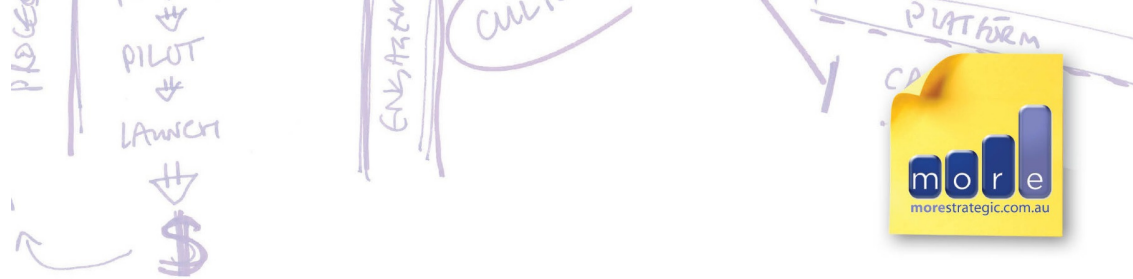




**Research findings on Peer to Peer
fundraising motivations and
practices**

November 2014



How to grow your Peer to Peer income

Executive Summary

Based on data supplied by 5,500 fundraisers and survey responses from over 1,000 people fundraising for 223 charities we can conclude that:

- Peer to Peer fundraising continues to grow in value but charities must be more proactive in recruiting committed fundraisers

- Being a featured charity will provide more fundraisers but the impulsive sign ups are lower value and least likely to continue their relationship with you.

- Gold places increase value but mostly through the target effect – setting a higher target leads to higher fundraising

- Social media does not replace effective personal direct asking but it is a good sign of supporter engagement. Quantified self could increase engagement and value

- The most effective fundraisers are older, existing supporters who are committed to their success

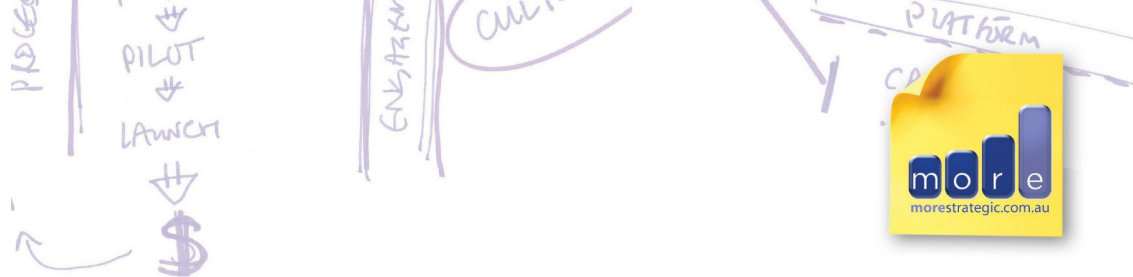
- Setting higher targets, sending and following up more emails and telling people about the impact of their donation and achieving your target will all drive higher revenue

- Treat your peer to peer fundraisers like major donors and take them on a tailored journey to their next experience of supporting you.

Our thanks

We would like to thank Everyday Hero for their funding and access to data to support this vital research.





The Study

This is the fourth year we have conducted research into motivation and fundraising behaviour at Australia's largest fun run, the City2Surf. Every year we track changes in behaviour and explore new areas in depth. Vitally, our surveys are directly linked to the actual fundraising results so we can connect fundraisers survey answers to the target they set and how much they raised.

This year we conducted two surveys amongst runners:

An in depth survey to over 5,000 fundraising runners exploring their personality, lifestyle, motivations, social media activity, use of training apps, registration process and their fundraising practices. With a 21% response rate we have been able to dive deep into the data to really understand what drives their engagement and fundraising success. The responding runners had raised funds for 223 different charities!

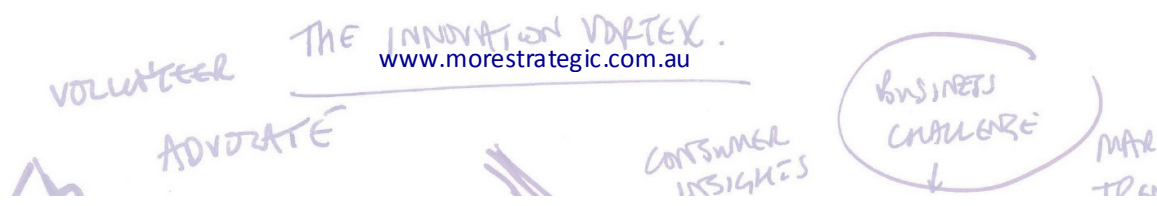
A loyalty survey of all those who had raised funds in 2013 but not registered to do so in 2014. We explored their motivations, communications from charities and response to requests since running in last year's event

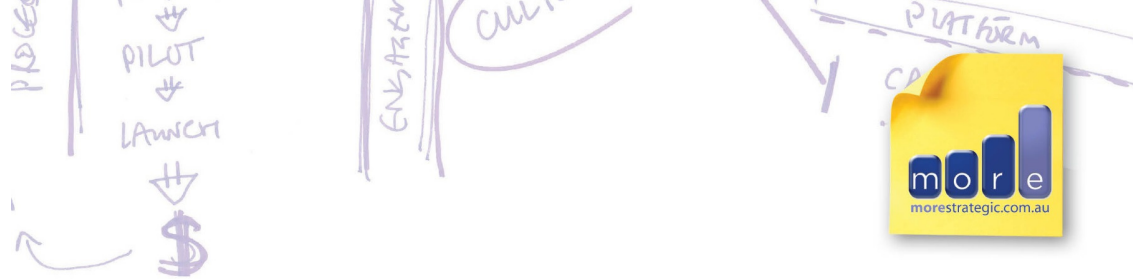
Like many surveys it must be noted that the respondents are a more engaged group than non respondents and not necessarily representative of the wider group of runners. We know the overall the average raised from the City2Surf is \$753 but the average raised by survey respondents was 28% higher at \$966. So, answering the survey raises an extra \$213. This illustrates that correlation is not causation!

The Questions

From a fundraising perspective we identified seven critical questions:

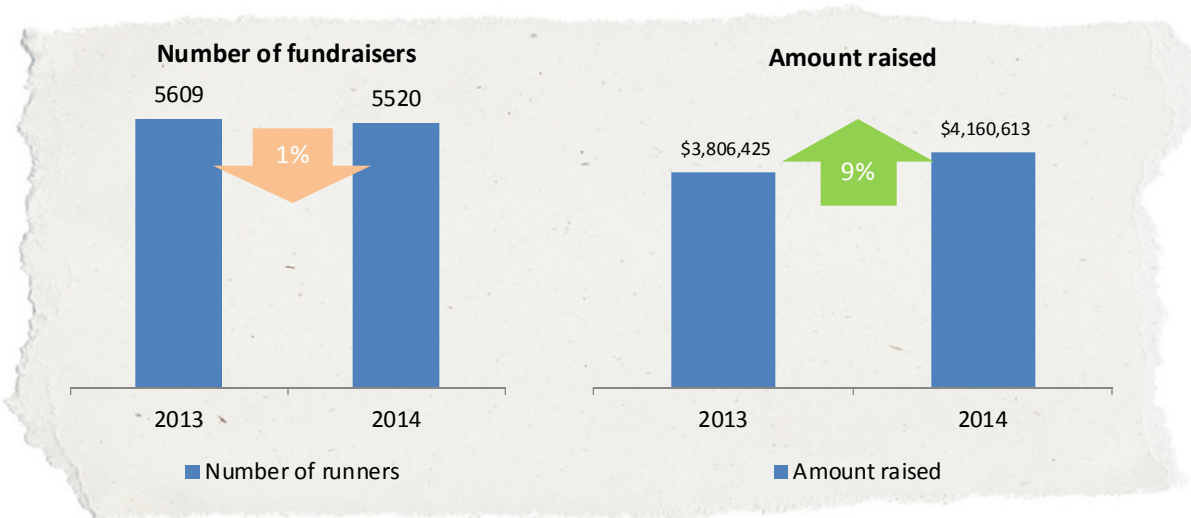
1. Is the event growing?
2. Was it worth being a featured charity?
3. Should I buy a "Golden Ticket"?
4. Does social media matter?
5. Who are the best fundraising runners and why are they doing it?
6. What can I do best to increase their income?
7. What should I do with my fundraisers next?





