

SUPPORTER ENGAGEMENT



WHO GIVES, HOW AND WHY?

To acquire, retain and extend supporters you must know who they are and why they do what they do.

You must know more than the demographics (*yes 80% of appeal donors are over 50 and 63% are female*), you must also understand their character and values.

Supporters like to see themselves as

RATIONAL
Optimists

even though we know they are often emotional and concerned.

Donors give charities a high adjusted Net Promoter Score of:

+25

62%

Donors are generally satisfied with an overall score of 62% being either very or quite satisfied across 9 satisfaction measures.

Donors are less engaged with an overall engagement score of 39% either agreeing or strongly agreeing with 9 engagement factors.



Donors generally feel that communications from charities are achieving their goals with a score of 73% across 9 communications indicators. However, face to face acquired donors rated communications lowest.



The charity market is extremely competitive and only

1/3

donors think the organisation they support is making a greater difference than others.

Charities must differentiate on the basis of what they do, who they help, how they do it and why they do it.

Tracking, comparing and improving supporter experiences is essential to maintain a long strong relationship in the face of increasing competition.



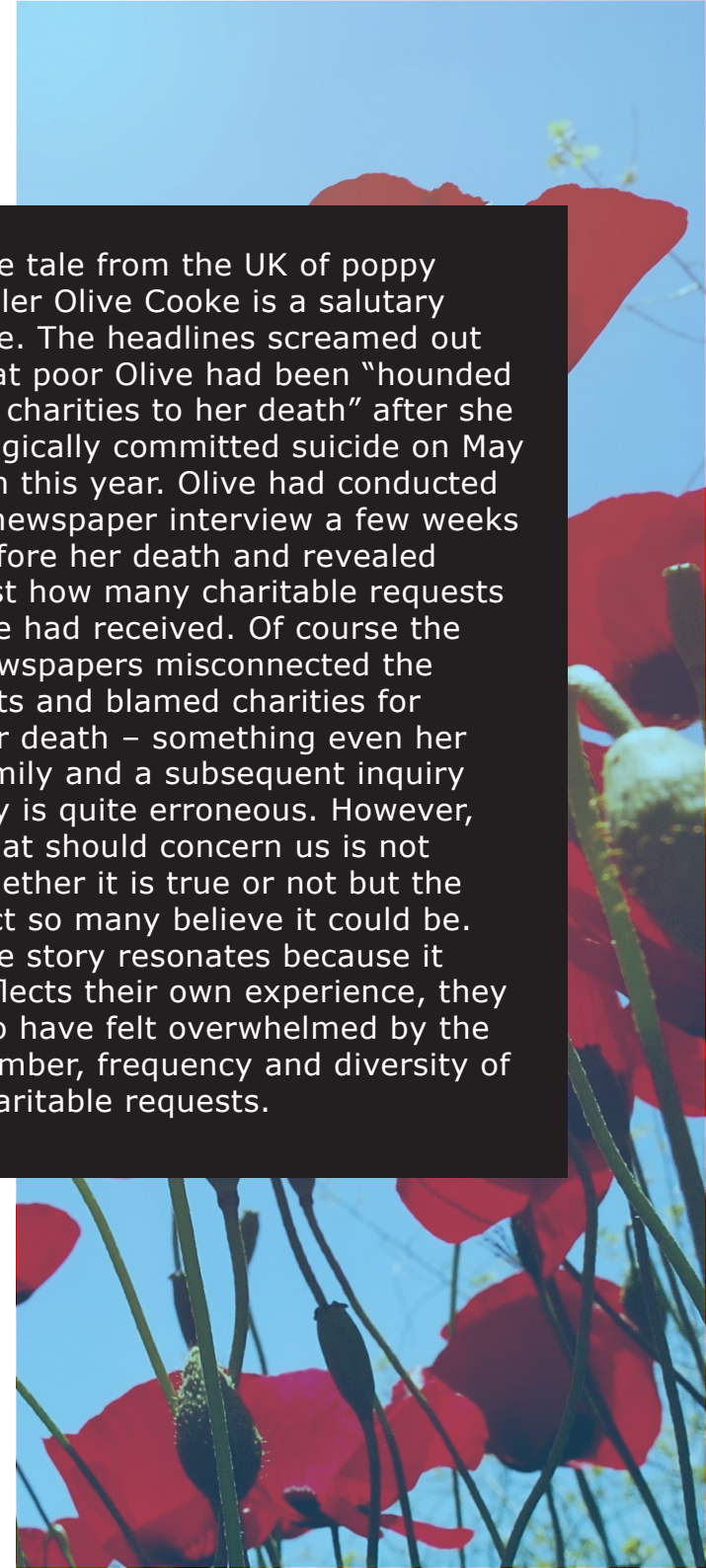
THE PROBLEM

Acquisition is becoming more expensive and less predictable. Whilst face to face continues to defy the predictions of demise, we have seen a decline in the response rate from “premium” acquisition and although digital and social are finally looking promising they will not deliver the volumes of new donors needed if charities are to achieve their mission.

Now, more than ever before, is the time to really focus on retaining and extending the supporters you already have. Budgets, time and energy have been orientated towards acquiring supporters rather than keeping them. With ever more competition, multiple channels and a limited pool of donors it is essential that the balance swings back to retention.

The advent of swaps and co-ops has boosted response rates but also mean that the most dedicated supporters receive more requests from more charities than ever before. Reading through the open ended comments from over 6,500 donors gives a clear sense of how overwhelmed they feel – they know charities desperately need more funds but many have nothing left to give. We are in danger making them feel impotent. No matter how much they give, charities are never satisfied.

The tale from the UK of poppy seller Olive Cooke is a salutary one. The headlines screamed out that poor Olive had been “hounded by charities to her death” after she tragically committed suicide on May 6th this year. Olive had conducted a newspaper interview a few weeks before her death and revealed just how many charitable requests she had received. Of course the newspapers misconnected the dots and blamed charities for her death – something even her family and a subsequent inquiry say is quite erroneous. However, what should concern us is not whether it is true or not but the fact so many believe it could be. The story resonates because it reflects their own experience, they too have felt overwhelmed by the number, frequency and diversity of charitable requests.



**WE MUST
ADDRESS THE
WHY OF GIVING.
WE MUST KNOW
WHO WE ARE
TALKING TO.
WE MUST KNOW
WHAT THEY
EXPECT.**

THE ANSWER: UNDERSTANDING

Only by understanding who your supporters are, why they support you and what they expect can you build the sense of belonging and loyalty that will ensure they carry on giving to you and not to the other 300 charities that are also asking. Only by engaging them, on their terms, can you build a lifelong relationship that maximises lifetime value.

