



**THE CHALLENGE AND REWARDS OF
PARTNERING WITH THE PRIVATE SECTOR TO
ACHIEVE SOCIAL MARKETING OBJECTIVES***

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Moderator: Alan Andreasen, Ph.D., Georgetown University

Plenary

Presentation: Kurt Aschermann, Chief Marketing and Development Officer, Boys & Girls Club of America

Panelists: Nancy Lee, MBA, Social Marketing Services, Inc.

Rich Ehrmann, MBA, Manager of Consumer Promotions, Bayer HealthCare

Jim Mintz, Director – Marketing and Corporate Communications Division, Health Canada

Nancy Lee, Kurt Aschermann, Rich Ehrmann and Jim Mintz; the Challenges and Rewards of Partnering with the Private Sector to Achieve Social Marketing Objectives,. Social Marketing Quarterly, VolumeXI Numbers 3-4 Fall-Winter 2005

INTRODUCTION

The purpose of this session was to explore the various roles that corporations can play in advancing social change and to better understand the motivations and concerns that corporations have regarding social marketing partnerships in particular. It was also designed to address the risks and challenges of these partnerships for government agencies and NGOs. Presentations included perspectives on principles that are key to success and offered case histories of specific partnerships.

The session began with a bang, marked by the plenary presentation by Kurt Aschermann who provided strong recommendations on how to win and keep great relationships in the for-profit sector. Bottom line, he claims it is a “new world” out there, and we need to be prepared to listen to our potential partner’s needs and goals and respond quickly (at www speed) with strategic proposals. Nancy Lee then presented the six options that corporations have for contributing to social issues and made the case that partnering for social marketing campaigns offers superior benefits over the other five options. This should be good news for social marketers. Rich Ehrmann from Aleve then presented the corporate perspective, identifying what works well and doesn’t work well in partnerships and shared the story of their successful social marketing relationship with the Arthritis Foundation. The panel concluded with views from the public sector, based on Jim Mintz’s experience at Health Canada. Jim addressed the benefits of alliances, criteria for selection and evaluation, lessons learned from over 300 partnerships, and a successful case study with Procter & Gamble to reduce deaths from AIDS.

BUILDING BRAND RELATIONSHIP AROUND A CAUSE

Kurt Aschermann claims it’s a new world for businesses, where customers want a new relationship, one where they get instantaneous information, relationships not sales calls and solutions, not products.

If we (NGOs, non-profit organizations, public agencies) can help a business satisfy the new needs of their customers and their staff, we can become part of the business strategy and if we become part of the business strategy, we are no longer at the mercy of the person in charge of charity. And if we are no longer their charity, and we become part of their business strategy, guess where the \$\$\$ and awareness are?

In order for us to take advantage of this, we need a new way of thinking and it involves ten steps:

1. Accept the new world, one where decisions (yours and theirs) take place @ web speed, with implications for how long it should take you to accept or reject an offer from a potential partner.
2. Get buy-in from your board, management, the whole organization.
3. Create, protect and enhance your brand. Otherwise, why would they want to be with you?
4. Understand your product line, what makes you different and what your USP (Unique Service Proposition) is. Then sell it everywhere, simply and consistently.
5. Develop guidelines for what you will do and what you won’t do. When a well-known company, for example, asked the Boys and Girls Club for exclusivity” Kurt said they were finally able to get their “no” across when they asked, “Can the Boys and Girls Club be your exclusive charity?” “Wait, we can’ do that!” “Bingo and neither can we.”
6. Learn business, not necessarily the Wharton version, but talk the talk.
7. Learn proposal-less fundraising, meaning never do it on the first call. Listen to find out where you can help them first.
8. Understand the needs of every audience.

9. Know how to use and employ the “Got It, Need It, Can’t Do It” expectation management system, one designed to help identify what each player has (or doesn’t) that the other needs and can use. For the for-profit organization, for example, a “Can’t Do It” might be identified as “the partnership can’t slow down transactions.” For the non-profit, a “Can’t Do It” might include no endorsements for the corporate brand can be made.
10. Use basic account management principles. Corporate America deals with agencies and account representatives. Organize the same way. Create a COG, a corporate opportunities group, one charged with managing the partnership “account.”

