

CAUSE PARTNERSHIP SALES CYCLE

RESEARCH

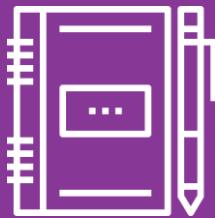


Senior nonprofit professionals weigh in on timing and rate the factors influencing cause partnership sales.





Contents



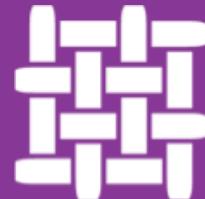
Executive Summary
Pages 2-4



Top Findings
Pages 5-9



Detailed Findings
Pages 10-22



About
For Momentum
Pages 23-25



Executive Summary

In 2014, For Momentum conducted its first survey of U.S. nonprofit executives responsible for selling cause partnerships. We published the resulting [Nonprofit Partnership Sales Cycle Research](#).

The survey was borne of a request from our nonprofit clients who said that board members and other stakeholders often have unrealistic ideas about the amount of time it takes to secure a corporate partnership. Our objective was to create a tool that would help nonprofit professionals better manage those expectations.

In April 2016, For Momentum conducted a new survey. Our goals were to update the benchmarks from the 2014 research, but also to elicit new answers about the factors impacting the sale of different cause partnerships. That's why in addition to aggregate data and charts, you'll also find time-tested insights from the "boots-on-the-ground" nonprofit professionals we interviewed.

NONPROFIT PARTNERSHIP
SALES CYCLE

Nonprofit sales experts weigh in on how long it takes to secure sponsorships or integrated corporate partnerships.

www.formomentum.com

A free cause marketing resource from
For Momentum
CREATIVE CAUSE CONNECTIONS

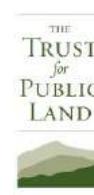
Participating Nonprofits



Rotary



Reading Is
Fundamental





Definitions



For Momentum asked respondents a series of questions about these three defined areas of partnership.

- **Sponsorship** - a primarily cash funder or in-kind contributor for an event, program or specified campaign/activity
- **Integrated Partnership** - a relationship where both you and your corporate partner leverage shared assets and activate the partnership to raise awareness and/or funds from a variety of constituents such as consumers and employees
- **Employee-Directed Partnership** - a relationship where your corporate partner activates its employee base to raise awareness and funds by creating teams, encouraging workplace activities and volunteerism to support your cause

TOP FINDINGS



Top Findings

The time required to secure sponsorships, integrated partnerships and employee-directed partnerships depends greatly on the value of the commitment.



