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Adjusting on the Fly: Nonprofit Marketing during the COVID-19 Pandemic

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Adjusting on the Fly: Nonprofit Marketing during the COVID-19 Pandemic

Abstract

This capstone is a case study of the Rockford Area Convention and Visitors Bureau (RACVB) in an effort to assist with answering the main research question. The main question is "To what extent has COVID-19 impacted the marketing and communications of nonprofit organizations"? The mission of the RACVB is to drive quality of life and economic growth for our citizens through tourism marketing and destination development. Due to the lack of tourism during this two-year period, I was interested to see how the RACVB adjusted to this new normal in marketing the Rockford region. Over the course of two months, a combination of qualitative and quantitative data was conducted with assistance from former and current marketing employees of the RACVB. During the process a 10-question survey was sent out to CVB staff who worked in the Marketing department during March 2020-March 2022. Three interviews were conducted with the CEO, Marketing Manager, and former Director of Marketing and Communication at the RACVB. This capstone paper discussed nonprofit marketing, tourism, and destination marketing organizations, and how nonprofits respond to economic disruptions often with collaboration with other organizations.

Introduction

In March of 2020, the Coronavirus pandemic came and struck the world with no regard for human life. Nonprofits were truly some of the hardest hit entities due to the pandemic, and nonprofits have had to do more with less due to the pandemic. According to a 2021 Illinois nonprofit report conducted by Forefront which helped lay out the impact that the COVID-19 pandemic had on over one hundred nonprofits in Illinois; just over forty five percent of respondents stated that they seen a rise in the need for their services while due to the pandemic the organizations saw a cut down in staffing and funding which directly impacted how they could deliver their services to their community. Nonprofits have had to adjust many strategies and how programs are delivered due to the various operations like staffing and the lack of fundraising events due to the federal mandates that restricts the meeting of people in closed public spaces. The RACVB in particular has made a living on these events in order to promote the region like their annual Stroll on State festival, and Rockford's City Market.

How nonprofits market or utilize their marketing due to the pandemic was in particular interesting. Ultimately, this research project will attempt to answer the question of "To what extent has the coronavirus pandemic has impacted marketing for nonprofit organizations?" This was an opportunity for interested parties to see a behind the scenes look at how they have had to adjust and maintain efficiency and effectiveness during the pandemic although many things were cut like funding and staffing which directly impact the marketing strategies for nonprofits. The case study for this project was a key organization that promotes the Rockford region for tourism, the Rockford Area Convention and Visitors Bureau (RACVB). According to the RACVB website, the mission of the RACVB is to drive quality of life and economic growth for our citizens through tourism marketing and destination development. Alongside their mission with

every program/initiative the RACVB looks for three results. The three results are to create economic wealth for the Rockford region, enhance the tourism product of the Rockford region by offering and marketing unique experiences of venues and spaces in the region, and engage key stakeholders and constituents on behalf of tourism for the Rockford region. All in all, the Rockford Area Convention and Visitors Bureau looks to add wealth to the Rockford economy through its growing tourism. How has the pandemic impacted this mission and its results is what we hope to find with this research?

With this capstone project the goal is to not only get a deeper look at how nonprofits were able to market and communicate during a global pandemic but also seeing how nonprofits directly react to major economic disruptions will give clarity to the topic. Are there any trends with pandemics, major economic depressions, and recessions that have showed which steps nonprofits have taken to stay afloat? Also, off of that statement what parts of marketing has been impacted by the disruption? From speaking to staff members having a short-term focus, being flexible with job duties, and adjusting on the fly became the day to day goal for employees of the RACVB.

Literature Review

Much like many nonprofits a major factor with fundraising comes through different fundraising dinners and events. The RACVB would utilize these events pre pandemic to assist with the promotion of and marketing of the Rockford region and discussing many of the new facilities in town that mainly can host different tournaments and conventions. Of course, due to the recent pandemic there was a staunch cut back to how much nonprofits and organizations are able to do in terms of in-person fundraising if any at all. With the lack of in-person events what

marketing have nonprofits been able to do and furthermore has there been a bigger focus on digital marketing due to the pandemic?