Most charities have limited insight into who gives and why. There is often a huge amount of invaluable data about what they have done but very little about why they did it. Recency, frequency and value are essential tools for segmenting and targeting but they alone are no longer enough. We need to move from RFV to RFVW. We must address the **why** of giving. We must know **who** we are talking to. We must know **what** they expect.



THE METHODOLOGY

Over the past 3 years **More Strategic** have undertaken more than 30 qualitative and quantitative studies of donor attitudes and expectations. We have listened to the views of more than 27,000 supporters from the public, events and peer to peer and supporters as they share their views on what motivates them, what sort of person they are, how they like to give, what they think of charities, how satisfied and engaged they are and why they do what they do.

The results below are based on responses from 6,836 charitable supporters from 3 very different organisations who have responded to surveys by mail, email and mobile in the 9 months to July 2015.

There are 2 key differences with these studies:

- 1** Use of actual behavioural data in the analysis: by importing past donor information (donor type; acquisition source; 12 month value; first gift year; response to upgrade requests; number of gifts) we are able to compare the behaviour and opinions of different types of supporter.
- 2** Standardised question set: by using common questions for satisfaction, engagement and communications impact we are able to compare the behaviour and opinions of your supporters relative to the same type of donor to other charities.

LEAD GENERATION +

As per standard industry practice the surveys were distributed to the majority of the supporter database in order to identify bequest, community fundraising, regular giving and major donor prospects.





It is worth noting that the respondents are, by the very act of completing a survey, more engaged than other donors. The response rates to the survey ranged from under 2% for one off donors by mail to over 16% for high value (\$1,000+) donors. From the surveys a total of 642 bequest enquiries (intend and consider) were generated and 171 bequest confirmations, with a potential value of over \$20m.

