

# **Corporate Fundraising**

## **Toolkit for Getting Started**

- 1. Speed dating Corporate Fundraising**
- 2. Why Charities should invest**
- 3. What's the risks?**
- 4. Persuasion Republic & Corporate Fundraising**
- 5. Corporate Donor Insights**
- 6. Ideas to get started**

JUNE 2023

## 1. CORPORATE FUNDRAISING

Corporate fundraising is when for-profit businesses help charities in their fundraising efforts. **This can come in a couple of different forms, including: Direct donations, Grant programs through company trusts and foundations and Corporate fundraising drives.**

**The value of corporate fundraising in the Republic of Ireland is estimated to be somewhere between 10-15% of total voluntary income.** A rough estimate of annual corporate income would be somewhere €150million to €225million.

***Comparison with UK? Good to check if its like legacy, well underdeveloped here?***

**Average values of corporate partnerships vary enormously from less than €10,000 to over a million.** Tesco's sponsorship of Temple Street Hospital was valued at €5million in donation income alone between 2015-2020. Electric Ireland's sponsorship of Darkness into Light is very significant and Applegreens charity partnership average about €250,000 per annum for each of its two or 3 charity partners, DAA's partnerships a similar amount. Allianz's sponsorship of Women's Aid is €1million over three years.

## 2. WHY CHARITIES SHOULD INVEST IN CORPORATE FUNDRAISING

Corporate fundraising performs well on average but there is a wide variety in success rates with some charities losing money on it and others being very successful. Investing in corporate fundraising could be seen as a risky area but one that can pay off handsomely if you get it right. The ROI on successful corporate fundraising is estimated to be on average 4:1.

### Funding Services

The most obvious benefit to charities of maintaining a strong relationship with corporate partners is the potential for more funding. Charities need money, after all – and many private companies earmark a certain amount to give away, especially in this era of corporate social responsibility and ESG (environmental, social and governance) policies. Corporate partners often choose to back specific projects, which allows organisations to expand the services they can offer, an example is Barnardo's (UK) partnership with vehicle rental company Enterprise, which focuses on healthy eating initiatives. Enterprise "has funded the training of over 120 Barnardo's colleagues to run cooking workshops in local communities, as well as donating £100,000 to cover vouchers for people who need support buying essential food.

But corporate cash does not just boost services.

### **Plugs Gaps, diversifies income streams**

Unrestricted corporate donations may also play a crucial role in plugging financial gaps as the voluntary sector navigates a period of financial turmoil. Corporate philanthropy provides charities with income diversity and, particularly at the moment, where we are possibly facing another recession, a lot of charities are looking at different sources of income and seeing that some of them are quite likely to drop. Community fundraising or some foundations endowments haven't performed as well as charities might have hoped and are reducing their spending. So diversity in income streams is really important for charities at the moment."

### **Accessing wider assets**

If charities think only about money they are making a mistake. Corporates have what called "wider assets" that may benefit charities, including the skills and networks that won't always be available from small teams of volunteers. Corporates can also help in a pro-bono or gift-in-kind capacity, including the sharing of expertise. Deloitte supported a charity to ensure its digital recruitment was "streamlined and inclusive, ITV donated media space to charities to help spread the word of their campaigning during Covid-19. Amazon donated products for Barnardo's to use with children and their families but also contributed skills and experience to a joint jobs training initiative for kids, including those leaving care. Such support, which blends together cash and in-kind help, help make charities more agile and responsive.

We know that Alone benefits hugely from its support from JCDexcaux which sponsors national OOH. Campaigns every year to the value of €500,000. Other media owners offer free ad space to charities on a regular basis.

### **Reciprocal Benefits**

As with all good relationships, deals between charities and corporates have to bring reciprocal benefits, according to most experts. It is a two-way relationship and it is not simply funding flowing from the corporate partner to the charity. Corporates are also interested in what charities can give to them, be that skills, expertise or information on policy, for instance. This is especially true at a local level, where a charity with its ear to the ground for problems affecting people in that community will know a great deal about the needs of families who are also customers at the business up the road.

Charities and private firms alike have got better at working on identifying and meeting such needs, but it can always improve further: voluntary bodies are still kept busy "educating some business about how to be a good partner to the charity sector".

### **3. WHAT'S THE RISK?**

#### **Reputation, reputation, reputation**

There are risks in these partnerships, above all to a charity's reputation (the regulator takes trustees' duties to protect a charity from public scandal very seriously indeed). If a private firm hits the headlines for all the wrong reasons its charity relationships, built up to mutual benefit over so many years, may be endangered as well.