Q1 Is the Event Growing?

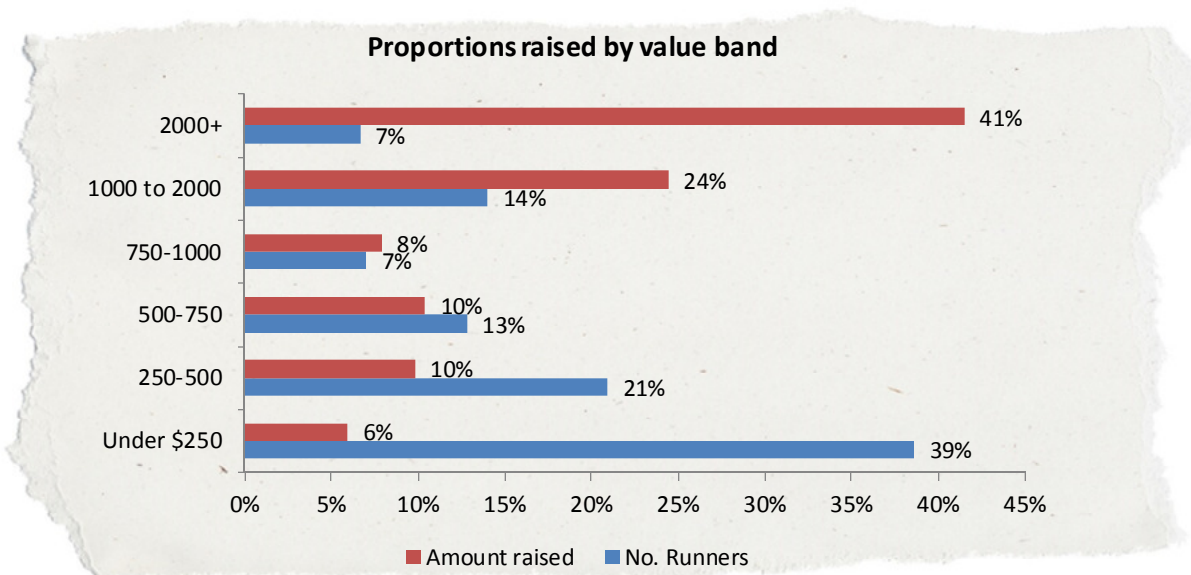
Yes and No! When we compare the number of fundraising runners in 2013 to the number in 2014 we see a marginal drop of 1.5%. However, the total amount raised actually increased by 9.3% over the same time period.

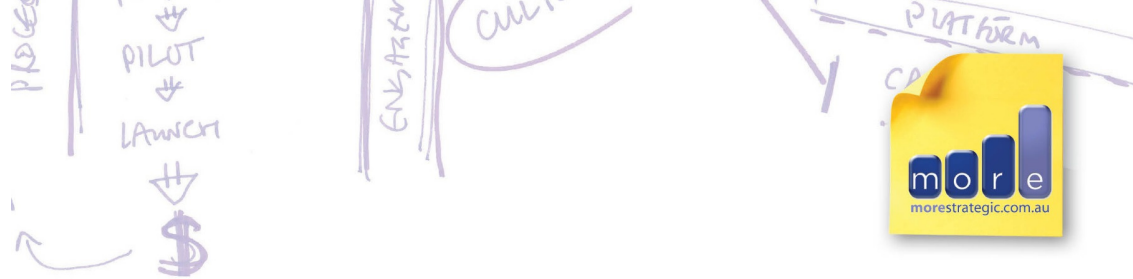


The income has increased despite a drop in number as the average raised per fundraiser has gone up by 11% since 2013 to \$753. When we investigate this further we see that the average has mostly been driven up by a larger proportion of revenue coming from fundraisers who exceeded \$1,000 – your VIP fundraisers.

It is also important to remember that these VIP's contribute the bulk of the funds raised, with just 7% of runners (that is 334 people) contributing 41% of the revenue (over \$1m). Conversely, 39% of runners (2,131 people) contributed just 6% of revenue (\$247k). It is clear where fundraising staff need to invest their energy – in identifying and nurturing your charity's highest fundraisers. Our research shows that these are likely to be the people who set a higher target and interact with their page more.

*7% of fundraisers raised
41% of the income*

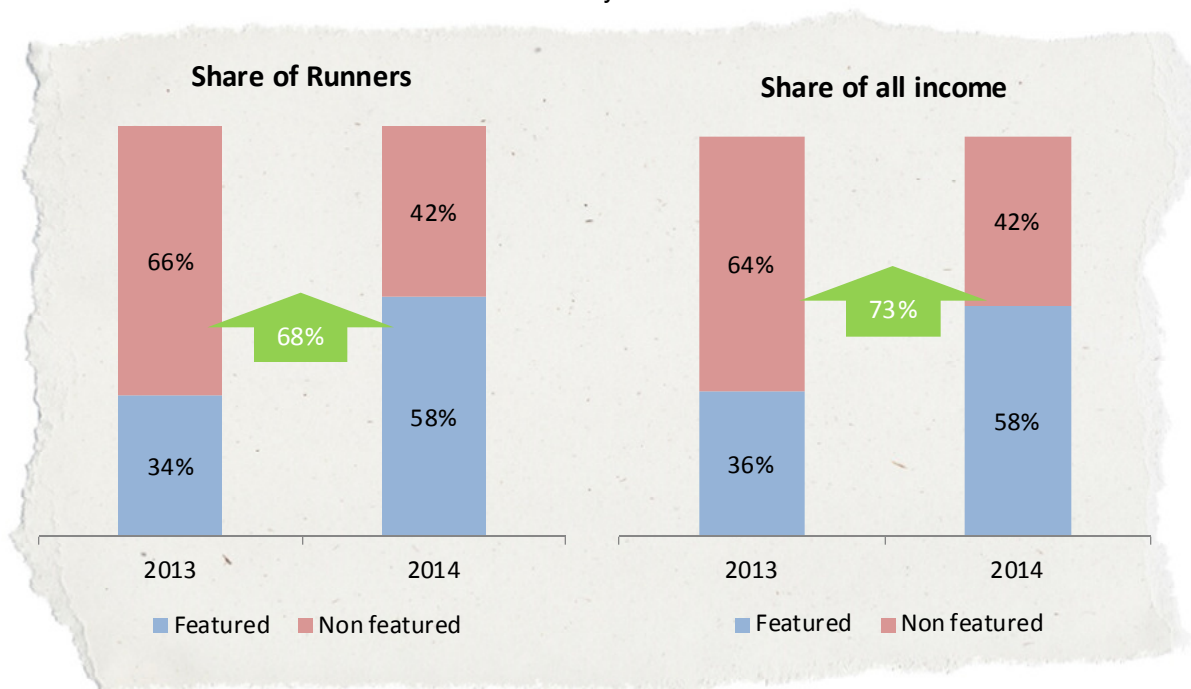




Q2 Was it worth being a featured charity?

For the first time charities could pay to be given greater prominence in the registration process and this had a significant impact on who received the funds.

We compared the performance of all the charities who raised funds in both the 2013 and 2014 event and looked at what proportion of the total income was received by the 47 charities that were featured in 2014 across each year.

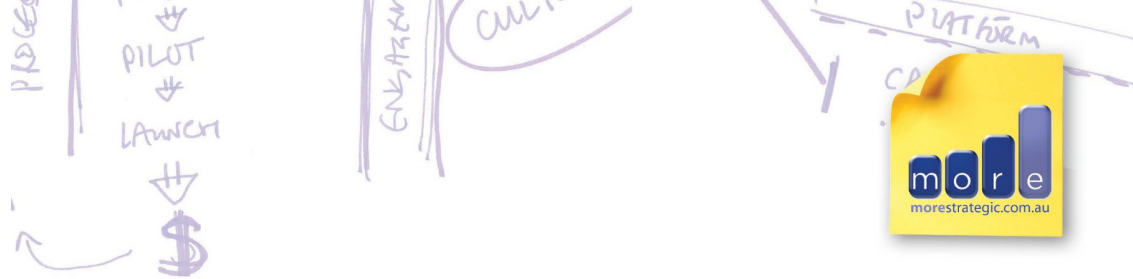


In 2013 featured charities had 34% of the runners and received 36% of the income but in 2014 featured charities had 58% of the runners and a subsequent 58% share of the income.

