

Wish Upon A Rescue Strategy Recommendation

Limi Simbakalia

Independent Research

Driehaus School of Business

Brian A. Thompson

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Project: Partnering with Adjacent Charities to Capitalize on Network Effect

Wish Upon A Rescue, who for the purpose of simplicity shall be abbreviated as “WUR” throughout this paper, is an Illinois-based non-profit shelter whose main pain point is a decline in fundraising that is reflective of the contracting economy. To offer viable solutions, one must begin by understanding the profile of a donor. While the organization leader’s localized lens on donors does not yield a pattern of characteristics and demographic traits, findings on the wider US population from a non-profit specializing in animal protection research, namely Faunalytics, proved the possibility that donors can be segmented by their personal characteristics and donor behavior.

A 2019 study published by the organization found two thirds of the 82% of animal-cause donors who gave to companion animal charities were exclusive to that cause. The remaining third were among the 25% of respondents who gave money to wildlife or endangered species charities. When presented with a range of charity options in a hypothetical donation scenario, the number of respondents willing to donate to wildlife organizations more than doubled. When examining which niche habits donors were akin to, it was found that they were more susceptible to plant-based diets such as veganism or vegetarianism and were likely to engage in ‘hunt and gather’ hobbies such as fishing.

The avenues through which the 61% majority of donations are garnered, contrary to the industry’s current emphasis online donations, through offline methods such as mail, in-person and add-ons at store checkouts. Existing donors routinely gave an annual average of \$90 whereas new donors were found to be income earners of at least \$55,000 that were above the age of 55. It may be theorized that this demographic’s disposable income is no longer spent on securing housing and is therefore comparable to those in the \$85,000-95,000 income bracket who may be members of the renters’ class.

The current pool of donors for shelters in the United States is narrowed down to those who have an affinity towards domesticated animals due to messaging that paints these animals as “vulnerable” to evoke the donor’s desire to create a positive impact. Those who fall outside this category are often plagued with pet allergies or are deterred from pets for cultural reasons. However, it may be argued that the latter is susceptible to advocacy for wildlife that exists in larger, less urban ecosystems and whose fundraising efforts utilize similar message pertaining to animal welfare. These two fundraising pools sit in related but separate categories without any integration to consolidate their network of influence and economic resources. This paper will attempt to address WUR’s pain points through employing tacit collusion, predict the externalities of increased operational funding and provide a sustainable solution in the way of a revised business model that is akin to the organization’s projected growth.

Tacit collusion is a phenomenon whereby two firms or organizations in a competitive market combine their resources to realize their mutual interests and dominate the market share by way of collaborative operations. This study explores the integration possibilities between domestic animal shelters and wildlife conservation charities in the United States. These distinct sectors will face challenges during off-peak fundraising periods, and potential synergies will be identified that can be exploited to create a consolidated network of influence during these periods. To do so, the study examines successful models of collaboration between related charity sectors and offer tangible steps for their implementation.

In Iyer's theory of alliance, there are five partnership characteristics that determine its success, namely objective, timeframe, participation, allocation of responsibility and communications. The objective in the case WUR would be to garner resources to perform activities which the organization otherwise lacks adequate funding and personnel for. The timeframe for this partnership may be defined as a multi-year agreement until the point at which the primary organization, WUR, has reached a stage in its developments where it is able to self-sustain its own programming. Certain partnerships may also be seasonal fixtures that occur during certain months year over year. Participation consists of the trust, level and distance which make up the parameters of involvement from either party within the alliance. The allocation of responsibility determines the delegation of outcomes for which each party is responsible within the shared goal of a successful partnership. In order to maintain transparency and oversight into these operations, the formality, frequency and level of communications throughout and after the collaboration must be established beforehand.