And we need to be prepared to answer their natural questions. How does the non-profit manage corporate accounts? Who will be working on the account? What are your guiding principles for cause marketing? Are there things you won’t do? Can you deliver? Who’s on your board? How well are you managed? What percent of your budget goes to administrative costs, to marketing and how much do you pay your executive? (And don’t forget, this can all be found out on the 990 form if you don’t provide it.) Is your organization going to be around for the long haul? Is the program measurable? A Letter of Agreement should include: what each partner is responsible for, in detail; how you can get out of the agreement and how much warning you must give them to do so; what rights you and the partner have to things like logo use, brand name, etc. How does the PR side of the house work? Are you the real deal? Do you see yourself as a brand and do you protect that brand? Do you approach philanthropy like entrepreneurs?

In conclusion, there is a huge amount of money out there, but corporate America is getting very smart, looking for partnerships, not programs and results, not appreciation.

CORPORATE SOCIAL MARKETING: WHY IT’S BEST OF BREED

Nancy Lee took it from there to create new distinctions and common language regarding options that corporations have for giving. For decades, corporate philanthropic activities were seen as separate from business objectives, not fundamental to them. But times have changed. Pressures to give strategically are building, with increased internal and external expectations to address economic responsibilities as well as social ones . . . to do good for the corporation as well as the cause. The good news for social marketers is that, among the six major options that corporations have for community giving and involvement, it can be demonstrated that Corporate Social Marketing initiatives offer the most promise for contributing to marketing goals and objectives, including brand positioning and preference, market development and increased sales. We can even help corporations improve their profitability. Given this, social marketers can more confidently approach corporations with proposals for true partnerships, not handouts . . . for long-term relationships, not one night stands.

An umbrella definition and descriptions of each of the six major options followed: Corporate Social Initiatives “Corporate Social Initiatives are major activities undertaken by a corporation to support social causes and to fulfill on commitments to Corporate Social Responsibility.” (Philip Kotler/Nancy Lee 2004)

Corporate Social Initiatives: Six Options for DOING GOOD

Cause Promotions “Where a corporation provides funds, in-kind contributions or other corporate resources for promotions to increase awareness and concern about a social cause or to support fundraising, participation or volunteer recruitment for a cause.” Ben & Jerry’s raising awareness of global warming with their “One Sweet Whirled” ice cream.

Cause-Related Marketing “Where a corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product sales.” Lysol making a 5-cent contribution to Keep America Beautiful for every coupon redeemed for specified products.

Corporate Social Marketing “Where a corporation supports the development and/or implementation of a behavior change campaign intended to improve public health, safety, the environment or community well-being.” 7-Eleven partnering with the State Department of Transportation to promote the state’s Don’t Mess with Texas litter prevention campaign.

Corporate Philanthropy “Where the corporation makes direct contribution to a charity or cause, most often in the form of cash grants, donations and/or in-kind services.” General Electric giving a grant for new lighting at Yellowstone National Park.

Community Volunteering “Where the corporation supports and encourages employees, retail partners and/or franchise members to volunteer their time to support local community organizations and causes.” Washington Mutual employees teaching financial management in the high school classroom.

Socially Responsible Business Practices “Where the corporation adopts and conducts discretionary business practices and investments that support social causes to improve community well-being and protect the environment.” Chiquita deciding to use fewer chemical fertilizers.

Why Corporate Social Marketing Is Best of Breed for Marketing Objectives

Note the “natural connection” between partners presented as examples, key to achieving the benefit identified.

- Support for Brand Positioning: Dole and 5-A-Day
- Creating Brand Preference: Subway and the American Heart Association
- Building Traffic: Best Buy and Computer Equipment Recycling
- Increasing Sales: Home Depot and Water Conservation Products
- Reaching New Markets: Mustang Lifevests and Children’s Hospital Drowning Prevention Campaign

- Improving Profitability through Reducing Costs: Premera Blue Cross and Judicious Use of Antibiotics
- Attracting Enthusiastic and Credible Partners: SAFECO and Fire Departments
- Having a Real Impact on Social Change: Pampers and SIDS

A NATIONAL BRAND'S PERSPECTIVE ON ALLIANCES

Rich Ehrmann then offered his perspectives on best practices for social marketers partnering with brands, sharing strategies for obtaining support from a commercial brand and highlighting areas that would discourage brand sponsorship of an organization's social marketing campaign. His experience as a Manager of Consumer Promotions at Bayer provided a strong basis for his discussion.

