Cause Branding and Social Marketing

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Check out my blog at: www.doyoustandforsomething.com
Our Profile

Market Position: 28 year-old, globally-recognized strategy and communications agency

Mission: Helping organizations build trusted relationships with their key stakeholders

Strengths: 100+ professionals with expertise in:
- Cause Branding™
- Corporate Responsibility
- Brand Marketing
- Crisis Prevention and Management

Affiliation: Member of The Omnicom Group (NYSE: OMC)
Our Purpose

Better Business: We build and communicate authentic, credible and relevant brands that excite and engage key stakeholders

Greater Good: We ignite and leverage movements for societal impact
Our Knowledge Leadership

- Acknowledged as the nation’s leading cause practice
- Keynote at leading conferences and seminars
- Author of proprietary, industry-standard research series
- Knowledge Leadership Library
- Cone Return on Investment Tool
- Influencer partnerships
Our Emergent Cause Brands
Our Nonprofit Experience

Strategic Partnership Counsel

Cause Branding Campaigns

Integrated Marketing Communications
Corporate Perspective
A business strategy that integrates a social issue or cause into brand equity and organizational identity to gain significant bottom-line and community impacts.
1891 | Rockefeller hires manager for his philanthropic affairs

1911 & 1913 | Private grantmaking foundation, set up to be self-governing, is pioneered by Rockefeller and Carnegie

1914 | The 1st community foundation is created so people of modest means can respond collectively to neighbors’ needs

1940’s | Private foundations begin funding evaluations of social programs they supported

1954 | GE becomes 1st to match employee contributions to charity

1976 | Minneapolis Keystone 5% Club

1982 | Newman’s Own is founded and gives all profits to charities

1984 | The Statue of Liberty-Ellis Island Foundation pioneers cause-related marketing for the statue’s restoration

1993 | Cause Branding becomes multifaceted through launch of Avon Breast Cancer Crusade

1997 | Venture philanthropy is popularized by Harvard Business Review article

1999 | ePhilanthropy begins to emerge with birth of GuideStar, Impact Online and others

2006 | Product (RED) For-Profit Business Charity Model

2008 | Cause is driving force for marketing and citizenship efforts

2008 | Product (RED) For-Profit Business Charity Model
Cause in Context

TREND SPECTRUM

DEFINITIONS

DRIVING FORCE

BASIC HUMAN VALUE (TIMELESS)

MACROTREND

MAJOR CULTURAL MOVEMENT (7–10 YRS.)

MICROTREND

SIZABLE CULTURAL SHIFT (3–5 YRS.)

FAD

POPULAR IDEA, PRODUCT, OR SERVICE (1–3 YRS.)
Corporate Cause Spectrum

Cause Marketing    Cause Branding SM    Cause Platform    Corporate Citizenship

Worldwide Fund for Women’s Health

T-Mobile

P&G

Live, Learn and Thrive
Cause Marketing and Branding

Access to breast care for underserved women

**CAUSE MISSION**

**SIGNATURE ELEMENTS**

- Medical Resources
- Product Sales
- Special Events

**SUPPORTING ACTIVITIES**

- Online Support Group
- Employee Engagement
- Women’s Empowerment

**PARTNERS**

- National Cancer Institute
- NABCO
- CDC
- LSA
To improve the lives of women, globally

Breast Cancer
Funding access to care and finding a cure for breast cancer

Domestic Violence
Putting an end to domestic violence

Disaster Relief
Responding quickly to international disasters

Employee Policy
- Matching, volunteer, and fundraising programs
- Workplace diversity program and scholarship opportunities for Avon representatives

Research and Development
- Global product safety standards
- Promotional product sales

MarComm Strategy
- Campaign collateral materials, advertising, public relations and celebrity endorsement
- Major customer fundraising events
Environmental Drivers

Post-9/11 Sentiment: Searching for a deeper meaning, Americans expect companies to play an active role in addressing societal needs; rewarding companies that share their values.

Increased Transparency: Rapid adoption of the Internet has empowered consumers to access corporate information and offer opinions online via blogging, etc.

