

REGULAR GIVING

Starting a Regular Giving Program
learnings from
Marie Curie Cancer Care (UK)
and
Make-A-Wish Australia



REGULAR GIVING

Marie Curie Cancer Care

- Started in 2009 in-house team across 5 regions
- Positive net return year 2
- \$9M
- F2F agency recruitment in 2011

Make-A-Wish Australia

- Commenced in 2010 with conversion campaign and F2F recruitment
- Positive net return year 2
- \$5M gross in 2013
- 14,000 supporters
- Average gift \$35 p/m



the What and How

Lesson 1 – managing expectations and risk

Examples of unrealistic expectations

- Program value
- Program growth
- Risk assessment
- Budgeting
- Assumptions
- Internal administration/resources
- Policies and procedures

the What and How

Questions to ask/tips

- What's the risk appetite of the Board, CEO, Brand & Communications and other teams?
- Fast growth or slow?
- What part of the fundraising mix?
- Vision for the program?
- How much budget do you have?
- What are your assumptions? And how do they compare?
- Use industry averages as a guideline only & Agency quotes
- Set up a predictive budget model and LTV model
- Is your database/financial system equipped to run an RG campaign
- Does everyone understand the language/segments etc
- What type of acquisition?
- Will you process refunds/have the right privacy policies in place?

What and How

FileHomeInsertPage LayoutFormulasDataReviewViewHelp

Easy Document CreatorAcrobatSecureZIP

Clipboard

Font

Alignment

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Number

Conditional Formatting

Format as Table

Cell Styles

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Sort & Filter

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Editing

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Data Entry Area						Lifetime Value Calculated Results. Do not enter any data here.					
Modify these figures to enter your data						This table will be computed automatically					
Table 1						Table 2					
Variables	Acquisition Year	Second Year	Third Year	Fourth Year	Fifth Year	Variables	Acquisition Year	Second Year	Third Year	Fourth Year	Fifth Year
Regular Donors	10,500	NA	NA	NA	NA	Regular Donors	10,500	4,725	3,780	3,213	2,892
1st year gift rate (cancellations)	90%	NA	NA	NA	NA	1st year gift rate (cancellations)	9,450				
Retention Rate	50.0%	80.0%	85.0%	90.0%	95.0%	Retention Rate	50.0%	80.0%	85.0%	90.0%	95.0%
Donations per year	12	12	12	12	12	Donations per year	12	12	12	12	12
Average gift	\$33	\$40	\$40	\$45	\$50	Average gift	\$33	\$40	\$40	\$45	\$50
Sample size cash ask donors	0	0	0	0	0	Sample size cash ask donors	0	0	0	0	0
Response rate	0.0%	0.0%	0.0%	0.0%	0.0%	Response rate donors	0	0	0	0	0
One off cash gifts per year	0	0	0	0	0	One off cash gifts per year	0	0	0	0	0
Average one off cash gift	\$0	\$0	\$0	\$0	\$0	Average one off cash gift	\$0	\$0	\$0	\$0	\$0
						Total Revenue	\$3,742,200	\$2,268,000	\$1,814,400	\$1,735,020	\$1,735,020
Administration cost %	1.0%	1.0%	1.0%	1.0%	1.0%	Administration cost %	\$37,422	\$22,680	\$18,144	\$17,350	\$17,350
RG Acquisition Cost Each	\$290	0	0	0	0	RG Acquisition Cost	\$3,045,000	\$0	\$0	\$0	\$0
Cash ask cost	\$0	\$0	\$0	\$0	\$0	Cash ask acquisition cost	\$0	\$0	\$0	\$0	\$0
Retention Costs Each	\$2	\$2	\$2	\$2	\$2	Retention Costs	\$21,000	\$9,450	\$7,560	\$6,426	\$5,783
Database Cost	\$1	\$1	\$1	\$1	\$1	Database Cost	\$9,450	\$4,725	\$3,780	\$3,213	\$2,892
Discount rate	1.00	1.08	1.16	1.24	1.34	Total Costs	\$3,112,872	\$36,855	\$29,484	\$26,989	\$26,025
						Net Profit	\$629,328	\$2,231,145	\$1,784,916	\$1,708,031	\$1,708,995
							1.00	1.08	1.16	1.24	1.34
							\$629,328.00	\$2,075,483.72	\$1,544,546.02	\$1,374,897.45	\$1,279,696.14
							\$629,328.00	\$2,704,811.72	\$4,249,357.75	\$5,624,255.19	\$6,903,951.33
							\$59.94	\$257.60	\$404.70	\$535.64	\$657.52
							1.23				
								1.91	2.46	2.98	3.49