What do brands look for in a sponsorship with an organization? There are many important strategic needs that sponsors have. They want the organization's member profile to be a good match with the brand's consumer profile. They want a mutually beneficial partnership, one where both the sponsor and the organization are aligned on desired "consumer" behaviors (e.g. regular exercise). It is appealing if the sponsor is given access to the organization's members and constituents, through a variety of channels and if the organization can provide additional value-added expertise and content that can be used in the brand's marketing materials. It is ideal, sometimes critical, for the brand to be granted exclusive sponsorship of an organization's program and that clear expectations are given and met for exposure of the brand, allowing it to leverage the organizations' name/logo/likeness. Corporations will be looking for organizations that are flexible, creative and willing to develop tailored programs that more accurately meet the needs of the sponsoring brand. They want to partner with organizations that have explicit goals and a track record of achieving them. They will look for evidence that the program that the sponsor will be contributing to has longevity, with simple, repetitive messages and themes.

What doesn't work well? Many of these will be the "inverse" of what works with corporations. There will be concerns if programs don't reach the brand's target consumer, if there is no exclusivity, a lack of customer service and responsiveness, decreasing public support for an organization and/or a volatile structure of the program from year to year.

Rich then described the partnership with the Arthritis Foundation, with whom the Aleve brand is the National Presenting Sponsor of the Arthritis Walk, a walk that takes place each May and raises donations to help fund arthritis research, programs and services. It is a long-term relationship, one beginning in 2002 with the Walk's inception. Aleve receives exposure via the Arthritis Walk promotional marketing materials distributed by the Arthritis Foundation. Through its brand marketing programs, Aleve helps generate awareness of and participation in the Arthritis Walk. Aleve and the Arthritis Foundation are able to develop additional programs that benefit both parties, including joint PR.

The social marketing component of the relationship involves joint support for recommendations for several behaviors known to help improve the quality of life of those with arthritis: that people with arthritis talk with their doctor about choosing medication to treat their arthritis pain; talk to their doctor about creating a pain management plan to minimize the impact of arthritis; exercise; use larger joints to carry items; consider using heat/cold applications; consider using assistive devices; and lose excess weight. Additional benefits of the relationship include that independent testers determined that Aleve's product packaging (bottle) is easy to open, with this third-party commendation reassuring consumers of product benefits (packaging). Aleve is then able to print the Arthritis Foundation's Ease of Use logo on packaging and in marketing materials.

INTEGRATING SOCIAL INITIATIVES AND CAUSES INTO CORPORATE MARKETING STRATEGY: A GOVERNMENT PERSPECTIVE

Jim Mintz first shared that at Health Canada there was initially opposition and skepticism regarding private sector alliances on a philosophical basis, but that they gradually overcame the obstacles. Since the late 1980s, when it was clear that the private sector had a role (responsibility) to play in social issues, there have been more than 300 public-private partnerships including ones for tobacco, alcohol and drugs, impaired driving, active living, healthy eating, diabetes prevention, healthy pregnancy, AIDS, children and seniors programs, injury prevention, West Nile virus, organ and tissue donation. The first major alliance was with Hilroy School supplies, promoting an anti-drug message on 1.2 million binders and 13 million notebooks.

There are many roles that Health Canada can play as a part of these Strategic Alliances. They can play an advocacy role, influencing companies, industries and various levels of government to change products or policies to facilitate social change. It can be a consultative or advisory role, where they provide advice and input on policies, strategies, program design and implementation. It can be a contributory role where they are providing financial support. It may be an operational role where they work to deliver information and services and build capacity. It can be a collaborative role, with sharing of authority, resources, costs and benefits. And/or it might be the role of a catalyst or broker, initiating new relationships by bringing together stakeholders

Jim shared benefits his government experiences: increased resources; improved cost effectiveness; increased citizen participation in program and service delivery; increased efficiency in delivery of programs and services; enhanced influence if the corporation is viewed positively by the target audience; strengthened relationships with, and support from businesses, NGO's and other government organizations; access to new networks and distribution channels (e.g. the 4200 stores supported West Nile Virus promotion); and access to new sources of information and expertise. And then he made clear there are challenges, dealing with the fact that there are no standard rules on strategic alliances across Government of Canada departments; ensuring that the government is not seen to be endorsing a private company or its products; avoiding conflicts of interest; blurring of accountability; avoiding financial risks/liabilities; and persuading the government bureaucracy that can be discouraging collaborating organizations.