The featured charities overall increased the number of fundraising runners by 68% and their revenue by 73%. On average each featured charity raised an extra \$21,000. However, not all the featured charities were able to capitalise on the extra prominence with around 21% actually raising less money than in 2013. Being featured increased the number of runners but not the average raised per runner suggesting that the quality of fundraiser is no better.

If you are not a featured charity – don't panic, your focus has to be on active in recruitment of runners who are committed to your cause and not rely on the people making their decision at the point of registration.

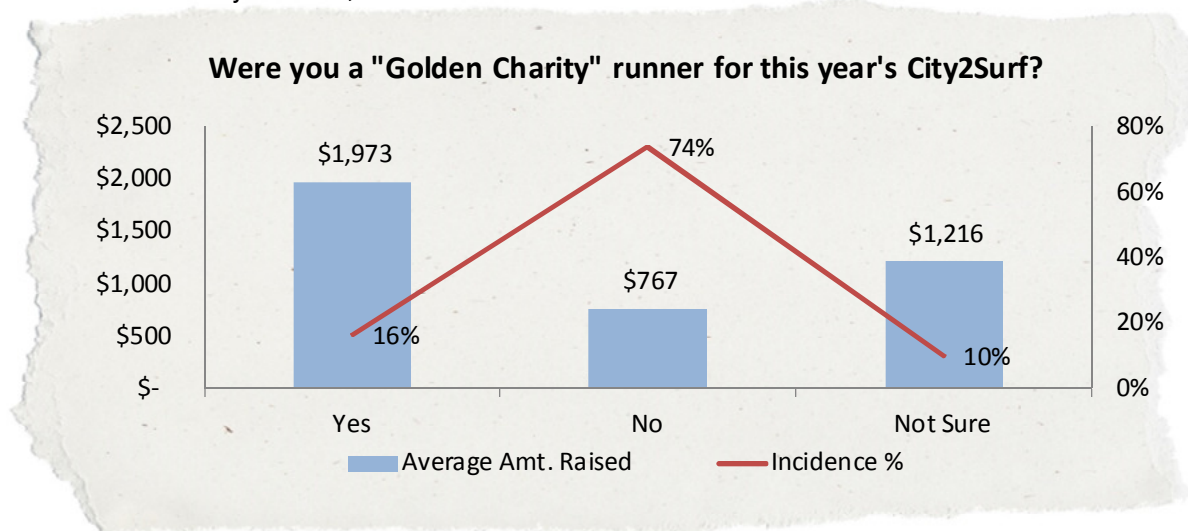




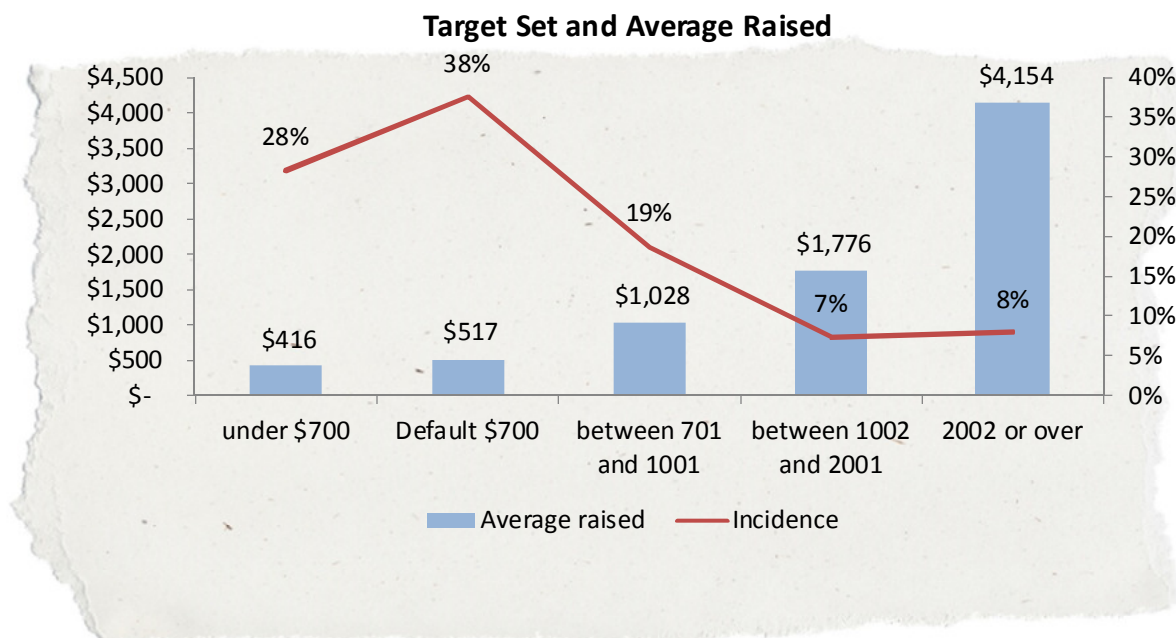
Q3 Should I buy Gold Places?

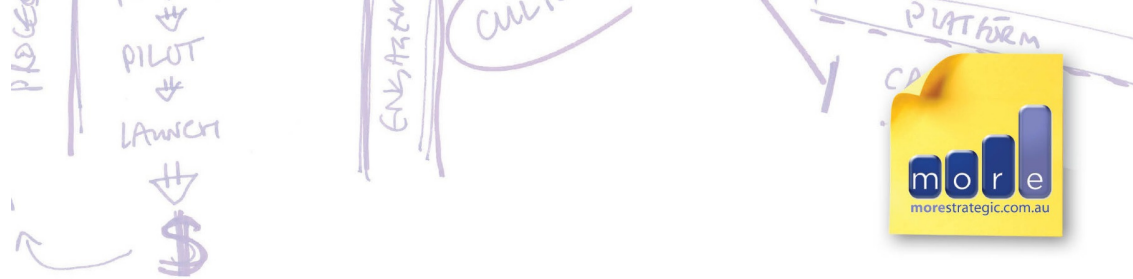
Charities can purchase Gold entries that allow their runners to start the run ahead of the pack and identify them with special status and treatment. Charities have often purchased these in the hope of recruiting more runners but this is better achieved through being featured.

From the survey 16% of respondents identified as being Gold runners (a further 10% were unsure whether they were or not!). We can see that Gold Runners raise significantly more than "ordinary runners, in fact 157% more.



However, in analysing this we should separate out the **Target Effect**: there is a direct correlation between the target people set and how much they end up raising.

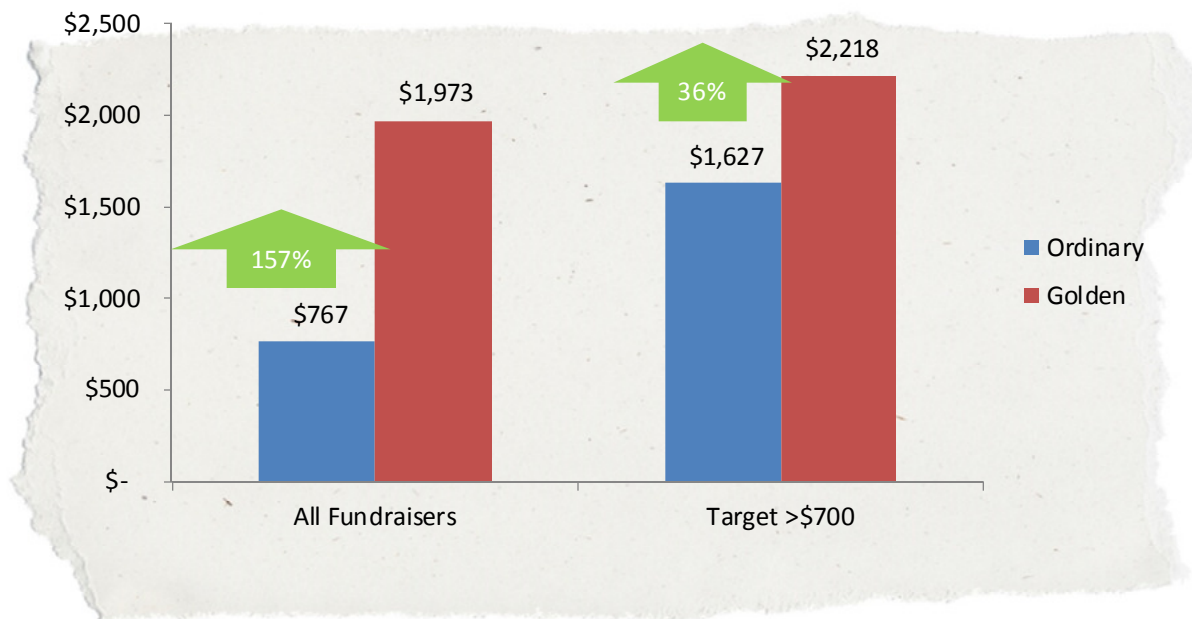




The City2Surf has a default target on the Everyday Hero platform of \$700 and 38% of people just accept this default whilst a further 28% adjust the target to make it lower. Guess what? Those who set lower targets than the default on average raise \$416, less than half of the average from survey respondents. All those who set a target above the default go on to raise more than average, with those setting targets above \$2,000 raising four times the average amount.