Before conducting any research for this the researcher must further inform themselves on what exactly nonprofit marketing looks like and how the marketing is conducted to its target audiences. Unlike major Fortune 500 corporations, nonprofits do not get the extravagant commercials and ads placed during big events like the Super Bowl or Grammy Awards which assist with drawing millions of eyes to a product. Nonprofits often have to get very creative with marketing and often do not have a big department of employees to do so. So, what exactly is nonprofit marketing? Although, it is typically not thought of as such nonprofits are indeed a brand and with that, they must focus on branding to help bring awareness to their mission or their philanthropic cause. Much like in for-profit organization, marketing for nonprofits helps bring awareness to the brand. Marketing is a key driver in spreading the word not only about the organization but for your overall cause. Much like I stated earlier fundraising and marketing are like the peanut butter and jelly of the sector, they go hand-in-hand. Marketing different programs and initiatives to the community for nonprofits is key when it comes to the recruitment of both donors and volunteers. Most importantly, marketing within nonprofits assists your organization with the promotion of the services you offer. As you can tell, marketing is a multi-faceted factor within nonprofit organizations, and it will be very important to see if the pandemic shifted the mindset on how nonprofits strategize and conduct their marketing to their key constituents and stakeholders.

Nonprofit Marketing

While reading through various journals and articles you will find how important collaboration is to the concept of marketing within nonprofits and the public sector in totality.

Collaboration is the key that drives marketing for nonprofit organizations. Suarez (2017) discussed that with nonprofits currently so focused on efficiency, effectiveness, and accountability that collaboration creates a system where these three characteristics can easily be enacted due to the various amounts of resources provided to organizations. Suarez would go on to talk about the relationship between government and nonprofits building on the point of the collaboration between the two provides funding opportunities as well as other resources that assist with helping nonprofits carry out their mission to its community. This relates to a more purpose driven focus and more cause related marketing. Due to a major decrease in consumer behavior many organizations will utilize for profits businesses and governments for cause related marketing.

(Hoekstra 2020) The point of nonprofit organizations and government entities working together was particularly and there were other articles and sources that further expanded upon this point of government and nonprofit collaboration and described the importance of nonprofit marketing. For example, Coca-Cola has donated 120 million dollars to fighting COVID-19 and temporarily halted its commercial activities. Nivea (Beiersdorf) has donated 50 million and Facebook 100 million. Toyota Netherlands is using its dealer network to collect and distribute medical and other supplies. Another example is a supermarket chain that is donating ten eurocents to the Red Cross for every carton of milk, porridge and custard sold. This helped charities continue to market and distribute their programming and services to their communities.

Next, we will take a look at how a key component of an effective marketing strategy is providing consistent value to your stakeholders. Grau (2021) discussed how the base of nonprofit marketing consists of creating and delivering constant value to your stakeholders. When looking at these organizations and the collaboration with the government for funding that makes them a

key stakeholder. There was a study done in this book where they interviewed various organizations about their marketing strategies, and it was found that most respondents were not exactly sure what marketing looked like or meant for their organization. Grau potentially combated Suarez's point of the importance of the collaboration when it was Grau stated that nonprofits have to get more creative with their marketing and communications to help diversify its donor opportunities because you may not be able to rely on the government due to some economic hardships. Grau also theorized that nonprofits don't have the resources for marketing or data positions like for profit businesses, so it becomes much harder for them to focus on marketing for new partnerships or collaborations with different entities. To combat this issue of the lack of resources, nonprofits often develop precise communications plans which include assisting with creating organizational and outside buy-in for programming due to the organization and content of the plan (Patterson 2009).

Let's move on and take a look at some key advantages or some pluses for nonprofits to prioritize this collaboration whether it be with for profit business or other nonprofits themselves. From the nonprofit perspective it drives them to collaborate with others due to the potential financial contributions that could be made to the nonprofit. Currently, there is a shrinking field when it comes to public funding and a lot of current revenue for nonprofits often comes from these collaborations with larger corporations (Wymer 2006). Wymer also laid out that a key benefit for the business to collaborate and partner with a nonprofit it the good exposure for your brand to be directly tied to a cause that makes positive change within your community. This can create people feeling a deeper connection with the business products and services. On branding as it pertains to nonprofits it was outlined that organizations with strong brands often raise more money and have stronger return on investment. Strong nonprofit brands often encourage

continuity of support for the organization (McLeish 2011). Wymer would go on to describe the importance of nonprofits developing a strategic plan strictly for their marketing plans. Wymer stated that the strategic plan "refers to the integrated and coordinated use of marketing tactics to help the NPO achieve its strategic objectives. The strategic marketing plan refers to a detailed program of marketing activities to implement over a specified time to help the NPO achieve its strategic goals and objectives. Strategic marketing planning, then, refers to the process of gathering information and establishing procedures to develop the strategic marketing plan." The strategic marketing plan is of such importance to nonprofits no matter the size of the organization because it allows the organization to