Open communication from the earliest days of the relationship goes some way to mitigating the risk. Every organisation manages risk and charities must always be aware of this when forming new partnerships. The first thing to do is look to work with partners who share your values and your commitment to your cause, including through a thorough due diligence process. Look to have an open and transparent relationship while working with your partners to make sure each of you is aware of issues that might impact on our relationship.

Aim to identify and mitigate risk before your partnerships begin by carrying out due diligence and ensuring they meet our ethical policy. Have regular discussions with your partners, help to build collaborative relationships. This means that together you can help manage risks if they do arise, lessening the likelihood of partnerships getting to a crisis stage.

#### 4. PERSUASION REPUBLIC & CORPORATE FUNDRAISING

At Persuasion Republic we are investing in developing our Corporate Fundraising Service. We started to work in this area in 2015 and we have plans to significantly expand it over the coming years.

We believe that there is great potential for charities to generate significant new sums of income from corporates in the Republic of Ireland because.....**to be complete** .....

Most of work was on the creative side but in 2020 Jacqueline Fitzgerald joined the agency as our Major Donor & Philanthropy associate. She brings with her almost two decades of experience and expertise. **Insert JF's biog here** . Since then we have been to offer a full range across corporate strategy, campaign planning, training and implementation tactics.

**Current and recent clients for our corporate work include:**

- Women's Aid – Strategy, training, advice 2022-23
- Pieta - DIL 2023 corporate appeal
- Dogs Trust – Kennels of Kindness corporate appeal 2021
- Temple Street – Christmas Premium corporate appeals 2015-19
- Salvation Army – Corporate Strategy 2023
- Child Vision – Equestrian campaign 2022-23
- CRC Big Dreams – Case for support – 2018
- Age Action - Donor Audit - 2022

**We currently offer a range of specific corporates services including:**

1. General programme strategy and planning.
2. Appeal planning and implementation.
3. Donor & prospect Research.

## 5. CORPORATE DONOR INSIGHTS

The following are some of the key insights into corporate donor fundraising:

### *Quote the sources*

#### **Overall**

- Corporates are mainly motivated by enhancing their reputation and credibility via charity partnerships.
- Innovation, long-term stability and impact, and access to people and contacts are also important considerations.
- Corporates usually describe their engagements with charities as ideally being deeper, problem-solving partnerships that address core, mission-relevant or purpose-led issues in ways that create value for society.
- Corporates are more or less unanimous in the view that partnerships have helped corporate partners to enhance their understanding of the societal / environmental issues their partnerships have been designed to address.
- Almost half of corporates believe that their charity partnerships have helped businesses to change their practices for the better.
- Only a quarter of corporates surveyed believe that charities have holistic ESG plans and frameworks in place. The view has decreased 17% over the year – matched by an increase of 14% of corporates believing this definitely not to be the case. This perception that non-profits' approach to ESG falls short of stakeholder expectation represents a clear risk to the sector.

#### **Recent/current developments**

- The covid crisis significantly affected the ways in which companies deliver their core purpose and mission – there was a significant increase in support to frontline covid charities, a lot of it once off.
- The cost of living crisis is affecting the ways in which companies deliver their core purpose and mission.
- Most corporates report that the cost of living crisis is featuring or will feature strongly or moderately in their charity partnerships.
- Two-thirds of all corporates identify the need to access hard-to-reach or low-income beneficiaries.
- The Ukraine war is having a patchy impact, with over half of all organisations reporting no impact / expected direct impact. Twenty-nine per cent of corporate respondents believe the war has had a positive impact on their partnerships – or is likely to do so in the future.

#### **Future Trends**

- Corporates expect their charity partnerships to become more important over the next three years.
- Given the cost of living crisis, exacerbated by war in Ukraine and a tougher economic environment this year, it's interesting to note that 82% of

corporates expect partnerships to become more, or much more, important over the next three years.

- When invited to identify factors that will drive the likely growing importance of charity partnerships over the medium term, 85% of corporates cited the pressure on companies to demonstrate societal consideration in their business practices.
- Investment in charity partnerships is set to increase – though NGOs are slightly more pessimistic. Four-fifths of all respondents expect investment to increase – or increase significantly – over the next three years, though NGOs are a little more pessimistic perhaps reflecting the wider economic concerns.