C	D	E	F	G	H	I	J	K	L
	Account Management	\$ -	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00
	Venue Hire/Travel	\$ -	\$ 4,090.50	\$ 4,090.50	\$ 4,090.50	\$ 4,090.50	\$ 4,090.50	\$ 4,090.50	\$ 4,090.50
	Hours per month	-	412	412	567	567	567	567	41

TELEMARKETING				
Conversion	Reactivation	Long Lapsed	Online Conversion	
\$17.00	\$22.00	\$22.00	\$17.00	
5%	5%	5%	5%	
\$13.50	\$8.18	\$8.62	\$13.50	
			\$1.20	
\$2,000.00	\$0.00	\$0.00	\$2,000.00	
\$4,000.00	\$0.00	\$0.00	\$500.00	
9%	10%	8.0%	7%	
65%	40%	34%	55.3%	
2,500		2,000	2,000	

New acquisition attrition		ATTRITION MONTH						
Supplier		1	2	3	4	5	6	7
XX	10.00%	6.00%	6.00%	5.00%	5.00%	5.00%	5.00%	4.00
XX	16.00%	9.00%	7.00%	5.00%	5.00%	5.00%	4.00%	4.00
Conversion	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00
Reactivation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00
Long Lapsed Reactivation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00
Online Conversion	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50

Existing Income Attrition		Attrition Month						
Average Gift		1	2	3	4	5	6	7
\$35.17		3.72%	3.72%	3.72%	3.72%	3.72%	3.72%	4.72
\$29.65		3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	3.32
\$32.90		3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10
\$22.18		1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20
Total		3.63%	3.63%	3.63%	3.63%	3.63%	3.63%	4.42

Hours worked & Donors Recruited 2013		January				February			
Summary	2014 Budget Ending	2/4/14	2/11/14	2/18/14	2/25/14	2/4/14	2/11/14	2/18/14	2/25/14
Assumptions	2014 Budget breakdown	Travel	Public Outreach Budget	Prep 13	Prep 13	Reactivation budget	Prep 13	LLReact budget	Prep 13

“I don’t like Regular Giving”

Lesson 2 – Education, education and more education

- Understanding how it works
- Need for it to be supported and understood at all levels of the organisation
- What’s best for the organisation – it’s not personal
- Plan for communications and education
- Training

“I don't like Regular Giving”

Questions to ask/tips

- Have program key messages (link in with industry groups to align)
- Understand your organisation's position with feedback/media etc
- Know how to articulate your program easily
- Know what you're asking people to do
- Training program – internal and external if training volunteers
- Spend the time getting people on board first, it will pay off in the long run!

How will you recruit?

Lesson 3 – acquisition ups and downs

Pros and cons of acquisition techniques

- **F2F** – typically most expensive and highest attrition
- **Conversion** – with the right data a successful and more cost effective solution – lower attrition (but what about cash acquisition costs and return)
- **TM lead acquisition** – good results, can be expensive, attrition typically lower, newer to market
- **TM Raffle & Gift conversion** – top segments perform really well, must have data coming in, administration is heavy, communications are more complex, need good T&Cs
- **In-House** – typically more cost-effective; slightly better attrition than agency F2F; requires extensive internal HR, resources, logistics etc
- **DM acquisition** – low response rate so volume is key, can be cost effective, need a strong proposition, high retention
- **Other** – volunteer recruitment, online, anymore?

How will you recruit?

Questions to ask/tips

- Go back to your risk profile – what most suits your organisation and do you need to drive volume and how quickly?
- Do your sums – if you have a good LTV model and budgeting comparisons then assess all-in costs
- How many do you need to recruit to achieve your growth?
- How many cash givers do you have and ensure this program is also being topped up?
- Will you ask RGs for additional cash gifts – if so how many/when?
- Diversification is key – reducing supplier risk
- Supplier due diligence – research, testimonials, cost and performance comparisons