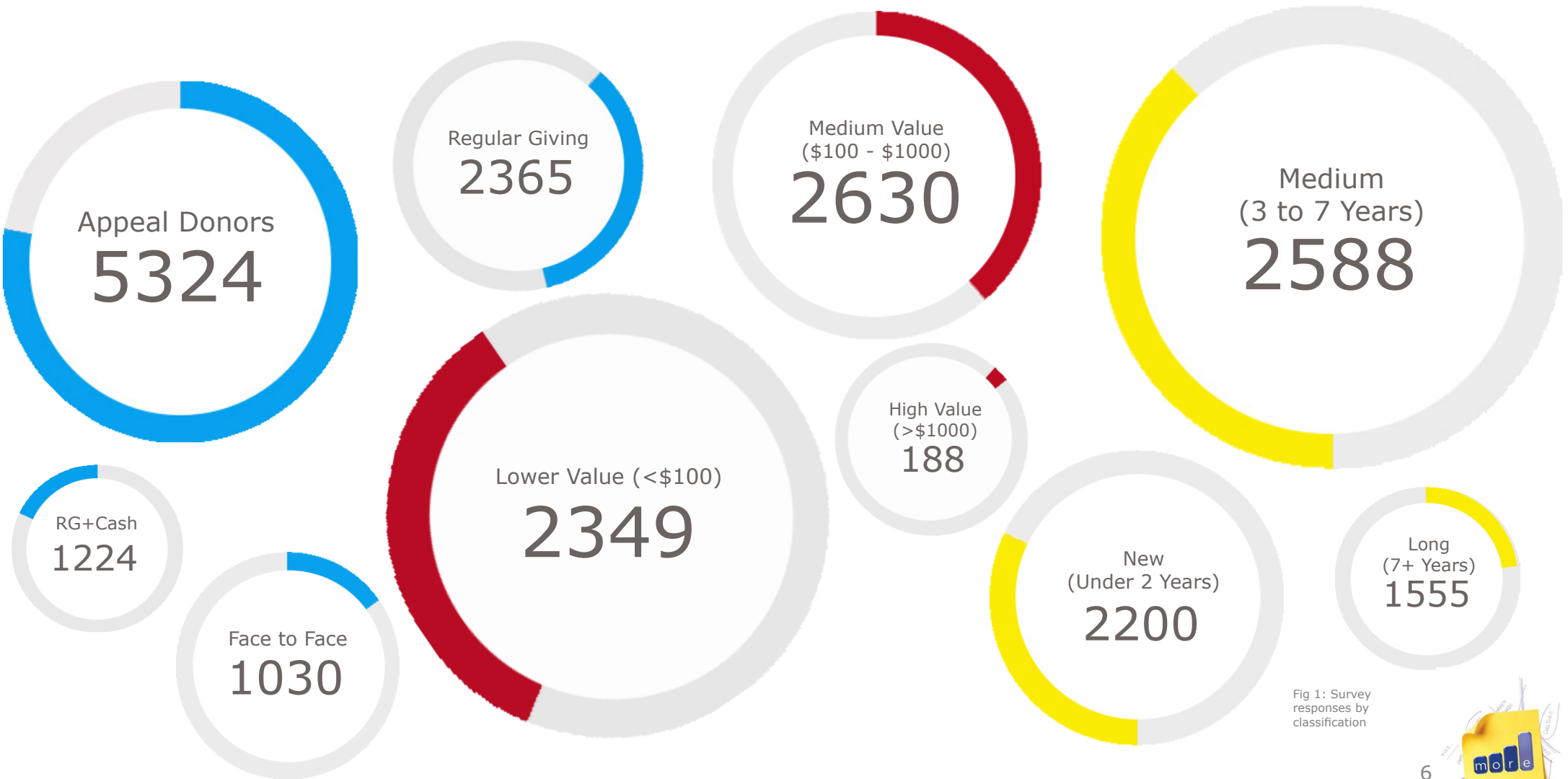


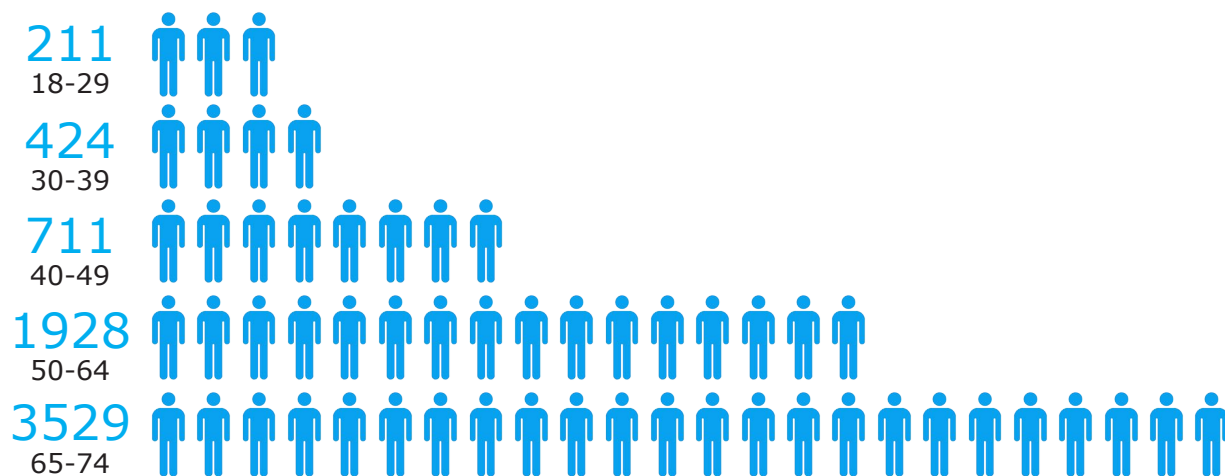
Fig 1: Survey responses by classification



ARE THEY WHO WE THINK THEY ARE?

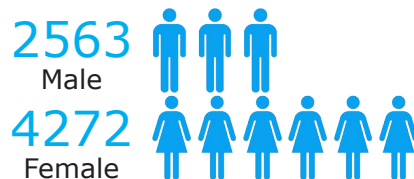
Probably. Ask most charities who their donors are and the answer is usually females over 60 year old. Our research reinforces that sense – we found that overall 52% were over 65 and 80% over the age of 50. There was a strong female bias with a total of 63% of respondents being female.

AGE PROFILE





CENDER



There are of course some interesting variations by organisation, value and type:

- 1 One of the 3 charities had a 50:50 male: female ratio, one had an even stronger female bias at 67% female to 33% male.
- 2 Even through face to face 2/3rds of the 1,026 respondents were female (perhaps women are more survey responsive).
- 3 The balance was more even for \$1,000+ (annual value) donors with 48% of these being male compared to 36% of the lower value (under \$100).
- 4 Face to face had a younger profile but even here 47% were over 50 (note that the surveys were sent by email to most face to face donors which should encourage a younger respondent group).
- 5 Recently acquired donors were just as likely to be over 50 as established donors.

WHAT ARE THEY LIKE?

Two people of the same age and same gender living next door to each other in similar houses with similar jobs will make very different decisions about their giving. Demographics give us an indication of propensity to give but no indicator of who they may give to. Giving is driven by personal values and beliefs. We can encourage anyone to make a one off gift to something they are emotionally moved by but to establish a long lasting relationship we need to connect to their core values.

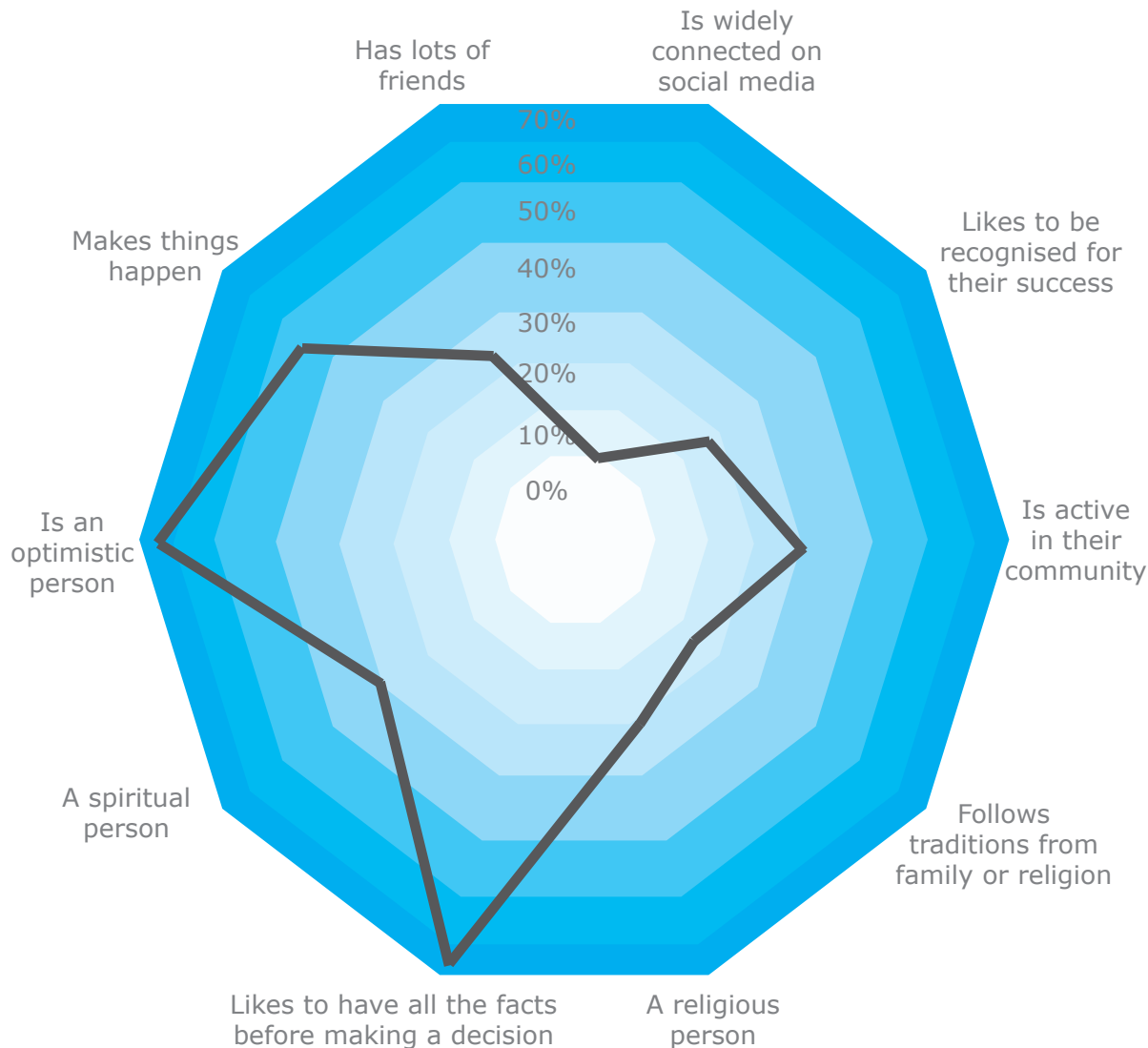
To make a real connection with your supporters you need to understand who they really are and what matters to them. We have been experimenting with attitudinal segmentation using indicators such as the well regarded Schwarz Theory of Basic Values and European Union Social Values survey to understand more about the character and values of charitable supporters.