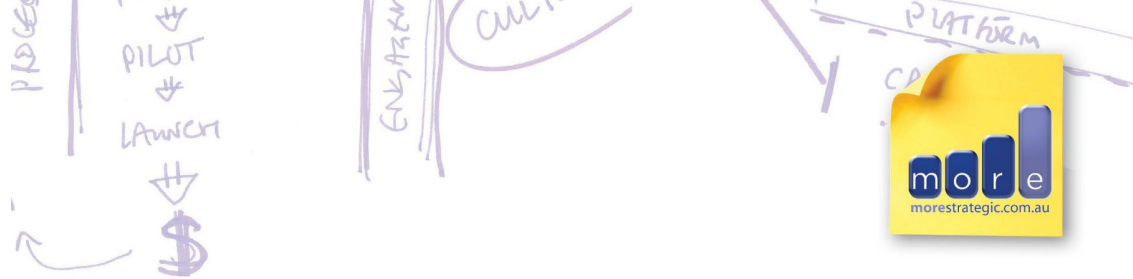
So, we know that people who set higher targets generally raise more money. We also know that 82% of Gold entrants set targets of over \$700 compared to just 25% of the other runners. By comparing the performance of all those who set targets above \$700 and looking at Gold Runners compared to other runners on this basis we see the effect of a Gold place is now an uplift of 30%. This is still an average increase of \$569, which more than offsets the cost of the Gold place.

Gold runners raise more because they set higher targets



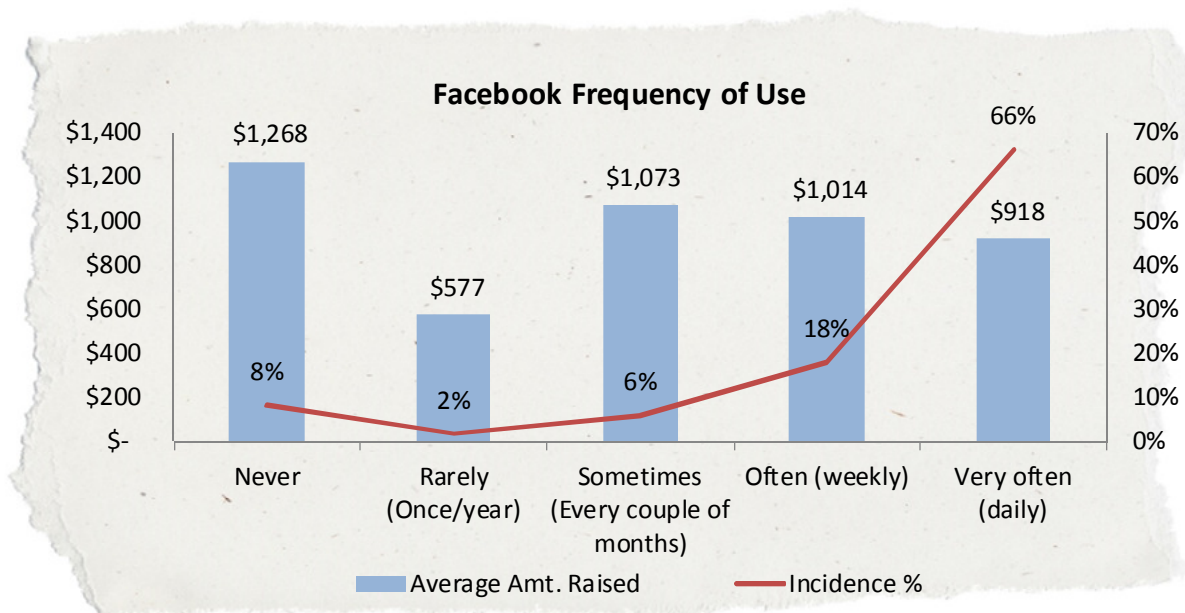
Gold places are an upgrade tool not an acquisition mechanism. It is the expectation and obligation associated with the target that drives most of the benefit of a Gold place. You may be able to achieve the same outcome by strengthening the proposition around what reaching a higher target will enable your charity to achieve.





Q4 Does Social Media Matter?

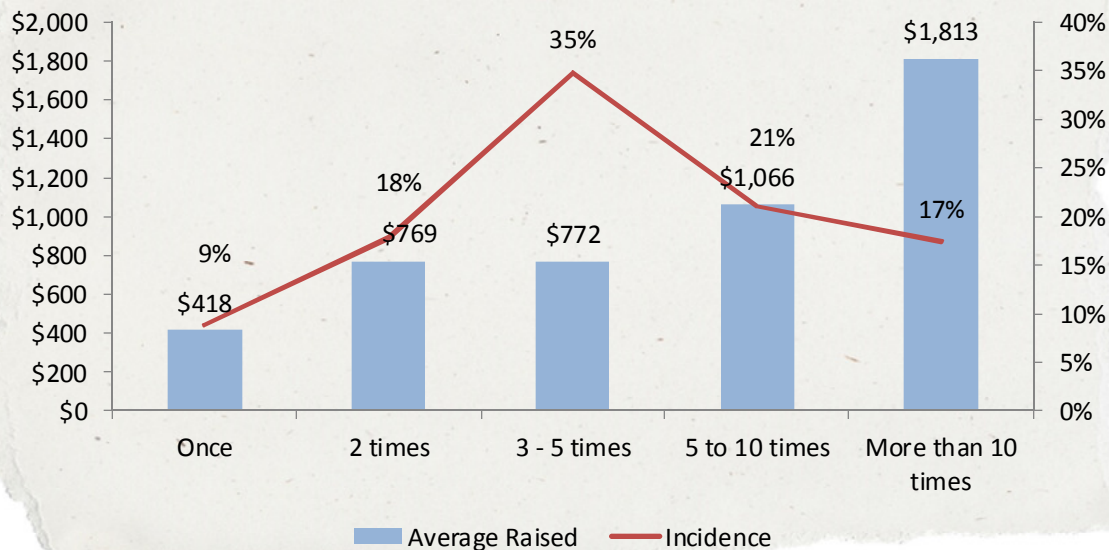
Yes...but it depends what you do with it. Whilst Facebook is by far the most commonly used social media platform, the people who were most frequent users in their daily lives actually raised less money. This is more a factor of age than channel effectiveness; Facebook is most commonly and frequently used by younger people, who we have already seen raise less money.



More critical is how people use Facebook for their fundraising. As we have shown in previous studies, direct asks are more effective than generic postings and posting onto others walls and timelines is more effective than ones' own. There is a correlation between the frequency of posting and amount raised – but again this is not necessarily causal; those who post frequently about their fundraising are the most engaged and committed. This is another good early indicator of VIP status.

