

GETTING SUPPORT FROM COMPANIES

In this topic we will help you understand the basics of approaching companies for support, both financial and non financial. If you attend course six 'Getting Support from Companies' we will explain companies' motivations for offering support, help you to identify which companies are most likely to help, and why, and will introduce you to the various kinds of help they might provide.

INTRODUCTION

UK companies are still giving less than 1% of pre-tax profits to charity, according to research by the Directory of Social Change. The *Guide to UK Company Giving* found average donations over the last 10 years totalled just 0.25% of pre-tax profits meaning that corporate fundraising is worth £0.76b.

Therefore, company support is not a huge area of fundraising but it can be an additional fundraising technique which you can use to increase your income and profile.

All fundraising techniques should involve the funder and the fundraiser building a relationship over time, this is particularly important with company giving. After one or two years of modest donations or support, progress the relationship by asking for more. Look at it like a personal relationship where there will be lots of dates (small donations or gifts in kind) and finally marriage (Charity of the year).

WHY COMPANY'S GIVE

Companies perceive supporting voluntary and community organisations (VCOs) as an investment in the future success of the business. A Business in the Community survey highlighted these main motivators which have been placed in order of importance to a company:

- Enhance reputation
- Motivate employees
- Achieve good PR
- Increase brand awareness
- Develop loyalty
- Increase sales
- Deflect bad PR
- Trial product/service

It is also seen as a way for the company to access new key groups to increase their customer base. If your organisation is working with a certain group of people e.g. parents and children, people from specific ethnic minorities, people from specific communities of interest, the company may support your organisation as it can provide a way for them to communicate with and attract these potentially new customers.

WHY COMPANIES SAY 'NO'

- Some companies get over 50 requests a week and there is a fear that if they give to your organisation, they may be asked by others as a result!
- Need to have a mutual benefit – always prioritise communicating what's in it for them?
- The amount of money asked for is too high with little benefit
- Companies sometimes need to get all departments involved and communicate with them all which takes time and effort. They may see that staff resources will be stretched.
- It may be the perfect match for the company, but the manager may have a personal opinion about the cause i.e. disabled facilities are government's responsibility

TYPES OF SUPPORT

Donations

This can be small to very large sums of money. The donation amount and frequency will depend on the strength of your relationship with a company.

Gift in kind

Many companies find it cost effective to donate goods and services rather than cash. This is an easy way to start building a relationship with a company and items can help you to reduce the costs of running your service or help you to fundraise for your organisation e.g you could use their meeting rooms for free or their computers, or ask for items related to event such as coffee/tea. However, only accept items which you can practically use.

Time

There are many ways staff are able to support your organisation:

- **Volunteering:** Does your organisation's base need a new lick of paint or do you need to improve the outdoor space with some gardening. Staff could help out at an event – marshals, ticket sellers.
- **Fundraising event:** Organise a fundraising event on their behalf or let them organise an event. Some companies match fund what their staff raises in sponsorship.
- **Sharing skills:** the staff may have skills for example business planning or marketing which they could share with you.

Remember: this is valuable to your organisation as the staff support may lead to individual giving so treat them like your volunteers – lots of praise, updates, ask their ideas, thank them, ask them how money could be spent

Charity of the year

Increasingly companies adopt a charity to support on an annual basis. They select a nominated charity to support and help them to raise funds. This is most likely to happen after developing a long term relationship with a company.

Sponsorship

Corporate sponsorship is often done in exchange for publicity, its a "long term" advertising relationship that typically involves the payment of a fixed fee to display a banner or other. Don't use it to cover just the costs, think of what it is worth to them e.g. a £500 advert may be worth £1,000 of new customer business.

Be warned that sponsorship is VATable if the sponsor (company) is making significant benefit from it. Contact HMRC on 08453 02 02 03 for advice.

Cause related marketing

This is where the VCO's cause fits neatly with the existing brand values of the company. It enables companies to build a partnership with the charity to market an image, product or service. For example, since 2003 The Dyslexia Institute has been chosen as charity of the year by Waterstones, the booksellers.

