



Return on Community

**Integrated Marketing and
Communications Plan**

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Executive Summary

Return on Community (ROC) is a local micro-finance non-profit organization that is dedicated to providing low-income and poverty-level individuals with community-sponsored micro-loans that are on the scale of \$500-\$3,000 per loan. We operate in Cheshire County, NH and the Monadnock region. The contributors that make up our lending fund are community members, community leaders, and businesses who contribute money that serve as the loans ROC distributes. The micro-loans are paid back by ROC clients who include tailors and bakers and street vendors and craftspeople and others who have creative and innovative ideas but do not qualify for loans from a bank. We have a strategic partnership with the County Credit Union (CCU) that is outlined in the Strategic Plan section that will allow ROC to implement our business model.

ROC's business model is based on the micro-credit model that Muhammad Yunus developed with the Grameen Bank in Bangladesh over 30 years ago. The Grameen model invests in a community of people who have been deemed not "creditworthy." The process begins with a group made up of individuals (about 5) who each want to start a self-sufficient business that together form a support network to inspire accountability to pay back the loans. This group works with a center representative who facilitates the loan process for the group, creates payback schedules, and links them to resources and services that may not otherwise have access to.

According to Grameen bank's website, "microfinance taps into the entrepreneurial spirit of poor individuals who would normally be prevented from pursuing business opportunities because mainstream banks will not make loans to people who lack collateral and minimum credit scores. By giving these 'unbanked' individuals access to basic financial services, microfinance decreases their dependency on predatory lenders and empowers them to use entrepreneurship and self-employment to increase their wealth and lift themselves and their families out of poverty."¹

ROC will incorporate many of the same principles, ideas, and models adopted by the Grameen Bank and amend them to apply to our local and regional credit underserved population. Our strategic partnership with CCU will allow us to use the knowledge of lending from the credit union and its resources to create a micro-finance lending model to improve the financial productivity and well-being for the underserved.

We have designed an effective and impactful marketing and communications plan that will serve to build our presence in the community and establish our brand as a pillar of community in support of the underserved.

¹ <http://www.grameenamerica.com/how-we-work/how-we-work/the-need-for-microfinance.html>

Strategic Plan

Return on Community's strategic plan is to begin with a tiered approach to development in order to build the capacity of the organization and build community support and awareness of the program. The tiered approach is set up as the following:

- **Tier 1:** Find strategic business development partner to develop first round micro-finance fund.
- **Tier 2:** Engage community with solicitation campaign: businesses, community leaders, and community members through marketing and communications strategies.
- **Tier 3:** Begin to take in applications for loans and distribute micro-finance loans with accompanying communications outreach.

Because ROC is a non-profit organization and a start-up, we have created a dynamic and strategic partnership with County Credit Union. CCU has committed to support ROC in several ways so that we can test our idea and begin to provide the small business micro-finance loans that we feel will support community business during the recession.

1. CCU is interested in new business development ventures and sees ROC as one more way to assist its members and the community.
2. CCU will make an initial investment of \$30,000 to start our lending fund.
3. CCU will provide ROC with co-branded marketing brochures to market our partnership.
4. The CCU partnership will last for one-year.
5. CCU will provide access to its member community and business clients to promote our community micro-finance program.
6. CCU negotiated with one of its business clients to allow ROC to work out of a small office space. The business will provide telephone, office services, and access to additional services at low to no cost, which will serve as an in-kind donation to ROC.
7. After the year agreement is over, ROC will reevaluate its financial position and its lending fund to see if the partnership was successful and if we want to continue it.
8. The partnership agreement does not preclude ROC from soliciting or taking contributions, sponsorships, or donations from other lending institutions, businesses, or community members who are not CCU clients.

We feel strongly that this strategic partnership and its accompanying benefits will help ROC begin from a place of strength, serve the community as dictated by our mission, and is aligned with our values.

Our Core Values

Return on Community is a values-based non-profit organization that is operated directly from its core values, which serve as the foundation for the services we offer, the relationships we build, and our interactions with our clients. Our core values are:

- **Community:** We believe that a healthy community serves all its members. All members of a community have a right to expect a healthy environment, a strong local economy, and support from all its members.

