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**THE CHRONICLE OF PHILANTHROPY**  
**LIVE DISCUSSIONS**

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**Corporate Marketing Deals for Charities**

Tuesday, July 8, at 12 noon, U.S. Eastern time

Charities are increasingly arranging marketing deals with companies as a way to raise money and attention. In addition to getting a portion of the sales of a product, charities that enter into these deals often get other benefits.

Companies usually foot the bill for advertising and other promotional efforts for the charities they support, an expense many charities could not otherwise afford. What's more, companies that offer marketing deals to charities often end up sending employees to volunteer for the charity or making outright grants to the organizations.

But these deals also have drawbacks. Nonprofit groups need to make sure they enter into smart partnerships that won't damage their reputations or get lost in the mix of marketing efforts involving other charities.

How can your charity make the most of its corporate marketing partnerships? What are the pitfalls? And what are some examples of deals that are good models for other charities?

A panel of experts will be available to answer these and other questions.

**Related Articles**

- [To Market, To Market](#)(5/18/2006)

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**The Guests**

**Katrina McGhee** is vice president of marketing at Susan G. Komen for the Cure, in Dallas, where she oversees more than 100 corporate marketing relationships for the breast-cancer charity.

**Michal Ann Strahilevitz** is an associate professor of marketing at Golden Gate University, in San Francisco. Over the past 12 years

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she has carried out research on factors affecting the success of cause-related marketing campaigns. Her research on cause-related marketing has been published extensively, both peer-reviewed academic journals, and in practitioner-oriented news publications.

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A transcript of the chat follows.

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**Peter Panepento (Moderator):**

Thank you for joining us for today's live discussion about corporate partnerships for charities. These marketing arrangements are increasingly popular for groups looking to raise money and improve their public profile. But they can be tricky propositions, as well. To help you navigate your charity through the world of cause marketing, we've enlisted two fantastic experts who can answer your questions on this topic.

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**Peter Panepento (Moderator):**

You are invited to ask questions or post comments for the next hour. To do so, simply click on the "ask a question" link and type in your query or comment.

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**Question from Catherine Peila, Silesian Dance Theater, international dance institution:**

Are you able to comment on international partnership programs and a process where an American non-profit can work with an international corporation to help support an international dance or theater company (for instance) come to the United States for a tour?

**Michal Ann Strahilevitz:**

I look at all these things from a marketer's perspective. So if you are going to spend corporate funds, it needs to be relevant to the TARGET MARKET of your products and services. So my answer would depend on the niche you are targeting. Why? Because cause-related marketing only boosts sales if it is relevant and appealing to the target market. It is not fair to employees or shareholders to randomly choose causes to support based on the passions of the CEO or CMO. Cause-related marketing should be good for the bottom line (by being relevant to customers and potential customers) as well as good for the cause(s) you choose to support.

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**Question from Denise:**

Hello. I work for a small, cancer-related nonprofit that has a national presence. Recently, we've been trying to get pharmaceutical companies to become corporate sponsors. However, we're having trouble "closing the deal." We've been able to arrange for phone and in-person meetings with representatives on the marketing and sales side of the business, during which we've gotten positive feedback. We've followed up in regards to these requests, but haven't gotten a reply. It's been several weeks. Do these things take time, or is there a flaw in our approach?

**Michal Ann Strahilevitz:**

I would not blame yourself. So many things could affect how quickly you hear back, including the personality of the individuals and the number of similar inquires they receive! I might suggest casting a wider net. Going back to the issue of target audience (for the companies you target), think about other companies who market to people who tend to be passionate about your cause. (Perhaps baby boomers?) Then when you meet with the potential partners, focus on the appeal you have to their target markets, as well as on the net impact of your organization. Both matter when you "pitch" a potential partner.

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**Question from Kevin Feldman, Consultant:**

Please provide a best example of a charity-corporate partnership, to give us an idea of what the typical nonprofit should aim for. What would be the "win-wins" for both partners?

**Michal Ann Strahilevitz:**

Oh my! There are so many, I can't pick! I hope that does not sound like I am bailing on the question. If you want to see dozens of fabulous examples, as well as articles on WHY some cause-related marketing campaigns were particularly outstanding both for the marketer (for profit) and for the nonprofit, I would check out CauseMarketingForum.com. They have a regular newsletter, conferences, and awards for cause related marketing ventures that worked. They also talk about how and why they worked.

