

## Goodwill Hunting

Rebranding castoffs as couture — or at least competitive with Wal-Mart.



### Goodwill

In the first eight months of 2008, sales at Goodwill stores in the United States and Canada increased by 7 percent over the same period last year. While that obviously runs counter to trends being reported by most retailers these days, it's hard to say whether it counts as good news that more people are evidently buying secondhand goods. After all, many of us probably don't think of Goodwill in terms of retail; we think of it in terms of charity.

But operators of some Goodwill stores have been making efforts to prod us to think a little differently, or perhaps more expansively, about the brand — and quite possibly the present economic gloom has primed us to be more open to that idea. Washington-area Goodwills, for instance, promote their stores with Webcast fashion shows as well as a popular blog, [dgoodwillfashions.blogspot.com](http://dgoodwillfashions.blogspot.com), which highlights great bargain finds at their shops. Goodwill Industries of Central Indiana has commissioned advertising for its stores that emphasizes pleasurable bargain hunting at least as much as altruism. Goodwill Industries in the San Francisco area has worked with the

Joe Boxer founder, Nicholas Graham, on the creation of a line of new clothes made out of discarded items, under the name William Good. The more than 2,200 retail stores (counting international locations) bearing the Goodwill name all follow certain guidelines set down by Goodwill Industries International. But the management and operation of those stores are decentralized: there are 168 North American “member agencies,” each rooted to a particular geographic area. This means that donations stay within a particular region; it also means that stores in different areas can pursue different promotional strategies. Goodwill Industries of Central Indiana, for instance, was operating 23 stores in Indianapolis and surrounding areas in 1996, when its management decided to take the unusual step of hiring an advertising agency as a way to increase sales, says Cindy Graham, the vice president of marketing. Young & Laramore, an Indianapolis agency, helped devise the campaign to position Goodwill stores less as charity and more as discount retail. This meant changing the perception of potential shoppers who might think of Goodwill as a place where poor people bought castoffs, not as a competitor to Wal-Mart. Since then, Young & Laramore helped create two dozen TV spots, mostly lighthearted and upbeat and often featuring an amiable young guy in a Goodwill uniform. The Goodwill Guy picks through donations bearing brand names like Ralph Lauren and Donna Karan or tells the “scary story” of the woman who missed out on the perfect bolero jacket because she didn't buy it on the spot. In some of the ads, the Goodwill Guy presents more traditional charitable messages about how your donations help those less fortunate, but always with a light tone. Perhaps the most cunning of the ads combines these ideas, making a case that shopping (at a Goodwill store, anyway) is in and of itself an act of charity.

Today, Goodwill Industries of Central Indiana has expanded to 40 locations, and its store revenues have grown apace — 2007 sales were around \$45 million, up 17 percent from 2006. Graham says area population growth, improved customer service and careful management have been factors, too. But, she figures, “the advertising is a big part of the increased sales.” And elements of the Central Indiana campaign have been used by Goodwills in 72 other markets in the United States and Canada, according to Ann Beriault of Young & Laramore.

Goodwill Industries of Greater Washington has taken a different approach but with similar goals. For the past few years, it has organized a Fashion of Goodwill runway show and Webcast featuring models in outfits plucked from its stores (and subsequently auctioned off). Last year, the retail marketing manager Em Hall took on the role of D.C. Goodwill Fashionista, whose engaging thrifter blogging about discoveries in that region's nine stores attracted attention and even won her an invitation to blog from New York's Fashion Week.

None of this is to suggest that the nonprofit is backing away from its altruistic mission. The charity says that 84 percent of its total revenues go toward job training and placement and other programs. Even so, these efforts suggest an element of the Goodwill idea that is not simply about good will but also, to be blunt, about how there's something good in it for you. ■