The implementation of strategic alliance can fall into one of three stages and affects how each partnership characteristics is employed. The philanthropic stage is characterized by its objective to provide monetary funds over a short-term fixed period while providing little to no participation, value creating tasks and communications following a donation. Integrative stages are known to be the polar opposite because they involve merging the very models, leadership and operations that make up the organizations within the alliance. The middle ground that would allow both parties to maintain autonomy is a transactional stage partnership whereby the alliance creates value that is reciprocal in the bilateral sense. Why the aforementioned are often framed as being sequential, they are ultimately determined by decision-makers within each organization and do not necessarily need to be implemented with a given sequence.

Transactional strategic partnerships have been implanted within and for companion animal organizations alongside wildlife preservation organizations. On a national level, the Humane Society of the United States has created a shelter network membership which allows participants to benefit from the network effect enjoyed by the HSUS but also those of other member organizations. This partnership makes the market for companion animal non-profits more collaborative than competitive by

knowledge sharing to eliminate inefficiencies that result from operating in silos and allows for pooling financial resources. In addition, member organizations are eligible for the HSUS' Chewy Food Donation program to provide animal food free of charge. This not only enables shelters to start pet food pantries but also incentivizes constituents to more frequently volunteer as fosters and make adoption as sustainable as it is accessible.

On an international scale, the International Animal Rescue has a proven track record of partnering with various local animal welfare organizations by funding research, supporting rescues financially and creating campaign cooperation. In doing so, shelter organizations are empowered to disrupt markets in an area where other animals shelters have yet to establish themselves in a geo-market and gain a monopoly on the donor pool. Through research funding and campaign cooperation shelters are able to identify gaps within the donor and proactive create marketing strategies geared towards new donor profiles rather than reactively creating content for events that have passed within the community.

One of the externalities of achieving growth and mission success by way of strategic partnerships is that residual pain points within the organizations are highlighted and often even exacerbated when left unaddressed. The areas for potential growth WUR identified include a decline in fundraising innovation since the pandemic slowed down, a lackluster digital footprint, ballooning vet care expenses and varied work outputs.

By leveraging partnerships with local for-profit bars and brunch venues, WUR could create mutually beneficial charity events based on their previously established sip and paint events. While maximizing profits by encouraging alcohol sales, patrons could donate proceeds via their bill. This mimics the ease of donation that respondents in a previous survey detailed about donating on their bill at a store. In addition to this, Chicago is home to various food events, including a vegan fest where people who value animals could be compelled to contribute towards their cause or even volunteer.

To address the organizational gap in skilled services such as vet care, marketing and event planning, WUR would benefit from partnering with higher education institutions whose students could add value while gaining work experience. The University of Illinois Urbana-Champaign's School of Veterinary Medicine provides care by way of junior surgeons who specialize in shelter medicine. If at any point the needs of the animal become more complex, Shelter Vet Solutions, an organization started by the school's alumni, provides care from seasoned professionals in the field. The savings garnered from utilizing UI's resources as well as using the funds from larger non-profits partnerships frees up resources to formalize internal operations role.

Currently, the organization is not able to fully its goals because the departments that support fundraising and outreach are run entirely by volunteers. This lack of structures of accountability is what produces inconsistent outputs for the organization.

To combat this, the organization may consider framing these positions as internships. This subtle change in wording could incentivize greater participations from teens and young adults who are seeking qualified work experience. By posting on higher education job boards such as Handshake, the organization could attract skilled talent who would benefit from being able to register the hours worked for credit while maintaining a high standard and urgency in their work because it would affect their academic record. Although formal compensation will not be established, clearly defining each roles by dividing the tasks into tiers allows an organization to identify inefficiencies, determine which departments require greatest time and resource investment, and gain notoriety amongst young working professionals.

While Wish Upon A Rescue was developed by an experienced non-profit leader who was motivated by a passion for a great cause, the organization's structure disproportionally places the weight of WUR's success and failures on its board of directors. Through strategic alliances within their sector of origin, private local businesses and higher education institutions, WUR can efficiently segment the organization's operation and delegate labor in ways that are mutually beneficial and can sustain the organization during periods of growth.

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