CHARACTER

Overall we can see that donors have a self-image as rational optimists. We know that most charitable giving is an emotional response often to something threatening or fear inducing but donors don't necessarily see themselves in that way. From listening to donors we often hear a rational justification for an emotional response – this is something we need to keep in mind. Donors are often motivated by emotions and fear but are inspired by hope and proof of progress.



DONOR CHARACTER



We can see that few donors describe themselves as widely connected on social media 12% and this only rises to 13% for the 1,026 Face to face acquired donors.

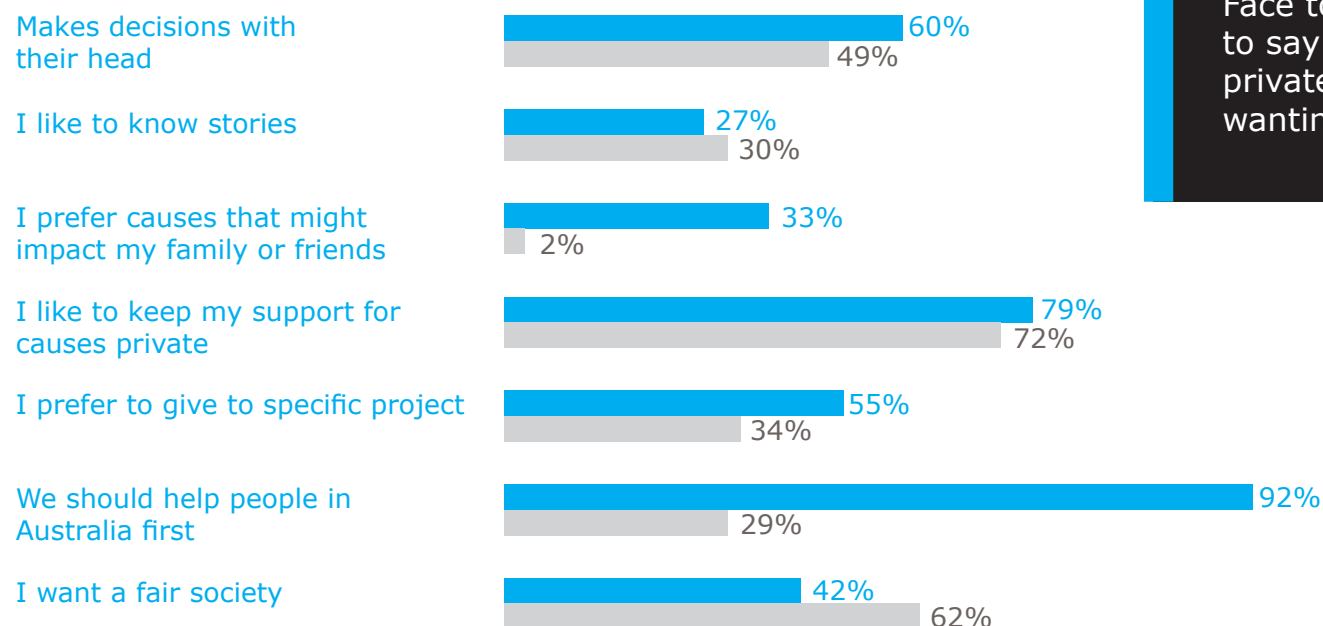
It is worth noting however that face to face acquired donors are higher on the "likes to be recognised for their success" with 30% of face to face donors agreeing or strongly agreeing with this statement compared to 19% of cash donors. This may influence the language you use in your communications.

The proportion of religious donors ranged from 15% to 41% across the charities (one organisation would be described as a faith based organisation).



VALUES

Values are defined by psychology researcher Schwartz as “conceptions of the desirable that influence the way people select action and evaluate event” in other words they shape the way we see the world and how we react to it. These are fundamental to how we interpret and respond to appeals for donations. We have been exploring the use of values and character to create attitudinal segmentation for charities. The chart below illustrates that, despite having very similar demographic characteristics Charities A and C supporters have quite different beliefs when forced to choose between polar opposites.



When we look at the values of those giving to the same charity through different channels, for different periods and at different values some subtle differences emerge:

For charity C their face to face donors are more orientated to giving to specific projects than other donor types, however the same does not hold true for Charity A. This must reflect the “pitch” of the two organisations – are either missing out on people who hold values that are not present in their current pitch?

Face to face donors are the most likely to say they want to keep their giving private (despite also being higher for wanting recognition for their success)



