At recent gatherings with my development colleagues, several have reported increased pressure from trustees and managing directors to address the decline in corporate giving that many, if not most of us, have experienced over the past two years. These conversations always seem to lead to the same end: can’t we get a sponsorship deal like NASCAR has with Winston or the Susan B. Komen Foundation has with Ford? Isn’t there more money available in corporate marketing and advertising budgets? Aren’t companies looking for a little good PR? These are the questions that can send development staffers on what has tended to be a wild goose chase for dollars that they had little chance of securing; in a casual poll of these colleagues, there has been little real success in securing corporate sponsorships to date. However, many are putting more resources into pursuing corporate sponsorship dollars for productions, arts education programs, new play development programs and the like, as the only real opportunity they see for significant increase in contributed revenue from corporations.

However, a few key questions arise: how exactly are corporate philanthropy and corporate sponsorship dollars different? Do companies distinguish between them, and if so, how? Do we offer companies the same recognition and entertainment benefits for philanthropic gifts as we do for sponsorship deals? Is pursuing sponsorship dollars the job of the development department or the marketing department—and who is best suited to that work? What kinds of companies do we want to be associated with? How can we possibly measure return on investment for our sponsors? Can cause-related marketing programs (like Amazon.com paying a portion of every sale referred by your website to your organization) compromise my theatre’s nonprofit status? The most important, underlying question for many organizations: are we “selling out”? And does that matter as long as we are enabling our work to continue, or even to move substantially beyond our current capacity?
This collection of articles addresses these and other questions from many viewpoints. The Guthrie Theater recently completed a series of focus groups with 28 of their corporate funders, and what they learned provides some great insights for the field. Other articles address what sponsors really want and cause-related marketing from the corporate point of view, pointing the way to best position our organizations to be attractive sponsorship “properties.” I encourage you to explore the additional excellent resources that are available on the websites of the various contributors to this Centerpiece.

—Dawn Rains, director of development, Seattle Repertory Theatre

TRENDS & TRUTHS ABOUT CORPORATE GIVING
A FOCUS GROUP STUDY AT THE GUTHRIE THEATER
BY DOUG NATHAN

Chances are you are interested in expanding and improving your theatre’s corporate giving program. The opportunity to test assumptions, discover new ways to build support and evaluate various donor benefits prompted the Guthrie Theater to conduct a series of focus groups with 28 corporate donors in the fall of 2002. We have found tremendous value in doing this kind of thorough review from time to time, and we are pleased to share with you a few of our experiences and findings.

As both patrons and donors, businesses interact with your theatre in ways that are distinct from individuals—in fact, many of your corporate donors may not be attending at all. An in-depth understanding of these relationships will help your organization keep pace with current trends in corporate giving. While corporate philanthropy has grown significantly in the past 10 years, so has competition from peer arts groups and other causes. These factors—coupled with the challenges of today’s economic downturn—necessitate thoughtful and effective strategies in securing and sustaining these finite resources.

Use the Experts

The success of our corporate giving study can be credited to the outstanding volunteer leadership of the 12-member Guthrie Business Council (GBC) Committee. Comprised of executives from an array of industries, the GBC guided and encouraged our efforts. We were particularly fortunate that the GBC’s chair, a marketing-savvy CEO, enthusiastically secured the in-kind services of a local advertising agency that had conducted focus group studies for her company.

The agency, Periscope Advertising, devised the approach and methodology, and its key researcher conducted the focus groups. In addition to his generous expertise and enthusiasm for the Guthrie, he provided credibility and third-person objectivity that would have been compromised if we had undertaken this endeavor ourselves. Although the agency’s services were contributed, we were careful not to surrender control of the project, to ensure that the study met our goals.

Getting Started

One of the first steps was to determine what we wanted to learn. To align the study to our needs, we looked at giving trends within our base of donors and determined that those giving in the range of $250 to $5,000 were some of the most active users of our benefits and held the best potential for growth.