Rather than be forced to pick ONE outstanding one, I would focus on the basics. Again, the chosen cause should be relevant to the marketer's target market. The funds guaranteed should be substantial enough to matter. Charities should be careful to choose partners that will NOT turn off their donor base. Also, the products that benefit MOST from cause related marketing tend to be those that are seen as pleasure-oriented (vacations, spa days, ice cream) as opposed to those that are seen as more practical (a new washing machine, dental cleaning, garbage bags). This does not mean that practical products and brands can not benefit from cause-related

marketing, only that there may be an advantage to marketers of luxury and pleasure oriented products and services. Also, regardless of the products and charities involved, it is critical that the entire relationship be marketed well. So making sure the consumers know about the cause they are supporting when they buy the products helps to make cause-related marketing a win-win-win for the consumers (who feel good), the for profit marketer (who gains sales and strengthens their brand) and the nonprofit (that may get a bump in awareness).

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**Peter Panepento (Moderator):**

To piggy back on Kevin's question, I'd suggest checking out a story I did not too long ago on successful corporate marketing deals. The story includes case studies of several partnerships that could be a great model for your organization. You can find the story here:

<http://philanthropy.com/free/articles/v18/i15/15002001.htm>

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Question from **Rochelle Davis, Peace and Love:**

My question is to Katrina - does the Susan G. Komen Foundation have a standard co-branded partnership agreement for pitching corporations? I would assume, if you do, once you define how much the corporations which to support the organization and how you personalize the agreement - or do you generate a new agreement from page 1 to...every time?

Question #2 is for Michal Ann or Katrina - do you believe that your organization has to have a national platform to get corporations involved - or can you show equal success on local levels?

Question #3 Do either of you have a sense of what companies, product lines or brands are more open to forming charitable partnerships? Thanks.

**Katrina McGhee:**

Great questions Rochelle! Yes, we do have standardized materials that provide a general overview of Susan G. Komen and the many ways companies can engage with us. We utilize this more as a guide for our conversations with potential partners rather than a sales tool. Once we identify areas of synergy we are better able to customize a unique platform that meets our mutual objectives.

I think you can have great success engaging local companies in causes that are relevant to their community. The key is not whether

you're a national organization, but instead if the cause resonates with a broad enough constituent base within a given target area.

Many companies support some type of charitable cause. We have partnerships with companies in a variety of different industries. Everything from restaurants to aviation to automotive engage in some form of charitable partnership. The key for you is to determine what type of company would make a natural fit because of what they produce or the service they provide and which has a similar target audience as your organization.

**Michal Ann Strahilevitz:**

Michal: Luxury high end products might be more inclined. However, often this decision comes from the top of the organization. So looking at companies that already have indicated a commitment to corporate social responsibility is another way to find potential corporate partners. As for which ones will want to partner with YOUR CAUSE, from a marketer's perspective, it should not be the CEO's or CMO's passion that drive decisions on which causes to partner with. It should be the passions of the target market. That said, reality 101, we are all committed to our causes, so if you know the founders of google are highly committed to stopping global warming (they are, it is one of their 3 areas of focus) then it might make sense for you to talk to them if you are an environmental group. If you know the founder of some other company survived ovarian cancer, chances are you will have a very open ear if your charity is helping to find a cure for that disease!

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Question from **Ruth Anne, TIDE Belize:**

Are their special considerations in developing corporate partnerships on an international basis? We are an NGO working on development and environment in Belize. I am assuming that the corporation approached would have a presence in Belize or a stated interest in the region, but what are other issues that we should consider.

**Michal Ann Strahilevitz:**

You are right than the company having a foot in Belize would help in this case. You also want companies who have target audiences that care about this part of the world. If you go with companies targeting affluent, educated, urban customers, they are more likely to care about causes around the world. Less educated and less affluent rural consumers tend to care more about local causes. Not saying there are less caring, only that the focus is more local. Yet certain segments care about certain corners of the world. Probably an easy example to illustrate is that if you approach a kosher foods company about a hospital catering to kids with cancer in Israel, you can pitch the fact that many (NOT ALL) consumers of kosher food care about Israel (and just about everyone in the

world cares about kids with cancer)! That said, if you approach a marketer of bacon about a hospital that cares for kids with cancer in Israel, they (rightly so) may not see the relevance to their own target audience. Who tends to go to Belize? DIVERS, right? So perhaps think about those companies who market to divers. (Dive gear, organized diving trips, diver training, etc). As for the environment, that appeals to a wider reach, but divers tend to care about the environment especially as it relates to places they can go diving. So I would at least start with those who market to divers and go from there.

