

# NEXT LEVEL PARTNERSHIPS

A CORPORATE PERSPECTIVE

# WELCOME



# WE'RE PLEASED TO BRING YOU NEXT LEVEL PARTNERSHIPS: A CORPORATE PERSPECTIVE OUR 2022 FOR MOMENTUM RESEARCH REPORT

At For Momentum, we've tracked corporate partnership trends for more than a decade. Much has changed since our first survey of corporate decision makers. We have found, across the board, that stakeholders have higher expectations of companies and their cause platforms. We know consumers want companies to step up. We know nonprofits need company support to build awareness and raise funds. And now, more than ever before, the C-suite sees CSR as a must-have strategy. But how are the corporate partnership decision makers reacting to these increased pressures?

We polled seasoned corporate partner pros to learn more about their partnership perspectives. Their feedback, summarized in this report, provides timely, data-driven insights and comparative analysis to help cause practitioners navigate complexity in the social impact marketplace and set strategy to create next level partnerships.

The data is clear that employees' input and perceptions are driving nonprofit partner selection. And demonstrable impact on community needs is a must. We've also seen the impact of the pandemic permanently shift many companies' partnership strategies for mission selection and types of activations. Yet amid all the data, one factor continues to reign supreme in partnership selection – brand/mission alignment.

Major shifts are driving many changes in the partnership space. We hope this data provides you with insights you can leverage to adapt your strategies and make well-informed partnership decisions.

Thank you for your interest in this important research,



Mollye Rhea
President & Founder
For Momentum





# IN THIS REPORT:

- **SECTION 1** Survey Respondent Details
- **SECTION 2** Corporate Motivations
- **SECTION 3** Partnership Decision Making
- **SECTION 4** Nonprofit Mission Selection Strategy
- **SECTION 5** Nonprofit Partner Selection Strategy
- **SECTION 6** Partnership Planning
- **SECTION 7** Methodology and Resources

# TOP FINDINGS

The vast majority agree that being a purpose-driven company drives both profits (88%) and employee morale (97%).

Over 90% of companies support employee engagement, now the most universal type of partnership activity.

Brand/mission alignment Is the top factor (97%) companies consider in partnership selection.

Most companies choose a new nonprofit partner based on the opportunity, not on a particular planning timeline.

78% of companies report employees being aware of and passionate about CSR and 65% believe it impacts employee retention. The majority of companies support a wide range of partnership types. Over <sup>2</sup>/<sub>3</sub> support partnership and event sponsorship/participation at headquarter, local and national levels.

2020 factors have influenced partnership selection. COVID-19 has impacted about half (52%) of corporate partnership strategies and/or priorities while 81% have increased involvement in DEI activities within the last year.

The majority of companies (68%) research and seek out candidates for nonprofit partnership while 55% vet the nonprofits who contact them.

The top audiences influencing partner selection are employees (79%) and needs of the community (75%). These audiences' influence has increased since our 2018 survey.

For companies, the top measures of success for social impact partnerships are impacting the nonprofit's mission (91%), success stories showing impact (89%), and employee engagement measures (83%).

Companies today typically support multiple philanthropic priorities and work with several nonprofit partners on their key issues.

Primary factors likely to end a partnership that a nonprofit can influence include delivering on what is promised and better demonstrating relevance and impact.





# SURVEY RESPONDENTS: SAMPLING OF COMPANIES INVOLVED

















HARRY'S































































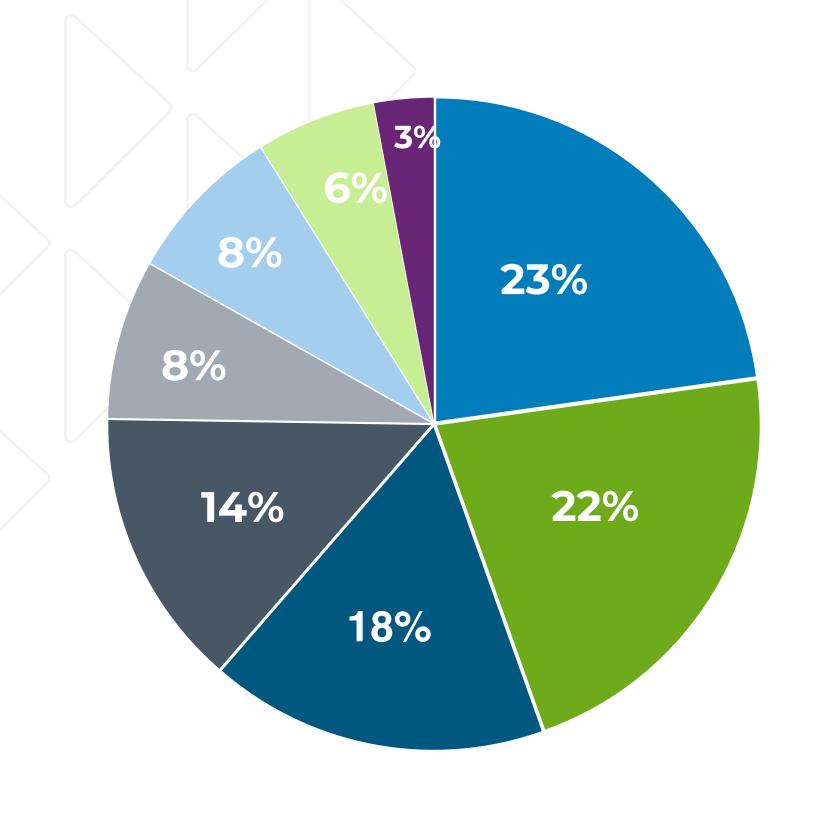








# **SURVEY RESPONDENTS: INDUSTRY TYPE**



### **INDUSTRY**

- B2C service or product
- B2B service or product
- Other
- Retail: both brick and mortar and online
- Restaurant/food service
- Hospitality/travel
- Consumer packaged goods
- Retail: online only

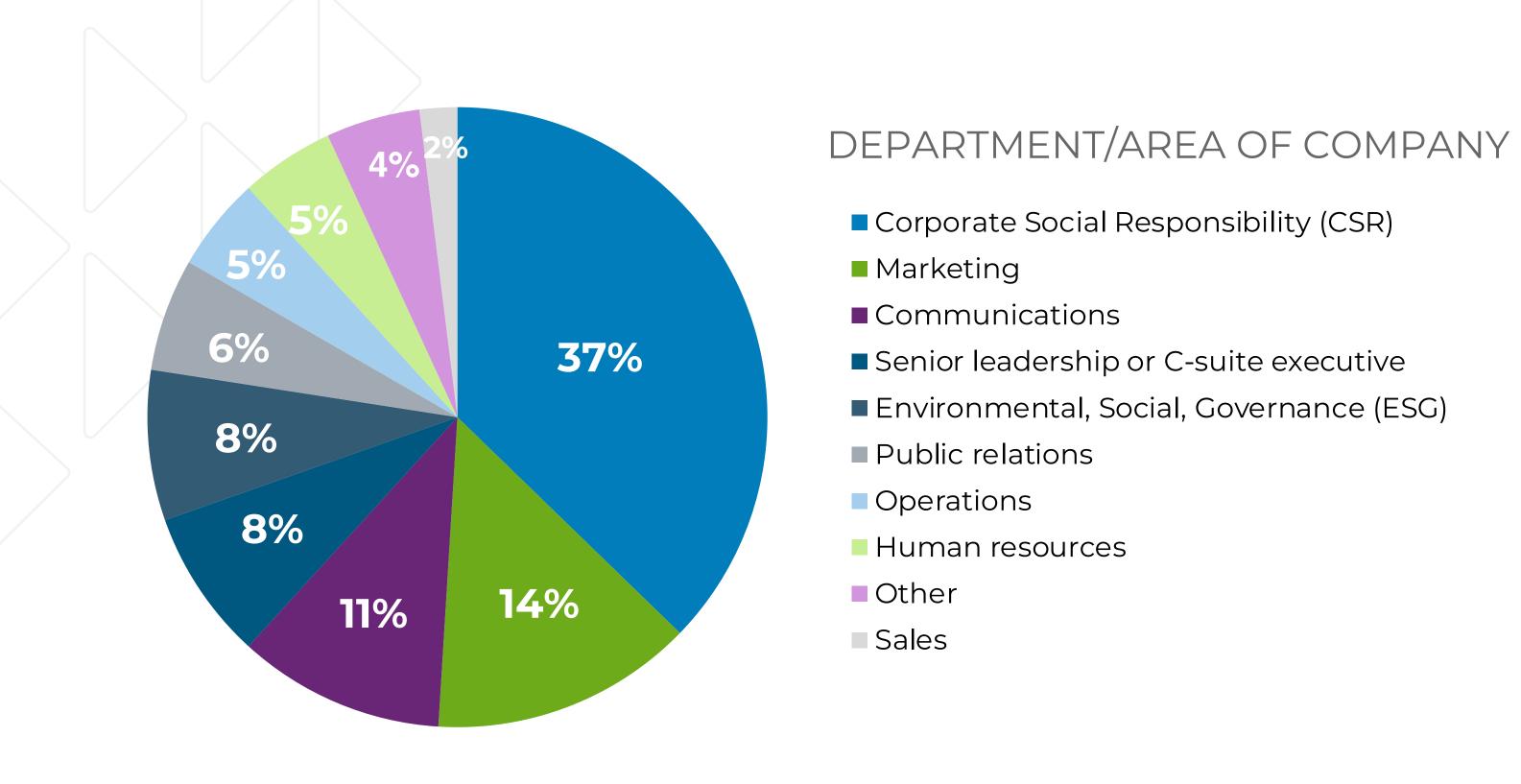
### **Examples of "other" mentions include:**

- + Automotive
- + Distribution
- + Education
- + Financial
- + Manufacturing
- + Utility

- Survey respondents represented a broad range of industry sectors.
- This respondent range confirms
   that the study data is applicable
   across industries in both the B2C
   and B2B sectors.



# SURVEY RESPONDENTS: DEPARTMENT REPRESENTED

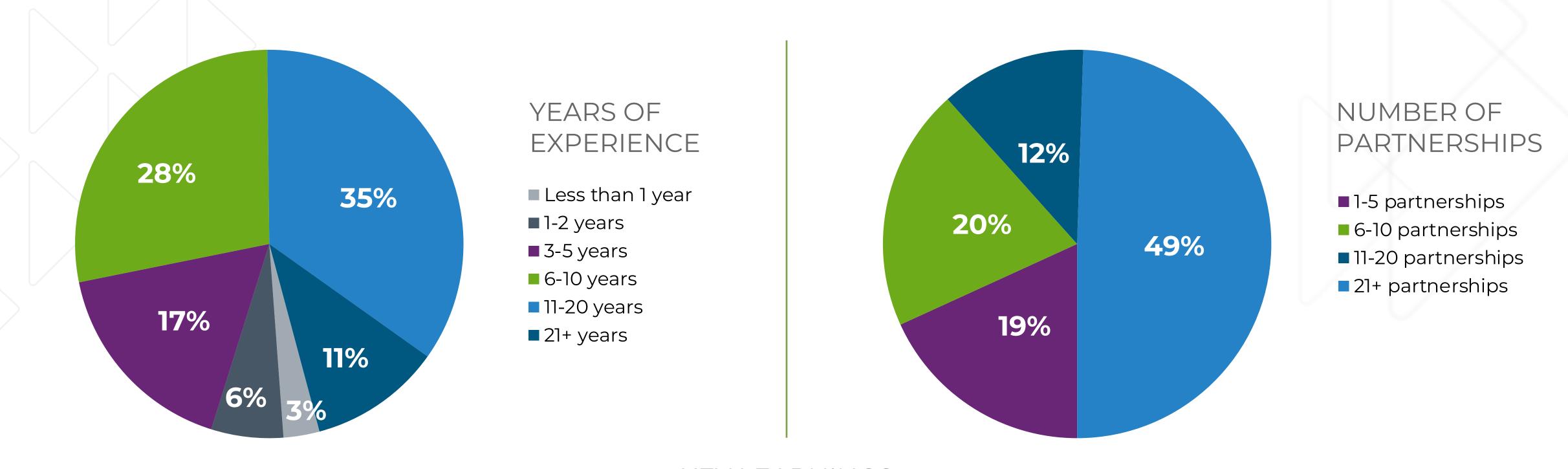


### KEY LEARNINGS

 The majority of survey respondents hold positions in CSR with marketing and communications rounding out the top 3 departments represented.



# SURVEY RESPONDENTS: LEVEL OF EXPERIENCE



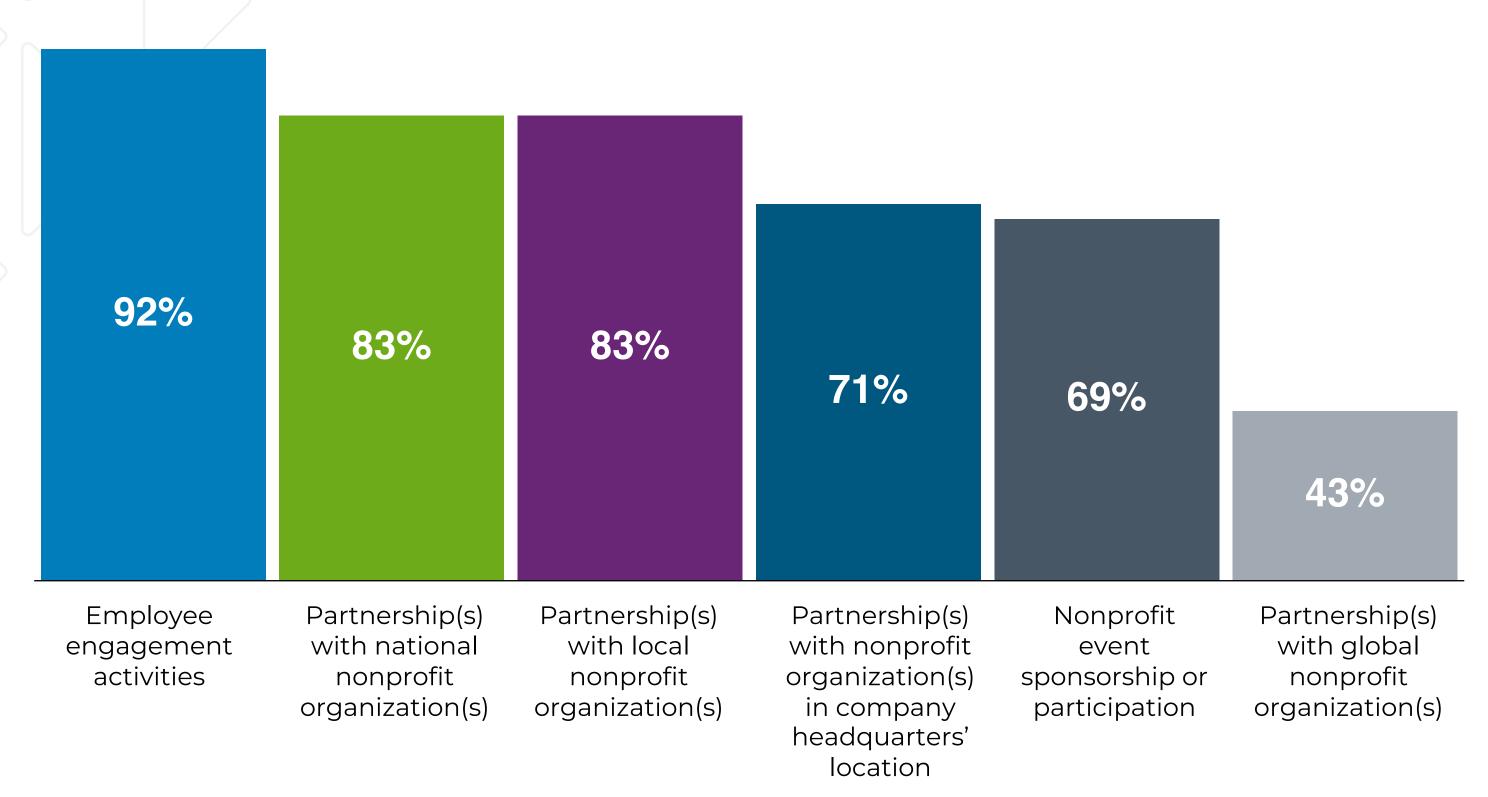
- Survey respondents have a depth of experience in both years of and number of partnerships supported.
- Nearly three quarters (74%) of respondents have over 5 years of partnership experience and 46% have 10+ years of experience.
- Nearly half (49%) have worked on more than 20 partnerships.