Once we defined the scope of participants, we worked jointly with our pro bono ad agency to establish the following objectives for this focus group study:

- Understand our position relative to a company’s overall charitable giving and its support of other arts organizations.
- Test statements from our case for support and determine donors’ understanding of the theatre’s mission.
- Determine how donors use our current benefits and test new ones.
- Gauge our success in providing personal service, as well as the effectiveness of our process and collateral materials used in securing support.
- Learn who the primary decision-makers are.

The next step was to work with Periscope in developing the discussion guide, scheduling the sessions and recruiting participants. The discussion guide contained detailed information on the content and approach of the study and included questions that addressed the objectives of the study. The sessions were scheduled in neutral locations outside of the Guthrie and initially included a total of eight, 90-minute morning or noontime sessions. The locations were chosen by proximity to our largest pools of donors; sessions were held in downtown Minneapolis and in several suburban locations.

Our agency encouraged us to use the services of a marketing research firm, Orman Guidance Research, to recruit our
focus group participants. Initially, we questioned whether this was essential, but soon learned that their involvement provided an impressive measure of objectivity and professionalism, and their recruiters were tenacious and persuasive. Moreover, they relieved the staff of this challenging and time-consuming task. Periscope secured a significantly reduced fee from this firm.

Each focus group session was intentionally comprised of a mix of donors at various giving levels from a broad spectrum of industries. The sessions themselves were friendly yet very professional—no one-way mirrors. Our corporate giving staff observed the sessions and had several opportunities to clarify the participants’ responses or answer questions. A light meal was served, and participants received a small gift—a voucher for two complimentary tickets.

Praises

If you are planning to conduct donor research using focus groups or other surveying methods, expect that the majority of what you learn will consist of things you already know. However, the value of such an outcome cannot be underestimated. Confirming and challenging your assumptions with your constituencies will keep you on track and add significantly to your success—and is also a great way of underscoring for your donors how much you value them.

We were enormously pleased to learn how much our donors appreciated and valued our corporate giving staff. Personal letters, update calls and the respectful, responsive manner in which they served the interest of the donors received high praise. Furthermore, we learned that an unswerving commitment to excellence and providing quality programs in our community—notably education services for students and young people—is at the core of why companies invest in our organization.

Key Findings

Corporate philanthropy—and in particular corporate support of the arts—has grown significantly in size and sophistication in the last 10 years. While a large portion of this growth is due to corporate sponsorship support, businesses increasingly understand that the quality of life in your community is valuable to their business. Consider these key findings from our study:

- **Recognition is priceless.** Do you remember the thrill of seeing, for the first time, your name on a donor list? Participants consistently said that they felt a great sense of pride and prestige when they saw their company name in the donor section of the program magazine. Companies feel the same, and are proud of being associated with other respected companies. Consistently, participants wanted their support spent on productions and programs and not on premiums, gifts or special events. If these are offered, they should be underwritten or the donor should pay for them directly.

- **Think marketing.** Effective corporate giving campaigns are responsive to the needs and interests of corporate donors, their employees and customers. Your messages should be simple, consistent and focused on the key interests of your corporate donors. This does not mean that your campaign should look like a Car-X ad—focus on how you add value to living and doing business in your community.

- **Ticket discounts and comps.** We were pleased to learn that our ticket discounts were highly valued—but too often infrequently used. Corporate discount programs and complimentary tickets or vouchers must be clearly and effectively marketed. It is particularly important that you work closely with a staff member, such as a member of the company’s human resources staff, and keep information about discounts and special events in front of decision-makers.

- **Artist access and on site opportunities.** A number of new or expanded programs were presented and tested for their level of interest. Among those that ranked high were opportunities to interface with employees at the place of business. Short of doing vignettes from current productions, brown-bag education programs were also of interest. Moreover, we learned that companies were interested in events that gave special access to artists through education programs developed exclusively for business and networking receptions.