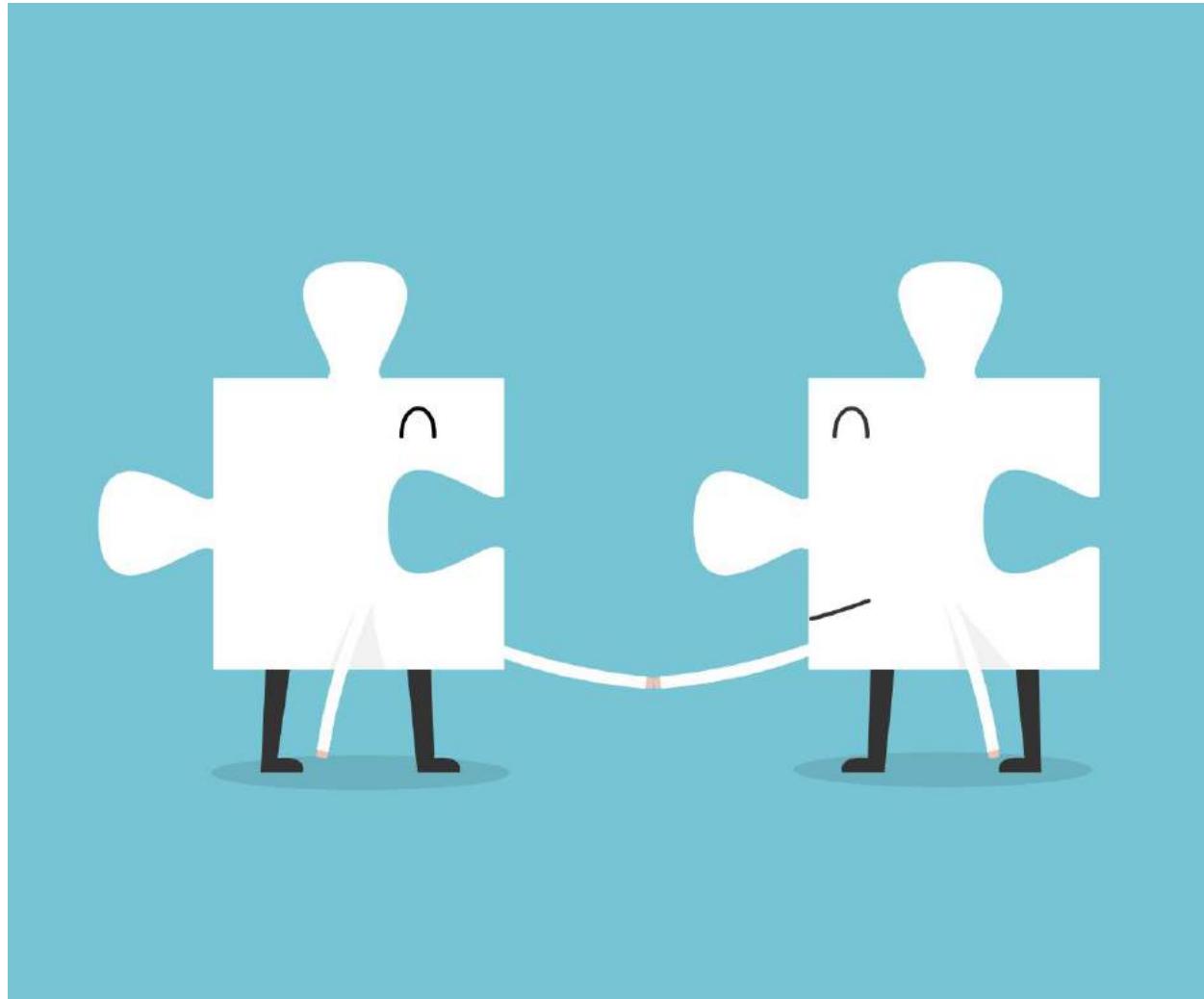
Top Findings



Awareness of a nonprofit's brand has the greatest impact on the organization's ability to secure cause partnerships. This was followed closely by mission fit.

Top Findings

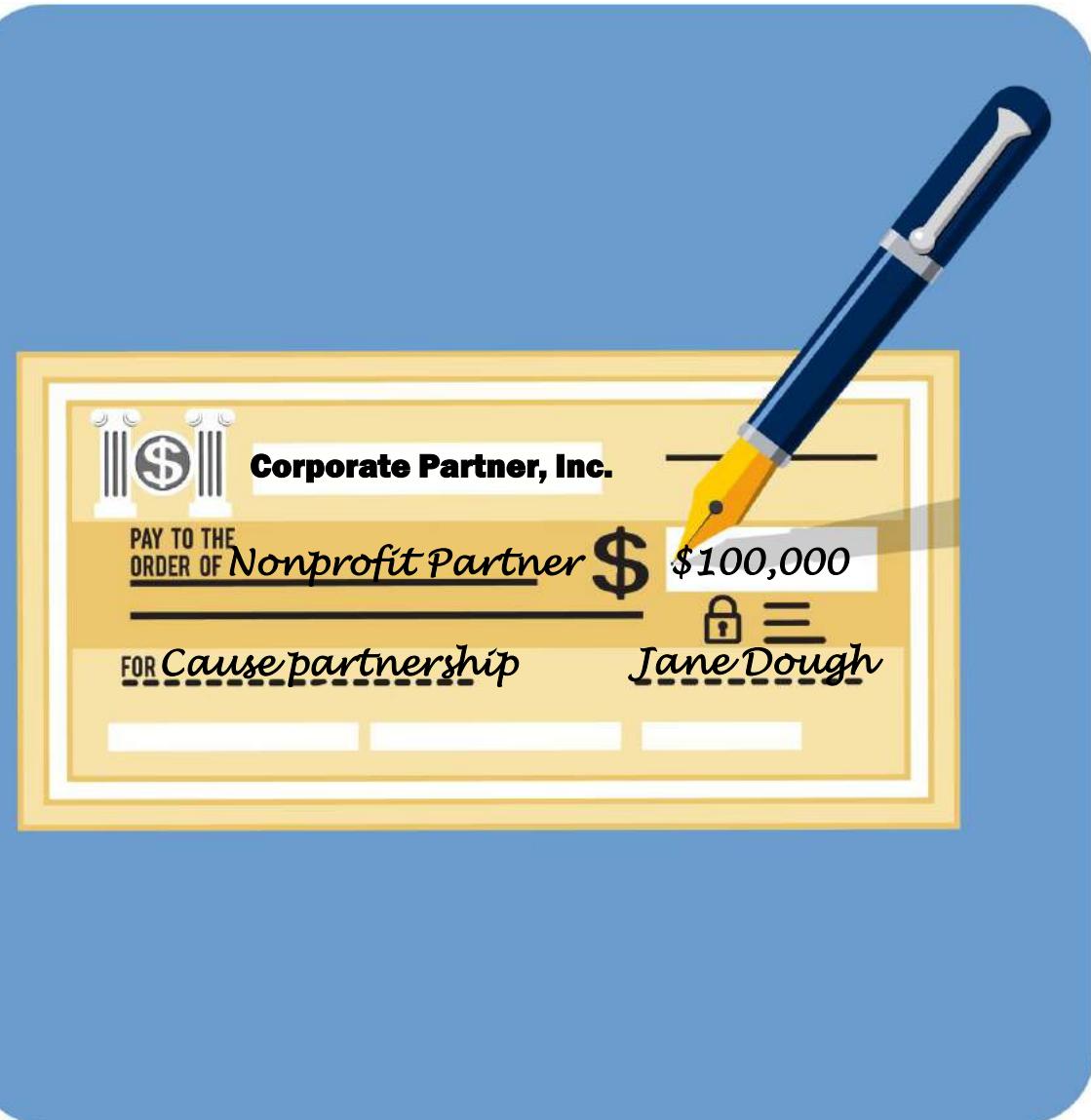
The number one reason given for turning down a cause partnership is a previous commitment to other partners.





Top Findings

A little more than half of nonprofit professionals surveyed said their organization requires a guaranteed minimum for cause partnerships.

