key informants who took part in the interviews represented different fields and a multitude of background experiences, the data set became even more complex. Furthermore, separating data into different thematic categories allows for the development of structure and information through granular research

analyses (Boyatzis, 1998; Howitt, 2016). The steps include data familiarization, reading interview transcripts for code generation, theme development, reorganization and integration of themes, and thematic interpretations.

Results

The presentation of the results is divided into two parts: (1) conceptual definitions of the BO construct; and (2) implementation of brand-oriented principles in a non-profit context. These conceptual themes were further classified and summarized by the content of each section as delineated below.

Conceptual Definitions of the BO Construct

Analyses of the interview data revealed that scholars and practitioners had divergent views on the definition of BO that were categorized into six key themes, namely, corporate identity, trust, corporate reputation, essence, perceived cost, and operating system.

1. BO is considered to be a form of corporate identity. Corporate communications officers in state enterprises viewed corporate identity as the representation of an organization resulting from the combination of name, symbol, logo, and the use of colors and expressions of all personnel in the organization. In particular, they cited the use of colors and letters as the easiest approach to ensure that the target audience remembers the organization, increasing brand recognition. In addition, corporate identity also directs the operation of marketing communications when the organization seeks an alliance with other stakeholders, including criteria to track and evaluate the content production and presentation of marketing communication strategies across the organization and ensuring that they remain consistent with the established guidelines. Marketing practitioners expressed an additional view that the identity of a charity organization is considered in every aspect of corporate identity as part of the process. For example, who is the founder of the organization? Who is the working group or administrator? Where does the organization receive funding for its operations?

2. BO relates to how a brand establishes trust. Non-profit organization professionals indicated that there is more than one budget source for internal administration, as various non-profit projects and initiatives are often partially supported by the government. Another budget source is obtained from the business of foundations. Therefore, the focus of the brand not only includes creating awareness of the name, logo, or symbol of the organization but also strives to establish a sense of trust with all personnel involved in the organization, which tends to further support the organization.

Marketing practitioners added that BO encourages external target audiences to acknowledge the organization as a trusted brand, as executives and employees must synergistically demonstrate their dedication to the organization's mission and vision to establish such trust and achieve organizational goals and objectives.

3. BO is associated with corporate reputation development. As brands have visible and tactile aspects, the systematic process of brand creation and development can result in the organization's being known, accepted, and admired by target audiences. Brand consistency focuses on creating value for stakeholder groups, both within (i.e. the board of directors and employees) and outside (i.e. consumers and the public) the organization. When this value is accumulated over an extended period, it will establish a corporate reputation.

4. BO is viewed as the perception of the essence of an organization. One of the challenges for organizations is the establishment of a meaningful identity that consumers perceive as different from other organizations, in addition to being relevant to consumers and all stakeholders. If an organization decides to strategically build a brand that is known more widely, this process should begin with a person or a group of people who are organizational leader(s). This requires a thorough understanding of three main considerations: (1) organizational objective(s); (2) organizational purpose; and (3) shared perspectives to build the identity and communicate it effectively with internal and external audiences. Human resource practitioners also emphasized building a brand essence, which could start with a survey of employees' attitudes regarding the organization to find and evaluate the features that can be communicated easily and memorably to target audiences outside the organization.

5. BO is one of the costs of managing an organization. In the operation of any organization, whether commercially-driven, people-oriented (i.e. non-profit), or passion-driven (i.e. social enterprises), one of the issues that must be determined is the cost-benefit analysis, to manage the organization as a successful business and to establish competitive differentiation. Thus, organizations that embrace branding as an essential and valuable resource use it to cultivate target audiences' recognition and product and service demand, to differentiate products and services, or to increase the value (price) of products and services, raising profits to further support both organizational and brand management.

6. BO leads to perspectives and behaviors of individuals within the organization. The final aspect of the conceptual definitions of BO identified relates to equating an organization to the organic system of a living being, with various interconnected organs. The heart (brand) driven by the perspective of a living organism determines the organization's strategic direction, beginning from the survey to developing guidelines for building relationships with employees,

determining policies to manage each stakeholder group, designing the criteria for recruitment processes, and hiring personnel who work in congruence with the development of permanent personnel in a brand-oriented organization.