- **Less is best.** Your corporate contacts have little time to plod through dozens of your publications loosely gathered into folders. Keep your materials organized and focused on what they need for decision-making: audited financials, annual report, succinct program summaries and pledge-response forms. Customizing information will also create a personalized feel to each request sent.

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*—Doug Nathan, director of corporate giving, Guthrie Theater*
CAUSE-RELATED MARKETING: JUST THE FACTS

If a company is associated with a cause they care about:
- 78% of adults said they would be more likely to buy a product;
- 66% of adults said they would be likely to switch brands;
- 62% of adults said they would be likely to switch retailers; and
- 54% of adults said they would pay more for a product.

The American public regards local issues (55%) as more important than national issues (30%) or global issues (10%).

After price and quality, one-third of Americans consider a company’s responsible business practices the most important factor in deciding to purchase a particular brand.

Causes consumers most want companies to focus on are crime (34%), the environment (29%), homelessness (28%), the quality of public education (27%) and drug abuse prevention (27%).

For the past two years, the arts have attracted 6% of all sponsorship spending in North America ($610 million in 2002.)

Sources: Cone/Roper Benchmark Survey on Cause-Related Marketing and IEG Sponsorship Report

WHAT SPONSORS WANT: PERFORMANCE RESEARCH/IEG STUDY HIGHLIGHTS WHAT SPONSORS WANT FROM IEG SPONSORSHIP REPORT

A survey of nearly 200 leading sponsorship decision-makers provides crucial insight into not only why companies sponsor, but how they research opportunities and how they budget.

The study, which IEG commissioned and Performance Research conducted in March 2001, includes responses from executives responsible for sponsorship sign-off at a range of companies, international, national and local, who manage properties of all types and sizes.

A full 78% said their companies do not have an ongoing budget dedicated to sponsorship research. Specifically, 72% reported they allocate either nothing or no more than one percent of their sponsorship budget to concurrent or post-event research, even though tracking return on investment is the industry’s war cry. And, pre-event research fares no better: more than three-quarters spend $5,000 or less per deal on external research prior to making sponsorship decisions—33% spend nothing and 44% spend less than $5,000.

One result of these small or nonexistent research budgets is that companies tend to rely on data from properties (sponsored events or organizations)—more than third-party studies or even their own research—when evaluating opportunities. Sponsors indicated they typically consider information from all three resources, but lean most heavily on sponsees for demographics, psychographics, attendance figures and property growth trends.

What Properties Should Provide

Sponsors also are surprisingly reliant on properties for return on investment measurement. For a scale on which 10 is “completely dependent on properties,” companies rated themselves a 5.1. However, 61% of sponsors said that properties “do not meet expectations in that area.”
Sponsors also graded properties on how well they deliver post-event reporting. For providing return on investment measurement, motorsports properties were labeled most often as the best; cultural events were cited most often for not providing such data.

Sponsees also cannot shirk responsibility for documenting other deliverables. By a wide margin, respondents deemed post-event reports and fulfillment audits the most valuable service properties provide; 51% rated that task a 9 or 10. (See Chart 3.)

Less important to sponsors among property-provided services are research on sponsor recall—rated a 9 or 10 by only 37%—and leveraging ideas—which received a 9 or 10 from 29%. Those results echo discussion from IEG’s Core Sponsorship event marketing conference (IEG SR, April 2, 2001), where sponsors said that they mainly rely on properties to provide a platform to work from and the tools to sell deals internally. Corporate executives said devising promotional plans and leveraging tactics, however, are best left to sponsors.

**Ensuring Category Protection**

Beyond the service that they seek from sponsees, what are the most valuable sponsorship benefits to companies?

Respondents cited a mix of tangible and intangible benefits, led by category exclusivity (the right of a sponsor to be the only company within its product or service category associated with the sponsored property), rated as a 9 or 10 by 68%. (See Chart 4.)

