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The Mass Philanthropy Issue - Part 2

In this edition of *Philanthropic Trends Quarterly*, we continue our exploration of annual and mass giving programs and practices.

In Part One, which is now available on our website, we focused on some of the current and emerging tactics that Canadian charities are using to raise money. In this edition, we turn our attention to mindset, exploring how we should be shifting and evolving the way we think about mass market and grassroots philanthropy strategies in order to make the most of what they have to offer.

I believe that the way we view these programs falls squarely in the category of “change the way you look at things and the things you look at change”. I feel many of us limit ourselves by approaching these programs solely through a traditional “annual fund” lens, taking a short term view that focuses almost exclusively on how much money can be raised in the next fiscal year.

We further limit ourselves by restricting our thinking to the realm of tactics, taking a plug-and-play approach to our planning. What are we doing with our events this year? What is our direct mail schedule and message? What is the goal for the phone program? While all these questions must be part of our consideration and planning process, they shouldn't constitute all of it.



It is time to disrupt our thinking and approach. We need to view this part of our organizations as the “volume business” side of the house through which we seek to connect with large numbers of people who have an interest in, affinity to or association with us. As a result, our mindsets must adapt from simply thinking about the “annual fund” to one that thinks bigger and more holistically about your community engagement and mass market strategy.

As we approach the end of another year, I want to take this opportunity to say what

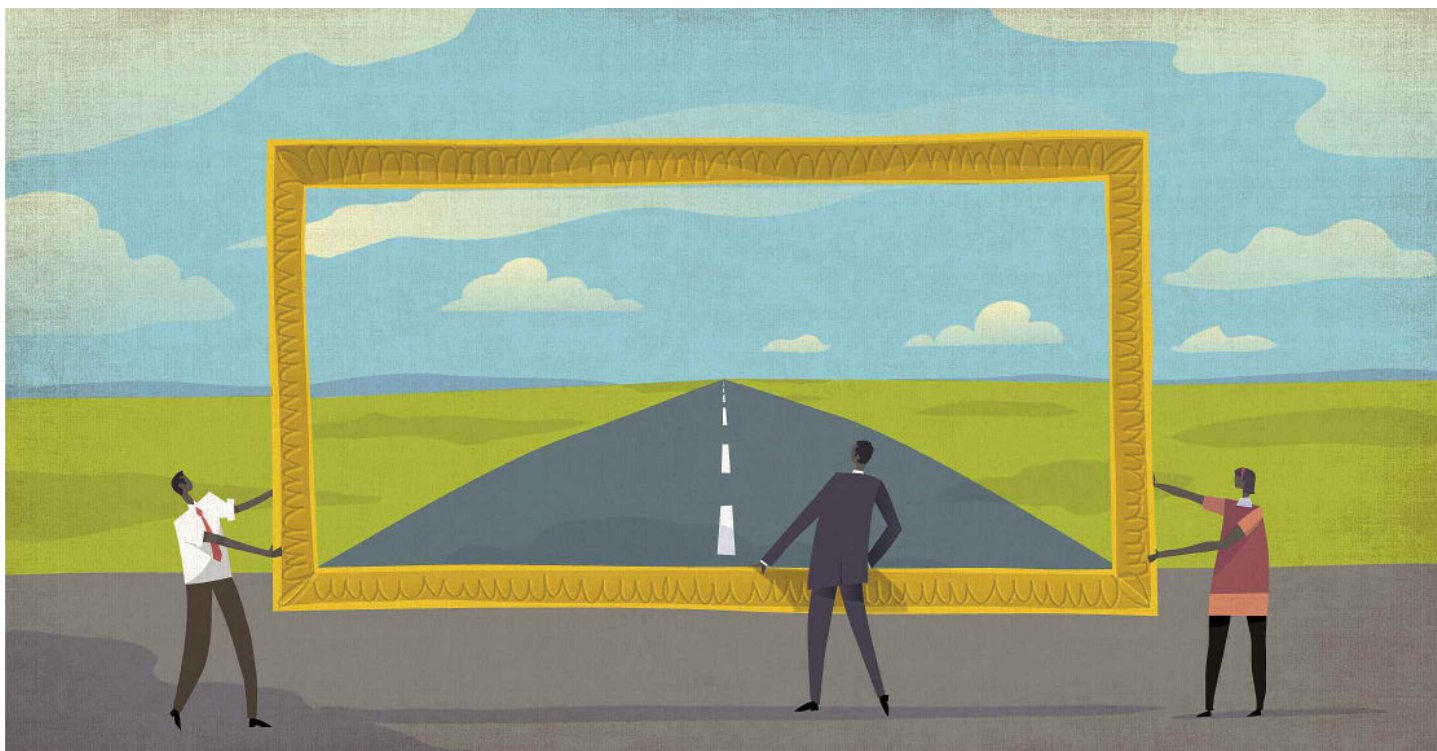
a pleasure and privilege it has been for us to be of service to all of our clients across the country. And to all our readers I want to wish you and yours the very best of the holiday season on behalf of all of us at KCI!