- **Local:** We believe that a local approach builds the solid economic infrastructure of the community. We are committed to the local movement and strengthening its development by making all community members aware to the importance of local.
- **Compassion:** We believe that compassion informs all our decision-making. We are committed to making ROC a heart-centered organization that lives in a compassionate mind-set.
- **Authenticity:** We believe in authentic relationships, no matter what the relationship is. We are committed to authenticity in all our transactions and a level of transparency that allows others to understand what we do and how we are doing it.
- **Accountability:** We believe in the vital tenet of accountability and that our clients will uphold their responsibility as we will hold ourselves accountable to our clients and the community.

Our Vision

It is Return on Community's vision to be part of the creation and development of a self-sufficient community that treats all its members with dignity.

Our Mission

Return on Community will provide low-income and poverty-level individuals with micro-finance loans in order to build a supportive, compassionate, and economically diverse infrastructure in the Monadnock region.

Marketing and Communication Goals and Objectives

Our goals and objectives for marketing and communications are specifically tied to our tiers of strategic development. We have designed indicators to help us gather information about our social return on investment using qualitative and quantitative measurements that align with our goals and objectives.

The following are stated marketing and communications goals and objectives for 2010-2011.

Tier 1: Strategic partnership

- **Goal:** Identify a community strategic business development partner that can help to build our brand identity and market to their client base.
[ROC has achieved this goal by partnering with CCU]
- **Objective:** Finalize one-year partnership agreement for co-branding and marketing program.
[ROC finalized the one-year agreement.]
- **Indicator:** X number of CCU members that respond to our co-branded marketing campaign and make \$25 or more loans via the website or mail.

Tier 2: Solicitation campaign

Businesses

- **Goal:** Develop and deploy outreach campaign targeting community businesses and their employees through company sponsorships and on-site lunch presentations on our program.

- **Objective:** Directly contact local businesses to explain program, solicit sponsorships, and set up lunch presentations.
- **Indicators:**
 - X number of businesses donate to ROC
 - X number of businesses sponsor ROC-related programs, promotions, or events
 - X number of employees make donation in response to ROC onsite lunch presentation

Community leaders

- **Goal:** Engage community and civic leaders from all sectors of the community, including leaders from the local movement, civic and political leaders, leaders of community institutions, education and academic leaders, and individuals who play an influential and significant role in the community. Educate these leaders on micro-finance and how ROC will strengthen the community.
- **Objective:** Meet with as many local leaders as possible.
- **Indicator:**
 - X number of businesses ROC meets with

Community members

- **Goal:** Design public relations campaign that educates community members about micro-finance and the benefits of making a loan using ROC.
- **Objective:** Set up public relations initiatives that focus on community lending with newspapers, radio, television, and promotional events at community attended local events.
- **Indicators:**
 - X number of community members that make \$25 or more donations to ROC during and after PR campaign
 - X number of volunteers who join to help ROC
 - X number of farmers markets attended

Tier 3: Client application and loan distribution

- **Goal:** Solicit and receive applications for micro-finance loans from low-income and poverty-level individuals.
- **Objective:** Distribute micro-finance loans to individuals who qualify to receive them.
- **Indicators:**
 - X amount of micro-finance loans made in the first year

Market Research

Industry Overview

When Muhammad Yunus received the Nobel Peace Prize in 2006 for his pioneering work in assisting the poorest people in Bangladesh by providing them with small loans through the Grameen Bank, called micro-credit, most people had no idea what micro-credit or micro-finance was. Since 2006, the global fight to alleviate poverty in the developing world and in the US has focused on micro-finance as one way to begin the process of pulling individuals and families out of poverty, one loan at a time.

Today, the World Bank estimates that there are over 7,000 micro-finance institutions (growing at a rate of 30 percent annual growth) serving some 16 million poor people in developing countries.² And, it is estimated that that worldwide, there are 13 million micro-credit borrowers with \$7 billion in outstanding loans, generating repayment rates of 97 percent.³

The Grameen Bank is the world leader in micro-credit. Its focus has been on the developing world, most specifically Bangladesh and India. However, Grameen is branching out and has recently formed Grameen America to begin to serve the poor in centralized cities in the US, including New York City and Washington, DC. (See <http://www.grameenamerica.com>.) Grameen America is using the community-based model to build infrastructure among the poorest citizens in an effort to create dignified and self-sufficient livelihoods for individuals in need.