### **Specific insights**

- The young corporate audience are not ‘cash carriers’. They love to help but prefer to give time over cash. Use their skills (Google adwords, FB ads)
- Older established corporates give money but the event has to be attractive to them. Linking appeal to the cause is a huge plus
- The more engaged their employees can be, the more likely the buy in from the employers. Offer a ‘Learning Session’ - ticks the CSR box. Look at how employees can learn more by doing the appeal.
- Make the appeal registration based - then get sponsorship for a particular event or challenge - ensures money up front.
- As with all good relationships, deals between charities and corporates have to bring reciprocal benefits, according to Infield. “It is a two-way relationship,” she stresses. “It is not simply funding flowing from the corporate partner to the charity. Corporates are also interested in what charities can give to them, be that skills, expertise or information on policy, for instance.”
- This is especially true at a local level, where a charity with its ear to the ground for problems affecting people in that community will know a great deal about the needs of families who are also customers at the business up the road.

### **Why do corporates give?**

There is a range of motivations as to why corporates support charities, including to:

- Increase sales
- Enhance brand image/brand differentiation
- Improve employee morale/retention
- Broaden customer base
- Strengthen ties to the local community
- Opportunity to express corporate values in the public arena
- Owners/Managers have strong ties with a particular cause
- Philanthropic/charitable reasons – to give back

## How Corporates Give?

Again a range of ways in which they give, including:

- Cash (certain donations allowable against tax)
- In-kind donations – products/services/skills
- Secondment – staff member seconded for a particular area of expertise
- Employee time
- Sponsorship
- Fundraising from staff (e.g. workplace collections, raffles, hosting charity events)
- Fundraising from customers
- Cause related marketing
- Payroll giving
- Publicity/Media space

## 5. CORPORATE FUNDRAISING – GETTING STARTED BEST APPROACH

**Develop your corporate proposition and case for support.** This is key to the medium-term success of your corporate fundraising programme.

- Know your own organisation, select the most relevant project or area of focus and understand the ask.
- Prepare a strong Case for Support 100% tailored to the specific corporate you are approaching – one size does not fit all and each corporate pitch must be entirely customised to fit.
- Identify the organisation's needs in terms of financial and non- financial support – be specific!
- Ensure that you have the necessary facts and figures available to support your request and any questions asked by the corporate.
- Ensure you have up to date accounts, codes of conduct, charity number and governance clearly stated and available on your website – companies will check this before agreeing to meet you.
- A specific request is more appropriate than a general donation – businesses, like individuals, like to make a 'real' difference. Tangible, relevant and emotive projects will be more successful than broad charity-wide or core cost funding.
- Remember to make your request as SMART as possible (Specific, Measurable, Achievable, Realistic and Time bound).
- Where possible, have multi-annual partnership options in mind, the benefits of multi-annual partnerships can mean more PR and Comms opportunities and less time spent on looking for the next partner after 12 months. Plan a relationship build for 12, 24 and 36 months so you can demonstrate longevity.



## The Corporate Prospect

With each of your corporate prospects you should carry out **thorough** research on their business in terms of:

- Background
- Ethics
- Company Mission & Vision
- CEO/Director Profile
- Product(s)
- Services
- Business success
- Annual turnover
- CSR overview
- Previous partners
- Previously funded projects
- Values and ethics
- Board/People/Staff numbers
- Ensure that you have studied their approach to Corporate Social Responsibility and their current or past commitments to other organisations – find out from organisations who have previously partnered
- Identify the opportunities available to you – does the business have a Partnership of the Year for which you can apply, or does your organisation meet set criteria the business has chosen to support that year?
- Demonstrate to your potential sponsor that you have done well- researched groundwork and genuinely want them to support you for a reason – make sure there is a cohesive fit.
- Be professional – your organisation must feel like a business if a partnership is to work
- Set clear KPIs and goals for both sides of the partnership at the outset
- Be aware of what the corporate will hope/aim to achieve from the partnership, think through what the partnership can mean to them from all angles with their company structure in mind – prepare ideas from new angles
- Personalise & Tailor each communication to make them feel that they are the only company you are speaking to
- Offer exclusivity if/where appropriate on larger projects
- Offer Sponsorship Grid with a range of options (Patron, Partner, Associate) and list what each will entitle for the corporate.

## Formulate the Equation

- Identify the matches between your organisation and the targeted business  
Always ask: IS THIS PARTNERSHIP RELEVANT?
- Use the 'DIAL Up' (**D**onors – **I**nterest, **A**bility to Give, **L**inks (to cause) model when prospecting suitable corporates. Rate each corporate prospect from 1 – 5 in each area. Potential donors should have a DIAL total between 12 and 15.

