

Giving in 2009

Presented by Tim Hopkins

July 2009

Aims of the presentation

- To share the findings of the analysis and highlight practical implications for your individual giving programme
- To give some firm benchmarks about fundraising performance
- To question some widely held beliefs about fundraising techniques and ideas
- To give you the chance to debate their views about the analysis and what it means

The scope of the analysis

- 9 charities took part
 - Health
 - Overseas
 - Disability
 - Children
 - Services
 - Animal Welfare

The scope of the analysis

- Quantitative analysis
 - 500,000 individual supporters who donate in one or more of the following ways
 - Regular gifts via direct debit or standing order
 - Direct marketing appeals across all media
 - Raffles / Lotteries
 - In Memoriam giving
 - Gift boxes
 - Street or door to door collections
 - The data sample includes £146,000,000 of donations from individual givers

The scope of the analysis

- Qualitative analysis
 - 150 supporter interviews conducted face-to-face, over the telephone or via questionnaire
 - Responders supported charities in the quantitative sample, as well as others not included in the research

The scope of the analysis

- Qualitative sample
 - 59% female
 - 41% male
 - Average age 56
 - Age range from 21-75

The scope of the analysis

- Quantitative analysis
 - Date range from 1st January 2000 to 1st February 2009
- Qualitative analysis
 - Interviews conducted in *May / June* 2009

Breakdown of supporters

- 77% cash supporters
- 11% regular givers via direct debit or standing order
- 12% classified as other



Key findings

How many charities do people give to?

Any thoughts?

Number of charities supported

- On average people supported two charities at any one time
 - There was no difference in the answers of male and female interviewees

Number of charities supported

- OCCAM analysis suggests supporters give to an average of five charities
- Our expectation was that supporters would give to at least three charities.

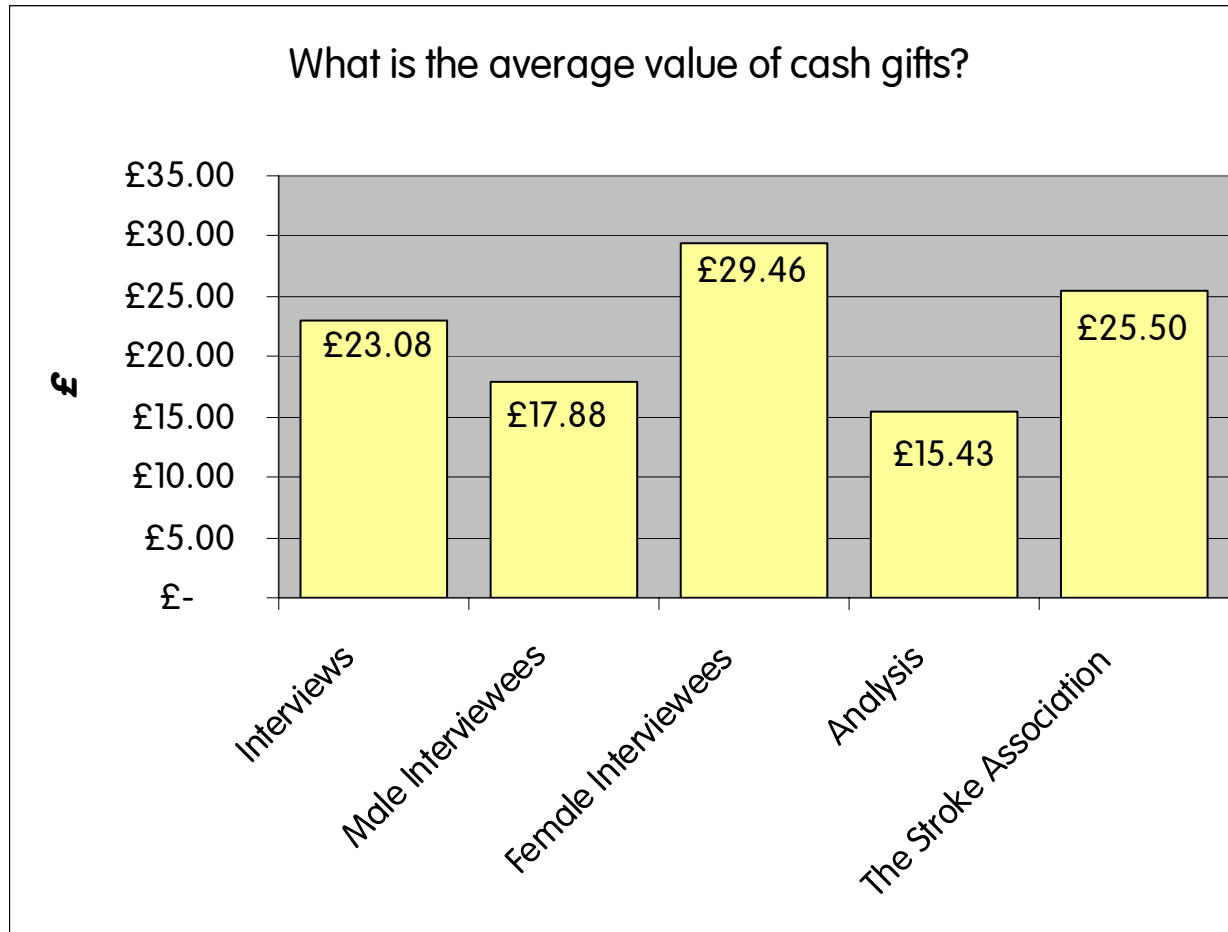
Observations

- Is the adage that people have a 'basket' of five or six charities becoming an outmoded concept?
- Are people more likely to support fewer causes if they give via a regular gift – our evidence would suggest so.
- Are we competing against fewer causes when recruiting new supporters, and are supporters becoming less promiscuous in their giving?

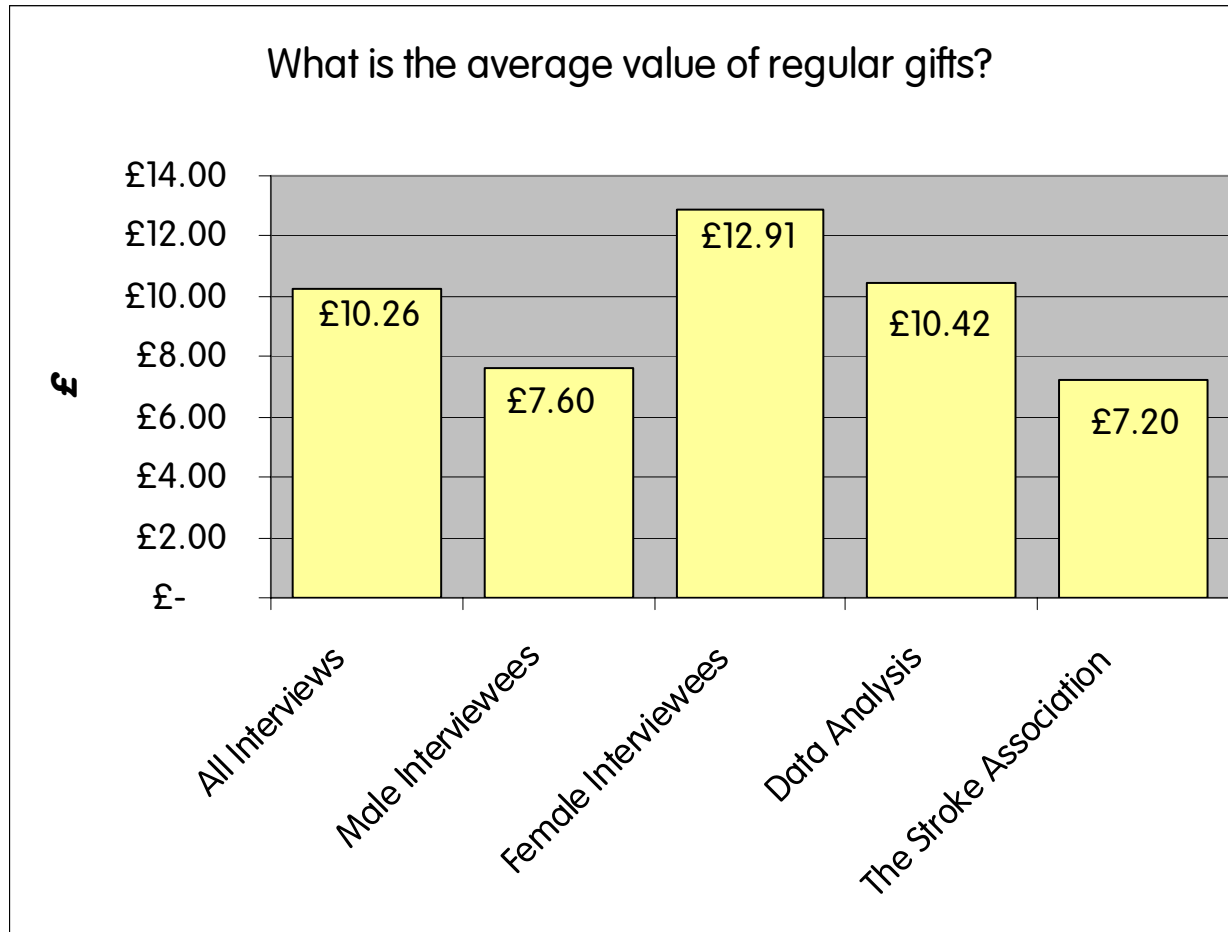


Key findings – How much are supporters giving?

Average Values



Average Values



Observations

- Cash gifts to appeals are lower than we'd hoped to see, although it ties in with previous BenchMach analysis of the marketplace
- Regular gifts somewhat higher than we expected
- The disparity between male and female giving is significant
- Overall donors have fairly accurate views on how much they give to charity

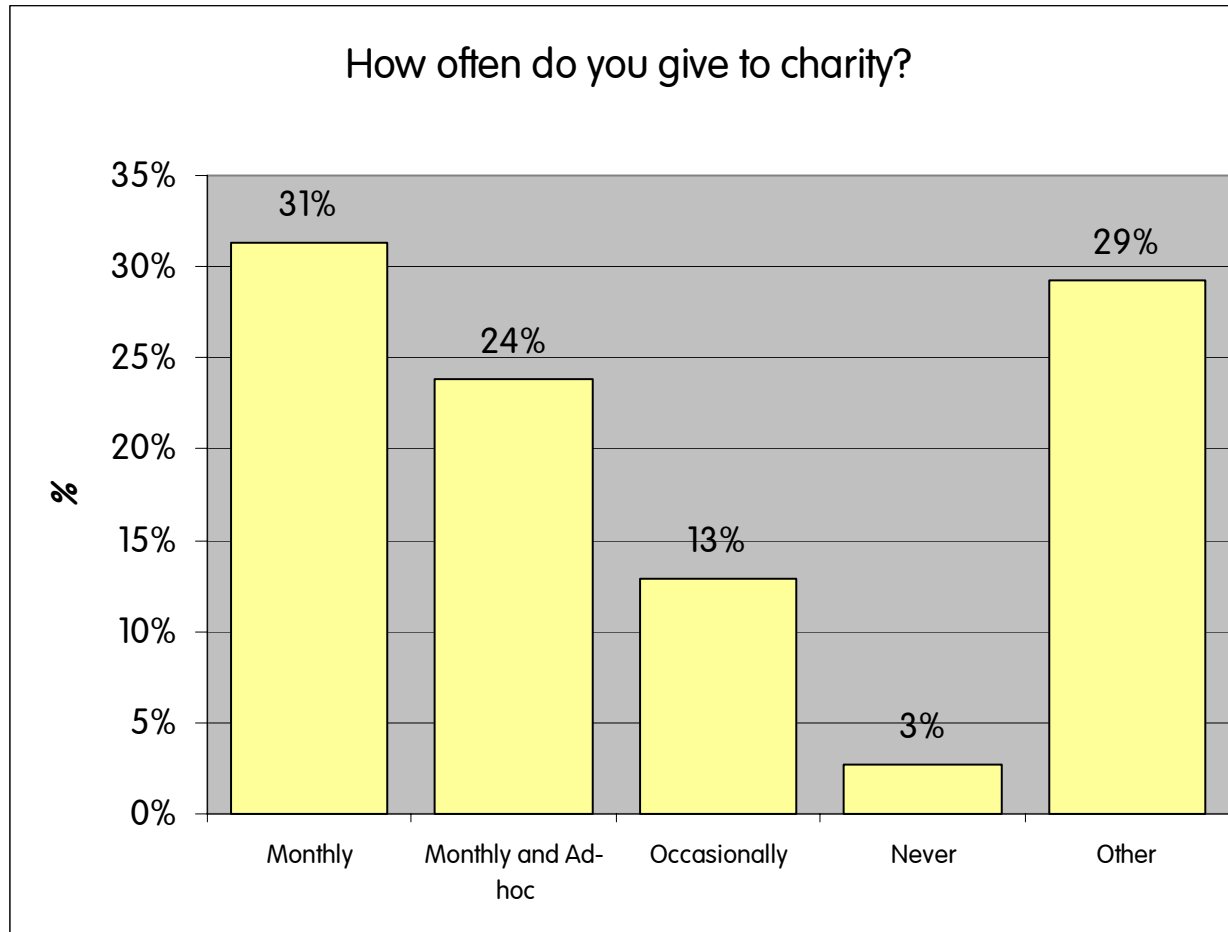


Key findings

How often do you give to charity?

