

Ready to take the bull by the horns in 2003?

How will your fundraising programme fare in 2003? We asked leading fundraising experts to predict winning trends for the coming year. Marisol Gutierrez reports on what they had to say ...

There's good news for charities that have already invested resources and time in bequest promotion programmes.

'Bequests are the fastest growing source of fundraising income in the world today,' said Michael Downes, Senior Partner at DVA Navion, Australia.

Downes expects this area of fundraising to become increasingly important over the next five years.

Jenni McLeod, Joint Partner at Downes Murray International, agrees: 'Bequest promotion to the older donors of non-profits is a golden opportunity.'

'Soliciting funds from corporates will be even tougher in 2003. Fundraisers will have to be far more innovative in devising win-win partnerships with companies,' she added.

Other predictions for 2003 include:

- 'Multi-channel communications from non-profits to meet increasing technological demands and donors' varying personal preferences.'

Mal Warwick, President, Mal Warwick and Associates Inc. California.

- 'Charities that do their research, respond to donor interests and ask at the right time will continue to do well. Expect growth in a few areas: for-profit activities (earned income) and planned and monthly giving.'

Harvey McKinnon, President of Harvey Mc Kinnon and Associates, Vancouver.

- 'Growth in income will continue through well-run teletail campaigns, bequest associations and capital campaigns based on partnerships with commerce and industry. Internet giving will start to show much greater growth.'

Terry Murray, President, DVA Navion South Africa

- 'We're still going to be dependent on direct mail. Although there are definitely great opportunities for internet fundraising, direct mail will always be an essential element of any fundraising programme. Mail is still



more personal, and markets can be segmented far more accurately.

Emmi Albers, Joint Partner, Downes Murray International

- 'Innovation at the right price. Charities will have to watch out, or they'll soon get caught out by donors noticing that they're using the same offers with the same language, to say the same things to the same people. In a congested market, innovation becomes more pressing – and charities will have to deliver this without excessively increasing costs.'

Marc Nobr, Managing Partner of Kitcatt Nobr Alexander Shaw Ltd, London

- 'Non-profits will build their databases of e-addresses and set up e-marketing strategies to develop donors who want that means of contact. Most will transfer all correspondence into quickmail the moment donors indicate they might be interested. And they'll be making a big mistake. E-mail is for information and interactivity; most people still like to be contacted in other ways as well.'

Stephen Pigeon, Chairman, Target Direct, Cheltenham, UK.

- 'Volunteers will swell the ranks of a new wave of fundraisers. Face-to-face fundraising will grow in strength and effectiveness. Donors will increasingly insist on becoming involved, meeting the beneficiaries and having a say in how their resources are used.'

David L. Cuthbert, CFRE, FSAIF, Canada

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Identify the self-interest factor

A chance remark at a recent fundraising function set me thinking. One of the people in the group suggested that as long as you were raising funds for children or animals, it was easy.



Terry A Murray is founder and former Chairman of Downes Murray International and President of DVA Navion in South Africa.

This is a long-held belief for many people and there is certainly much truth in it.

Children are an enormous emotional motivator. For years we have advised clients to focus on programmes involving children in their direct mail appeal letters (even if children are only one part of the work which they do).

But animals are not nearly the drawcard that many people believe. The reason is that whilst many people have a 'soft spot' for children in need, there are far fewer animal lovers in the world.

Also, animal lovers are divided into different groups – dog lovers, cat lovers or horse lovers – for example – and not all of them

necessarily feel for animals 'across the board'.

Wildlife supporters are a different breed – their motivation is often more cerebral than emotional and the approach to them must appeal to the heart and the mind.

Even though animals may not have the same 'pull' as children, animal welfare charities which promote the concept of bequests to their donors enjoy enormous income from this important source.

And the main reason is that pets are often the closest companions of the elderly (sometimes closer than family). Older folk often feel very strongly about protecting their pets and ensuring that the non-profit organisations offering this service stay in business long beyond the donors' lifetime.

So it seems the easiest fundraising is for causes related to children followed by those helping animals.

But wait. Why then are hospices the most successful fundraising organisations in Britain? (This according to Stephen Lee, British fundraising researcher from Henley Management College, during his recent highly informative and interesting presentations in South Africa).

