



TOP 10 partnership questions



Stellar Partnerships is a specialist consultancy creating sustainable and profitable partnerships between corporates and non-profits. The Stellar team has 30+ years' experience in fundraising, partnerships and corporate strategy. Clients range from large organisations to grassroots charities, and all business sectors. Stellar bridges the gap between two tribes that often don't speak the same language. We build partnerships for good, that deliver real business results and lasting social impact.

| INTRODUCTION

Corporate partnerships are an exciting and rapidly growing way to get more impact for your cause and new sources of revenue. Over two-thirds of the richest entities on the planet are corporates, not governments. There has never been a better time to connect with the resources, expertise and networks of corporate partners to transform your non-profit.

But starting out in corporate partnerships can be a lonely journey into unfamiliar territory. You've got lots of questions. To save you from the common pitfalls and show that everyone is facing similar issues, here are answers to the Top 10 questions that non-profits typically ask about corporate partnerships.



1. What does a partner want from me?

Corporates don't really care about your programs.

Your programs are only 20% of the reason they partner with you.

Here's what makes up the other 80%:



Your audience

Customer retention, loyalty, and acquisition are huge concerns for businesses. Their marketing efforts are costly, and they need to demonstrate the ROI on their efforts. If you have a niche audience that a corporate wants, they'll likely see partnering with you as a smart marketing investment. That's why our NFP clients catalogue their different audiences. Your audience is a valuable asset in attracting corporate partners.



Your cause impacts their stakeholders

This is why alignment is so crucial. If your cause gets worse, will that impact their business? If so, they have a vested interest in helping you succeed because it also guarantees their success. By partnering with you, it also strengthens their reputation and enhances their relationship with their stakeholders.



Your staff engagement opportunities

In today's talent-short market, business leaders are concerned about their employee value proposition. Engaging and retaining employees, as well as attracting top talent, are critical priorities right now. You should be spending time thinking about engagement (not volunteering) activities your non-profit has to offer to your corporate partners. Recognize that these engagement opportunities are valuable and consider charging for them if they aren't a committed and contracted partner.



Your expertise

Your programs serve as a proof point for your organization's credibility. Demonstrating your success and knowledge around addressing societal issues increases your credibility. Your unique knowledge and grassroots footprint can offer unique solutions to complex problems a business is facing. Showcase your expertise and highlight how it can benefit them.



Your content

Do you have feel-good, inspiring content? Corporates understand the power of storytelling and the emotional connection it creates with their target audience. If you have compelling content that resonates with their stakeholders, it can become an asset for collaboration.

PR opportunities

Are you able to generate media attention? Media coverage amplifies the impact of your cause and also provides visibility for corporate partners. Highlight your ability to generate media interest and feature success stories that have garnered attention in the past. Media exposure can be a significant selling point for potential corporate partners.

This is how you build a commercially viable partnership program. If you want untied funding in a partnership, it's crucial that you showcase the valuable assets you bring and not just your programs. By understanding and leveraging these factors, you can create solutions to some of the most critical issues a business is facing. Move away from selling programs, otherwise, another organization that is commercially savvy will secure the partner that you've been prospecting.

2. Should I get my brand valued?

Getting your NFP brand valued is a waste of money

It won't get you more partnerships

Here's why and how to think about partnership value and not brand value:

Imagine discovering your brand is worth \$250K. So what?! Does that mean you won't partner for less than that? Really??? On the flip side, what if you're solving a multimillion-dollar problem and you just asked for \$250K? You've left millions on the table.



Brand value is subjective, influenced by your tribe's size, brand awareness, and your potential to generate future income for the corporate. Among these factors, the size and shape of your tribe holds particular importance for partnerships. Who is your tribe? Describe your audience and supporters in granular detail. To the right prospect, they are immensely valuable.

Does brand awareness matter? It depends. How engaged is your audience? How unique is your voice, your content, and your services? I'd focus on these aspects as they can make a significant difference in who you attract.

Consider that big corporate brands are worth at least 50 times more than yours. They don't care about your \$250K brand 'valuation'. Instead, focus on the value your partnership components deliver. Here are some ways to think about how you should be pricing a partnership:

1. Can they get a similar partnership elsewhere for cheaper?
2. What will it cost their business if they do nothing? Will their business be better or worse off? By how much? That's the price of your partnership.
3. Can they buy or develop what you're offering by themselves? How much would that cost them?

You need to think about the unique set of expertise, assets, and solutions you provide. That's the price and the value of a partnership. Not what your brand is worth. If you choose the right prospects, then the value grows exponentially because they can't get what you offer anywhere else.