DONOR (NAME)	INTEREST	ABILITY TO GIVE	LINKS	DIAL TOTAL

- Ask yourself questions such as do you have the same goals, are you in the same locality/community or are you sharing the same/similar clients/audiences
- Check if they have advertised the desire to support arts organisations with your goals or if they have demonstrated interest through their PR and Communications/Brand
- Always ask yourself why should this business want to support your cause – think through what is in it for the corporate – will it be channelled through sales, HR, footfall, product launch, brand connectivity, or pure philanthropy.
- Research the key team members that you think will fall into the channel of interest and understand what they want out of the partnership.

### The Art of Opening Doors

- A personal introduction always works better than a cold call!
- Ask your Board, Sub-Committee, staff, supporters and suppliers for an introduction to a business they know, or to a well-connected individual within that business
- Check who you mutually know through LinkedIn and ask contacts to make introductions.
- Identify how a business likes to talk to people; their website will often offer tips on to whom and how to communicate – are they formal/casual in tone and ethos
- Identify who is responsible for CSR, and familiarise yourself with that employee and/or their team
- Finally, a pre-email telephone call to introduce yourself and inform them that something interesting is coming to them via email/post will leverage better results as you have made initial contact with the relevant person.
- Follow up after email with another call to set/discuss a meeting date – it is up to you to keep the conversation alive and moving in the right direction.

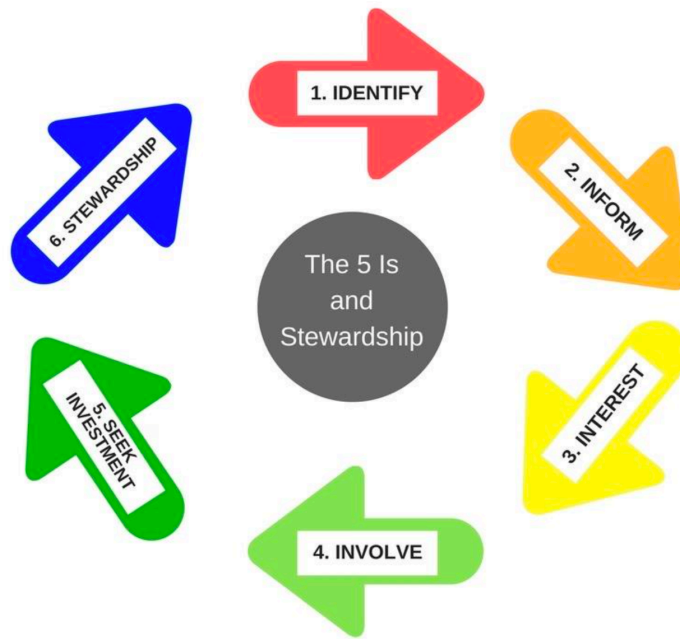
## **The Art of Storytelling**

- Decide to tell your story by letter, by email, by telephone or in person – face to face is best approach where possible
- If in person, decide what tools you will use to communicate your message – photographs, beneficiary profiles,
- A video or a presentation may make more of an impact than a conversation alone – have all assets prepared
- A relaxed chat over a coffee may be the best initial approach in some cases to see where the corporates interests lie
- Choose the right person/people or team to represent your organisation if the meeting is face-to-face, and ensure they are well- briefed and competent in their knowledge of both your organisation and the
- Choose the right location – if possible bring them to your organisation’s building to tell ‘your story’
- Remember that most arts organisations are worthwhile, and that each has a valuable story to share, your challenge is to make your organisation stand out
- Put the pieces together for the corporate:
  - Why you
  - Why now?
  - What impact?
  - What results?
  - How you can collaborate for shared value?
- Your potential Corporate Sponsor does not need to know every detail about your organisation so be selective and choose your information wisely – only bring relevant strands together for your audience and give a brief overview of your organisation without too much internal lingo and jargon – you will lose their interest
- Your representative should be good at building relationships – which at the end of the day is what you are looking to build! Choose your meeting team wisely
- People work with people – so you may well be chosen to progress on the back of your/ your teams interpersonal skills.