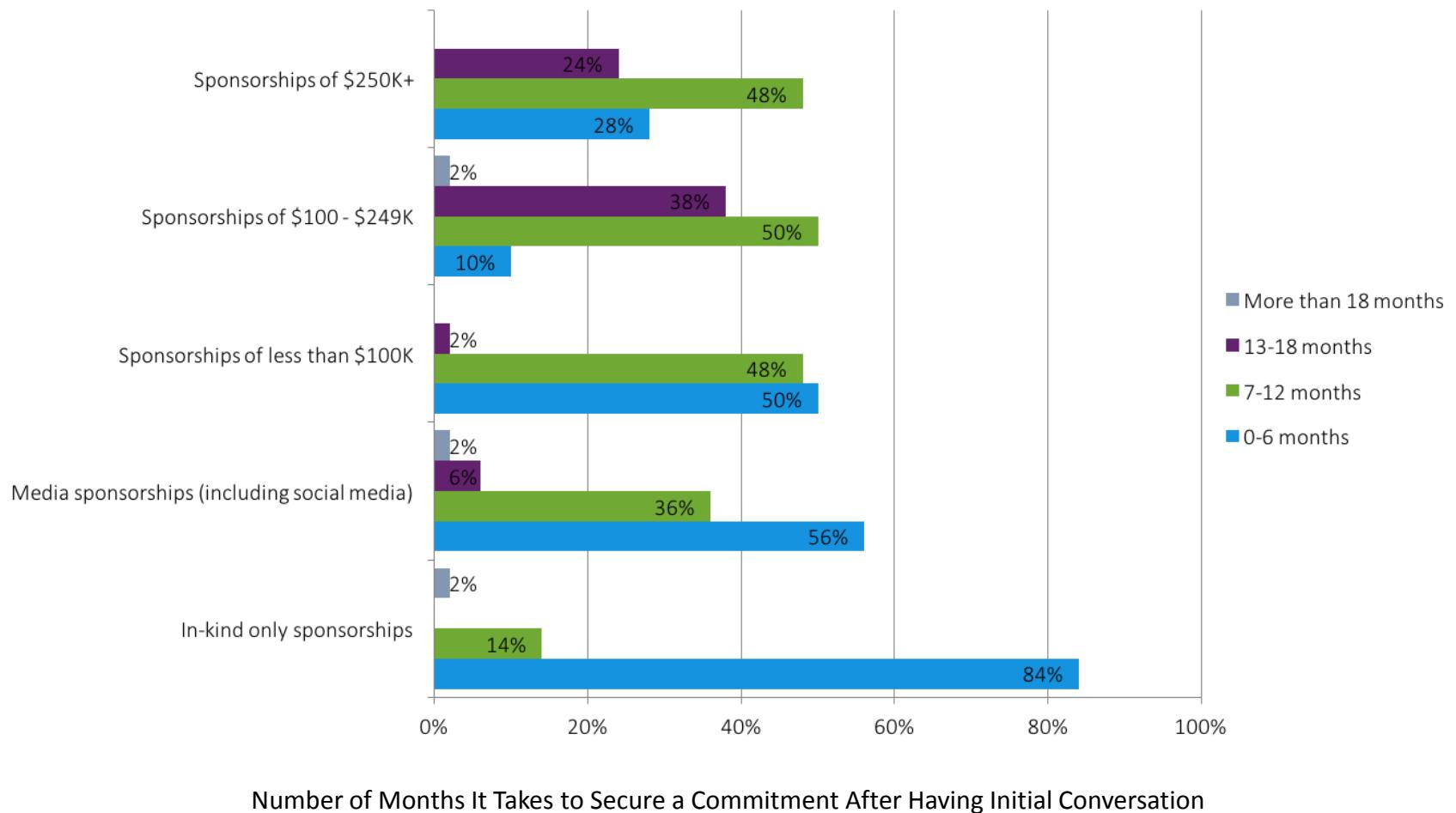


DETAILED FINDINGS



Sponsorships

- Most respondents (84%) indicated that in-kind only sponsorships can be secured within six months, faster than any other type of sponsorship.
- Securing a sponsorship of less than \$100K can vary, with roughly half of nonprofit executives saying it takes within 0-6 months and another half saying it takes between 7-12 months.
- Sponsorships of \$100K or higher take longer to secure, particularly sponsorships of \$250K+.





Insights from Survey Respondents

“Having no previous relationship with the company adds more time to secure a commitment.”

“Hitting the budget cycle at the right time is of high importance. Nonprofits should plan carefully to ensure their request is received in a timely manner.”