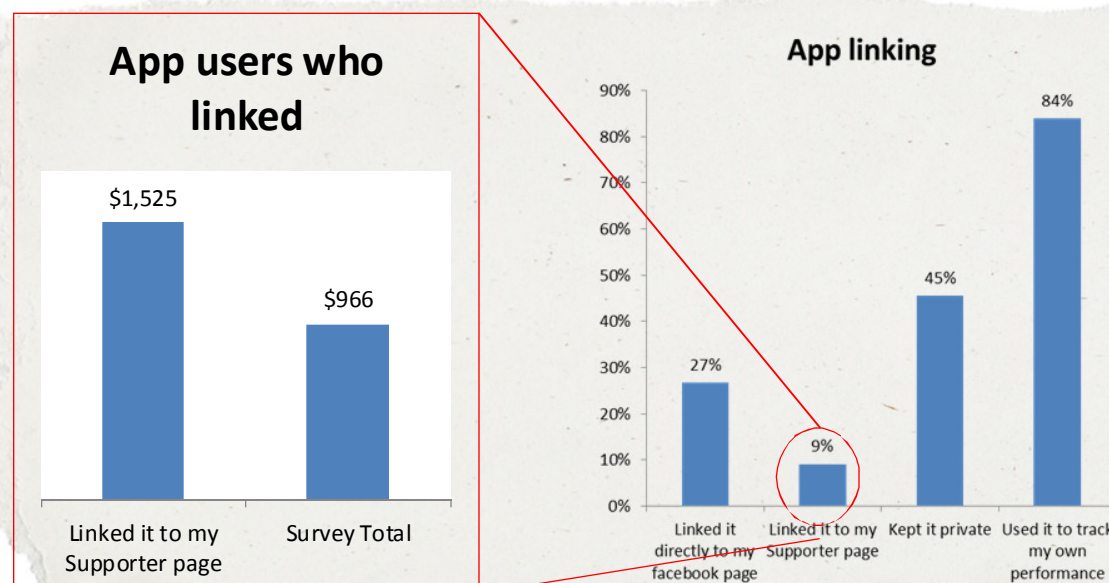
Posting on Facebook is not a replacement for effective direct asking

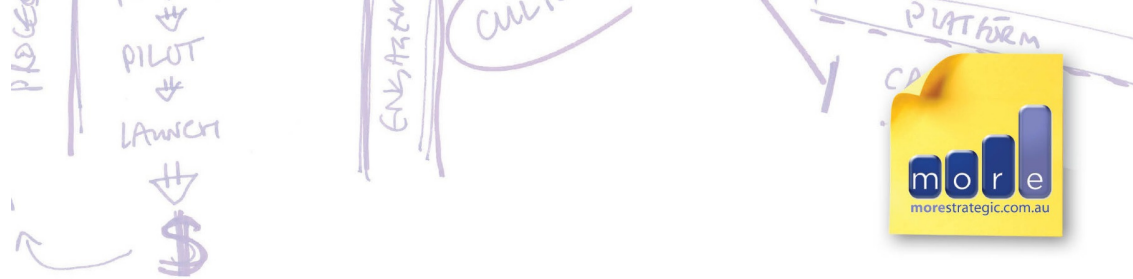




One of the areas explored in more depth this year was the role of quantified self and apps in training. Quantified self is a movement to incorporate technology into data acquisition on aspects of a person's daily life in terms of inputs (e.g. food consumed, quality of surrounding air), states (e.g. mood, arousal, blood oxygen levels), and performance (mental and physical). We were interested to see what the level of adoption of the supporting technology is and whether this creates stronger engagement and hence increases funds raised.

There are several running apps that track training such as MapyMy Run, Nike Running and Runkeeper and nearly half of all respondents (46%) were using an app in their training. However only 9% of those actually linked their app to their supporter page – something that can be done automatically through the Everyday Hero platform. The small sample who did link their app to their page typically raised \$599 higher than the average.

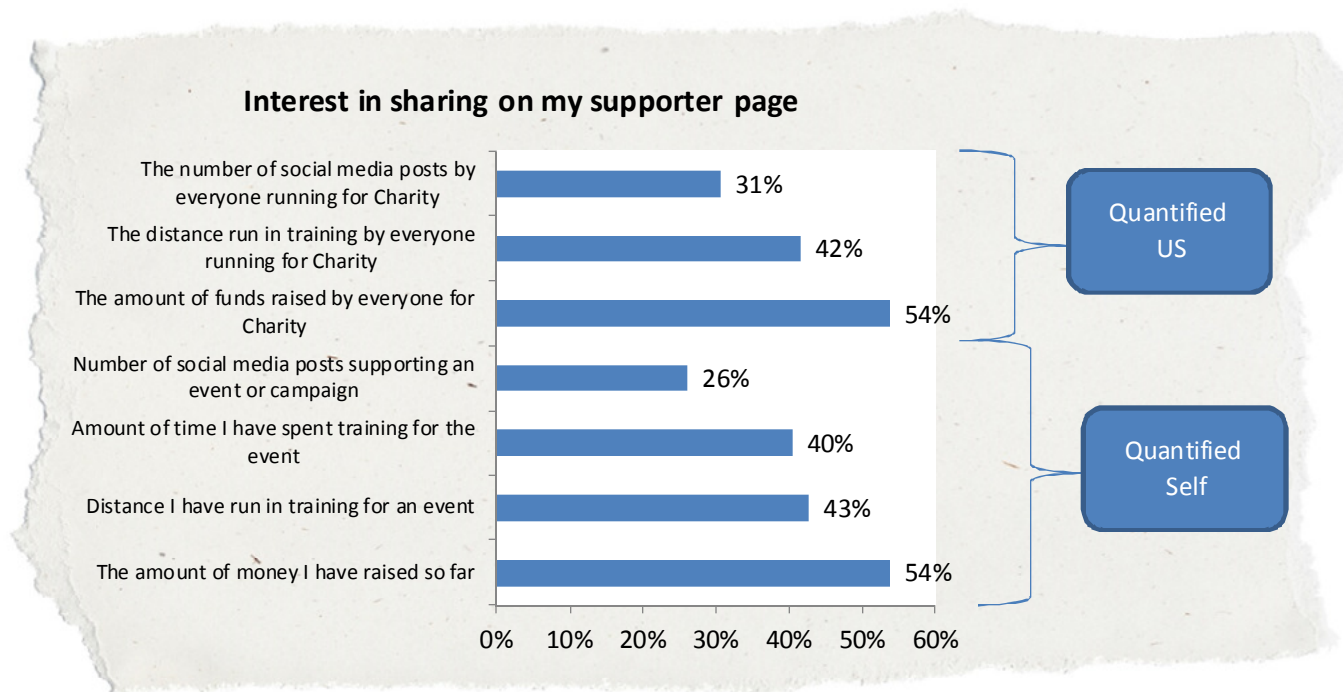




When runners were asked what they were most interested in showing on their supporter page their responses fell into two categories:

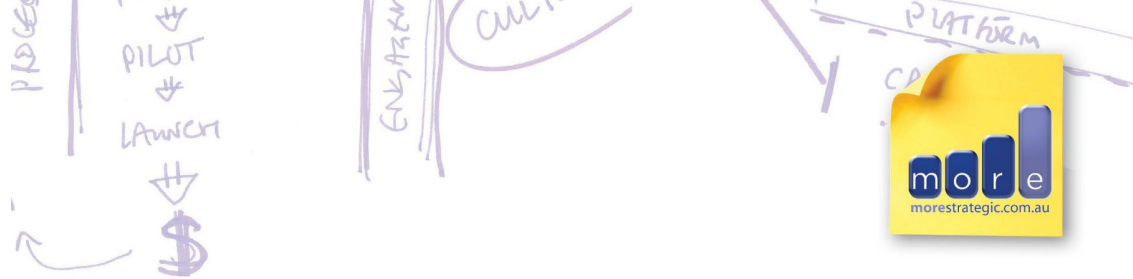
My commitment and effort: time, effort and money (The Quantified Self)

Our commitment and effort: distance and collective fundraising (The Quantified US)