These topics of a strategic plan, collaboration, and defining exactly what marketing exactly looks like for your organization all play a role in nonprofit marketing when it comes to figuring out how marketing can develop more relationships within your community for potential donors and helps connect you with funding opportunities to grow your organization. Knowing your key stakeholders and how to communicate with them plays a huge role with how nonprofits utilize marketing. Understanding of them helps create that network and constant collaboration where there is a trust there between all parties for the nonprofit to deliver consistently on carrying out its mission to the community. Miller (2010) helped connect all of these points together when describing how essentially nonprofits have to be where there home base is and focus on building a solid home base around you by delivering relevant messages that assists with telling the story of your impact and products and services.

DMO/Tourism Marketing

Stakeholders, vendors, donors, collaboration, and community development are common priorities of Direct Marketing Organizations. Much like most nonprofits, CVBs, your local

Chambers of Commerce, or Destination Marketing Organizations utilize their network of local businesses, local government agencies, and board members in order to market their organization. Torres (2015) labeled how these organizations work in tandem with the local government due to them being funded particularly by a local hotel tax. Developing a close relationship with your local government also allows these organizations to block off areas of the city in order to host local events. In the case of the Rockford Area Convention and Visitors Bureau in order for them to host Rockford's City Market every Friday over the summer they had to establish that relationship with the Mayor and the Local Police and Fire Departments to get the proper clearance to block off city streets downtown to host the event. Naipaul, Wang & Okumus (2009) built upon the point of collaboration of CVBs by detailing several outcomes with collaboration which include a single marketing plan, widen your market reach, costs are more efficient, and it provides more economic impact to your region. Both articles further proved the importance and impact of collaboration when it comes to tourism and nonprofit marketing alike.

Response to Economic Disruptions

The major point of this project as a whole was to see how an economic disruption like our current pandemic may have on a nonprofit organization. Furthermore, what tactics does the organization take to market their organization during these hardships. Marruse (2021) discussed how in London there was an epidemic when it comes to the employment or lack thereof for young Black Men. In 2013, the employment rate of young Black men was only fifty six percent as compared to 81 percent of young white men. To combat this a partnership was developed between two local nonprofit organizations, Trust for London and the Black Training and Enterprise Group. These two organizations worked together to conduct a feasibility study in order to determine the particular barriers that black men were facing when it comes to

employment. They found that racial stereotypes, and young black men feeling misunderstood contributed to the high unemployment rate. Due to the collaboration between the groups, specific employment opportunities were developed for young black men and over two hundred gained willful employment due to this collaboration. Collaboration has proven to be a key factor in marketing and overcoming economic hardships for nonprofit organizations. This relates to how due to hardships nonprofits often collaborate with other agencies in order to garner support both social and monetary, much like the CVB has done for some of their newer initiatives.

Another key factor of economic disruptions is how organizations allocate resources particularly in regard to staffing. (Hokestra 2020) spoke on how many organizations had to let a lot of staff go and instead choose to outsource for new projects and initiatives. This was something very prevalent with the CVB with them bringing on short term employees to fill time until the budget would allow them to hire full-time employees. The department that was mostly impacted by the pandemic in the RACVB was the marketing department, for whatever reason. Employees from other departments often had to pick up responsibilities within marketing including posting on social media and staying up to date on hotel policies during the height of the pandemic.

Methodology

The Rockford Area Convention and Visitors Bureau is a private non-profit organization was established in 1984 in efforts by the city of Rockford to make Rockford an overnight destination for tourists. The RACVB typically has three major events or initiatives that they market and promote to the region. The first event is Rockford City Market which occurs every Friday evening in downtown Rockford during summer months. Visitors of city market shop from local vendors for food, clothing, alcohol, and handcrafted goods. Another event is the CRE8IV

Mural Festival which is a public art initiative launched in 2019 in an effort to help enhance Rockford for both its residents and visitors. In its first-year artists painted nine murals across downtown Rockford from May-September. Since its start in 2019, CRE8IV has expanded to murals being built in surrounding towns like Pecatonica and Rockton. The final CVB sponsored event is Stroll on State. Stroll on State is Rockford's holiday parade that happens the Saturday after Thanksgiving every year. All of these events have built a name for themselves where you may not need to market them too much because the public already knows. But due to COVID it will be interesting taking to take look into how their marketing strategy has potentially changed for these events.