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**Question from Angela Austin, One Love Global:**

What is the average annual cost of development for marketing partnerships and the average rate of return?

**Michal Ann Strahilevitz:**

This is like asking what is the average cost of a marketing communications campaign, and how much might you make from it? IT SO DEPENDS!!!!

The average is not even relevant, as the range can be from a hundreds of dollars (a local barber had a campaign where they linked hair cutting revenue to helping support a local after school program, I doubt they even spent a hundred dollars on it, but it was a great campaign) to millions of dollars (American Express and others have spent quite a bit on advertising to promote their cause related marketing efforts). The cost depends on the goals and the size of the market, among other things. Ditto on the money raised.

Asking about averages is not as helpful and thinking about the size of the market you want to reach and the cost of doing so. Benefits to shoot for are both those that come to the cause (in the form of funds and potential publicity--think campaign RED or all the great awareness we have of breast cancer, thanks in part to Komen and other fabulous organizations) and those that come to the for profit (in the form of increased sales as well as long term financial benefits to the brand image-- resulting in greater brand loyalty, differentiation, emotional appeal, justifying their not being the cheapest brand, etc).

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**Question from Linda, new to corporate marketing:**

Is there a formula, or can you suggest a resource, for determining an appropriate amount to request for an exclusive partnership arrangement? (that is, we will not partner with any competing companies). Thanks.

**Katrina McGhee:**

As a general rule, I don't recommend exclusive partnerships. This is particularly true if your organization is new to cause marketing. It limits your ability to engage as many supporters as possible in the work of your organization.

However, you also have to balance that with not having duplicative programs in the market place. This would alleviate any product/company differentiation for your corporate partners.

What I recommend is establishing guidelines for your organization that ensures a unique platform/space/position for each of your corporate partners. If you do start to consider exclusive agreements, I would recommend that you consider only those with a 360-degree approach that includes a significant donation, employee engagement/volunteerism, advertising/direct marketing support, and online promotion of the mission of your organization.

"Significant" is something you will have to define based on your current levels of support through cause marketing.

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**Question from Debra Lynne, Easter Seals Florida:**

Can you discuss the impact of the economic down-turn as it relates to corporate marketing partnerships? Do you have any recommendations as to how to revise approaches and/or renewals given these circumstances? Thank you.

**Michal Ann Strahilevitz:**

Economic down-turn means that more people are in need. On one hand, this means more causes that support the needy seem relevant to more people, as support for those who struggle to make ends meet is potentially having to be shared by more people now. However, the down-turn also means that the middle class is spending far more energy thinking about their own budgets and making ends meet than they were before. So there might be less interest from these consumers in funding causes or in premium brands (that are more likely to get involved in cause related marketing). Down turn means more interest in low-cost budget brands (that are often less likely to be active in cause-related marketing). Price is more relevant to consumers now, and marketers know it. This could affect their willingness to get involved in cause-related marketing, especially if their target market is not affluent. That said if you are a marketer catering to the very wealthy, it is not as much of an issue, as their spending patterns are not as affected by the down turn or the rise in food prices, gas prices, etc. So, (yes I did have a point here), luxury brands catering to the "too rich to really feel the pinch" may be the most open to

cause related marketing, as their target audience might be more able to ignore price, and focus on brand image, as well as corporate social responsibility and cause related marketing. In truth, affluent consumers often feel more guilty about being well off when they see others struggling, and that guilt may result in great donations, as well as greater interest in cause-related marketing by the marketers who are targeting them.

Another point about the down turn is that some issues are getting more attention. Gas has gone WAY UP, so more people are thinking about alternative energy. More people are struggling to put food on the table, and so more Americans may be thinking about supporting food banks. Also, times like this, where many students are being forced to quit school due to economic hardship, may make more people think about funding educational support programs for less affluent populations. (As an educator, this is a personal passion of mine. Education should not be a luxury that only the wealthy can afford. However, we are getting closer and closer to that being the case).