Other important benefits were on-site signage (rated a 9 or 10 by 53%), title of a proprietary area (40%), identification in the property’s media buy (39%) and broadcast advertisement opportunities (37%).

Rights deemed less valuable were program book ads (28%) and access to the property’s mailing list (32%).

**Consumer Loyalty Is Top Goal**

Highlighting one of the sponsorship’s key strengths among marketing media, sponsors said that the number one objective for their sponsorships is to increase brand loyalty.

(See Chart 6.) Given a list of 15 possible goals and asked to rank the importance of each on a scale from 1 to 10, 68% of respondents said that increasing brand loyalty was a 9 or 10. The only other objectives rated as a 9 or 10 by more than half of the respondents were creating awareness/visibility (65%) and changing/reinforcing image (59%).

Although sponsorships that incorporate employee benefits have become more widespread in recent years, they were of comparatively little import among the sponsors surveyed—perhaps, a casualty of tightening budgets. Exciting employees and incenting sales forces were two goals least often mentioned as highly important, scoring 9s and 10s with only 13% and 14% of respondents, respectively.
Other objectives of least importance: gaining on-site sales rights, highly rated by only 13%, and networking with cosponsors, garnering high points with only 14%.

The statistics also revealed a startling disconnect between the sponsors’ objectives and how they evaluate success. Notably, although brand loyalty is purportedly the companies’ top objective, less than half—47%—employ primary consumer research as a component of their analysis when deciding to change or renew deals. (See Chart 7 on previous page.) And, although their key targets are outside corporate offices, nearly all executives seem to rely on gathering opinions from their own colleagues—94% said they incorporate internal feedback into their decisions.

At renewal time, internal feedback also far outstripped factors such as sales/promotional bounceback, employed by 64%, and media analysis, used by 53%. (Respondents were allowed multiple responses.)

How Sponsors Choose Properties

Predictably, fan/attendee demographics and attendance estimates were the criteria sponsors considered most often when selecting new properties, cited by 91% and 82%, respectively. But, with a nod to another one of the sponsorship’s strengths, 61% said that fan passion is a crucial metric.

That measure, combined with another statistic from the survey, indicates that at least some companies are eschewing CPMs (the cost to deliver an ad message to a thousand people) and other numbers-only measures when choosing ties. Just 42% said that they consider television ratings as a selection factor.

Respondents’ companies sponsor sports (73%), entertainment (52%), education/causes (43%) and arts (34%). In addition, 38% sponsor websites.

Cause-related marketing (CRM) refers to a commercial activity in which companies and nonprofit organizations form alliances to market an image, product or service for mutual benefit. Some companies also extend their relationship with an organization or a cause beyond marketing, integrating it with other company activities, such as community involvement, employee volunteerism or corporate philanthropy. Cause-related marketing campaigns vary in their scope and design, the types of nonprofit partners and the nature of the relationships between companies and their marketing partners. In the most common type of relationship, a company might donate a portion of each purchase made by its customers during a specific period of time to the nonprofit entity. However, there are several variations on this theme and not all CRM campaigns channel money to nonprofits; some engage principally in educational or awareness-building activities.

Cause-related marketing first became popular in the United States in the early 1980s as a marketing strategy, but more recently it has been adopted by a broad range of companies throughout the world.

One reason is that companies are taking a more strategic approach to their community involvement efforts, seeking ways of benefiting community organizations while also furthering the companies’ business goals. Another reason for CRM’s growth is that public opinion research has shown that effective cause programs can enhance a company’s reputation and brand image and increase the credibility of its marketing effort while giving customers a convenient way to contribute to nonprofit organizations through their purchasing decisions.

