An evaluation of nonprofit brand image: Towards a better conceptualization and measurement

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ABSTRACT

Nonprofit brand image plays an important role in shaping consumers' charitable donations and therefore nonprofit organizations must be aware of how consumers perceive them. This research examines nonprofit brand image and reports findings from three empirical studies, which aim to offer a better conceptualization and measurement of the concept. Study 1 investigates the psychometric properties of the Michel and Rieunier's (2012) nonprofit brand image scales with a sample from the UK, and reports key methodological limitations. Specifically, discriminant and convergent validity tests highlight the need for further research into the dimensionality of the nonprofit brand image measures. Subsequently, studies 2 and 3 offer an improved conceptualization and measurement of nonprofit brand image and validate the scales via the use of 2 separate data sets. The new measure consists of 6 dimensions namely, usefulness, efficiency, affect, dynamism, reliability and ethicality which are significantly related to intentions to donate money and time.

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1. Introduction

1.1. Brand image

Brand image is at the heart of an organization's promotional activities (Bendapudi, Singh, & Bendapudi, 1996) since it has the ability to shape consumers' attitudes towards the brand, product and service, and to influence their actions, including behavior towards the organization (e.g. Cheung & Chan, 2000; Park, Jaworski, & MacInnis, 1986; Romaniuk & Nenycz-Thiel, 2013). Notwithstanding, less agreement exists with regard to brand image conceptualization and measurement (Keller, 1993). Research views brand image as: a collection of ideas, feelings and attitudes that consumers have about brands (Gardner & Levy, 1955; Schmitt, 2012); a mental representation of meaning (Paivio, 1969); a concept that sums up the ideas that consumers buy into brands for the meanings connected to them beyond their physical attributes (Levy & Glick, 1973).

According to Keller (1993), brand image encompasses consumers' perceptions about a brand, which form from brand associations in the memory, and is defined as "perceptions about a brand reflected by the brand associations held in consumer memory" (p. 3). Brand image, while related to the concepts of reputation and corporate identity is conceptualized and measured differently. In particular, reputation refers to a concept with a historical connotation, which evolves over time and which denotes a value judgment about an organization's qualities (Balmer, 1998). Similarly, image differs from identity since identity is used to refer to an organization's character or personality, which reflects the organization's ideology and values and which affects organizational practices (Balmer, 1995; Bennett & Gabriel, 2003). In contrast, image captures consumers' mental representations of an organization, and transcends beyond reputation and identity (Bennett & Gabriel, 2003; Keller, 1993; Schmitt, 2012). In this sense, consumers may develop brand associations encompassing, but not limited to, aspects of identity and reputation, and which can fashion quickly (Bennett & Sargeant, 2005).

1.2. Brand image in the nonprofit context

Government and corporate reductions in charity funding and the public's lesser disposable income cause charities and other nonprofit organizations to struggle to source voluntary income (BBC, 2013). However, a report by the Charities Aid Foundation (2012) provides an optimistic picture in terms of charitable giving growth, predicting a potential rise in worldwide charitable giving of approximately $233bn by 2030. This is quite optimistic given that charity income most frequently comes from the general public (23%), investments (21%) and membership fees (17%) (Charity Commission, 2013). However, to attract donations charities face severe competition for potential donors' time, effort, and money and as a result they attempt to identify new ways to differentiate from competitors; placing emphasis on branding techniques represents one such way (Mort, Weerawardena, & Williamson, 2007; Stride & Lee, 2007).

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Within the nonprofit sector, the brand is a facet of charities that plays an important role (Chapleo, 2013). Understanding the role of branding and how consumers perceive charities is critical if charities are to shape consumer behavior to their advantage for example, through consumer advocacy. According to Keller (1993) positive brand image directly impacts brand equity and consumer behavior, and this transcends to the nonprofit context (Stride & Lee, 2007). Nevertheless, while there has been considerable research on branding in the nonprofit context (e.g. Saxton, 1995; Henley, 2001; Hudson, 2008; Stride & Lee, 2007; Mort et al., 2007; Pope, Isely, & Asamoa-Tutu, 2009; Waters & Jones, 2011; Chapleo, 2013; Juntunen, Juntunen, & Autere, 2013), Stride and Lee (2007) suggest that branding is still "an emergent concept in the charity context" (p. 113). Indeed, this is true to this date as less research focuses on the construct of brand image, its conceptualization and measurement within the nonprofit context (Michel & Rieunier, 2012). Towards this goal, Michel and Rieunier (2012) put forward a conceptualization of nonprofit brand image which consists of four dimensions. According to Michel and Rieunier (2012), consumers perceive nonprofit brands as useful, efficient, affective, and dynamic. The authors subsequently develop scales of nonprofit brand image within a specific charity context, and call for their validation in other countries and in different nonprofit organizations.

Given the apparent importance of brand image in a nonprofit context in affecting brand equity and consumer behavior, the scarcity of suitable nonprofit brand image measures, and lastly in responding to Michel and Rieunier's (2012) call for validation of their scales, the current research aims to present an improved theoretical understanding and measure of nonprofit brand image and its dimensions. The authors conduct three empirical studies which first investigate the psychometric properties of the Michel and Rieunier's (2012) nonprofit brand image scales (Study 1) and subsequently conceptually improve and validate the scales (Studies 2 & 3), due to apparent measurement limitations evidenced in Study 1. The research offers both theoretical and methodological contributions as it presents an improved conceptualization and a better measurement of nonprofit brand image, relative to the original of Michel and Rieunier (2012), with scales that have higher explanatory power than the originals and with evidence of generalizability. The following section reviews the relevant literature on nonprofit brand image and introduces the Michel and Rieunier's (2012) work on nonprofit brand image.