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Question from **Greg King, Big Brothers Big Sisters** :

We've just begun to approach businesses and tap into their marketing dollars vs philanthropy dollars. We're building a campaign for the new Marvel/Hulk movie and toys coming out in January. Can we approach different businesses with a different twist for the same issue without stepping on any toes? Movie theaters, Retail Outlets, McDonalds?

**Katrina McGhee:**

Absolutely! Not only can your platform support multiple corporate partners, but what you'll find is that they will often work together to expand the ROI on their individual promotions.

The key is to provide unique messaging and execution for each platform that ties back to the goals of your organization.

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**Peter Panepento (Moderator):**

We've reached the halfway point in today's conversation. If you've submitted a question and haven't yet seen a reply, please stick around. Our experts will be getting to it shortly. If you have a question that you haven't yet asked, please click on the "ask a question" link and fire away.

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Question from **Mary**:

How can small, relatively young charities with broad appeal gain the attention of large corporations and compete with established charities?

**Michal Ann Strahilevitz:**

I know I sound like a broken record but TALK ABOUT THE APPEAL OF WHAT YOUR ORGANIZATION IS DOING TO THE LARGE CORPORATIONS' TARGET AUDIENCES. So if you have a local program that takes inner city kids to art museums (for example) then focus on companies that target consumers who value the arts. Those consumers will be more likely to be attracted to companies partnering with such a cause. If your nonprofit rescues dogs that might other wise be put to sleep (my eyes water thinking about it), then think about the companies that target dog owners. Pretty easy to figure out who markets to dog owners....That would lead you to pitch pet food makers, large pet supply chains and the like. Those types of companies will listen, because they know their customers will care.

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Question from **Sheri, Education Foundation**:

As a newcomer to this area, what is the best way to get started?

**Michal Ann Strahilevitz:**

I would go to [CauseMarketingForum.com](http://CauseMarketingForum.com) and start reading! Lots of great information, and you will learn who (companies and causes) is most actively involved in this area.

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**Question from Scott Leibowitz:**

How do you manage small businesses that want to give you a % of their sales while using your logo but bring little, if any other, value to a partnership?

**Katrina McGhee:**

This is tricky. Our desire is to allow everyone to participate in supporting our promise to end breast cancer; however, the reality is that cause marketing may not be the best avenue for doing so for some businesses.

For many small businesses, once they find out the legal requirements for conducting a cause marketing program they often decide they cannot afford to make the investment. Those desiring to move forward are given a required minimum guarantee. This is to ensure that the basic costs on our end (legal, accounting, marketing support) are covered. I would suggest you consider a minimum threshold as a first step.

This does not sit well with everyone, but you have to remember that cause marketing is not a charitable donation - it is a marketing expense. Companies utilize this to increase sales or trial of their product/service while also supporting a cause their customers believe in. For that reason, you want to negotiate an agreement that you both feel good about.

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**Question from Martha, small non-profit representing industry:**

I am new to the non-profit world. Where do I begin? Where and how do I target the right companies?

**Katrina McGhee:**

I would suggest that you begin by doing some research with Cause Marketing Forum, Chronicle of Philanthropy, and the American Marketing Association. All of these organizations have great resources you can tap into to learn best practices, industry standards, and tips on how to get started in cause marketing.

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**Question from Abby, national hunger relief:**

What about language? What is the best way to attract these partnerships? It often seems that "nonprofit speak" and "corporate speak" are not exactly that same so it lessens the ability to effectively attract, create, and retain these partnerships. Any suggestions on where to look to find a "translating" tool?

**Katrina McGhee:**

Abby, I could not agree more. Because cause marketing is a marketing expense rather than a charitable donation, it is essential that non-profit professionals understand basic marketing and business principles.

I can't think of a translation tool, but one place you can go to better understand the corporate side of the business is the American Marketing Association. They have a special section on non-profits (the conference is coming up soon) that talks a lot about what companies are looking for, how proposals should be constructed, and new ideas/thoughts in the marketing arena.

I'd also suggest that you invest in trade publications such as Brand Week. This will keep you abreast of current lingo, the newest marketing strategies, and how marketers are moving forward in the coming months.

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**Peter Panepento (Moderator):**

As our experts work at answering questions, I'd love to invite members of our audience to share their own success stories. If your organization has had success with a corporate partnership, please feel free to share your story. You can offer your account by clicking on the "ask a question" link and writing us about your experience.

