

Fundraising and Sponsorships

Created By: Linxi Wu, 2009-2010 National President's Assistant in conjunction with the 2009-2010 California FBLA State Leadership Team

Introduction

Almost every FBLA chapter has tried to fundraise by selling food. Gummy bears, chocolate bars, even beef jerky – they have sold them all, but how much do they make from these fundraisers? Is it worth all the effort?

For example:

If your chapter has thirty members, who each sold thirty \$1.00 packets of gummy bears that costs \$0.50, you would only raise

30 people x 30 packets each x (\$1.00 - \$0.50 profit) = \$450.00 profit total

\$450.00 is not a small amount, however, as Future Business Leaders of America, you can and should go beyond the basics. With these traditional methods, you are giving away much of the money you earn. You are also limited to a small range of profit as your members and schoolmates become weary of these fundraisers. Each successive try yields less profit than the last, and you eventually reach a saturation point.

FBLA chapters of all sizes are capable of raising much more money, with more ease. How about securing a **\$1000** check just for wearing a t-shirt every week? Or earning hundreds for your chapter while providing job opportunities for your members? It is time to take full advantage of what your chapter has to offer. Smarter fundraising starts with changing your approach.

Since schools and communities all have unique rules, preferences, and circumstances that dictate what works best for your chapter, this guide will not be a list of ideas. A few specific fundraisers are included, but the focus of this guide is to provide general instructions that will help you in all your endeavors.

Doing it Better

Tip #1 - Change your execution

Boosting fundraising in your chapter does not necessarily mean that you have to come up with new ideas. Rather, it can be more effective to change the way you execute your fundraisers. For example, one common fundraiser is a "restaurant night," in which your group receives a percentage of the restaurant's profit from customers that the group brings in. Oftentimes, chapters will advertise primarily within the school, with posters and announcements. However, the average student is only willing to spend **\$5-\$15** for a meal, whereas the average adult is willing to spend **\$10-\$30**. If you expand your targets to include parents and their colleagues, you will be able to earn more, even though it is the same fundraiser. So next time, plan to have your members' parents e-mail their colleagues and pass out flyers at work. Their generosity might surprise you.

Tip #2 - Be mindful of returns

Sometimes, fundraisers with low costs can yield more money for your chapter even though they might not appear to be as successful.

Compare the two fundraisers below.

Scenario 1: Entertainment booklets are books of coupons that usually sell for \$25. The discounts are negotiated with local businesses free of charge, so the only overhead cost is the price for printing the booklets themselves.

Scenario 2: Rose grams are popular during Valentine's Day. Sell flowers with a message for \$3 and deliver them to the recipients in class.

While rose grams might attract more customers than entertainment booklets, notice that selling one booklet with a profit of \$25 is equal to selling 25 roses with a profit of \$1! Keep clear records of your returns to decide which fundraisers are most beneficial for your chapter.

Tip #3 - Create a fundraising committee

Successful fundraisers require an extensive amount of planning and hard work. You need people to design the flyers, hand out the flyers, plan the event, etc. If your chapter officers have already taken on a great deal of responsibility, it is recommended that you create a committee of 3-5 people solely dedicated to fundraising. With committees, more members can get involved, and you can expect better quality fundraisers. Just be sure to choose members who are not averse to taking risks. Fundraising can be quite a daunting task, and you want to recruit people who will not be afraid to do more than usual.

Tip #4 - Advertise, advertise, and advertise!

Make advertising a priority in your planning. Officers often become so busy with planning the fundraiser itself that they leave advertising for last. Advertising should be half of the planning itself. Make sure to leave enough time to publicize your fundraisers. Success often depends on the number of attendees/customers. Do not hesitate to use every medium possible, from flyers to Facebook.

Tip #5 - Be brave!

It can be intimidating to try out a new idea, but the rewards are worth the risk. The process often seems more difficult than it really is because you have not had previous experience. You are reading this guide because you want to improve fundraising in your chapter, but if you do not act upon what you have read, nothing will change. Aim to leave your mark and never hesitate to ask your adviser or the state/section officers for advice.

Targeting Corporations

There are 7 steps and 6 rules to obtaining money from companies.

Steps

Step #1 - Choosing Potential Sponsors

Like smart investors, FBLA chapters should diversify their targets in order to maximize the chances for a successful sponsorship. In other words, try more than one company at a time.

In the United States, there are three main sources of charitable giving.

Individuals	82%
Corporations	5%
Foundations	13%

At first glance, it seems as if targeting individuals should be your priority. However, keep in mind that the 5% is of billions of dollars in charitable giving, so corporations have a great deal to offer.

However, there are scores of companies and foundations out there, so which one should you target? To narrow it down, look for matches in the following characteristics:

Adequate money

If your chapter needs thousands to attend the National Leadership Conference, a small local business might not have the budget to help you cover the entire cost. Try larger businesses that allot more for charitable giving.

Good Image

Although tobacco companies are eager to associate themselves with high school programs, they can tarnish FBLA's image. Choose respectable companies that add credibility to your chapter instead.

You have something to offer

Companies give away money in hopes of obtaining more profit in return. You are more likely to be successful if you can help them achieve that goal, whether it is advertising or building brand loyalty.

You have contacts and "ins"

If you know someone who works inside a company, it becomes easier to be noticed by those in charge. The company might also make your request a higher priority. This means better chances for success. You should contact chapter alumni as well as members' parents for these connections.