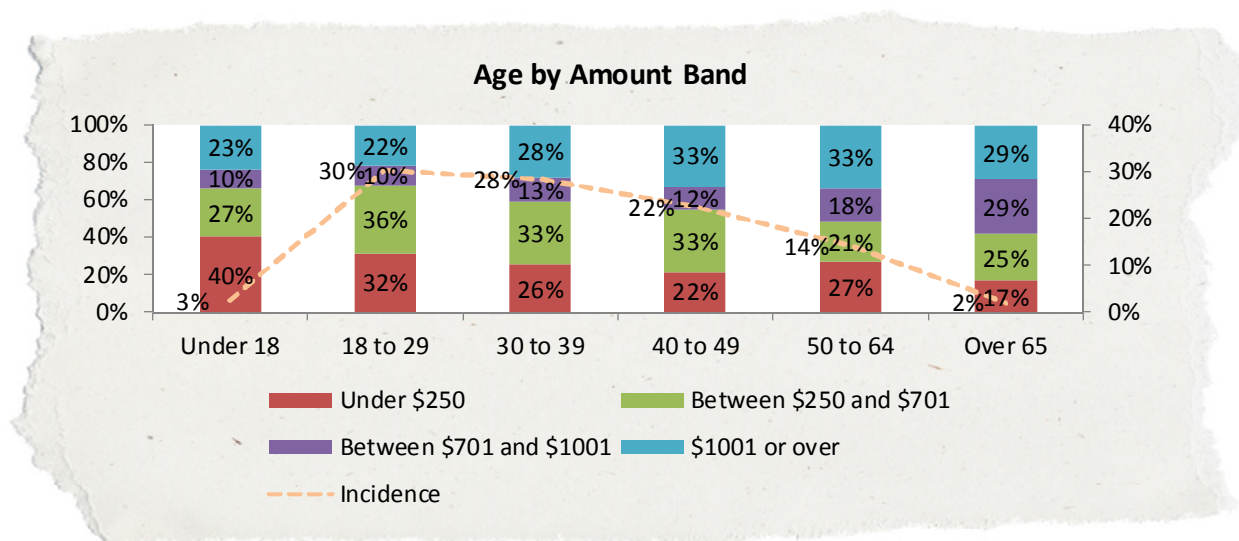
Quantified self can become a useful tool for creating a greater level of engagement and recognising effort as well as fundraising – and the two will reinforce each other.





Q5 Who are the fundraisers and what are they like?

Our research shows that the older the runner the more money they raise but there are fewer of them. The majority (68%) of runners aged 18 to 29 raised less than \$701. By contrast 48% of runners between the age of 50 and 64 raised less than \$701. One of the challenges is that there are far more runners in the younger age group as they represent 28% of runners, twice that of the higher value older runners. Charities need to do two things: help younger fundraisers to be more effective and recruit older, more committed supporters as fundraisers.



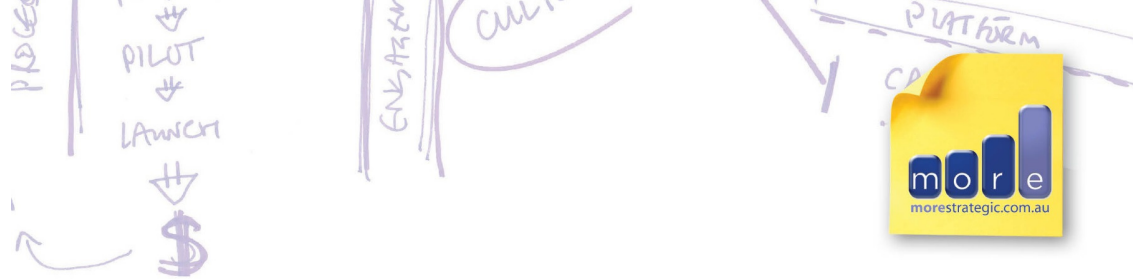
We also identified that

- 66% of participants are female, but males raise more income
- Half of the participants are parents
- 28% claim to have made donations to their chosen charity outside of the event
- 10% claim to be your regular givers

To get a better picture of what runners are like in terms of personality traits, those surveyed were asked 34 attitudinal questions in order for a segmentation model to be built. The people who raised more described themselves as:

- Committed
- Experienced
- Local citizens
- Prefer giving to projects
- Politically more to the right
- Having a large number of friends
- Have benefitted from the charity
- Not confident on social media



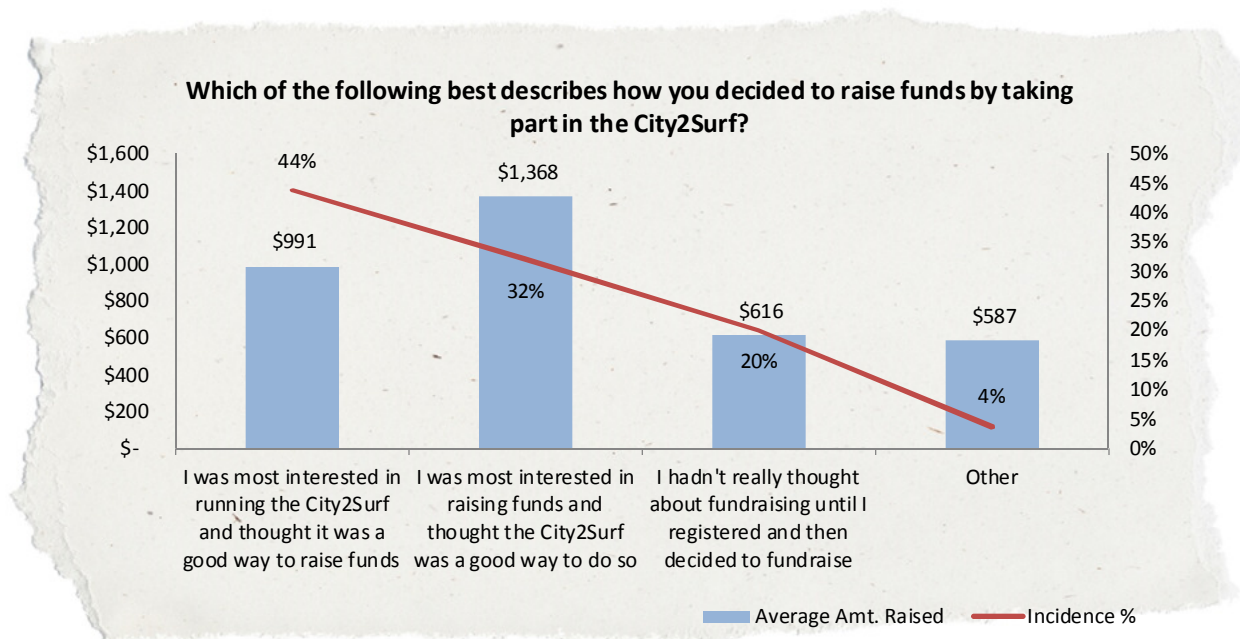


Q6 What can I do to increase their income?

For the past three years we have tracked the factors that determine the amount raised. You can directly influence this through several steps:

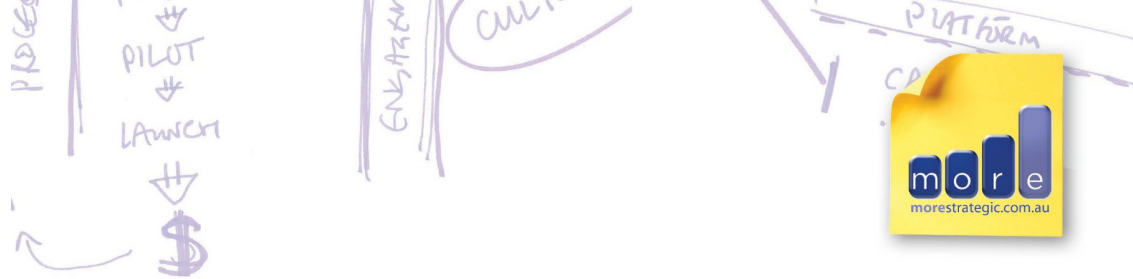
1 Recruit runners who are already committed to your cause

The new registration process for the City2Surf has increased the number of “impulse” fundraisers – those who only decide to raise money at the point of registration or select their charity at that moment. We can see that those who decide to fundraise in this way raise \$616 on average compared to those who were mostly motivated to fundraise who raised twice as much at an average of \$1,368.



Only 5% of fundraisers said the charity had asked them to fundraise and a further 13% said they do all their fundraising for this organisation. Charities must be proactive in recruiting current supporters to these events – the profile of a face to face acquired donor is almost identical to a peer to peer fundraiser and yet, despite the average raised from peer to peer being twice the average annual regular gift, few charities ask these donors to fundraise.