# Corporate Motivations: Types of Partnership Engagement



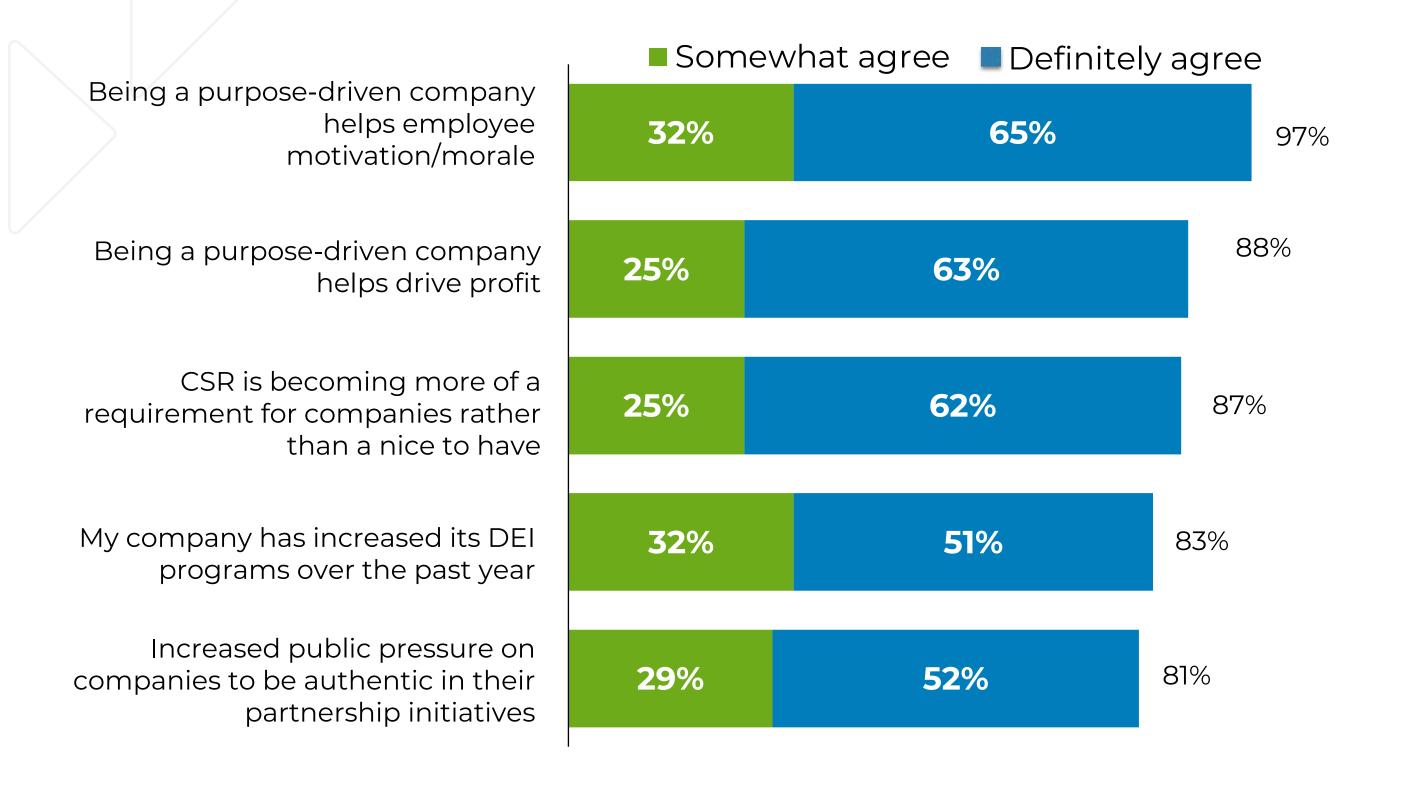


- Respondent companies participate in a broad range of partnership activity types.
- Over 90% of companies support employee engagement, now the most universal type of partnership activity.
- Over <sup>2</sup>/<sub>3</sub> support partnership and event sponsorship/ participation at headquarters, local and national levels.



# CORPORATE MOTIVATIONS: RESPONDENT PERSPECTIVES ON PURPOSE

### COMPANY PERCEPTIONS

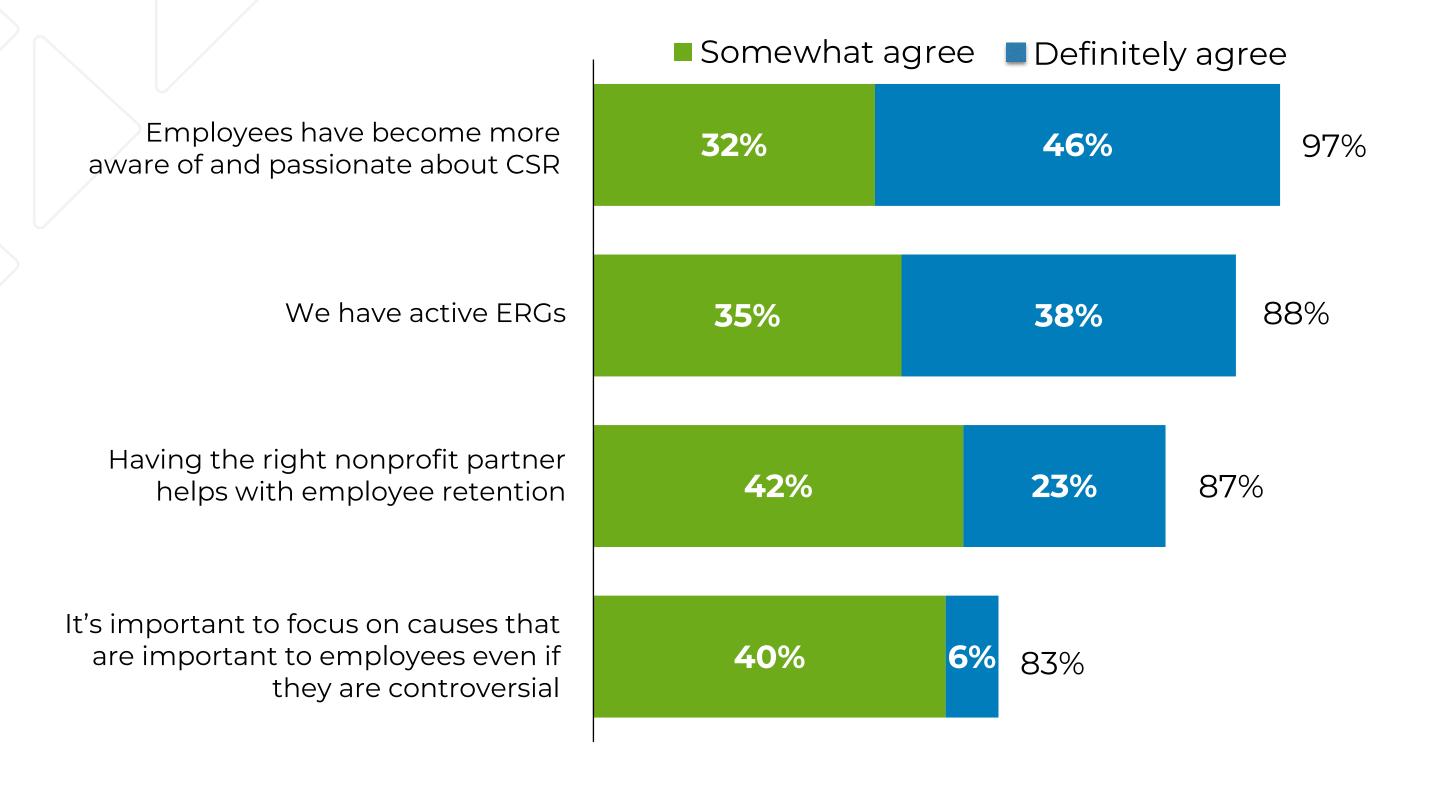


- CSR is increasingly viewed as a must have strategy.
- The vast majority agree that being a purpose-driven company drives both profits (88%) and employee morale (97%).
- 83% feel public pressure to demonstrate authentic partnership.
- 81% have increased involvement in DEI activities within the last year.



# CORPORATE MOTIVATIONS: EMPLOYEE INFLUENCE

# EMPLOYEE INFLUENCE ON PARTNERSHIPS



- Employees are a critically important target audience that is driving corporate partnership priorities.
- 78% of companies report employees being aware of and passionate about CSR, 65% believe it impacts employee retention and 73% have ERGs in place.

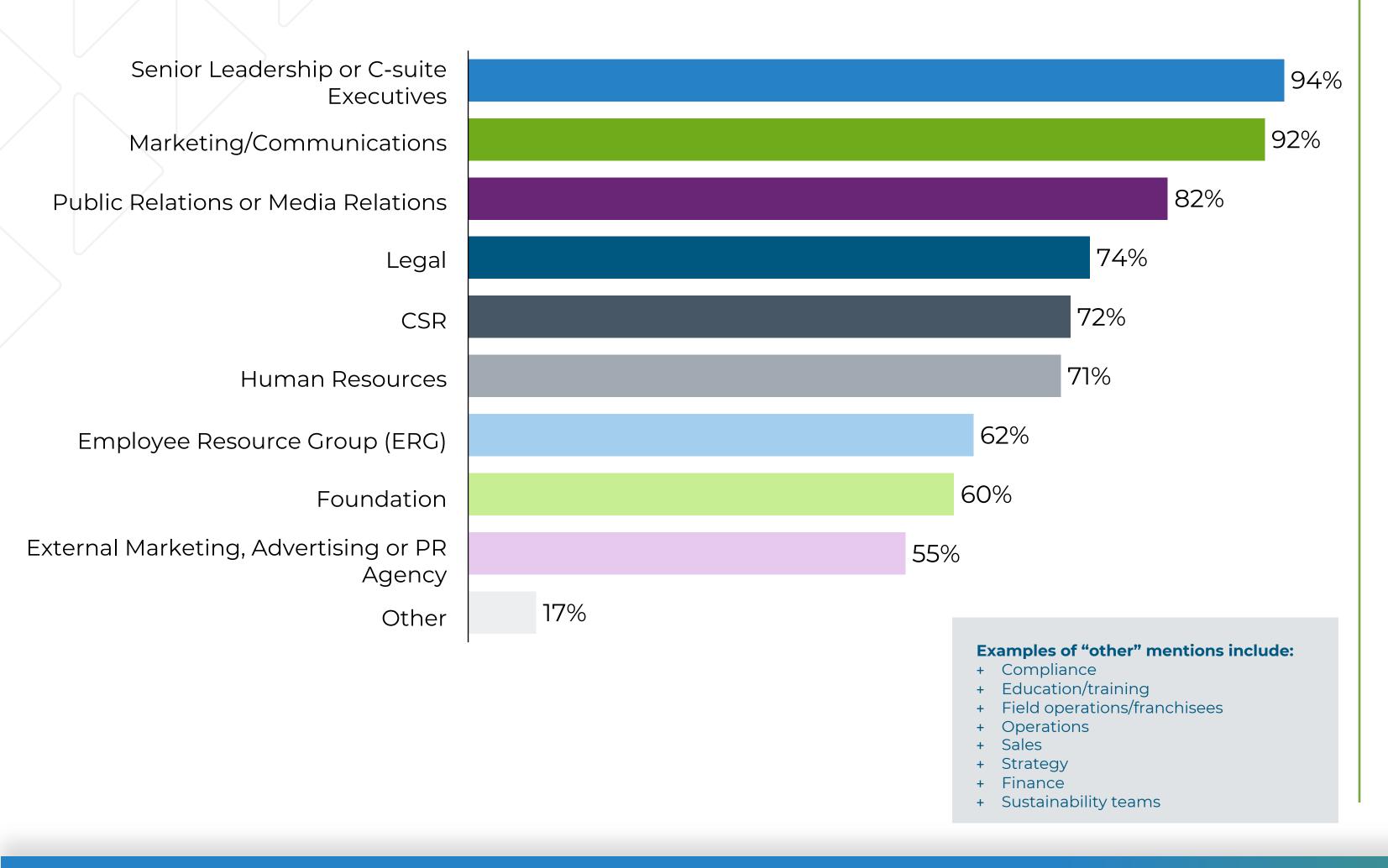




Question:

# PARTNERSHIP DECISION MAKING: DEPARTMENTS INVOLVED

# DEPARTMENTS INVOLVED



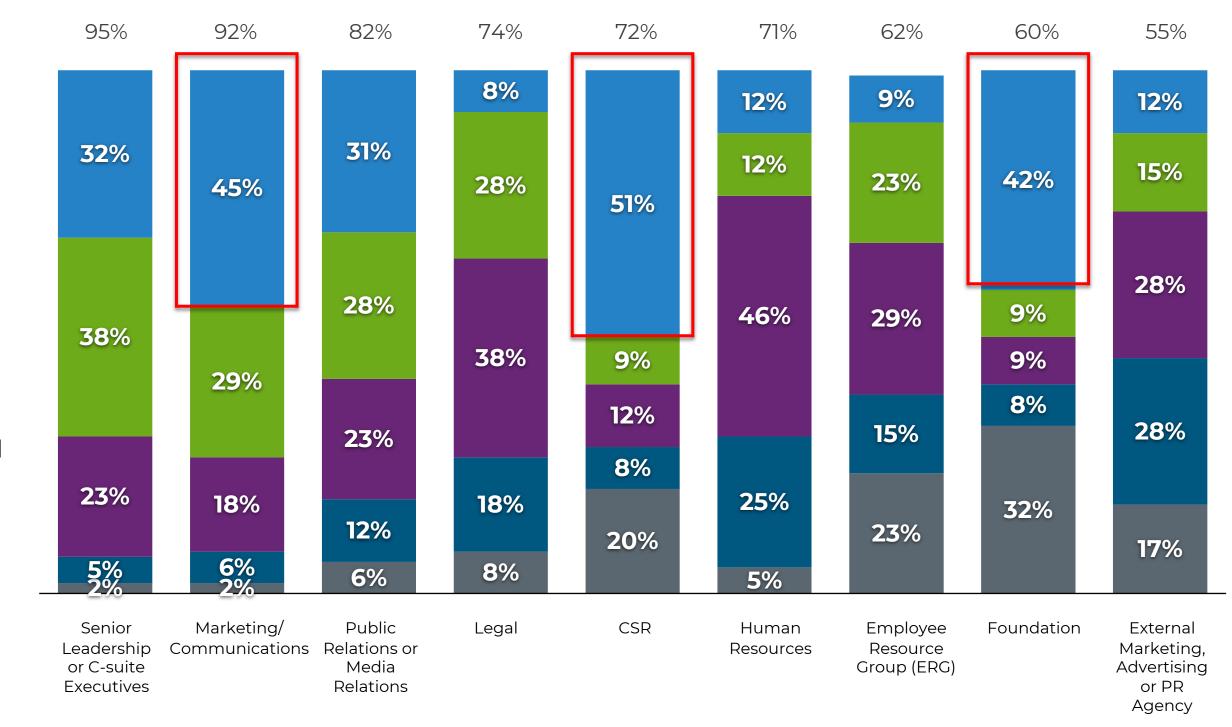
- Senior leadership, marketing/communications, and PR are the top 3 departments involved in approvals, planning and execution of almost all partnerships with nonprofits.
- Over 50% of respondents report 8 or more departments, as well as outside agencies, are involved in partnership activities.



