Creating Value through Cause-Related Marketing and Celebrity Advocacy: The Case of YouthAIDS & PSI

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Erwann Michel-Kerjan

Abstract

Population Services International (PSI) is a leading global health organization with programs targeting malaria, child survival, HIV, reproductive health and non-communicable diseases. Working in partnership with the public and private sectors, and harnessing market practices, PSI provides life-saving products, clinical services and behavior change communications that empower the world’s most vulnerable populations to lead healthier lives.

YouthAIDS is an education and prevention program of PSI that uses media, pop culture, music, theater and sports to stop the spread of HIV/AIDS. YouthAIDS has reached over 600 million young people in more than 65 countries with life-saving messages, products, services and care. Founded in 2001 by Kate Roberts, YouthAIDS grew out of her passion to make the world a better place. Operating as a fundraising and marketing mechanism for PSI’s youth-focused HIV/AIDS programs, YouthAIDS has long been a brand within a brand. This case discusses the formation of YouthAIDS, its model of combining private sector strategies with celebrity involvement in a global health problem and the challenges and opportunities posed by the success of YouthAIDS to its parent organization, PSI. The study is divided into three parts; questions for assignment and class discussion are proposed.

Key words
Cause-related marketing; NGO; leadership; social marketing; private sector; celebrity engagement; value creation; health risks

Goals of the Case Study

This case has three main goals:

1. Demonstrating how a cause-related marketing approach can help make an NGO successful at creating sustainable value, attracting unrestricted funds, generating buzz and focusing the spotlight on a cause.
2. Appreciating the challenges posed by the success of one entity or brand within an organization to the future of the whole organization.
3. Examining an impactful personal journey.

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2 The case study benefited from insightful comments from Madhura Bhat, Edith Elliott, Carol Heller, Michael Holscher, Robert Hoppenheim and Kate Roberts. I would like to thank PSI, YouthAIDS as well as several of the celebrities whose names appear in this case for their continuous help in the writing of this case.
PART ONE
Prologue: From Cape Town, South Africa

In the winter of 1998, Kate Roberts found herself on a much-needed vacation in Cape Town, South Africa. The 29-year-old British citizen was then a Managing Director at the leading advertising agency, Saatchi & Saatchi for Eastern Europe. Only the day before, the busy executive was preoccupied with the firm’s latest youth-focused marketing scheme – creating campaigns for cigarettes, candy and soda. The trip to South Africa, originally planned as a relaxing tour of vineyards and game reserves, would in fact be a life changer for her.

Anyone visiting this part of the world in the 1990s would have witnessed a funeral around every street corner, the result of the fast spreading HIV/AIDS epidemic. Of course, this was not a total surprise, since the situation in many African countries was well known at that time. The statistics were telling: Over the period 1990-2000, South Africa’s HIV prevalence shot up from 0.7% to 16.1%, and the death toll from AIDS climbed dramatically from 2,900 to 170,000. By the year 2000, there were an average of 640,000 new cases of HIV infection every year. But statistics will never be as emotionally compelling as seeing the tragedy with your own eyes.

Instead of enjoying wine tastings and safaris, Roberts found herself visiting those suffering from HIV/AIDS in hospice centers.

“It was a harsh and extremely emotional realization. During that trip I recognized I had lived my entire life selling unhealthy products to teenagers for the financial gain of an ad agency. I was 29, clearly successful and recognized as such by my peers, happy and satisfied. But suddenly I knew there was something missing – something more I could contribute. The suffering I witnessed shook me, and something just clicked.”

Introduction: Moving to Washington, DC

This “aha” moment did not come completely out of the blue. In fact, her journey towards charity in the NGO world really began the year before, when Roberts took on a pro bono account to develop the first national HIV/AIDS prevention campaign in Romania.

The youth-focused campaign was in partnership with the Romania office of an NGO called Population Services International (PSI). Alongside Michael Holscher, then Country Director for PSI/Romania, Roberts harnessed the power of the Romanian media to create everything from sexy, edgy and educational Public Service Announcements (PSAs) to award-winning TV commercials that promoted condom use

and abstinence. In addition, she developed a documentary which was broadcast on the national music television station, organized a sold-out MTV concert for 10,000 young people and created a series of concerts funded by her existing corporate clients at Saatchi & Saatchi.

Having already forged relationships with numerous Romanian celebrities for other accounts, Roberts was able to convince a number of them to join forces and write a song on the subject of HIV/AIDS. The song quickly became a national hit. Simultaneously, Roberts and Holscher sent a corps of peer educators dubbed the “Love Police” onto the beaches of the Black Sea to approach young people and issue fake “citations” to those not carrying condoms. The program created buzz and substantially decreased stigma and fear around condom use.

As a final push, Roberts created and launched an innovative campaign for the first socially marketed4 Romanian condom brand, Love Plus. As a result of these endeavors, the U.S. Centers for Disease Control (CDC) reported a dramatic increase in condom use in the first three years of the campaign.

