

How to Sell to Nonprofits

Tapping into an undiscovered technology market

by: Dale Stein, Technology Assurance Group (TAG)

In the mid-1990s, a former hedge funder named Jeff Bezos realized the enormous potential that this newfangled thing called “the internet” had to revolutionize commerce. If only he could find the right product to capitalize on. Out of all the industries to disrupt, the hedge funder’s big idea was to focus on — wait for it — books.

Obviously, this unremarkable product category didn’t garner much confidence from Bezos’s peers. While colleagues kept laughing behind his back and initial investor pitches for what became Amazon.com Inc. were met with concerned rejections by shortsighted VCs unable to fathom the future of e-commerce, Bezos noticed an opportunity they didn’t in a market that was overlooked.

In Amazon’s slow-going early days, tech pundits snickered at what they saw as just an online bookstore, labeling it “Amazon.bomb” and declared it no threat to chains like Barnes & Noble. But through perseverance, courage and conviction in his e-commerce vision, Bezos grew Amazon into the “Everything Store,” which continues to steamroll competitors in virtually every industry. The experts who once chuckled at the idea are no longer laughing now that half the internet runs on Amazon Web Services (AWS) cloud infrastructure.

The company built on “selling books,” now rakes in more than \$500,000 per minute — much of it from categories that didn’t even exist back then. It turns out the “niche market” for this thing called “online shopping” ended up becoming very lucrative for Bezos. The lesson: We shouldn’t let our perceptions — however reasonable — cloud our visionary insights.

As a group of managed print services companies that is constantly looking for opportunities to sell managed IT services, we at Technology Assurance Group (TAG) would like to share a similarly widely overlooked opportunity in nonprofits. While it may be tempting to chuckle, ask yourself: Are nonprofits a bad market or, rather, an untapped one?

A Sector Ripe for Targeting

There are several reasons why a managed print services



(MPS) company might want to consider targeting nonprofits. Their chronic IT underspending makes them prime targets for cybercriminals. They have wealthy donors with tantalizingly rich data (like high-limit credit card numbers) whose information is being protected by volunteer workers who often lack security awareness training. On top of that, nonprofits

often have insufficient access controls, outdated systems and limited data protection measures that leave “back-doors” dangerously ajar.

By implementing cloud-based security layers, multifactor authentication, staff security training and overall IT hygiene, MPS companies can profoundly assist nonprofits. Protecting their infrastructures and data helps ensure continuity of their all-important community programs and brings peace of mind to staff members who are trying their best with limited education. When we provide IT systems that enable staff members to focus on their core missions instead of worrying about cyberthreats, we can make a real impact on this sector.

With breach risks higher than ever, nonprofits need managed service experts to guide them through urgent infrastructure and policy upgrades. This is where we can step in and be indispensable partners for this completely neglected sector.

The Keys Lie in Fundraising & Licensing

The secret to making this program work lies in uncovering money in a nonprofit’s budget by leveraging new fundraising avenues and taking advantage of Microsoft’s wide array of low- or no-cost product access.

Here are the biggest opportunities that will provide nonprofits immediate value:

■ **Step One: Educate Nonprofits on Microsoft Cloud Tools** — Since they have access to free or heavily discounted licensing for products like Microsoft 365, Teams, Azure, Dynamics 365 and more (based on their size), you can help nonprofits capture these savings by acting as their intermediary. Most nonprofits are unaware that they have access or simply

need help getting set up. While most nonprofits leave these savings untouched, it's much easier to gain a prospect's attention when you are pointing out ways for him (or her) to claim "free money" or subsidized services he is in critical need of.

■ **Step Two: Identify Nonprofit Tech Grants and Help Them Apply** — Microsoft and other tech companies provide credit for software, services and hardware that are reserved exclusively for nonprofits. Even though nonprofits are constantly searching for grants, they oftentimes lack a sophisticated enough awareness of their IT problems to know which grants they should be looking for. In addition to grants, there are plenty of companies offering deeply discounted licenses, too. Once you step into a leadership role and guide a nonprofit toward more resources, you establish yourself as an expert.

■ **Step Three: Assist Nonprofits in Setting Up "Technology Funds" and "Matching" Donations** — Since board members at client nonprofits are typically more educated on IT-related risks (like cybersecurity, for example), you can help them to solicit earmarked donations from both individuals and corporate sponsors. One way you could accomplish this is by discounting your services by \$100 for every \$200 they put toward IT projects, which would effectively be like you providing a "matching donation." The nonprofit might advertise it to donors as: "For every \$200 contributed toward a technology fund, our technology provider will reduce our invoice by \$100."

How to Shepherd Nonprofits to the Cloud

Once you help nonprofits uncover overlooked resources and access unforeseen grants, they now have money in their budgets available to upgrade their dated IT infrastructures.

By this point, you've positioned yourself as an expert and educator, so they will be much more receptive to you guiding their migrations to the cloud. This way you get more clients and curry favor from high-profile donors (with big

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personal networks), while the nonprofit you serve gain increased security, improved efficiency and resilience — which they need now more than ever. As their need for ongoing network management grows, managed service providers (MSPs) will receive reliable monthly service revenue. The nonprofit space allows forward-thinking MSPs to expand their service offerings while doing good.

The Last Step: Education

Once you've developed this type of partnership, the last remaining piece is to help empower your nonprofit clients to increase their own fundraising capacities by leveraging improved technology. And once they have upgraded technology, you can continue to help them become more productive.

TAG has a checklist of "10 Fundraising Hacks for Nonprofits" that our private members use when introducing this program to nonprofits. To request a copy to rebrand and reuse with your own logo, email dales@tagnational.com with the subject line "10 Fundraising Hacks for Nonprofits" and I'll share this piece of marketing collateral. ■

Dale Stein is co-founder of Technology Assurance Group (TAG), an organization of managed technology service providers (MTSPs). Collectively, TAG's members do \$800 million per year in IT, cybersecurity, telecommunications and video surveillance. They are located in 148 cities across the United States and Canada, and are presently serving more than 780,000 SMBs. He is responsible for developing TAG's strategic planning and guiding its business development. In addition, Stein is the managing partner for TAG's MTSP, i-NETT, and serves as its president. He also founded Westec Security Corp. and served as its CEO. Stein can be reached at dales@tagnational.com. Visit www.tagnational.com.