I remember when the hospice movement in South Africa was relatively new and unknown, and consequently quite difficult to

'sell' in a fundraising sense. But over the years the reputation and the understanding of hospice work grew – as more and more people experienced the wonderful caring service – often through the loss of a loved one.

Working with St Luke's Hospice in Cape Town, we at Downes Murray International saw the direct mail support base grow to a point where it outnumbered the Western Cape donor bases of many, much more high profile, national non-profit organisations.

Once the St Luke's Board accepted that it was natural and logical for people who were dying (and their families and friends) to support the Hospice by making a bequest, the income shot up even more.

Besides the exceptional caring service they provide, hospices have another strong factor working in their favour – there is a little bit of the 'insurance policy' feeling in many people who support them.

We all know we are going to die, and we also know that if we become terminally ill, Hospice can make our last months and days a more painless and peaceful experience. But only if they are still in business.

So I suspect that some donors support their local hospice to ensure that it will be there for them or for members of their family when they might need it.

Support for the hospice movement has one important plus for donors that doesn't exist to the same extent in child and animal welfare organisations: That

important ingredient is the promise of a 'self interest' benefit. There is the strong possibility of an ultimate personal benefit at a time when you as a donor might be in your greatest hour of need.

There's a very similar factor which drives successful fundraising for hospitals in many other countries like Canada, the United States and Australia. Former patients and whole communities in smaller towns will donate generously to their local hospital to ensure that it is there for them – equipped with the most up-to-date facilities – when, and if, they ever need it.

So don't despair if yours isn't one of the 'popular' causes.

Look for the self-interest or insurance factor in your work or search out constituencies which might ultimately benefit in some way from what you do – and focus your fundraising effort on them. ■

'Look for the self-interest or insurance factor in your work ... and focus your fundraising effort on them'

Milestone Thinking

On-Target Observations in brief

Include your homepage URL on all your organisation's printed material to drive traffic to your website. Make a concerted effort to collect e-mail addresses from all your constituents, by asking for current e-mail addresses on all response pieces.

Creatively, your organisation should have the same feel on- and offline.

*With acknowledgement to
Stephen Pidgeon*

Chairman, Target Direct, Cheltenham, UK

Take a tip from Toastmasters International and have a 'pocket speech' ready to go. Members of Toastmasters routinely have a speech prepared and in their 'pocket' just in case a scheduled speaker fails to show up for the meeting. Having some notes about some aspect of your charity with you at all times can help you avoid being caught off guard.

*With acknowledgement to
Successful Fund Raising
Volume X, No 8*

Timing is a key factor in integrated fundraising. Set a strict schedule and stick to it – because timeliness and persistence will trump creativity.

*With acknowledgement to
Mal Warwick
President, Mal Warwick and
Associates Inc. California.*

Following the familiar model and analysing strengths, weaknesses, opportunities and threats (SWOT) could do more harm than good. Or, more precisely, don't spend too much time with weaknesses and threats. Instead, focus on strengths and opportunities.

*With acknowledgement to
The NonProfit Times
June 1, 2002*

A professionally designed fundraising programme for a cause which is worthwhile and reasonably well known (or well publicised) will always succeed no matter what the economic climate.

*With acknowledgement to
Terry Murray
President, DVA Navion, South Africa*



No such thing as a 'bad' boy

With over forty years' experience in caring for troubled youth – teaching responsibility and integrity, and rebuilding broken trust and self-esteem – Boys Town has long been recognised as the leading authority on managing negative behaviour.

Now this progressive organisation is extending this expertise to a much wider audience, through a unique new programme aimed at helping parents develop better relationships with their children and manage adverse behaviour before the family is plunged into crisis.

Available to anyone involved in raising children – parents, relatives, nannies, teachers and even older siblings – *Common Sense Parenting* is particularly relevant in our modern, time-deprived world, where negative influences and peer-pressure can lead vulnerable children to truancy, substance abuse, eating disorders and gangsterism.

Another Boys Town innovation is the National Hotline, which offers parents advice and assistance over the phone.

For further information, visit www.boystownsa.org, email boystownho@yebo.co.za or telephone (011) 482 2655.