Holscher, now Senior Vice President of Marie Stopes International, recalls:

“Kate’s personal passion, dedication, networks and marketing savvy were central to this success. Since PSI’s youth-oriented HIV prevention efforts were expanding rapidly around the world, I had a firm conviction that Kate needed to take her personal gifts to a global stage and save many more lives. Moreover, for an organization defined by its marketing rhetoric and marketing activities, there were very few people in the organization with actual hands-on marketing experience. Most were people with public health or international development backgrounds, and I believed that the organization would generally benefit from someone with years of hard-core private sector marketing and communications experience. Finally, bringing in celebrities to support a cause was a relatively new concept at the time and we thought PSI needed to get ahead of the action.”

It was in South Africa that Roberts realized that she could, in fact, utilize her marketing expertise to help stop the spread of HIV/AIDS. Or at least that she had to try. Her vision was then that she could apply the same techniques used to sell bubble gum, electronics and cigarettes to change risky behavior and join forces with those who were trying to help stop this a global pandemic.

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4 Social marketing is the systematic application of marketing, along with other concepts and techniques, to achieve specific behavioral goals for a social good. The model engages private sector resources and uses private sector techniques to encourage healthy behavior and make markets work for the poor. See A. Adreason (1994), “Social marketing: Its Definition and Domain,” Journal of Public Policy and Marketing” 13(1), pp. 108-114.
It wasn’t long after returning from South Africa that Roberts knew she had to make a change. To make a larger impact, she also knew she would need to leave Romania. Admiring PSI’s work, and with Holscher’s support, she packed her bags, moved across the ocean and took a position as VP of Communications and Public Affairs at PSI’s headquarters in Washington, DC.

But the road to success would not be as smooth as she anticipated.

**The Greatest NGO that No One Had Heard Of**

Founded in 1970, Population Services International (PSI) is a nonprofit organization based in Washington, DC that harnesses the vitality of the private sector to address the health problems of low-income and vulnerable populations in more than 65 developing countries around the world, principally through social marketing of health products and services and through behavior change communications campaigns. With programs in malaria, reproductive health, child survival, HIV and tuberculosis, PSI promotes products, services and healthy behavior that enable low-income and vulnerable people to lead healthier lives.

Working in partnership with the public and private sectors, PSI’s core values include: utilizing the power of markets and market mechanisms to contribute to sustained improvements in the lives of the poor; a strong focus on measurable results from interventions; speed and efficiency, with a predisposition to action and an aversion to bureaucracy; decentralization and empowerment of staff at the local level. (See Appendix 1, PSI Strategic Plan Balance Scorecard.)

For over 40 years, PSI has applied private sector marketing principles to public health challenges in developing nations and has had significant impact on the lives of millions. PSI’s initial objective in the 1970s was to improve reproductive health using commercial marketing strategies. For its first 15 years, PSI worked primarily in family planning but gradually moved into other health areas. For instance, in 1985, it began promoting oral rehydration therapy to combat diarrheal disease in children. The organization launched its first HIV prevention project in 1988. PSI added malaria prevention and safe water to its portfolio in the 1990s, and tuberculosis in 2004.

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5 PSI has an uncommon focus on health impact, and attempts to measure its effect on disease and death much as a for-profit measures does its profits. In 2008, PSI averted an estimated 169,298 HIV infections, 15,125 maternal deaths, 3,045,678 unintended pregnancies, 27,191,978 malaria episodes, 198,364 malaria deaths, 5,953,241 diarrhea cases and 7,347 diarrhea deaths. Sources: PSI Annual Report (2009; 2010).

6 Ninety-five percent of child deaths related to diarrhea can be prevented by a simple and inexpensive public health solution, oral rehydration therapy. Oral rehydration therapy (ORT) consists of a sugar and salt solution, which is offered as a drink to children. ORT is often achieved through the provision of oral rehydration salts (ORS), a powder from which mothers can easily make solution. ORS can cost as little as $0.02 per child treated.
An important element is that PSI has always focused on delivering **measurable** results and doing so in a cost-effective manner. It is estimated that the organization achieves an average cost of only $22 per Disability-Adjusted Life Year (DALY) gained. A DALY is a measure of overall disease burden, originally developed by the World Health Organization and the World Bank. PSI adopted the measurement in 2006. Figure 1 depicts the evolution of annual DALYs by PSI between 2000 and 2009. In 2009, PSI added nearly 14 million years of healthy life globally.

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**FIGURE 1: ANNUAL DALYS BY REGION, 2000-2009 (PERCENT GROWTH OVER THE PRIOR YEAR)**

The year before Roberts joined PSI in 1999, PSI was a highly functional and efficient social marketing organization with a budget of $82.9 million and 43 country offices. PSI was effective at promoting health products, services and healthy behaviors, but not its own brand. PSI did not see the value of promoting the organization and was lacking in external brand equity and national recognition. PSI’s work was effective and cost effective, but virtually invisible. To Roberts, it was the greatest NGO that no one had heard of.