Kiva.org is another organization that uses a similar micro-credit model as the Grameen Bank, but differentiates itself by soliciting \$25 and up loans in the US which are administered by partner banks and NGOs around the world that serve as branch partners. As of November 2009, Kiva has facilitated over \$100 million in loans.⁴ People who contribute a loan can select the entrepreneur who will receive it and they get updates on how the loan recipient is doing and information on loan repayment.

Locally, The Carrot Project is creating a system to provide small and mid-sized farms with micro-credit loans to keep them afloat during hard times and add to the growing local food movement by investing in small farms. The Carrot Project operates by creating, testing, and developing financing programs that support profitable, sustainable farm businesses that are unable to find financing by partnering and leveraging the assets of community-based lenders, socially responsible investors, farm support organizations, and farmers.⁵

² <http://www.gdrc.org/icm/data/d-snapshot.html>

³ Ibid

⁴ <http://www.kiva.org/about>

⁵ http://www.thecarrotproject.org/about_us

ROC SWOT Analysis

| Strengths | Weaknesses |
|---|---|
| <ul style="list-style-type: none"> - Community integration/symbiosis - Builds trust in community relationships - Adds to interconnected fabric of the community - Passion for the community that helps to support the community - Modeled after successful programs, such as Grameen Bank - Partnership with CCU - Existing relationships in the community | <ul style="list-style-type: none"> - Management team does not have the field experience - No room for error once we begin to disperse loans - Community is not familiar with micro-finance model - Education on large scale is needed |
| Threats | Opportunities |
| <ul style="list-style-type: none"> - Recession means that giving is down - Relationships are reliant on the local movement for initial growth which is already tapped out - Grameen America may expand rapidly because of high amounts of financing from big banks | <ul style="list-style-type: none"> - Credit is not available through banks for low-income to poor individuals who want to start a business - Offering is unique and there is an obvious need - Local movement in Monadnock region is popular - No other micro-finance organization exists in region |

Competitive Analysis and Positioning

The Monadnock region does not currently have a micro-finance organization that provides non-collateral loans for low-income or poverty-level individuals. Most people in the region who want to take out a small business loan must provide proof of income and have a credit history to be deemed creditworthy. Return on Community will fill the gap by implementing a micro-financing model based on the Grameen Bank model. This model provides loans from \$500-\$3,000 as initial start-up funds for bakers, tailors, street vendors, and other individual-entrepreneur style businesses.

ROC will position itself as serving the financially underserved and call attention to this gap in the Monadnock region community. By highlighting this disparity between who gets credit and who do not, we hope to bring awareness to the issue, inspire community members to get involved and contribute loans, and work with community business partners to grow the program.

Target Market Definition

Our target markets are made up of savvy professionals, individuals who are passionate about the community, and people who want to have a thriving community in which all

members are equal. One could say that our target market is the entire Monadnock community and in theory that is what we are hoping to reach through strategic marketing and communications initiatives. However, we have three defined target markets that are also outlined in Tiers 1-3. Our target markets are split in two sections: the contributors, those who contribute money as loans via our website or in response to a mailing or solicitation, and loan recipients.

Businesses

Businesses are one of our key target markets and one of the first we intend to engage. Businesses are defined as financial institutions, retail outlets, service providers, restaurants, corporations, and small to mid-sized local businesses.

Community leaders

Community leaders can be defined as business leaders, civic and political leaders, leaders in the local movement, leaders of non-profit organizations, individuals who focus on education in the community, people who adopt a green or sustainable lifestyle and actively engage others that share these values.

Community members

Community members are defined as individuals who take an active interest in the health of the community. These are people who come out to town meetings, attend local charitable events, support their local businesses, and generally contribute to the health and welfare of the community.

Loan recipients

Our clients will come from the low-income and poverty-level end of the economic spectrum. We will connect with these people through the social service network, health clinics, and immigration services in order to create trusted relationships, have conversations, and spur application for loans.

Cheshire County Demographics⁶

- Census 2000 states that there were 73,825 people, 28,299 households, and 18,790 families residing in the county.
- The population density was 104 people per square mile.
- There were 31,876 housing units at an average density of 45 per square mile.
- The racial makeup of the county was:
 - 97.75% White,
 - 0.37% Black or African American,
 - 0.31% Native American,
 - 0.47% Asian, 0.04% Pacific Islander,
 - 0.18% from other races, and
 - 0.89% from two or more races.