Any thoughts?

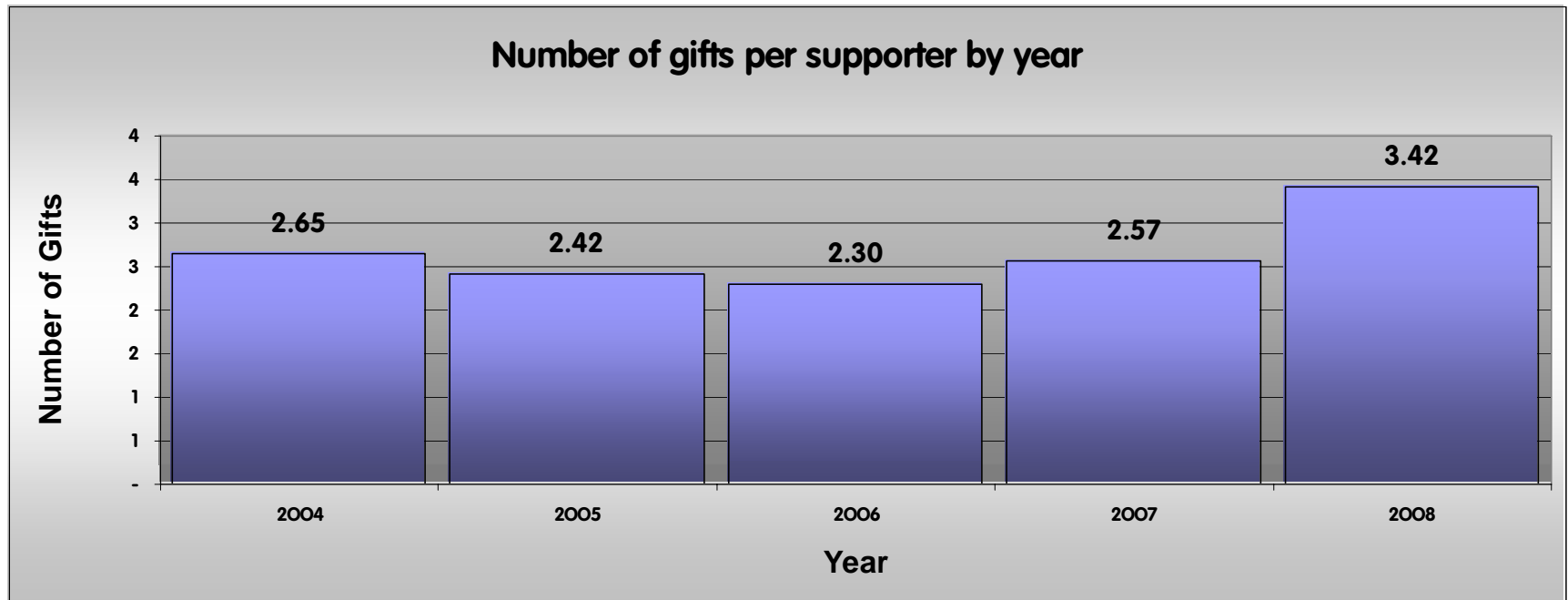
Qualitative findings



Quantitative Findings

- People give 1.3 times to charity per year (not including regular giving) – considerably less than the interviews suggest
- The average number of gifts to supporter appeals per year is 1.7
- The Stroke Association has much higher levels of average donations