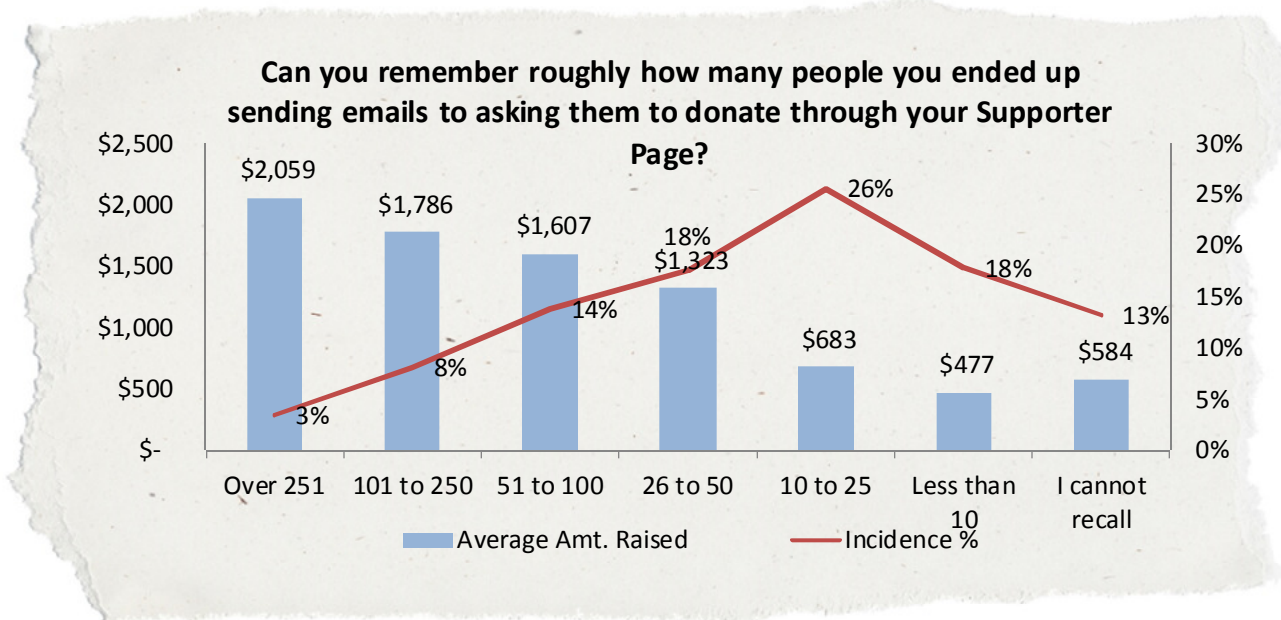


2 Encourage people to set higher targets

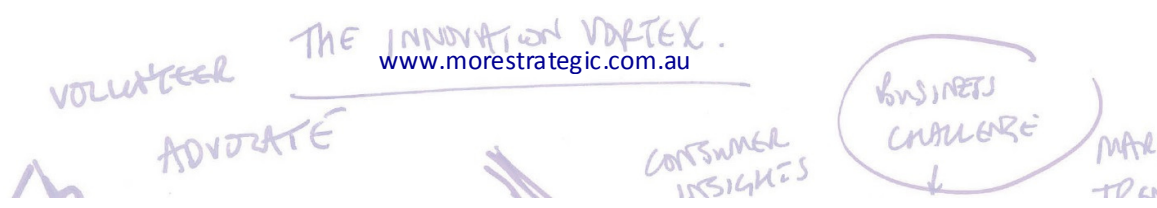
We have already shown the relationship between target and amount raised and yet we see very little influence exerted by the charities on the targets people set. Only 4% of respondents said the charity showed what reaching their target would achieve and 7% said their target was a requirement by the charity. The majority accepted the default (28%) or set a target they thought was “reasonable” (25%) and these groups raised below average amounts of \$553 and \$702 respectively. The 18% who said I really wanted to raise as much as possible raised an average of \$1820, double the survey respondent average.

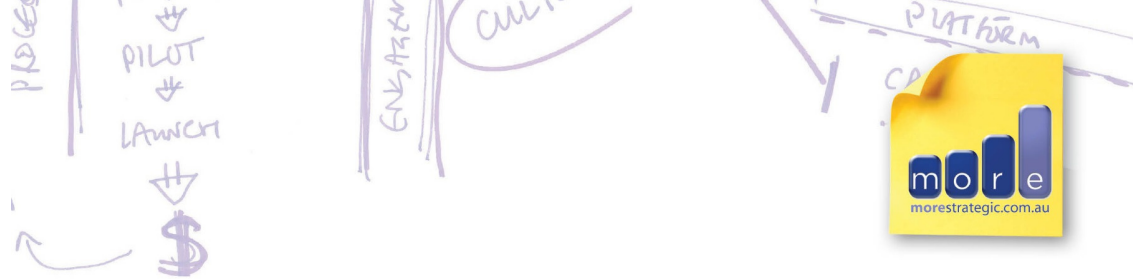
3 Send more emails

There is a very clear correlation between the number of emails sent and the amount raised. It makes sense. It ties into the golden rule of fundraising – if you don’t ask you don’t get.



This something else you can easily incorporate into your supporter journey – ask fundraisers to just think of 10 other people they could email. Some organisations have used gamification techniques to drive this behaviour.





4 Coach fundraiser to be more effective

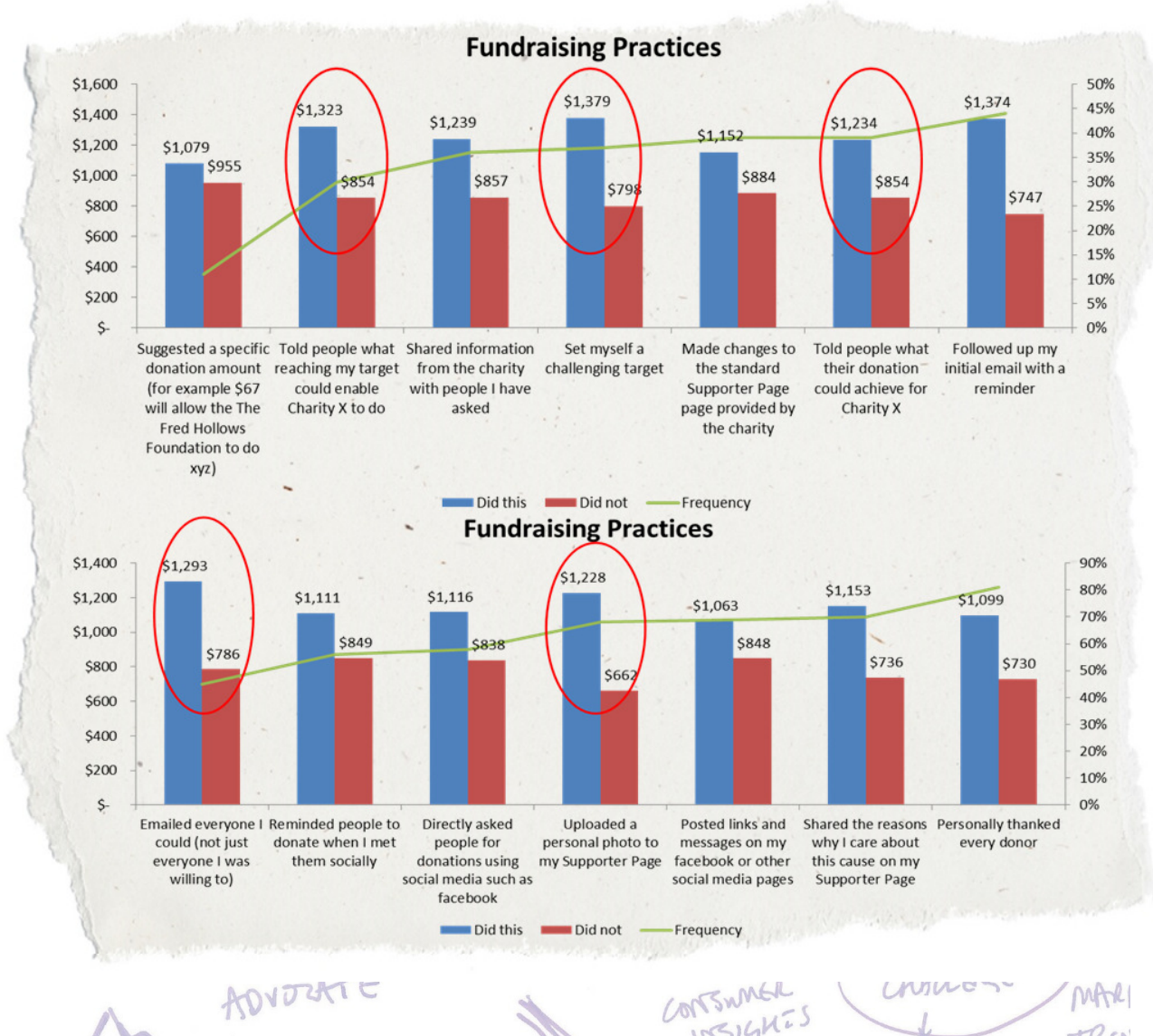
From our previous studies we know that many peer to peer fundraisers are neither confident (knowing what to do) or committed (willing to do what needs to be done). It is your job to inspire them so they are willing to take action and to coach them to take the right action.

