



# How to Increase Donations from Local Businesses

Follow these six rules to spur companies to give to your organization.



By Christina Cockerham

Many nonprofits seeking donations from local businesses focus their appeals solely on the community good their programs accomplish. While corporations may be moved by the mission, they can't justify donating on goodwill alone — no matter how compelling.

Corporations increasingly must show a return for every dollar in their budget. Even without this requirement, it's just good marketing to demonstrate business value to your target audience. You need to show how the company can actually *increase its sales* by teaming up with your organization. Here are some rules to follow:

## 1. Show a path to new customers.

It's sometimes difficult for a company to see how the most common "value" offers — their logos on your event banner or Web site, for example — create value in the form of new business for them. To increase traction with potential donors, enhance the scope of the offer, always considering it from a business point of view.

For example, if the targeted donor sells children's clothes, don't focus only on how the company's donation will help children. Show how news of the donation will reach the company's customers — community parents, grandparents, or whoever those customers may be. Detail how the company's participation might

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encourage people in the community to purchase its clothes.

You might offer to include a coupon for the store on an information table, in your event hand-out bag, or in your mailings. These tactics are concrete ways a business can acquire new customers. Redeemed coupons will testify to the results of their participation in your fundraising efforts.

## 2. Get to know your event/campaign participants. Then find the companies that want their patronage.

You certainly want to target specialty businesses that tie closely to your event or campaign. For your golf tournament, you would solicit golf stores about sponsorships, for example. However, don't overlook less obvious candidates.

There are other businesses in your community that want the attention of your event's participants. If the golf teams consist of executives from local companies, think about other businesses that would like those executive golfers as customers. Consider local printers, office supply stores, or cleaning services, for example. They may be open to sponsoring your event or donating money and materials if it will get those executives' attention.

Look for businesses that not only want your participants as customers but also would benefit from the value already in your audience or campaign.

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# CREATIVE FUNDRAISING IDEAS

## Round Up for Charity

Many electricity co-ops let customers round up their monthly bills to the nearest dollar and contribute the difference to charity. See if you can set up a similar program in your community.

## Send Out Welcome Books

Send every new donor a “welcome book,” encouraging them to customize their relationship with your organization. Include a survey for them to return with information about themselves, a card they can fill out with names of others who might want to become supporters, a list of ways they can become involved, an invitation to join your organization’s monthly support plan, material about planned giving opportunities, and, of course, a return envelope.

## Make It More than a Filing System

Every nonprofit, no matter how small, needs a good database, one that gives a complete picture of donors and prospects. Use the Internet to gather information about donors — who they are, whom they know, what they like, and what they will support. For more information, see *Direct Response Fundraising* (John Wiley, [www.wiley.com/nonprofit](http://www.wiley.com/nonprofit)).

### 3. Maintain donor value throughout the campaign and beyond.

Show donors that you’ll preserve the value received from participation in your fundraising campaign or event. Refer your staff, friends, and board members to their businesses.

Above all, don’t muddy the value for your donor once you have the donation. This happened to a donor who owned a coffee shop. She received numerous appeals to donate coffee and felt good about her donations until she attended an event as a patron. There she saw the group’s volunteers serving her donated coffee from large urns — with the name of a competing vendor blazoned across the front. She asked a volunteer about the origin of the delicious coffee, and the volunteer simply pointed to the name on the urns. Needless to say, the shop owner didn’t feel her gift created business value, and she wasn’t inclined to contribute to this organization again.

### 4. Let the donor help shape the donation.

Stay flexible. The company may have a specific idea about what it wants in return for its donation. If you can’t work directly with the company’s decision-makers, consult constituents or volunteers who work for the prospect company. They may be able to help you shape a value proposition that will

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resonate with the corporate donor.

Consider this example. The next time the coffee shop owner was approached for a donation, she agreed to donate coffee only if she could serve it at the event herself, in her own urns. Serving the coffee provided the shop owner with a much greater business return — she had an opportunity to chat with event patrons while wearing an apron adorned with her business logo.

The nonprofit’s development manager might not have considered asking the business owner to participate as a volunteer, assuming she was too busy. By remaining open to the arrangement that best suited the donor, the organization received a donation *and* a volunteer.

### 5. If you can’t get the donation, ask for volunteers.

If you’re not successful getting monetary or material donations from a company, getting volunteers may be a strong step in that direction. Building relationships with a company’s employees can create powerful inside-advocates for your organization. It can also keep your program in front of decision-makers. As corporate insiders, employees in donor companies will also be well-equipped to help

you gain donations, since they have knowledge about the company’s customers and the value the company seeks.

### 6. Track prospect information, and use it to your advantage.

You need to know a great deal about your target business, its customers, and its employees. This information will help you learn what constitutes value to the company. Donor management or fundraising software can go a long way in helping create comprehensive profiles to review. It can also suggest contacts to help you craft the best value message. ■

#### Resources

Mullen, Jennifer, “Nonprofits Must Take the Lead in Business Alliances,” *Nonprofit World*, Vol. 20, No. 2.

Weisman, Carol, “The Care and Nurturing of Corporate Friends,” *Nonprofit World*, Vol. 14, No. 5.

*These resources are available at [www.snpo.org/members](http://www.snpo.org/members). Also see Learning Institute programs on-line: Resource Development ([www.snpo.org/li](http://www.snpo.org/li)).*

*Christina Cockerham is a product marketing manager at Best Software ([www.bestsoftware.com](http://www.bestsoftware.com)), a leading developer of business management products and services. The company delivers easy-to-use, scalable, and customizable applications through its portfolio of leading brands, including the MIP Fundraising and MIP Fund Accounting products for nonprofit and government organizations.*