The Stroke Association – Gifts per supporter per year

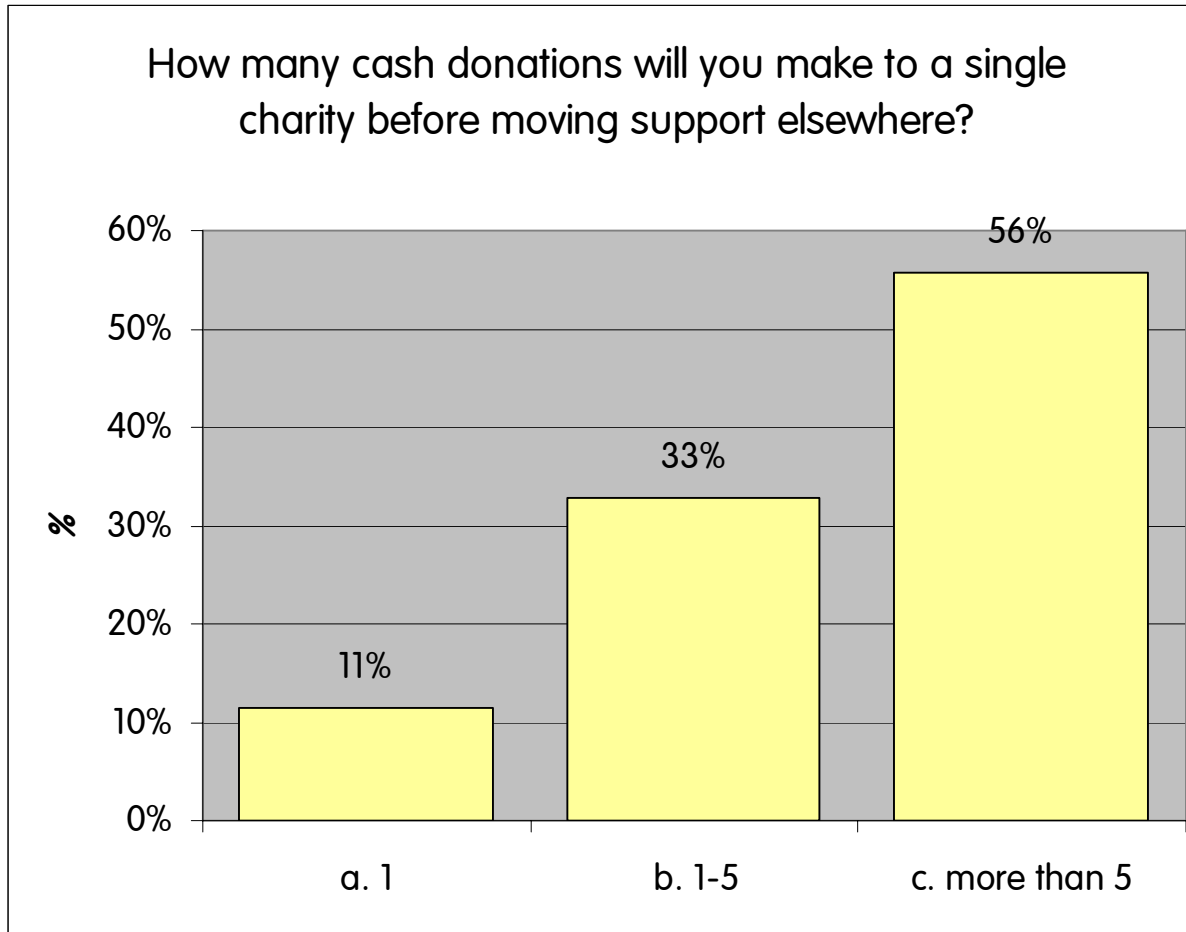




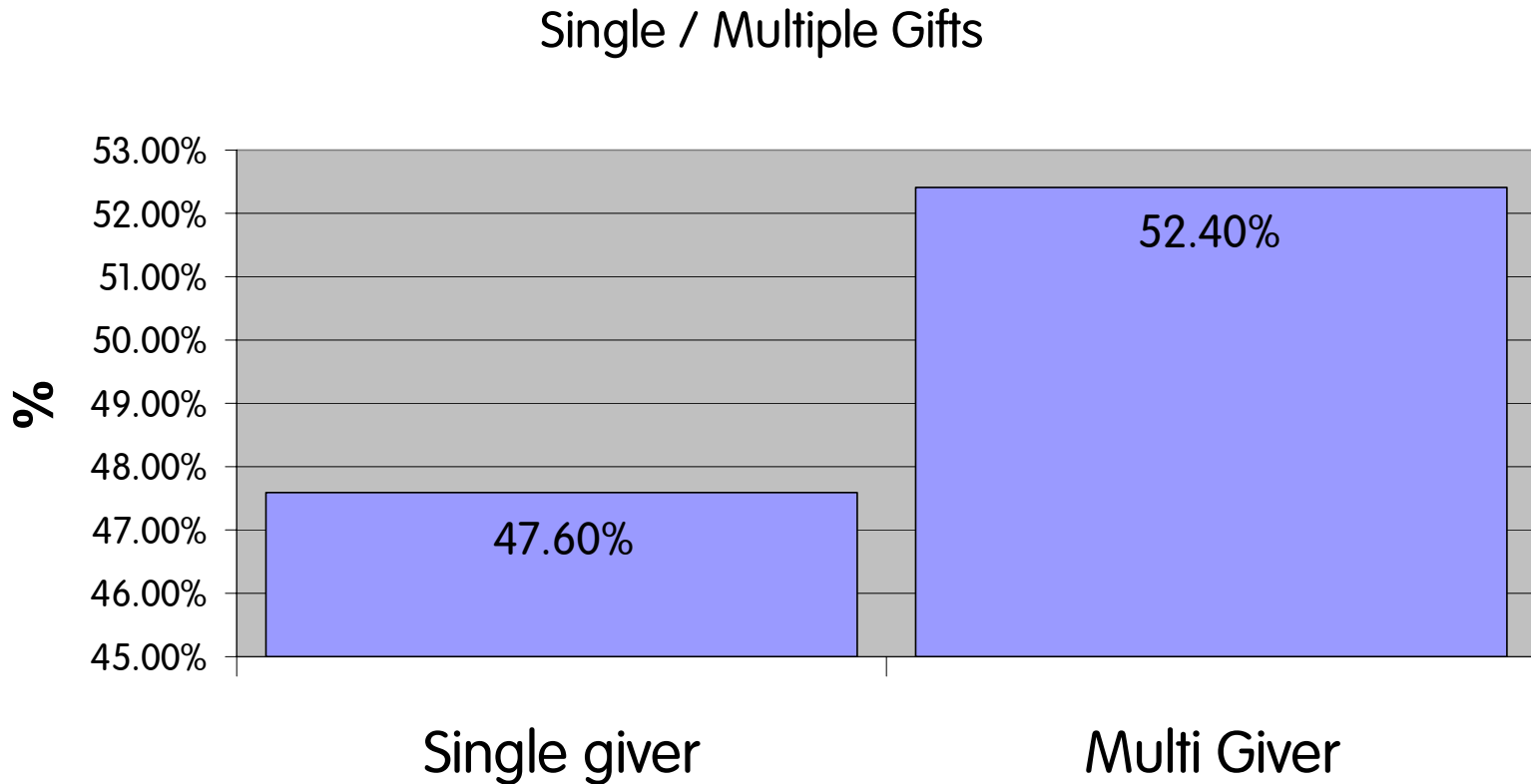
Key findings

Donating to specific charities

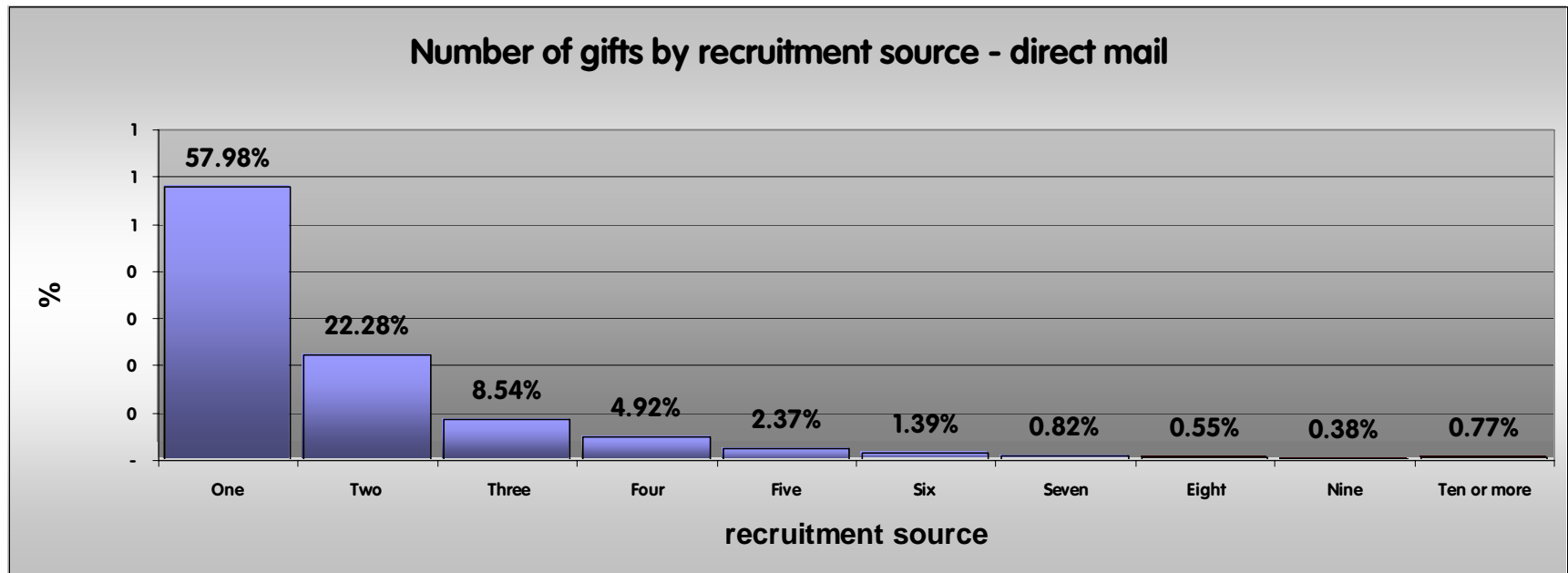
'How many times do you donate to a specific charity?'



Single / Multiple Gifts



The Stroke Association Second Gift analysis ...



The Stroke Association Second Gift analysis ...



Observations

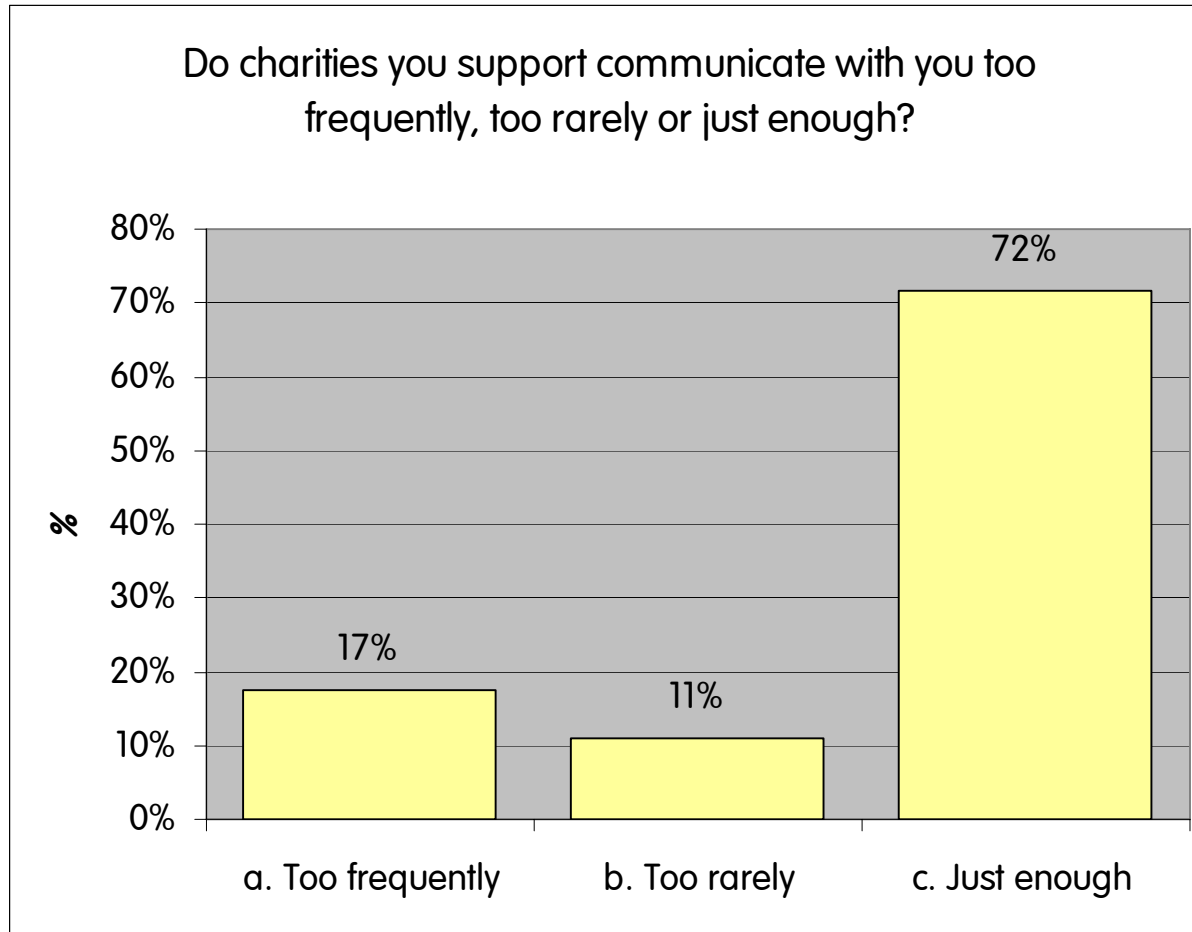
- A significant gap in the perception of how many gifts supporters make and how many gifts are indeed made
- Does the connection to the cause have a positive impact on loyalty?
- The actual levels of single giving were slightly less than anticipated – we expected it to be slightly above 50%



Key findings

Supporter communications

'Do charities you support communicate with you too often?

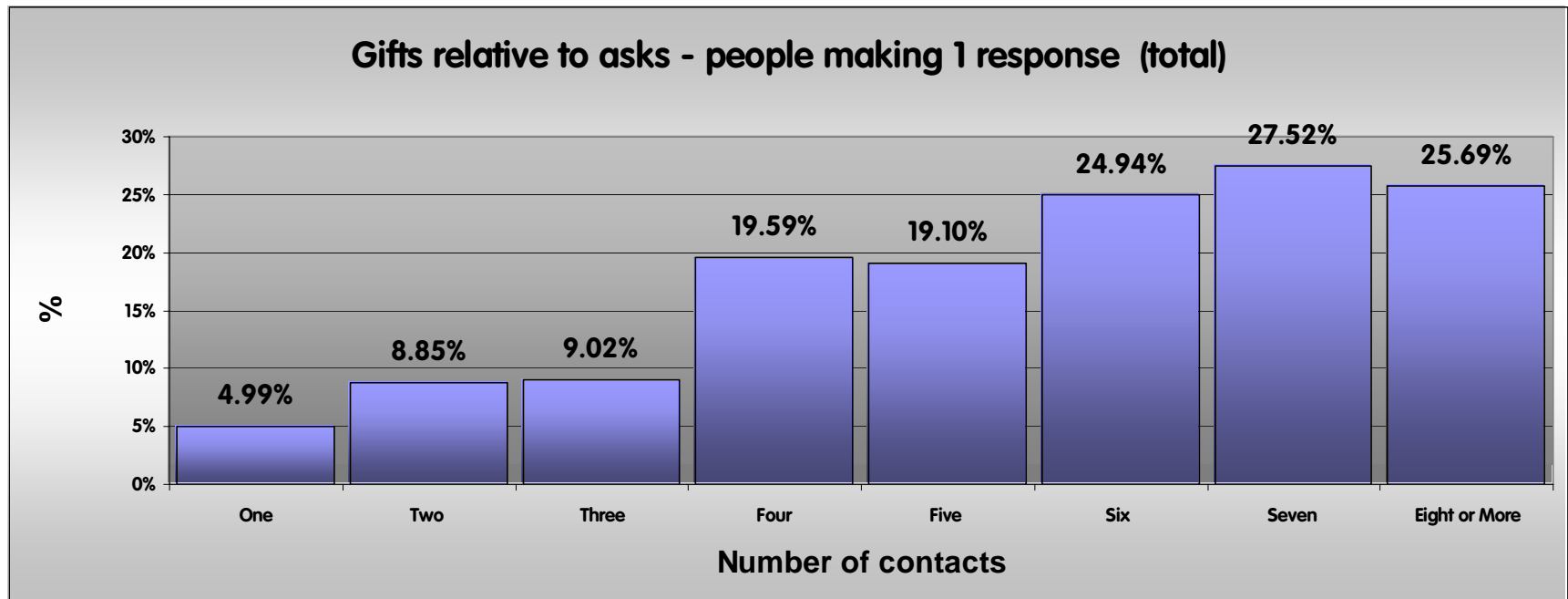


“They don't talk to me enough, I want to know more”