(Readers are invited to submit photographs, together with a brief overview of their organisation's work, for inclusion in this regular feature). ■

Youngsters who test authority to the limit can be a real challenge to raise. Boys Town's innovative programme, Common Sense Parenting, is an invaluable tool for parents.

FUNDRAISING FORUM

Fundraising Forum is a regular newsletter dedicated to the enhancement of management, fundraising techniques and the promotion of community service, welfare and not-for-profit organisations of all kinds.

It is published by Downes Murray International and circulated, free of charge, to anyone with an interest in the growth and improvement of the non-profit sector and those served by it.

In addition to regular features written by Downes Murray International staff, there are extracts from worldwide fundraising publications which are reprinted with acknowledgement to the publishers.

We welcome submissions for publication from all writers involved in not-for-profit work.

Don't alienate your donors



British researcher Stephen Lee shares findings of his research conducted on philanthropy in the UK ...

Bringing your donors closer to the people they help is a key to winning long-term support.

This was just one of the issues highlighted by Stephen Lee in his recent presentations – *Chasing Utopias: The Progress of Philanthropy in the New Millennium* – (hosted by Downes Murray International) in Cape Town and Johannesburg.

Stephen said that the rise of the professional fundraiser in the UK, along with the domination of fundraising techniques over the fundraising process, has left the public feeling alienated.

He said a major dilemma is that fundraisers are losing credibility because donors are receiving the same message across the board – and are becoming cynical (of the fundraising process, rather than outputs).

Current research proves that donors relate most to the cause. This is in sharp contrast to trends and techniques which force donors to focus on money, rather than the non-profit, its beneficiaries and the work they are supporting.

Other ideas highlighted during Stephen's presentation include:

- Integrate public relations and fundraising efforts for greater success.

- Establish strong ties with the media, and keep donors informed of your work in local newspapers and on radio stations.
- Donors want local contacts with the causes they support.
- Tell the donor how your cause has used their gifts better – and more efficiently – than anyone else could have.
- Use face-to-face fundraising as a development initiative, rather than an acquisition method.
- 'Challenge events' don't help to develop donors, or your cause's relationship with the donor.
- Your website should be part of an integrated strategy using other interactive media.
- Use your website as a development tool for higher end donors.
- Focus on the outcomes achieved by the donation.
- Develop two-way communication between your cause and your donors.
- Donors want more communications, but only if they are the right ones.

Stephen Lee is currently Director of the Centre for Voluntary Sector Management and member of the marketing faculty at Henley Management College in the UK. ■

Resource mobilisation: Our readers have their say

In his article, Terry Murray said 'for some reason there's a feeling that there's a stigma attached to the idea of raising funds for a worthwhile cause.'

So we invited our readers to shed more light on 'resource mobilisation' – and the use of the term.

Former chairperson of the South African Institute of Fundraising, Ann Bowen, said: 'The term Resource Mobilisation has been defined by Richard Holloway in his book *Towards Financial Self-reliance* as 'more comprehensive than the usual 'fundraising'. 'Fundraising' suggests that someone else has funds - and approaches need to be devised to access their funds.

'Resource mobilisation' includes two other concepts; first, that non-financial resources are also important; and second, that certain resources can be generated by the CSO (or by CSO's acting together) rather than accessed from other sources.'

'The International Fund Raising Group (IFRG) changed to Resource Alliance in order

to accommodate the 'new' terminology.'

'However, the term fundraising has always meant more than just money to those of us who have been fundraising for a number of years.'

'But it appears that foreign aid has shifted this meaning to money only in the minds of developing countries - the same applies to the word 'donor', which can mean only foreign agencies to some NPO's in developing countries.'

Alma Torlage, Individual Donor Co-Ordinator at SOS Children's Villages said 'if your attitude is right you'll automatically have the enthusiasm needed to present your title and organisation without shame.'

'Also, if the organisation that you represent is doing its job, and doing it well, then why should you not be proud to work for an excellent cause?'

'But if there's a drive to change the name from fundraisers to anything else, then the name should sound a little less 'battery-driven' than 'resource mobilisers!' ■

In the last issue of Fundraising Forum, Terry Murray questioned the trend towards calling fundraisers 'resource mobilisers'. This is what readers had to say ...