# PARTNERSHIP DECISION MAKING: DEPARTMENTAL LEVEL OF INVOLVEMENT

### DEPARTMENTS INVOLVEMENT



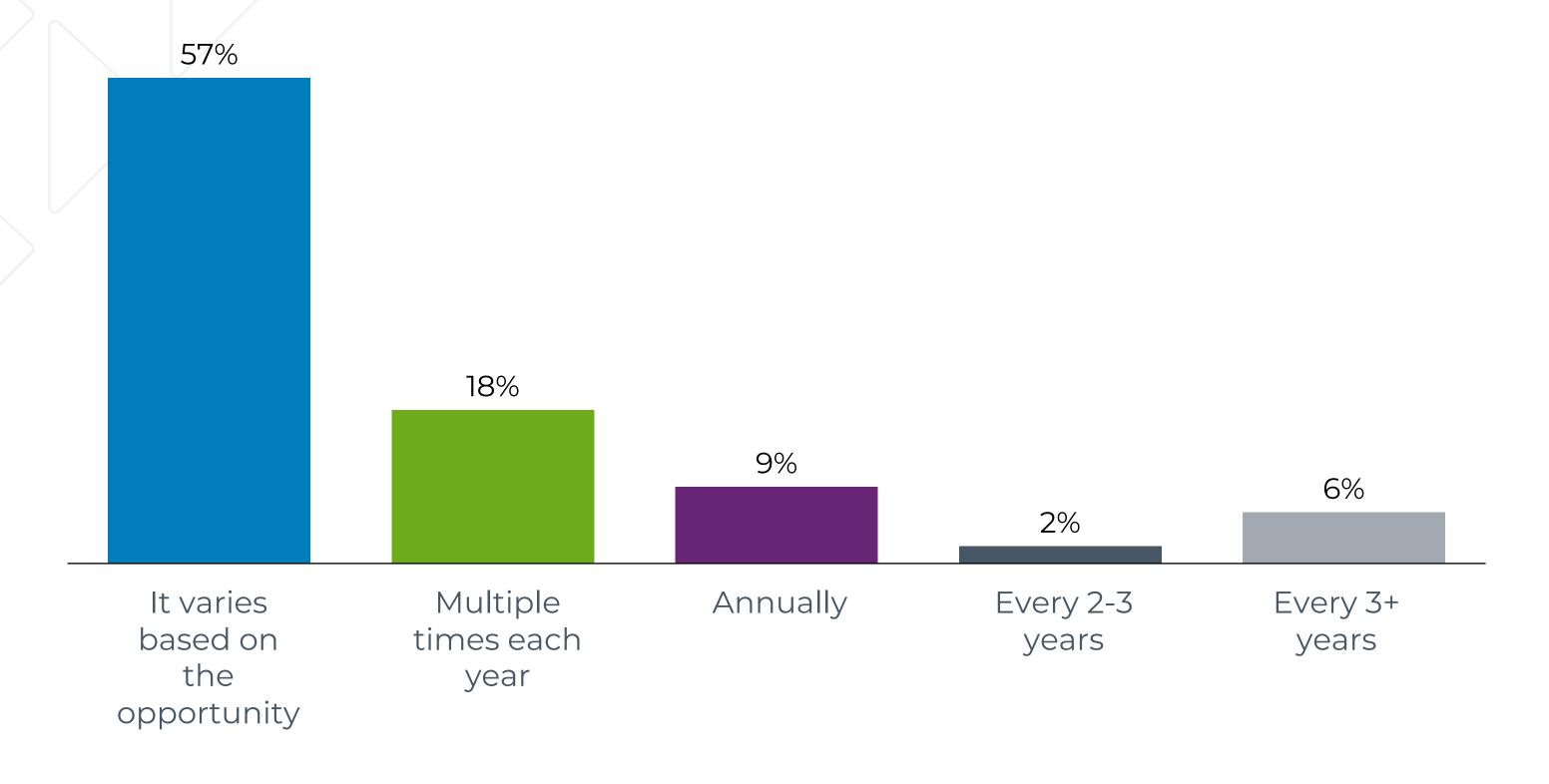


- While many departments are involved in partnership decision making, the level of involvement is strongest among CSR, marketing/ communications and foundation functions.
- While 95% of companies report that senior leadership is involved in partnership decisions, note that the majority are moderately involved.



# PARTNERSHIP DECISION MAKING: SELECTION TIMING

# HOW OFTEN NEW NONPROFIT PARTNER(S) ARE CHOSEN



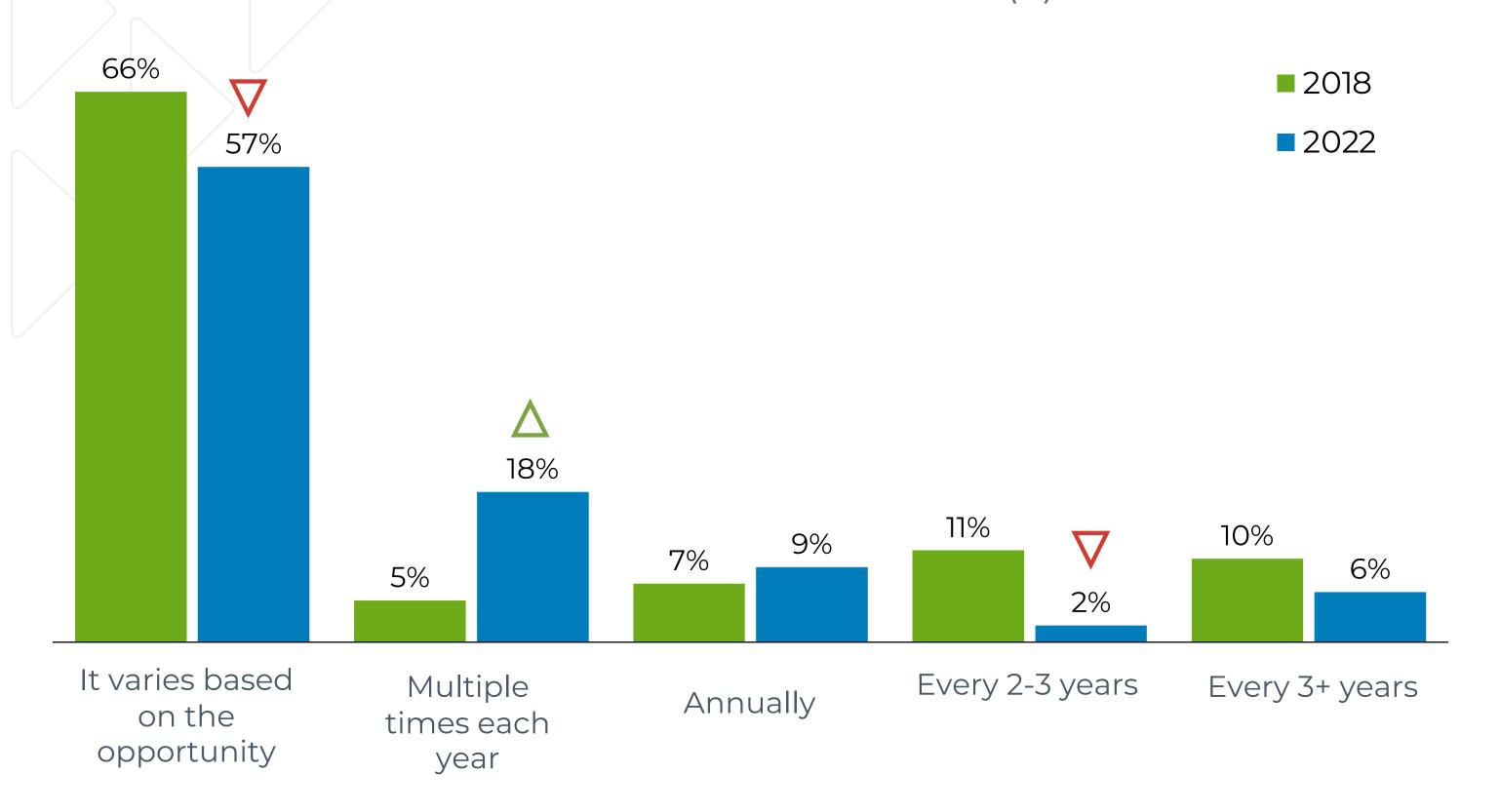
### KEY LEARNINGS

The majority of companies choose a new nonprofit partner based on the opportunity, not a particular planning timeline.



# PARTNERSHIP DECISION MAKING: SELECTION TIMING

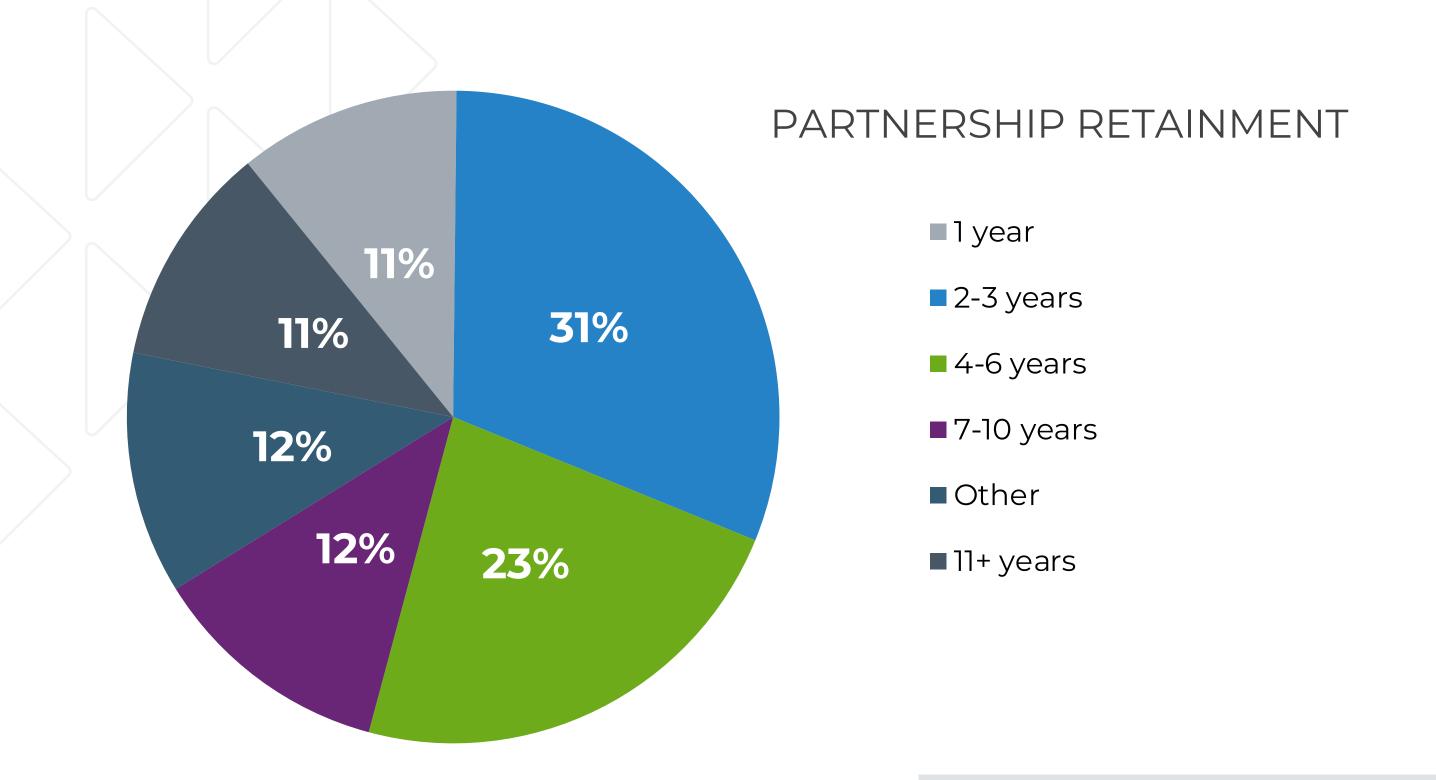
# HOW OFTEN NEW NONPROFIT PARTNER(S) ARE CHOSEN



- Compared to our 2018 data, we see an increase in the number of companies that are choosing new partners multiple times per year.
- There has been a significant decrease in companies who are choosing based on the partnership opportunity.



# PARTNERSHIP DECISION MAKING: LENGTH OF PARTNERSHIPS



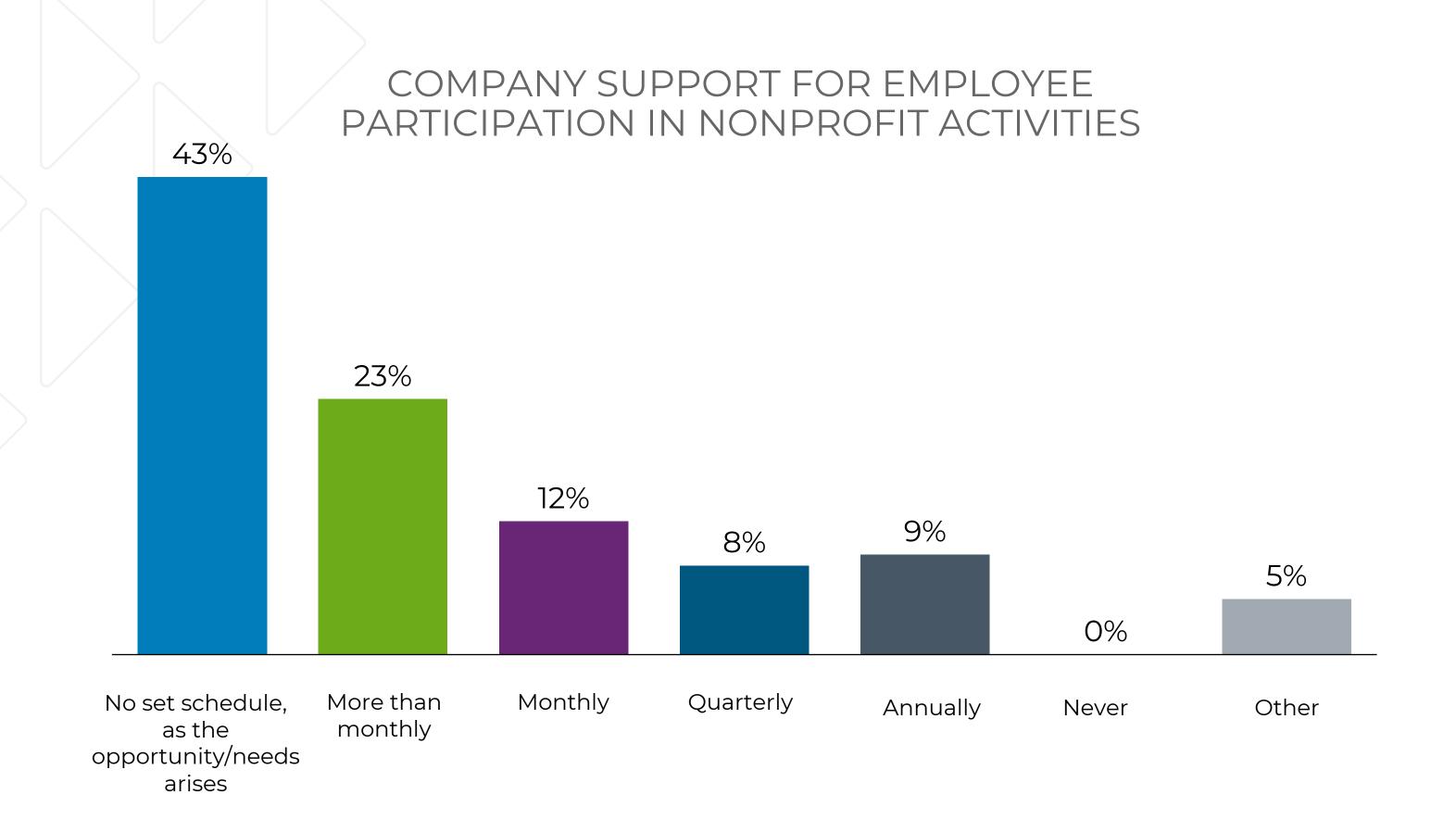
### **Examples of "other"** mentions include:

- + Varies by partnership/project
- + Varies based on location
- + Each partnership is different
- + Committed to a national partnership for 10 years but make annual commitments at the local level

- Nonprofit partner retention varies.
- Nearly a third (31%) of partnerships last 2-3 years
- 23% of partnerships last 4-6 years.
- Almost a quarter (23%) of partnerships last 7+ years.