Let's shift our perspective on partnership value. It's not about the number assigned to your brand but rather the distinct benefits and solutions you bring to the table.



3. I'm approaching a new prospect and the corporate has told me to send a proposal. Should I?

"Just send me a proposal" is the classic brush-off response.

Don't - it will go in the bin.

Here's what to do instead:

Invest in the relationship

Let them know that you don't work like that. All partnerships are tailored and create value for both partners. Firstly, you need to get to know them.

Suggest a meeting

Face-to-face or virtual. This is your opportunity to get to know them and find out what's important to them.

Ask questions

Before diving into proposal mode, inquire about their pain points, needs, and expectations. What are they really looking for? How can you write a proposal if you don't know what their objectives are?

Share success stories

Talk about case studies and what you did for other businesses. Demonstrate your ability to provide results for similar businesses. Real-life examples can be far more convincing than a document.

Don't spend your valuable time writing a proposal that will go straight in the bin. Engage, understand, and tailor your approach. The more you practice turning a brush-off into a genuine opportunity, the better you get at it.



4. What about organising a gala ball to bring in new corporate partners?

Gala balls suck.

They suck your time, your energy and your focus.

Build relationships not ticket sales to win corporate partners.

If you're a small charity, your team is thinly spread already. But your board has the bright idea of a gala ball to get corporates to give. Sometimes it's ball envy- they want what some other charity is having. Other times they think it's a transaction- \$\$ in return for a table at dinner.

Problem is, you don't have 500 corporate friends dying to buy tickets.

I've still got nervous ticks from nights spent tying swing tags on gerberas and dealing with obscure dietary requirements.

Think intimate events

I'm talking 6-10 people around a boardroom table for lunch. You get to dig deep into your corporate prospect's needs and priorities rather than shout over the music.

Give them an experience

Let your prospect get closer to your core work. That might be a program visit, hands on participation or a conversation with a lived experience speaker. Leave them with an emotional memory of what you do.

Invite them to collaborate

Corporates bring great expertise and insights. Be open to them working with you to find a solution to a thorny problem. They'll be much more committed to partnering with you for longer.

Building relationships take time and focus. Time to understand their needs and priorities and focus to ensure that you're both getting the impact you seek. If you build relationships, you'll get more value than selling tickets to an event that corporates is too busy to attend. And your team can focus on the things that really matter.



5. Can I find corporate partners if my board has no corporate contacts?

Your board is full of subject matter experts with no corporate contacts.

No problem.

They can be more help in partnerships doing these things instead.

Boards and executives with a magic address book of corporate contacts sounds wonderful. Rarely do you have that luxury. But leaders are essential to partnership success beyond making introductions. This is what you need them to do.



Set a clear strategy

Corporate partners won't be inspired to work with you if you don't know where the organisation is going. Board and execs need to craft a clear vision, strategy and rationale to underpin partnership success. Corporates love ambitious goals and will be excited to collaborate with you.



Provide enough resources

You can't develop meaningful partnerships if you don't have money for skills building, access to the right support and a budget for collateral. Boards need to allocate resources to recruit and develop the right partnership people, and make sure they have everything they need to be successful.



Mobilise internal support

You need the whole village to nurture and sustain partnerships. Problem is your colleagues don't know that yet and you can't make them contribute by yourself. Execs need to reshape role deliverables and create space for your marketing, programs and key departments to work with you on partnerships.



Set realistic KPIs

'Get me a million dollars by Christmas' is not helpful or realistic. Partnership income can be like a hockey stick curve. It takes a while to get going and execs need to budget for low income at the start, more value later.



Be sensible about timeframes

Partnerships are not an instant windfall. It takes time to build relationships, and you have to adapt to a corporate's timing and budget cycles, which often don't match your own. What's urgent for you may be a low priority for your corporate partner. It's usually 6-18 months to nurture and win a significant partnership. Execs need to be sensible about timeframes and expectations and shape their strategy accordingly.



6. How do I get started in looking for corporate partners?

There's an art and a science to winning new partners.