Fundraisers gather at SAIF's 6th Annual Convention

From the exhilarating opening ceremony – during which over 150 delegates beat drums and chanted in unison – it was clear that SAIF's 6th *African Resource Mobilisation and Development Convention* would be an interactive event. Over the next two-and-a-half days, delegates learned the importance of building interactive relationships with donors and funders.

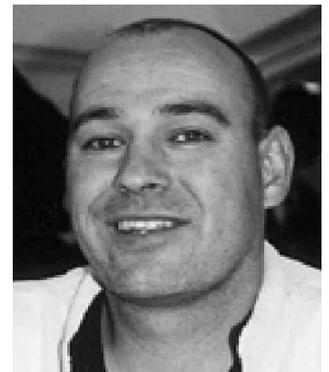
In addition to several well-known local presenters, the conference featured internationally recognised fundraising experts, including Mal Warwick and Kathleen Burke Barrett from the USA and Bernard Ross and Jason Potts (UK).

With 30 different presentations taking place over three different tracks, there was something to interest and inspire everyone. Marketing, direct mail, bequest promotion, events, digital media, capital campaigns and professional development were all covered. Of particular interest were the sessions on futurology and global trends.

Despite some exciting examples of successful Internet fundraising campaigns presented by Jason Potts, this medium still



Mal Warwick



Jason Potts

Fundraising experts Mal Warwick (USA) and Jason Potts (UK) were two of the international presenters at this year's SAIF Convention. Sheila McCallum reports ...

works best when supported by other media. The message from both Jason and direct mail guru, Mal Warwick, was that integrated programmes – using a combination of direct mail, telephone and Internet – are the most successful. The more ways there are for a prospective donor to give, the more money will be raised.

Mal also stressed that fundraising is not an event; it is a process, often long-term, and the rewards usually only come with time. Both direct mail and email offer a way to communicate with lots of people and build rewarding relationships, leading to on-going support for the organisation.

Learning to count to ten in Japanese had to be the most unexpected new skill acquired at the conference – achieved amid much hilarity during one of the presentations by popular Scottish speaker, Bernard Ross.

Bernard also involved the audience in examples that clearly illustrated the need for an organisation to be memorable (the Echo test), different from everyone else (the Photocopy test) and special (the Peacock test) and brainstormed the elements of a 'good' problem, which is a vital necessity for any organisation wanting to raise funds.

As with all good conferences, delegates to the 6th SAIF Convention left with piles of notes, an abundance of new ideas, and renewed enthusiasm and determination to get to work. ■

Giving & Sharing

During the conference, it was announced that an awareness campaign to highlight philanthropy in South Africa will take place from November 8-15 this year.

Giving and Sharing – it starts with ME will become an annual event, aimed at encouraging involvement in and support for the non-profit sector – raising the spirit of humanity, recognising generosity and mobilising volunteerism.

Information packs and guidelines on volunteer management and media communications are available from the campaign organisers, Giving & Sharing Project, P O Box 78512 Sandton 2146. Tel. (011) 7941234 or email gsp@saifundraising.org.za.

Tips and trends from around the world



Emmi Albers, Joint Partner at Downes Murray International



Richard Solomon, Downes Murray International's Creative Director

In this issue of *Fundraising Forum* we bring you news from the National Catholic Development Conference and the 22nd International Fundraising Congress.

Emmi Albers reports from Philadelphia, in the United States:

It's a real treat attending a National Catholic Development Conference. This year's conference – *Catholic Philanthropy 2002: We Stand Together* – was one of the slickest I've attended.

I can't say that any new magical formulas were revealed, but I can say that South Africa is totally up to speed with the United States in terms of its direct mail strategies.

Some of the useful points highlighted in direct mail sessions include:

- Test the concept of a personal letter/response piece/outer envelope for acquisition – it could double response rates.
- Long letters (four pages) are still outperforming short letters.
- Test ask amounts on donation forms – a higher minimum ask could increase the average gift amount.
- Test a phone message announcing an important mailing.
- Test younger donors with creative and lists – but keep copy compelling, explain exactly where the money is going and use a premium.
- Call and thank all new R100+ donors – by giving big they must have been moved. Call now!
- There needs to be more in a direct mail pack to maintain or increase response rates, not less.

And the message for non-profits not yet offering the option of giving by credit card was clear – do it now!