## **The 5 I’s of Corporate Engagement**

Cultivation, Recruitment and Stewardship of Donors

In developing relationships with all corporate constituents, individual organisations should follow a method that is loosely termed as the 5’I’s & Stewardship for those identified as your strongest prospects:



### Reviewing your Approach

- If appropriate, seek feedback on your approach, especially for a face- to-face presentation or the completion of an application form to ensure that you learn from the process
- If your request is rejected, ensure that you understand why, and that if appropriate ask if you can apply again
- Companies will appreciate your dedication to improve and progress and it will often help you to stand out for the next round/future opportunities
- Review the ask – if the organisation matches but the request does not fit, look for a more appropriate ask and re-tailor your communication

### The Art of Relationships

- Regardless of your summary on their level of interest post meeting, THANK the company for their time in taking your call, reading your letter/email or viewing your presentation
- Make sure to make a 'second-date' to collaborate/review ideas at the end of the phone-call or meeting
- Make notes on their area of interest or any ideas that they have mentioned/have come up in the meeting – these are the areas that they feel there could be crossover and you need to refer to these in follow up communications
- Keep the relationship going in every case, using your newsletter, occasional email updates, personal meetings with key figures in your organisation and special events

- Use any touch points to reach out to the company – this could be an article that may be of interest to them/article about them/something relevant to their area of business. This shows tenacity and interest and will stand to you
- Things change – if a request was rejected one year, it may be accepted another year so don't give up! – feedback calls can pave the way for future discussion

### **Keeping your Partner Happy**

- Don't get too comfortable in any partnership – remember all partnerships need to demonstrate shared value so both parties need to feel interest and connectivity to the project
- Acknowledge the partnership publicly – create a communications plan and timeline that you and the corporate partner are happy with over the duration of the partnership
- Invite them to see the project they are funding (where possible) and gauge their interest in each area
- Agree to reasonable requests but don't lose your organisations identity in doing so – this is a partnership not a dictatorship

### **Added value for your relationship**

- Include employee involvement – keep the staff briefed and excited
- Enhance team spirit – organise engagement days
- Fun events – what are their ideas around the partnership
- Payroll giving – a neat way to maintain interest and funding
- Employee matching gifts
- Volunteerism – this can lead to bigger things so don't view this as towing the line
- Product donations – accept where relevant/useful

### **Sponsorship – A Different Type of Relationship**

Corporate Sponsorship can be a significant channel for arts organisations – sponsorship sustainability is a result of interdependence and shared bottom line. Sponsorships work with a well-structured plan, which demonstrates relevance between the corporate and not-for-profit. The key to a solid and lasting sponsorship is based on the story it tells to the public. If they can recognise and readily understand the fit, it will serve as a far reaching benefit to both organisations. Globally, the arts has had a long and complex relationship with sponsorship, but as one commentator pointed out “Until museums find a grove of money trees, corporate sponsorship will be a necessary part of their lives.” [Ref: Financial Times].

- A Sponsor's main interest will be in positive brand exposure – who are the audience that they would access through supporting you?
- Promoting/reflecting an image to a specific audience

- Promoting Product/Brand Awareness
- Business-to-Business Opportunities
- Competition Blocking
- Employee Involvement & Motivation
- Use of Unique Facility for Special Events (shooting advertisements, corporate launches, specialised events etc.)

### **The Benefits to Corporate Sponsors**

- Title Sponsorship (event named after/associated with sponsor)
- Opportunity to host a corporate reception prior to sponsored event
- Promotion at venue - logo display plan
- Branding in programmes, newsletter, website, on building
- Venue organisations - annual invite/memberships
- Invitation to Opening Receptions and Exhibition launch openings.

### **Sponsorship Process – A business relationship**

- Internal Preparation – Talk early and often you are the driving force behind the sponsorship so be sure to keep the relationship fuelled
- Culture – build your organisation into the company's value chain – become irreplaceable
- Brand & Audience Development – prepare a dual audience plan – are both audiences' needs being met by the sponsorship?
- The Sales Process – be sure on deliverables and only commit to those you can achieve
- Servicing Sponsors – See the 5 I's of Stewardship
- The Long-Term Plan – what does a multi-annual sponsorship look like, look at a 3 – 5 year build from the outset and have this prepared for the sponsor

### **Tips for Securing a Corporate Partnership or Sponsorship**

- Do your homework
- Timing is everything
- Workforce Engagement
- It's not just about the money
- Finding the shared values
- Build relationships
- The partnership's 'home' is throughout the charity
- Tell the story as widely as possible – plan PR and Comms touch points throughout the partnership
- Show how the sponsorship can live and grow – don't stop at yes!

## **SOURCES**

- Third Sector Article Corporate Partnerships 16/1/2023
- Corporate Partnerships and Sponsorships Raise Programme/OKC
- C&E Corporate-NGO Partnerships Barometer 2022

## **GAPS**

- UK corporate income comparisons
- Potential for corporate fundraising in Ireland based on UK

### **For further information on this document contact:**

John Sutton

Persuasion Republic

Building Three

Kilmainham Square

Dublin 8.

T: 01 453 6836

E: [john@persuasionrepublic.ie](mailto:john@persuasionrepublic.ie)