

Cause Marketing—Good for Business

Partnering with a charity offers countless benefits to your company and others.

By **Andy Armstrong**, director of marketing, Johnson Controls-Unitary Products, Norman, Okla.



Andy Armstrong (second from left), marketing director for Johnson Controls-Unitary Products, presents a \$21,056 check to Cherry Murray, director of special events for the Make-A-Wish Foundation® of Oklahoma. Armstrong is surrounded by daughter Sarah (far left), wife Liz (third from left), daughter Megan (fourth from left) and several “Wish” kids.

I raced a speeding train up a mountain in Colorado and raised \$21,000 for the Make-A-Wish Foundation® all in the name of business. It may seem like a strange thing to do, but that is the beauty of cause marketing.

According to the book “Brand Spirit, How Cause-Related Marketing Builds Brands” by Hamish Pringle and Marjorie Thompson, cause marketing is “A strategic position and marketing tool that links a company or brand to a relevant social cause or issue for mutual benefit.”

The key phrase in that definition is “mutual benefit”. If you just donate to local charities, you’re not doing cause marketing. For cause marketing, you need to win, too! And there are scores of examples of companies who have “won” in their cause marketing efforts.

- In order to support MADD, Mothers Against Drunk Driving, Coca-Cola donated 15 cents for every case sold during a six-week promotion. In that time period, Coke saw sales increase by 490%.
- By pledging a penny for every transaction toward the Statue of Liberty restoration, American Express saw card usage jump by 28% and new users increase by 17%.
- A 2002 promotion created by Briggs & Stratton and The National

Wildlife Federation to promote the environmental value of a tuned-up lawnmower saw tune-up kits triple in sales.

- By offering \$1 from every rental to go toward Special Olympics, Dollar Rent-A-Car increased bookings by 25%.

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(All examples were sourced from Cause Marketing Forum—www.causemarketingforum.com)

It is clear that well-thought-out cause marketing can truly affect the bottom line. In fact, cause marketing can boost several parts of your business. Some key areas cause marketing can help are:

- Brand differentiation

- Employee recruiting and retention
- Community networking
- Increase positive public relations

Brand Differentiation

Time and time again, consumers prove that, when given a choice of two otherwise equal offers, they will choose

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Employee Recruiting and Retention

One of the most common complaints I hear from contractors across the country is finding and keeping good employees. The industry is having a hard time recruiting enough qualified people. Some certainly have better luck than others, but consider this: “72% of Americans say they would choose to work for a firm that supports charitable causes over one that does not,” according to the Cause Marketing Forum.

If your company is involved in supporting your community, you are a more attractive employer.

Further, many studies show that employees working for companies with active community involvement are more loyal. A 2000 study reports 87% of employees checked the “strong loyalty” box when working with a company involved in cause marketing, while those working for companies without such a program only checked 67% of the time.

Community Networking

All small-business people know that the majority of their business (and most profitable business) comes from word-of-mouth advertising. That begs the question, is there a better way to get word-of-mouth advertising than to put your business out there as a model company that gives back to the competition?

Strong results with a recognized charitable organization also will create opportunities to serve on the charity's board of directors. It may seem like just another burden on your schedule, but remember, some very powerful people in your community also serve on those boards and are usually very well connected. They can be an increasing source of future business and employees, not to mention a very good source of advice on small-business issues.

Increase Positive Public Relations

"Some are born great, some achieve greatness, and some hire public relations officers," according to Daniel Boorstin, historian, professor, attorney and author of "The Image: A Guide to Pseudo-events in America."

Now I would not be so bold as to suggest that the path to greatness is through a PR officer, but I would say that a cause-marketing strategy for your business is a very good way to increase positive PR for your company. Not only does the message of a company supporting a cause increase the value of your brand, quite often the charity itself will draw the attention of customers you would never had touched otherwise.

Setting The Performance Standard.

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HEATING • AIR CONDITIONING

Luxaire® — A Case Study

Six years ago, Luxaire entered into cause marketing by partnering with the Make-A-Wish Foundation®. Throughout the past six years, Luxaire dealers and distributors have embraced cause marketing, and more importantly, Make-A-Wish® kids.

Responsible for granting literally thousands of wishes, the Luxaire family is very proud of what we've accomplished. Not only has a portion of every sale gone toward wishes, both dealers and distributors have created their own



Andy Armstrong, director of marketing for Unitary Products, North America, part of the Building Efficiency Group of Johnson Controls, rests after just completing the Iron Horse Bicycle Classic in Durango, Colo., on May 26, 2007. Armstrong successfully raised over \$21,000 for the Make-A-Wish Foundation of Oklahoma.

programs to strengthen the campaign. Whether through a Minor League Baseball event, golf outing or even a simple bake sale, each contribution adds to Make-A-Wish's overall mission: Granting wishes to children with life-threatening medical conditions to enrich the human experience with hope, strength and joy.

Racing the Train

Motivated by all I've seen Luxaire and Make-A-Wish (MAW) accomplish together, I decided that it was time to pull my own weight for the MAW cause. Being around children who are either waiting for a wish or have already been granted a wish will change the way you look at the charity. To do my part, I decided to combine my lifelong pastime of cycling with a fundraising opportunity.

An annual race with a train from Durango to Silverton, Colo., (50 miles with 6,000 feet of climbing) seemed like the perfect personal goal to leverage into fundraising for MAW. By working with some very generous trade partners, supportive friends and family, I was able to raise \$21,000. I've had very few experiences that were as rewarding as com-

pleting my personal goal and knowing that three children with life-threatening diseases would now get their wish.

What Can You Do?

There are three basic steps to starting a cause-marketing program for your business.

to do. If you are a golfer, have a golf outing. If you like to cook, have a fundraising cooking class. If it is fishing, how about a fishing derby? There are hundreds of ways to raise money. And remember, it isn't always how much money your raise when you consider the value of PR.

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- 1. Find a cause.** It sounds simple, but it is very important that you choose a cause that is truly important to you—and with values that match your company values. To make it work, you will need the passion that can only be fired by a love of the cause.
- 2. Find a fundraising vehicle.** Again, find a passion, something you love

- 3. Get started.** The one thing I know for sure, you will never have a successful cause-marketing program unless you take the first steps. Once started, the next steps will become apparent soon enough.

So, what are you waiting for? It's never too late to embrace a cause-marketing program for your business.