Business Importance

Traditionally, the principal business goal of a cause-related marketing program has been to impact a company’s bottom line through increased sales. Yet research has shown that, for companies committed to corporate social responsibility, CRM programs can offer other, often unanticipated, benefits as well. Long-term impacts such as increased profitability or cost savings are often attributed to the observed changes resulting from effective CRM partnerships. While the value realized by cause-marketing programs will differ among companies and industries, some of the potential benefits include:

♦ Attracting and Retaining Customers: Companies that have engaged in cause-related marketing report that those efforts help attract and build long-term relationships with customers. For example, affinity credit cards, in which a nonprofit organization benefits each time a consumer uses the card to make a purchase, help credit card companies develop long-term relationships with consumers. In addition, several studies over the past few years have shown that consumers are drawn to companies that are associated with a social cause or issue:

♦ According to the 2000 Cone/Roper Executive Study, a survey of more than 200 U.S. marketing, foundation and corporate giving directors, 91% believe that cause-related marketing can enhance company or brand reputation.

—This excerpt is reprinted with permission from an article in the IEG Sponsorship Report. IEG, Inc. is the source for sponsorship information, providing sponsorship consulting services, event marketing publications, educational workshops and sponsorship intelligence.
In a 2000 survey of 12,000 consumers in 12 European countries, CSR Europe reported that, in a one-year period, two in five consumers bought a product because of its links with good causes, or bought a product labeled as social, ethical or environmental. One in five consumers said that they would pay more for such products.

In the 1999 Millennium Poll on Corporate Social Responsibility, a global opinion survey, two in three citizens wanted companies to go beyond their traditional business and profit-making roles, to contribute to broader societal goals. Moreover, over one in five consumers reported either rewarding or punishing companies in the marketplace within the past year based on their perceived social performance.

The 1999 U.S.–based Cone/Roper Cause-Related Marketing Trends Report found that a company’s support of a social issue could impact consumers’ purchase decisions. The survey respondents indicated that when price and quality are equal, two-thirds would be likely to switch brands or retailers to one associated with a good cause. Meanwhile, the 2000 Cone/Roper Cause-Related Teen Survey showed that under the same conditions, nearly 9 in 10 teens would be likely to switch brands and 85% would be likely to switch retailers.

Market Differentiation: For many companies, cause-related marketing has helped them to create an alternative and distinctive approach to brand advertising. In a crowded marketplace, CRM can help companies distinguish themselves from their peers by offering the consumer the opportunity to contribute to something more than the company’s bottom line. National and international brands can better identify with their local markets by linking themselves with community organizations, or with regional or community chapters of nongovernmental organizations.

Outreach to Niche Markets: Partnering with nonprofit organizations can help a company to connect with specific demographic or geographic markets. For example, by partnering with Susan G. Komen Breast Cancer Foundation in support of the Foundation’s Race for the Cure events, Ford Motor Company successfully positioned itself among a formerly disengaged target market—women. In addition to its substantial financial and in-kind donations to race events, the Ford Division of the Ford Motor Company has issued thousands of public service announcements in an effort to both communicate a critical health message to women and to enfold them into its brand identity.

Motivated and Loyal Employees: As companies vie to attract and retain quality employees, many have been rewarded for their support of cause programs through increased employee morale, loyalty and job performance. In the 2000 Cone/Roper Executive Study, 85% of U.S. executives indicated that one of the most important long-term objectives of cause-related marketing programs was to increase employee loyalty. The 1999 Cone/Roper Cause-Related Trends Report gives sanction to this vision, with 87% of employees at companies with cause programs indicating a strong sense of loyalty to their employer.

Reinforced Company Mission: Cause-related marketing efforts can help communicate to employees, customers, suppliers and other stakeholders about a company’s commitment to corporate social responsibility.

Community Support: In an era of increasing competition and heightened public scrutiny of corporate activities, executives recognize that among their various stakeholders, communities are a critical force. As some companies have experienced the damaging bottom-line effects of losing favor among community stakeholders, many more have realized the benefits of becoming proactive, socially responsible members of the communities in which they operate. Once again, when polled in the 2000 Cone/Roper Executive Study, 87% of them felt that gaining community support was another important long-term objective of cause-related marketing programs.