# PARTNERSHIP DECISION MAKING: EMPLOYEE ENGAGEMENT



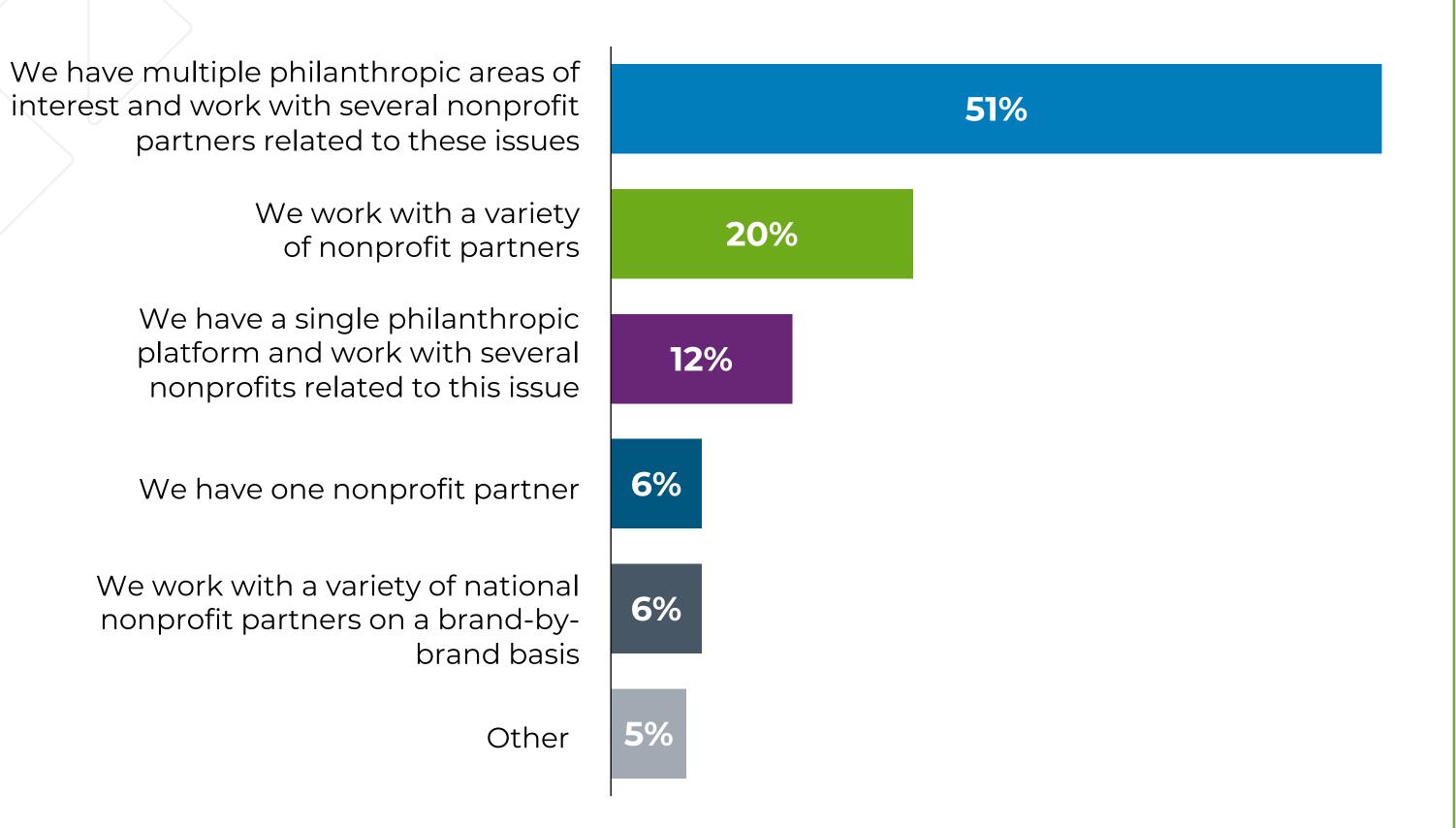
- Companies are most likely to support employee participation in nonprofit activities as the opportunity arises and on a very frequent pace versus on a particular schedule.
- Zero companies said they never support employee participation in nonprofit activities.





# NONPROFIT MISSION SELECTION STRATEGY: NUMBER OF PARTNERS

# NATIONAL/GLOBAL NONPROFIT GIVING STRATEGY



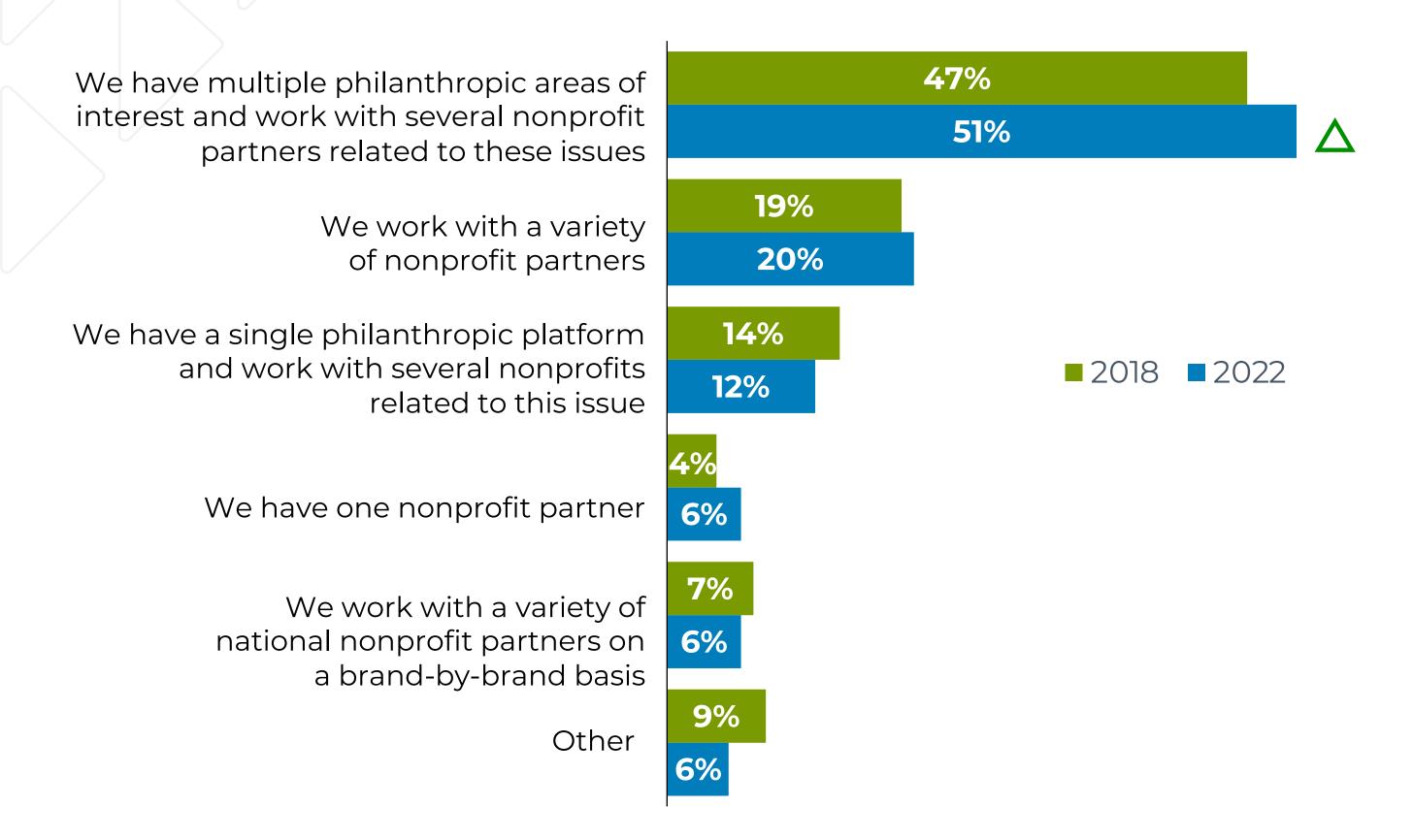
# KEY LEARNINGS

The majority of companies support multiple philanthropic priorities and work with several nonprofit partners on their key issues.



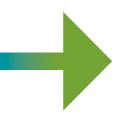
# NONPROFIT MISSION SELECTION STRATEGY: NUMBER OF PARTNERS

# NATIONAL/GLOBAL NONPROFIT GIVING STRATEGY



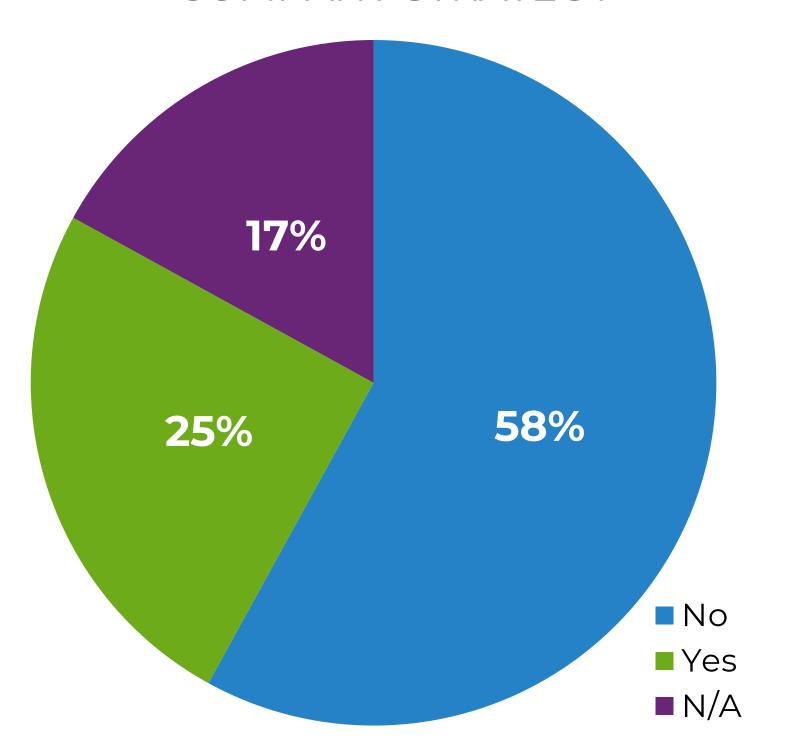
### KEY LEARNINGS

Compared to survey data in 2018, supporting multiple philanthropic priorities and working with several nonprofit partners on their key issues is on the rise.



# NONPROFIT MISSION SELECTION STRATEGY: CORPORATE VS. BRAND **STRATEGY**

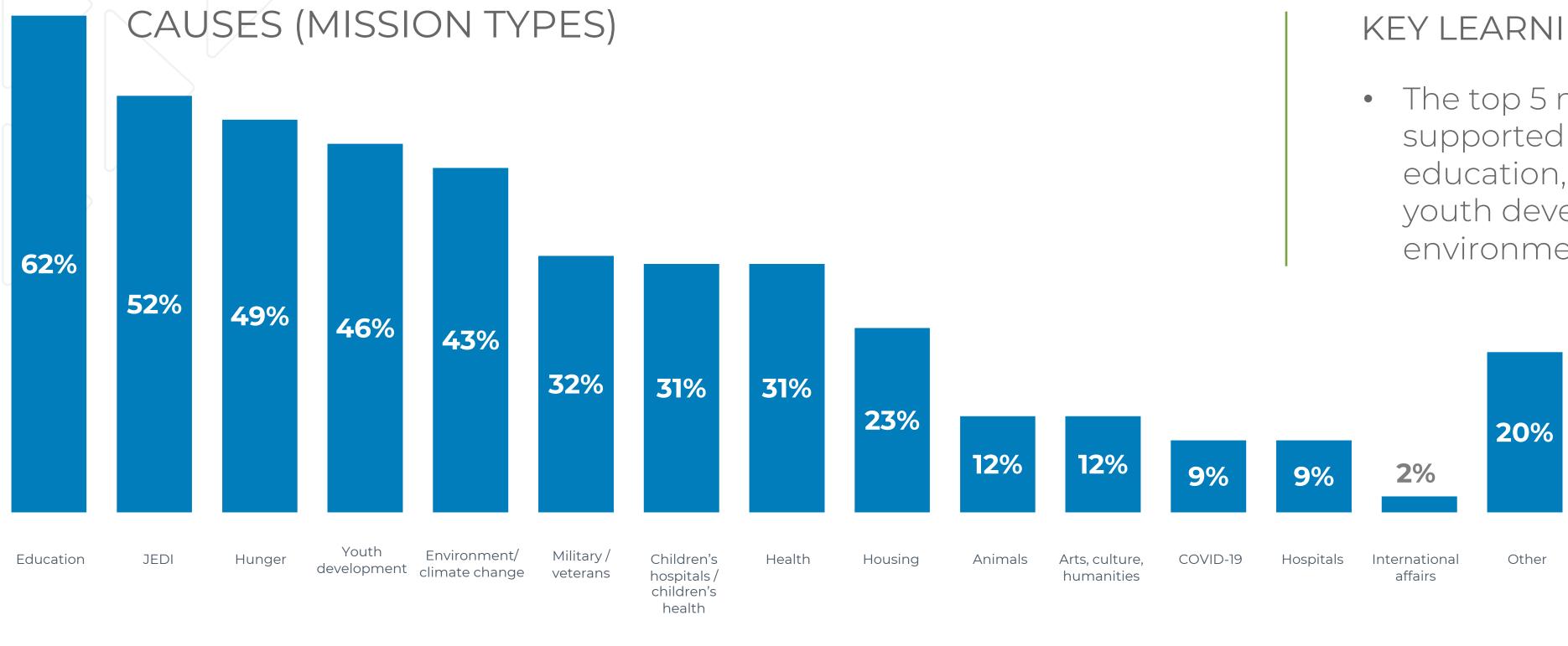
PERCENTAGE OF COMPANIES THAT ALIGN BRAND-LEVEL STRATEGIES WITH COMPANY STRATEGY



- When a company has multiple brands, most (58%) brand-level strategies are aligned with their company strategies.
- 25% of companies promote brandlevel partnership strategies that are different from their company-wide strategy.



# NONPROFIT MISSION SELECTION STRATEGY: MISSION FOCUS



### KEY LEARNINGS

The top 5 mission segments supported by companies are education, JEDI, hunger, youth development and environment/climate change.