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7 The Disability Adjusted Life Year, or DALY, is equal to one year of healthy life added. It is a widely-used measurement that was developed by the World Bank and the World Health Organization. It was adopted by PSI to measure their performance metrics in a meaningful and standardized way. The DALY combines the value of lives saved and illness and disability averted. By using the DALY measurement, an organization or country ensures alignment with the International Health Community, can measure interventions relative to the global burden of disease, and when combined with cost, allows comparing the cost-effectiveness of its interventions.
By 2010, PSI’s revenue has increased almost ten-fold to $614 million and is expected to nearly double by 2016. PSI’s major donors include the governments of the United States, United Kingdom, Germany and the Netherlands; the Global Fund; United Nations Agencies; private foundations; corporations and individuals (See Figure 2.)

In 2010, the organization’s administrative cost was 6 percent – significantly lower than most organizations of its size. Simply put, that year, 94 cents out of every dollar received by PSI went directly to programs in the field. At the end of 2011, PSI had about 200 U.S. staff and over 8,000 local PSI affiliate staff around the world.

But let’s go back to 1999. When Roberts started working for PSI, she quickly realized that she would face several challenges: she was young, she had little background in public health, she had never worked for an NGO and she had just moved to the U.S. where the working culture was very different than in Europe. Although she could see the applicability of her marketing skills at PSI, she was fundamentally an outsider in the highly technical and research-driven public health world. A few weeks into the job, it was pretty clear that while she was inspired by the innovations and passion she saw around her, she was also disheartened by the bureaucratic landscape she found at headquarters in DC. Moreover, several of the topics PSI was dealing with – specifically HIV and adolescent sex – were very sensitive and, if tackled ineptly in a publicity campaign, had the potential to seriously harm the reputation of the organization. But Roberts had left Europe, her business life, friends and family (several of whom had disapproved of her choice), so she was eager to make her mark.
Questions for assignment and/or class discussion

1. What are some of the options available to Roberts?
2. What are the potential risks and benefits?
PART TWO
YouthAIDS – An Innovative Model

Roberts had many creative ideas but quickly realized that she needed a vehicle through which she could better promote PSI’s incredible work to the outside world. The biggest unexploited opportunity was the lack of systematic marketing. The model she came up with was a virtuous cycle based on three major concepts:

- Cause-related marketing (CRM)\(^8\)
- Celebrity advocacy
- Demonstrable results

With this in mind, Roberts met with Holscher and together they created YouthAIDS, sketching the logo and mission on a napkin over coffee in a Washington, DC café. YouthAIDS would be a specific entity within the PSI portfolio of activities. The concept was to begin with a cause-related marketing campaign that would provide a platform from which to raise awareness, promote PSI’s work and provide a novel source of funding. The cause – preventing young people from becoming infected with HIV – would form the core of the campaign. In collaboration with corporate partners, cause-related marketing efforts would center on harnessing the power of the private sector to help raise awareness of HIV and raise funds to support PSI’s efforts to combat the disease.

\(^8\) CRM is one of the fastest growing types of sponsorship today. Consumers are outspoken about their support and are clearly following through in their buying behavior. According to the 2010 Cone Cause Evolution Survey, 80% of consumers said they are likely to switch from one brand to another if one is associated with a good cause. Further, 89% of employees involved with cause programs at companies feel a strong sense of loyalty to their employer. CRM campaigns have the ability to increase sales, foot traffic, media coverage, revenue and consumer image for companies. Cone Survey, 2010. http://www.coneinc.com/files/2010-Cone-Cause-Evolution-Study.pdf.
This campaign would then be expanded upon by **celebrity advocacy**. Roberts had seen the power of celebrities – from musicians to actors – in her corporate work. They had the ability to generate passion amongst their followers, generate buzz in the media and attract donors. She believed she could work with diverse celebrities across the celebrity structure and harness this incredibly powerful marketing tool to promote YouthAIDS to a broad audience.

American actress Ashley Judd wrote:

“That was her (Roberts) genius: instead of imposing an American idea of what was hip and sexy, and presuming how people would respond to healthy products and messages, YouthAIDS analyzed what worked in each culture, and designed the campaign around it.”

- Ashley Judd, *All That is Bitter and Sweet: 2011*

The third component of the model was **demonstrable results**. Capitalizing on PSI’s results-based system, Roberts felt that advertising the concrete results of PSI’s interventions would increase the effectiveness of the marketing effort and lend legitimacy to the cause. Results had the power to convince the target audience and stimulate fundraising, which would in turn allow PSI to do even more.

In addition to promoting PSI’s work in general, publicizing the results of YouthAIDS specifically would also be important. This could directly dovetail into cause-related marketing efforts. For example, if a YouthAIDS event had a large attendance and raised a certain sum of money, publicizing these facts would be a way to promote YouthAIDS, provide validation for corporate partners and increase audience buy-in. People generally like to be associated with successful ventures, and advertising the program’s successes could attract more support and new partners. While the concept looked attractive in theory, there was skepticism and speculation amongst PSI executives at that time.

Holscher recalls:

“Kate was dealing with sensitive issues – adolescent sex, condom use, etc. – on a very public stage, which could have harmed the image of PSI, its donors and its multilateral partners if these issues had not been managed carefully and strategically. It was a high-wire act.”

