

Pitfalls to Avoid when Seeking Corporate Support

Steer clear of these errors if you want to enjoy corporate largesse.

By Yvette Lynne Bonaparte

Many nonprofit organizations receive generous, long-lasting support by creating partnerships with corporations. In return, these nonprofits help their corporate partners connect with causes, events, and audiences. Everyone agrees it's a win for both sectors. Yet, despite the advantages of collaborating with for-profits, nonprofit organizations receive only 10% of available corporate sponsorship dollars.¹

To take advantage of this vast untapped opportunity, nonprofits need to refine their approaches. And that means bypassing six all-too-common mistakes.

The Six Biggest Mistakes

MISTAKE #1: FOCUSING ON ONLY ONE TYPE OF GOAL

When approaching corporations about a partnership, many nonprofit leaders talk only about goodwill goals and fail to discuss marketing objectives. Businesses do care about goodwill, but marketing comes first for them. Thus, it's crucial to emphasize both goodwill and marketing objectives when making your case to corporations. Here are some of the points to make:

When you talk about goodwill goals with corporations, explain how a partnership with you will:

- **enhance** the corporation's image
- **deepen** employee satisfaction
- **develop** social responsibility.

When you discuss marketing objectives, tell corporate leaders how you can help them:

- **reach** the company's target audiences
- **bolster** the corporation's brand
- **promote** the corporate name.

“Use stories to help corporate leaders understand nonprofit culture.”



The more you combine conversations about both types of goals, the more interested corporations will be in supporting you.

MISTAKE #2: NARROWING YOUR REQUEST TO JUST ONE KIND OF GIVING

It's also important to understand the many types of corporate giving. Donating cash is only one way businesses can support nonprofits. They can also do some or all of the following:

Give in-kind contributions (such as furniture, computers, or auction prizes).

Sponsor nonprofit activities. Corporate sponsorship is a common way for nonprofits to initiate a partnership. For example, you might ask a business to sponsor your fundraising auction, and reciprocate by adding the company's name and logo to all your signage and materials promoting the auction.

Ask the company's employees to volunteer. Businesses can offer their employees paid hours to volunteer and perks such as extra time off, special recognition events for volunteers, and so on, thus providing your organization with new supporters.

Create a cause-marketing alliance, in which the company ties its product to your organization's cause. More and more corporate leaders realize that consumers are more apt to buy a company's products if they know the purchase will benefit a worthy cause. A business will often donate a certain percentage of its sales to a nonprofit during a specific period. It's good to remember that corporations are more likely to use cause marketing for a brand that's already established than for a brand they're just introducing.

Provide business skills — including personnel management, marketing, customer relations, and information systems. Corporate leaders are usually happy to share their knowledge, and it can make a huge difference to a nonprofit. For instance, leaders at Toyota have taken their sophisticated production expertise and helped nonprofits of many types improve their efficiencies. In Harlem, these business leaders

¹“Boost Your Share of Corporate Sponsorships,” *Nonprofit World*, 29 (4).

“Marketing goals come first for corporations.”

helped trim the wait at a soup kitchen from 1.5 hours to 18 minutes.²

MISTAKE #3: IGNORING THE IMPORTANCE OF “FIT”

For your partnership to succeed, there must be a good fit between your organization and the corporation’s goals, mission, and image. When seeking a partner, peruse a variety of corporate websites and look for businesses whose customers are a compatible match with your donors.

Research shows that low-fit partnerships result in less favorable attitudes toward the corporation, generate fewer responses from the target audience, and do a poor job of raising consumer awareness. A bad match can also backfire for your organization if your supporters don’t feel an affinity for your corporate partner.³

MISTAKE #4: ASSUMING THEY KNOW WHAT YOU KNOW

Another common misstep is to assume that for-profits understand nonprofit culture. The truth is that the two cultures are miles apart, and corporate leaders won’t understand your mindset unless you clarify it for them. Take it as your role to interpret the nonprofit world for everyone you meet in the corporate sector. What seems obvious to you, after working for years in the nonprofit sector and caring deeply about social causes, may well be opaque to them. Open up that world to them with stories and research that highlight the vital role nonprofits play.

For example, we in the nonprofit sector know that giving has major benefits not only for the recipients but for the givers themselves. But corporate leaders may need concrete evidence of that fact. Fortunately, plenty of research proves that people are happier when they give. Sophisticated imaging shows positive changes in people’s brains when they’re altruistic. If companies understood that they could help their employees become happier simply by encouraging them to donate time and money to nonprofits, everyone would win. Corporations can have a big impact on volunteerism, forming groups of employees who can volunteer together at various nonprofits and encouraging an influx of expertise to nonprofits that need it. Rather than focusing only on what corporations can do for you,

²As described by Nicholas D. Kristof and Sheryl Wudunn in *A Path Appears* (Alfred A. Knopf).

