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ONE-ON-ONE

Corporate/Nonprofit Partnerships: A Unique View From The U.S. Fund For UNICEF

Nonprofits and their corporate partners need to raise the bar beyond transactional cause marketing to transparent, multi-dimensional relationships if they want to be successful.

5/31/11: Rajesh Anandan, senior vice president, private sector partnerships with the U.S. Fund for UNICEF—the American fund-raising arm of the United Nations Children’s Fund—has a diverse and atypical background for someone in his position.

Although his two positions before joining the U.S. Fund for UNICEF two years ago were also in the nonprofit sector—head of private sector partnerships for the Geneva-based The Global Fund to Fight AIDS, Tuberculosis and Malaria, and director of strategy and operations for the Elisabeth Glaser Pediatric AIDS Foundation—Anandan has corporate marketing, management, strategic planning and other high level business expertise.

He has been a consultant for Bain & Co. and also worked for Microsoft Corp. after earning undergraduate and graduate degrees in computer science, economics and systems dynamics from Massachusetts Institute of Technology.

IEG SR checked in with Anandan to get his take on the current environment for relationships between businesses and nonprofits. Below are edited excerpts from the interview.

IEG SR: What do you see happening in cause marketing today?

Anandan: A common trend that we are seeing, and reacting to, is the increasing shift away from commoditized cause marketing.

Brands are becoming more sophisticated and are looking for more integrated partnerships as a platform to bring purpose. They are moving away from week-long or month-long single activations that are disconnected from their brands. They want integrated, multifaceted partnerships.

That is important. The market is saturated with cause marketing programs and consumers don’t



necessarily believe a brand is good just because it runs a one-time promotion with a cause.

It is important for leading brands to recognize that, and we are glad when they do. It is an investment for a company and nonprofit to figure out how to work with each other. If you run a promotion just once, you waste time and energy on both sides.

We have gotten better on being transparent up front and asking business partners to be transparent about their business objectives so we can agree on whether or not it might be the right fit.

IEG SR: Any other trends you are experiencing?

Anandan: We are seeing a trend towards more integrated platforms that can be activated on multiple fronts.

For example, Giorgio Armani Fragrances supports the UNICEF Tap Project through its Acqua for Life program. It saw a huge lift in product sales in March when it activated the partnership with a donation-with-purchase promotion.

This is the second year of the partnership and we put a lot more time and investment into social media and a campus tour to connect different audiences around the issue. It moves cause marketing from selling a product and getting a donation by taking a broader view that gives the relationship more substance, authenticity and sustainability.

Another trend we are seeing is companies using cause-related marketing to engage employees and retain talent.

That is not how we usually think about cause-related marketing, but a relationship with a cause is critical in retaining talent and energizing employees beyond what they have to do everyday to drive shareholder value.

We have a partnership with [American Airlines](#) that is driven primarily by the energy and commitment of its employees and staff, including flight attendants. The relationship has been a huge success in terms of the amount of money raised and payback to the community.

IEG SR: Do you see any dark clouds on the horizon?

Anandan: One trend that we are seeing is not a good trend: competition-based cause marketing, where a brand launches an initiative and consumers vote on where the money goes.

It's great to engage consumers, but you can imagine the social impact that kind of campaign has. The money gets fragmented and chopped up, and it is unclear how that helps change the world into a better place.

We engage in that type of activity very selectively, mostly with a partner that we are already working with where it is in context of the partnership. But we do not see that type of activation as a legitimate way to have social impact.

IEG SR: Can you share a program that you are particularly proud of, and why?

Anandan: Our partnership with IKEA is interesting. IKEA is a great brand and has tremendous trust across the world. The company is extremely philanthropic and responsible in its business practices and it is a perfect fit.

The relationship builds on a partnership that is deep and long and allows us to be authentic about what we are doing. IKEA started working with UNICEF ten years ago, bringing us in to help solve challenges around child labor in the supply chain, a subject where we have deep expertise. The relationship started from a business-to-business engagement, and IKEA has become one of our largest partners.

IKEA provides more than \$30 million year worth of resources, part of which is funding a program that addresses the root cause of child labor. Another big chunk is in-kind; they can source things better and faster than we can for emergencies.

Whatever we do has to be authentic. Every year IKEA has a holiday toy campaign, around which it sells a stuffed toy that raises money for children. The holiday toy campaign is a great way to do something that is simple and cute, and it raises money for programs that address the root cause of child labor.

It is something both organizations can get behind, and because there is so much history and substance to the relationship, we can tell the story and give credit where credit is due.

IEG SR: Can you share any other advice or best practices for those working to build successful corporate/nonprofit partnerships?

Anandan: It is incredibly important for companies and nonprofits to start a relationship with a very frank and earnest discussion about what they are trying to do, where they can meet and where they won't meet.

Both parties need to be open about their objectives and try to find a way forward that addresses those objectives. That is the only way a relationship can grow, thrive and be sustainable.

Sources

U.S. Fund for UNICEF, Tel: 212/686-5522

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