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**Question from Jocelyn Fary, Pine Street Inn, Boston:**

What would you say are the biggest mistakes or missteps you've seen on either the non-profit side or the corporate side when starting a CRM partnership?

**Michal Ann Strahilevitz:**

Cause related marketing boo boo's include:

The cause:

Sometimes, they don't think of the effect of the campaign on their donor base. (This is a huge issue). So if you partner with any corporation that is willing to throw some dollars at you, you risk seeming "slutty" as a nonprofit, and you might lose the respect of your donor base. You need to be picky about who you partner with, and think about how it will affect your own image as a cause.

Also pay attention to what the for-profit is committing to give. Will they give you 20% of revenues, with a guaranteed minimum? (If so, that is great!) Will they give you only .01% of profits, with

some sort of a low cap on their maximum contribution? (If so, this is not sounding good at all). I have heard of nonprofits signing on and then being appalled at how little they ended up with.

The for-profit: They need to think about the relevance of the cause to their target audience. I have seen many cases where the decision is made based on the passions of the CEO or CMO (I prefer not to name names). That might sound lovely, but that kind of giving should be made from their personal checking accounts, not using corporate funds that affect the company's ability to retain employees, report positive earnings that affect stock prices, etc. When you are working with company funds, the causes chosen need to be relevant to the company stakeholders. If a CMO wants to support his or her own passions, that should come from his or her own bank account.

The other thing is to have themes and relevance. Randomly supporting causes is less effective. It is also critical to think about marketing communications. If you are doing all this great work with all these meaningful partnerships, but no one knows, you don't get the benefit to the brand that effective cause-related marketing is so good at generating!

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Question from **Jennifer Pritchard, Stepping Stones Educational Therapy Center, small non-profit:**

What is the best way to find companies interested in this sort of partnership? How do we go about seeking them out?

**Katrina McGhee:**

The easiest way to get started is to identify companies that are working in or around your cause. For example, if your focus is education I'd recommend educational book publishers, book sellers, manufacturers and retailers of teaching supplies, manufacturers of children's or parenting products.

These companies either directly benefit from the educational process or have a similar target audience - parents of children being educated.

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Question from **Laura, Non-profit Services Group:**

Are corporations more likely to support a nonprofit with chapters in different cities? Does grassroots marketing appeal more to a corporation for reaching their target audience if the nonprofit has "direct community outreach" through chapters?

**Michal Ann Strahilevitz:**

Some consumer audiences really care far more about local causes, and other segments are more likely to see themselves as citizens of the world. Urban populations tend to have more of a global perspective. So if you are speaking to a company with more of a "small town" audience, then the local aspects might be particularly appealing!

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**Question from AK, Red Cross:**

There are so many walks/races... what is the next iteration of these types of fundraisers? Clearly they work in some way, but they cost a lot to keep going. What are some unique ideas for signature events?

**Katrina McGhee:**

Creating a signature event without having an "event" is a tough challenge. The reality is there is a large segment of our population that likes to congregate as a part of these events. It's ingrained in our culture and provides not only a platform for raising funds, but also increased visibility for your organization in a manner that would be tough to duplicate without the event. Additionally, our research has shown that most of the people that participate in our Race for the Cure are ONLY interested in doing Race for the Cure. When we create new ways to engage with Komen, we're looking to cast the net wider and diversify funding sources rather than to replace our existing success.

There are two ideas that come to mind to diversify: social networking/on-line giving and promotions that focus on consumer support (round-up, \$1 tap water) rather than direct contribution from sales.

Social networking and on-line fundraising is garnering tremendous success by a variety of organizations-including the current political candidates. While not new, it might be wise to study the current on-line grassroots movements to see if there is anything that can be gleaned for your organization

The second has been around for a long time as well, but will likely become increasingly attractive for corporate partners in a tightening economy. As long as the ask for consumers is minimal and the cause compelling, they are likely to support those that resonate with their beliefs.

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**Question from American Red Cross:**

Can you please expand on the answer given to Mr. Feldman. We are trying to stick to relationships that are related to our mission as opposed to luxury items. Are you suggesting we should reconsider this and go with more "pleasure-related" partnerships.

**Michal Ann Strahilevitz:**

The hedonic/luxury issue is just one aspect. You raise a good point, which is that not all charities will fit with the same categories. However, think about fund raising banquets! They don't tend to serve burgers and fries, and the price tag and the extravagance tends to bring in lots of funding.