⁶ http://en.wikipedia.org/wiki/Cheshire_County,_New_Hampshire#Demographics

- 0.72% of the population was Hispanic or Latino of any race.
- 95.5% spoke English, 1.4% French and 1.2% Spanish as their first language.
- There were 28,299 households out of which 30.60% had children under the age of 18 living with them; 53.50% were married couples living together, 9.00% had a female householder with no husband present, and 33.60% were non-families.
- 25.50% of all households were made up of individuals and 9.60% had someone living alone who was 65 years of age or older.
- The population was spread out:
 - 23.30% under the age of 18, 11.70% from 18 to 24,
 - 27.00% from 25 to 44,
 - 24.30% from 45 to 64, and
 - 13.70% who were 65 years of age or older.
- The median income for a household in the county was \$42,382, and the median income for a family was \$51,043.
- The per capita income for the county was \$20,685.
- About 4.40% of families and 8.00% of the population were below the poverty line, including 8.50% of those under age 18 and 6.30% of those aged 65 or over.

Psychographics

These sample psychographics represent the values of contributors who take part in the local movement who range in age from 18-65. We expect these individuals to be early adopters of the micro-finance program and regular donors to ROC.

- Committed to shopping local
- Shop at farmers market
- Reflect LOHAS shared values and purchasing decisions
- Prefer organic food and products
- Physically fit
- Healthy/health conscious
- Family oriented
- Anti-consumption attitude
- Environmentally conscious

Communications Strategy

Key Message

Return on Community provides micro-credit loans to the credit underserved so that all members of the community have the possibility to live a dignified life by establishing a livelihood that provides them with income, support, and the necessities of life.

Logo

See title page

Slogan

Give where you live. Community-based micro-finance.

Public Relations

ROC plans to embark on a public relations campaign developed by a volunteer who is a PR professional and has offered her services as an in-kind donation.

We plan to approach the local media outlets with a traditional PR campaign by telling our story and our success stories, marketing them as news. Our initial outreach will be to:

- Cheshire County local city and town papers
- Press releases distributed to New Hampshire regional and larger metropolitan areas and through CSR wire
- Pitch story to NPR local radio affiliate NHPR and local television stations like Channel 8 and New Hampshire public television
- Set up regional Chamber of Commerce presentations

Marketing Material

- We plan to have brochures designed that tell our story and educate our potential contributors and our potential clients. In addition, we will need promotional material designed and printed that outlines our approach and our services. These materials will be available online as well as printed.

Marketing Strategy

Service Definition

ROC will provide its service both via the Internet from which it will accept loan contributions and applications for loans and physically through meeting with contributors, potential clients, and clients.

Place (Distribution)

Cheshire County, NH and the Monadnock region that includes parts of southern Vermont.

Promotions

Advertising

ROC plans to take out small advertisements in local papers if it is advantageous to do so. It will have a regular presence at the regional farmers markets to promote the program and build presence for our brand.

Social Marketing

ROC will have a website, cause related Facebook page, and a blog.

Community Marketing and Sponsorship

ROC plans to highlight our CCU partnership on our website as well as other major sponsors and contributors that make our micro-loans possible. For community marketing, we plan to have a presence at low-income service facilities and health clinics and other areas where underserved individuals may frequent.

Promotions and Events

We plan to host local business leader dinners so that community leaders can meet our loan clients and experience their stories first hand. We are also considering developing the ROC Awards, a program that would identify community members, leaders, and businesses that have made a difference in the community.

Budget

\$6,000 for the communications strategy that includes the design and printing of brochures, advertisements, website design, and other related marketing expenses.

Conclusion

ROC has the potential to make a significant impact on the low-income and poverty-level individuals who make up our community in Cheshire County and the Monadnock region. Because we are following a successful model already in place in the US and tested over the span of 30 years in developing countries, we feel confident that our program will be successful in our area because of its strong community focus and the commitment of leaders and members of this community.

A well-timed and well-executed strategic marketing and communications plan is vital to our success by consistently delivering on our key message and telling our story. We believe that this plan outlines a successful strategy to achieve our goals in educating the community on micro-finance and the services that Return on Community provides.