



Profitable charity to maximize profit and social responsibility at the same time

Description

[Social Entrepreneurship](#) and the [For-Profit Charity](#) have been enjoying a rise of late. Because these are primarily for organisations with a social core, businesses need a model to join the movement. Profitable charity works for businesses looking to turn a profit yet do good.

You simply run your business with the traditional aim for profit, but with social goals at the core as well, not an afterthought. The optimal model ensures that your business gains from social goals, while being fully charitable.

The thing is, everyone has a limitation to giving. No matter how noble your vision is, you are limited to what you have to give. But if you make sure you continually earn, you have an increased ability to give.

If you can find a way to earn as a direct consequence of that giving, you essentially ensure you can give indefinitely. You essentially create a never-ending circle, dedicate some profits to giving, make more profits, dedicate more profits.

This sustainability makes social responsibility and charity viable for small businesses as well. Where charity is seen as a layout of funds, social responsibility can be limited to do no harm for many small businesses.

When sustainability and profitability are introduced, businesses are empowered to do more and reach their social goals. Running a viable business and being the difference you want to see doesn't have to be mutually exclusive. Don't let limited funds limit your generosity, give abundantly by utilising profitable charity.

Profitable charity makes for good storytelling

For the foreseeable future, good storytelling will be differentiating market leaders and average brands. Good stories [capture our attention](#), endear us to the storyteller and build connections. In a world of overwhelming options, that could raise you to the top of the totem pole for customers.

Charity makes for some of the best stories. It shows your brand has a [value proposition](#) beyond profit. Profitable charity allows you to tell more stories more often.

Because it's sustainable, you can engage more often, allowing you to build more stories. Consistency will go a long way when trying to show the difference your business is making, and benefiting from giving allows you to do it more often.

Recently, we joined [Catchafire](#) and we won't shut up about it. We've connected with organizations with individuals making such a huge difference, and we are richer for it. It has completely transformed our communication, even our approach.

The lessons we learnt changed our tone and communication with clients, and our clients noticed. Our new direction has definitely seen a lot more people warm up to what we have to say.

Thanks to connecting more via Catchafire, some of our best performing posts are when we share #mondaymotivation from [CASAMSC](#). They not only motivate us, but they motivate our community as well. Because sometimes only people who are rewarded with smiling children regularly know how to stay motivated.

Profitable charity accelerates the learning curve

Modern customers are spoilt for choice. Even in the B2B sector, there are a lot of suppliers to choose from. As a result, price is increasingly less of a differentiator as perfect competition is increasing in many sectors.

The new standard is quality, with clients choosing on the basis of what your business has done previously. This can be a challenge for businesses looking to introduce innovative solutions in their markets. It's a consistent challenge for small businesses who struggle to get off the ground.

If you don't have experience, you can't find clients. If you can't find clients, you can't prove expertise. You simply can't win. Unless if you can find someone willing to let you prove yourself.

Charity organisations are more often than not willing to just do that. They'll give you the opportunity to show what you are capable of, and this work can be used in the future to showcase skills.

More importantly, though, these opportunities allow you to strengthen your offering. Customers aren't at all unreasonable to demand some experience. You wouldn't have enjoyed [Coca-Cola in its early days](#). There is value that comes with experience and your clients are entitled to seek it out.

By logging in the hours, you gain this invaluable experience that will allow you to provide value. This will not only benefit your clients but you as well as you become more effective and efficient.

Profitable charity uncovers opportunities

As explained, working with more clients increases expertise, but various clients build different competencies. Because clients of different sizes, locations, structures face different pain points, the more you work with the better you understand your market.

Volunteering your services to charitable organisations can broaden your view as well. They are unique, and as such have unique needs as well. These unique needs can uncover pain points your clients are facing, some of which you and they are unaware of.

These insights can be leveraged to strengthen your product offering, uncovering opportunities for growth.