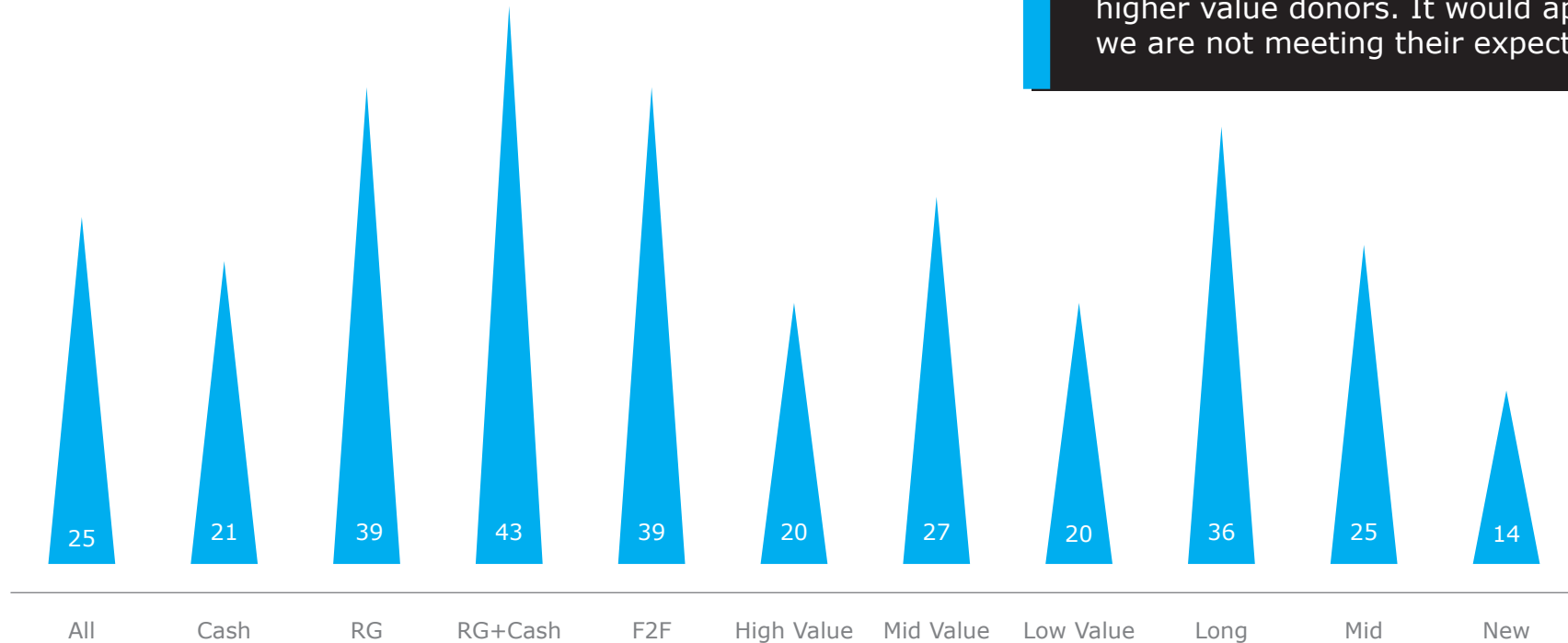
NET PROMOTER SCORE

Many commercial businesses have adopted the Net Promoter Score to track customer satisfaction through the use of a simple “would you recommend this company to a friend?” This is a bit problematic for charities as donors do not generally promote their giving outside of events and peer to peer fundraising – as demonstrated in their privacy score above. We have used a consistently framed responsive version of the Net Promoter Score to track how donors would respond if asked by a friend whether they would recommend the charity.



NET PROMOTER SCORE

The scores are highest for the small number of regular giving + cash and face to face acquired donors and lowest for newly acquired donors. Of concern is the low rating from the 183 higher value donors. It would appear we are not meeting their expectations.



The overall Net Promoter Score is calculated by taking the number of detractors (score under 5) away from the promoters (score 9 or 10). Overall this gives charities a score of +25 but with quite wide variations by donor type and longevity. This is a very favourable score compared to industry where, across 19 sectors and 9,000 respondents a recent study showed the average NPS as -16 with a range from -44 (gas utilities) to +24 (online retail). Of course our question is a little different and given the discretionary nature of supporting charities a positive result is less surprising.

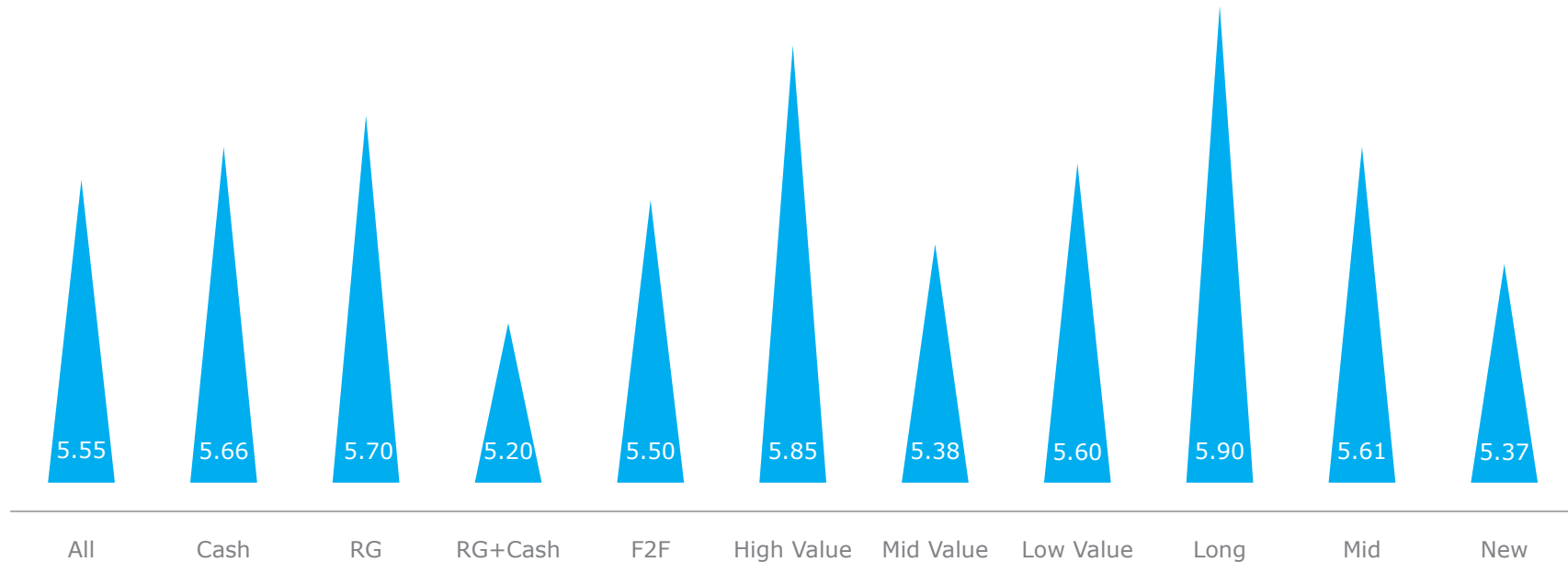


SATISFACTION

Although the Net Promoter Score is popular across the commercial sector there are issues using this for a private highly discretionary activity such as giving. Building on the work of Adrian Sargeant we have tested the factors that donors consider to be important and evaluated how well they think the charity they support meets their expectations. Again we see some divergence in the combined score across 9 indicators of satisfaction.