The Red Cross has the benefit of being well known and relevant to a very wide range of consumer audiences. The question then becomes in which categories will consumers be even MORE attracted to companies that support your cause? It might be that your very wide relevance to so many people means you can work with a variety of organizations. That said, I would not poo-hoo companies that market products that are geared towards enjoyable experiences. I know "pleasure" sounded a bit like sinful. I would not want you or any other nonprofit thinking this is about partnering with beer makers or working with "Altria" (God forbid). However, if a 5 star hotel partners with you, that might be more effective than if you end up partnering with a 1star motel line. Those who go to extravagant lengths tend to have either more money, or more guilt than those who don't. Turns out both having money and feeling guilty increases donations. Here is another kicker, being happy also increases donations. (Yes, guilt and happiness both increase giving, even though being guilty may decrease happiness, being happy can, in some cases, increase guilt). So think of marketers of products and services that make consumers either happy, or guilty or both (yes they often go hand in hand), and those might be even more effective partners than the great companies out there that focus on dishwashing soap (which we all use, but rarely feel happy or guilty buying).

Perhaps luxuries seem like they are sinful, and thus not the ideal partners, but their target audiences are already paying premium prices. High-end designer fashion (and we are not talking cheap) is often effectively partnered with causes. The customers of such extravagant products are more likely to pay a premium for brands that partner with worthy nonprofits. They can afford it, and they might feel less guilty about buying a \$800 bag when some of the money is going to a good cause. Companies know this too. (Well, at least if they have read my published research they know).

As for snob-aversion, which some causes have, think perhaps about Walmart vs. Sax Fifth Avenue. Who shops at each? Which shoppers are more likely to be attracted to a CRM campaign, and which are more worried about whether their checks will bounce? Which can afford to pay a premium for products linked to good causes, or where a huge % of the price is going to a good cause.

What mood are shoppers in when they to these stores? (Some of us have shopped at both, but are not in the same mood at both). I rest my case!

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Question from **Emily D'Andrea, AIDS nonprofit**:

How do we introduce local companies to the idea of cause-related marketing? When I have proposed these types of partnerships, it doesn't seem to make sense to companies that have always viewed philanthropy as a donation, and not a marketing opportunity.

**Michal Ann Strahilevitz**:

If your company is not local, this is a tougher sell. Depending on who they market to. AIDS should be relevant to all, but some see it as a risky cause to support. I know that is sad, but it is true. It will likely be way easier if you are in LA, NYC or San Francisco than if you are thinking about businesses in some small conservative town in West Virginia, where a larger portion of people may see this as a sinner's disease. AIDS is (sadly) not seen the same in all local communities. I would focus on urban centers and university towns.

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**Peter Panepento (Moderator)**:

If our experts agree, I'd like to keep the chat open for at least a few extra minutes to accommodate some of the unanswered questions. Thanks.

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Comment from **John ngo**:

which nonprofit (s) do you think are fully exploiting the web and social networking?

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**Peter Panepento (Moderator)**:

John: We'll actually be addressing that very topic in next Tuesday's discussion. Our topic will be building your organization's online presence with a tight budget. It's scheduled for Tuesday, July 15 at noon Eastern time.

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**Question from Lara:**

Being the new kid on the block as the autism charity I work for is only 3 years old, how do we get our foot in the door that has already committed to another case and has done so for multiple years? We definitely present ourselves professionally and have a market which has been in ways neglected until recently.

**Katrina McGhee:**

First, I would suggest you try and identify someone that is not already committed. Trying to move someone from a successful partnership is difficult unless you can present a compelling reason for them to partner with you instead. Given the short history of your organization that would be tough.

Here are three things I suggest to get started:

1. Develop a hit list of companies that produce/sell children's products.
2. Offer them several options to engage with your organization. This could include: -cause marketing -employee education and fundraiser (a great way to get your foot in the door.) -charitable contribution
3. Develop a social networking/on-line giving program

Because of your short history, you'll have to focus some of your energy on building a base of support and marketing your organization while also trying to attract new corporate support.

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**Question from Greg King, Big Brothers Big Sisters:**

We've selected a couple companies we want to approach for cause marketing. What form of presentation is best and what should it include?