The number of credit card donations has increased significantly over the past two years, with average gifts being over \$10 higher than gifts by cheque or cash.

A test with and without credit card options produced the following results: The credit card option pack won, with the average gift increasing by 17%, and the response rate up by 4%.

So if you're not already offering donors the credit card option, now's the time to consider it.

Richard Solomon reports from Noordwijkerhout, Holland:

With 818 fundraisers from 62 countries, this year's *22nd International Fundraising Congress* was the biggest and most 'international' to date.

Sessions devoted to communication, corporate strategy, data management, direct mail, major gifts, new media and more,

ensured that there was something for everyone.

It was clear during the congress that direct mail remains at the core of the fundraising mix – and it was good to see that South African direct mail is on the right track.

With numerous sessions devoted to brands and branding the key message was: 'Take what's at the heart of your organisation and make it shine through.'

The essential functions of branding were stressed: to ensure clear and consistent communications, separate you from your competition, and to unify your organisation.

'Everything a fundraiser needs to know to be a success online, but was afraid to ask' – a Masterclass presented by Jason Potts (THINK Consulting Solutions) and Mike Johnston (Hewitt and Johnston Consultants) – highlighted the importance of driving traffic to your website.

Search engines provide an ideal way to ensure your website is easy to find – and webmasters should consider listing with local and international engines.

Along with links from other websites, advertising in magazines, radio and television is another way to get people to your website.

And, of course, ensure that your URL is included on all your organisation's printed materials.

Potts and Johnston also highlighted other online fundraising essentials:

- Ensure timely fulfilment and thanking.
- Have a clearly displayed privacy statement.
- Allow donors to opt in/opt out.
- Make sure your website complies with the relevant legislation.
- Institute policies to protect donor interests.
- Ensure quick resolution of online complaints and comments.

Stephen Pidgeon (Chairman, Target Direct) presented '12 Strategic and 12 Creative Ideas to Improve Your Direct Marketing Fundraising'.

Some of Pidgeon's key concepts included:

- Feed back the results of appeals and campaigns to donors – they want to know.
- Try giving your appeal a local edge, by lasering in the name of the town or city.
- Know who is visiting your website and what they looked at.
- Use e-marketing for campaigning – it works!
- Promote bequests with huge energy.
- Think in terms of your donors, and tell them before you do something new or different.
- Be sure to welcome new donors to your organisation. ■

3 things to do before launching your organisation's website

You've designed an appealing, interactive website for your organisation, set up a secure payment facility for donations and planned a promotional campaign to publicise the site. So now you're all set to reap the rewards of internet fundraising ... or are you?

Using the internet as a marketing tool requires that you put in place certain essential systems and policies, which a number of local non-profits appear to be ignoring. Only if you can answer *yes* to the following, are you ready to go 'live':

You have developed and posted a privacy policy

Respect for privacy is an important aspect of internet culture, and one that you cannot afford to ignore – especially if visitors are required to register and log in to gain access to certain areas of your site, you are accepting online donations or you are requesting personally identifiable data such as e-mail addresses or telephone numbers.

Even if you don't ask visitors to identify themselves, you still need to develop and post a privacy policy on the site. Many internet users are aware that non-personal information and data may be automatically collected by 'cookies' and statistical tracking devices – that they are, in essence, leaving electronic 'fingerprints' on every site they visit.

Ethical organisations draw visitors' attention to these issues and explain how data will be used. If it is to be shared with a third party or your intention is to send follow-up e-mail communications, you should provide an opt-in, opt-out opportunity. Obviously you will need software or a database system in place that allows you to code records so you can respect individuals' wishes.

If you haven't already done so, you should develop a privacy policy without delay, post it on your website – and stick to it!

Your site is compliant with the new ECT Act

From the beginning of August, all e-commerce transactions, including credit card donations, came under the Electronic Communications and Transactions Act.

In broad terms, the new law aims to ensure that e-commerce in South Africa conforms to international best practice; that electronic transactions are protected in the same way as paper and ink agreements; and

that the internet is a safe, secure and effective environment for consumers and businesses.