Recent Developments

Rise of Strategic Philanthropy: Many companies are beginning to look at their outreach to communities—whether defined locally, nationally or globally—from a strategic perspective. This involves aligning community involvement and philanthropic activities, including cause-related marketing, with core business objectives, taking advantage of core competencies and customizing areas of focus based on customer needs. One result is that cause-related marketing in many companies has moved from being a short-term, one-time campaign to build sales, to a longer-term strategic effort to build brand and reputation.

Growing Acceptance of CRM: As more and more companies use cause-related marketing campaigns, a growing number of consumers are accepting them as a means of making purchase decisions. In a comprehensive study conducted in 2000 by the U.K.–based organization Business in the Community, 88% of consumers were aware of cause-marketing programs; 77% said that such programs have positively changed their behavior or perceptions.

Targeting Particular Populations: A growing number of companies are finding cause-related marketing to be an effective way of accessing specific target markets. To both reach and engage these markets, companies need to consider their audiences’
specific interests and needs. As revealed in the 1999 Cone/Roper Cause-Related Trends Report, “Americans’ priorities have an obvious connection to education, life stage and geographic residence.” For example, while public education may be a critical issue among Influential Americans™ (social activists and opinion leaders), crime is the most important issue among those without a high school education. When respondents were segmented by geographic area, 42% of Midwesterners indicated that they believe businesses should work to improve the quality of the environment, whereas Southerners felt more strongly about crime (39%) than the environment (19%).

Cooperation Between Companies:
Many companies are forming alliances to leverage the impact of their cause-related marketing efforts. In 1998, for example, credit card company VISA partnered with retailing giant Kmart in a CRM effort to benefit anti-drug education. VISA said that it would make a contribution based on the number of VISA transactions at Kmart stores. More recently, Timberland created the Red Boot campaign to raise funding and awareness for its nonprofit partner—City Year—through sales of a special collection of apparel, accessories and footwear bearing both partners’ logos. Timberland was able to realize additional value for the partnership by integrating the program with its retail stores and the stores of key business partners.

EXTERNAL STANDARDS
In general, cause-related marketing efforts are guided by the same ethical standards as all other marketing and advertising activities. As such, there are few specific standards for cause-related marketing. However, the Key Principles of Cause-Related Marketing were published by Business in the Community in 1998. The principles include:

- **integrity:** adhering to the highest ethical standards in all CRM activities and relationships;
- **transparency:** ensuring that communications between the partners and with consumers are legal, decent, honest, truthful and clear;
- **sincerity:** providing strength and depth to a relationship with a nonprofit organization or cause;
- **mutual respect:** appreciating the intrinsic value the nonprofit organization brings to the CRM partnership;
- **partnership:** ensuring that both sides share the risks and rewards; and
- **mutual benefit:** ensuring that all parties’ objectives are being met.

IMPLEMENTATION

While much of the above discussion has focused on the potential rewards of a successfully planned and executed cause-related marketing program, partners should be equally aware that a poorly executed CRM program can jeopardize the work of the charity and the reputations of all the partners. In order to be successful, cause-related marketing programs require planning, preparation, commitment, monitoring and follow-through. Below are some of the key issues to consider:

- **Identifying the Right Issue or Cause:** While any issue or cause may be suitable for establishing a cause-related marketing relationship, many companies seek to find an issue that aligns with the company’s product or services, its market (or potential market) or its geographic community. It also may be worth considering how a cause or issue fits with a company’s strategic business goals. For example, a company seeking to ensure a future labor pool of literate, well-educated employees in its community may choose to commit to an education-related organization or cause that helps children who are at risk of falling behind academically or dropping out, to stay in school or learn to read.