Implementation of Brand-oriented Principles

In terms of defining a corporate culture that focuses on branding or establishing the organization itself as a brand, both scholars and professionals agree that branding is a matter that must be determined at a corporate policy level. Executives or the board of directors must recognize the importance of the brand-oriented strategy and understand that it can generate a competitive advantage in response to the continuous entry of disruptive technology. This recognition can be classified into four main aspects. The notable insights regarding each aspect are presented below.

1. Determining objectives consistent with the scope and goals of the organization (shared purpose). The strategic management of an organization's BO has two important considerations: (1) understanding strategic approaches using a SWOT analysis to define the vision, mission, and strategic choices; and (2) implementation involving human resource management and integrating the organization's brand orientation strategy into human resource development.

The informants—a human resource professional and a corporate communication practitioner—further explained that the process of developing an organizational strategic plan should identify three statements. First, a mission statement that describes the scope, mission, reasons for existence, and focus of the organization should be identified. Second, a vision statement that clearly states the purpose and organizational goals should be identified. An organizational mission rarely changes, and generally remains long-term, whereas the organizational vision will evolve, depending on the changing executive or the executive committee policies, as each has a role in leading the organization. The board or senior management should then meet to deliberate on the mission statement and define the third purpose statement: the organization's responses to benefit target stakeholder groups.

2. Creating and communicating corporate values thoroughly. According to the opinions of the human resource and corporate communication practitioners, the values expressed in a corporate strategic plan should be aligned with the organization's mission and vision. Such values are incorporated by organizational members as shared beliefs that are incorporated and followed, built over a long period, and developed as a norm, with all members accepting and adhering to the same practice and perspective. It might appear in the form of an explicit statement or method that is communicated in words and expressed through action, and each organization has different values.

A human resource practitioner compared values to a glue that binds members' common belief of the importance of performance in implementing the mission and vision. Furthermore, most field-based informants expressed a common view that values are an aspect of corporate culture that reflects the performance of organizational members, promotes a proactive working environment, and supports the recognition of the external target audience of the overall distinctive identity of an organization.

3. Analyzing and managing stakeholder expectations. As BO's conceptualization is a corporate-level strategy, it is a more complex concept than product branding. Therefore, the focus on the target audience is not confined to consumer and customer groups, but the scope of target audience analyses is expanded to include all stakeholder groups. Most informants indicated that stakeholder groups could be divided broadly into two groups: internal stakeholders and other non-profit organizations.

Corporate communication practitioners further commented that corporate branding is accepted and integrated across an entire organization, enabling stakeholders to commit to engagement with the organization and building confidence in all employees. Organizations that focus on branding must start with an obvious stakeholder analysis, representing a continuous internal–external process considering the interactions between organizations, the external environment, and stakeholders.

4. Establishing a brand management team in the organization. One of the challenges of implementing a brand-oriented strategy is making employees at all levels in the organization feel that they are part of the organization. Employee behavior reflects the perceptions and values of the organization for external stakeholders. Interviews revealed two forms of organizational brand-oriented implementation. The first model assigns primary responsibilities to corporate and internal communication departments to plan communication channels for sharing organizational policies and initiatives, such as organizing executive activities to meet with employees, and coordinating the communication of information with the human resource department, including reports on changes that occur within the organization. The second model is that of small organizations, wherein employee representatives from cross-functional teams are appointed as brand committee to engage in education and deliberations regarding the brand; further, they jointly propose guidelines for adjusting the brand mission to suit the work of their departments.

Discussion

Following the analyses of qualitative data, a summary of the key findings regarding BO for non-profit organizations

was developed (Figure 1). The philosophical foundations are the priority of top management, including managing an organization's brand committee, who has the mindset, perception, and acceptance of BO, and matters related to the brand are decided at the organization level. Wong and Merrilees (2007b) opined that BO should be determined as part of an organization's marketing strategy, and management should have a clear perception of the brand vision, brand mindset, and brand-building strategy prior to making any decisions. Only then can the organization declare itself to have expanded to considering the organization as a brand (Hankinson, 2001a, 2001b). This is broader than the perspective of an organization starting from two or more people, to having a shared consciousness and collaboration for productivity and goal accomplishment (Barnard, 1938, as cited in Anheier, 2014). Organizational attitudes are combined with existing organizational capabilities to create a competitive advantage (Gromark & Melin, 2011).