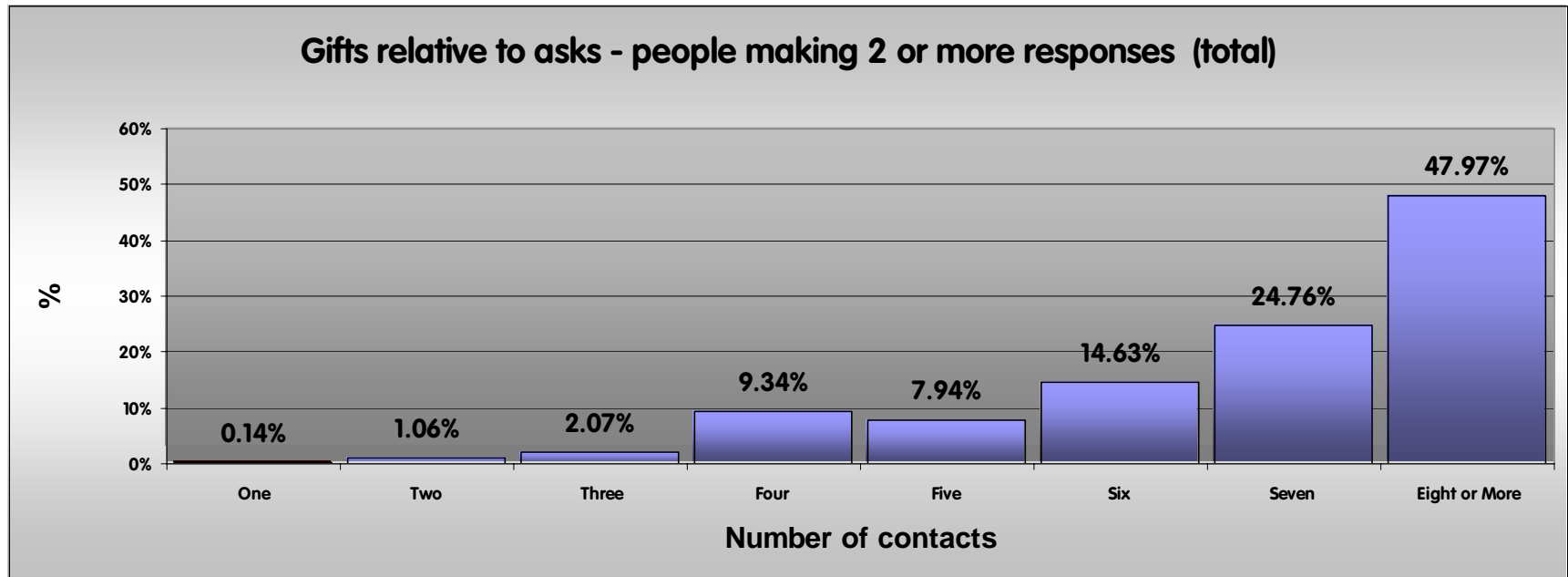
“They should review my donations and give me more feedback on how its used”

“I'm happy with them, I like to learn about what they do”

The Stroke Association Gift Rate Analysis ...



The Stroke Association Gift Rate analysis



Observations

- Perhaps talk of over mailing, calling, emailing – donor fatigue is a misnomer?
- A clear link has been found between the number of communications and the impact on the frequency of donations
- Dare we suggest that charities aren't over communicating? Are we actually getting it right?



Key findings

Changes in giving from the point of recruitment ...

Giving levels

- Donors select their giving level quickly
 - 80% of supporters give at the same level throughout the duration of their support
 - 9% of supporters decrease the level of their giving
 - 11% increase the level of their giving
 - This applies to all value bands for cash supporters
- This also applies to regular givers

Giving Levels

- Cumulative Values
 - Cash supporters: £230
 - High value cash supporters: £480
 - Regular Givers: £227

- Lower than we would have expected in all cases

Observations

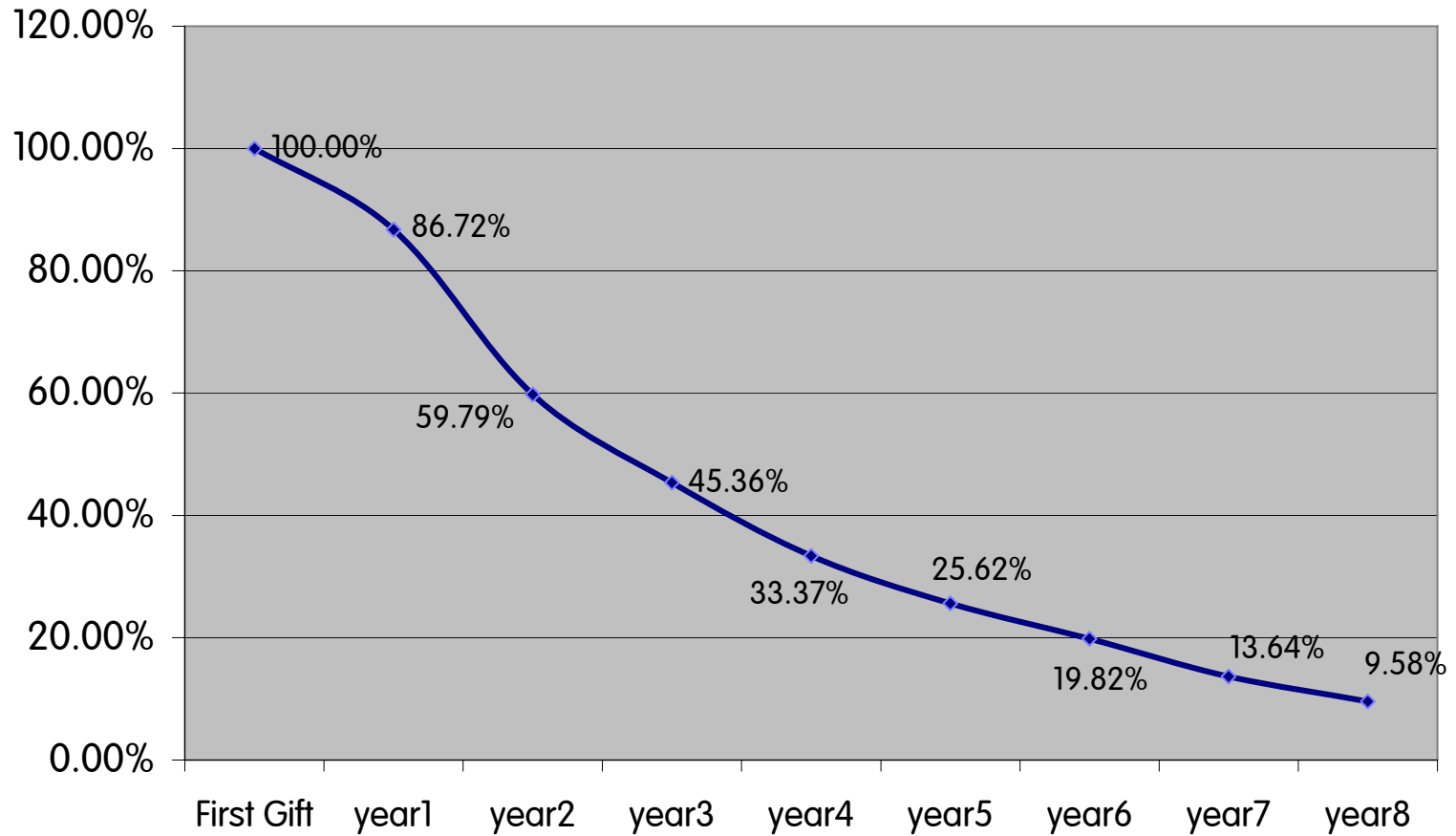
- Many donors find their own giving level
- Maximise the amount of the first gift for both regular and cash giving
- Cumulative value of cash supporters and regular givers is much smaller than expected
- The similarity in regular giving and cash supporters is closer than we expected
- The size of the first gift is heavily indicative of the likelihood of a second gift and also of lifetime value