Richard Frank, former PSI President and CEO, remembers:

“When Kate brought the idea forward to initiate a cause-related marketing program at PSI we were taken aback as we were not familiar with this kind of work and realized it would perhaps be taxing both monetarily and in human capital. We were also operating under the radar and were more or less fine being a highly functional but largely unknown organization. That said, we had an interest in diversifying our donor base to expand and
strengthen our mission and not be so dependent on government funding as our only means of operation. This was new territory for PSI and such a large leap into the unknown was a risky but necessary step forward for the organization. Kate’s passion was contagious, and it became apparent that as PSI grew, it was to our benefit to be ahead of the game and harness the media to add an emotional hook to our life-saving work which before was viewed through complicated metrics and research tools. Needless to say, it worked.”

Development of the initiative required investment of the organization’s discretionary funding which would have to be diverted from programmatic support. It was estimated that it would take three years before these efforts produced a meaningful return on investment, if ever.

In 2001, PSI granted Roberts and her team limited funding and internal support to launch YouthAIDS. YouthAIDS grew dramatically to become a multi-million dollar education and prevention program. Using media, pop culture, music, theater and sports to change the landscape, YouthAIDS made talking about HIV/AIDS “cool.” The YouthAIDS approach stresses self-empowerment and healthy decision-making among youth, including the use of effective health products and services such as HIV counseling and testing. By harnessing the pre-existing infrastructure of PSI programs and launching well-thought partnerships, YouthAIDS was quickly able to promote substantial programming, achieve measurable health impact and raise much needed loosely restricted funding.

The Importance of Successful Partnerships: The MTV Staying Alive Concert

PSI and YouthAIDS rely on partnership, and they work to harness different capabilities and strengths from their partners to enhance end results. Indeed, because all of PSI/YouthAIDS' programmatic work is conducted in-country, it cannot operate effectively or efficiently as a global organization without local cooperation and knowledge. Partnership helps to avoid duplication of effort and also works to maximize health impact given limited budget. The PSI/YouthAIDS model is built on the assumption that those with the most complete knowledge of the local context, people’s needs and stakeholder concerns are best placed to make informed decisions. As such, by working in partnership with existing entities, PSI often benefits from local knowledge. In addition, PSI strives to ensure that a majority of its in-country staff are host country nationals who can offer sound advice when dealing with the often times delicate social intricacies and issue areas in which they work. YouthAIDS would build on this principle by funding programs that would otherwise go overlooked.
Roberts knew she needed to launch YouthAIDS with a partnership-driven and shared knowledge perspective in mind. The first campaign, she reasoned, would have to be done on a large-scale basis that would quickly attract attention. She proposed the idea of a global awareness-building concert on MTV.

Needless to say, since the NGO was just being formed, she had to lobby tirelessly to sell YouthAIDS as a charitable partner to the network, artists and potential corporate sponsors. But as more of them started to buy into the idea, this triggered a positive spiral and others followed. After several months, Roberts secured YouthAIDS as part of a unique and unprecedented partnership between diverse organizations like MTV, the Bill and Melinda Gates Foundation, Levi’s and The Paul Allen Foundation. The result was that YouthAIDS was one of the major and highly visible charitable partners of the 2002 MTV/YouthAIDS *Staying Alive* Concert. The concert aired in 170 countries around the world, had an audience of over 1.7 billion viewers and boasted iconic artists such as Sean “P. Diddy” Combs, Alicia Keys, Dave Matthews, Missy Elliott and Usher.

As Bill Roedy, Former President of MTV Networks and UNAIDS Ambassador stated before the concert:

"This remarkable partnership is mobilizing so many different sectors of society to help to raise further awareness of the devastating impact of HIV/AIDS across the globe and what can be done about it. By hosting these historic concerts in Cape Town and Seattle, which will feature diverse local and international artists, we hope to unite young people across the globe and actively engage them in the fight against HIV/AIDS."

The success of the concert was clearly monumental – MTV donated millions of dollars’ worth of free airtime, and PSI was able to air PSAs across the globe that encouraged healthy behavior and empowerment. To many, Roberts and her team had opened the door for large-scale partnerships with alternative audiences for PSI; it was uncharted territory for the organization but proved to be successful in illuminating the YouthAIDS brand and PSI's work.

As YouthAIDS took off, it attracted donations from a wide variety of sources, large and small. This increased the legitimacy of YouthAIDS, gave the team credibility within PSI and enabled them to operate more independently. YouthAIDS also enabled PSI to tackle projects that traditional donors were unwilling or unable to fund. By creating innovative marketing campaigns and engaging individual donors, foundations and celebrity spokespeople, this model opened new doors for PSI.
PSI Chief Liaison Officer Sally Cowal recalls:

“YouthAIDS played a crucial role in moving PSI from an organization that relied almost 100 percent on U.S. Government funding to one whose nearly $600 million per year in funding comes from extremely diverse sources, from corporate and foundation donors to international organizations and foreign governments. YouthAIDS proved to PSI that we could successfully appeal to a broader donor base as it made it necessary to tell the story of our work in a language that non-technical people could understand and support. YouthAIDS is still leading the way at providing participatory opportunities for individuals and organizations that care about the developing world.”