Some suggestions are banks, car companies, and insurance companies. All three are eager to build brand loyalty in high school students, who might be opening their first bank accounts or buying their first cars. These companies generally have a reliable image that is compatible with FBLA.

Step #2 - Research the Business

It is important to do your homework for the following reasons.

First, you are more likely to secure a donation from a company whose goals and missions align with those of FBLA. The FBLA mission is to bring business and education together in a positive working relationship through innovative leadership and career development programs. If you choose a company whose giving priority includes **education**, you are more likely to succeed. For a list of FBLA's goals, please visit <http://cafbla.org/about.htm>.

Second, you can customize your pitch. If you know the challenges the company is facing, you can offer solutions specific to that company. Not only will you impress them with your knowledge, but you will also hook their interest.

Third, you can see who they have given money to before in order to estimate your own chances. Knowing the company's history of charitable giving will also allow you to estimate a reasonable amount to ask.

You can research these companies through a simple search on Yahoo News, www.guidestar.com, and from the company's annual business reports, usually located on the company's website. Take the time to get to know your target. The process might be more elaborate than what you are used to for other fundraisers, but the rewards will compensate for your efforts.

Step # 3 - Creating your “menu,” and understanding what they can offer

Companies like to have a clear idea of what you can do for them. To make this easy, create a list of services, or a menu, that you have to offer, and estimate a price for each.

Here are some ideas to guide you in creating your own:

Advertising Visibility (there are big and small ways to do this)

Web designs for local companies

Opinions and perspectives of the companies’ products (they pay thousands to research their products anyway)

Publicity (Helping student groups always give companies an image boost)

Tax write-offs

Facebook events (Companies often struggle with new technology, and want to be a part of your networks)

For example: Have FBLA members wear the company’s t-shirts once every week for a month. Companies are willing to give you money and free t-shirts for your endorsement. Pitch this to the companies like so.

25 members x 4 times a month x 100 people who see each person = 10,000 people who see the Coca-Cola t-shirts

The second part is to understand what companies can give you in return so you can get the most out of your partnerships.

Here are some examples of what companies can offer FBLA:

Money

Image

Discounts on products

Corporate contacts – network, jobs, internships, job shadow, business tour

Products

Mentorship

More pitch opportunities

Media coverage

Think about what benefits you would like for your chapter and find your matches in the companies who can provide the benefits.

Step #4 - Craft the proposal

Sometimes, you will need to put your offers in words. When you do write your proposal, be sure to:

- Follow the company guidelines
- “Wow” them
- Customize your proposals to the company. The more generic it is, the less likely you will get the deal.
- Include a way by which you can prove to the company that you are keeping your end of the bargain. Companies want to be sure that you are actually doing what you promised.
- If you wear t-shirts to advertise for them, take multiple pictures.

Step #5 - Get your proposal in front of a decision-maker.

There are many ways you can approach a company. Some ways are more effective than others.

The ladder of solicitation lists the typical ways you can approach a business, from the most effective ways to the least effective ways.

Face-to-face meeting
Small group meetings
Telephone conversation
Mass produced correspondence
Brochures

It can be easy or difficult to move up the ladder, depending on the size of the business. Whatever the case, your goal is to reach the top.

Rules

Rule # 1 - Get “donation” out of your vocabulary.

Use “sponsorship,” or better yet, “partnership.”

“Donation” carries the connotation that nothing is given in return. Make it clear to them that you are exchanging help. “Partnership” will draw more interest from the companies.

Rule #2 - Make your offer hard to refuse

If it is to the company’s advantage to accept your offer, they will accept it. Think of your services as a product. If you package it as a reliable deal, they will not be able to refuse.

Rule #3 - Know more about the business than the average employee

This is related to step number two, “Research the Business.” Being knowledgeable shows your interest and catches their attention. It will demonstrate that you are reliable and intelligent, in essence, someone they would like to do business with. Your knowledge will make your proposal stand out from the many others they receive.

Rule #4 - What you want is not as important as what they want.

Always ask yourself, “What can I offer?” For companies, the philanthropist approach is not effective. It is crucial that you always think of your targets as customers and your chapter as a product. Market your chapter. You would not buy soda just because someone begged you to. It is the same with the companies. As a solicitor, it pays to think from the company’s perspective. Talk in terms of “what we can do for you” rather than focusing on the merits of FBLA, and they will listen.

Rule #5 - Make your “pitch” interesting, different, and personal.

The employee responsible for community relations receives many indistinguishable pleas for money every day. If yours does not stand out, it will be ignored.

Rule #6 - Direct your pitch to as many decision-making people as possible

If you approach multiple employees of the same company, it is more likely that one will consider your offer seriously. They might even start to talk about FBLA in their day-to-day conversations.

Rule #7 - Follow up

Large corporations always have money set aside for charitable giving. If you follow up, you will leave an impression. If they have extra money left over, they are more likely to help you than another organization.

General Tips

1. Look as credible and organized as possible. Businesses want their money going to responsible partners.
2. The plan that you present should be SMART. That is: Specific, Measurable, Attainable, Realistic, and Timely. Provide them with time schedules for the execution of your plan.
3. Be specific with what you want.
4. Be results-oriented. Give the companies that sponsor you numbers for results, tell them the time schedule for the plan, and let them know how long they should expect to see the results.
5. Do not forget that your parents are indirectly involved in FBLA.

Hope this guide was helpful and good luck with your sponsorships!

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