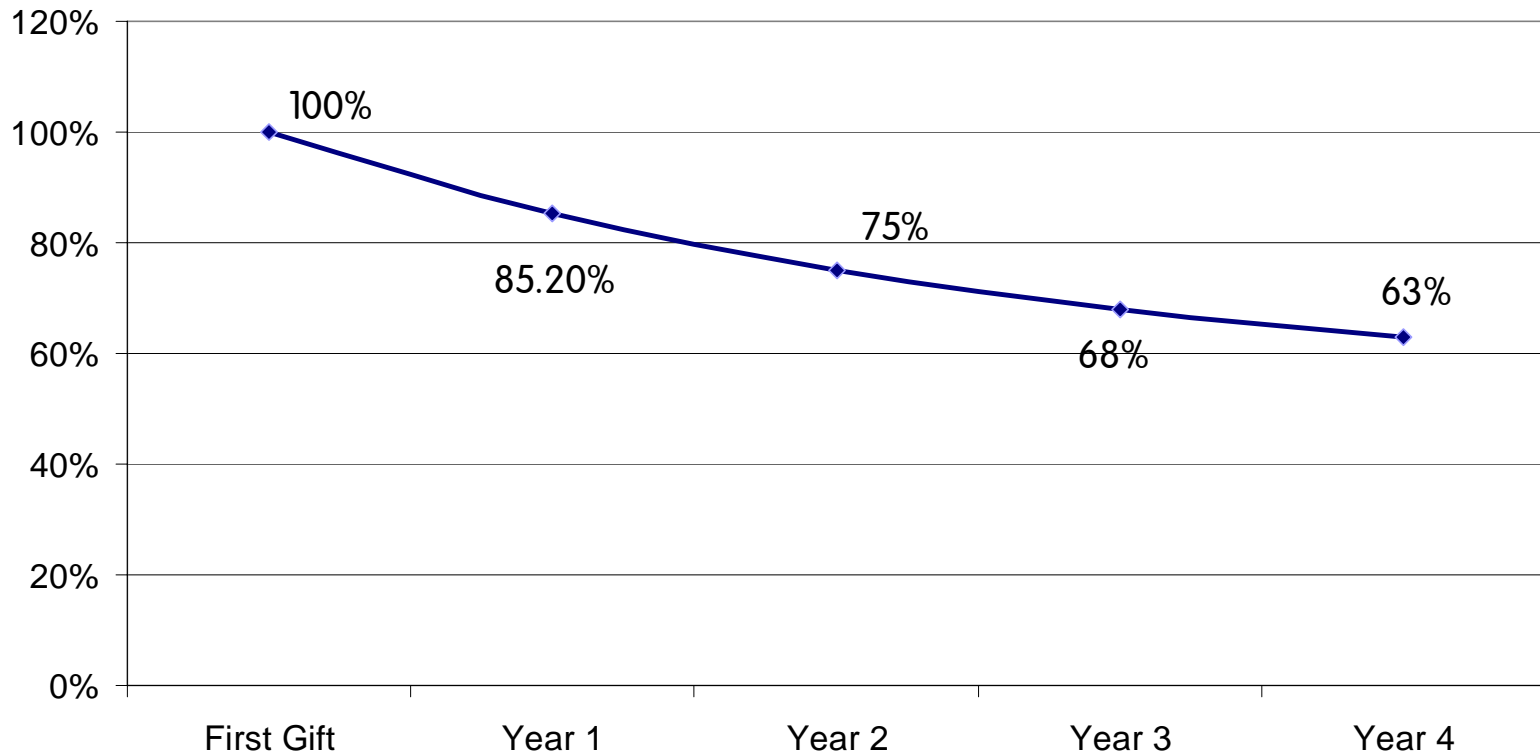
Key findings

Measuring attrition

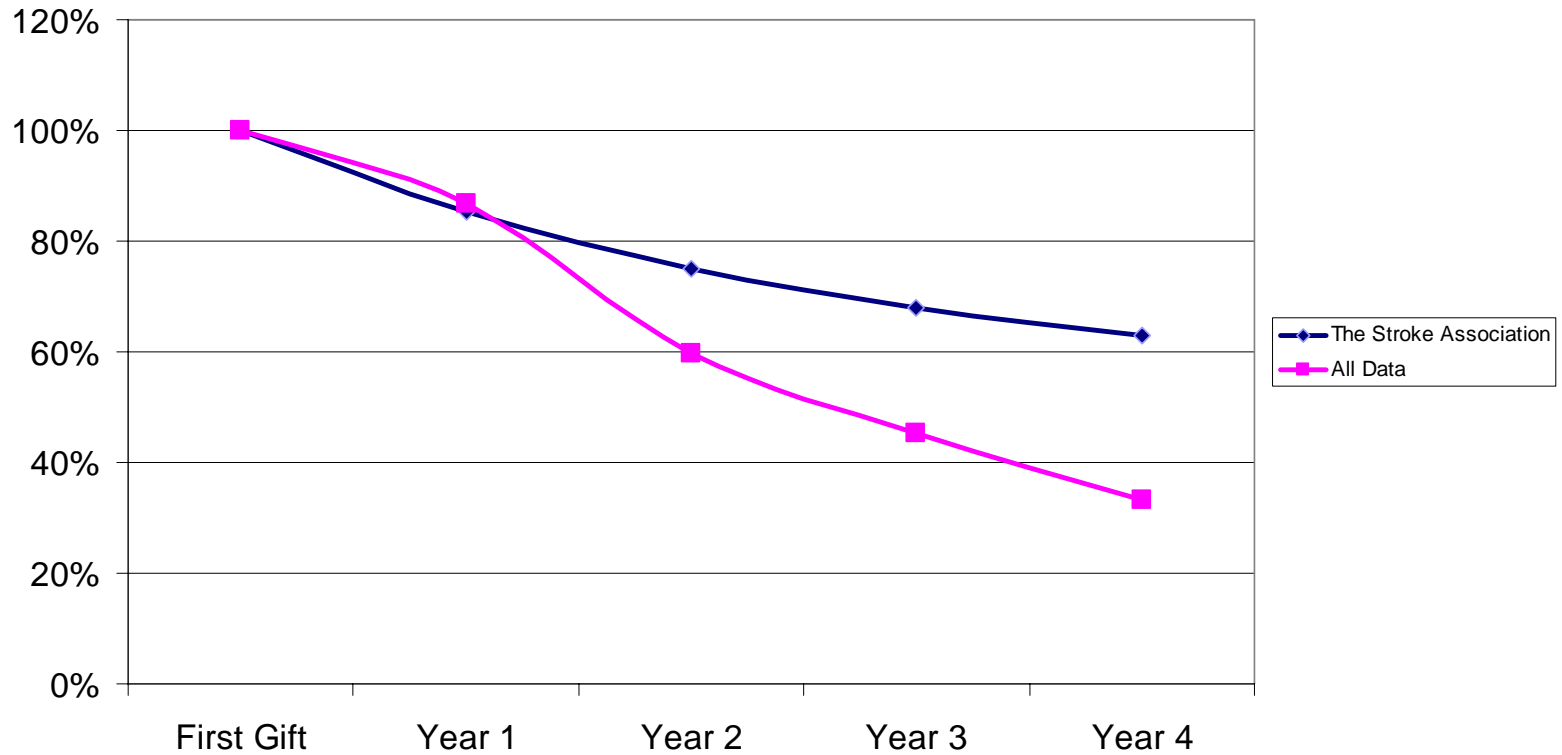
Regular Giving Attrition



The Stroke Association Regular Giving Attrition by Year



Comparison of Regular Giving Attrition by Year



Observations

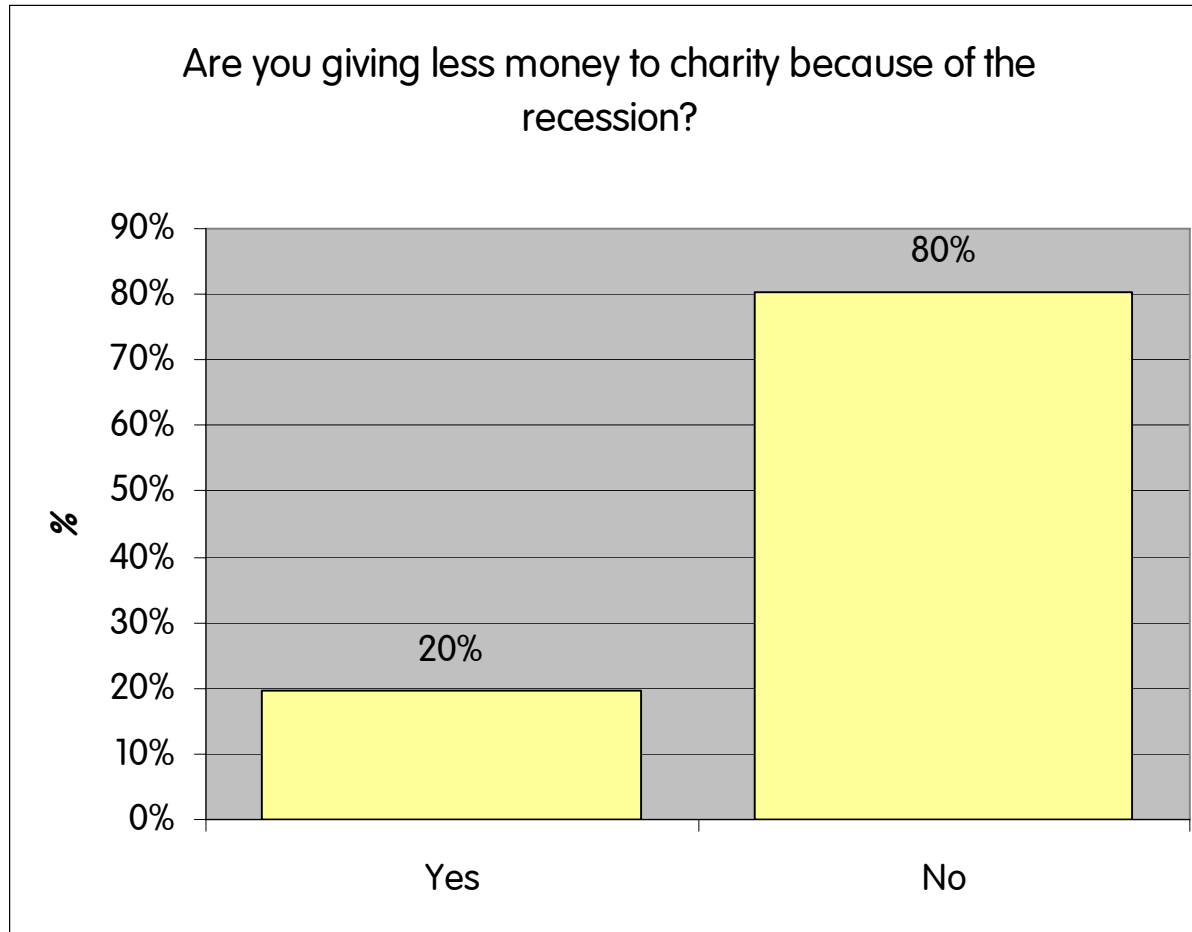
- Attrition is lower than expected – but data is under-represented by face-to-face giving
- Overall the duration of regular gifts is shorter than anticipated – this will have a significant impact on lifetime value
- Stroke Association regular givers are ahead of the benchmarked data