- **Selecting the Right Partner:** Selecting the appropriate nonprofit partner can be as critical to the success of a cause-related marketing program as the marketing effort itself. It is important that both the company and the nonprofit fully understand each other’s goals and objectives, as well as their mutual commitment to the relationship. In addition, it is important to consider:
  - The organization’s reputation and public perception in the company’s target market/audience.
  - The organization’s potential to become involved with controversial political or social issues that may reflect negatively on its corporate partner.
  - The makeup of the organization’s board of directors.
  - The organization’s leadership and financial management.
  - The organization’s standing with local and national regulators, taxing authorities, Better Business Bureau and other government and non-governmental “watchdog” groups.
  - The organization’s ability to reach and engage the intended target markets, whether through a broad CRM campaign or a local community partnership.

- **Establishing the Relationship:** It is critical that the company and the nonprofit organization have a clear understanding of the nature of the relationship and the specifics of the marketing campaign. In most cases, a formal document between the two entities should spell out how funds will be raised by the company, and specify any limitations, such as a maximum amount to be contributed. It also may specify how the money will be allocated, the duration of the campaign and the steps that will be taken if problems or disagreements arise. In general, it is advisable to
manage the expectations of all involved so as not to mislead a partner organization about the likely impact of the campaign.

- **Weigh the Benefits and Challenges:** It is important to recognize and avoid potential problems that can stem from private-nonprofit partnerships. Companies need to appreciate that their partners’ business motivations may differ significantly from their own. While the company may prioritize its bottom-line responsibilities to its shareholders, the nonprofit’s priorities may rest more with its mission and reputation. In addition, the two organizations may have significantly different cultures, communication styles and access to resources. Company management should understand that although this relationship may be just one of several marketing strategies it is employing, revenue from the partnership may be a vital lifeline for the nonprofit. Partners can avoid problems by being sensitive to the impacts of their business decisions, even seemingly minor ones, on each other.

- **Checking the Legalities:** Some key items are worth checking with a lawyer. For example:
  - Does the company have a formal agreement with the charity that gives it permission to use its name?
  - Does the promotion meet all local and national laws and regulations?
  - Is the company shielded from liability resulting from wrongdoing by the nonprofit organization?

- **Communicating the Partnership Message:** Critical to the CRM campaign is communicating the message. The most effective cause-related marketing campaigns are those that are simple, clear and compelling to their target audiences. Consumers not only need to know the nature of the cause program, but also they need to be engaged so that they can become active, long-term participants in the campaign. CRM partners should make an effort to communicate the logic of the partnership, the impact that the consumers’ purchases will have on the organization or cause, and how the campaign will affect the community, improve people’s lives or make the world a better place. Effective methods of communication have included television ads, print media and the Internet. In addition, companies may want to emphasize that their support of the cause is not being financed through increased prices to consumers.

- **Integrating the Campaign:** The most successful cause-marketing programs are those that extend beyond the company’s foundation or communications departments and are assimilated throughout the entire company. Timberland’s 10-year relationship with City Year provides an apt example. In managing its partnership with City Year, Timberland not only leverages the expertise of its social enterprise staff, but also solicits input from its CEO, as well as its communications, marketing and human resources departments. In addition, Timberland encourages its employees to become involved through regular organizational meetings and events, internal company communications and paid leave for community service.

- **Tracking the Results:** While a cause-marketing return on an investment might be difficult to calculate, it is important for the partners to create measurement criteria so that they can regularly monitor the effectiveness of their strategies in reaching their goals. These assessments give the partners the opportunity to keep a pulse on their respective needs and the flexibility to refine their strategies as necessary. In the case of cause-marketing partnerships, quantitative and qualitative criteria are often used to measure results. Quantitative criteria might include money raised to support the cause; the number of media impressions issued in support of the cause, or increased product sales. Qualitative criteria are more subjective and can include informal consumer or employee feedback, testimonials of those who have benefited by the partnership, or company events or recognition. Companies typically communicate the results of their campaigns to their target markets, employees, business partners, and others involved with the effort.