On top of the aforementioned events above that the RACVB sponsored and markets; the researchers are interested in seeing how RACVB's marketing has changed with bringing outside events in Rockford. Have they seen more engagement on social media platforms, or have they taken a bigger effort to grow these platforms in order to use them as a marketing due to the lack of person-to-person marketing going on due to the pandemic? To collect the data that gives hopes to provide the answers both quantitative and qualitative methods will be used during the research process. by conducting a survey to the CVB marketing and sales teams, if needed after survey will be sitting down with the heads of the marketing and sales department to answer any questions that the survey did not provide to the researcher. A survey of ten questions was provided to ten former and current employees of the Marketing and Communications team of the RACVB. After the survey, a sit down with the Marketing manager, Marketing assistant, and Executive Director will be conducted along with former employees of the team. To go along with this, a deep dive into organizational social media from March 2020 until March 2022 will

be conducted. Taking a look at Facebook, YouTube, the RACVB blog, and LinkedIn to see if there was a direct shift in focus during the pandemic.

For example, have they developed a new YouTube series to highlight local businesses or a weekly initiative on Facebook where they reward any local businesses with some award? These are some of the details I hope to find while observing social media trends since the pandemic. Just briefly browsing their website you can see that lately the CVB has been utilizing Rockford residents to write articles about some of their favorite things about Rockford and to do while in town. So, is this a strategy that came about after the pandemic or before? This is something that we can hope to find while analyzing and observing both the RACVB's website and social media pages.

Alongside with the data collection methods that have been mentioned above regarding this capstone on the RACVB utilizing articles that discusses different marketing theories and applications for tourism and destination marketing organizations. Comparing what the articles say with the RACVB's methods can offer some clarification regarding how these organizations utilize marketing to bring money to the respective regions. One article that offers this is "Destination Marketing and Management: Theories and Applications" by Youcheng Wang and Abraham Pizam of University of Central Florida. Their book offers its readers a better understanding of Tourism and DMOs (Destination Marketing Organizations) as well as a better understanding of the industry as a whole by applying theories to marketing strategies. Another article that can assist with this project is "REGIONAL DESTINATION MARKETING: A COLLABORATIVE APPROACH" from Sandra Naipal, Youcheng Wang, and Fevzi Okumus. This article discusses some of the benefits and challenges of collaboration within the tourism industry for marketing purposes. These articles give an insight into the industry as a whole and

the theories of marketing that they utilize in order to make their regions a destination for tourism and living.

Alongside the usage of both qualitative and quantitative data collection they hope to observe current literature related to my topic that discuss marketing and DMOs as well as how COVID has impacted the industry. The Rockford Area Convention and Visitors Bureau is the DMO for a region that houses over 300,000 residents (Rockford Metro Area). Going into this project one can hypothesize that they obviously had to adjust their marketing due to COVID. But to what extent? Did they have to shut down different events that raised funds? Did some events that come to Rockford not happen due to mandates and restrictions? Did they take a different approach to how they market and reach out to constituents? This capstone will look to answer all of those questions and gain a better understanding of the how a nonprofit navigates it marketing strategies during a global pandemic.

Findings

After conducting the survey and sitting down for three interviews it was decided that there is still a transition occurring on how we strategically market our region with the still uncertainty of the pandemic. While sitting with the marketing team for an interview it was interesting to hear that the organization is working with less resources while there is a bigger need for their services. This directly correlates to the Illinois nonprofit report conducted by Forefront which stated that many organizations saw a rise in the need in their services, but a lack of resources provided by the organization. A phrase commonly used during interviews with the marketing team was "messaging". The RACVB is trying to find how to use their internal messaging and constantly adjusting said messaging in order to fit with the constant changing of the pandemic. One marketing team member stated that the organization is trying to adjust to

"reacting vs being proactive". The CVB had to develop more short-term strategies and projects because there was consistent doubt on how long the pandemic will be around and they had to be prepared to continue to adjust to the new normal.