COMBINED SATISFACTION INDEX



The questions were not asked across all surveys or all donors which partly explains some of the differences between the Net Promoter Score and the Satisfaction Index. However it is also worth noting that:

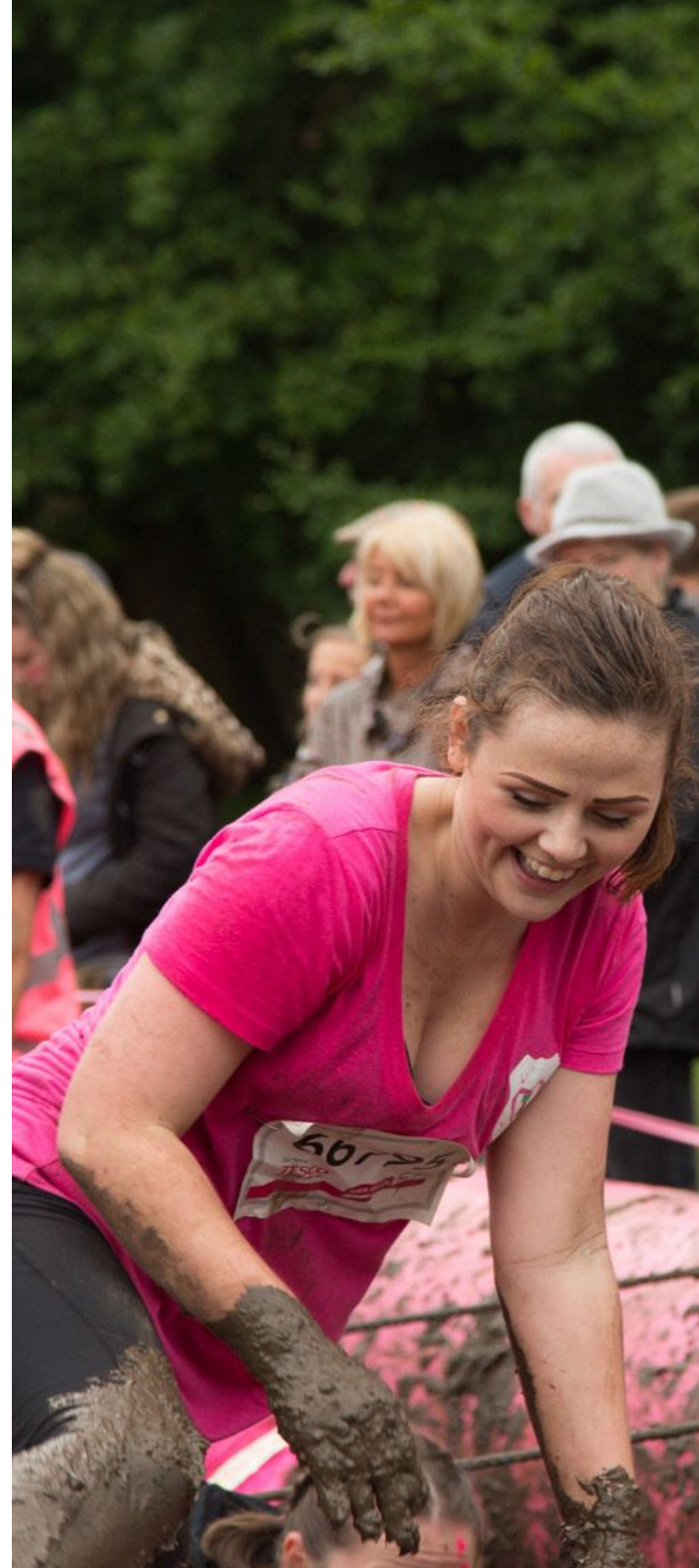
- 1 High value donors scored the organisation lowest for “informing me how my money is spent” but highest for “not asking too often” and “thanking me appropriately”.
- 2 Long standing supporters were consistently more satisfied with newer supporters scoring lowest for “making it clear that my continued support is needed”
- 3 Face to face donors gave the lowest score for “recognising the contribution I have made” and “communicating in a way that connects to my motivations”.



ENGAGEMENT

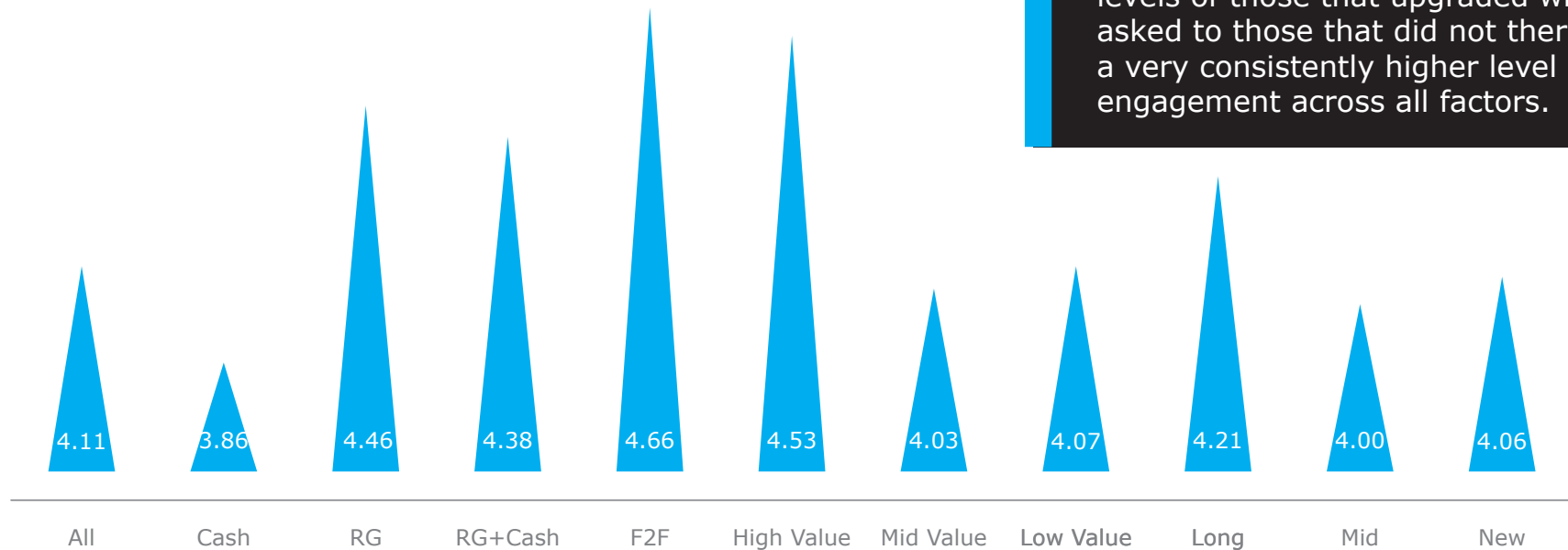
We aspire to have engaged donors not just satisfied ones. We want them to champion our cause, to do more to help with our vital work. Satisfaction is the minimum we require.