From a behavioral perspective, BO is seen as part of an organization's process, management, activity implementation, practice, and behavioral expression (Gromark & Melin, 2013). It is an internal-external process that focuses on the interactions between the organization, stakeholders, and external environment. Initially, it involves an analysis and design of stakeholder expectation management. One unit will be assigned to collect data, conducting a survey to develop a solution prior to implementing or adjusting the firm's strategy. The next step is to build the brand and establish an understanding and acceptance of the brand. Leadership can establish problem-solving teams within the corporate communication unit or external communication department (Robbins & Judge, 2015), hold joint meetings to plan content and solicit employee suggestions on potential communication channel targets, or coordinate cross-functional teams, as an ad-hoc task force. Such task forces can include one staff member from each department (Robbins & Judge, 2015) to increase brand knowledge and to suggest action plans for their respective departments in line with the organization's mission. Similarly, Brīdson and Evans (2004) describe BO as the degree to which

an organization values its brand and the degree to which practices are oriented toward developing specific organizational capabilities (Ewing & Napoli, 2005) and behavior (Hankinson, 2001a).

As the interviewees in this study were from different fields, the definition of BO in this study combined both the management's decision-making and organizational processes. By broadening the definition to include non-profit considerations, BO can be conceived as a concept that involves strategic formulation and implementation by analyzing, filtering, and agreeing on the mission and vision, which contributes to how an organization responds to and generates additional benefits for stakeholders, also known as brand purpose. BO also identifies the values that an organization collectively considers important, serving as guiding principles, fostering a good working environment, and establishing brand recognition among the target audience. This is similar to what Ewing and Napoli (2005) referred to as brand awareness, a development process that safeguards a brand's definition to generate the highest stakeholder value and the best performance in the organization. Such concepts were endorsed by Hankinson (2001b), who confirmed the significance of identifying BO among charity managers in the U.K.

Based on the results and discussion, this research proposes to define non-profit BO as assigning importance to and acknowledging non-profit organizations as brands with aligned missions, visions, and values. It also serves reciprocally among all employees and is communicated through brand identity, seeking to communicate a brand's stance and values, both internally and externally, for members, customers, and stakeholders.

Conclusion and Recommendation

After considering the definition and potential indicators of non-profit BO, it can be concluded that BO is a strategy that emphasizes collective efforts, maximizes resources, and brings in all organizational stakeholders to create added value (Burmann et al., 2009). This is different from other strategies, such as customer orientation in which

Figure 1   Conceptual definitions of brand orientation in a non-profit context

decision-making is accomplished inside a certain unit or within self-managed work teams. Questions remain regarding the practice of non-profit BO, for instance, how to implement branding as an organizational marketing tool, which department should initiate the BO process, how each unit will collaborate, and the similarities and differences of organizations in various non-profit fields of implementation of corporate brand management. In addition, as this research took place in Thailand, it may be beneficial to explore non-profit approaches to BO from other perspectives to aid the comprehensive refinement of the identified approaches.

This study presents an initial conceptual definition that should be an aspect of the work of every department inside an organization and should not be regarded as being confined only to a marketing unit, but also supported by management, leading to broad and lasting employee buy-in. Moreover, staff will recognize that the brand represents the identity of the organization and differentiates it from others. In practice, organizations should gradually identify and embed values into every activity, striving to connect the organizational perspective and values, the manner of implementation, and concrete services to recipients. This approach will establish a secure brand-oriented culture, which is communicated to support external stakeholders' brand recognition, focusing the principles of alignment both inside and outside the organization for a sustained competitive advantage.

Conflict of Interest

The authors declare that there is no conflict of interest.

Acknowledgments

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