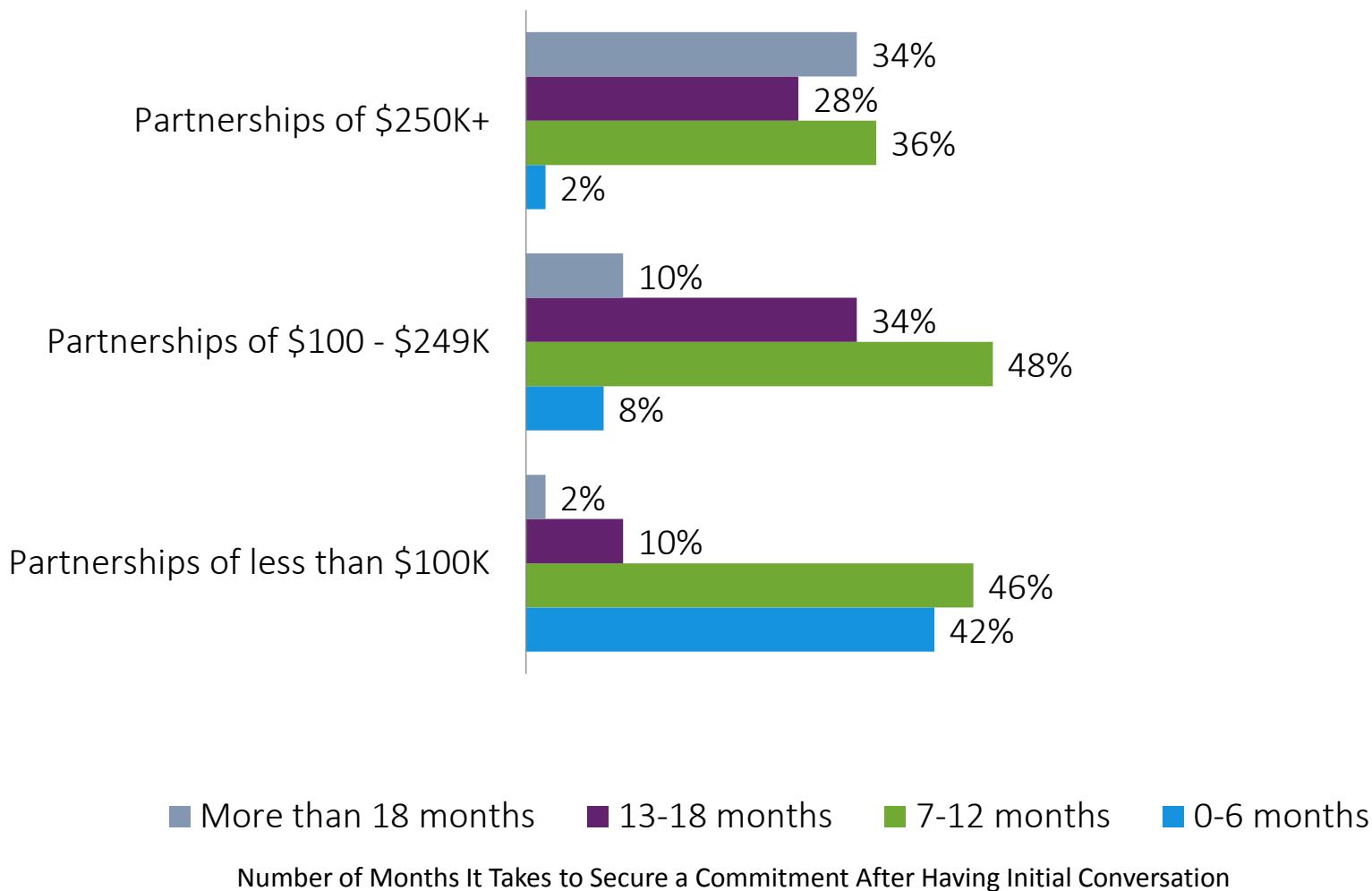
“Not just the amount, but the scope (local, national, multi-market) has an impact on timing.”

“The interest level of the partner really drives how fast a partnership can come to fruition. Having a cheerleader inside the organization makes things move faster.”



Integrated Partnerships

- 98 percent of respondents agree that it takes seven months or more to secure an integrated partnership. After that, there's less consensus.
- For \$250K+ integrated partnerships, 62 percent of respondents said it takes longer than 12 months to secure a deal.





Insights from Survey Respondents

“Some partners want the charity to do the heavy lifting regarding leveraging channels vs. the brand partner.”

“Larger commitments require C-suite approvals and take a bit longer.”

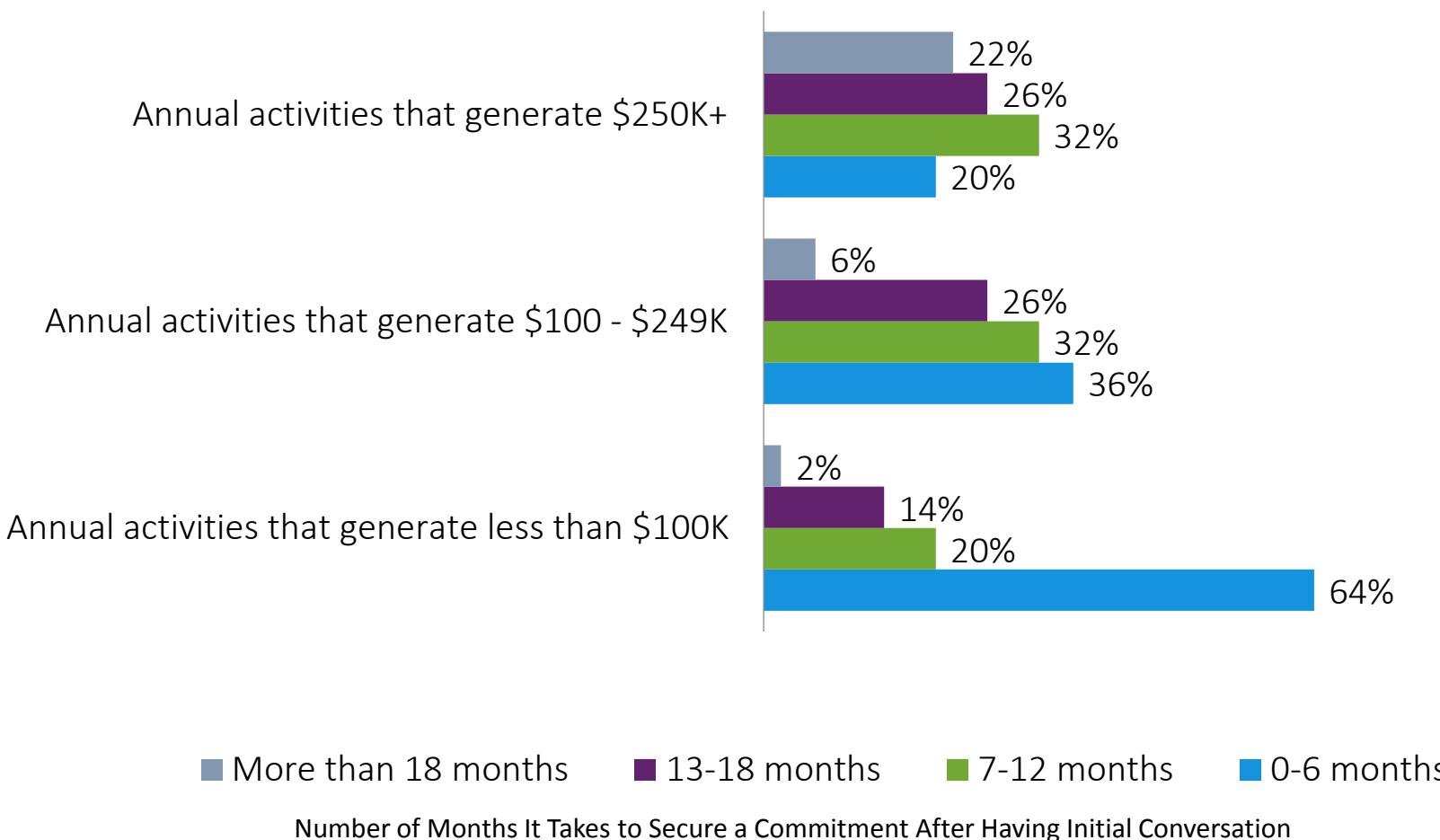
“Most companies have these types of partnerships already in place, so adding an additional integrated partnership usually means squeezing something new on the calendar or removing another partner out of the system.”