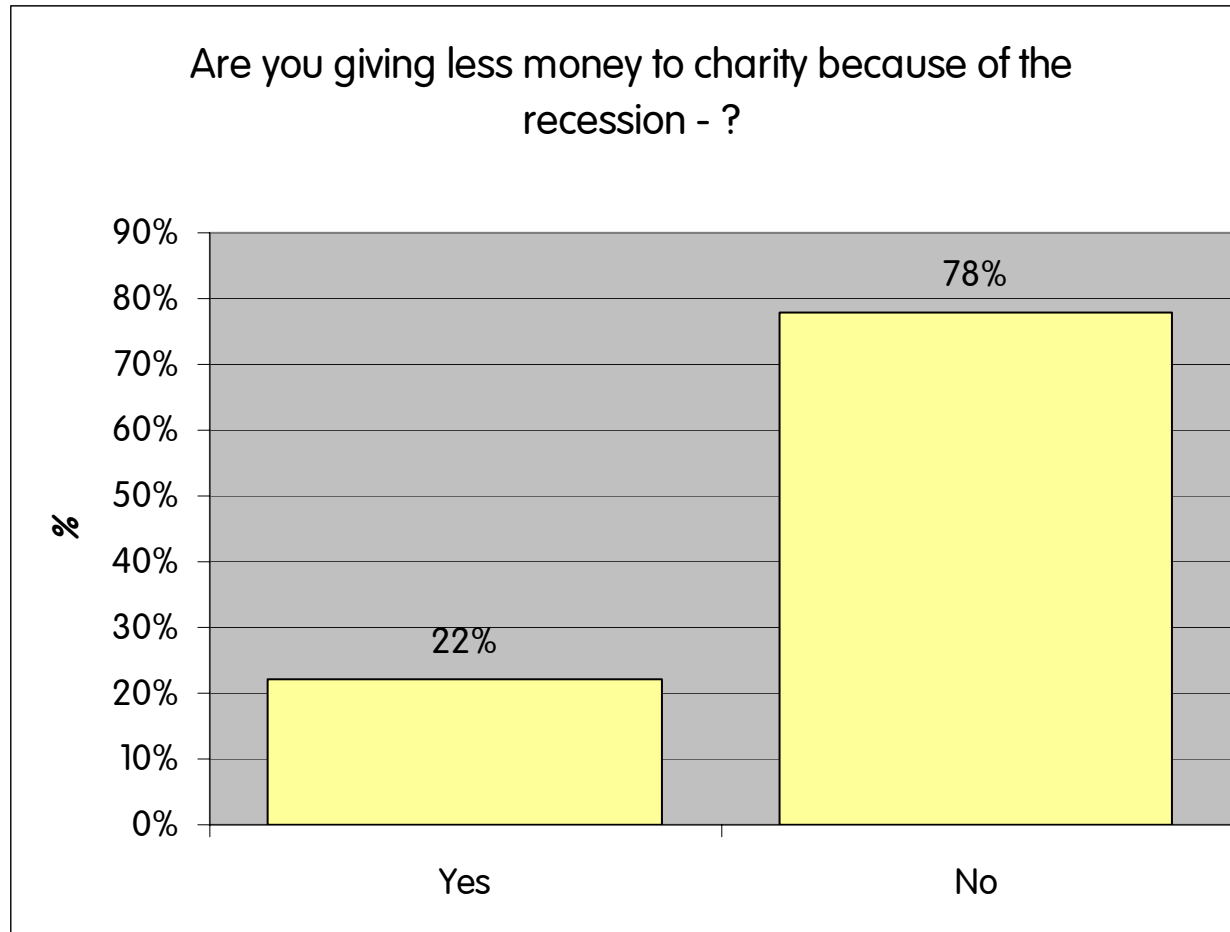
Key findings

Recession

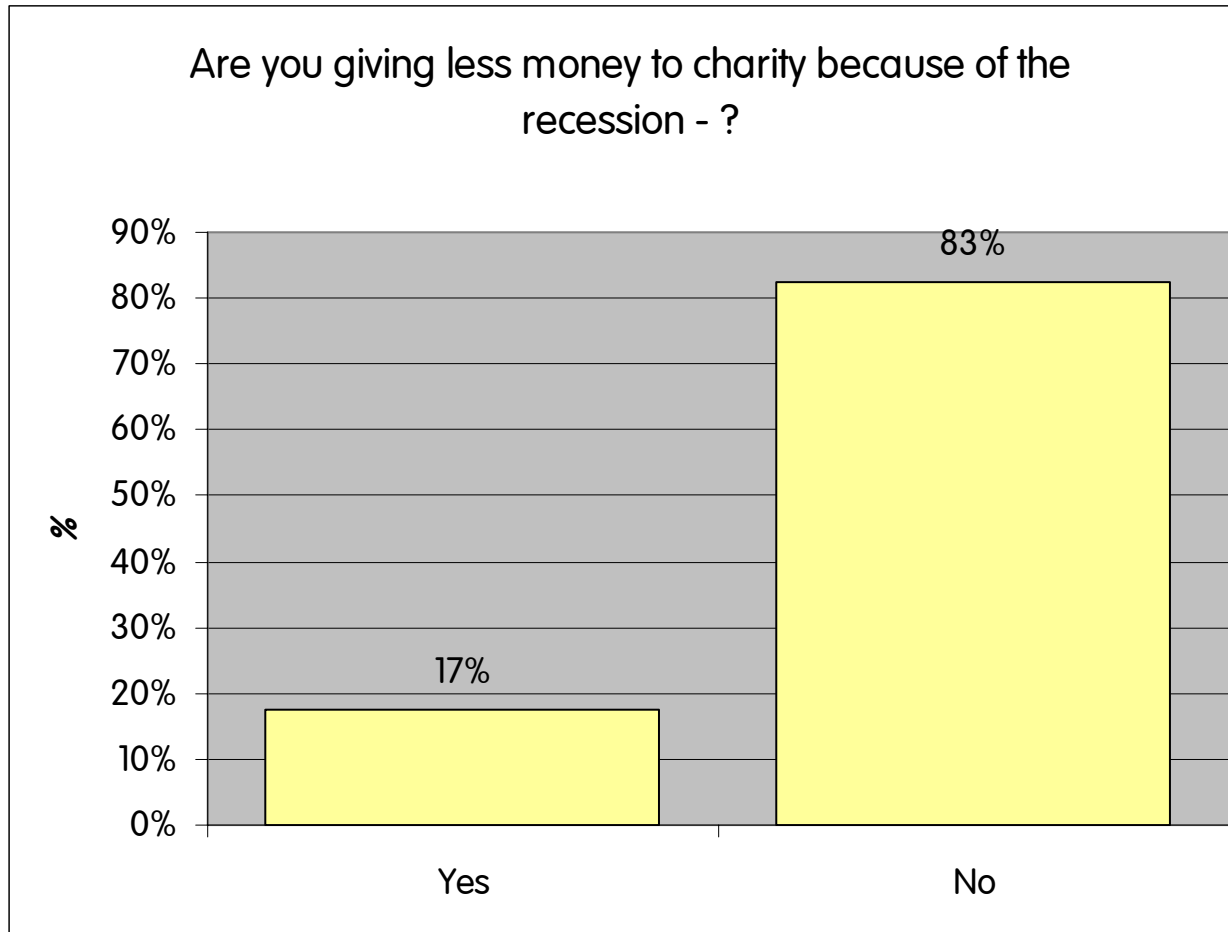
Changes in giving patterns ...



