

**WHAT IS CAUSE-RELATED MARKETING?**

*A corporate marketing initiative designed to support a charity with mutual benefit to both the nonprofit and corporate partners.*

**From a corporate perspective:**

Leveraging the reputation and cause of a charity to enhance sales, differentiate from competitors, build employee and customer morale, and generate goodwill.

**From a nonprofit perspective:**

Leveraging corporate resources to attract support for a charity, with benefits such as funding, awareness, volunteers, and other corporate assets.

Cause related marketing (CRM) differs from traditional charity-corporate relationships, as it is not based in public affairs, is specifically developed as a marketing initiative and funded by the marketing budget. The CRM initiative is driven by the marketing department's objectives, which relate to sales volume, market share, brand attitude and awareness. Its effectiveness is evaluated based on how its outcomes stack up against all other marketing promotions.

**CAUSE RELATED MARKETING THAT WORKS**

So, you're forging a marketing relationship between your company or product and a cause. There are some important considerations that contribute to the success of this marketing initiative. Most importantly, be strategic and leverage all available company resources that have the potential to make this work. A cause related marketing promotion won't position the company or support product sales without a serious commitment.

**Selecting the Cause**

The most successful cause related marketing partnerships are strategic. Either the charity has a relevance to the company's mission, is meaningful to a key target customer group or has a delivery system for services or information that sets it apart. The right charity and marketing program will attract support of employees, customers or other key stakeholders to purchase products and services during the promotion period and/or attract employees and customers to act in support of the non-profit cause.

It is important to be clear about what you want the CRM program to deliver and to factor charity characteristics such as: mission, service delivery locations, recognition, cause appeal (to customers, employees or public official, etc.), outreach capability, volunteer network, staff professionalism, and marketing savvy.

Choose a charity that will truly value and benefit from the marketing support you are about to provide it. You are more likely to have an active nonprofit partner when the corporate

relationship adds value and resources that provide access to funds, awareness building, relationships and other resources that the charity wouldn't otherwise be able to afford or secure.

**The Nonprofit's Role**

When a company taps a non-profit to enter into a marketing relationship, it intends to bolster its own competitive positioning and generate goodwill leading to sales. While it is important to recognize that the nonprofit's charter does not extend to selling commercial products, there are certainly ways that the charity may actively and effectively support the initiative. Likewise, it is wise to anticipate that the promotion implementation expected by the charity merits the cash donation anticipated. Here are some tips for engaging your charity partner:

- The nonprofit management should be agreeable to participate in your public relations effort, be it providing professional or volunteer leaders as spokespeople or conducting media outreach to its own contacts.
- If chosen smartly, the nonprofit partner will have a strong network that they will inform about your partnership, which may include employees, board members, volunteers, community leaders, service recipients and their care givers, or other stakeholders. This can be done through newsletters, speeches, website, press releases, marketing materials, and more.
- Beware that if your company has fallen on tough times, it is risky to try to leverage a nonprofit to turn around corporate reputations. Customers and the general public may resent such efforts resulting in backlash to both the company and the nonprofit. If you are making a comeback from bumpy times, it is best to collaborate with nonprofits from a public affairs perspective to demonstrate genuine goodwill and hold off on the CRM until the smoke has cleared.