“Getting all departments on the same page and gathering approvals affects the length of the process.”



Employee-Directed Partnership Activities

- About two-thirds of nonprofit professionals surveyed indicated that annual activities that generate less than \$100K can be secured within six months. As seen with other types of partnerships, when the value of the partnership increases, the amount of time increases.
- Generally speaking, the timeline to secure employee-directed partnership activities is shorter than the timeline for sponsorships or integrated partnerships.





Insights from Survey Respondents

“Easier to execute when there is an existing platform and/or tool kit to provide a partner.”

“This type of partnership is faster and/or more successful when there is a senior level endorsement.”

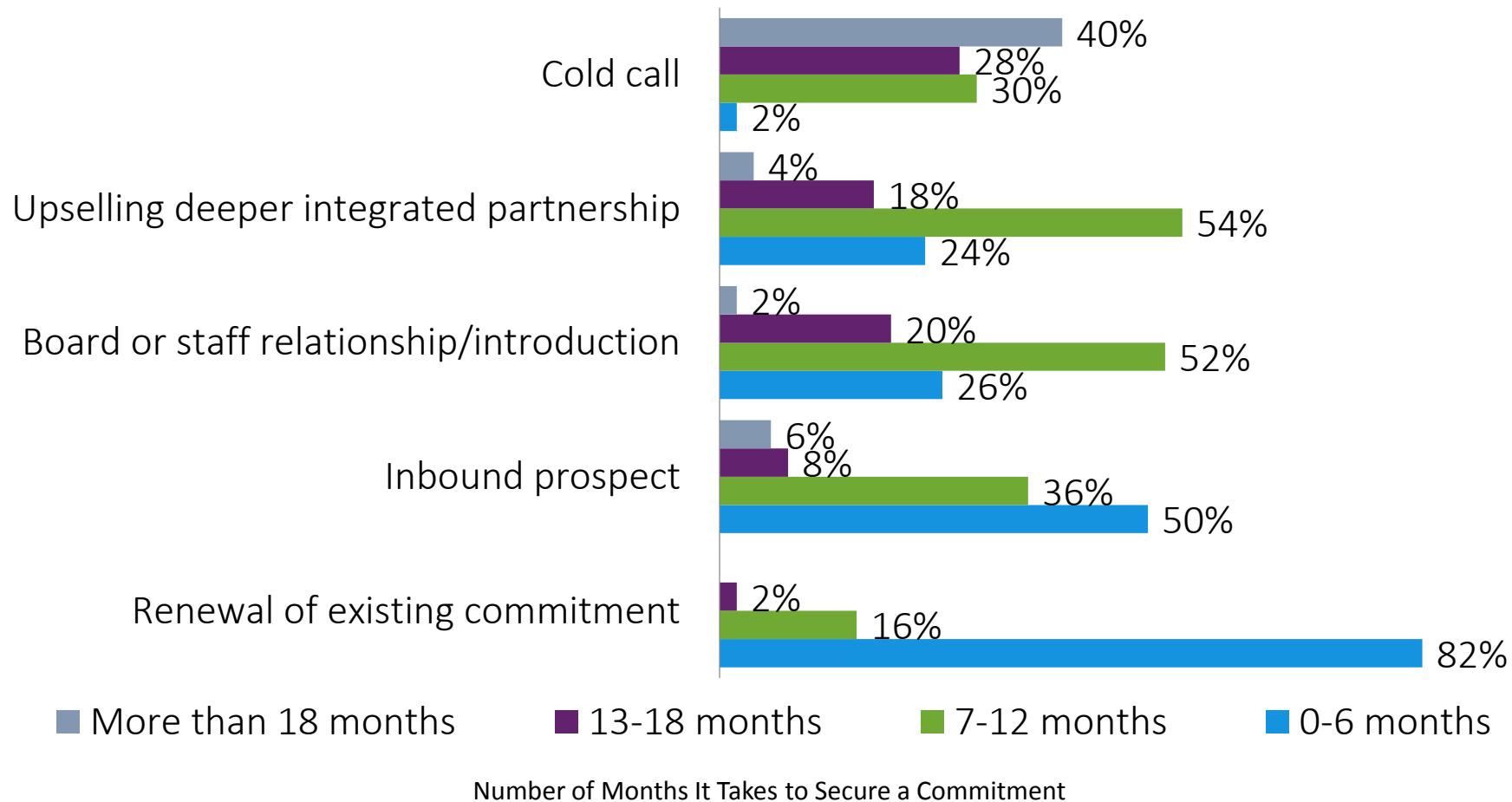
“We layer these on top of sponsorships or integrated partnerships.”

