

Fundraising In The Direct Sales and Network Marketing Industries

The Launch Hour Interview With Guest

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and Hosts Ron Reardon and Bill McHenry

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1. How many years of experience do you have in fundraising and what is your specific area of expertise?

- ❖ 25 years experience in the fundraising industry.
- ❖ I've helped thousands of groups raise millions of dollars.
- ❖ I've conducted multi-million dollar capital campaigns to working with small youth groups.
- ❖ Member of AFRDS Association of Fundraising Distributors and Suppliers and AFP (Association of Fundraising Professionals). Now why is this important?
- ❖ Founder of ProfitQuests.com, an online national Fundraising Resource site – help thousands.
- ❖ My company Carter Resource Development is focused on consulting with Direct Sale companies in implementing a successful Fundraising Program.

2. Please discuss the various fundraising types and methods available to nonprofit organizations today?

1. The traditional Product Sales Fundraiser (e.g. when a student brings home a fundraising sales brochure for cookie dough, candy, candles or similar - people buy - and the product has to be delivered weeks later by your fundraising workers)... AFRDS

AND...

2. The Pledge Gift Fundraiser (i.e. when a donor gives to a charity with an outright one time gift or a pledge to pay that gift out over time)... AFP

AND...where I'm concentrating right now...

3. A hybrid Of These Two – where a solid Direct Sales Company can offer the best of both, in a more robust way:

- ❖ First, this involves a definite product sales occurring – cookie dough, candles, coffee, or candy, but the direct sales company has its products delivered straight to the customer's home which eliminates the need by the group members to deliver the product(s) to them weeks after the sale has concluded.
- ❖ Secondly, it's like a pledge system where a Monthly Autoship option of the products is offered to the customer so that as orders are renewed automatically each month and the supporter is automatically billed, groups receive a profit check each and every month from the sales company. This also eliminates the need for groups to hold many fundraising efforts to meet their yearly fundraising goals.

This is where Direct Sales or Network Marketing Companies are uniquely qualified.

3. What are the trends of fundraising and Network Marketing companies?

The nonprofit industry is called the Third Sector, because it is the third largest contributor to the economy behind commercial and education.

More and more direct sales companies want to show that they are concerned about charitable issues and causes. Has anyone seen a "pink ribbon" on products lately? (aka. Susan G. Komen Breast Cancer Foundation)

It connects with their customers and it shows that they care more about charity than about mere profits.

Tupperware is now a multi-million dollar company and they have been fairly successful with their fundraising program.

And Scentsy Candles. But most of these funds are actually contributed back by the Distributor (or Affiliate, Representative, etc.) to the group and not necessarily by the company itself.

Most of these provide a straight brochure sale program through one of their Distributors. Usually a group gets about 20% to 25% of the retail donated from the distributor. This isn't very much. Most normal product sales provide 40% to 50% and as high as 90%.

4. Why do MLM, Direct Sales or Network Marketing Companies offer fundraising programs?

There are many MLM and Direct Sale companies that want to promote fundraisers because most of their customer members are also involved with a worship center, charity or school in some way. They see this as big sales opportunity.

Because I own a national fundraising company, I get calls from product companies that have the latest and greatest product on the market. These companies see their product as a perfect fundraising product, because they know it's a HUGE market to sell through.

Direct Sale or Network Marketing Companies typically fall into two fundraising categories:

- ✓ Those that want to make money off of the efforts of others. They add burdensome qualifiers, website fees, setup fees, costs for the "starter package" and require the actual group to be on some kind of Auto Shipment of \$100 or more each month. *This is the bad way of connecting with the Nonprofit Community and in the end just doesn't work.*

....AND....

- ✓ Those that genuinely want to help the nonprofit group with no strings attached. Everything except for the sales brochures is free to the organization.

I'm always on the look out for companies that offer a real useful and enjoyable product... one that is NOT overpriced... and one that can bring in funds month after month for the organization. And certainly those companies with integrity that fit the latter category.

5. What are the differences and similarities of fundraising programs of Network Marketing and normal product companies?

Similarities include: Both sell products for the group to make money. Both have actual people that are working with the organization to get set up with the fundraiser.

Differences: A normal product company takes up to 6 weeks to get products back to the customer while a Network Marketing company can ship straight to the end consumer immediately.

A normal product company probably does not have use or the convenience of online presence like the Network Marketing company does.

A normal product company only offers retail pricing through a one time brochure sale while the Network Marketing company can offer wholesale pricing with ongoing monthly Autoships... kind of like a “monthly coffee club”.

For example: A typical network marketing company will provide the nonprofit organization with a free Fundraising Website making it easy for their supporters to purchase products which will benefit their funding program. This website will become their “Top Salesman and Fundraising Worker”.

Online Fundraising Is Crucial These Days. Implementing an online fundraising program is a sound strategy.