Thanking your supporters

Lesson 4 - Retention

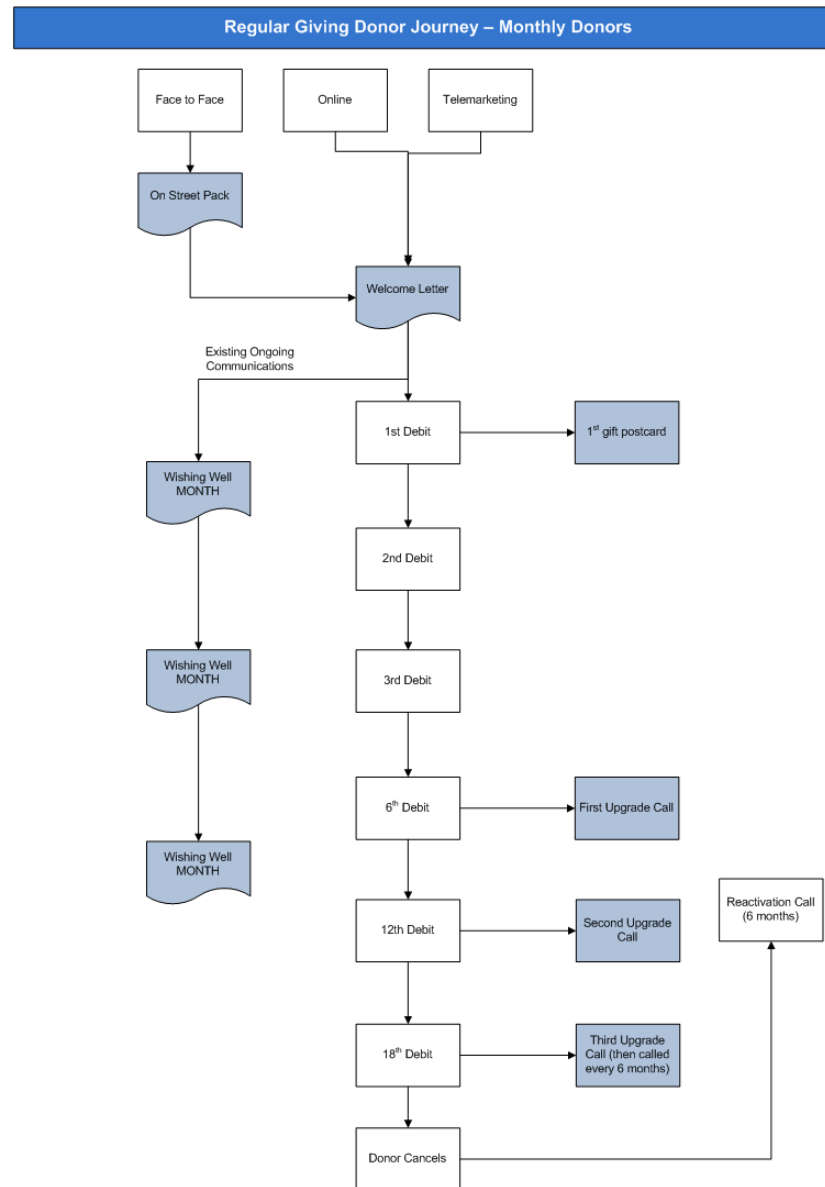
- Journey before rolling out acquisition
- Different understandings and approaches to stewardship and fundraising communication - saying thank you, implementing 2 way communication, recognising segments (more than just RFV)
- Getting creative and pushing for content/new ways - videos, sms etc
- Understanding of time and resources for database and administration to prepare and implement

Thanking your supporters

Questions to ask/tips

- What's your approach to stewardship and retention?
- What channels/resources can you use?
- Capture and share stories – beneficiaries and supporters
- Always recognise your supporters as RG supporters
- Map your journeys – all of them!
- Define and refine your segmentation
- Get creative