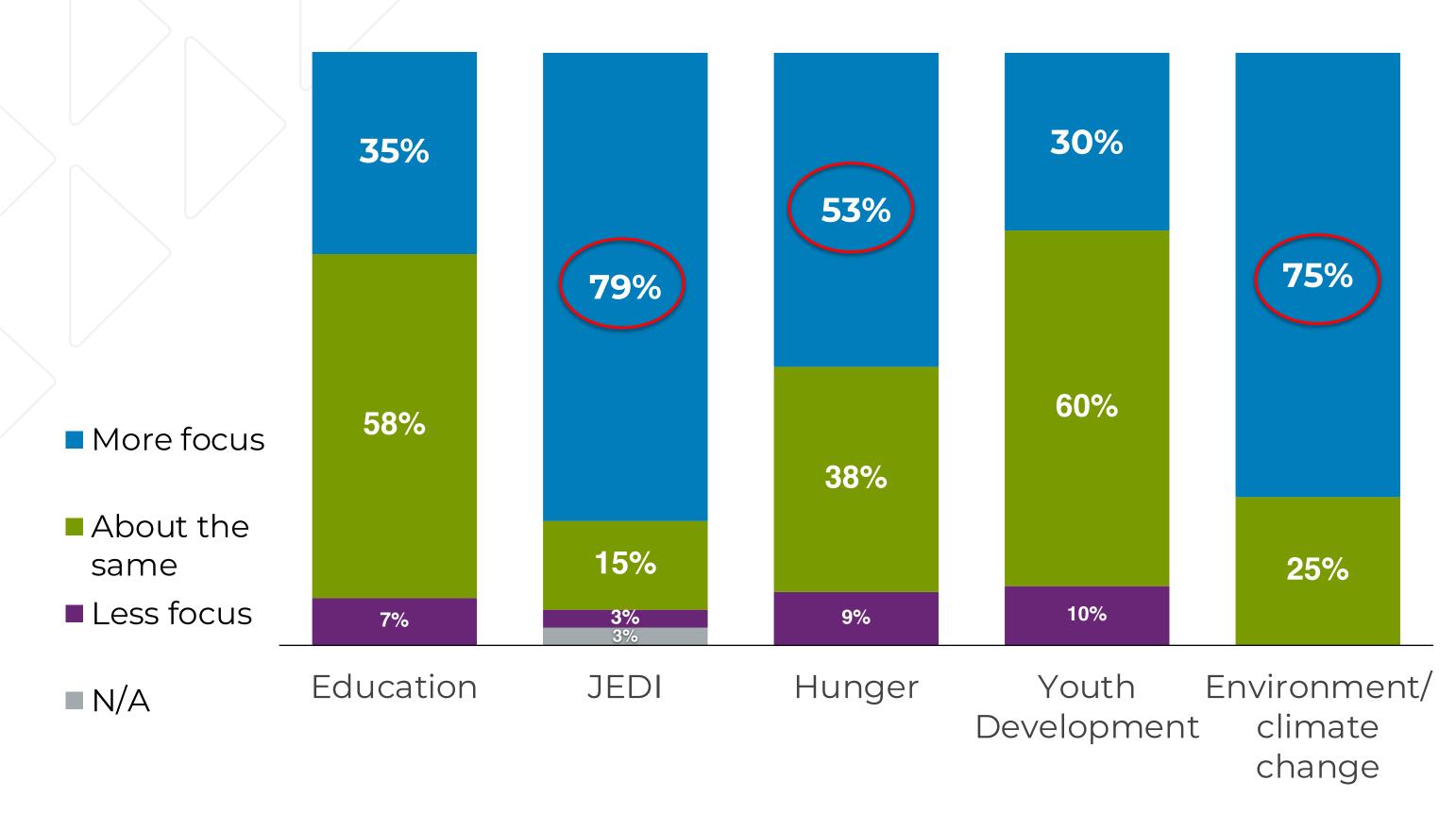
### **Examples of "other" mentions** include:

- + Children (in general)
- + Disaster relief
- + Domestic violence
- + Mental health
- + Financial health/empowerment
- + Economic development/ neighborhood revitalization
- + Workforce development



# NONPROFIT MISSION SELECTION STRATEGY: LEVEL OF FOCUS

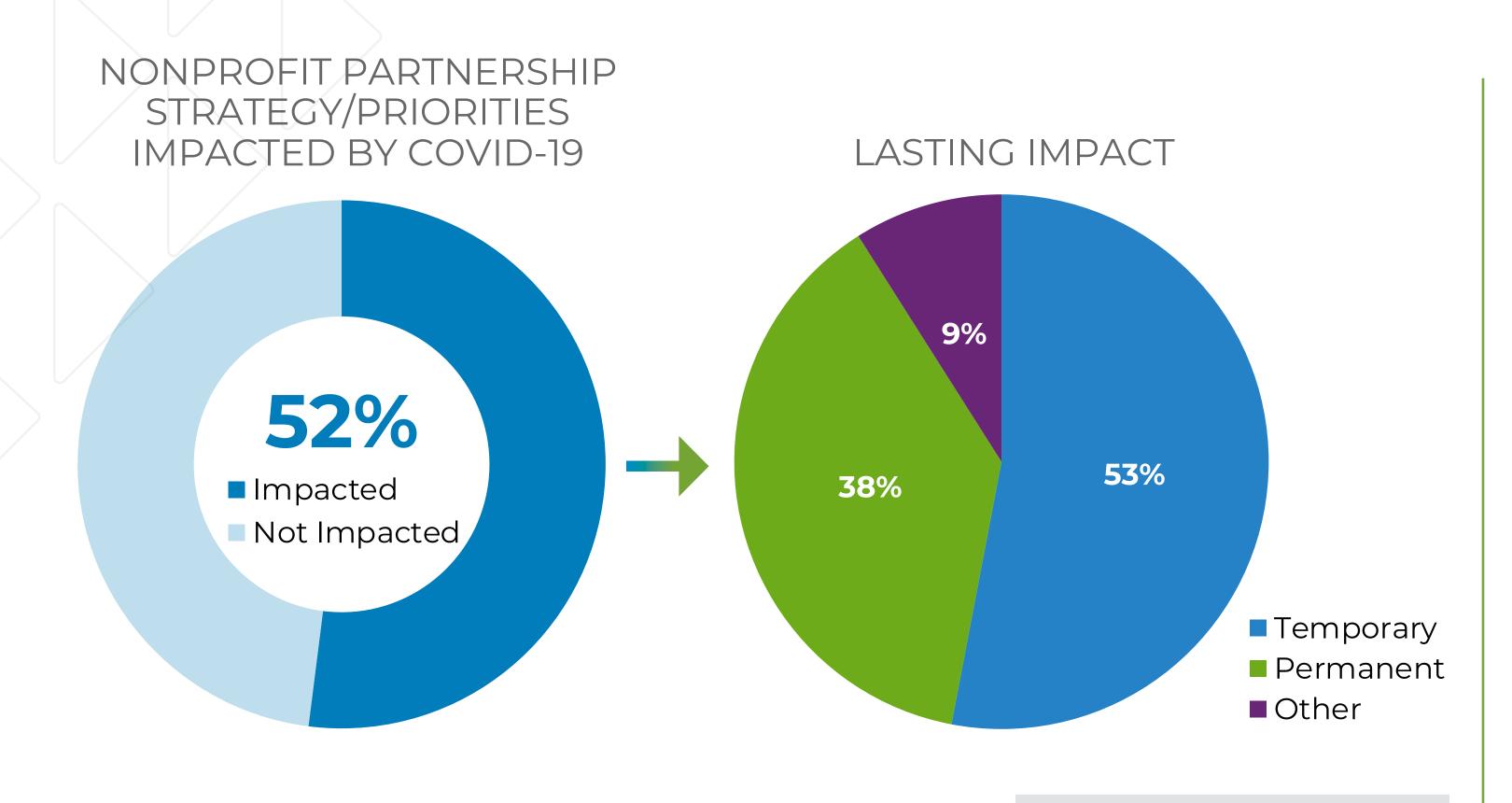




- For companies that already support JEDI, environment/climate and hunger causes, they are putting significantly more focus on these topics recently.
- Very few companies (10% or less) are putting less focus on.-these top mission segments.
- Of those companies with a mission focus on environment/climate change, zero are putting less focus on this area recently.



# NONPROFIT MISSION SELECTION STRATEGY: COVID IMPACT



# Examples of "other" mentions include:

- + Some of both/mix of both
- + It will be different going forward because we will have far more remote workers than before

- The COVID-19 pandemic has impacted about half (52%) of corporate partnership strategies and/or priorities.
- More than half (53%) expect pandemic-induced partnership strategy changes to be temporary.



# NONPROFIT MISSION SELECTION STRATEGY: COVID IMPACT

# SHIFT IN FOCUS / CAUSES

- 1. "We focused more on health and racial justice"
- 2. "We added an additional area of focus food security"
- 3. "More giving toward supporting immediate, emergency needs"
- 4. "Shifted focus to emphasize a community needs and racial equity first approach"
- 5. "We did increase giving to a handful of nonprofits who were larger, had broader scope and focused on basic needs"
- 6. "Solidified our commitment to mental health, more explicit in reaching Black communities"
- 7. "Significantly increased giving to medical/hunger causes"
- 8. "We focused our giving on education, hunger, and community service. All of these areas were impacted by COVID-19 and the need was greater"

# SHIFT IN ENGAGEMENT (VIRTUAL / IN-PERSON)

- 1. "In-person volunteer engagement down"
- 2. "Volunteering is difficult; even with virtual events and activities, employees are tired of looking at a screen"
- 3. "Moved to virtual events or donations"
- 4. "More virtual engagement offers"
- 5. "Inability to do any in-person events has greatly impacted the employee engagement aspects of partnerships and the marketing and PR benefits we used to get from in-person event sponsorships. A lot more straight donations rather than full partnerships"
- 6. "Drove more virtual online giving/learning opportunities"

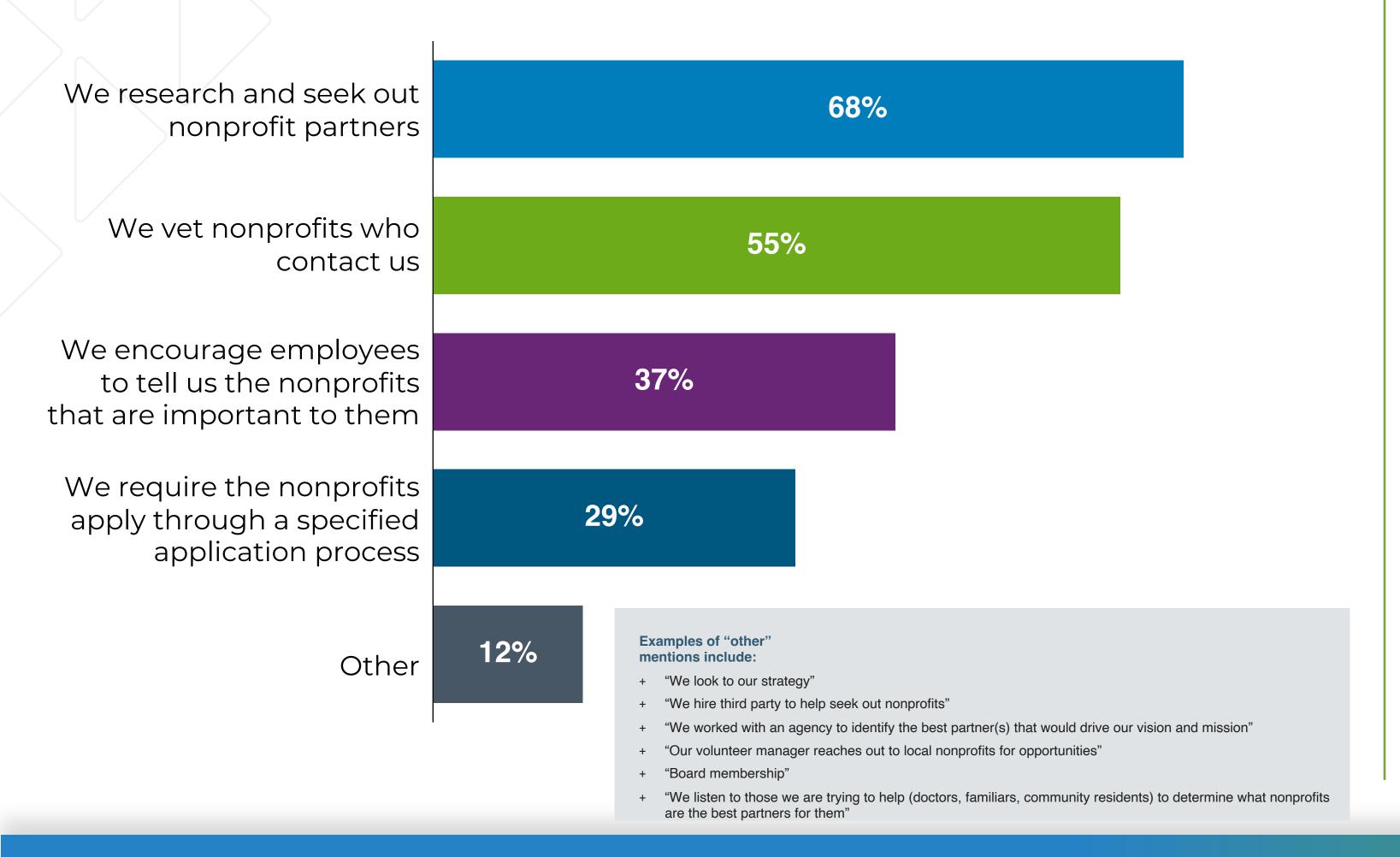
- COVID-related shifts in focus were made to address both primary (health) and secondary (hunger, equity) needs.
- Shifts in engagement were pervasive, contributing to a rise in virtual engagement.





# NONPROFIT PARTNER SELECTION STRATEGY: PARTNERSHIP INITIATION



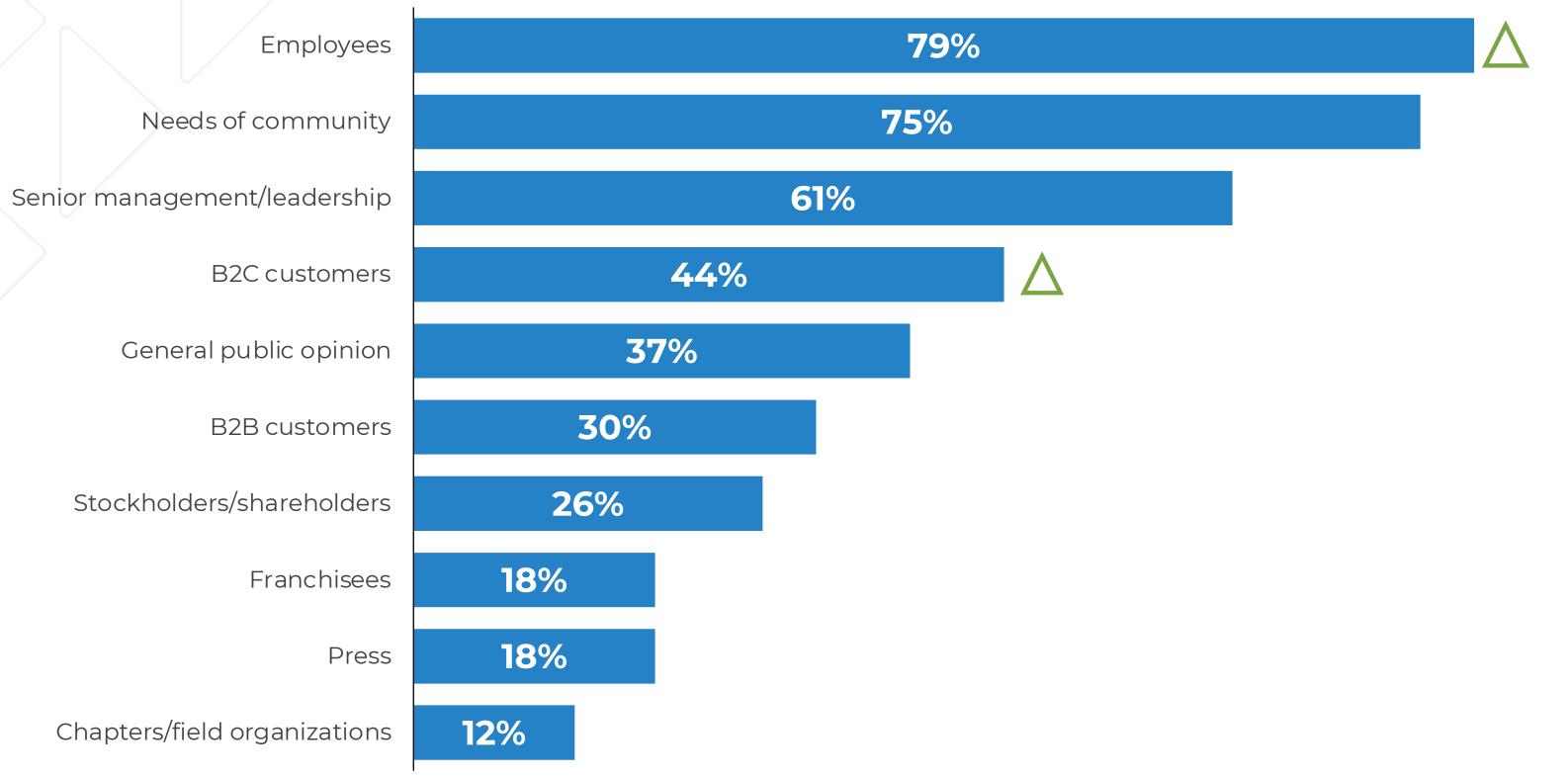


- When looking to discuss partnership opportunities, companies use a mix of avenues to make those connections.
- The majority of companies (68%) research and seek out nonprofit partner candidates.
- Over half of companies (55%) vet the nonprofits who contact them.