The Importance of Celebrity Advocacy

Partnering with celebrities has been another critical element to the success of the YouthAIDS model. In order to deepen these partnerships, the YouthAIDS team has taken many trips into the field with celebrity ambassadors, corporate partners and individual donors. On these trips, the team not only promotes the work of YouthAIDS and PSI globally, but also highlights programming at the local level. By harnessing the power of celebrity, the YouthAIDS team attracts a large volume of local press and donor interest. These trips are capacity building sessions for local staff as they teach media and donor relations, thoughtful and strategic organization and positioning. Additionally, YouthAIDS and its celebrity ambassadors are able to speak from experience and with more credibility on the issues at hand. They have also been involved in the production of award winning documentaries (a total of five to date) that have enjoyed a global airing.

“I was finally using my voice to speak out on the political level for the voiceless millions whose lives are affected by the policies being shaped in distant world capitals. Through my work with PSI and other organizations, I was earning a seat at the table, not for me, but for Ouk Srey Leak, Shola, Sahouly, and the women of Soweto whose stories had moved and inspired me to change my life.”

-from All That Is Bitter and Sweet by Ashley Judd

Following the initial success of YouthAIDS, Roberts moved her focus from increasing awareness to fundraising. As YouthAIDS became financially viable, there was a simultaneous growing need at PSI for diverse and unrestricted funding to support programs that were difficult to finance.
PSI President and CEO Karl Hofmann recalls:

“In just over 10 years, the YouthAIDS platform grew into a brand that drove attention and resources for HIV prevention and education. PSI, at that time, was a highly successful implementing organization but traveled below the radar with little brand awareness except among a small set of development insiders. By creatively marketing the HIV implementation arm of our organization in a more attractive and media friendly way, Roberts was able to give YouthAIDS real substance and to raise diversified funds. The combination of the two, PSI+YouthAIDS, expanded horizons for both entities and allowed us to better optimize commitment to, and achievement of, our mission of saving lives.”
Within the results-driven PSI framework, in addition to metrics like increased awareness, Roberts and the YouthAIDS team also demonstrated their success by the amount of unrestricted dollars raised annually. This helped to ensure they were viewed as a legitimate and worthwhile department within the PSI organization. As of 2011, YouthAIDS has raised over $17 million in loosely restricted funding for the organization and hundreds of millions in other resources (such as media time, pro bono work, in-kind donations). These dollars were raised over the years through as YouthAIDS built upon its initial success with intensive CRM promotions, events, direct corporate donations and contributions from individuals and foundations. For example, in 2007, the YouthAIDS Gala raised nearly $1.7 million dollars in loosely restricted funds. The event was voted one of Washington’s top three social events and received an enormous amount of press coverage and accolades thanks to the high-profile attendees and creative marketing.
A Successful CRM/Celebrity Advocacy Partnership:  
The Hear No Evil, See No Evil, Speak No Evil Campaign

YouthAIDS’ most successful and recognizable partnership to date has certainly been with ALDO Shoes. In the fall of 2005, global fashion footwear company ALDO Shoes and YouthAIDS launched an international integrated marketing campaign – “Hear No Evil, See No Evil, Speak No Evil” – to fight HIV/AIDS around the world. The campaign featured celebrities such as Salma Hayek, Ashley Judd, Christina Aguilera, Avril Lavigne, Ludacris and Charlize Theron.

“Hear No Evil, See No Evil, Speak No Evil” focused on a series of black and white images with a strong call to action to “Hear,” “See” and “Speak” about HIV/AIDS. The campaign incorporated a strong fundraising message encouraging consumers to buy an Empowerment Tag with 100% of the net proceeds benefiting YouthAIDS.

Like most fruitful partnerships, the campaign did not develop without a great deal of thought on both sides. As Robert Hoppenheim, former General Manager of Branding and Strategic Development for ALDO recalls:

“There are always significant challenges to the execution of a novel idea. For it to be innovative it must by definition be something uncomfortable for people. The campaign, when pitched internally, was met with an array of reactions ranging from 'we shouldn't touch it,' to 'this could be interesting.' Most executives were skeptical; some were more
open to it. Luckily, a few of the key stakeholders saw its potential. Some specific corporate concerns (and with reason) were that there would be no ALDO shoe or product on any of the communications pieces, that certain strategic partners such as real estate developers or international franchisees might be offended by it and that, in general, the creative was too bold. It is important to remember that this very integrated and high profile campaign launched before the wave of cause marketing campaigns; therefore, there were few benchmarking opportunities. It was the great unknown. From a more practical point of view, there is a significant challenge in developing a global cause awareness campaign that is multi-channel, multi-lingual and multi-cultural. Some of the elements that required development and coordination included: a store communications platform, product development and packaging, visual merchandising, training, creative development, media buying, public relations, franchisee adaptations, website development and custom e-commerce development. It took tremendous effort on the part of the marketing team and YouthAIDS to successfully execute this concept fluently given all these requirements and the time constraints. The campaign also had a profound personal effect on me. There was so much riding on it and so many barriers throughout that it took a tremendous amount of energy and personal sacrifice to develop and launch it. The person who would lead this campaign would be critical.”