Opportunities for alliances can be brought forward in many ways, including unsolicited proposals, personal contact, leads from agencies or suppliers, business monitoring, prospecting and initiation by Health Canada; eligibility.

Many criteria are and have been used to evaluate opportunities. The following are mandatory: shared objectives between Health Canada and the prospective organization; an audience match; the best interests of Canadians are served; contribution of financial or in-kind products or services that demonstrates good value for money; inclusion of a strong public education/social marketing component beyond simply including logos; the potential collaborative organization demonstrates financial self-sufficiency and sound financial practices; material gain will not be permitted through government-funded programs; all parties agree to present themselves as supporters of the Health Canada programs involved and understand in writing that an association with Health Canada does not in any way imply Health Canada's endorsement of a company or its products or services; all parties agree to be accountable and understand they will be held responsible for their actions; there must be full disclosure of current and past negative issues associated with historic behaviors and reputation; the proposed strategic alliance must comply with all federal regulations and policies.

The following criteria are rated on a five-point scale, with a minimum score of 20 points needed to proceed with an alliance opportunity: past record of involvement with Health Canada, if any, and previous experience with the issue/program; chemistry and fit between collaborative teams; an established relationship with and access to target groups; a willingness and ability to act as a marketing channel. A match regarding geographic scope and reach. A willingness and ability to integrate program-specific materials into internal communications; a willingness to commit to medium or long-term relationships for continuity, stability and credibility; a willingness to co-operate with NGOs, where appropriate (if the proposed collaboration is with private sector organization); a willingness to create program-specific materials; a willingness to use existing government of Canada information and expertise to develop materials.

Formal agreements include an explanation of the purpose and scope of the alliance; definition of key issues; specific and measurable objectives for the collaborative effort; benefits to each party; a risk and impact assessment; term and conditions; roles and responsibilities; time lines; expected results and how they will be evaluated; details on resources, and conditions or mechanisms for amendments or termination.

Evaluation of efforts includes informal ones such as distribution, delivery of project on time and on budget, a reduced cost of delivery, positive feedback from stakeholders and satisfaction of all parties. Depending on the goal of a program the following more formal measurements may be applied to determine success; qualitative interviews and surveys pre and post campaign to view changes in attitudes, behaviors and/or awareness; web statistics; inquiries to call lines/centers; media monitoring; and/or participation/attendance rates for events.

Keys to success Jim noted were: having a letter of agreement; picking the right partner; common objectives; developing strategic marketing plan; assigning clear roles and responsibilities; setting up a

process for open communications; operating with complete candor and transparency with stakeholders and the public; anticipating results and how they will be measured; providing visibility and publicity for each partner; getting approval/verification process for all products and activities; providing for timeliness and quality assurance; assuring mutual benefits; having capable and experienced staff on both sides; thinking long term; marketing your results; and being realistic.

Jim concluded with a description of their “Back to Sleep” campaign to help prevent SIDS, an alliance with Proctor & Gamble/Pampers and 3 Health Associations. Outcomes for the campaign showed that awareness that the back sleeping position reduces the risk of SIDS increased substantially from 44-66 percent. Behaviors had changed considerably over the two-year period. About 70 percent of parents and caregivers, an increase of about 30 points, said they placed infants on their back to sleep. Advice from health professionals had changed substantially, with 67 percent advised a back sleeping position in 2001, up from only 21 percent.

DISCUSSION

Questions from the audience were most ignited by concerns regarding how can you know what corporate partners might be “wrong for you?” Members of the panel stressed the importance of choosing corporations as partners based on common values and objectives and of being alert for motives that “smell like” a public relations effort to “undo some wrong.” Consumers are naturally suspicious of these partnerships, particularly of the corporation’s motives. They’ll know something is “up” if they don’t believe that the corporation really cares about that social issue (i.e. teen smoking) or that the timing seems too perfect (i.e. right after an oil spill).

Of interest, also, was how a governmental agency decides to engage in exclusive agreements, often sought by potential partners. Panel members suggested this might be handled in several ways including not playing favorites, not signing exclusive agreements, sticking to objective criteria and putting opportunities out for “bid.”