Targeted Outreach: With increased competition for consumers’ share of mind, companies are conducting detailed consumer research to tailor messaging for key audiences.

Corporate Scandals: Stockholders and the rest of the country is watching. Good corporate citizenship is a must-do, stemming from Enron, WorldCom and other scandals.

Competition for Employees: 77% of employees say that a company’s commitment to social issues plays a role in determining where to work.
Business Context

- 90% of managers have “citizenship goals” as part of corporate business principles
- More than half of marketing/community affairs directors carry out cause initiatives
- In past five years, companies report increased investment in corporate citizenship (staff: 74%, budget: 72%, executive time: 68%)
- 65% of senior executives believe ROI from cause efforts increased in past few years
- Brands that engage people emotionally can command 20% to 200% higher prices than competitors and sell in far higher volumes

Cause/Passion Branding

Industry Specific Investment

Conference Board, 2002; IEG Sponsorship Report, Business for Social Responsibility; and IEG Sponsorship Report, 2005
“The world’s changed. Businesses today aren’t admired. Size is not expected. There’s a bigger gulf today between haves and have-nots than ever before. It’s up to us to use our platform to be a good citizen…it’s a business imperative.”

Jeff Immelt
Chairman/CEO
General Electric
## Consumer Imperative

Americans consider a company’s citizenship when deciding…

<table>
<thead>
<tr>
<th>Decision Category</th>
<th>2007</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which companies I want to see doing business in my community</td>
<td>86%</td>
<td>85%</td>
</tr>
<tr>
<td>Where to work</td>
<td>77%</td>
<td>81%</td>
</tr>
<tr>
<td>Which products and services to recommend to other people</td>
<td>79%</td>
<td>74%</td>
</tr>
<tr>
<td>Which stocks or mutual funds to invest in</td>
<td>66%</td>
<td>70%</td>
</tr>
<tr>
<td>What to buy or where to shop</td>
<td>80%</td>
<td>63%</td>
</tr>
</tbody>
</table>

2007 Cone Cause Evolution Survey, 2004 Cone Corporate Citizenship Study
Generation Next

- 83% will trust a company if it is socially/environmentally responsible
- 89% are likely to switch from one brand to another if the latter supports a cause
- 79% want to work for a company that cares about how it impacts society
- 74% listen to a company’s messages if they have a deep commitment to a cause
Business Objectives

In partnering with nonprofits, companies are increasingly seeking to:

- National Cause: Contribute promotional support, advocacy, fundraising, etc.
- Local Cause: Localize giving to areas where they operate or are strategically-focused
- Acquisition and Retention: Build long-term customer relationships
- Recruitment and Retention: Engage employees via turn-key efforts
- Perception and Awareness: Improve company perception/brand awareness via cause
- Social Returns: Deliver greater, measurable social impact
- Business Returns: Demonstrate ROI via sales and sponsorship performance
National Cause Branding

Contribute promotional support, advocacy, fundraising, etc.

- Aldo & Youth AIDS
- Cigna & March of Dimes
- Yoplait & Susan G. Komen for the Cure

- Bloomingdale’s & Colon Cancer Research Alliance
- DKNY & Rock the Vote
- Pottery Barn & St. Jude’s Thanks and Giving
## Local Cause Branding

Localize giving to areas where they operate or are strategically-focused

<table>
<thead>
<tr>
<th>Signature Local Events to Advance National Cause</th>
<th>Community Awareness/Action Campaigns</th>
<th>Promotions/Fundraisers at Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Campaign Event Sponsorships" /></td>
<td><img src="image2.png" alt="Community Based Social Impact" /></td>
<td><img src="image3.png" alt="Socially Aligned Business Initiatives (SABI)" /></td>
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**Localize giving to areas where they operate or are strategically-focused**

- **Signature Local Events to Advance National Cause**
- **Community Awareness/Action Campaigns**
- **Promotions/Fundraisers at Retail**

**Campaign Event Sponsorships**

![Campaign Event Sponsorships](image1.png)

**Community Based Social Impact**

![Community Based Social Impact](image2.png)

**Socially Aligned Business Initiatives (SABI)**

![Socially Aligned Business Initiatives (SABI)](image3.png)
In the US, 87% of people say when price and quality are equal, they are likely to switch from one brand to another associated with a cause.