“Timing is also impacted by where the funds originate and by the employee base (the larger the base, the longer they take).”



Time Securing Corporate Relationships

- In terms of corporate relationships, renewals of existing commitments can be secured faster, with the majority indicating these take up to six months to secure.
- Most inbound prospects can be secured within 12 months, while board or staff introductions and upselling take about the same amount of time, usually between 7-12 months.
- Cold calls take the longest time, with the majority of relationships taking more than a year to secure.





Insights From Survey Respondents

“Not all staff have the right skill sets to do cold calls, as cold calls are challenging and take a long time.”

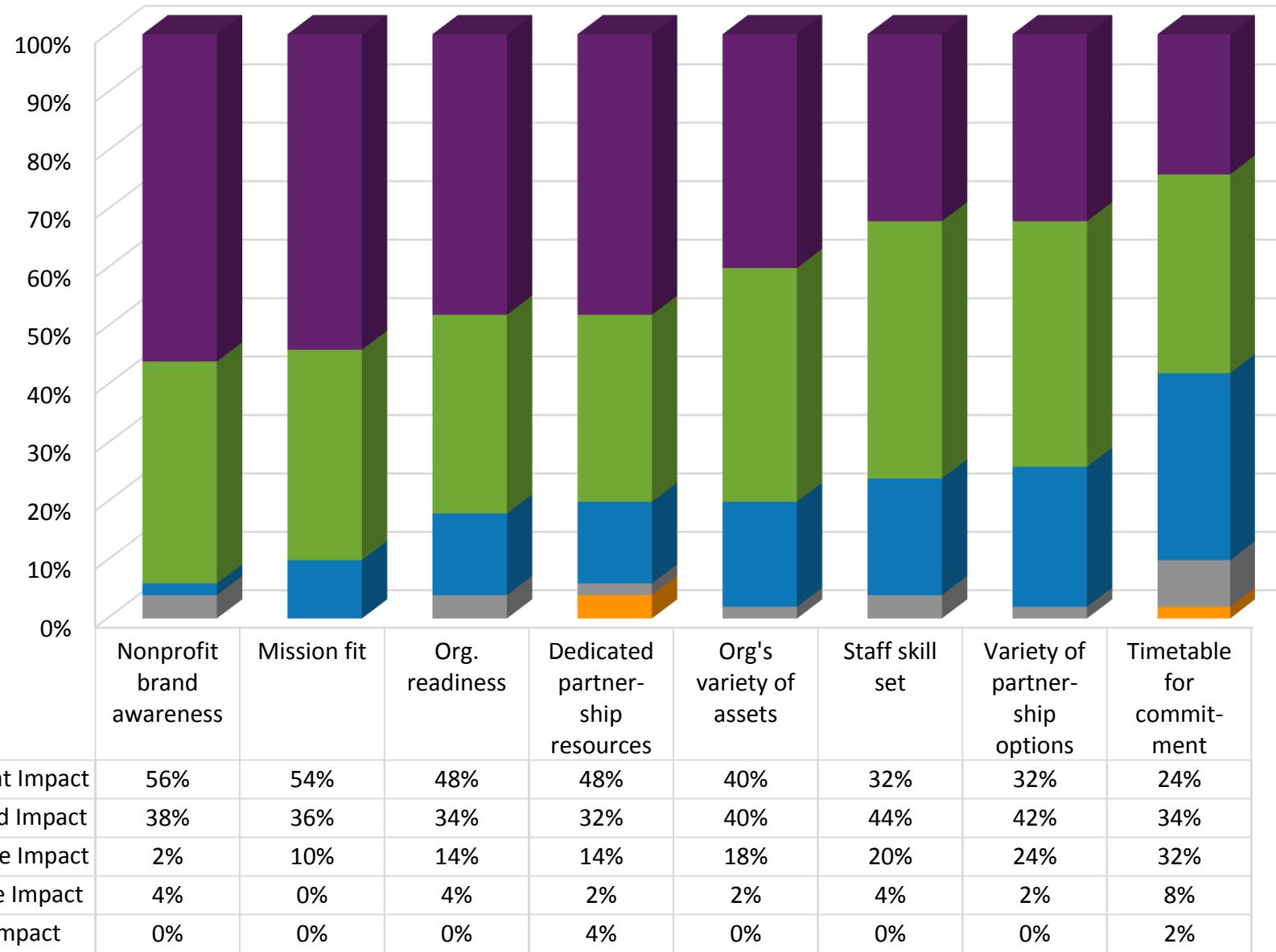
“Growing and leveraging existing relationships and connections leads to greater success.”

“Nonprofits need to be flexible and accommodate partner needs.”

“Understanding a company’s budget cycle is key.”