We have also created an engagement tracker to help measure and improve engagement over time. The index was created as a result of our 2012 study into Why People Stop Giving where we examined the reasons supporters cancelled regular gifts or didn't make a second donation when asked. From that study we saw that identity, passion and importance were predictors of subsequent value.



COMBINED ENGAGEMENT INDEX

When we compared the engagement levels of those that upgraded when asked to those that did not there was a very consistently higher level of engagement across all factors.



The chart above shows the overall relative engagement score for 2,116 survey respondents (three factors were excluded from one charity survey).

- 1 Cash donors are more “delegational” as they are the least likely to say they want to be more involved or informed about what the charity does and least likely to say this is the most important cause I support.
- 2 Face to face respondents are most likely to wear a T-Shirt to promote the cause, to want to be more informed and to believe you are “making a greater difference than others”.
- 3 Higher value supporters are most likely to say giving to you is “an important part of who they are” and to believe that “if they stopped giving people would be worse off”.
- 4 The new supporters score lowest on satisfaction and being the most important cause but are highest on willingness to give more if asked (although still only 11%) and wanting to be more informed.





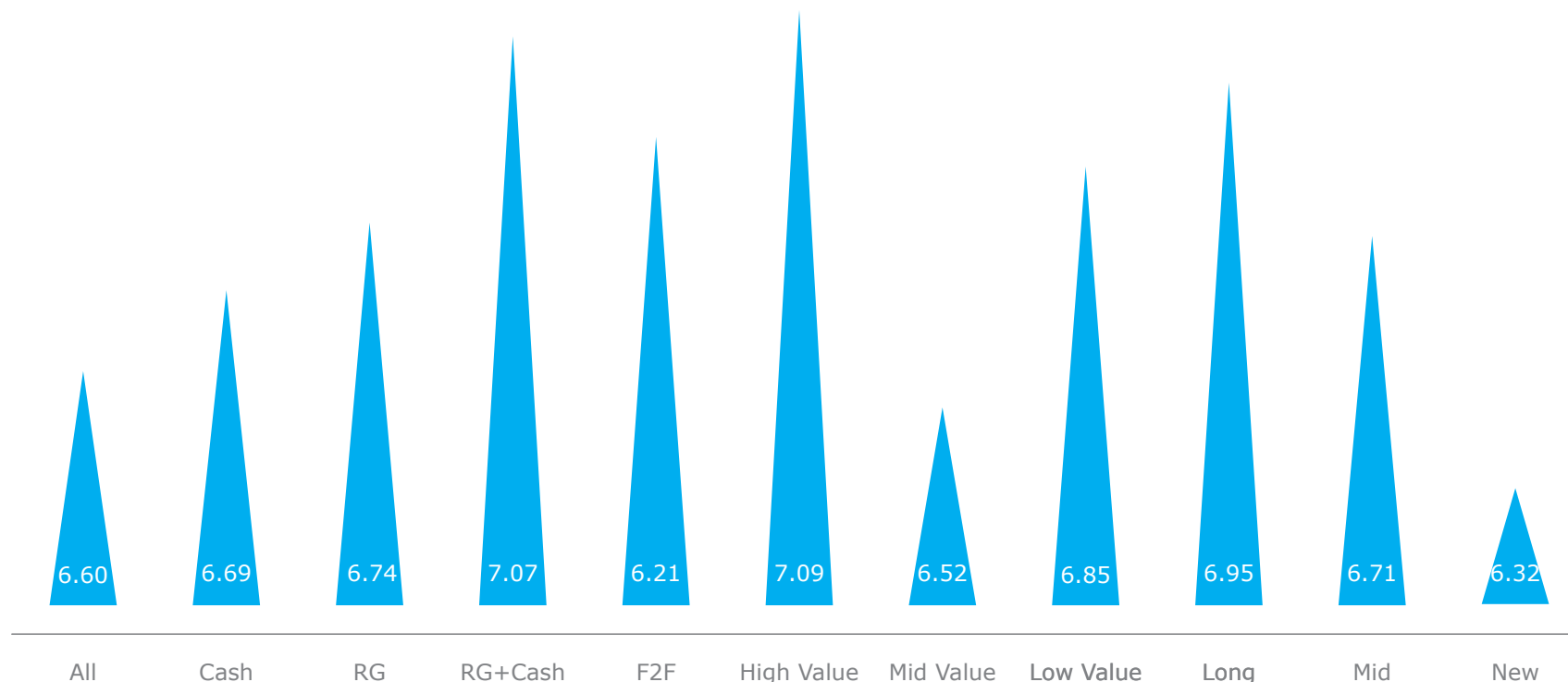
COMMUNICATIONS

Charities invest significant time and energy creating communications to influence supporters but are they hitting the mark? The initial issue is whether they are being read at all! Whilst you know this for email open rates we mistakenly assume that just because we send a newsletter people actually read it. In one of our studies although 91% of supporters remembered receiving newsletters only half said they actually read them. And this is from the most responsive group who answered the survey. We also found there was relatively little differentiation between the quality of communications between the charities they support with most supporters scoring communications as “similar to others”.



COMMUNICATIONS INDEX

As important as receiving and reading the materials is knowing if they are having the desired effect on the supporter. Again we can track overall impact by donor type, value and longevity:



There is a fairly consistent improvement in communications over time so our challenge is how to make a big impact early on new donors. Of greatest concern is the low score for face to face – suggesting charities are not meeting the expectations of face to face acquired supporters. This is most pronounced in the area of “giving feedback on projects I helped fund” and “creating dialogue”. Remember the face to face supporters most wanted recognition and to be involved – let them be part of the conversation.



WHY THEY GIVE

Whilst we have some insights into preferences from the values insights (for example helping strugglers or strivers; here or there) we need to know what it is they think your charity does (clue: it isn't always what you think it is or want it to be); who they want to benefit (sadly some people are seen to be more "deserving" than others) and what they most value about your work (activities and outcomes).

These are clearly very personal to the donor and to the cause so each set of questions we have asked are carefully crafted to the unique needs to each charity. Here are a couple of broad themes that have emerged from our studies:



YOUR ROLE

One of the findings across studies with several organisations is to understand which of the following potential roles your supporters think you play:

PREVENTION

Prevention often requires a longer term view and an understanding of the complexities of the issues your organisation addresses.



AVERSION

Aversion can stop the crisis before it gets worse – this is most effective if the issue is well understood, the threat imminent and your role in aversion clear.



