

## Sponsorships, fundraising, cause related marketing and celebrity relationships

Ask the right questions to ensure your campaign is a success!

### While it's great to see a celebrity supporting a cause, beware the sponsorship contracts.

Wouldn't anyone get excited if they were offered the opportunity of raising money with a group of All Black celebrities, all of whom have relationships with businesses who may be interested in sponsoring our organisation?

But like many opportunities we are faced with, it's not quite as simple as it seems.

Recently a new bottled water company was launched in New Zealand and, with it, its own charitable foundation. The company decided that for every bottle of water sold, it would donate five cents to its foundation which, in turn, would distribute the funds to community groups. One of the community groups to receive a grant was KidsCan.

It all sounds wonderful and a great promotion for KidsCan but, in fact, it turned out to be a complicated contractual dilemma.

The drinks company has three shareholders who are All Blacks – Daniel Carter, Ali Williams (who is a patron of KidsCan) and Richie McCaw. KidsCan is the official charity of the All Blacks.

Firstly, there are sensitivities over whether the new company might appear to be a sponsor of the All Blacks – particularly given that Coca-Cola, which also produces bottled water, is the official category sponsor of the All Blacks.

Secondly, Carter cannot appear in ads alongside Williams and McCaw because, as per their contract, three players together are considered an All Black promotion.

Thirdly, using the KidsCan name also implies that the bottled water company may be a sponsor of the All Blacks.

So it's a "no go" for KidsCan. They are unable to accept grants from this new foundation.

Fortunately KidsCan has multiple cause related marketing deals with many corporate partners including KnitWorld (who sell wool to make beanies), Thompsons with sales of children's vitamins, mystery envelopes promoted by Number 1 Shoes, designer jandals, a Christmas Cracker appeal supported by no less than 17 different companies, and Bayview Hotels which promote the charity to guests as they check out.

So what do we learn from this example?

To be successful, a cause related relationship needs to be kept simple. The best relationships are those easily understood or recognised by the general public. The affinity between the two organisations should be clear. They need a simple articulation of the cause, preferably articulated in less than 30 words. "Save the Whales" or "Feed the Hungry". This articulation of the cause will probably be different than a promotion of your brand. Sometimes a well known celebrity or a respected expert may present the cause and seek the public's support or endorsement. Preferably the front person would not be strongly associated with another cause that might confuse the public.

Remember that a cause campaign is not necessarily a brand building campaign. Think carefully about the value of the relationship and the long term implications. Some cause campaigns are short lived and will not be sustainable. Should you put a lot of energy and effort into a short lived campaign or a sustainable programme that will develop your fundraising over many years?

**On the following page is a list of questions to prepare you for a cause campaign. Don't leave it too late to ask the questions, and be ready to make your campaign an outstanding success!**



Non-profit Questions	Corporate Questions
<p>What is our cause? Can it be articulated, genuinely, in a short phrase? Will it allow us to spend the money where it's needed, or does it commit us to a particular service?</p>	<p>Is this cause compatible with our business objectives?</p>
<p>What are we getting out of this?</p>	<p>How does this relationship fit with existing programmes and activities? Will there be any potential conflicts of interest? Can it last the test of time or is it very fashionable this week?</p>
<p>What do we need to provide to get maximum benefits?  What resources do we have to invest?  How long before the money arrives?</p>	<p>What do we need to do to get maximum benefits? How reputable is the organisation and what is the potential for controversy? Can potential issues be mitigated?</p>
<p>How much can be sold? Is there a minimum and maximum contribution? Does the sponsor have their own distribution outlets? Can we influence sales by tapping into our own supporters? Will our supporters buy the product?</p>	<p>What will customers think? Will the relationship actually sell more products? And if not, does it matter? Would a sponsorship be an easier mechanism?</p>
<p>What exclusivity are we signing up for? Will it stop us from taking up other opportunities? Can the contract be achieved with all our branches and outlets, one hundred percent?</p>	<p>Have we got sufficient promotional budget and leveraging opportunities to maximise the relationship? Are there sufficient staff resources available? Will our name be recognised amongst the clutter?</p>
<p>What is the value of additional publicity and promotion? Will it lead to further fundraising opportunities or growth of our database? How valuable is the volunteering component?</p>	<p>Will the staff get behind the campaign and volunteer their time? Will they support the cause and see it as a natural fit?</p>
<p>How long is the relationship to last? Is this a short term, temporary relationship or a lasting and growing partnership?</p>	<p>How long is the relationship to last?  Do we benefit from a growing partnership or should we do something different each year?</p>
<p>Are there any conflicts with our existing sponsors?</p>	<p>Are there any contractual issues to be ironed out?</p>
<p>How does the relationship fit with existing programmes and activities?</p>	<p>What is the value of the relationship? How much are we actually giving if we count our time and effort as well as the money? Is there a minimum and maximum contribution required? Is there an exit clause? What performance do we expect from the organisation?</p>
<p>Is there any potential for controversy and if so how will it be addressed?</p>	
<p>Will our supporters recognise the value of the relationship? Will they see it as a natural fit?</p>	
<p>How do we evaluate and measure the outcome of the campaign? Can we create a process for evaluation so we can learn from the exercise?</p>	