Globally, 60% of people chose NOT to buy a brand because the company was seen as a bad corporate citizen.

2007 Cone Cause Evolution Study

Wirthein Worldwide, Corporate Citizenship Balancing Act, 2002
Recruitment and Retention

Engage, and retain employees via turn-key efforts

In the US, 72% of employees wish their employers would do more to support a cause or social issue

2007 Cone Cause Evolution Study

Globally, employees create the greatest pressures for their companies’ citizenship activities

World Economic Forum
In the US, 92% of people say they have a more positive image of a product or company when it supports a cause.

Globally, 61% of opinion elites say they have recommended a company to others in response to a company’s citizenship.

2007 Cone Cause Evolution Study

APCO Worldwide Global CSR Study, 2004
Social Returns

Deliver greater, measurable social impact via strategic philanthropy

- Focused approach yields larger, measurable social gain to help more people
- Longer-term partnerships deliver longer-term outcomes to improve lives
- Synergies from harnessing resources multiply impact to enhance communities
Business Returns

Demonstrate ROI via sales and sponsorship performance metrics

- **100% jump in sales** via YouthAids go-to-market campaign
- **47% increase in sales** of Sears’ dealers products, through its partnership with Habitat for Humanity
- **600% increase in sales of featured products** in the Campaign for Real Beauty ads; 20% increase in sales across brand
- **138% jump in $50 Starbucks card reloads** during promotion for JumpStart
Roundtable

- Which topics are effecting your work and life?
- What challenges do they pose for you?
- What opportunities are there?
Nonprofit Perspective
Giving in 2005 grew by more than 10% in human services, environment, and animals, and international affairs; environment and international affairs were not listed categories six years prior.

All but two categories of charities saw increases in contributions in 2005: health (0.7% drop) and arts/culture (6.6% drop).

Giving to educational, religious, children’s, and health organizations has remained consistently strong over time.
Donor Imperative

- 75% of donors say having a personal relationship with a cause or charity is very or somewhat likely to influence their decision to support a cause
- 78% of donors say they are very or somewhat likely to support a cause or charity if someone they trust is involved with it
- 71% of donors are motivated to purchase cause-related gifts to introduce a cause they care about to others
- 29% of Americans volunteered through a formal organization in 2004

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<th>Donor Influencers</th>
<th>Percentage</th>
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<td>77%</td>
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<tr>
<td>Friends</td>
<td>64%</td>
</tr>
<tr>
<td>Charities</td>
<td>63%</td>
</tr>
<tr>
<td>Places of Worship</td>
<td>60%</td>
</tr>
<tr>
<td>Co-Workers</td>
<td>40%</td>
</tr>
<tr>
<td>Companies</td>
<td>30%</td>
</tr>
<tr>
<td>Celebrities</td>
<td>15%</td>
</tr>
</tbody>
</table>

2006 Cone Nonprofit Research, 2007 Cone Holiday Trend Tracker, The Urban Institute, 2006
Environmental Drivers

- **Growing Competition:**
  
  Increased need to differentiate and become a “charity of choice”

- **Nonprofit Cause Platforms:**
  
  Identification of singular master issues expressed via aspirational platforms under which cause branding efforts can be positioned

- **Nonprofit Cause Branding:**
  
  Increased opportunity to break through via focus and audience alignment

- **Targeting Audiences:**
  
  New focus on specific segments around reframed, relevant issues

- **Personalizing Experiences:**
  
  Use of customization to drive contact, conversion, cultivation

- **Corporate Relationships:**
  
  Leveraging of corporate relationships to drive cause brands
Increased need to differentiate and become a “charity of choice”

- There are approximately 1.4 million nonprofit organizations in the U.S.
- In the last decade, the number of 501(c)(3) nonprofits grew by almost 65%
- The U.S. economy is in a recession
- Consumers are subject to 5,000 ads/product impressions every day
- 75% of donors list “personal belief in nonprofit’s goals” as “very important”
Nonprofit Cause Platforms

Identification of singular master issues expressed via aspirational platforms under which cause branding efforts can be positioned.