Non-profits that collect private information or solicit donations via the internet need to ensure their sites comply with the required disclaimers and terms and conditions. You can obtain a copy of the Act from www.polity.org.za/govdocs/legislation/2002/act25.html. Or, if you are not technically minded, you may prefer to engage the services of *Trust Online*, a South African company which offers an independent assessment of your site's compliancy. The company also provides a dispute settlement service, including mediation and arbitration, in the event of a problem. Visit www.trustonline.co.za for further details.

You have an acknowledgement system in place

People make donations over the internet because it is convenient – and immediate. So don't make them wait for an acknowledgement that their donation has been received and is being put to immediate use.

While direct mail donors understand that the cheque they posted can take up to a week to be delivered, and another week before the thank you letter arrives, with the internet there is no excuse.

If you have the correct systems in place, you should receive notification from the bank on a daily basis of all internet credit card transactions processed, and be able to send an e-mail acknowledgement within 24 hours.

Smart marketers will use the opportunity to engage the donor further – by way of links to additional information about the organisation, interactive questionnaires to establish areas of particular interest to the donor, a 'subscribe to our newsletter' offer, or opt-in opt-out buttons to receive regular updates and appeals.

Non-profits in the United States are using sophisticated software programmes that enable them to 'recognise' donors when they return to the site, allow donors to view their giving history online and even customise the site to reflect their own particular areas of interest.

Although these enhancements are probably still some way off for the majority of South African organisations, it is an exciting glimpse of what the future holds for organisations with the vision to develop an effective online fundraising strategy now. ■



Are you ready for an internet campaign? An alarming number of local non-profits haven't yet got the basics in place. Sheila McCallum outlines the essential spadework that has to be done before going online.

How charity ads fail

Non-profit organisations frequently promote themselves with magazine and newspaper advertisements, but more often than not they are wasting donations of the space and any money they spent to produce or place the ads, a new report suggests.

A study of 195 print advertisements placed by non-profit groups in major magazines from 1990 to 2000 found that 'with few exceptions, the ads performed poorly in terms of capturing the readers' attention, drawing them into the ad, and leaving a strong impression in their minds'.

This is according to Andy Goodman, a Los Angeles communications consultant to non-profit groups, who wrote *Why Bad Ads Happen to Good Causes and How to Ensure They Won't Happen to Yours*.

The report is based largely on a study by RoperASW, a New York market research company that measures the ability of an ad to capture and hold the attention of readers and is based on interviews with at least 100 people around the country.

Goodman offers the following principles for non-profit groups to follow when promoting their causes through public service advertisements:

Capture readers' attention by keeping the ad simple, providing an unmistakable focal point and creating a clear path for the eye to follow from one element to another.

Make an emotional connection before attempting to convey information. Stories, not lots of facts, do that best.

Write headlines that offer a reason to read more by stating a benefit, arousing curiosity, or providing timely news on an issue.

Use pictures to attract and persuade, but stay away from monochromatic images and avoid obscuring photos with text. When appropriate, charities should also use photos of babies or other images that



This ad scored highest in the study of readers, in part because of its simple design. The eye follows the trigger to the text, telling how a 10-year-old killed his sister with a gun that he found at home.

people are drawn to.

Make text readable with simple typography, clean design, and a length that is suitable to the subject and the publication the ad will be appearing in.

Before deciding on an ad, test its effectiveness with focus groups and informal interviews, and make sure that publications will want to run it.

Remember that sometimes the most memorable ads are the ones that break the rules.

Source: Reprinted with the permission of *The Chronicle of Philanthropy*
<http://www.philanthropy.com>

Fundraising Forum is edited by Richard Solomon and Terry A Murray and published by Downes Murray International.

Downes Murray International

Downes Murray International are fundraising consultants, working with non-profit and non-government organisations of all kinds, to increase their fundraising effectiveness.

We offer feasibility studies, strategic planning workshops, direct mail fundraising, mail/phone, corporate and capital fundraising campaigns, church fundraising and bequest promotion programmes. In addition, Downes Murray International has close links with a number of fundraising consultancies across the globe, enabling us to keep a finger on the pulse of international trends and techniques. For further information contact your nearest office.

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Season's Greetings

The editors, contributing writers and publishers of *Fundraising Forum* wish all clients and friends a Merry Christmas and prosperous New Year.

If you would like additional copies of *Fundraising Forum* or would like to add names to our mailing list please write to:

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