



Unlock Fundraising Potential with Affinity Marketing

Many nonprofits shy away from this form of fundraising, but it can work beautifully if you take an active part in making it succeed.

By Steve Halliday

One tool to help you raise funds is affinity marketing. With this approach, a for-profit organization sells products and services—often ordinary items like TV, phone, and Internet services, credit cards, and insurance—to your supporters and donates a portion of the proceeds back to your organization. The percentage you receive can be as high as 10% of the proceeds.

Nonprofits Speak Out

The list of nonprofits using affinity marketing is long and diverse. Many are small, local groups, while others are household names. For example, American Center for Law and Justice (ACLJ) Chief Counsel Jay Sekulow says, “Affinity marketing provides a steady stream of support for us while giving our members a chance to get great services and help the ACLJ when they pay for those services each month.”

Bishop T.D. Jakes, founder of The Potter’s House says, “Affinity marketing lets our constituents support us while buying things they would be spending money on anyway, such as phone service. If we kept asking donors to give, they would develop fatigue at a certain point. But when they know that every time they pick up the phone, they’re helping us,

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we’ve gained their support without causing them any added expense.”

These and other nonprofits are gaining funds each month from their supporters’ use of ordinary products and services. People are happy to contribute to their favorite cause without spending any extra money.

Making It Succeed

Not every nonprofit is sold on affinity marketing. Some fear (unnecessarily) that it will create tax or regulatory obstacles. Others see affinity marketing fail due to their own misconceptions about how such programs work. For instance, they mistakenly believe they have no role in helping the program succeed. Or, they expect it to be a replacement for their other fundraising activities. Some choose the wrong affinity-marketing partner. Still others don’t effectively market the program to their constituents.

Affinity marketing is a simple concept, but it requires commitment and due diligence on your part. To succeed, follow these basic tenets:

Select a qualified affinity-marketing partner. The company should share your organization’s values, and should offer products and services that are competitively priced and

appealing to your constituency.

Be sure your partner has a strong customer-service orientation, demonstrated by high-quality products backed by manufacturers’ warranties. Check that it has a modern customer-service center equipped with state-of-the-art voice and data technologies and staffed by well-trained and courteous customer-service representatives.

The right affinity-marketing partner will have an in-house marketing team to help you develop creative strategies for stimulating sales and maximizing funds. It will be able to give you a list of nonprofit organizations with whom it partners and which have long-standing successful affinity-marketing programs.

Choose an affinity-marketing team leader from within your organization. This person should do the following:

- Oversee the program, and serve as the liaison with the affinity-marketing company.
- Keep track of how the program is working. Note how products are selling, how satisfied customers are, and how much money has been generated.
- Help develop promotional campaigns.
- Present progress reports to the nonprofit’s board and executive leadership. It’s vital to have their total buy-in for the program to succeed.

Develop a multi-channel, piggy-

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back marketing campaign. Work with your affinity partner to design a campaign that will inform, educate, and motivate your supporters. Communicate through all media channels, including print advertising, direct mail, newsletters, online marketing, and social networking.

Use a **simple, direct approach to explain the program to your constituents.** Show them how their monthly bills can generate funds for your organization month after month. Promote the affinity partner's products and services by highlighting desirable features and purchase price. Remind your supporters that a portion of the proceeds from each sale will be donated back to your organization. Reinforce the importance of their participation by keeping them informed about funds generated through the program and how you use those funds.

Build the value of the program by using it to boost contributions for existing fundraising initiatives. For example, use the affinity marketer's products and services as raffle prizes for special events, use its telephones for a telethon, or ask the affinity-marketing partner to have an exhibit booth at the next big meeting, conference, or community fair. ■

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Some affinity partnerships fail because of nonprofits' misconceptions about how such programs work.

More Collaborative Ideas

For more advice on working with for-profits for mutual benefit, see these *Nonprofit World* articles at www.snpo.org/members:

- **Making the Business-Nonprofit Partnership a Win-Win** (Vol. 22, No. 1)
- **How to Target Corporations to Diversify Your Funding Mix** (Vol. 25, No. 1)
- **For-Profits and Nonprofits Meet Missions Together** (Vol. 25, No. 4)
- **Enlightened Self-Interest: Selling Business on the Benefits of Cause-Related Marketing** (Vol. 15, No. 4)

Also see Learning Institute programs on-line: Resource Development and O for Opportunity: Exploring New Revenue Opportunities for Nonprofits (<http://www.snpo.org/lino>).

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