REHABILITATION

Rehabilitation requires a longer term view of the holistic nature of recovery.



RESCUE

Rescue is often the most compelling, especially if the person or situation they are in is not of their making.



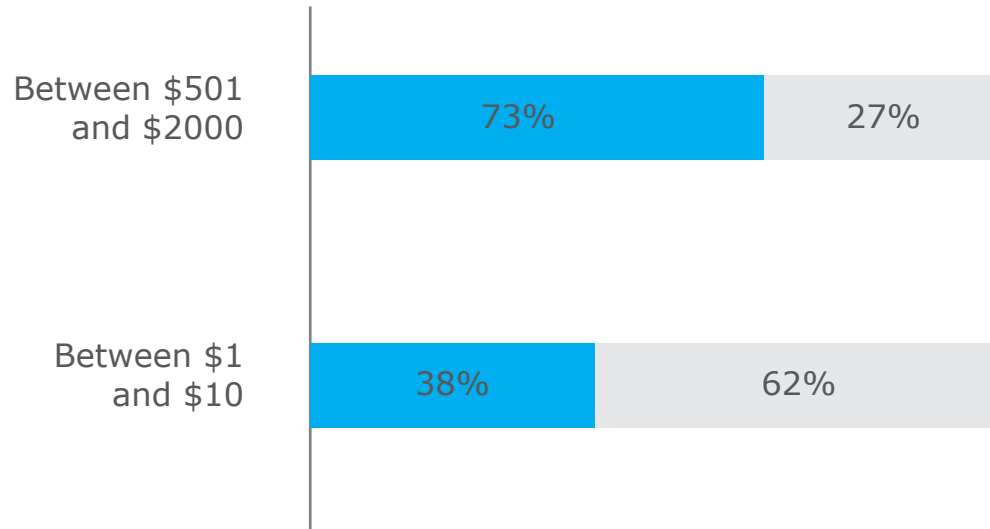
Remember this isn't about what you actually do but what your supporters most value that you do. It is a common fallacy to believe everyone would be more generous towards you "if only they knew everything you did". Whilst probably true, it is extremely unlikely they will ever know as much as you would like. If your supporters know one thing about you and think it is important, relevant and urgent... you are doing well!

HOW YOU HELP

We have found that many supporters have their “Maslow hierarchy of needs” different ways up. There are those who firmly believe in providing practical immediate help to keep people alive and safe and those who believe it is more important that the person knows someone cares and is there for them. Of course, for most this is a continuum and the very act of providing practical help is an expression of care but you need to make sure you are meeting both of these expectations in your communications.



WHO YOU HELP



Looking after ourselves,
which ultimately improves
standards for all

Looking after
community's interest
instead of our own

There are those who recognise that some people are vulnerable and have little resilience left but still need our help. Others most want to help those who are trying to help themselves – to reward the fact they are striving. These judgements come from their own personal experience and values. In one study we saw a marked difference between the charity's supporters and the public in agreeing with the statement "I received help to get to where I am today" the charity supporters attributed their success in life to help from others more than the public. This related to a core set of beliefs around what makes society better: my individual efforts or those of the community. This question has been tracked for many years by the Henley Centre in the UK. We can see from a study we conducted in August 2015 a direct correlation between amount given and response to the options.





WHY YOU HELP

In a congested and highly competitive market, charities must differentiate more effectively; less than half of donors think you are different from others addressing the same issue. Differentiation can come from your role, how you help, who you help or why you help. This is most clearly articulated by organisations who act out of a calling or faith but can equally be utilised by organisations that stand up for something. These organisations have managed to rise above the functionality of their work to embrace something much greater – they are creating social movements, they are change agents, they are champions but above all they are making a values based connection to their supporters.



MORE SUPPORTER ENGAGEMENT SCORE

To develop long term relationships with your supporters you must know who they are and why they do what they do.

Conducting a Supporter Survey is an invaluable way to identify those who may consider you in their will, participate in a fun run or volunteer for your cause. It is also a great opportunity to find out more about your supporters, to compare your performance and to engage in dialogue with your donors.

By linking every survey response to the actual behaviour of your donors (from your database) we can provide comparisons across your supporter file as well as relative performance compared to other similar donors to other causes.

BENEFITS

- 1 Ongoing tracking of supporter engagement so that you can see if improvements in your supporter journey are working
- 2 Identify and connect with your most engaged donors
- 3 Identify what messages and beliefs most impact on engagement and value so you can deliver the most compelling messages to your supporters
- 4 Demonstrate the link between engagement and value
- 5 Understand who your supporters are, what they value in what you do and whether this is changing over time
- 6 Compare your engagement score to other member charities
- 7 Compare the experiences of different types of supporter by longevity or channel to identify how best to improve supporter loyalty





COLLECTIVE AND TAILORED QUESTIONS

The survey will incorporate standard questions to allow comparison across organisations. These will cover issues such as:

- 1 Giving Portfolio – who else they give to
- 2 Net Promoter Score – will they advocate for you?
- 3 Satisfaction – how well do you treat them?
- 4 Engagement – how passionate are they and how important are you to them?
- 5 Future intentions – what else might they do for you?
- 6 Values and beliefs – how aligned are you to their core beliefs?

In addition we will work with you to create questions that are specific to your cause and messages, these may cover topics such as:

- 1 Motivations for giving
- 2 Knowledge of what you do
- 3 Importance of what you do
- 4 What makes you different from others
- 5 Brand attributes and appreciation
- 6 What they want to hear about



ABOUT MORE

More is a specialist consultancy dedicated to helping not-for-profits achieve their mission. We've worked with more than 100 organisations in Australia and New Zealand to help them get more people involved in their causes, raise more money, and change more lives for the better.

We understand how people connect with causes – why they will give, volunteer, advocate or change their behaviour. We're building a wealth of knowledge into what motivates people to act and we use these insights to drive your strategy.

If you want to find out more about **More Strategic**, contact us:

0435 306 202

martin@morestrategic.com.au

www.morestrategic.com.au



ABOUT THE AUTHOR

Martin Paul is one of Australia's most experienced and respected not for profit consultants. He has a great interest in the psychology of giving and is fascinated by why people do what they do. Having worked for leading not-for-profits such as the Cancer Council NSW, Heart Foundation and WWF Martin is well aware of the challenges facing fundraisers.

Martin passionately believes we must connect more deeply with our supporters. They must become part of "we" – and see themselves as an integral part of achieving the mission.