³“Sponsorship-Linked Marketing: Opening the Black Box,” *Journal of Advertising* (34).

explain how creating such employee groups will benefit the corporation — improving staff morale, reducing turnover, and boosting productivity. That’s the kind of bottom line they’ll understand.

MISTAKE #5: NOT LEARNING THEIR LANGUAGE

Just as the nonprofit culture tends to be a mystery to for-profits, their world may be unfamiliar to you. Ask business leaders on your board to teach you the language of big business. Get a feeling for corporate ways by scrutinizing company websites, and dig deeper to understand concepts that puzzle you.

When you meet with corporate leaders, ask lots of questions. Make it a give-and-take in which you share your different perspectives.

MISTAKE #6: TAKING A SHORT-TERM VIEW

Too many nonprofits contact corporations only when they need a favor or an influx of cash. If you want a true partnership, you need to have a long-term attitude. Here are some ways to foster such a view:

Get to know the corporation’s strategic vision, and keep it in mind with everything you do.

Monitor what’s going on with your partner. Look for ways you might help or just connect. Send them a note, for example, if they show up in the news. Congratulate them whenever you hear of their achievements. If they have a blog, read it, “like” it, and comment on it.

Keep in touch, frequently sharing your plans, projects, successes, and ideas.

Invite them to events, meetings, banquets, and other gatherings — especially ones that involve your clients so that they can see the positive results of your organization’s work.

Thank them often. Show your deep appreciation.

Follow “the Platinum Rule”: Give more than you receive.

Keep up communication, regularly and consistently, over the long haul. Make it a relationship that lasts forever.

The Best Tips to Follow

The following recommendations are gleaned from one nonprofit’s successful quest to gain corporate support.⁴

1. Create a list of potential businesses to approach for funding. To do so, review corporate websites to gain insight into each company’s marketing strategies. You can then leverage this information in your funding proposals. You’ll want to approach companies whose audiences, mission, and values mesh with those of your organization.


⁴Yvette Bonaparte conducted this research to assist a health improvement center that targets African American women. Her recommendations are based on findings that helped the center add corporations as a new funding source.



“Corporate leaders are usually happy to share their knowledge.”

Understand the potential partner’s budget cycle, and ensure your request is timed appropriately.

Illustrate your ability to set and achieve goals. Create realistic plans, report your results, and do what you say you will.

Develop a partnership in which there are shared goals, common values, mutual understanding, and a long-term view of the relationship.⁵ 

2. Identify key messages that highlight the fit between each company and your organization. Incorporate those messages into the communication materials you use to correspond with the company.

3. Periodically review and apply the following best-practice checklist:

BEST-PRACTICE CHECKLIST FOR APPROACHING CORPORATIONS:

View corporations as partners, not just as revenue sources.

Learn everything you can about each potential partner.

Find and connect with a champion within the corporation — someone who believes in your partnership and will work hard to be sure it succeeds. (Board members can be excellent allies in helping you identify and contact such a person.)

Show your ability to help the corporation with not only its goodwill goals but also its marketing objectives. Demonstrate an understanding of long-term corporate strategies.

Leverage the opportunity for synergies by targeting corporations with audiences similar to those of your organization.

Make every attempt to connect with decision makers within the corporation. Ask your board members for help in mining their contacts.

Ensure your message and materials are concise and relevant.

Use stories and research to help corporate leaders understand nonprofit culture.

Be sure to explore all types of giving with your corporate partners.

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⁵ Adapted from “Twelve Steps to Non-Profit Sponsorship Success,” *Fund Raising Management*, 27 (3), and “Boost Your Share of Corporate Sponsorships,” *Nonprofit World*, 29 (4).

Explore Corporate Giving in More Depth

These and other resources on fundraising, including the search for corporate support, are available at NonprofitWorld.org:

Is a Cause-Related Partnership in Your Future? (Vol. 32, No. 1)

How to Target Corporations to Diversify Your Funding Mix (Vol. 25, No. 1)

Take the Collaboration Quiz (Vol. 24, No. 3)

Relationship Marketing: Guaranteeing the Future (Vol. 14, No. 5)

For Long-Term Stability, Look to Corporations (Vol. 32, No. 4)

How to Address the Funding Crisis? A Proven Option Lies Right Before Your Eyes (Vol. 30, No. 3)

Also see Learning Institute programs on-line: Resource Development (NonprofitWorld.org/li).