Nonprofit: American Heart Association
Issue: Cardiac Health
Platform: Reducing Heart Disease & Stroke

Nonprofit: St. Jude Children’s Research Hospital
Issue: Pediatric Catastrophic Diseases
Platform: Saving Children

Nonprofit: Make-A-Wish
Issue: Terminal Illness
Platform: Bringing Joy
A business strategy that aligns the communication resources, development activities and mission-based services of an organization to generate brand equity, funds and social impact.
Nonprofits are packaging relevant programs and resources to reach a target audience.

Consumers (advocates, volunteers, and donors) are distracted and sophisticated.

Reciprocal relationships are asking donors to give and nonprofits to provide in-kind.

Targeting Audiences

New focus on specific segments around reframed, relevant issues

- Nonprofits are packaging relevant programs and resources to reach a target audience.
- Consumers (advocates, volunteers, and donors) are distracted and sophisticated.
- Reciprocal relationships are asking donors to give and nonprofits to provide in-kind.

- Latino Initiatives: Por tu Familia
- Native Americans + Diabetes
- Latinos + Diabetes
- American Cancer Society
- Women + Breast Cancer
- Survivors + Cancer
Personalizing Experiences

Use of customization to drive contact, conversion, and cultivation

Communications

Awareness  Relevance  Consideration  Selection  Satisfaction  Evangelism

Development

Contact  Conversion  Cultivation

LOYALTY
### Corporate Relationships

Leveraging of corporate relationships to drive cause brands

Americans believe corporations should support nonprofits through:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee volunteerism</td>
<td>75%</td>
</tr>
<tr>
<td>Cash and product donations</td>
<td>67%</td>
</tr>
<tr>
<td>Information about the charity on the company’s product or packaging</td>
<td>66%</td>
</tr>
<tr>
<td>Marketing and advertising support</td>
<td>67%</td>
</tr>
<tr>
<td>A percentage of a product’s sales to support a cause</td>
<td>58%</td>
</tr>
</tbody>
</table>

2004 Cone Corporate Citizenship Study
From Relationship to Partnership

Evolution of cause relationships into formal partnerships

- Aside from financial support, corporate partners can provide the following…
  - Enhanced visibility through their communication of our cause campaign
  - Distribution channels through retail promotion and related properties
  - Connections to employee and business partner networks
  - Expertise in marketing, strategy development, professional experience, etc.

Partnership: A mutually beneficial and respectful relationship that meets the business goals and objectives of both partners while protecting and enhancing the overall mission of each brand
Partnership Bill of Rights

Our commitment: As a nonprofit partner, we will...

- Value you as our partner in achieving our shared mission
- Work together to maximize positive social and business impacts
- Strive to build a relationship that exceeds your expectations
- Respect and protect the integrity of your brand
- Engage you in ongoing, meaningful and honest dialogue
- Share responsibility for the long-term success of our relationship
- Provide you with a talented, creative and experienced service team
- Do what it takes to meet your key objectives
- Set realistic expectations and deadlines
- Publicly recognize your commitment
Partnership Bill of Rights

Your commitment: As a corporate partner, you will…

- Value us as a partner in achieving our shared mission
- Work together to maximize positive social and business impacts
- Build a relationship with us as a key member of your team
- Respect and protect the integrity of our brand
- Recognize our capabilities and capitalize on them whenever possible
- Remain open to creating new solutions to shared challenges
- Cultivate direct and constructive communication
- Publicly recognize our commitment and societal impact
- Establish realistic expectations and deadlines
- Provide the tools and information we need to be successful
Developing an AHA Cause Brand

- Select a focus area that aligns with your mission and organization
- Once identified, pick your partners
- Put all your assets to work
- Communicate through every possible channel
AHA Objectives

Position the American Heart Association (AHA) to better develop and execute strategies to achieve the following objectives…

- Increase overall corporate support to improve revenue generation and reach
- Create comprehensive relationships with new and existing corporate partners
- Leverage and maximize resources, assets, and opportunities
- Infuse the brand with more emotional appeal
- Strengthen public leadership position within heart disease and stroke

2010 Goal: To reduce coronary heart disease, stroke, and risk by 25%
Mutually Beneficial Strategy

Develop market offering that will meet both parties' objectives...

