

CASE 7.2

CoachUp and Charity: Water: How For-Profit and Nonprofit Start-ups Build Credibility and Trust

• **CoachUp:** www.coachup.com • **Facebook:** CoachUp • **Twitter:** @CoachUp

• **charity: water:** **Web:** www.charitywater.org • **Facebook:** charity: water • **Twitter:** @charitywater

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Introduction

Credibility is a vital part of any start-up's persona. Whether a prospective customer in a for-profit context or a prospective donor in a nonprofit context, it's important that the company or organization presents itself in a manner that builds credibility and trust during first encounters. Both consumers and donors have multiple options for allocating their money. As a result, it's essential that a start-up make a favorable first impression and give its patrons reasons to trust it.

How Companies and Organizations Build Credibility and Trust

There are several ways companies and organizations can build credibility and trust. We present eight techniques that are essential in nearly all cases in the following list.

The following are examples of how two organizations—one for-profit and one nonprofit—are building credibility and trust via these techniques.

Techniques for Engendering Credibility, Legitimacy, and Trust

Technique	Explanation
1. Have an attractive logo, corporate e-mail address, and professional looking website.	Prospective customers and donors have a mental image of what <i>real</i> companies and organizations looks like. If your logo, website, or e-mail address look amateurish or suspect, the game is up. Always have a corporate.com or .org e-mail address. A Gmail or Yahoo! e-mail address makes a company or organization look amateurish.
2. Receive media coverage.	Display prominently on your website the media coverage you've received. If you're new, start by asking bloggers in your industry to cover you. Media coverage is a tacit sign of legitimacy and support.
3. Obtain expert testimonials.	Get expert testimonials and feature them on your website and in your literature. An expert doesn't have to be someone who is famous. If you're selling surgery-related software, ask a surgeon to test it and comment. If you're starting a nonprofit to provide a place for at-risk kids to hang out after school, ask the local police chief or a school principal to comment on your service.
4. Obtain customer testimonials.	Ask customers, donors, or recipients of the good or service you provide to test that good or service and then to comment about their experiences. Include their pictures if possible. Positive quotes from real people are often the most persuasive.
5. Give people a reason to care.	Make sure to convey your start-up's relevance, but don't use buzz words like you're "revolutionary," or "are the industry's best." These terms are too slick. Instead, be genuine. Explain in everyday language why your customers or donors should care.
6. Tell your story.	Why do you care? There is nothing that builds credibility and trust faster than a founder telling the sincere story of why he or she is launching a company or starting a nonprofit. Include your picture and put a real e-mail address next to it.
7. Have a presence on Twitter, Facebook, or both.	Like it or not, people will look for you on Twitter and Facebook. If you're not there, it's a red flag. Establish a presence on one or both sites and provide frequent updates.
8. Tell people how you'll use and/or protect their money.	If you're a for-profit business, offer a money-back guarantee. If you're a nonprofit, explain in specific terms how your donor's money will be spent.

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CoachUp

Launched in 2012, CoachUp is a service that connects athletes with private coaches. The company believes strongly that private coaching is the secret to reaching the next level in sports and life. CoachUp was founded by Jordan Fliegel. Fliegel was an average high school basketball player until his father hired a private coach for him, Greg Kristof, who had been the captain of the Brandeis University team. The sessions with Kristof helped Fliegel make his own high school basketball team, and he went on to play in college and in a professional league overseas. CoachUp's website matches athletes, in all major sports, with coaches that are willing to work with them. Over 60,000 athletes have connected with more than 12,000 coaches since the site was launched. CoachUp vets all coaches for necessary coaching experience. The average cost of a coaching session is \$40-\$60 per hour. CoachUp makes money by taking a small percentage of the coaching fees charged through its site.

That's the service that CoachUp offers. Here's how CoachUp is building credibility and trust via the eight techniques described previously.

1. It has a professional logo design, beautiful website, and a corporate e-mail address.
2. It has attracted considerable press and has been featured on ABC, CNN, and CBS SportsRadio. Articles about CoachUp have appeared in *The Huffington Post*, *Forbes*, *The Wall Street Journal*, and *USA Today*.
3. CoachUp has established partnerships with the National High School Basketball Association, the Positive Coaching Alliance, and the Sports Legacy Institute. Its advisory board includes Philadelphia 76ers center Nerleans Noel and Boston Bruins president Cam Neely. The company has raised money from private investors Paul English (co-founder of Kayak.com) and Albert Dobron (managing director of Providence Equity Partners) and venture capital firms Point Judith Capital and General Catalyst Partners.
4. CoachUp maintains an archive of customer testimonials on its website. The testimonials are provided by coaches, athletes, and the parents of athletes.
5. The company routinely posts videos on the front page of its website that depict the benefits of private coaching. The videos connect potential clients with CoachUp's core belief—that coaching is the secret to reaching the next level in both sports and life.
6. CoachUp founder Jordan Fliegel is very transparent about his story—of being a mediocre high school basketball player who, through the efforts of a private coach, made his high school team, played in college, and played professional basketball overseas. The company's core values are also very visible and transparent. CoachUp believes that private coaching helps boost the performance and life skills of athletes and provides extraordinarily rewarding experiences for coaches.
7. The company is active on both Twitter and Facebook. As of June 2014, it had 4,780 Twitter followers and a very active Facebook page.

8. CoachUp offers a 100 percent money back guarantee on all sessions. CoachUp also provides a phone number on its website (1-888-680-4750) and encourages its clients or prospective clients to call at any time with questions or concerns.

CoachUp prominently features this information on its website. It's tastefully done, provides useful information, conveys the company's values, and provides multiple opportunities (i.e., FAQ, blog, Twitter, Facebook) for prospective customers to get to know the company before trying it out. While these techniques serve multiple purposes, they're essential in helping CoachUp build credibility and trust with its target market.

Charity: Water

Charity: Water is a nonprofit organization bringing safe and clean drinking water to people in developing countries. Founded in 2006, it has helped fund over 11,700 water projects in 22 countries.

Charity: Water was started by Scott Harrison. Harrison developed a passion for helping alleviate the plight of the 1-plus billion people in the world who do not have access to clean water. The company started when Harrison asked a large group of family, friends, and acquaintances to attend his 31st birthday party. Instead of giving him a gift, he asked each invitee to pledge \$31 to help him start a nonprofit to focus on clean water. A total of 700 people attended, and the money was used to fund the drilling of six wells in a refugee camp in Uganda. Charity: Water has grown and is now active across the world. It has done many things to bring the urgency of its cause to the attention of the public, including setting up an outdoor exhibition in New York City in which it displayed tanks of water that were similar in appearance and quality to the poor-quality water consumed daily in many parts of the world. In 2012 alone, Charity: Water raised \$33 million and funded more than 2,000 water projects. Its projects vary from country to country depending on water sources, the nature of the terrain, and the local population. Its solutions range from drilled wells to rainwater catchments (gutters on rooftops that catch rain water and place it in sanitary holding tanks) to spring protections (a system captures and safely stores pure water from a natural spring).

That's what Charity: Water is about. Like any charity, it relies on the trust and support of its donors. Here's how Charity: Water covers the eight techniques shown previously for building credibility and support.

1. It has a professional logo design, beautiful website, and a .org e-mail address.
2. It's attracted considerable press and has been featured on MSNBC, ABC, CNN, and Fox News. Articles have been written about it in *The New York Times*, *USA Today*, *The New Yorker*, and other outlets.
3. A number of high-profile people have raised money for Charity: Water, including Tony Hawk, Justin Bieber, and Dr. Oz. In each area of the world it enters, Charity: Water collaborates with local partners to complete its work.