**Michal Ann Strahilevitz:**

Well you also have the benefit of being a warm-fuzzy cause that many people feel good about. You also have great materials. I would talk about what people are saying about the organization. Volunteers and sponsored kids alike! Also talk about how the fact that you are so heavily volunteer oriented means that there are far more people personally touched by this organization, so the appeal to consumers of a company partnering with you will be very high. Time is out. Sorry!

Sorry for not getting to everyone, as well as for the spelling errors. I was typing as fast as I could to get to everyone in the hour! Please forgive.

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Question from **Kathy, children's organization:**

Who is the best person to initially approach in the organization - sounds like the CMO or VP, Marketing? Do people get best results with a phone call to set up an in-person meeting? Is it best to prepare and present notes on how a program could work to draw out interest and comments?

**Michal Ann Strahilevitz:**

I would DEFINITELY get your marketing person on this (if you have one) and have your marketing person talk to the highest level marketing person that is willing to talk. Marketing people speak marketing-lingo, so they tend to be most effective in persuading each other. ; )

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Question from **Pat Smith, EarthShare of California:**

Please provide examples, from your experience, of cause marketing "pit falls" that non profits need to be aware of and avoid.

**Katrina McGhee:**

There are several that come to mind...

-lack of full and clear disclosure. Consumers should understand how what they purchase or do benefits your organization. The attorney general in several states has become much more aggressive about this.

-small donations from large purchases. Donations from the purchase of a product should seem "reasonable" and make the purchaser feel good about the contribution they are making. Word of mouth can be a terrible thing when a consumer feels like a charity is being used by a corporate partner.

-lack of written agreement. Making sure that you and your partner have the same understanding of the contribution amount and how the revenue will be split protects both parties.

-not fully vetting your partners up front. Make sure you are partnering with a fiscally sound company that has been in business long enough to understand their financial model.

-lack of support for the project. We learned a long time ago that turning a product pink will not make it jump off the shelves and in to the hands of consumers. If no one knows who is supporting you, the project won't work. Make sure your partner is willing to

support their efforts with advertising, PR, or other avenues to let both their customer base and your supporters know.

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**Question from Janet Liebsch Fedhealth:**

I'm from the corporate side but I'm curious what your feelings are about "referral" or "word of mouth" collaborations (i.e. where a company donates a percentage of any orders referred to them by a NP.) We've had some success with our referral program (since we donate 10%-30% of orders back) and, if the group cannot take cash we offer to purchase needed equipment or give them that value in donated goods. Do nonprofits feel comfortable with these types of programs or do you have concerns that is "endorsing" a product?

**Michal Ann Strahilevitz:**

This is a great twist. I would say the NP's need to be ware. They don't want to sell out (and thus turn off) their donor base! That said, if you have a product or service that fits, it becomes an easier sell. If you are a green cause, and you try to suggest green products for example, it is easier to justify. If you just promote "stuff", well donors likely will (and justly so) very unhappy with this. I would say the NP's should be very careful with this "WOM "(which sounds a bit more like spam to me, as it is being done for to raise \$, and is not a natural referral from a friend!).

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**Question from Liz, Trout Unlimited:**

We have a large membership base that is attractive to corporations...but the members do not react well to the opportunities we put in front of them. How do I market new programs without making the members feel spammed? Otherwise, there's no point in setting up the relationships in the first place.

**Michal Ann Strahilevitz:**

Great point. Not sure what Trout Unlimited does, but as someone who supports many causes, I can tell you that I would not want you sending me info on products for sale, unless it was relevant to the cause, and only that would be OK as a rare thing (perhaps one a year)). My simple advice, without knowing more-- please don't abuse your base of supporters! When in doubt, don't do it. Selling them out is not going to win friends, and may cause you to lose quite a few!

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**Michal Ann Strahilevitz:**

Sorry everyone, I need to run off to a meeting. Sorry I was not able to answer all the questions. I typed as fast as I could.

Sorry also for the typos, as advised I went on speed and length over spending time using a spell checker. This is something I never encourage from my students, so please don't tell them. ; )

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**Peter Panepento (Moderator):**

Thanks to everyone for joining us. We had a lot of great questions.

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**Peter Panepento (Moderator):**

Please join us next Tuesday, July 15, at noon Eastern time for our next discussion. Our topic is how to build your online presence on a tight budget. Social network expert Beth Kanter and others will be on hand to answer your questions. You can find out more tomorrow at <http://philanthropy.com/live> and also read transcripts of our previous discussions.

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