

As first published in AMEX Open Forum  
December 11, 2008

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During the holidays, we are bombarded by dozens of pleas for charitable giving. Especially during a down economy, non-profits and charitable causes are typically suffering from low response because consumers tend to give when they are not preoccupied with how to pay their mortgages.



But what if you are a small business owner? Whether it is the holidays or year-round, does your small business give to charity?

I think we can assume that most people and small businesses give charitably out of genuine concern and care. People like to associate themselves with businesses that support meaningful projects. It's makes us feel good. Thus, the marketing benefit is that this attaches a likability factor to your business. And, yes, consumers are looking for reasons to like you (because they typically don't like your prices).

Big companies have long employed charitable giving into their strategy of getting customers to know, like and trust them. McDonald's has a long history with Ronald McDonald House Charities and Subway is affiliated with the American Heart Association. As a father of an adopted daughter, I love Wendy's because of the Dave Thomas Foundation for Adoption (OK, so it's their Frosty, too).

How will your business share your success to impact your community and the world? Recognize the importance of rallying your team behind a passion greater than your organization itself. Differentiate your organization by focusing on selfless acts of community service.

Here are a few of the most common ways to participate philanthropically:

#### PERIODIC PERCENTAGE GIVER

Give a percentage of either revenue or profits for a specific time period. "From Memorial Day until Labor Day, we will give 5% of all sales to our local school."

#### PERPETUAL GIVER

Give all year round ("Every month we give 1% of our sales to the local food bank"). Or pledge a specific dollar amount for each time there is a specific transaction. A colleague offers a marketing newsletter and every time someone signs up for her free marketing tips, she will donate \$1 to charity. In addition to local charities, our marketing firm gives quarterly to an orphanage in Benin, West Africa.

## PARTICIPATION GIVER

Help sponsor a local event, like a charitable 5K. Provide the food, the T-shirts, or the water bottles for the runners. Put together a baseball team that raises money for a specific charity ("For every home run, we will donate \$100"). This typically gets you and your employees much more involved than simply writing a check.

## SOCIAL CHANGE GIVER

You may wish to engage in various cause marketing practices that support your company's values about social change. Warning: don't try "going green" as a limited strategy just to appeal to a certain demographic. It will never work. Authenticity is critical for today's cynical consumers. Participate generously in your community and you will enjoy the reward. I know one salsa company that employs developmentally disabled persons to handle all their packaging prior to shipping. It's a win-win for both sides and speaks volumes about the heart of the company's leadership.

## MIDDLE-MAN GIVER

Perhaps your most effective role could be to leverage your business' heavy traffic to impact a local charity by acting as a drop-off resource for donations. Each of a national tire chain's local stores acts as a drop-off for customers to bring Toys for Tots. Canned food drives are equally common and engage your customers into your charitable focus. (It is best if you can ensure the participants that you also give to this drive.) Grocery stores have long presented consumers the choice to donate money to some charity at check-out.

There are some potential problems with your prospects' perceptions. Cynical consumers are leery of greedy businesses somehow seeming charitable just because it is the holidays or they are looking for some tax deduction. Such "generosity" will inspire no one and your customers will see right through it (authenticity speaks volumes!).

Give out of a generous spirit and you will receive the proper recognition as a secondary benefit (the first benefit comes from giving and helping others). Does your charitable participation connect with your customers' priorities on social initiatives? While some customers will simply ignore your cause and choose price first, many consumers will work with a company doing social good over one that isn't every time. And yes, they will likely even pay a premium because the cause is that important to them.

Sure, there are those who give for exploitation or egotistical reasons. There's a risk in mixing marketing and philanthropy. Pompous promotion and charity rarely mix. But If you are genuine in your concern for the charities or causes that you support, I don't think you need to worry about your customers thinking you are arrogantly bragging. We live in a generous nation. Perhaps we are not generous enough, but still, we are by-and-large a giving culture when we see real needs. I believe when you act responsibly with what you have received, your customers and prospective customers will appreciate your willingness to use your resources to benefit others.

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