- Share brand equity and leadership
- Make a strategic, focused social impact
- Become a leader in an uncluttered, trending niche area
- Create multi-tiered stakeholder relationships
The Cause: Women and Heart Disease

Identified via a confluence of…

- Market opportunity
  (Consumer and corporate interest)
  Open-niche
  Increasing corporate interest in supporting women’s health

- Legitimate need
  (Serious health gaps tied to heart disease)
  Credible health and awareness gap
  Number one killer of women, killing more women than the next seven causes of death combined, awareness remained low (8%)

- Existing AHA assets
  (To ensure continuity and low entry cost)
  Existing underutilized assets
  American Heart Month, February cause promotion, women’s health assessment tools, educational information and research
Positioning for Partnership

Showcase real, urgent opportunity…

To attract similarly focused sponsors…

First commit to a cause, then pick your partners.
Leveraging AHA Assets

- Women’s Awareness Survey
- Satellite Media Tour
- AHA Red Dress Pin
- Editorial Placements
- Circulation issue on Women and Heart Disease
- National “Go Red” Day and Kit
- National Celebrity Spokesperson
- AHA’s Women’s Web site
- “Go Red for Women” Local City Tours
- Corporate Sponsor Cause Promotions
- Launch Event in New York

Put all your assets to work, especially employees.
Leveraging Partner Assets

Put all your assets to work, especially employees.

HELP YOUR COMMUNITY AND
GET 10% REWARDS
ON ALMOST ALL* OF
YOUR MACY’S PURCHASES
NOW THROUGH JANUARY 8, 2005.

It’s a special rewards program for our Macy’s cardholders only, in addition to all of our great shopping passes and discounts you already receive!

1. Make a one-time enrollment charge of $25 with your Macy’s credit card at any Macy’s location or by phone at 1-888-462-JWST.
2. You’ll earn Rewards not only at Macy’s, but anywhere you shop with your Macy’s credit card at one of the 200 Macy’s shops nationwide, online or in Macy’s.com or by phone. (except the day you contribute through January 8, 2005.
3. Macy’s will donate 10% of your purchase to the Shop for your favorite charity (donation will be credited to these organizations):
   - National Heart Foundation
   - American Heart Association’s Go Red for Women Awareness Campaign
   - Make-A-Wish

Email today to ask Macy’s on line or phone at 1-888-462-JWST and ask for your Reward Card in the next 10 days, to be redeemed by June 10, 2005.

DON’T HAVE A MACY’S CREDIT CARD? Open an account today and get up to 15% off**
4% your first 12 months. Thanks for Sharing Program reward.

*Offers in each location vary, subject to credit approval.
From Fundraising to Marketing

Communicate through every possible channel

Window Displays

Web site

Media Relations

Jumbotron

Events

Cities

Promotions

Go Red

Spokespersons

Billboards
## The Movement is in Motion!

### Medical Research:
- Published ground-breaking Prevention and Treatment Guidelines
- Release annual “State of the Heart” research

### National Fundraiser
- 12,700+ companies participated in Wear Red Day last year
- Employees donate $5 and dress in red to support the cause

### Grassroots Awareness:
- 200+ local Go Red luncheons held
- Cities and landmarks in more than 30 cities “went red”

### Celebrity Involvement:
- Spokespersons: Sigourney Weaver, Joy Behar, Marie Osmond
- Other “Influencers” include Gwyneth Paltrow and Julianne Moore

### National Events:
- “Rhapsody in Red” and other annual events held in NYC
- Celebrities e.g. Marcia Gay Harden, Stacy London, and more attend
The Movement is in Motion!