HOW TO IDENTIFY THE RIGHT COMPANY

Firstly choose companies where there is some link – either geographically and/or has similar interests.

Always ask people within your organisation – staff, volunteers, management, trustees – whether they have any direct contacts in companies. When asking people if they know a company ask if they know someone in particular rather than a company in general.

You should take a planned approach for each company so prioritise each company – which ones are most likely to support you – how many you choose depends how much time you have and your organisation/project details. Make a list of between 10-20 companies.

Use the following resources:

If you attend Course Six you will have an opportunity to access some of these resources to identify the right companies for your organisation.

Books: These books are available through the Directory of Social Change: The Guide to UK Company Giving, Corporate Fundraising, Finding Company Sponsors. Visit www.dsc.org.uk to order them or ask your local funding adviser if they have a copy available.

Websites:

www.companygiving.org.uk helps you search for companies from a large database.
www.inkindirect.org re-distributes new goods donated by manufacturers and retailers to VCOs.

www.kompass.co.uk is a global database of industrial and commercial companies.

Also you can get a copy of **The Sunday Times Rich List** to see who is in your area.

The Cranfield Trust has a register of volunteers from the commercial sector who give their time to act as free consultants: www.cranfieldtrust.org.uk

Join your local Chamber of Commerce to network with local business people.

ETHICAL POLICY

You have to ensure that everyone in your organisation feels comfortable partnering with a particular company for example they may not agree with the company's values or history.

If you have established contact with a company you could ask your top ten supporters if they are happy with you establishing a relationship with them.

Write an ethical policy with your stakeholders – staff, volunteers, Trustees. Your local funding adviser can provide guidance, a template and an example, or you can have access to this on course six.

BEFORE YOU MAKE CONTACT

You need to understand the company before you make the approach so use their website to research the following information:

- **Customer profile:** who are their customers, where do they live, what age – will this change in the future, who do they want to influence.
- **Where are they based** – where are the locations of offices/stores
- **Financial info:** if they are making a profit they can give donations of a good size. If they are making a loss they will need your support too
- Do they have a **trend** in their giving i.e. most often support disability charities
- **Corporate Social Responsibility** policy Do they have a policy about the support they provide to the local community and good causes.

You should be prepared with the following things before you contact a company but remember – every company is different so how you make contact will depend on the company.

- Do you have a match with the company in anyway?
- What are the benefits to the company with working with you – what's in it for them?
- What financial or in kind support do you need and what will it pay for?
- How will you know that the support that they have given you will make an impact on the organisation?
- Get ready to answer any questions they have about the organisation – you should know this like the back of your hand.

HOW TO APPROACH A COMPANY FOR SUPPORT

You need to find the main contact in the business but this may not necessarily be the person at the top.

Face to face is the most valuable way– are there any local events, your own fundraising event, networking opportunities, Chamber of Commerce events/membership. You can build a relationship by asking them to put a poster in their window or asking them to put a collection box on their desk

Telephone: get past the gatekeepers i.e. phone up for the name of the main contact, ring again asking them for that person using their first name. Work with the PA, find a mutual time to ring again and book in as an appointment.

Do not have a script, be natural and arrange a time to meet. 'I am arranging meetings with local companies to discuss sponsorship opportunities'. Do write and confirm the meeting with a p.s. 'Thanks to your PA for their help'

Letters – this is the last resort, you must get a contact name and use your research to learn who this should be. Letters could ask for them to put an advert in your publication, sponsor your annual report, asking for a straight donation, to advertise your fundraising events to their staff, enter the event.

CONCLUSION

You should now have a clearer idea about how to get support from companies. If you attend Course Six of the Funding Training Programme you will be able to acquire a deeper understanding of this information and how you can apply this to your own organisation's fundraising plans.

Also, download the other factsheets in this website to assist you along the other fundraising steps.