Factors Affecting Decisions



Level of Impact in Securing Corporate Relationships (1 = no impact; 5 = great impact)



Objections

Other (budget availability and unable to give requested amount)

Inability to co-create opportunities
8%

Benefits offered
12%

Pricing
16%

Timing
6%

Previous commitments to other partners
30%

Mission fit
20%

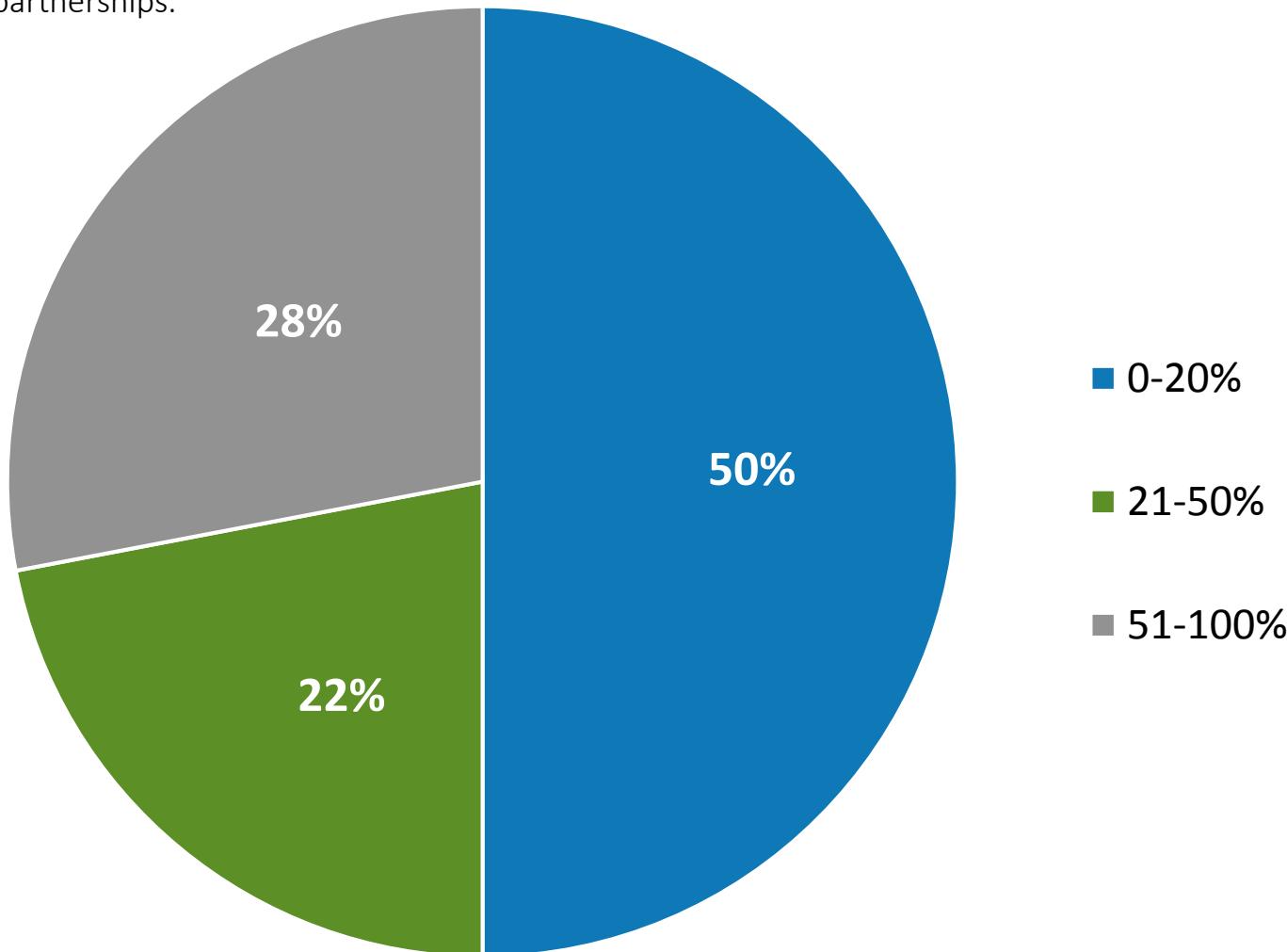
EXCLUSIVITY
was listed as an option in the survey.
None of the respondents selected it as an objection.

- Previous commitments to other partners
- Mission fit
- Pricing
- Benefits offered
- Inability to co-create opportunities
- Other
- Timing