There are always significant challenges
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Robert Hoppenheim
Former General Manager of Branding and Strategic Development for ALDO

Measurable Outputs of the Campaign

Despite early fears that involving celebrities could push PSI into uncharted territory where they would have little control, the campaign was a clear success. “Hear No Evil, See No Evil, Speak No Evil” raised $3.2 million for PSI’s life-saving programs.9

The impact was not solely monetary. The images were seen in major markets around the world ranging from New York to London to Johannesburg to Sydney. The campaign garnered over 1.5 billion editorial impressions in leading media outlets such as the Chicago Sun-Times, The Washington Post, US Weekly, People and Elle. The website,

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9 For $10, YouthAIDS is able to educate and protect one young person from HIV. The $3.2 million from the ALDO campaign, enabled YouthAIDS to educate and protect almost 320,000 young people from HIV.
www.youthaids-aldo.org, received more than 15,000 visitors per day, and ALDO continues to experience an increase in shoe sales and foot traffic. The campaign has won six prestigious awards: two Cause Marketing Forum Halo awards; the Rosie Perez FUERZA (Strength) Award; the Footwear News Achievement Award; Marketer of the Year, a nomination by Strategy Magazine as one of the top 2006 cause marketing campaigns in Canada; and best website from the Canadian Marketing Association. Most importantly, the campaign inspired and empowered young people to talk about HIV/AIDS. ALDO created an emotional connection with consumers and continues to support YouthAIDS through the creation of additional complementary marketing campaigns. YouthAIDS programs now reach over 600 million young people in more than 65 countries with life-saving messages, products, services and care.

On many levels, YouthAIDS revealed the power of celebrity advocates in promoting awareness and raising funds for a cause. Celebrity advocates were able to raise funds through conventional and unconventional means for the organization. For example, actress Debra Messing’s field visit to Zimbabwe raised awareness for PSI’s work in that country and provided the additional advocacy needed to raise millions of dollars of additional funding from USAID so many more kids could be saved. Actress Ashley Judd, in her role as YouthAIDS global celebrity ambassador, successfully contributed to a relationship with a private foundation donor to a large anonymous donation for the organization. This donation constitutes the largest gift PSI has received to date.

“PSI was giving me a window to the world, through the lens of public health, the building block of sustainability, and as painful as the glimpse often was, I was also loving every minute of it.”

Ashley Judd, All That Is Bitter and Sweet: 2012
PART THREE
Changing Landscapes for PSI

As indicated above, while YouthAIDS highlighted PSI’s ability to manage consumer brands, this same discipline had not been applied to the corporate “PSI brand.” PSI’s core audience was defined as those who influence resource decisions for public health investments in developing countries. As a result, PSI had focused its branding and outreach efforts with multi- and bi-lateral government donors. PSI had not been historically marketed to a broader audience and was not well-known to the general public.

There was increasing recognition internally that PSI’s audience now reached well beyond this subset and that branding efforts would need to be revamped. For example, local governments have become a driving force in deciding or influencing resource flows. In addition, local and international media, blogs, technical working groups and other NGOs can all have a major role in funding and programming decisions. While YouthAIDS was successful at targeting some of these audiences, PSI decided that sub-brands did not fit within the new brand framework.

Starting in 2007, PSI began a robust “re-branding” effort. Given her success with YouthAIDS, Roberts (now PSI’s VP of Corporate Marketing and Communications) was charged with designing and implementing this organization-wide effort. Beginning in 2008, Roberts and her team spearheaded this initiative by rolling out a new identity for PSI– developed with input from internal and external stakeholders – as well as developing brand architecture and a comprehensive brand positioning document, something that had not previously existed. (See Appendix 2: PSI Brand Positioning).

Referring back to the organization’s strategic plan, PSI recognized that it would need disciplined brand management in order to perform more efficiently and at its peak. As such, they conducted research, revitalized the company logo and focused a renewed attention on the brand. The discussions and research behind the brand positioning illuminated the need for PSI to spend more time better marketing its work in order to remain competitive. This happened over the period 2008-2009.

One of the major challenges was that the more high-profile YouthAIDS became over these years, the more Roberts was asked to wrangle celebrities and spend time on relationship building and prospecting, and less time on the core of her overall responsibility as VP of Corporate Marketing and Communications at PSI, promoting and protecting PSI. Resources and time were becoming strained. Roberts and her YouthAIDS team of eight employees whose sole purpose had been to promote, market and develop corporate partnerships for the YouthAIDS brand, developed a new set of priorities.
YouthAIDS in Relation to PSI

At its inception, YouthAIDS relied on discretionary funding from PSI. However, as it grew, it became self-sustaining. In 2007, YouthAIDS had an operating budget of $2.7 million. It was able to raise nearly $11.4 million that year for PSI’s youth-targeted HIV programs. The funds, while significant, represent only a small fraction of PSI’s overall budget, which approached $500 million in 2009. (See Appendix 3, PSI Estimated Sources of Income.)

From 2001 to 2007, at the direction of PSI’s CEO, YouthAIDS operated as a separate entity from PSI with its own website, marketing materials and brand promise. In fact, many donors did not know about the link between YouthAIDS and PSI. As the consumer-friendly and “sexy” brand, YouthAIDS was able to reach a new and non-traditional set of donors and stakeholders for the organization. This came at a cost and created a dual-identity with which the organization is now struggling. Only in 2008 did the PSI logo and name begin to appear alongside YouthAIDS marketing documents, campaigns and promotions.