**Consumer Engagement:**
Web community includes ShopGoRed.com featuring red items
“Go Red Check-up” empowers women

**Credible Voice:**
Cardiologists spokespersons
Dr. Reichman, contributor to *Today* is a celebrity supporter

**Corporate Support:**
National Go Red For Women sponsors are Macy’s and Pfizer
Many companies sell cause promotions

**Educational Materials:**
Go Red brochures, wallet cards, pins and more help raise awareness
More than 34M collateral materials have been distributed to the public

**Press Coverage:**
The campaign has garnered 5B media impression since launch
The Movement is in Motion (in Boston)!

**Luncheons:**
More than 500 people attend the Boston Goes Red luncheon
Features a fashion show with local celebrities, silent/ live auctions

**Local Cause Promotions:**
Many local companies supported the campaign by
donating proceeds from custom products

**Landmarks Went Red:**
The Leonard P. Zakim Bridge, Prudential Center and State House
among others are lit up in red

**Local Celebrity Involvement:**
Local influentials are part of the movement including sports figures
and political figures,, local news anchors and print reporters

**Local Press Coverage:**
Annual 12 pg advertorials featuring the campaign appears in *The Boston Globe*
Garnered media partnership with local ABC affiliate
Select Results

- 57: Percent of women who identify heart disease as #1 killer, up from 8% in 2003
- 700,000: Women who have taken the Go Red Heart CheckUp to date
- 96: Percent of women took action to improve their health after completing CheckUp
- $100 million: Amount raised for the cause
- 500,000: Individuals enrolled in Go Red For Women
- 5 billion: Impressions generated
- 3.2 billion: Visits to the Go Red For Women Web site
- 12,700: Companies that participated in National Wear Red Day last year
- 200: Go Red luncheons held across the country in 2007
- 26: Countries that adopted Go Red via World Heart Federation
Individual Perspective
Philanthropreneurs

Philanthropreneurs apply innovative thinking and for-profit mechanisms to achieve philanthropic aims with sustainable solutions.

- “We need to be open to bigger, bolder reform because the hard truth is Philanthropy 1.0 hasn’t worked well enough.” — Stephen M. Case, co-founder of America Online

- “It’s not a donation….it’s an investment. He’s probably going to make more off that investment than he has in everything else.” — Ted Turner on Richard Branson’s $3B to develop greener fuels

- “An entrepreneur is someone who gets things done. A social entrepreneur changes the performance capacity of society.” — Peter Drucker
Hispanics are traditionally generous, but have tended to practice informal philanthropy, giving to friends, relatives or religious organizations.

- Only 46% of Hispanics donate to a nonprofit group, compared with 80% of non-Hispanics.
- On average, Hispanics give 3.9% of their annual household income, on par with non-Hispanic whites and double that of Asians.
- “Latinos say that they are not asked…people make the assumption that we can’t give.”
  – Teresa Alvarado, executive director, Hispanic Foundation of Silicon Valley
Pop Culture Philanthropy

People will look for more innovative, entertaining ways to do good. Americans want to lighten up and show that it’s okay for philanthropy to be easy and fun.

- “[Young people] want to get involved with the more regular mainstream charities but by doing something outside of the mainstream...” — Michael Nilsen, Association of Fundraising Professionals
- Rise of “slacktivists:” people who practice philanthropy with minimal physical action – often from the comfort of their computer chairs

Off the Mat, Into the World

Amnesty International: March Against Domestic Violence

SMASHED: Society for Mature Adults Seeking to Help Entertain and Donate
Think Global, Give Global

Real-time images of disease, war, and poverty abroad, combined with online giving, an increase in international aid organizations, and celebrity involvement will continue to inspire Americans to give globally.

- Mega celebrities like Bono, Oprah, and Angelina Jolie highlight global issues
- Of the $15B increase in total giving in 2005, approximately half was donated to provide relief to disasters in Asia, Pakistan, and the Gulf Coast
- “2005 was a watershed year for U.S. philanthropy, with the private sector giving $566M in aid for tsunami relief and more than $100M to assist victims of Pakistan's earthquake. The outpouring of private aid is another sign that we recognize how interconnected the world has become.” – Stephen Jordan, VP, U.S. Chamber of Commerce
There’s No Place Like Home

Despite an increase in global giving, the majority of U.S. giving will remain domestic, driven by Americans’ propensity to help in their communities. Schools, hospitals, and religious organizations will continue to be major beneficiaries.

