

More

Good asking – the role of research in efficient, effective and enjoyable fundraising

Dr Beth Breeze

Director, Centre for Philanthropy
University of Kent

Daniel Fluskey

Head of Policy and External Affairs
Institute of Fundraising

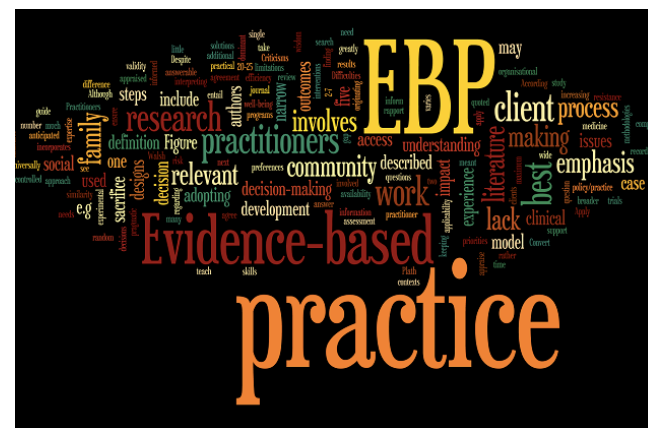
Chair: Chris Aucken

Good Asking:

The role of research in efficient, effective and enjoyable fundraising

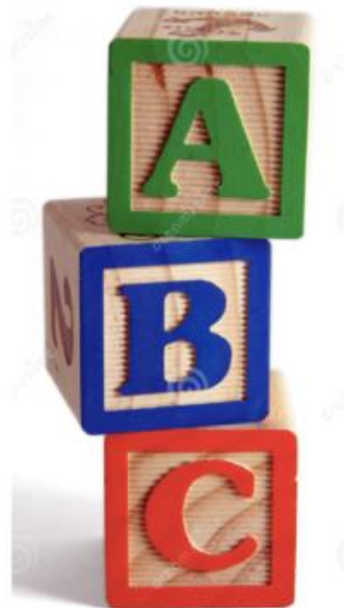
Dr Beth Breeze, Centre for Philanthropy, University of Kent, UK







Shift from 'chasing the money' fundraising to 'affinity fundraising'



Ability

Belief

Connection

‘Good Asking’ report – Methodology

- Online survey in February 2017
- Disseminated with the help of the Institute of Fundraising
- 347 valid replies
- 20 multi-choice questions + ‘write-in’ options

Table 1: Summary of research participants

Type of respondent	Number	Percentage
Paid fundraisers who specialise in prospect research	93	27%
Paid fundraisers who do prospect research as one part, but not the main part, of their job	90	26%
Paid fundraisers who make use of prospect research done by colleagues	79	22.5%
Fundraising consultants	37	10.5%
Others (largely freelance prospect researchers)	32	9%
Paid fundraisers who do not make use of prospect research	13	4%
Volunteer fundraisers	3	1%
Total	347	100%

Who completed the survey?

Table 2: Size of charity in which respondents work or volunteer

Size of charity based on annual income	
Major (over £10m)	54%
Large (£1m – £10m)	34%
Medium (£100,000 – £1m)	10%
Small or Micro (under £100,000)	2%

Table 3: The importance of fundraised and donated income from individuals

How important is fundraised and donated income from individuals?	
The charity's most important source of income	48%
One of our important sources of income	48%
Not an important source of income	4%

Key Findings

1. Research is an entirely **commonplace** part of modern fundraising.

2. Research is viewed as **essential** for effective, efficient and sustainable fundraising.

3. Restrictions on research would have a **damaging effect** on the ability to raise funds and fulfill charitable missions.



Research is an entirely commonplace part of modern fundraising

	Often	Sometimes	Never
My charity has undertaken, or commissioned, prospect research	66%	28.5%	5.5%

	Often	Sometimes	Never
My charity has undertaken, or commissioned, wealth screening of existing donors	22%	66%	12%

	Often	Sometimes	Never
My charity has undertaken, or commissioned, wealth screening of potential donors	23%	49%	28%

“I’ve never met a donor or potential supporter who wouldn’t expect me to be prepared for a meeting with them.”

“All of the major donors I have spoken to on this subject are unanimous in their appreciation of the care and attention to detail that has gone into the solicitation process to ensure that the kind of projects we have asked them to support align with their own interests.”

“Wealth screening as a term probably doesn’t help! I find that supporters are pleased to know that we understand their connections, have read their biographies and recognise other ways in which they can help the charity.”

“Without fundraising research there would be no major gift programmes anywhere.”

Why knowing a donor works in finance helped secure £10,000

“Just this week I met a new potential donor. Our research (from public sources and which we would share with the potential donor if asked) helped us to understand his background in finance and be prepared for questions about our funding and cost analysis. Because we were prepared, the donor had more confidence in us and the charity and has now pledged a £10,000 gift.”