PSI then shifted priorities with a focus on rebranding the entire organization with the intent of correcting the perception that YouthAIDS was working separately from PSI. Over time, resources that were previously allocated to YouthAIDS were redirected for organizational rebranding. Around this time, the economic recession deepened and the YouthAIDS annual gala was cancelled to avoid potential backlash from a flashy event. By 2011, YouthAIDS was no longer actively seeking new partnerships, beneficiary event opportunities or new celebrity ambassadors.

The YouthAIDS brand continues to have much strength, a testament to the investment in resources and effort that Roberts, her staff and PSI have put in over nearly ten years. It is a strong, consumer-friendly interface for PSI’s technical and often academic work. It is also an important source of funding as PSI works to expand its donor base. Further, these unrestricted funds can be used for innovative projects (much like corporate research and development projects) that make PSI a leader in the field. But, the YouthAIDS brand requires resources to continue to grow and provide a sustainable benefit to PSI – resources that may potentially be better allocated elsewhere.
What is Next for YouthAIDS and PSI?

YouthAIDS has grown remarkably over the last decade, but is now at a crossroads. Though it has enormous brand equity in the global health space in which it operates, it also requires an important amount of staff time and PSI resources to maintain and grow the program. Further, it is estimated that most CRM campaigns have a shelf-life of three to five years. As such, many of the partnerships YouthAIDS has will soon start to fade unless sustained through new initiatives. It would take significant time and resources to do so, find new partners and/or to build new relationships. Conversely, PSI’s 5-year strategic plan calls for the diversification of revenue and an expansion of the donor base with an emphasis on raising unrestricted funds. Although this is a major strength of YouthAIDS, and the campaign continues to generate revenue, it is unclear if PSI will invest the necessary resources enable it to aggressively attract new partners.

1. Is it in PSI’s interest to have Roberts and her team focus their energies on strengthening PSI’s brand framework?
2. Should YouthAIDS remain a primary area of focus and attention for PSI?
3. What are the costs and benefits involved?
4. What is the best way for PSI to capitalize on the brand equity YouthAIDS has nationally and internationally and best utilize the CMC team to optimize PSI’s growth?
5. Can PSI ever become the consumer-friendly brand needed to raise unrestricted funding?
6. Should PSI focus on consumers versus government and donor funding?
7. Can the organization take the risk of dissolving YouthAIDS and losing this source of income?
8. Is it reasonable to expect that corporate donors such as ALDO will continue to be interested in PSI without the YouthAIDS brand?
9. What advice would you give as a marketing professional to PSI?
10. What would be the impact on PSI if Roberts left PSI for another NGO or returns to the private sector?
Epilogue-- In Conclusion

YouthAIDS’ programs have allowed businesses to make a direct impact on the health of future generations. Those programs reach approximately 600 million young people in more than 65 countries with life-saving messages, products, services and care. In the process, Roberts and her team have pioneered the CRM area with a new business model for NGOs. In addition to the ALDO campaign, they have worked on CRM campaigns with partners such as: Anthropologie, Cartier, David Yurman, Discovery, Estee Lauder, H&M, Johnson & Johnson, Kiehl’s, Levi’s, MAC, Procter & Gamble, Roberto Coin, Christian Dior, Vogue, Snag films, National Geographic, Conde Nast Traveler, MTV, Sigma Phi Epsilon student program, Sketchers and Sanrio/Hello Kitty.

Kate Roberts became a Young Global Leader of the World Economic Forum (Davos) in 2007, an honor bestowed to recognize the most extraordinary leaders of the world under the age of 40. She also serves on their health advisory board and was recently appointed to serve as the founding curator of the Youth Global Shapers, an initiative under the World Economic Forum. She was named one of Vogue’s top 100 women, Fox News Power Player, and highlighted as a CNN Hero. She lives in Washington, DC with her husband and daughter.

Roberts has been back to South Africa multiple times since her first visit, to visit the PSI and YouthAIDS programs. In 2012, Roberts began teaching a class on Global Social Entrepreneurship at George Washington University.
APPENDIX 1

