

Peeking at Fundraising Changes

Shopping, eating, partying, and yes, fundraising: 4th quarter is traditionally the busiest season of the year for all of these activities. As you wait for the results, wouldn't you like to peek into what other non-profits are doing? A recent survey by On-Line Communications indicates some really fascinating trends.

Today, there is a mixture of old and new techniques but by far, the most popular fundraising method is still direct mail. Almost 68% of participating organizations report using it. Interestingly, smaller organizations (with operating budgets of less than \$5Million) have gravitated to using email and e-newsletters quicker than the larger organizations. They often successfully connect topical news items to a solicitation for donations/membership and use 'please share this with a friend button'.

The implications seem to be that mid-size organizations (\$10-50Million in operating budgets) and larger organizations (with operating budgets more than \$50Million) are heavily invested in their current methods. Their contracts, catalogs, direct mail and other capital-intensive items may reduce their ability to make changes quickly. However, the smaller organizations can be more nimble, less risk-adverse and have fewer management layers for decision-making. Consequently, they can try new approaches and implement them quicker.

Although many organizations added new programs, about 35% of reported making no changes in the last year. But a major change was that 46% added online giving as part of the mix.

The organizations with \$5-10MM in operating budgets seem to do things differently than either much larger or much smaller organizations. For example, when asked about new fundraising methods, 50% of these organizations reported that they have implemented new planned giving programs. They also initiated online giving, as well as email, e-newsletter appeals.

Now, since these organizations did different things, what were the results? Well about 70% reported that their donations increased by more than 10%. This was reported by organizations of all sizes. Except that about 50% of very small organizations (under \$1 million in operating budgets) reported that their donations stayed the same. Which probably means their limited budgets limited their fundraising also.

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