With the organizations main focus typically being on tourism the RACVB had to adjust that mindset during the pandemic due to the fact that tourism and events in general were at a minimum due to the federal mandates. With the readings about nonprofits, you could see that there was a distinct interest in developing partnerships for exposure and this is something that the RACVB emphasized. According to team members, there was a bigger focus on how can we make Rockford a better destination for our own residents? One thing that was discussed with me that within the near future the RACVB is coming up with a placemaking initiative alongside a feasibility study to assist with the efforts around awareness of their resources and how they can highlight minority small business more. The readings and articles during this process have explicitly laid out the importance of collaboration which is something that the RACVB is clearly emphasizing going forward. Alongside major corporations like UPS, the Illinois Lottery, local nonprofits like the Rockford Area Arts Council, and with local governments of Loves Park and Rockford; the CVB chose to expand upon the CRE8IV art festival which was initially apart of the Keep Northern Illinois Beautiful initiative in 2019. The RACVB collaborated with these agencies for funding opportunities and outreach to local painters to help expand the program past Rockford and into towns like Rockton and Pecatonica which are also towns around the region. According to the Executive Director the CVB felt like Northern Illinois is so much bigger than just the city of Rockford, so they wanted to use it and make sure to hire local artists to create a greater sense of community.

In order to select members to provide the survey to a sit-down occurred with the Marketing Manager along with the former Director of Marketing and Communications to decide who would assist with providing the most accurate results to the question. Within the tenquestion survey I asked a wide range of questions like "Are you currently employed in the Marketing & Communications department at the RACVB?", "Which has been most impacted since the pandemic for Marketing purposes?", "Describe any adjustments the organization has made to your marketing strategy", and "Since the pandemic, has collaboration from key stakeholders become more of a focus for marketing?" alongside of host of other questions that would help answer the main research question. From analyzing the survey given out to the selected members we can conclude that the RACVB is in a real transition period with not only their marketing but their organization as a whole. When asked to share any additional comments about how the pandemic has affected the organizational goals with their marketing and communications either positively or negatively one team member stated "Over communicating is key, trying new digital strategies and promotions are great when getting the message out and being extra flexible with the ever-changing times we're in."

"We're remaining flexible and constantly learning how to adjust on the fly." Those were the words echoed by the Marketing manager when discussing how the organization is taking steps forward with their marketing strategies. Developing a social media plan focusing on highlight new residents in Rockford and migrants from other countries is something that the organization is moving forward with. This initiative will be a part of the "master plan" to focus on making Rockford a better destination for their own residents. The former Director of Marketing stated that the CVB has to continue to do a better job of empowering its constituents to be Rockford's biggest cheerleaders instead of critics. Another thing echoed by a Marketing

team member was "If we don't highlight and celebrate our own history how can we expect others to want to come here."

In order to create a bigger focus during the pandemic the RACVB chose to act as a informer for the community about COVID updates from the government and policies within local businesses. They felt that even though the pandemic caused a lull in overall consumer engagement and activity it was still important for them to act as a key voice for the Rockford community. They undertook more of a cause related marketing (CRM) approach to their business. Alongside the CRE8IV festival they reached out to key partners and business owners to tell their stories with their 815 Ambassadors initiative which placed a big focus on new residents of Rockford telling their stories. This was useful for the for-profit partners because it helps them connect with nonprofits which are generally thought of positively by the average citizen.

Recommendations + Lessons Learned

Going forward of course the hope would be that we would have no more global pandemics that pop up and throw a wrench into the development and planning of nonprofit organizations. This is just a hope, we cannot guarantee that this will happen especially being that we are still not clear of the Coronavirus currently. According to leadership from the RACVB the newfound focus on Placemaking and emphasizing arts has been successful. This new focus has helped the CVB build new partnerships, reach underserved areas of Rockford and surrounding communities, and assist with creating a brighter picture of the Rockford region. In the future I guess I would recommend nonprofits to always be prepared and have strategic plans set up in place to address any economic disruptions that can halt production and force a cutback of staffing and funding. Being prepared and "adjusting on the fly" helped the CVB stay ready and

even grow in engagement during the pandemic maybe this ideology can help other nonprofits as well.

While this project was worthwhile and fulfilling, I feel that maybe I should have taken a bigger focus on nonprofit development and programming during COVID. With that maybe there was more defined and less vague literature available to assist with the research. While I had an existing relationship with the RACVB, it even led me to a job, but I feel that it may have produced a better mixture of results if I could have involved more nonprofits instead of just one. With this I was not able to interview and get as many survey participants as planned with the CVB team and my expectations. As a student it was tough to meet with some of the former marketing team members due to them branching off doing different things and not being fully engaged with the activity of the RACVB.

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