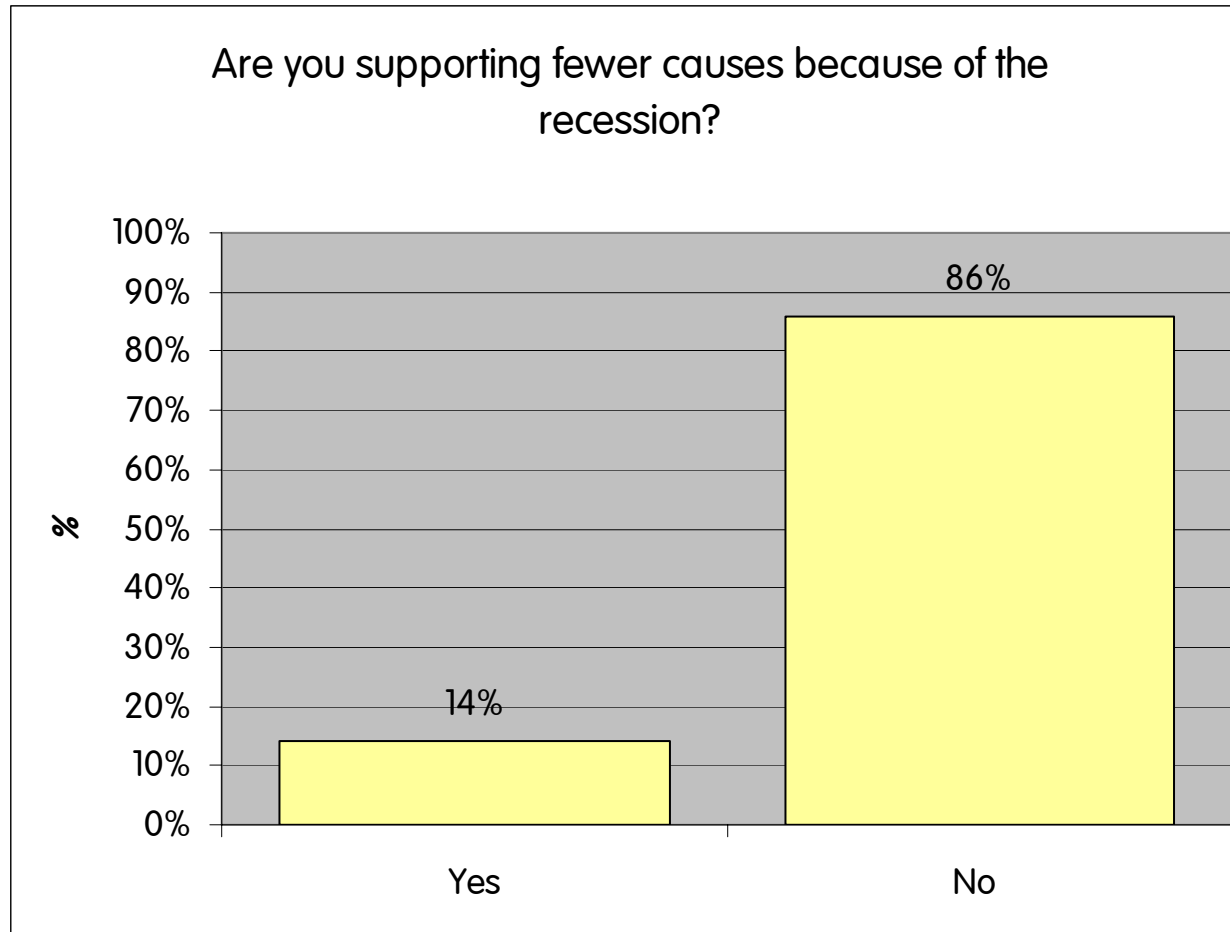
Male interviewees

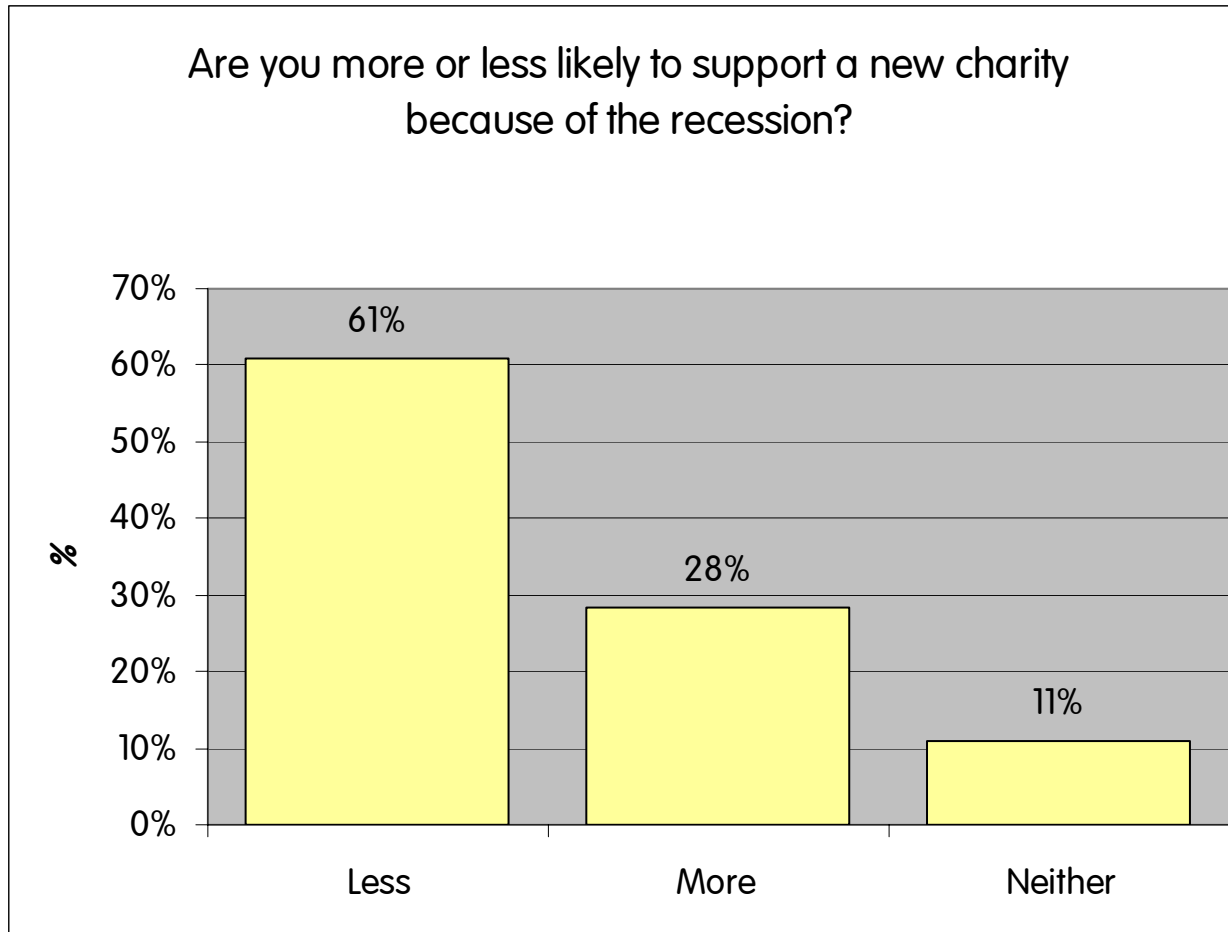


Female interviewees

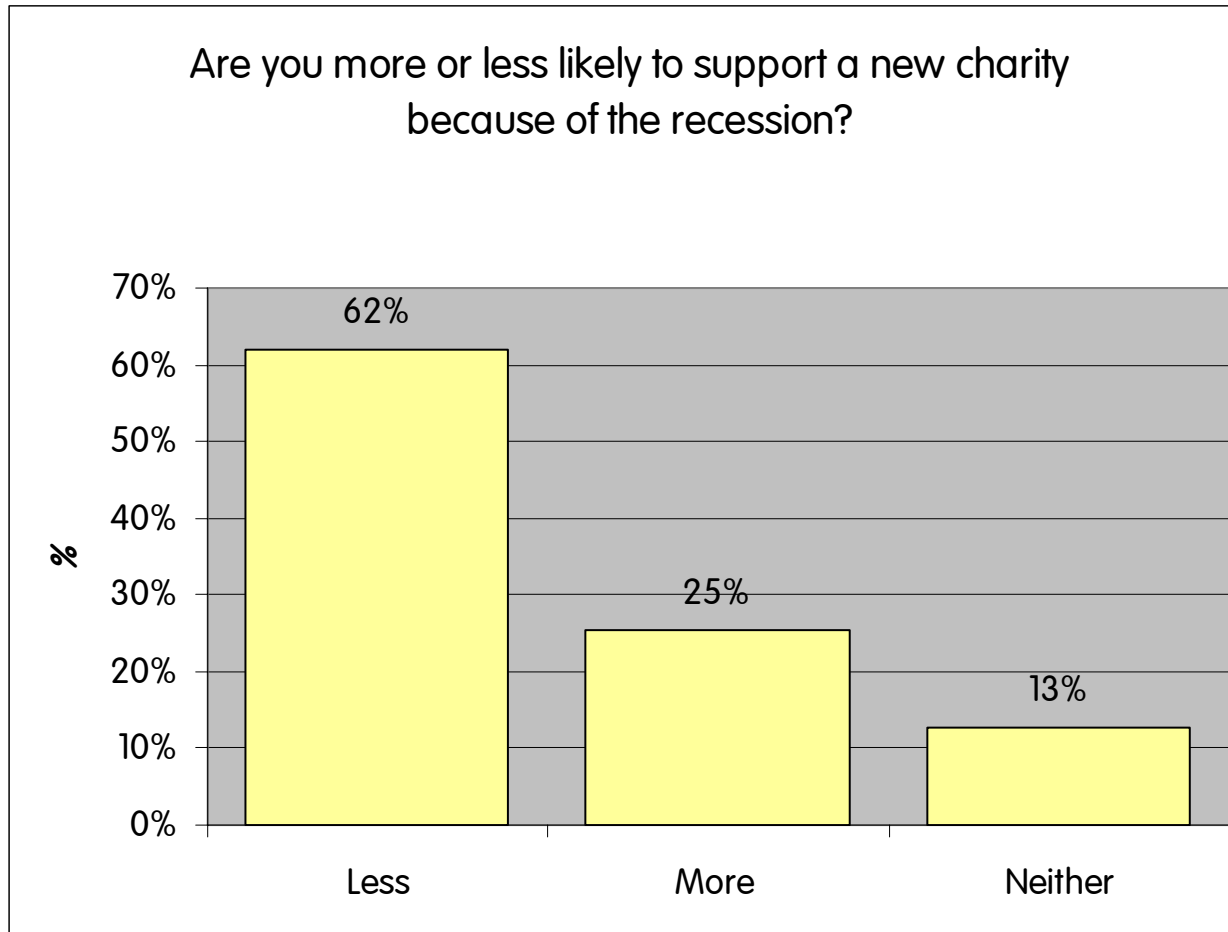


Female interviewees

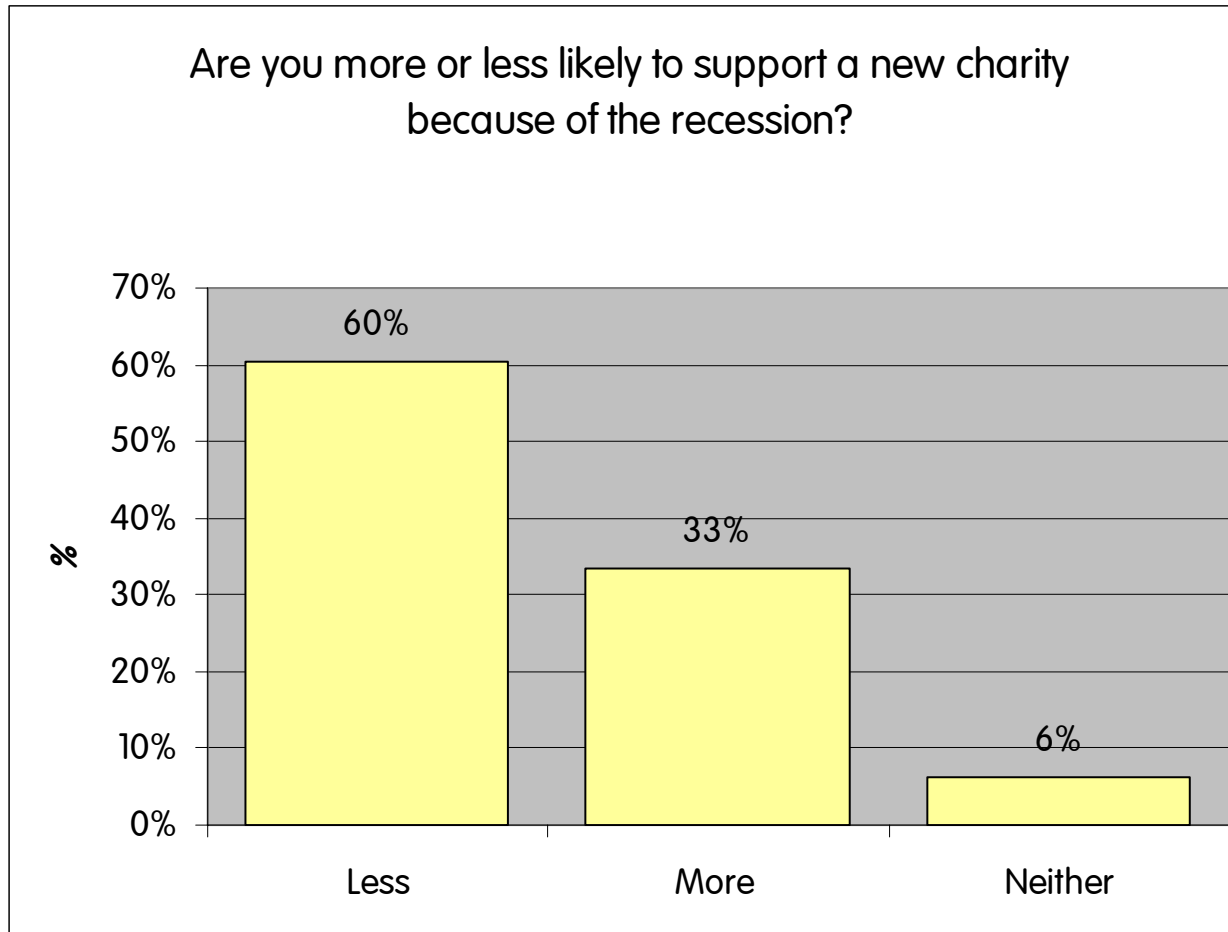




Male interviewees



Female interviewees

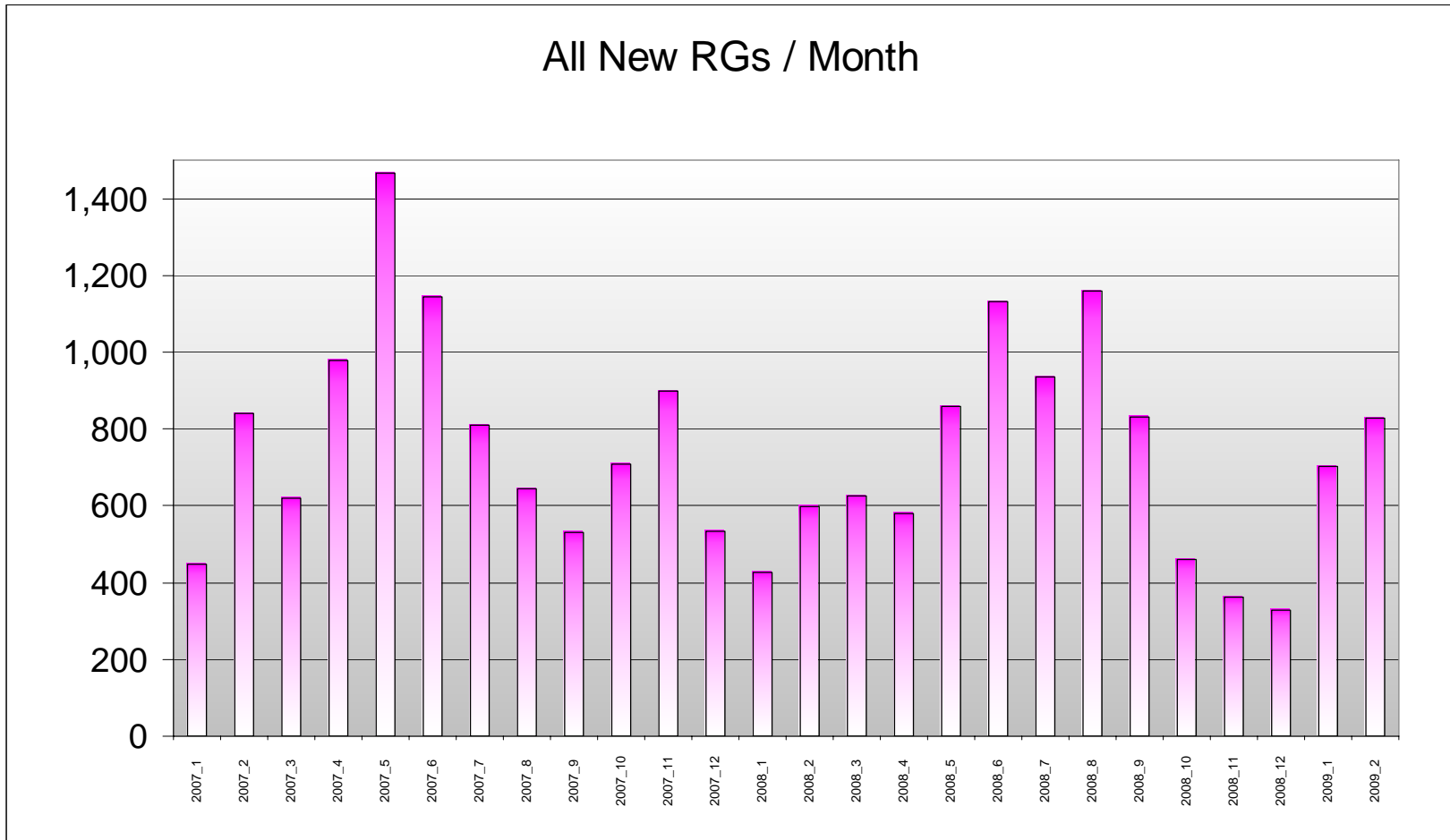


“There is greater need and so I am more likely to support”

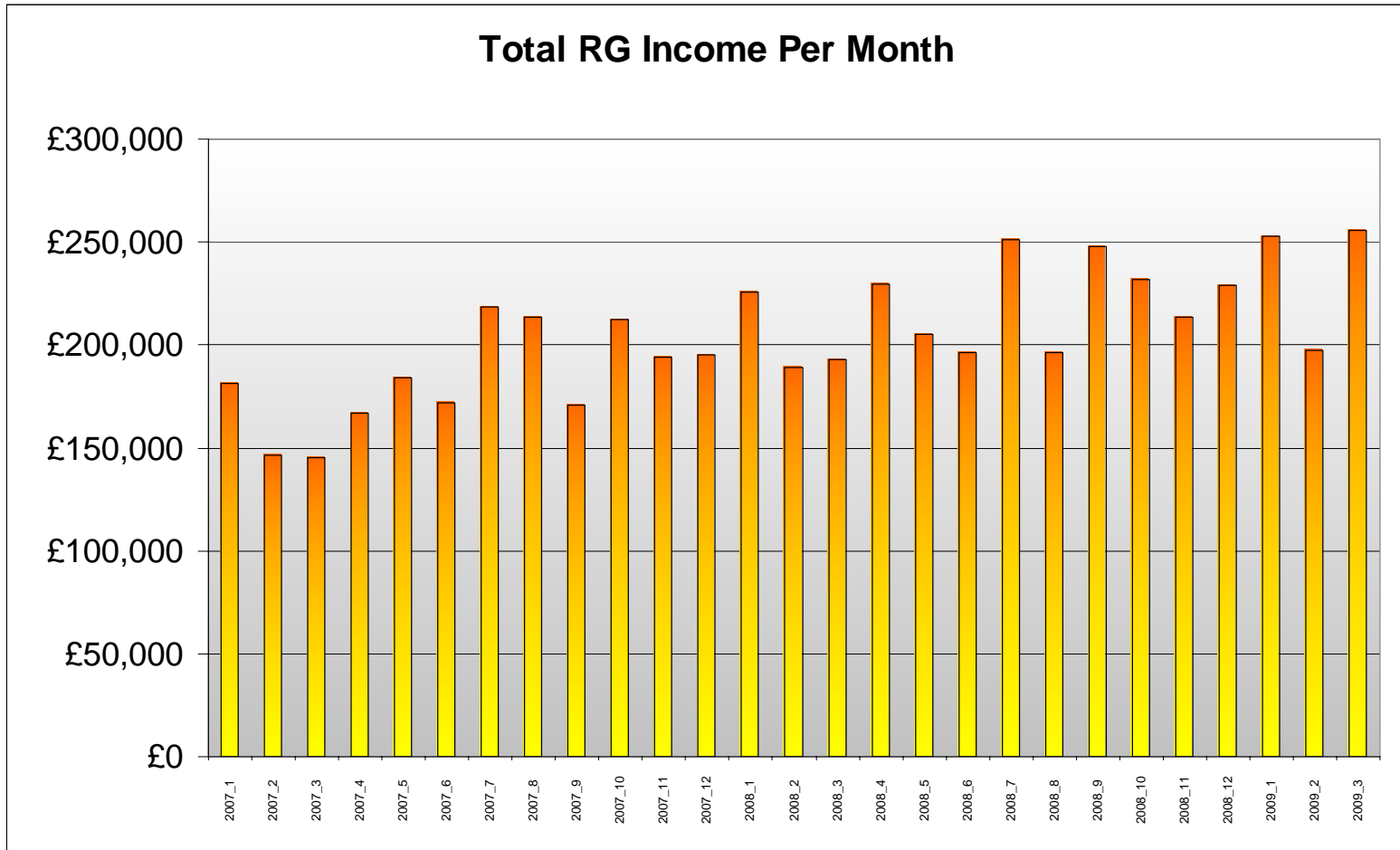
“I have to put myself first”