**Leadership Examples**

- **American Express Corporation:** As one of the early pioneers of cause-related marketing, American Express has impacted issues as diverse as hunger relief and the restoration of the Statue of Liberty. In a new initiative, the company has created the Community Business program to help small business owners gain access to the credit and resources they need to start or grow their firms. In partnership with ACCION, the Association for Enterprise Opportunity, and CountMe-In for Women’s Economic Independence, American Express has committed to serving a critically underserved and underfunded segment of the small business market—microenterprises. Central to the partnership program is the Community Business Card, a credit card offered to small business owners, which allocates one percent of all cardholder spending to one of the three microenterprise development partners, who, in turn, provide small loans and training for microentrepreneurs in need.

- **ConAgra Foods:** In October 1999, ConAgra Foods, the nation’s second largest food company and parent company to over 80 household brands, launched Feeding Children Better, the nation’s largest corporate initiative dedicated solely to ending childhood hunger. By partnering with America’s Second Harvest and other leading anti-hunger organizations,
the company was able to leverage its extensive food sales, advertising and distribution network in order to bring more food into the charitable food distribution system, to feed hungry children, and to bring the face of childhood hunger into the spotlight. Since the inception of this program, Feeding Children Better has funded nearly 50 Kids’ Cafés, which are secure, after-school programs that provide balanced meals for children. In addition, fresh produce and frozen fish deliveries increased by 104% and 40% respectively, as a result of the program’s newly created Rapid Food Distribution System, and 29 new trucks have been purchased for food banks with grants by ConAgra Foods.

✓ Ford Division: Since 1995, Ford Division has been a leading partner of the Susan G. Komen Breast Cancer Foundation’s Race for the Cure events in their fight to raise awareness and the resources necessary to eradicate breast cancer. While support for the foundation is not linked to sales of Ford vehicles, Ford has donated $48 million to the Komen Foundation to date in sponsorship fees, media support and in-kind gifts. In addition, the company created Ford Force to leverage a united front of Ford dealers, employees and the general public in the fight against breast cancer. As members of Ford Force, more than 12,000 Ford employees have run or walked in races across the country, and more than 3,000 dealers have participated in local Race for the Cure events. The impact on both the cause and consumer have been dramatic. Komen Race for the Cure events are now the largest 5K-race series in the world, and they continue to grow by approximately 39% each year. Even more important is that, following several of Ford’s public service announcements, the Komen website and toll-free number reported increased usage among women with serious health questions, and there was a marked increase of scheduled breast exams among these women.

✓ The Timberland Company: The relationship between Timberland and City Year has been called a new paradigm in corporate and nonprofit partnerships. Timberland, an international lifestyle brand that features footwear, apparel and accessories, and City Year, a national youth service organization, have been partners for more than 10 years. Over time, this relationship has extended beyond its original cause-marketing component to become fully integrated into the cultures of both organizations. As a national founding sponsor of City Year, Timberland has donated more than $10 million in grants and in-kind gifts since the partnership began. The company also serves as the official uniform sponsor of City Year, providing the trademark red jacket, khakis and Timberland boots that distinguish the youth corps nationwide. The partnership has helped foster a service ethic at Timberland, whose programs now include the innovative Path of Service initiative, which provides Timberland employees with 40 hours of paid leave for community service as well as a competitive three-month service sabbatical program to provide professional capacity and infrastructure-building with nonprofits. Capitalizing on this service ethic, Timberland employees have contributed over 170,000 hours of community service. Most recently the partnership was further enhanced when Timberland opened a City Year office within its global headquarters in New Hampshire.

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✓ **Development**
  
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✓ **Education**
  
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✓ **Governance**
  
  **Judy Hansen**, trustee, Milwaukee Repertory Theater, hansenjudy1@aol.com

✓ **Topical Issues**
  
  Email TCG’s **Chris Shuff** at cshuff@tcg.org