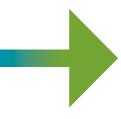


# NONPROFIT PARTNER SELECTION STRATEGY: TARGET AUDIENCES CONSIDERED



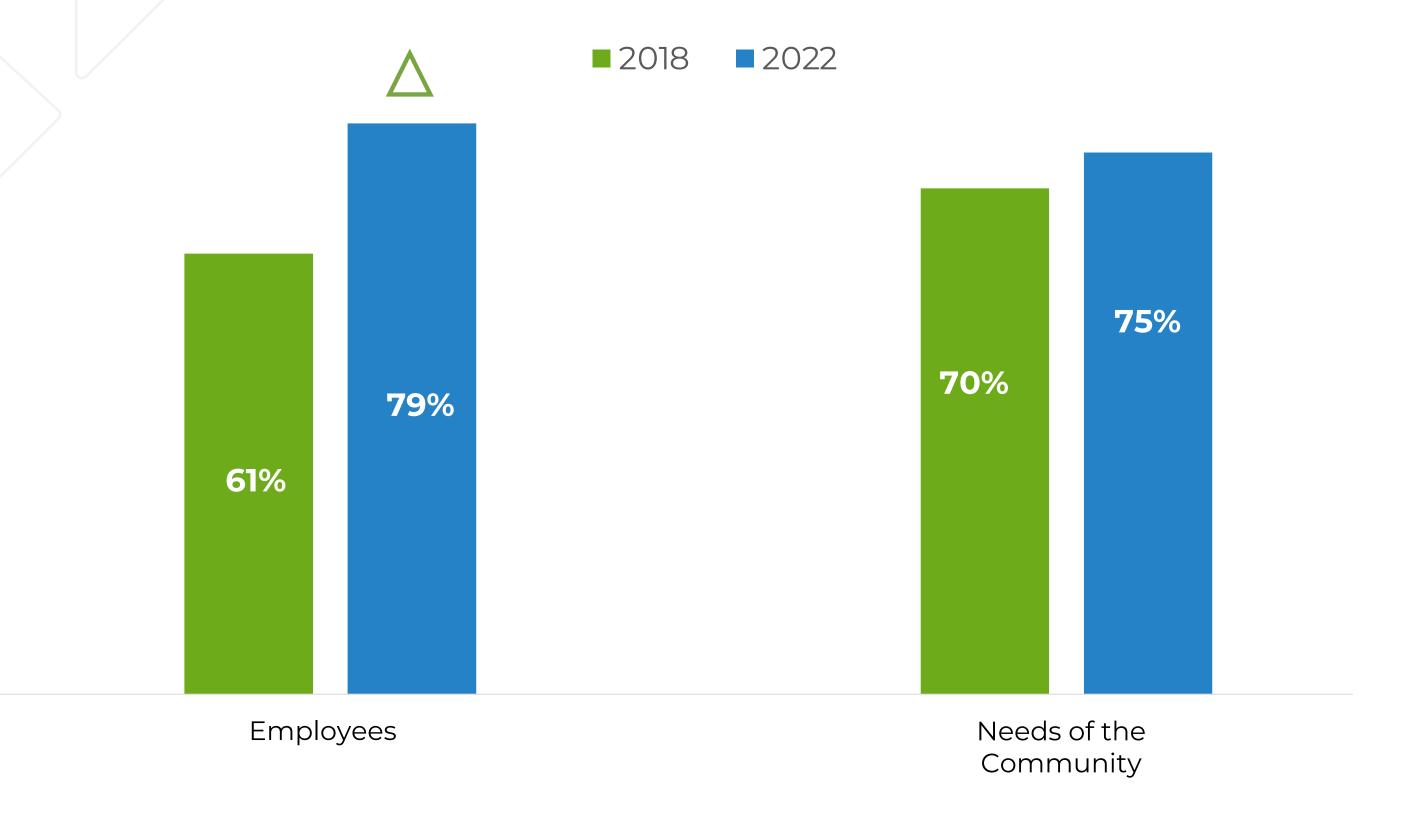


- Employees are now top of mind when companies are selecting a national/global nonprofit partner (79%).
- Community needs (75%) and senior leadership (61%) are key considerations in partner selection.
- B2C customers more than doubled in importance from 20% in 2018 to 44% in 2022 as a key influencer in partner selection.



# NONPROFIT PARTNER SELECTION STRATEGY: TARGET AUDIENCES CONSIDERED



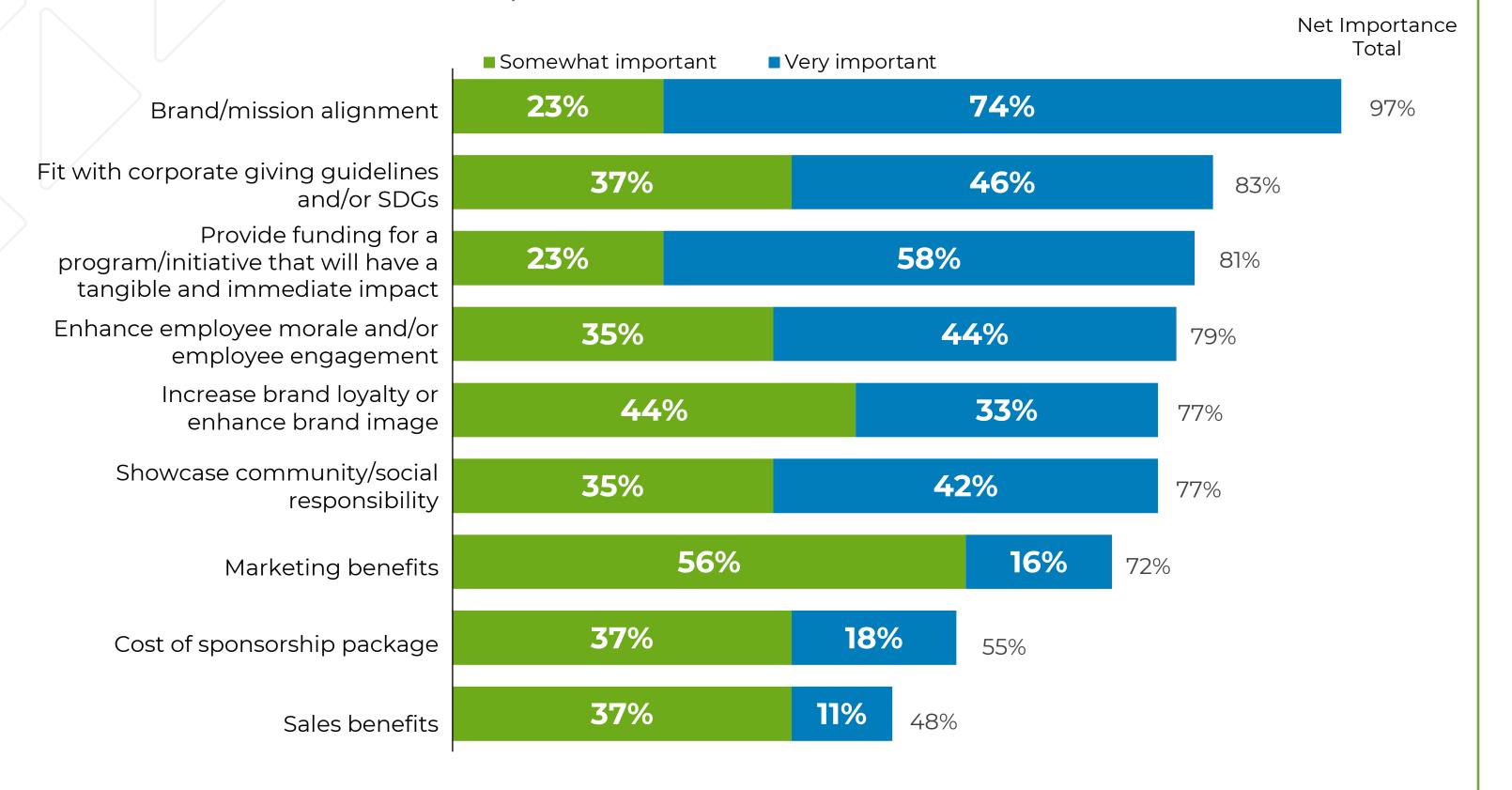


- Employees have soared to the top of importance when companies are selecting new partners, increasing 18% since 2018.
- Needs of the community has also risen in importance since our last report (up 5%).



# NONPROFIT PARTNER SELECTION STRATEGY: KEY BENEFITS DESIRED

# FACTOR/BENEFIT IMPORTANCE WHEN SELECTING NATIONAL/GLOBAL NONPROFIT PARTNER

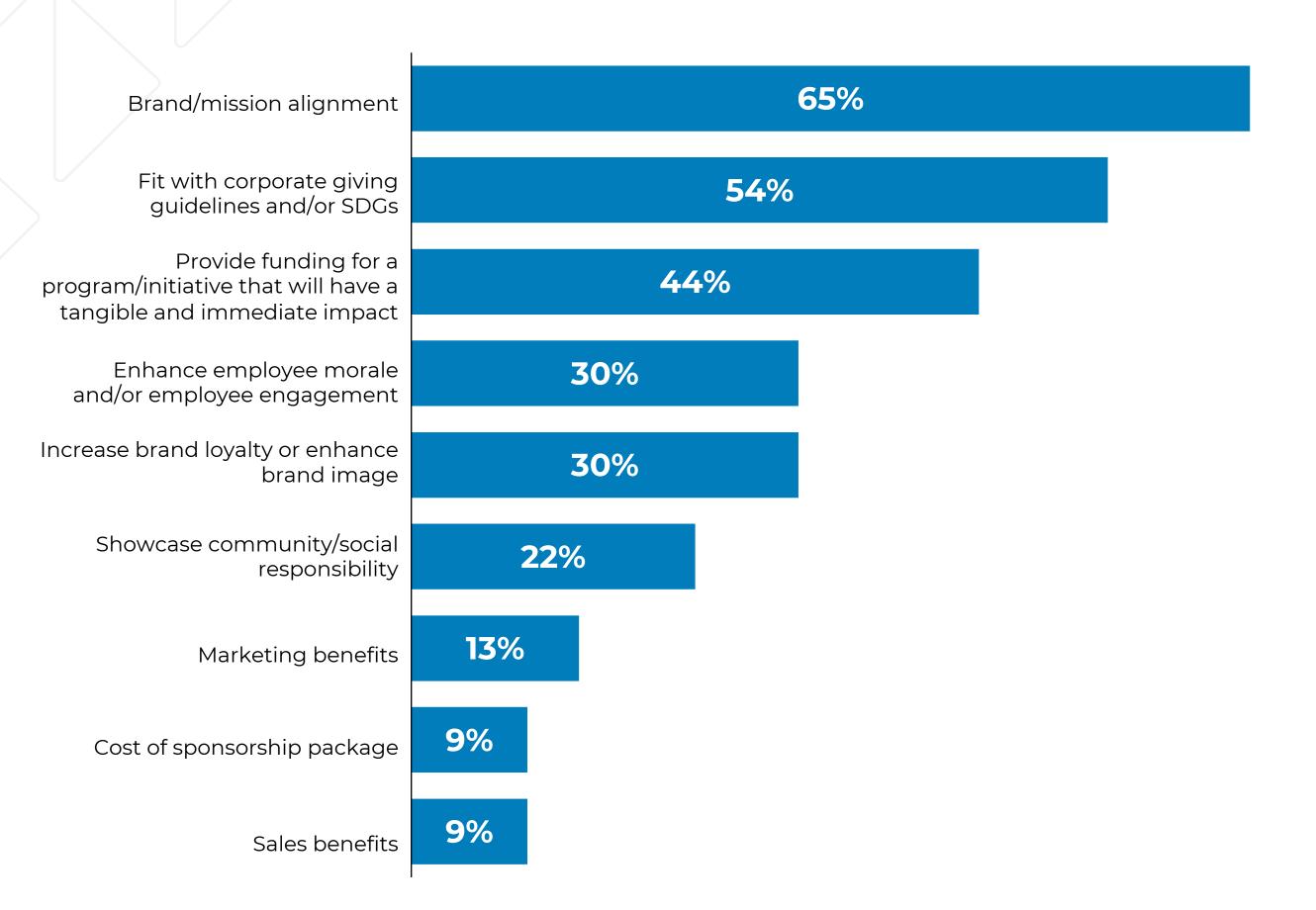


- Brand/mission alignment reigns supreme as the top factor (97%) companies consider in partnership selection.
- 5 additional factors ranked as important by over 75% of respondents are fit with giving guidelines/goals, programmatic impact, employee engagement/morale, brand image/loyalty and showcasing CSR.
- Costs surrounding sponsorship package and benefits to sales are less of a factor for partner selection.



# NONPROFIT PARTNER SELECTION: STRATEGY TOP 3 BENEFITS DESIRED

### MOST IMPORTANT FACTORS



### KEY LEARNINGS

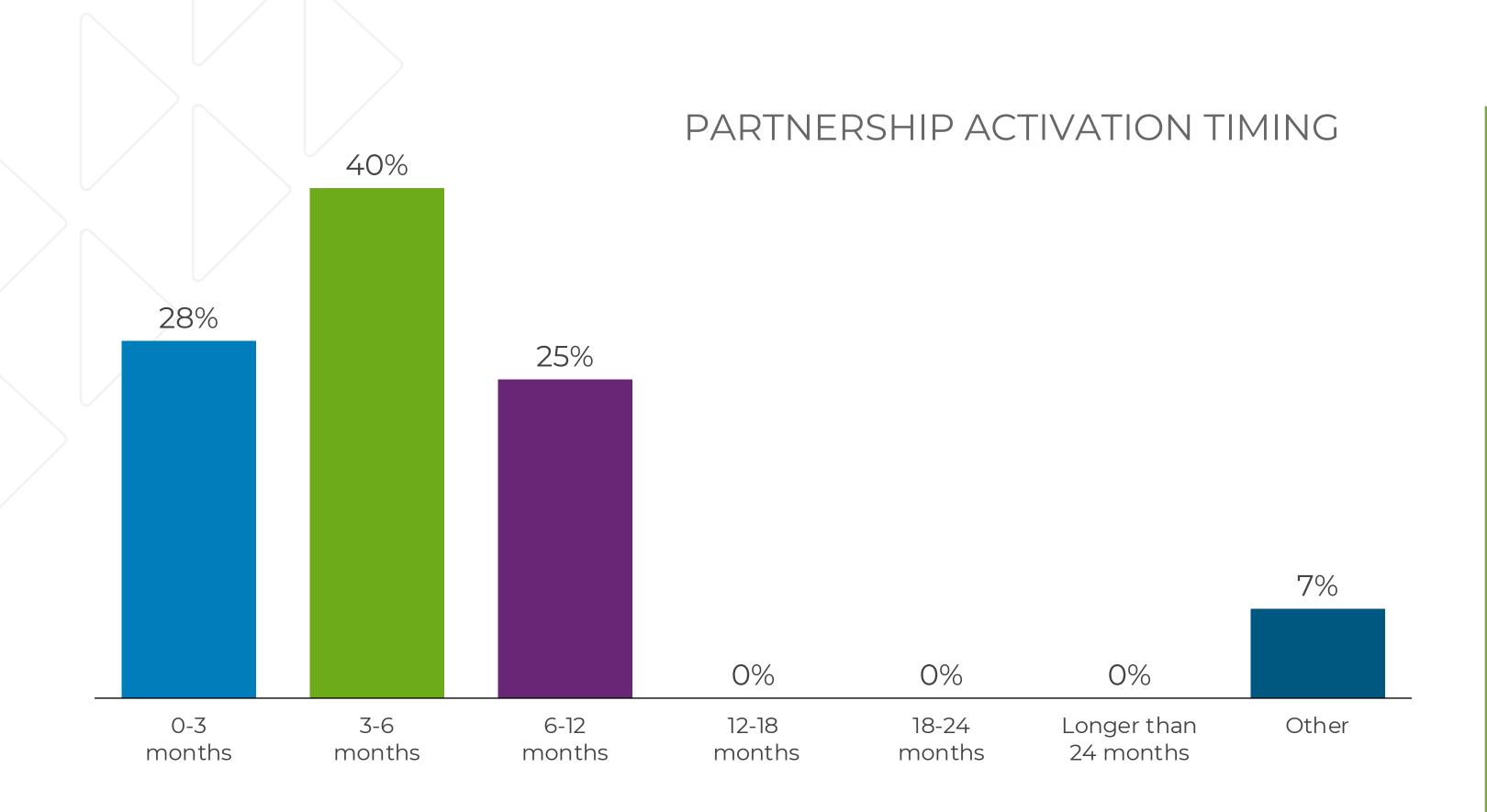
When asked to identify their top 3 reasons for selecting a nonprofit partner, top selections are:

- 1. Brand/mission alignment (65%)
- 2. Fit with giving guidelines/goals (54%)
- 3. Initiatives with tangible and immediate impact (44%)





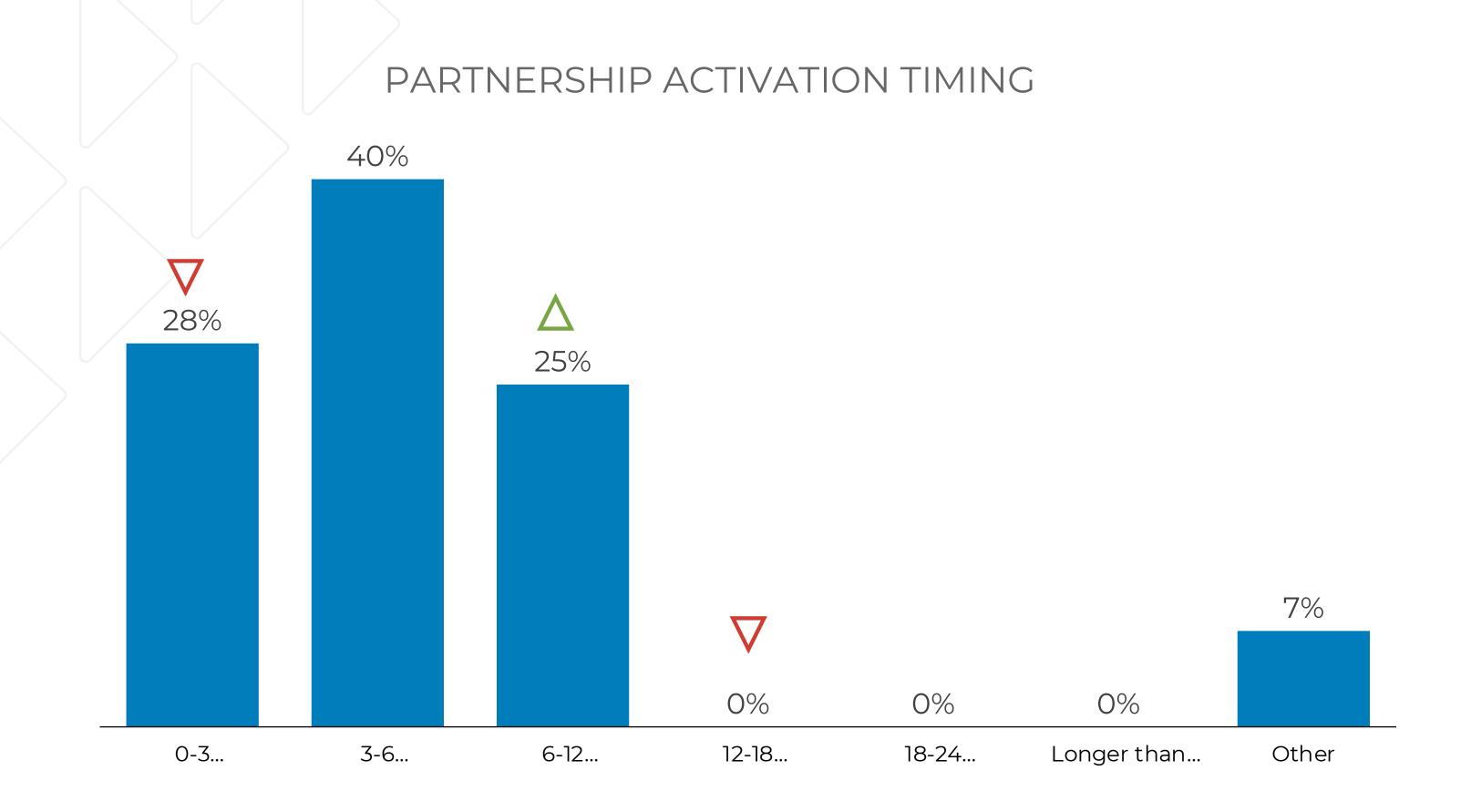
# PARTNERSHIP PLANNING: ACTIVATION TIMELINE



- Once a partner has been selected, most companies (93%) report being able to activate within a year.
- The majority (40%) take between 3-6 months to activate a partnership.



## PARTNERSHIP PLANNING: ACTIVATION TIMELINE



- When compared to 2018 data, activation timelines are taking a bit longer than previously.
- Significantly fewer companies are activating partnerships in 3 months or less compared to previous timelines.

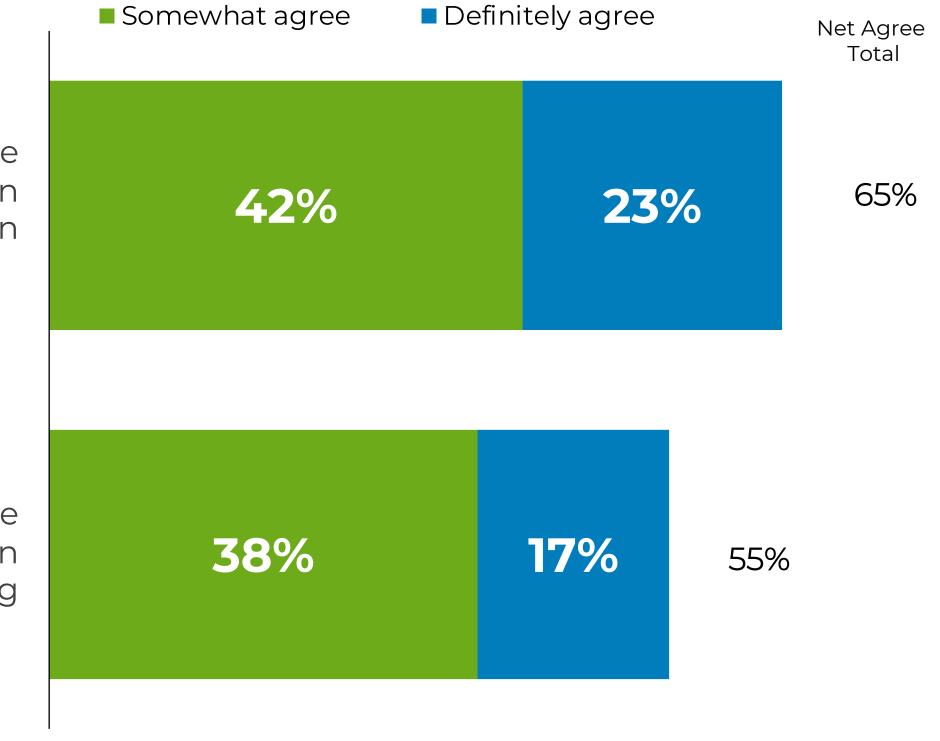


# PARTNERSHIP PLANNING: NONPROFIT INVOLVEMENT IN CAMPAIGN



Nonprofit partners are heavily involved in campaign execution

Nonprofit partners are heavily involved in campaign planning

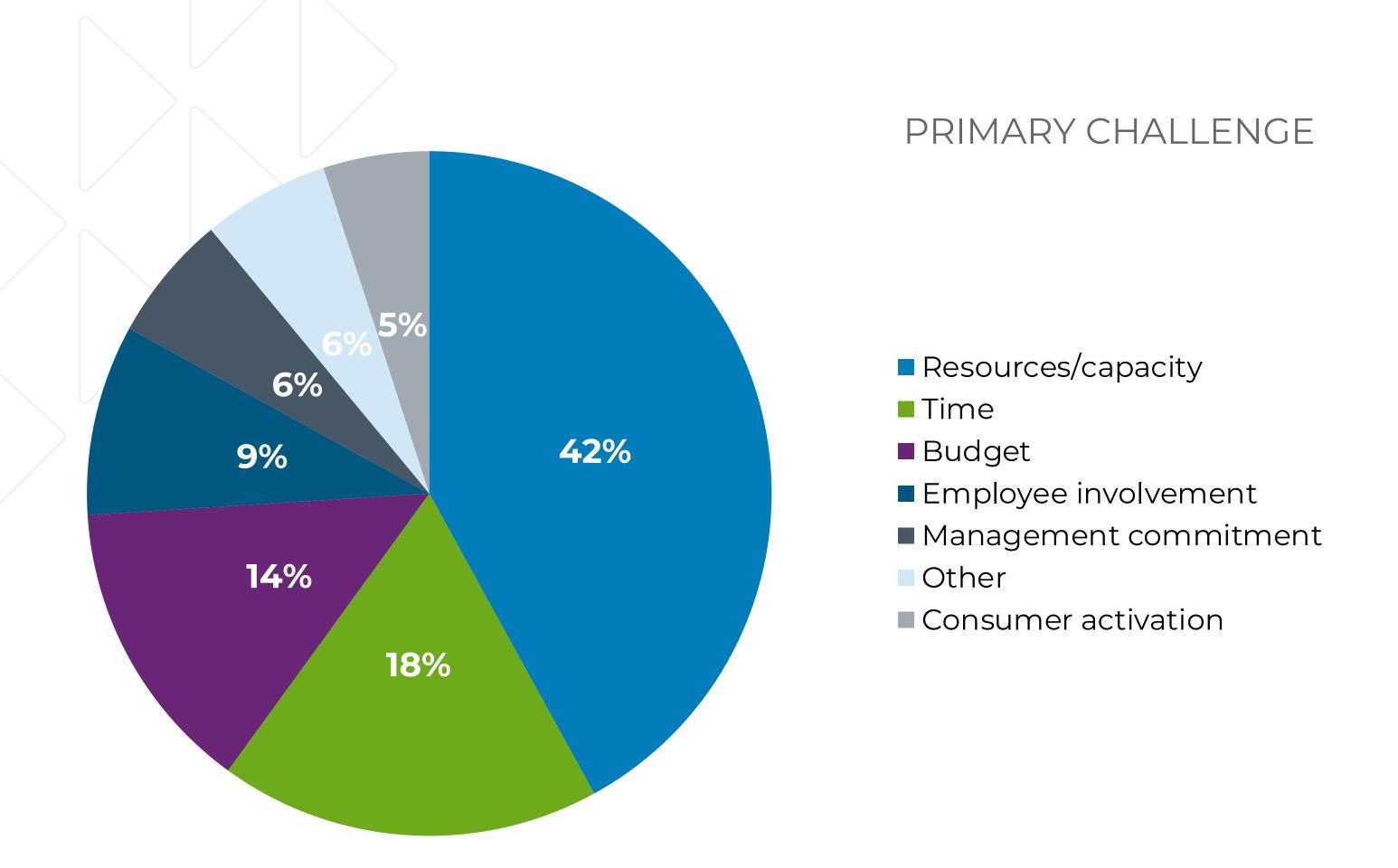


#### KEY LEARNINGS

Most companies agree that the nonprofit partners are heavily involved in campaign planning and execution, particularly execution.



# PARTNERSHIP PLANNING: PRIMARY CHALLENGES

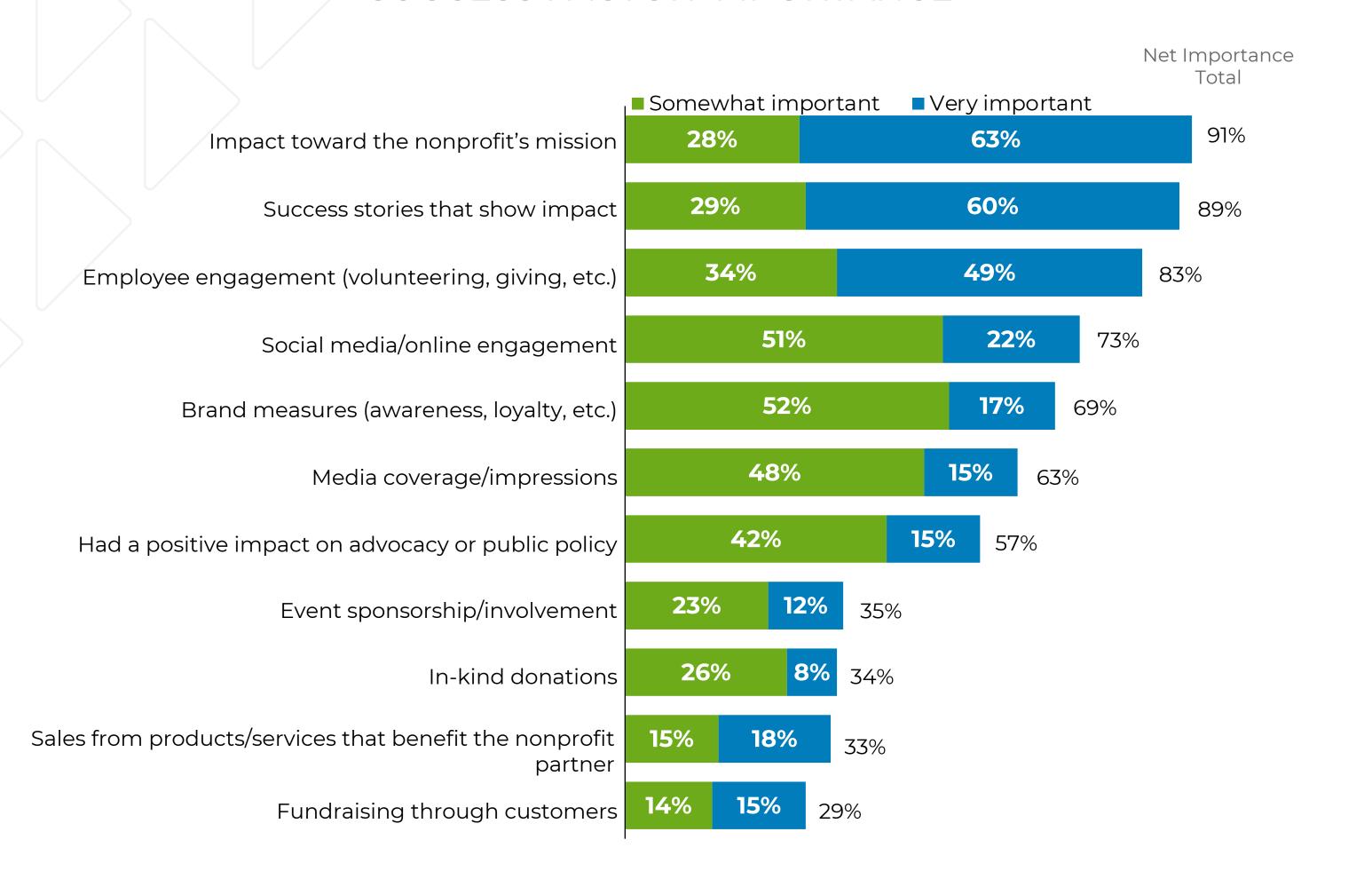


- Resources and capacity are the biggest hurdles for companies when activating a nonprofit partnership.
- While time and budget are often noted as challenges, less than 20% of respondents identified them as a major challenge for partnership activation.