- 81% of consumers say seeing the impact of their giving in their own community is very or somewhat important to them
- PRWeek’s list of companies most admired by consumers for charitable works show Wal-Mart and Target in the top three, both companies best known for local giving
Seeing Red

On the whole, southern western states will continue to be more charitable than other portions of the country. This tendency largely stems from the presence of more conservation and more faith-based populations.

- 24 out of the 25 states where people give an above average percent of their income were red states in the last presidential election.
- On average, conservatives give 30% more than liberals, despite earning slightly less.
- Religious people give four times more than non-religious people.
- Faith-based vehicles are the fastest-growing source of charitable funds; $100B/year.
- Religious organizations received $93.2B in 2005, more than any other charitable cause.
Giving While Living

Individuals will increasingly give while they can control the use of their funds, rather than allotting funds in their wills

- By 2017, Boomers are expected to give more than $1.7 trillion to charity as they inherit the wealth amassed by their parents
- Donor-advised funds and socially responsible investing have grown in popularity
- Even individuals of modest means are creating their own foundations: the number of U.S. foundations has nearly tripled since 1982
- “There is a backlash against being targeted as a potential major donor…people now want to be proactive rather than reactive donors.” – Peter Karoff, Founder, The Philanthropy Initiative
Volunteerism Young and Old

Every generation will become more involved in philanthropy through volunteering.
Children are getting involved in volunteering at a younger age.
Millennials are looking for opportunities to directly tackle the world’s problems.
Older generations will begin “encore careers” in philanthropic endeavors.

- From 2002 to 2005, volunteerism increased 28% among people ages 55-64,
  16% among people ages 65 and over; and 14% among young people ages 16-24
- 83% of Boomers express a desire to continue working into their later years
- 81% of Millennials have volunteered in some way (either weekly, monthly, etc.)
- 94.3% of volunteer households contribute to charity, give 109% more
On Demand

The world has gotten faster and donors now expect to be able to learn about charitable organizations and make on-the-spot donations at any time of day. Nonprofits will need to meet consumers where they are, 24-7.

- 11% of individuals have contributed to charities online and 65% of donors say online materials influenced their decision to give to a particular charity
- In 2004, U.S. households gave more than $3B online – a 60% increase from 2003
- To raise $1, it costs $.07 via online methods, compared to $.63 via telemarketing, $1.25 for a new donor via direct mail and $.25 from an existing donor via direct mail

Search Engine Philanthropy

Online Auctions

UNICEF: E-Commerce
The power of the sum of many small donations to make big societal changes will continue to be realized as donors demand to see the impact of each dollar. Modest donors, aided by the Internet, will go to and develop new intermediaries to allow them to be as strategic and effective as a large organization.

- “The ability to aggregate individual donations in new ways – using electronic platforms and professional guidance...may turn out to be one of the greatest breakthroughs of our time.” – Katherine Fulton and Andrew Blow, Global Business Network and Monitor
- “As the long tail of philanthropy (micro) gains visibility, change will reverberate through nonprofits and foundations just as MP3 recordings and Internet distribution redefined the music business.” – Lucy Bernholz, “The Long Tail of Philanthropy”
Donors will continue to connect to nonprofits through the causes that are personally important to them, their family, and their friends.

- 75% of donors say having a personal relationship with a cause or charity is very or somewhat likely to influence their decision to support a cause.
- 78% of donors say they are very or somewhat likely to support a cause or charity if someone they trust is involved with it.

### Cause Connections

#### Influencing Donors

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<td>60%</td>
</tr>
<tr>
<td>Co-Workers</td>
<td>40%</td>
</tr>
<tr>
<td>Companies</td>
<td>30%</td>
</tr>
<tr>
<td>Celebrities</td>
<td>15%</td>
</tr>
</tbody>
</table>

### Examples

- **Team Hoyt and Easter Seals**
- **Girl Scouts: Cookie Sales**
Thank you!

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Check out my blog at: www.doyoustandforsomething.com