2. Conceptual background

Ample evidence highlights the importance of the explicit consideration of branding in a nonprofit context (e.g. Bennett & Sargeant, 2005; Ewing & Napoli, 2005; Lovelock & Weinberg, 1990; Sargeant, Ford, & Hudson, 2008). Bennett and Sargeant (2005) argue that an excellent charity image influences consumer preferences towards charity brands, helps to increase donations and creates 'halo effects' in relation to other activities of the charity (p. 800). Despite the considerable evidence which emphasizes the importance of brand image in the nonprofit sector (e.g. Bennett & Gabriel, 2003; Sargeant & Woodliffe, 2007; Stride, 2006), research devotes little attention to the development of valid measurement of nonprofit brand image. However, Michel and Rieunier (2012) and other authors (e.g. Bennett & Gabriel, 2003; Sargeant, 1999; Saxton, 1995) emphasize the uniqueness of the nonprofit sector and the need to treat it differently from the for-profit sector, for example via the development of new instruments specifically for the nonprofit sector (Bennett & Sargeant, 2005).

A common approach to capture brand image is via the use of brand personality (Aaker, 1997), which authors also use within the nonprofit context (Sargeant et al., 2008; Venable, Rose, Bush, & Gilbert, 2005). Literature on commercial branding largely informs the conceptualization of nonprofit brand image, particularly brand personality measures such as Aaker's five-brand personality dimensions, i.e. sincerity,

excitement, competence, sophistication, ruggedness (Michaelidou, Micevski & Siamagka, 2015). For example, authors such as Venable et al. (2005) and Sargeant et al. (2008) adopt brand personality traits to conceptualize nonprofit brand image and suggest that 'integrity' and 'nurturance' are better measures relative to 'sincerity', 'excitement' and 'competence'. However, an important difference between brand personality and brand image calls for the separation of the two and the development of separate brand image measures. Whereas brand image reflects associations stored in consumers' memory with regard to specific brand (Stride, 2006), brand personality reflects "a set of human characteristics associated with the brand" (Aaker, 1997, p. 347). Brand personality tends to serve and fulfill symbolic or self-expressive functions for consumers (e.g. Aaker, 1997; Keller, 1993), as such a brand is used by consumers to express and publicly identify different aspects of his/her self with that particular brand (e.g. Asperin, 2007; Johar, Sengupta, & Aaker, 2005). On the other hand, brand image represents consumers' perceptions of what the brand stands for, and reflects the promises an organization gives to customers with regards to its products and/or services (e.g. Keller, 1993). As perceptions shape the actions of the consumers rather than reality (Boulding, 1956), brand image becomes a marketable investment for a company, helping organizations to differentiate from competitors and increase the likelihood of consumers purchasing the brand (Hsieh, Pan, & Setiono, 2004). Accordingly, organizations may manipulate brand image to initiate decision processes in their favor (Bendapudi et al., 1996).

Further, other studies such as Bennett and Gabriel (2003) conceptualise nonprofit brand image to include five dimensions such as, dynamism, idealism, compassion, nonpolitical and beneficiaries-oriented. Empirical evidence demonstrates, however, that these nonprofit brand image dimensions only weakly predict intentions to donate (e.g. Sargeant et al., 2008; Venable et al., 2005). In contrast, Bennett and Gabriel's (2003) scales have stronger predictive power, but contain predominantly 'commercial' personality variables, and do not tap into nonprofit aspects of brand image (Michaelidou, Micevski & Siamagka, 2015). The latter is something of a limitation given that charities and nonprofit organizations in general have unique image elements and require measures specific to the context (Bennett & Gabriel, 2003). Michel and Rieunier (2012) put forward a set of scales to conceptualize and measure nonprofit brand image which demonstrate greater impact on donations, in terms of both time and money, relative to previous nonprofit brand image conceptualizations and measurements (Sargeant et al., 2008; Venable et al., 2005). In particular, Michel and Rieunier (2012) develop a nonprofit context-specific set of brand image scales from data on five selected French and international humanitarian aid charities. The authors distinguish between brand personality and brand image and argue that brand image differentiates the role of functional and symbolic associations of the brand. As such, functional associations relate to organizational characteristics, the mission and tangible quality of the organization, whereas symbolic associations refer to the "abstract cognitions that translate the values of the organization, personality traits associated with the brand and even emotions" (Michel & Rieunier, 2012, p. 702). Based on previous conceptualizations and measurements of nonprofit brand image (e.g. Bennett & Gabriel, 2003; Sargeant et al., 2008; Venable et al., 2005), and following a scale development procedure involving qualitative and quantitative data collection, Michel and Rieunier (2012) develop a fundamentally different set of measures of nonprofit brand image in terms of the composition of the dimensions, namely usefulness, efficiency, affect and dynamism. Michel and Rieunier (2012) call for a validation of their scale in other contexts and with other samples in an attempt to advance the conceptualization and measurement of nonprofit brand image. In this study we attempt to first validate Michel and Rieunier's (2012) nonprofit brand image scales in an alternative charity sector and country context (Study 1) and to propose, test and validate an improved conceptualization and measurement of nonprofit brand image (Studies 2 & 3).