PSI’s Strategic Plan Balanced Scorecard.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>2007 Baseline</th>
<th>2011 Targets</th>
<th>Accountability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health impact</td>
<td>DALYs</td>
<td>10.6 million DALYs</td>
<td>22 million DALYs</td>
<td>CCO</td>
</tr>
<tr>
<td>Equity</td>
<td>Concentration index</td>
<td>50% of interventions report concentration indices greater than 0.45</td>
<td>80% of interventions report concentration indices greater than 0.45</td>
<td>CTO</td>
</tr>
<tr>
<td>BCC integration</td>
<td>DALYs from BCC interventions</td>
<td>0 million DALYs from BCC interventions</td>
<td>2 million DALYs from BCC interventions</td>
<td>CTO</td>
</tr>
<tr>
<td>Brand</td>
<td>% of stakeholders supporting PSI’s model &amp; brand</td>
<td>30% of stakeholders support PSI’s model &amp; brand</td>
<td>50% of stakeholders support PSI’s model &amp; brand</td>
<td>CCO</td>
</tr>
<tr>
<td>Revenue</td>
<td>Revenue</td>
<td>$332 million revenue</td>
<td>$850 million revenue</td>
<td>CEO</td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>Unrestricted net assets as a % of revenue</td>
<td>10% of revenue</td>
<td>15% of revenue, annually</td>
<td>CTO</td>
</tr>
<tr>
<td>% of platforms that have at least 3 major donors and are in at least 2 health areas</td>
<td>47% of platforms have at least 3 major donors and are in at least 2 health areas</td>
<td>80% of platforms have at least 3 major donors and are in at least 2 health areas</td>
<td>CCO</td>
<td></td>
</tr>
<tr>
<td>Quality</td>
<td>% of platforms that meet Minimum Standards</td>
<td>18% of platforms meet Minimum Standards</td>
<td>90% of platforms meet Minimum Standards</td>
<td>CEO</td>
</tr>
<tr>
<td>Efficiency</td>
<td>OH expenses for functional departments as a % of revenue</td>
<td>2.6%</td>
<td>2.6%</td>
<td>CTO</td>
</tr>
<tr>
<td>Total expenses per DALY</td>
<td>$322/DALY</td>
<td>Under $850/DALY</td>
<td>CBO</td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>Inst. staff rated 5 or above</td>
<td>73% retention rate</td>
<td>83% retention rate</td>
<td>CCO</td>
</tr>
<tr>
<td>Innovation</td>
<td>DALYs gained from interventions launched in last 3 years as % of total DALYs</td>
<td>30% of DALYs are from interventions launched in last 3 years</td>
<td>30% of DALYs are from interventions launched in last 3 years</td>
<td>CTO</td>
</tr>
<tr>
<td>Training</td>
<td>Training hours per IS</td>
<td>On average, each IS receives 24 hours of training</td>
<td>On average, each IS receives 40 hours of training</td>
<td>CCO</td>
</tr>
<tr>
<td>Learning</td>
<td>IS survey for KM</td>
<td>57% satisfaction rate with KM</td>
<td>90% satisfaction rate with KM</td>
<td>CTO</td>
</tr>
</tbody>
</table>

Source: PSI Documents

For $10, YouthAIDS is able to educate and protect one young person from HIV. Therefore, with $3.2 million from the ALDO campaign, we were able to educate and protect just under 320,000 young people from HIV.
APPENDIX 2

PSI Brand Positioning - PSI embraces private sector discipline and therefore seeks to offer a cogent and competitive brand that delivers on its promise. The commercial tool of positioning is the first step toward disciplined brand management.

Architecture

**Measurability & Scale**
PSI designs targeted and cost-effective health interventions that can be taken to scale while setting evidence-based objectives, and evaluating performance against verifiable indicators.

**Speed and Efficiency**
PSI provides quality health impact quickly and cost-effectively by fostering strong independent leadership and establishing locally-led programs.

**Active Partner**
PSI strategically and actively engages national, international and local government, donor, NGO, and public partners to achieve measurable health objectives.

**Lasting Solutions**
PSI provides sustained health impact by nurturing long term market development, building local capacity and empowering behavior change for target populations.

Promise

PSI is an international network of organizations and individuals committed to the common goal of improving the health of the most vulnerable populations in the countries we serve.

We:
- Leverage the private and public sectors to achieve measurable results.
- Establish evidence-based objectives and evaluate performance against verifiable indicators.
- Provide high quality health impact quickly and cost-effectively.
- Nurture long-term market development while strengthening local capacity.
- Actively engage international, national and local governments, donors and partners.

As part of the global health community, we link our health impact goals to standards outside PSI.
Corporate Brand Framework

PSI Vision

PSI Values

Positioning

Internal statement that guides our entire brand strategy - Who we want to be; Where and How we want to establish ourselves in your target marketplace.

Architecture

The structure the brand plays within PSI. It is the pillars of our Brand that underpin the positioning statement. It is what makes it real.

Promise

A derivative of branding research. It states the benefit of working with or for PSI, buying our products or using our services. PSI's 30-second description.

Attributes

The basic elements for establishing a brand identity. The functional and emotional associations which are conveyed to our customers and stakeholders.

Touchpoints

The ways in which PSI interacts with our customers.

PSI Corporate Brand Framework, 2009

POSITIONING

To donors and influencers of developing country health investments, PSI is the leading implementation partner that utilizes private sector discipline to empower vulnerable people worldwide to lead healthier lives.

ARCHITECTURE

Pillars informed by research

MEASURABILITY & SCALE

SPEED & EFFICIENCY

LASTING SOLUTIONS

ACTIVE PARTNER
APPENDIX 3

PSI Corporate Brand Positioning, 2009

2009 PSI Estimated Sources of Income – based on a budget of $454 million. YouthAIDS’ revenue is partly in the “other” category and partly in the “foundations and corporations” category.

2009 Estimated

- U.S. government: 28%
- Non-U.S. governments: 17%
- International organizations: 30%
- Foundations and corporations: 18%
- Other sources: 7%

Source: PSI Documents