- It's Safer For Participants – children and teens can not go door to door anymore. It's just not safe going door to door for anybody.
- Personal Time Is Leveraged – sending someone to buy from your online store takes much less time for the volunteers of the organization. People just don't have the time availability that they had years ago. Anybody can effectively sell 24 hours a day using the Fundraising Website.
- Organizations get access to free online tools for sales and promotional purposes.

A large national boy's camping organization launched an online program and saw a 500% increase in their popcorn sales. Another national camping organization using traditional “door to door” fundraising was down 20% from the previous year's sales.

6. What are advantages of Direct Sales or Network Marketing companies offering fundraisers over other product companies?

Offered By The Old Way Of Product Fundraising

Overpriced Products Offered – most people can find the exact same fundraising product items at the local store with lower prices. Many normal product fundraisers also require minimum orders.

Not Profitable Enough – the overpriced products are unable to provide more than nominal profits and may keep many consumers from participating. The product fundraising campaign runs only once during the year.

Poor Quality – again, most fundraising products can be found with lower prices and even at a higher quality from the local marketplace.

Products Must Be Delivered By the workers – Each fundraising worker must personally deliver the items to the customer. Fundraising workers may not show up in a timely manner to receive their items for the final distribution phase. Then there are issues of money handling hassles, local sales taxes, bounced checks and collections they could face.

Offered By The Direct Sale or Network Marketing Type Of Fundraising Program

Wholesale Priced Products Offered – The price of products are competitive from the local supermarket. There are no minimum orders – Preferred Customers may purchase just one item or use the convenient Monthly Autoship which can be cancelled at any time. You can't find these unique items at the supermarket, so there's nothing to compare it to.

Extremely Profitable – Network Marketing and Direct Sale companies have created a unique payout plan that is unlike anything in the fundraising industry. Certainly traditional fundraising items can't provide the kind of ongoing funding that they can. The fundraising campaign can run continuously which means profits come in month after month and not just one time.

Higher Quality – Because of creating brand awareness, the direct sale company has a higher quality standard to hurdle to get attention of wary consumers. Most of their items are also made in the USA.

Products Are Delivered By the company to the end customer – direct sales companies take care of delivery by shipping direct to the supporter's home. No worrying about Fundraising Workers that don't show to pick up their items for distribution to their supporters. The company automatically facilitates re-orders without any extra effort on the members part. Since they processes customer payments through their Fundraising Website, the organization avoids money handling issues too.

7. Do Nonprofit Groups understand how effective a good perpetual MLM /Direct Sale /Network Marketing product fundraiser can be?

Not really... Most larger organizations or schools see it as a "Pyramid Scheme". It really just depends.

Let's review some positive attributes of working with a Direct Sale or Network Marketing Company Fundraiser which offers an online access program.

* Previously fundraisers were limited to a local or regional selling area due to product having to be delivered by fundraising worker or seller. An Online Fundraising outlet expands the selling area across the country due to online ordering and the convenience of home delivery!

* Previous fundraisers required numerous volunteers to help sort skids of product to then break down and distribute to each supporter that ordered. Current Online Fundraisers require fewer volunteers who simply promote their website to their members and supporters!

* *Key principles to remember for success – 1.) Insist that the nonprofit group secure a Campaign Chairperson from within the organization and take it as one of their main fundraisers (i.e. take it seriously)... AND... 2.) Make sure that the top leaders of the organization be the first to buy the coffee through the group's fundraising sales website. This is called "leading by example" and it is crucial for the success of ANY fundraising campaign.*

8. Why have you chosen to focus on fundraising products emanating from Direct Sale, Network Marketing or MLM companies right now?

It's basically an untapped market. Or at least under the radar scope.

I like those companies that focus on product sales rather than on a "recruiting model". A recruitment mentality and MLM's... with binary payment plans do not work with 99% of nonprofit groups. They just don't want to be involved in a home based business opportunity with a recruiting program attached.

So if the fundraiser becomes strictly sales oriented and not MLM driven, then it's easy to present to anyone.

These companies can easily offer a free Website with comprehensive tools and ordering procedures that make it easy to implement.

It can quickly build a huge customer base for the nonprofit group.

It provides funds to an organization immediately and ongoing... essentially perpetual month after month funding if they wish to go that route. This type of funding can multiply over time.

Helping others achieve their funding success is both rewarding and satisfying. Selling a healthy beneficial product that people desire and will enjoy makes your accomplishments more fulfilling.

9. What is your latest Direct Sales Fundraising Company focus?

As I mentioned, I am always on the look out for a company that offers a real useful and enjoyable product... one that is not overpriced... and one that can bring in funds month after month while also offering one time product sales.