Master these 7 stages to maximise your chance of success:

- 1. Research:** Dive deep into a company's background and decode their messages. Understand their pain points and ambitions.
- 2. Initial contact:** Get in the game and secure a meeting with the right contact. If you can't connect, you can't progress.
- 3. Meeting plan:** Prepare for the meeting, anticipate next steps, and address potential objections. Don't be caught off guard.
- 4. Discovery meeting:** This is the make-or-break moment. Ask strategic questions to confirm or challenge your initial hypotheses. Identify partnership opportunities.
- 5. Further meetings:** Engage with additional stakeholders from both partners. Collaborate, ideate solutions, and solidify plans for activation.
- 6. Proposal/pitch:** Summarize all conversations and tailor the proposal to their specific business needs and ambitions. Paint an ambitious vision for the partnership's impact on your beneficiaries.
- 7. Negotiation and contracting:** Consider staging the partnership over 3 horizons and understand the 9 different types of "no." Adapt your ask and find common ground to reach an agreement.

Mastering these stages will make your partnership prospecting much easier.

7. I'm looking for cash income but my partner wants to offer goods in kind. Should I say yes?

Eggs for Ethiopia. Raisins for Haiti.

Gifts in Kind can be a poison chalice.

They don't have to be if you're aware of these things:

Do you normally purchase the goods?

If so, these gifts are as good as cash, impacting your bottom line. Embrace them wholeheartedly!

How much will logistics cost to distribute these items?

Consider the collection, storage, and distribution expenses. It's not a cheap exercise. How would your donors feel if they knew that their donations were being used in getting a company's product into the hands of your beneficiaries, especially if it isn't a core need of your beneficiary?

Product placement: Know the value!

What's the associated value to a company of having their product used (often repeatedly) by a consumer? Companies often give away their products for free as it acquires new consumers for them. It's a great strategy. Once you try it, you like it and are more likely to buy it again. What is the associated value of customer acquisition?

What would the company do with the goods otherwise?

Raisins for Haiti was a shipping container with a one-month use-by date. Regardless of logistics costs, I wasn't even sure if I could get the raisins to Haiti and distributed in that timeframe. These goods and others you are offered will likely end up in landfill. What is the cost to the company of disposing of these goods? That's an idea of the value you should be asking for to accept the goods.

ESG scores matter

If you divert goods away from landfill, then you are improving a company's environmental footprint. What is an improved ESG score worth to a company? Will it enable them to get more investment from our super funds and the big fund managers such as Vanguard and BlackRock? There is associated value in accepting these goods. Ask for money!

Content creation: A mutual benefit!

Is the company looking for recognition on social media about the good deed they have done in gifting their goods to you? What is the associated cost to you for managing this content creation? What is the associated value to the company for spruiking to their stakeholders about the good deed they have done? Ask for money along with the product.

Eggs for Ethiopia was a genuine offer, but logistics costs were immense. Consider long-term solutions that align with your mission and seek support for sustainable initiatives.

Remember, gifts in kind can be valuable, but understanding the true costs and value will lead to more impactful partnerships.

8. My colleagues and my boss constantly ask me to get free stuff from corporate partners. Is it worth making the ask?

Corporate partnerships aren't the team of free stuff!

Or the go-to for getting matched gifts, or campaign sponsors.

Here are 4 reasons why these requests don't work:

- 1. Last-minute requests:** Corporates operate on longer timelines, with signoffs, planning, marketing, and socials all finalized well in advance. Your request coming in four months before the event is considered last minute to them. Have you considered their processes and timelines?
- 2. Aligning with corporate needs:** Have you thought about what the corporate actually wants? How does your request align with their goals and objectives? Can you provide them with clear benefits and guarantees? It's essential to understand their perspective and ensure mutual value.
- 3. Distinguishing between essential and critical:** Is the request truly essential or critical to the organization, or does it simply apply to your team's needs? Your emergency shouldn't be your corporate partnership manager's critical priority. Consider how your request contributes to your non-profit's overall mission and impact beyond fulfilling your individual or team KPIs.
- 4. Relationship vs transactional:** Is this request fostering a meaningful relationship? Opting for quick cash grabs devalues a relationship. Challenge yourself to think beyond immediate gains and consider the broader impact.

Many of you struggle with this. Every minute spent chasing these last-minute requests prevents you from pursuing strategic partnerships. Saying 'no' can be difficult, but it's often necessary. Starting a relationship for free stuff takes just as long as beginning one with a strategic partner. Which one will have a greater impact?



9. I'm getting a lot of NOs. What am I doing wrong?

Hearing NO a lot?

Or, not now. Maybe later...