Percentage of Overall Revenue

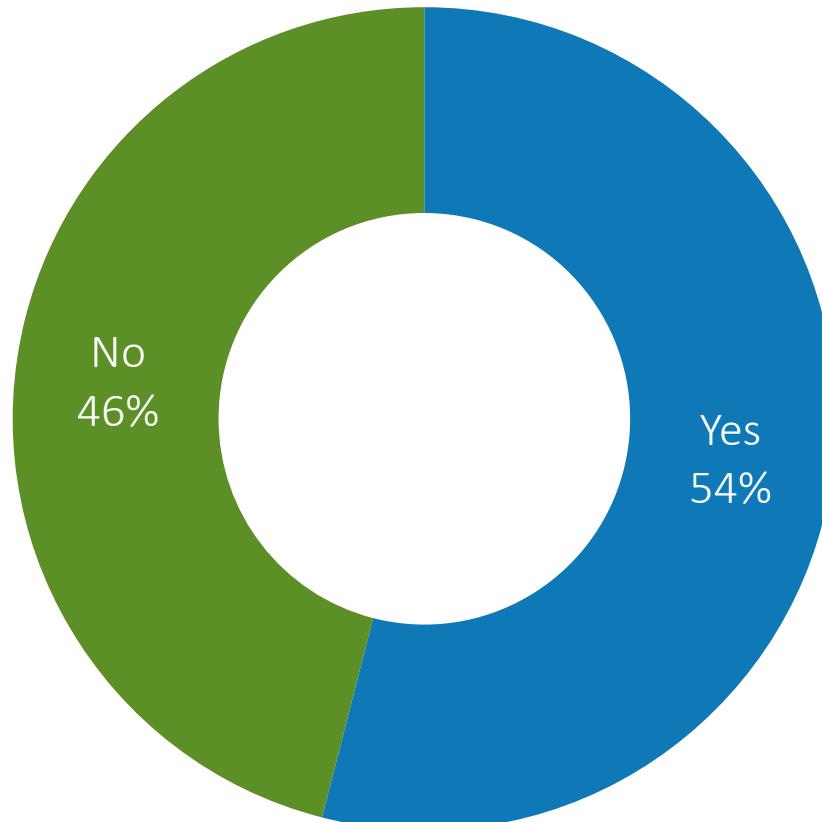
- 50 percent of those surveyed said that a combination of sponsorships, integrated partnerships and employee-directed partnerships accounted for 20 percent or less of their annual revenue.
- However almost 30 percent of the respondents said they get more than 50 percent of their revenue from cause partnerships.



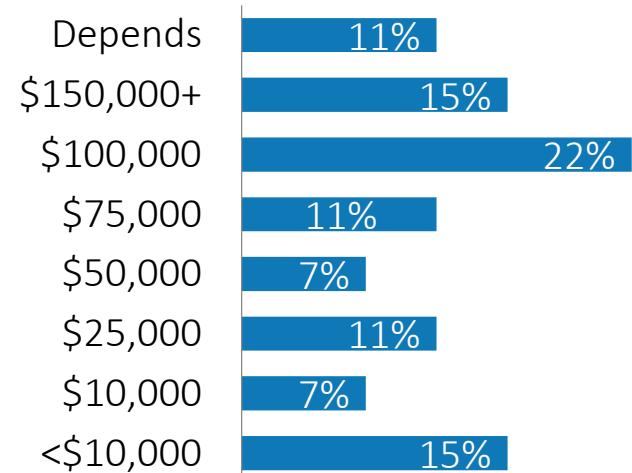


Guaranteed Minimum

- The minimums vary significantly by organization, from less than \$10K to \$150K or more.
- Of those with a minimum, 51 percent set the minimum at \$75K or below and 37 percent set it at \$100K and above.



Minimum Amount



Percentage of Respondents
Who Set Their Minimum at
Indicated Level

ABOUT ■ ■ ■ FOR MOMENTUM



About For Momentum

Founded in 2003 by corporate marketing and nonprofit executive [Mollye Rhea](#), For Momentum has emerged as a leading cause marketing agency that helps companies and nonprofits prosper through partnership.

[Corporate Responsibility Magazine](#) has recognized For Momentum as one of the top five cause marketing firms in the United States.

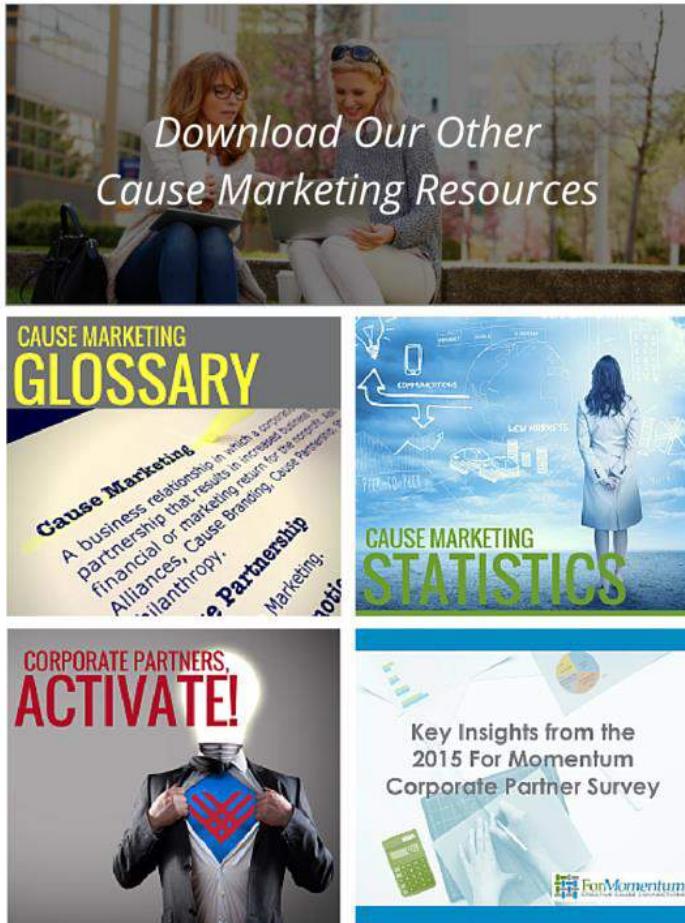
Agency unique selling points (USPs) include:

- An exclusive focus on creating effective cause partnerships and CSR strategies
- Staff members who have worked in both nonprofit and corporate environments
- Extensive fundraising and corporate marcomm expertise
- Support from initial assessment to securing the right partners through implementation





Let's Stay in Touch



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