- ❖ I'm now working with a company called Javalution Coffee Company with their JavaFit Coffee. JavaFit Coffee is a **Great Tasting, Healthy** gourmet coffee packed with vitamins, minerals and supplements unlike any other coffee available. There is even a Diet Coffee which is the only one of its kind.
- ❖ Coffee is one of the most consumed beverages in the world second only to water. 110 Million Coffee Drinkers in the United States Alone! 400 Million cups daily! [Explained in Audio Tour \(507\)726-3950](#).
- ❖ They use the finest premium coffee available. The JavaFit® Coffee product line is a formulated blend of 100% premium Arabica coffee from the finest regions of Latin America. For instance, JavaFit has Fair Trade Coffee, Organic coffee, and uses the healthier Royal Selected Water process on their decaf coffee which eliminates any unhealthy chemicals involved in the decaffeinated process.
- ❖ At present time, *Carnival Cruise Lines* has chosen to exclusively use these premium blends by Javalution Coffee Company for their guests.
- ❖ Nonprofit organizations are not required to buy in bulk since delivery from JavaFit can go straight to the home of the end consumer.
- ❖ Groups can raise funds all year long. Every purchase of coffee triggers some sort of funding for the nonprofit organization. And it's about selling a product... coffee and not MLM recruiting.
- ❖ Excellent Customer Service at JavaFit insures that our supporters get the best attention possible.
- ❖ The JavaFit Online Fundraiser expands the selling area across the country instead of just locally. This allows friends and relatives of each member of the organization to exponentially increase fundraising sales.
- ❖ OK... here's where it gets exciting. For the JavaFit Affiliates, I am about to roll out a comprehensive Social Media Platform called **Microsites**. The Microsite concept is so new to those involved with nonprofit groups that it will revolutionize how fundraising is done in the future.

I want everyone to understand the POWER behind this.

** Using a Microsite to raise funds for a Lance Armstrong charity, Cyclist 'Fat Boy' raised \$150,000 in one week using a similar system.*

** Another use of Microsites... The Boy Scouts sales of their popular Weaver Popcorn skyrocketed to over a 500% increase over the previous year when they were just using a sales brochure order form system.*

JavaFit Coffee will be setting the pace with this new fundraising technology.

10. How could this fundraising company effort potentially help our listeners?

Well, **first**, it's where I'm involved and entrepreneurs that wish to join my team will have access to probably the one and only leader in this emerging field. I am also JavaFit's national Director Of Nonprofit Programs. If you become a JavaFit Affiliate you can...

Any entrepreneur can offer this very program and sponsor a nonprofit organization and provide them with an easy... no strings attached... fundraiser.

- No fees of any kind.
- No purchasing requirements... no minimums.
- Groups get a free fundraising sales website that highlights all products and handles all purchases, taxes, and shipping.
- Product shipping straight to the customer. Low flat rate shipping fee.
- Free Fundraising Tools including a welcome kit and fundraising manual.
- Any business owner or Manager can purchase coffee for their office or company and the proceeds can benefit your charity of choice. One major airline is doing this and the proceeds go to benefit a medical charity.
- Use of the new Microsite social media system.

Second, getting your hands on my comprehensive 90 page fundraising manual will be invaluable.

Third, if you are ever interested in becoming a Fundraising Professional, there is a 6 part training module that is free to help train you.. You can then use the basic concepts with any other Direct Sales Company fundraiser.

Fourthly... You can earn stock options from JavaFit. This part about the Company Stock alone could make you rich. (Stock Symbol: JCOF). Call and I can explain more.

11. How can members of our audience take advantage of this information?

Ralph Waldo Emerson said, "Do not follow where the path may lead. Go instead where there is no path and leave a trail." This could be a new path for you to

venture down. It certainly is not being traveled by a lot of others.

- ✓ I am recruiting Executives that want to work closely with me on my personal team. The details about the company can be found at www.TheCoffeeMarket.com or my blog at www.FreeWebFundraiser.com
- ✓ Call me at 318-542-7010 or email me at jessecarter112@comcast.net.

No matter what you are doing now, if you want to be involved with fundraising in any way or with another program down the road then, the 90 page JavaFit Fundraising program manual I've created can help. The JavaFit Fundraising Manual will help you become the knowledgeable expert which any nonprofit organization can rely on. Here are just a few phenomenal items I've included in the manual.

- How to conduct a full fledged fundraising campaign.
- Over a dozen popular and effective fundraising methods like Brochure tags, Email Blasts, Surveys, CallAthons, Peddlers Cart, Postcard Campaign, Gathering Of Friends, etc..
- Job Descriptions of the Fundraising Team Member Positions.
- Goal Thermometers and Charts.
- Numerous Call and Appointment Setting Scripts. As well as, email scripts and campaigns.
- Introductory Letter Templates.
- How to conduct One-on-one visits.

Additional information...

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- Interview Title: Fundraising In The Direct Sales and Network Marketing Industries
- Topic Description: The Nonprofit and Fundraising Industry is the Third largest segment of our economy. As such, Direct Sales and Network Marketing companies are desperately trying to find their comfort zone of selling their products to nonprofit organizations. There is big money to be made and Jesse Carter, a pioneering leader in the Direct Sales Fundraising Industry explains why. Learn why there's a huge potential in the direct sales industry and how fundraising development is not fully understood right now and how you can benefit by getting involved early. Discover how you can profit as an entrepreneur in this newly transforming segment of the Direct Sales industry.