Research is viewed as essential for effective, efficient and sustainable fundraising

	Agree	Neither	Disagree
Conducting research enables our fundraising to be more cost-effective	90%	6%	4%

	Agree	Neither	Disagree
Conducting research enables us to produce communications that are tailored to suit the interests and needs of individual donors	90%	6%	4%

	Agree	Neither	Disagree
Conducting research enables us to enhance the experience we are able to offer our donors	90%	4%	6%

	Agree	Neither	Disagree
Conducting research reduces the number of unwanted or irrelevant communications that we send out	88%	6%	6%

	Agree	Neither	Disagree
Conducting research enables us to recruit and retain donors who provide long term support	88%	8%	4%

“For example, through research we discover that a donor is a trustee of a foundation that supports climate change, so when we meet the donor we make sure we are clued up on our climate change work.”

“If there is information in the public domain that suggests a person loves to play golf, then that gives me a reason to invite him to a charity golf event; I would not invite him to the cricket.”

“If they are on a number of women’s leadership boards they might be interested in being involved in a debate being organised on women’s rights.”

The many benefits of conducting research

“If we know that a donor plays the trombone, we can ask them to support the chair of our principal trombonist rather than the harp player. If we know that they own an array of financial services companies, we can speak to them about client entertaining opportunities rather than brand sponsorship. If our research reveals a person that has just sold their business and has a once-in-a-lifetime opportunity to give a seven figure gift and have a cultural facility named after them, we can make that opportunity available to them at the right time. Likewise if we know that their business is in trouble we can take the decision that this would be a difficult time to approach them for a donation, and avoid causing upset.”

Restrictions on research would have a damaging effect

	Agree	Neither	Disagree
We would raise less money	86%	10%	4%

“Without conducting research, we would relapse into ‘spray and pray’ – asking everyone in the hope that someone latches on to what we’re saying.”

“The alternative would be to mail everyone on our supporter base with the same asks which would be a considerable additional expense.”

	Agree	Neither	Disagree
Our fundraising would cost more	86%	11%	3%

“You can’t have your cake and eat it too. If donors want good return on investment then charities need to conduct research to achieve this goal.”

	Agree	Neither	Disagree
We would offer our donors a worse experience	80%	13%	7%

“Without research, fundraising is no more than a guessing game – and in the process of guessing we risk upsetting or disengaging people when we misjudge their capacity to give, their area of interest or their motivation for being involved.”

	Agree	Neither	Disagree
We would be less able to fulfill our charitable mission	75%	18%	7%

“Failing to spot a major donor from amongst your supporters represents a missed opportunity for your charity to secure funding for important work.”

“Ultimately, it’s not for me and to make my job more effective or easier, it’s so we can do more for our beneficiaries.”

Summary on research and ‘Good Asking’

- ▶ Cost-efficient use of resources
- ▶ Sending the most appropriate type and content of communication
- ▶ Ensuring fundraisers are prepared for meetings
- ▶ Demonstrates respect for the people they’re talking to
- ▶ More relevant, meaningful and fulfilling experience for the donor
- ▶ Avoids the embarrassment of over-asking
- ▶ Avoids the missed opportunity of under-asking

How research led to an 8,000% increase in a donor’s annual gift

“One of our donors used to (and still does!) give £10 per month. We identified her through a wealth screening a few years ago. I reached out to her to find out her interest, and it turns out it stemmed from a personal connection to our cause. We met for a coffee and got on well, and I told her all about the work we do in the area she had shown a personal interest. She told me she had always wanted to do something more but didn’t know how. I introduced her to experts, answered her questions, and told her of different ways she could make a difference. Together we created a project which appealed to her interests, furthered the charity’s goals, and ensured that she made a big impact on something she cared deeply about. She now gives £80,000 a year to support that project.”

Damned if they do, damned if they don't...

Fundraisers only have two options:

- Blanket asks
- Targeted asks

The first option is inefficient and irritating, and the second works.

There is no magic alternative way of raising funds if this path is closed.





All our reports – including the ‘Good Asking’ report - are available free online at www.kent.ac.uk/sspsr/philanthropy

Please feel free to contact me at b.breeze@kent.ac.uk



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**Daniel Fluskey, Institute of Fundraising
@danielfluskey**

About the IoF



Over
6000
members



560
organisational
members



137
corporate
members



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Charities fined over 'wealth screening' data breaches

🕒 6 December 2016

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Two charities have been fined over data protection breaches after secretly screening donors so they could be targeted for more money.

The Information Commissioner imposed penalties of £25,000 on the RSPCA and £18,000 on the British Heart Foundation over the so-called "wealth screening".

