Please Give Generously: How Your Nonprofit Can Help For-Profit Corporations

id you do a double-take on the title of this article? Good. It was supposed to get your attention.

You need to look at partnerships in a whole new way

Your best strategy is a cross-sector partnership.

Standard thinking on the nonprofit/for-profit relationship is that nonprofits go in, hat in hand, seeking funds from big, rich, for-profit companies who may — or may not — deem them worthy of their philanthropy.

Gaining funds might depend on the foundation or corporate marketing director's mood. Or the company's current sales figures. Or their board of directors' list of pet charities (no pun intended, animal shelters).

But whatever the reason, many nonprofits feel perpetually disadvantaged when it comes to their raison d'être: raising funds to provide their needed services.

I see this mindset in the collective psyches of many nonprofit organizations. And I'm here to tell you that not only can it sabotage the success of your mission, but when it comes to cross-sector partnerships and cause marketing, it's flat-out, factually, wrong.

If you go in hat-in-hand with nothing to offer your donors but the satisfaction of giving, your organization will likely continue to be blown like a fallen leaf in the winds of the economy and the whims of your benefactors.

This article gives you the help and heat you need to melt away those nagging nonprofit feelings of inferiority, because to succeed in the nonprofit world, your entire organization needs confidence — of the personal, psychological kind — when seeking funding.

Marketing a Cause as Equal Partners

For long-term stability even during shaky times, your nonprofit's best strategy is a cross-sector partnership, especially using cause marketing, where both sides work together as equals. Equality is necessary for a partnership that's successful for both sides. And to feel like equals with big, profitable corporations, nonprofits need to

What Is Cause Marketing?

Cause marketing is a subcategory of cross-sector partnerships. Sometimes called cause-related marketing, it's a partnership between two or more nonprofit and forprofit organizations whereby each party receives benefit toward their individual marketing objectives, while striving, through their combined resources, to create a greater good. As its name implies, cause marketing is a strategic

marketing campaign, with specific goals and objectives to raise funding for the nonprofit while increasing the sales of the for-profit's products or services. It is not an event, sponsorship or one-time project. It's not philanthropy.

Cause marketing, indeed cross-sector partnerships in general, works just as well for a small organization as it does for a very large national organization. The concepts are the same, though the scale may be different.

Understand exactly how powerful you are.

understand exactly how powerful they actually are in this nonprofit/ for-profit conversation.

The Monetary Power of Your Cause

In 2012 an estimated \$1.7 billion was spent in North America alone on cause marketing campaigns. And a recent research study by Cone Incorporated found these startling statistics about cause marketing:

- 92% of people have a more positive image of a company that supports a cause they care about.
- 85% of the public want to buy a product that supports a cause.
- 87% of the public are likely to switch to a product or service if it's associated with a good cause.

These percentages go up even further when you look at Millennials (people born in the 1980s and early 1990s), who are the most sociallyconscious consumers to date and are even more likely to try a new product because of a cause affiliation.

If you're the sales manager or marketing director of a for-profit business or the fund development director of a nonprofit, these statistics are big. Very big. No other form of marketing can stimulate this kind of sales, customer loyalty, brand awareness, and public relations benefit.

You need to take these statistics and make them an integral part of the way you view your organization. It's critically important for you to keep them in your mental back pocket when entering into discussions with a potential for-profit partner. You and the cause you represent are valuable.

The Gorilla in the Room

The most successful corporations know — and specifically address — the uneasiness that exists between the for-profit and nonprofit sectors — the unspoken "gorilla in the room." Bobbi Silten, chief foundation officer of the Gap Foundation, put it this way: "There's a dynamic that will probably never go away, and that's a power dynamic that's based on money. There are the people who hold the cash and the people who need the cash. So in our initial meeting with nonprofits we talk about this power dynamic of money. We say that we can never make that dynamic go away, but what we can do is endeavor to level this power dynamic as much as possible. It's about trust, being transparent, and putting the cards on the table."

The Business Value Proposition (BVP) Approach

What's missing most in the entire realm of relationships between different sectors is that this is a business discussion. This isn't about "I have a need and I want you to help me fill it." It's about "How can I best help you meet your business objectives, and how can you help me best meet mine?" It's just that simple.

Sadly, few nonprofits use the strategy that's most effective when approaching for-profits: a Business Value Proposition approach. We'll cover how to put together your BVP in the next segment of this two-part series. For now, you and your team should get very clear on



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The Benefits of Partnering

While working with nonprofits and for-profits, I always ask the stakeholders to specify how they believe the partnership has been beneficial to their organization.

The number of benefits nonprofits receive from partnering with a for-profit organization now totals 31. 31! No, they're not just different versions of The One (funding). These benefits include increased funding PLUS expanded donor bases, new business connections, in-kind donations, increased brand recognition, media coverage, earned income opportunities, and literally dozens more.

But the most amazing discovery I've made is that for-profit stakeholders actually name MORE than 31 benefits — 38 to be exact — that they receive from partnering with a nonprofit!

Yes, the for-profit organization can potentially receive more benefits than the nonprofit in a partnership. Let that one sink in for a few minutes, and take a look at the top 10:

The Top 10 Benefits For-Profits Receive from Partnering with a Nonprofit

- 1. Increase sales of products or services.
- 2. Increase employee engagement, morale, and retention.
- 3. Increase customer and brand loyalty.
- 4. Draw media attention and coverage for free.
- 5. Provide motivating purpose for their company and employees.
- 6. Increase shareholder return.

- 7. Increase employee skill development, teambuilding, leadership.
- 8. Attract new business partners and relationships.
- 9. Generate recognition for the good they create in society.
- 10. And of course, receive a tax deduction for their contributions.

Each company is different, of course, but reviewing these (and the full list of 38 at bruceburtch.com) should shed some new, genuinely empowering light on you, your staff, and your entire organizational self-image.

The key takeaway is to realize how powerful you are in presenting a partnership opportunity. It changes things, doesn't it? It means that when you're developing your partnerships with a for-profit partner, or any sector, you can go in with the absolute proven confidence that you bring them every bit as much, if not more, than they can give to you.

When you explain the truly amazing quantity and quality of benefits that partnering with your nonprofit can bring to them, and how these benefits will directly address their core business objectives, they will want to partner with you. And when two cross-sector partners come together and put all their marketing and intellectual focus on the cause, amazing things can happen.

Part 2 of this series will address successful Business Valuation Propositions in more detail.

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