Profitable charity can be used to empower others to grow your market for you.

Google uses this model quite well, with their [analytics academy](#) and [academy for ads](#) increasing agencies using these platforms.

Because both the tools and training are free, most new to digital marketing choose the. With the skills they gain, they go on to start their own businesses, no doubt increasing Google's foothold in analytics and advertising.

Tax benefits make for very profitable charity

Taxes suck. They are necessary, but they suck, so if there's a way to reduce our burden, we don't shy away from it. Giving to [recognised charities](#) can give you deductions that cushion your tax burden. Your donation may be in cash or kind.

Two conditions need to be met for you to enjoy the tax benefit. Firstly, the donation the total amount claimed for deduction must not exceed 10 per cent of taxable income. Secondly, the donation must be

no strings attached. Lucky for you, all the benefits listed here qualify as “no strings attached”.

You can roll over any excesses over 10% and claim them in succeeding years, so give fully without concern for structuring charity for benefits. This is perhaps profitable charity at its most direct. Unlike most options on here, a reduced tax burden immediately boots the bottom line.

Charity makes for some great marketing

A genuine investment in causes can get customers to warm up to your brand. [Hershey’s enjoyed up to an 80%](#) increase in the perception of its treatment toward its customers, employees, farmers and communities when its charitable efforts were learnt.

Profitable charity is the best PR because it is self-proving. Customers don’t have to be sceptical about you saying you are socially responsible. They get to see it on a regular basis from your actions.

Finding a charity that has a cause you are related to not only warms perceptions but improves customer acquisition. [90% of global shoppers](#) are likely to switch to a brand if they find that said brand supports a cause they care about. This could help you clean out the competition. Even more so for small businesses whose larger counterparts [suffer poor perceptions from the public](#).

Like you, clients want to make a difference. By supporting their causes, you enable clients to make the difference they seek to. Their purchases make them a part of the solution, more than just bystanders.

This shared value [can go a long way](#) to ensuring customer loyalty, retention and brand promotion. These can account for some of the largest costs in marketing but are absolutely free with profitable charity.

Charity can influence positive culture

An organisational culture based around more than just monetary reward drives some of the most successful organisations. Innovation and leadership cannot thrive in an environment where employees are satisfied with “just doing enough”. Moreover, consistently motivating staff with financial rewards is like falling into an endless pit.

Charity, on the other hand, can build a team that cares about more than themselves, more than money. That culture can be transferred to the organisation’s client work as well. The euphoria of being a part of something more is addictive and will carry to everyday work.

You'll soon find yourself in a self-starter organization where making a difference is a driver. This is profitable charity because this will manifest itself in improved efficiencies, increased motivation, and a general commitment to achieve excellence and see your organisation grow.

In our very first skills volunteer project, a pair of smiles changed the standard for us. [Marco and Sofia's](#) smiles were so genuine they completely changed our perception of an [email campaign](#).

Our design and copy couldn't just be great, it had to touch the reader like these smiles and story had touched us.

This is a complete departure from the kind of inspiration we get from stock images. From here on, our clients will never experience the same. Working while a little teary-eyed did improve our vision as well.

Conclusion

An [increasing](#) number of businesses want to do more than just make a profit, they want to make a difference. Making sure these businesses remain sustainable while giving more will cure our social ills sooner than later. No matter what kind of business you have, you can find a way to incorporate charity into your model.

If your business is one of those looking to strive for greater values, join the movement today with profitable charity. It's important to remember to be genuine, your business's giving should be a goal in itself, not an afterthought.

Don't forget to let us in on a few of your methods as well so we can build this giving culture even further.

Category

1. Business Culture
2. Business Insights
3. Business Trends

Tags

1. Business Growth
2. Business Insights
3. Business Management
4. Business Models
5. Business Planning
6. Compliance
7. Leadership
8. Tax

Date Created

November 9, 2018

Author

mutconco

Mut-Con blog