Excellent fundraising *for a better world*

Trying to answer three questions at the same time

How do charities make sure they're properly following data protection law (GDPR and PECR)?

What standards should charities be held to – the same as businesses and other sectors, or should they be held to different/higher standards?

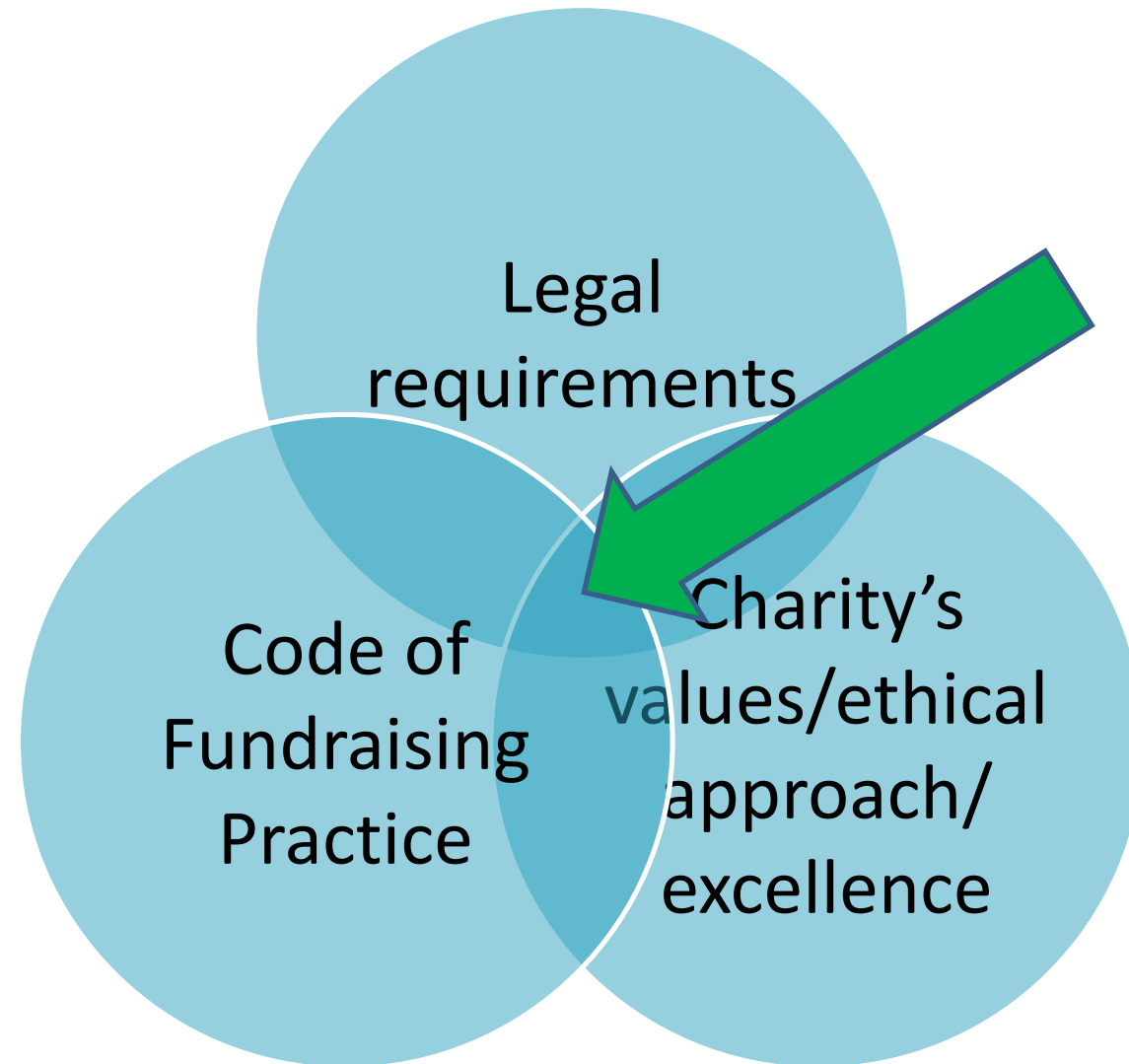
How ***SHOULD*** charities be fundraising in a way that raises money, improves the experience for supporters & the public, and brings long-term sustainability?

Trying to answer three questions at the same time

How do charities make sure they're properly following data protection law (GDPR and PECR)? LEGAL COMPLIANCE

Should charities be held to the same standards as businesses and other sectors, or should they be held to different/higher standards?
FUNDRAISING REGULATION

How *SHOULD* charities be fundraising in a way that raises money, improves the experience for supporters & the public, and brings long-term sustainability? EXCELLENT FUNDRAISING



Can you do research on supporters?