Here are three surprising things for you to consider:

Change might just be a key factor. Change isn't just scary, it often demands extra effort, time and resources before yielding rewards. The benefits are on the other side of a whole lot of work. That's why positioning towards needs and wants is usually easier. People want to escape the pain/ overcome the challenge. They are already motivated to change. Think about how you're positioning your partnership to these 3 factors:

Pain avoidance

Is your partnership a way to conquer existing business issues? If you're a genuine solution to a corporate's challenges, why wouldn't they say yes? It's a no-brainer. They are already experiencing pain because of this issue and are more motivated towards change. The trick to pain avoidance is uncovering business issues. Do your research, ask really good questions in a discovery meeting and you'll be able to find them.

We once got a \$250K donation in a cold first meeting because we mentioned all its competitors had already given to a natural disaster. They did not want to jeopardise their social license to operate with the government where the disaster had struck. They made this donation on the spot with the agreement that a media release would be produced that day. Solution-based partnerships for the win

Pleasure seeking

Will your partnership make the business look good? Clearly outlining how you align with their ambitions is key. Are the benefits tangible and delivered early in the partnership? Then you're onto a winner. Busy corporates love it when you can make their role easier. They are just as busy as you are and need to report the ROI on any investment.

Cost to deliver

What is their cost to deliver the benefits of your partnership? Cause-related marketing fell out of fashion for a few reasons. Redesigning packaging comes at a price. It can also confuse customers and negatively impact sales. Have you considered the costs for the corporate to deliver the stated benefits of your proposal? An in-store activation such as a tap-to-donate function can cost lots of money and may need significant operational changes. This could be why you're getting a 'maybe later' answer. Is there an easier way to achieve the benefits through partnership?

Pain avoidance is the ace up your sleeve. This is why we emphasise doing your research, holding a discovery meeting, and being the solution. It's much easier to get a yes when a company is already motivated to change.

Consider these three things and review one of your past proposals. If you received a no, can you rework it and find a path to yes with that corporate?

10. My CEO is obsessed with more money. Is that all I should look for with partnerships?

Will money solve all your problems?

Nope!

Wicked societal issues won't be solved with just money. Here are three areas that partnerships create real value in:



Collaboration

When I ask non-profit organizations what they need, funding often takes centre stage. Funding is undoubtedly important; you've got to keep the doors open. However, funding won't tackle complex problems that require multifaceted approaches. Take, for example, Bill Gates' monumental investment of \$1.2 billion to eradicate polio. While progress has been made, complete eradication remains elusive. Collaborations bring together diverse perspectives, expertise, and resources. If we want to solve these big issues, we need new ground-breaking solutions. This is the key to transformative change. Partnerships can be the catalyst for collective growth, but we must think about more than money.



Leverage

Can you solve your mission alone? Imagine how much time and effort that would take if you solely relied on your organization's efforts. Over the course of my work in the non-profit sector, I've witnessed remarkable impacts made against wicked societal issues. Take the alarming statistic of 30,000 children dying daily from diarrhea, which I remember discussing back in my face-to-face days. Today, that number has decreased to 14,000—a significant transformation. Yet, it's crucial to acknowledge that this progress isn't the result of one organization. Climate change won't be solved by one organization. By leveraging the skills, resources, reach, and ability to generate a buzz around your cause, the outcomes and impact will be greater and come quicker.



Solutions

Do you possess all the innovative ideas needed to combat the issue? Within the non-profit sector, time is a precious resource, leaving little room for extensive creative brainstorming. On the other hand, corporations are renowned for their innovation and problem-solving capabilities. Consider elevating your partnerships to foster collaboration, inviting diverse minds to join forces. Magic happens when unique perspectives converge, exploring whether better approaches exist. This takes trust and time in a partnership, which comes with risk, but the reward can be far greater than trying to do it alone.

Corporate partnerships offer more than just funding opportunities. So why do our KPI's not reflect this? I'm betting you chose to work in the non-profit space to make an impact, not just to achieve a financial target. If only our performance in partnerships wasn't measured by financial KPI's. What could we create? What could we solve? How could we leverage our existing relationships? Look beyond cash to create the value and social impact you both need.

SUMMARY

You're not alone and there are heaps more questions you'd love to ask. Stellar Partnerships is here to support your corporate partnerships at every stage. We get you, in a way that your colleagues or your boss don't. Over many years we've walked the partnership journey and want to make yours happy and successful.

Here are three ways we can help:

- ◇ For free resources and insights visit our website www.stellarpartnerships.com. Subscribe to our newsletter to get latest news and hot tips straight to your inbox.
- ◇ Jump into our next online group training session to build your partnership skills.
- ◇ Work with us one on one to take your organisation from zero to hero in corporate partnerships.

Not sure what you need? Book a 30min chat with us and we'll help you work it out.

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