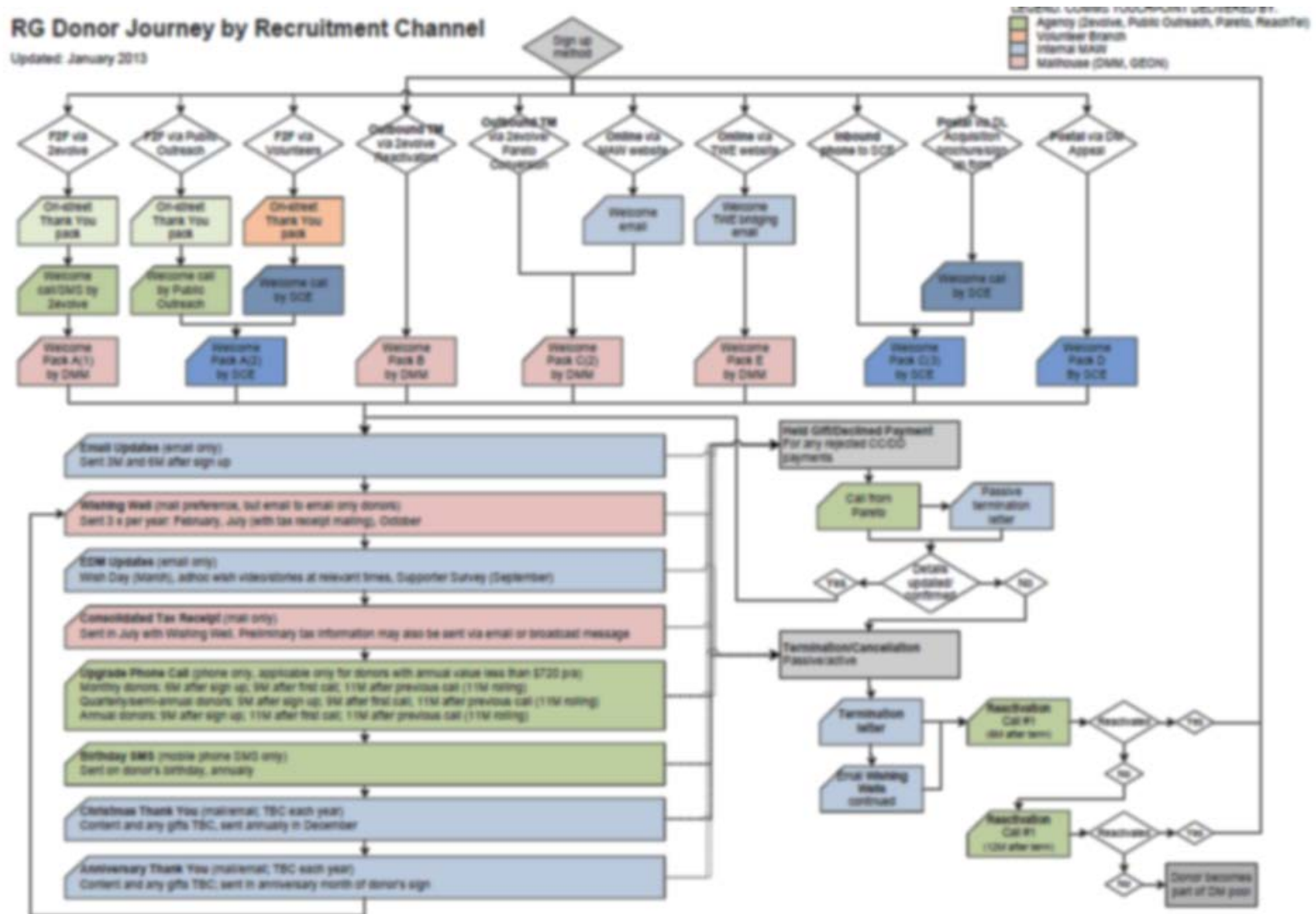
Thanking your supporters



Thanking your supporters

RG Donor Journey by Recruitment Channel

Updated: January 2013



Thanking your supporters



I'm proud to support
Make-A-Wish® Australia



Will Began

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generosity of the
United States
Highway Patrol.
Chris's dream
became a
reality.

Fitted with a custom
made uniform, helmet and
badge, Chris was inducted
into the force and given a ride
in a police cruiser and helicopter.
When he passed away only days later, he
was given a funeral with full police honours. This
Wish became the inspiration for Make-A-Wish
throughout the world.

*These are examples of Wishes Make-A-Wish
grant every year. Ongoing donations help to
continue granting all kinds of magical Wishes!

No matter how big or small, each Wish is lovingly
hand crafted by the Wish Services Team who
work hand-in-hand with our many volunteers
to make each Wish a special and memorable
occasion.

In addition to the 400 Wishes granted, 80 Wish
Hampers were presented to children under 3
years-of-age who were too young to make a full
Wish. The hampers are filled with toys which are
tailored to each child's interest and abilities and
provide a great source of joy and fun for these
younger kids.



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Wish Makers

Granting the Wishes of children with
a life-threatening medical condition to
enrich the human experience with hope,
strength and joy



www.makeawish.org.au

Thanking your supporters



Above: Envelope



New 2014/15 calendar



Left: Thank you brochure DL

Thanking your supporters



Surprising our supporters by sending them SMS

- More than **90%** of our Regular Giving supporters have a valid mobile number
- Inexpensive & effective personal contact
- On average we receive **32** responses every month from supporters – all positive!

*No thank you
for thinking of
me. It's my
pleasure to
help!*

*Thanku so very
much. Lovely of
you to send
wishes. Has
made my day.*

*To u all at MAKE A WISH
thank u for your kind
wishes no other
foundation has done this
before today again I
thank u and may u all
have a great year.*

Reporting and Analysis

Lesson 5 – know what you are measuring

- Measures that are right for your organisation
- Measures that are understood and can help you refine your program
- Effective reporting - clear parameters/segments/definitions
- Making sure data segments/language is the same or at least well understood across the organisation
- Comparison reporting

Reporting and Analysis

Questions to ask/tips

- Start with the basics
- Decide what reporting you need from your mapped journeys
- Make sure they are indicators that lead you to ask the right questions and make the right improvements
- Check your data is set up to report on what you need it to (e.g. can you measure historical performance/snapshots in time)
- Some agencies can analyse for you, but careful what they interpret without all the information/background
- Data dictionary, segmentation
- It will evolve!