### PARTNERSHIP PLANNING: MEASUREMENT

#### SUCCESS FACTOR IMPORTANCE

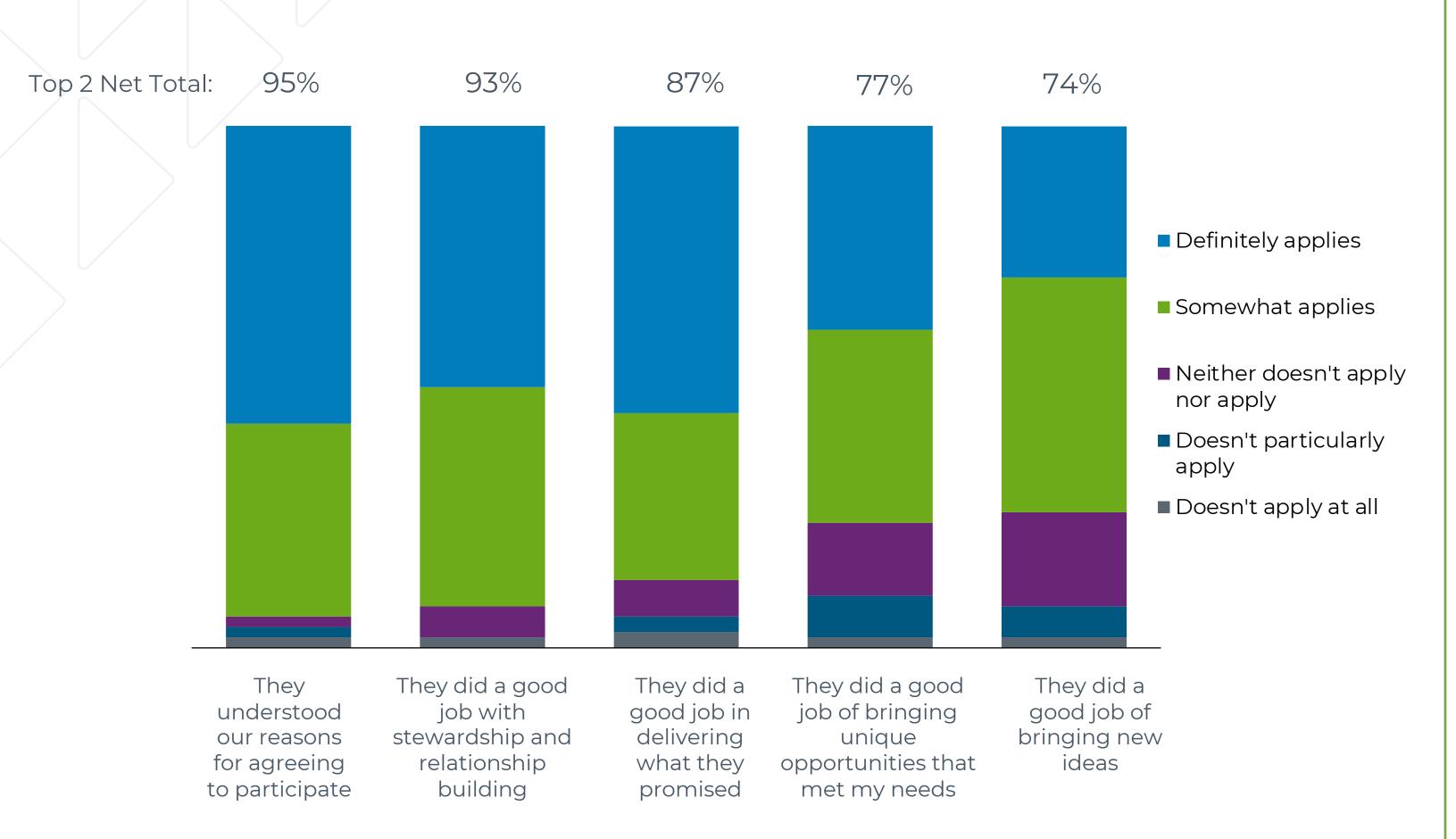


- From the corporate point of view, the top 3 measures for success for corporate/nonprofit partnerships are:
  - Impacting the nonprofit's mission (91%)
  - Success stories showing impact (89%)
  - 3. Employee engagement measures (83%)
- These were the same top 3 factors in our 2018 study.



# PARTNERSHIP PLANNING: SATISFACTION WITH NONPROFIT PARTNER

#### RECENT EXPERIENCE WITH NONPROFIT PARTNER



- Nonprofit partners are achieving high marks on understanding the company's reason for participating, relationship/stewardship and delivering what they promised.
- Areas for improvement by the nonprofit partner include bringing new ideas and bringing unique opportunities that meet the corporate partner's needs.



# PARTNERSHIP PLANNING: SATISFACTION WITH NONPROFIT PARTNER

#### RECENT EXPERIENCE WITH NONPROFIT PARTNER

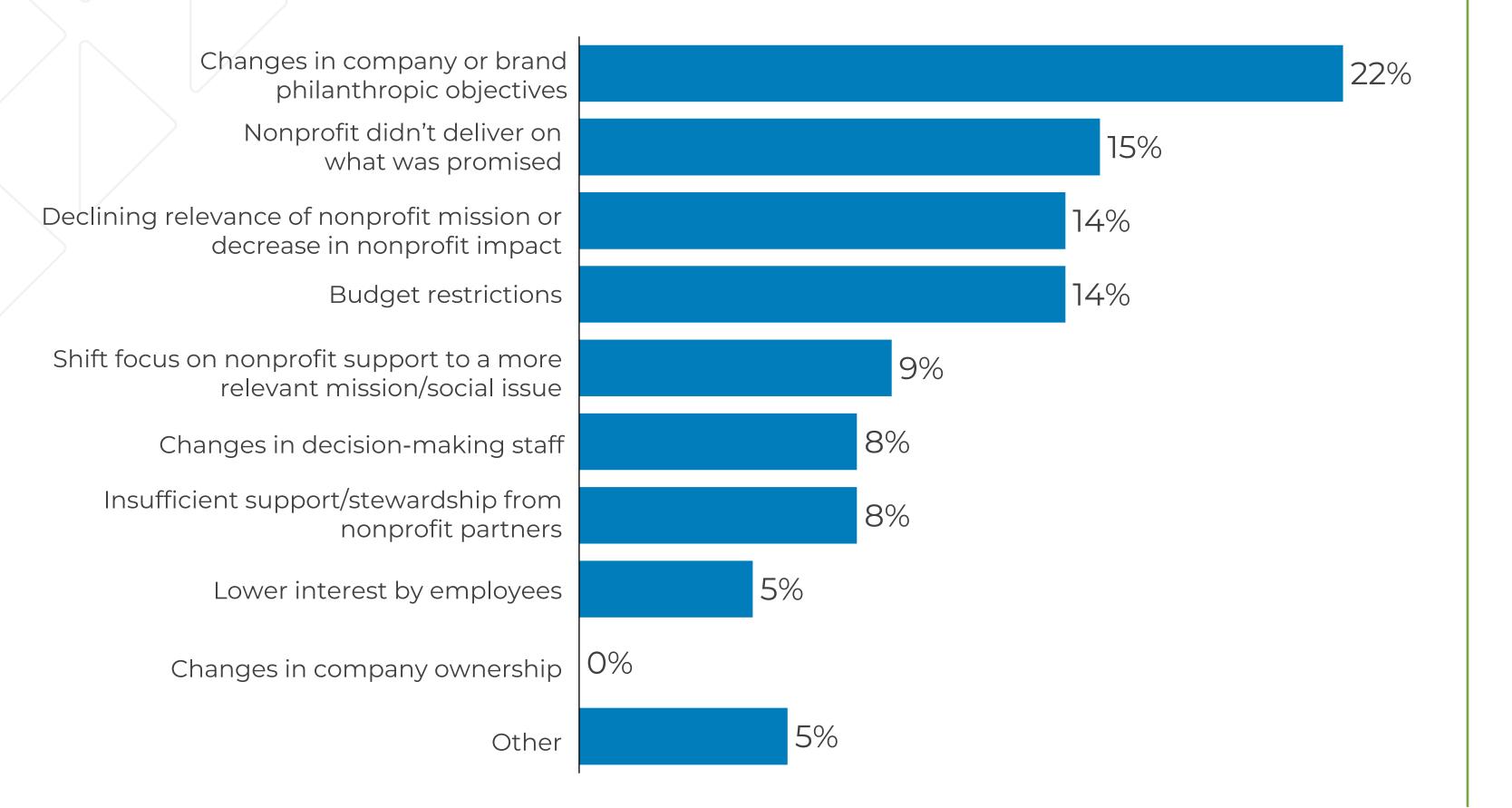


- Compared to our 2018 data, nonprofit organizations are performing better across the board on partner satisfaction measures.
- In our previous study, nonprofits were getting failing grades on bringing unique opportunities and bringing new ideas, but now they're passing.



## PARTNERSHIP PLANNING: PARTNERSHIP LIFE CYCLE

#### PRIMARY FACTOR TO END NONPROFIT PARTNERSHIP

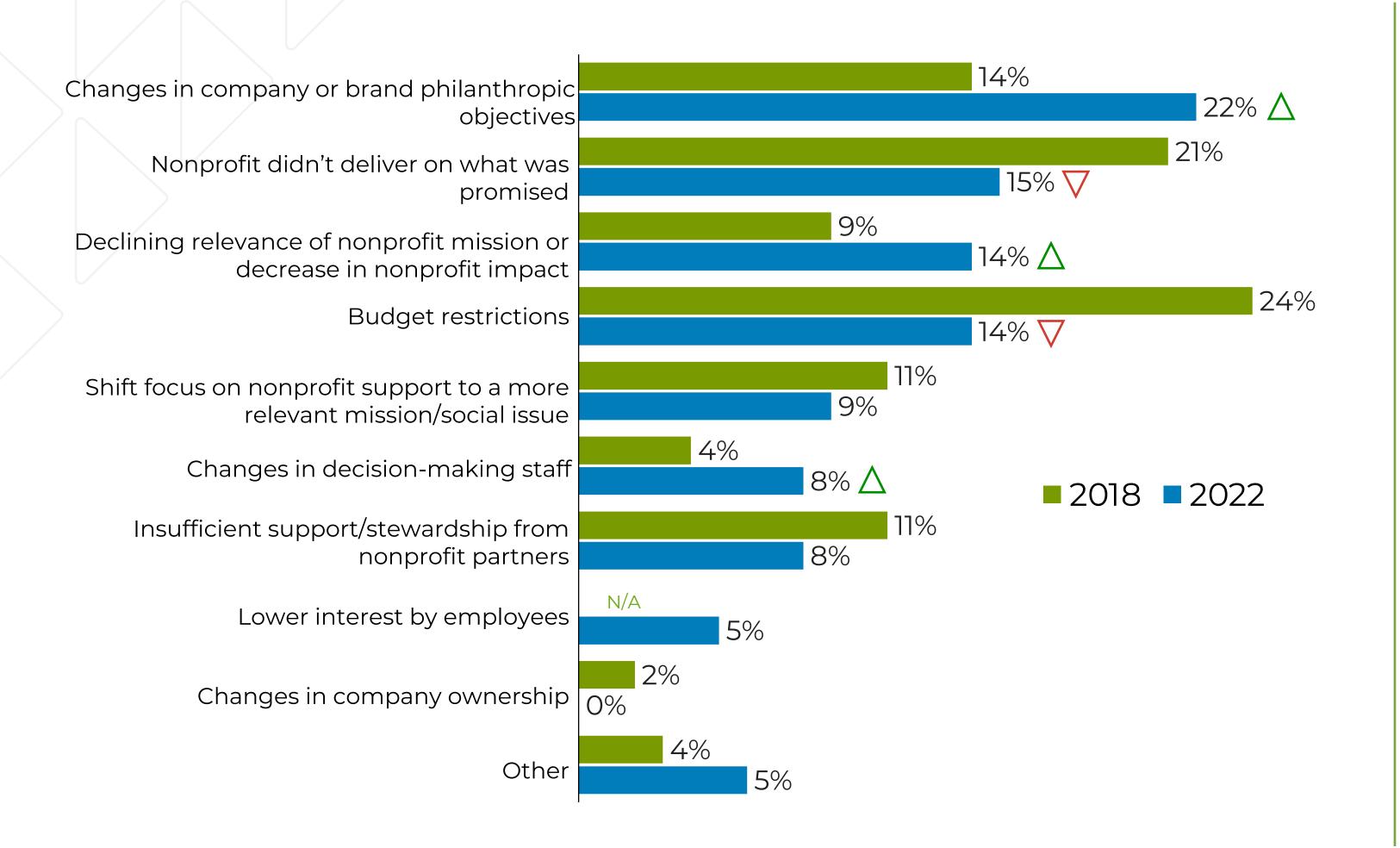


- The primary reason a company chooses to end a partnership is changes in philanthropic objectives (22%).
- Factors a nonprofit can influence include delivering on what is promised and better demonstrating relevance and impact.



### PARTNERSHIP PLANNING: PARTNERSHIP LIFE CYCLE

#### PRIMARY FACTOR TO END NONPROFIT PARTNERSHIP



#### KEY LEARNINGS

Compared to previous studies, shifts in philanthropic objectives are increasingly likely to lead to the end of a nonprofit partnership whereas budget restrictions are becoming much less of a factor.

Section 7

# METHODOLOGY AND RESOURCES

# METHODOLOGY:

### **QUANTITATIVE SURVEY**

- In field: January 27, 2022 March 4, 2022
- Sample size of N=65
- Third-party research firm The Paragraph Project distributed and tabulated survey results



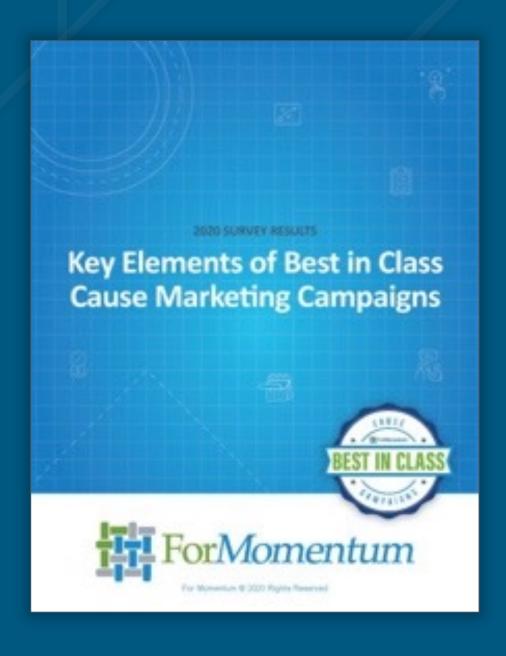


# A LITTLE BIT ABOUT FOR MOMENTUM

- Full service social impact and cause partnership agency
- Founded in 2003
- One of the largest agencies focused solely on cause and impact partnerships
- Have established and supported cause strategies for 100+ organizations
- Have fostered more than 250 corporate/nonprofit partnerships of many types
  - o Awareness: Increasing visibility of the campaign through earned, owned and paid channels
  - o Engagement: Driving campaign participation through activation of consumers and employees
  - Fundraising: Raising financial support through sponsorship, cause promotions, workplace giving, strategic partnerships and in-kind support

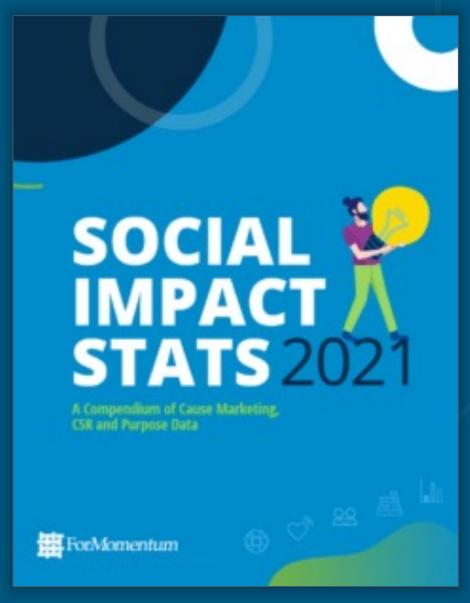
# INDUSTRY THOUGHT LEADERSHIP & RESEARCH

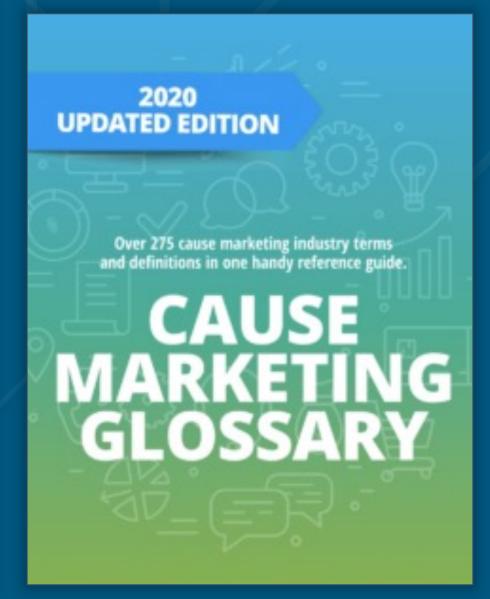
We conduct practitioner-focused research and continually monitor the marketplace for industry intel – best practices, trends and research – to inform creative strategies and drive efficiencies for our clients.













# LET'S CONNECT



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