

New York AG Issues Best Practices for Cause Marketing

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It's Breast Cancer Awareness Month, so pink adorns store shelves, NFL players and coaches, and even the White House (for a night). To help support awareness, marketers often sell specially-marked products and donate a portion of the sales price to a charity dedicated to breast cancer. Marketers engaged in those and similar cause marketing campaigns should carefully review the New York Attorney General's [newly-released list of best practices](#). After a year-long review of a variety of breast cancer cause marketing campaigns, the AG's office concluded that consumers are often not given enough information to understand how their purchase will benefit the charity and its cause. As a result, the AG's office issued the following guidelines for marketers:

1. Clearly Describe the Promotion

- Disclose information about the campaign on advertisements, websites, and product packaging, so the consumer can easily understand how their purchase will benefit the charity before they buy the product.
- To promote transparency, the disclosure should be displayed clearly in prominent format and size. It should include the following:
 - The name of the charity and its mission;
 - The donation amount the charity will receive per product purchase;
 - Any minimum or flat donation amount guaranteed to the charity and any cap on the total donation;
 - Any consumer action required for the donation to be made or any other restrictions on the donation; and
 - The start and end dates of the campaign.

2. Allow Consumers to Easily Determine the Donation Amount

Instead of using vague terms such as “profits” or “proceeds” which prevent the consumer from knowing how much their purchase will benefit the charity, use a fixed dollar amount (i.e. “\$0.50 per produced purchased”) or fixed percentage of the retail price in advertisements, marketing, and product packaging.

3. Be Transparent About What is Not Apparent

Companies should disclose what is not obvious to consumers, such as:

- If a flat donation has been promised or paid to the charity regardless of the consumer's purchase of the product.

- If all or part of the donation is an in-kind contribution and not monetary, explain the nature and amount of the in-kind contribution.
- If a ribbon, color, or logo associated with a charitable cause is used in a campaign, disclose whether the purchase or use of the product will result in a donation to the charity.
- If there is a maximum donation amount, avoid saturating the market with products by limiting the number of units to a quantity that is expected to produce the maximum donation.

4. Ensure Transparency in Social Media

Companies are also partnering with charities through social media sites to promote their products and the charitable cause. A company may pledge to provide a donation if a consumer “likes” the company’s Facebook page or follows them on Twitter.

Companies should adhere to the same transparency guidelines in social media as they would in a product-based campaign. The online campaign should clearly disclose the name of the charity benefiting, the terms of the social media campaign, the amount that will be donated to the charity, the dates of the campaign, and if there is a minimum and/or maximum donation amount. It will also help for companies to provide users with a real-time tracker for donations to the campaign.

5. Tell the Public How Much Was Raised

After the end of the campaign, the company should disclose the amount donated to the charity. Furthermore, to increase transparency and showcase accountability, companies and the charities they partner with should maintain on their websites key information on all active and closed campaigns.

Although these guidelines are not issued as part of a statute or regulation, presumably the attorney general could use its authority to enforce against unfair and deceptive trade practices to take action against a company not following the guidelines.