- ▶ Can you 'google' someone?
- ▶ Can you find out if they have been trustees/directors?
- ▶ Can you add info to donor records (e.g. causes they have supported?)
- ▶ Can you do prospect research to find out more about an individual to tailor your communications?

Can you do research on supporters?

Yes.....if

or,

No.....unless

You have to go through a process...

1. Understand what lawful basis you can use

Consent = "Here's what we want to do, is that ok?"

Legitimate interest = "Here's what we would like to do, tell us if you would prefer us not to" - do a balancing exercise!

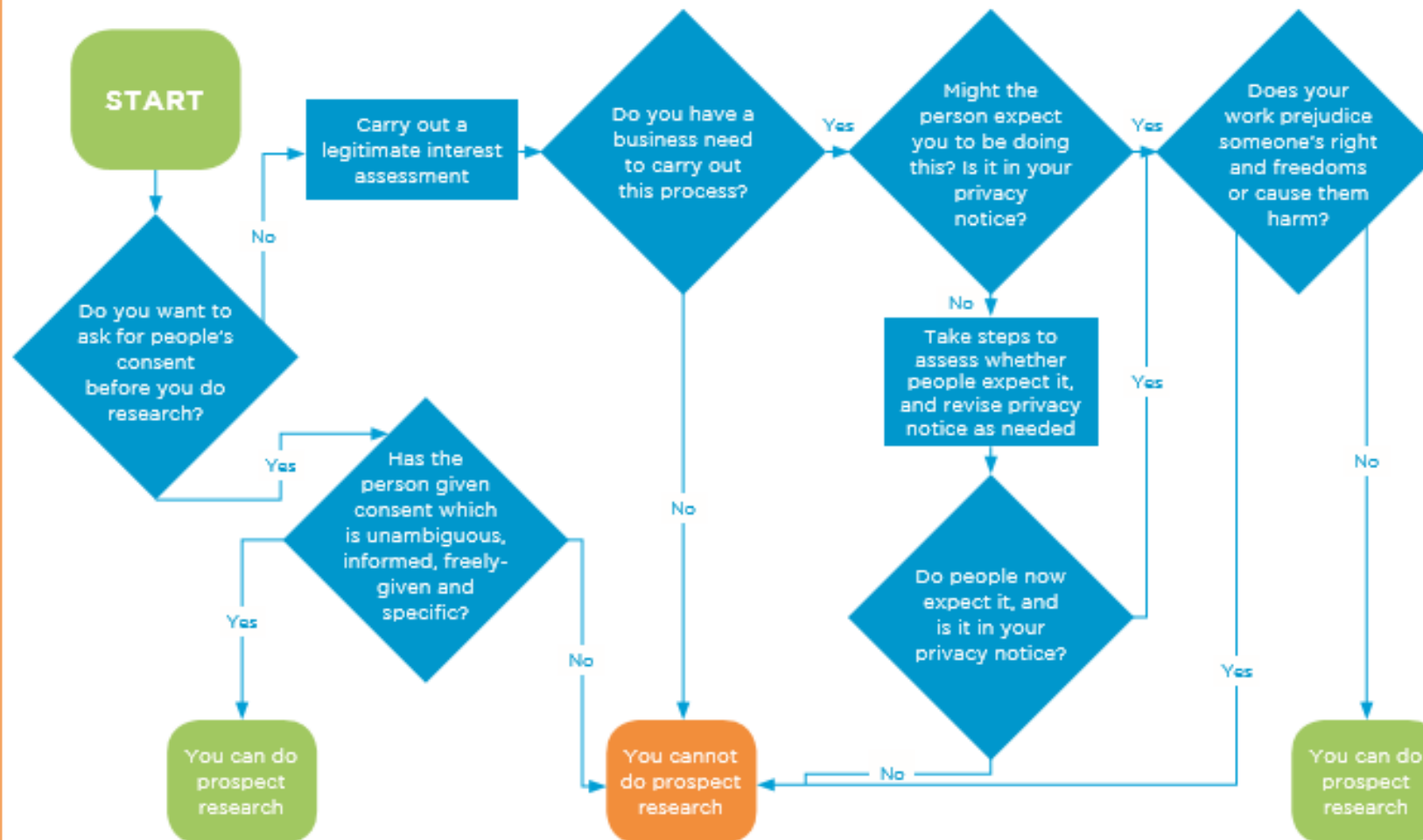
2. Check what your privacy notice says, and whether an individual has been given the right information and choices

3. Undertake a Data Privacy Impact Assessment on any major areas of work

4. Only do what you said you would do with an individual's data (or the things that would be in line with reasonable expectations)

5. Review the impact and effect, gather evidence to inform your practice and future decisions

How can you do prospect research?



Note: this assumes that any data used in prospect research is obtained lawfully and fairly.

Some resources to help