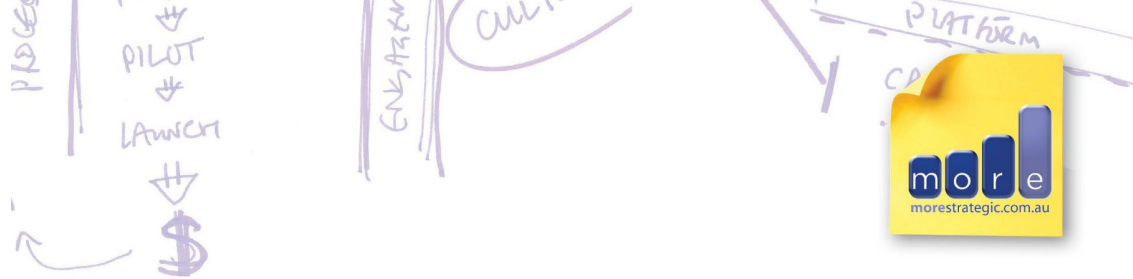
The charts below illustrate that taking any of the actions described increases value with the greatest gains from:

- Setting a higher target
- Telling people what "achieving my target" would allow the charity to do
- Sending reminder emails
- Telling people what their donation would achieve
- Making the ask more personal by uploading a photo

Your fundraisers need to become mini direct marketers

If all this sounds a bit familiar maybe that is because these are the very same principles your direct market teams are using in their appeals: multiple waves, personal asks, dollar handles and specific outcomes. We must help our fundraisers become mini direct marketers.

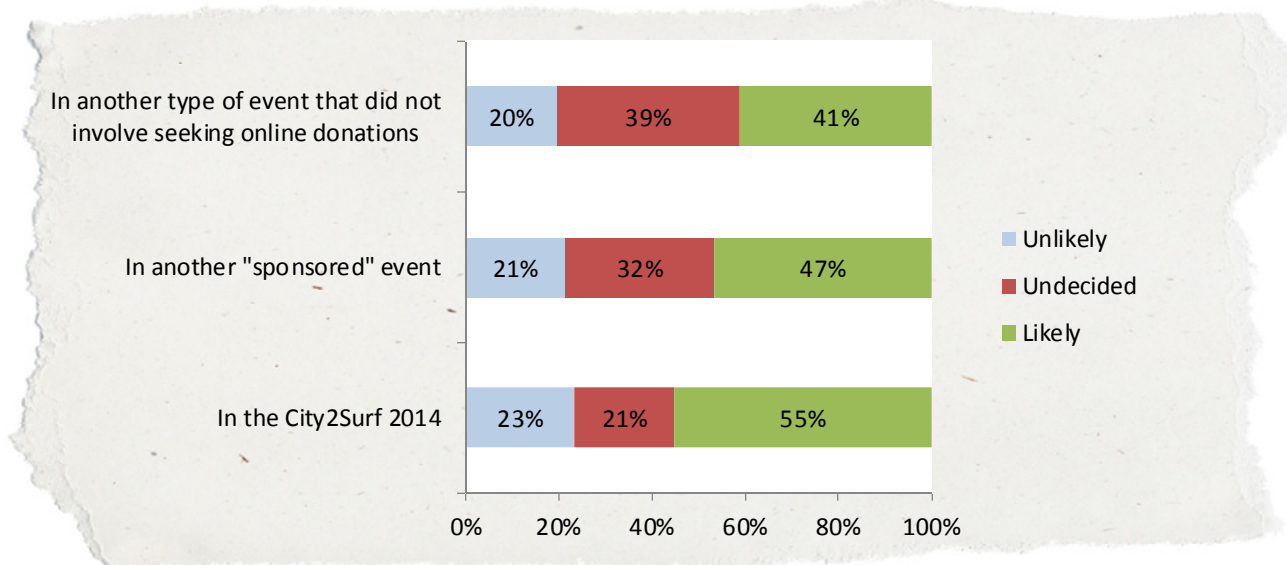




Q7 What should I do with my fundraisers next?

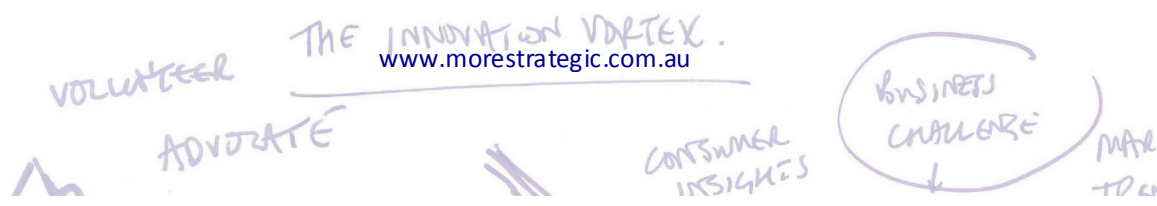
So, the race has been run, your fundraisers have pounded the pavement all in your charity's name. Well done you. Put your feet up and relax. Your work here is done. Certainly not! Your highest priority must be to thank your fundraisers and let them know they are appreciated for what they have done.

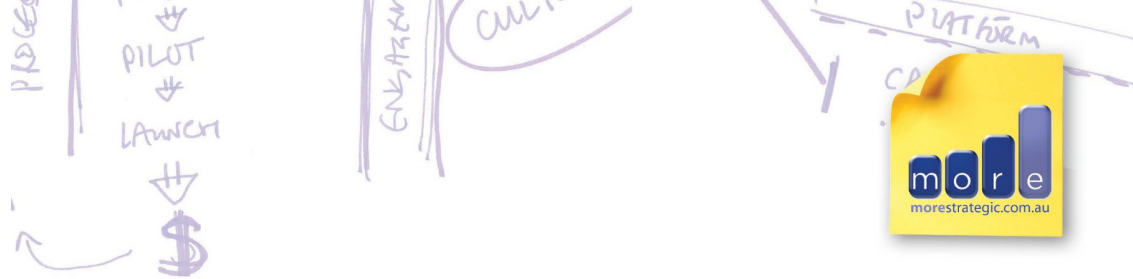
Our research amongst last year's fundraisers showed that only 30% remember being asked to run again for your charity, yet the majority of those not asked would consider doing something for you.



We also examined what else they had been asked to do in the 12 months since running last year's event and again, around half had not been asked to do anything (make donations, become a regular donor, take part in another event, buy raffle tickets or sign petitions). Of the half that were asked, half of those said they took the action requested. We know that people often overstate their interactions and generosity but it certainly suggests these fundraisers are a good pool of warm prospects.

There are two challenges though. Firstly, they are a small number and most charities don't create a specific journey for this group. Secondly, 84% of them agreed with the statement "I like to do new things each year". Your tailored journey needs to lead them to a new activity – a half marathon, obstacle race or multi- sport challenge.





About more strategic

More strategic is a specialist marketing and fundraising consultancy dedicated to helping not for profits increase their impact.

We believe charities need to know more about the “why” of fundraising so we combine our fascination with human motivations with our love of data to bring compelling insights that can directly improve your results.

We have conducted research projects for 20 not for profits and fundraising and marketing reviews for over 100 organisations in the past five years.

Our events and community mobilisation specialist, Julie Roberts has recently conducted a mystery shopping program on 25 charities community fundraising programs – and yes, most should have cause for concern!

Julie transformed the community fundraising program at the Cancer Council taking the revenue from \$1m to nearly \$6m by using effective research, focussing on the best activities and mobilising communities to “do it for cancer”

Give us a call if you would like to know more about the City2Surf study or if you would like Julie to help you transform your events and community fundraising portfolio.



Julie Roberts



Martin Paul



Gavin Coopey

To know more

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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.

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 numbers behind fundraising and frequently undertakes research studies for clients. 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. This research is driven by his obsession with generating evidence to better inform decision making in all aspects of fundraising.