Personal finances were identified as the single biggest reason people stop supporting charities

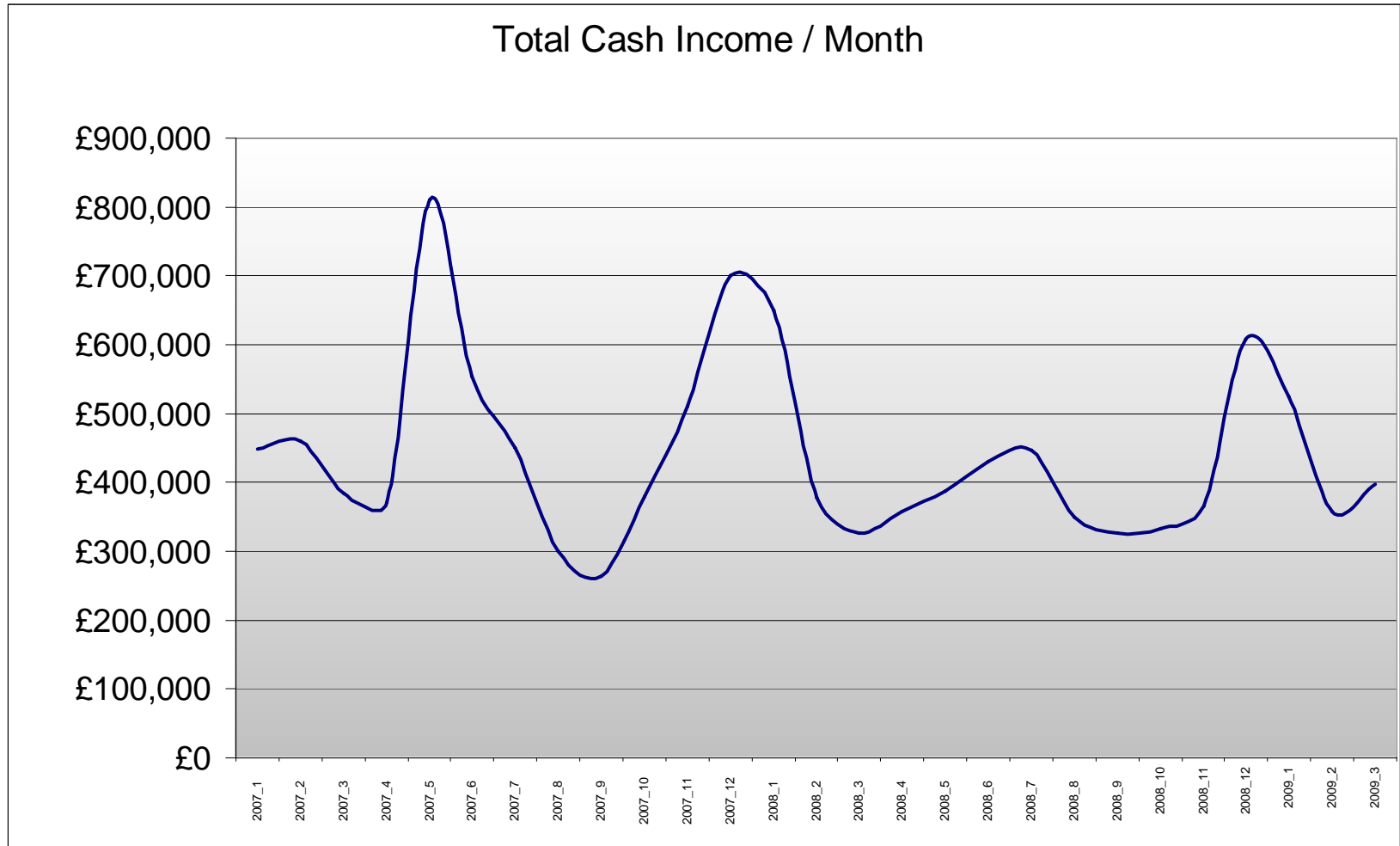
New Regular Givers By Month



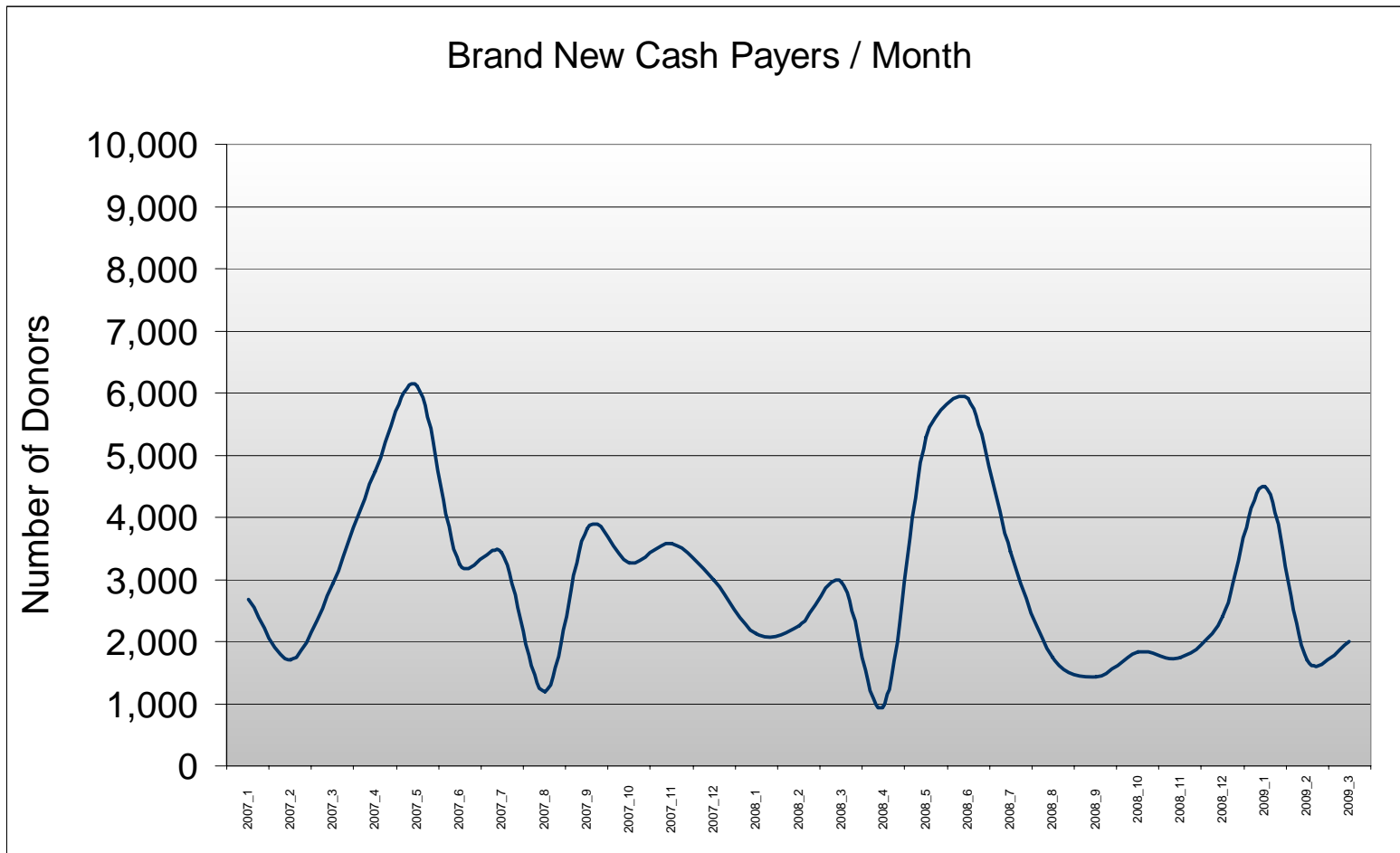
Regular Giving Income Per Month



Cash income per month



New Donors By Month



Observations

- Cash and regular giving is holding steady
- Broad trends of growth throughout the data
- People remain committed to supporting charities
- Some reticence from supporters about donating to new causes



Key findings

What do the findings mean?

What do the findings mean?

- Donors are possibly more promiscuous than they realise
- Donors have a relatively accurate perception of how much they give in donations
- BUT do not have a clear grasp on the number of times they support
- The vast majority of supporters are happy with the communications they receive from charities they support – do they want more?
- There is a clear correlation between the number of communications and the number of gifts made by supporters
- The duration of regular giving appears to be in decline
- Donors find their giving level quickly and tend to stick to it

What do the findings mean?

- Supporters are continuing to donate to charity – both analyses support this
- Supporters are not giving less – both analyses support this
- Supporters are less likely to give support to a new cause – the empirical analysis does not tally with donor perceptions, but perhaps it is a warning?

What can we learn from the analysis?

- Donors are possibly more promiscuous than they realise
 - Converting to a regular gift or securing a second donation is vital
- Donors have an accurate perception of how much they give in donations
 - But the differences in highest gift and first gift show untapped potential – supporters could be donating up to 20% more
- The vast majority of supporters are happy with the communications they receive from charities they support – but do they want more?
 - A strong vindication of communication programmes
 - Feedback and supporter care are highly praise
 - Don't be afraid to ask!

What can we learn from the analysis?

- There is a clear correlation between the number of communications and the number of gifts made by supporters
 - Run the analysis on your file, determine the optimum number of communications for your audience
 - Reduce wastage where necessary, invest in order to increase the volume of donations
- Donors find their giving level quickly and tend to stick to it
 - This reinforces the importance of focusing on maximising the first gift, be it an appeal, a raffle, or a regular gift
 - The cumulative values of different audiences show the benefits of a diverse recruitment and development strategy

What can you take from the session?

- Are your average donations for appeals and regular giving in line with the findings?
- Are you getting a second cash gift from supporters?
- Are attrition levels in line with this data and if not why?
- Are you communicating at the optimum level with your supporters – analyse and find out
- Are you providing valuable feedback on their donations?
- Are you getting the best value from supporters



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