Here's to a great 2017!

Marnie Spears
President and CEO

KCI >>

FORWARD THINKING



Christmas Seals was one of the very first mass fundraising campaigns ever initiated.

Originating in Denmark where a Danish postal clerk came up with the idea of adding an extra charitable stamp to holiday cards mailed over the Christmas season, the campaign sought to raise funds to help children sick with tuberculosis. Introduced into the United States in 1907 and in Canada in 1908, by 1916, this lowly little stamp had raised \$1 million...which today would be more than \$20 million!

By using something as inexpensive as a stamp to encourage large numbers of people to support a cause, this campaign demonstrated the power of “small donations from many” when it came to fundraising and was soon followed by many other similar initiatives like Easter Seals and the March of Dimes.

The other thing it demonstrates is how formidable the collective can be when it

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comes to raising awareness and mobilizing public interest in an issue. A few years after the campaign was introduced, the number of volunteers for the National Association for the Study and Prevention of Tuberculosis had grown from 5,000 to 500,000. And just as important, the campaign attracted the attention of then-President Theodore Roosevelt who not only publicly endorsed the campaign, but was also instrumental in mobilizing the Rockefeller International Health Commission in joining the fight against the disease.

Part of the bigger picture

As illustrated by the Christmas Seals example, mass giving programs hold tremendous strategic value for organizations that goes far beyond dollars raised. But fully tapping into that potential requires thinking about these programs as more than simply a way to raise funds. One of the first areas of “thinking differently” is the trend towards greater integration of these programs with other core functions, both within Development as well as perhaps more notably, with other parts of the organization.

Understanding that the key part of mass market fundraising programs is the term “mass market,” smart organizations recognize that there is a natural and necessary link with marketing and communications, with a growing number of programs reporting to Marketing rather than Development. While an emerging trend more generally, it’s interesting to note that this has long been the reporting

structure at many best practice organizations in the area of mass giving.

The Toronto General and Western Hospital Foundation is one organization that has recently moved its annual giving program to report to marketing and communications. "Fundamentally, these are two vehicles that we use to communicate with our most broad based audiences," says Louise Aspin, Vice President, Advancement and Chief Development

Officer. "When they were separate, the messages our audiences received were not always fully in sync. By changing the reporting structure, we now have all our key messaging people working and making decisions together."

As Director of Direct Marketing for Heart & Stroke Foundation Canada, Brady Hambleton also reports to the Chief Marketing Officer. "Based on where I want to take the program, our success will be

heavily reliant on sophisticated marketing techniques and a much greater emphasis on digital, so reporting to the marketing function just makes the most sense" says Hambleton.

He goes on to say, however, that this reporting structure in no way means an abandonment of Development and he continues to work very closely with his colleagues in this area on a variety of programs, including the creation of their

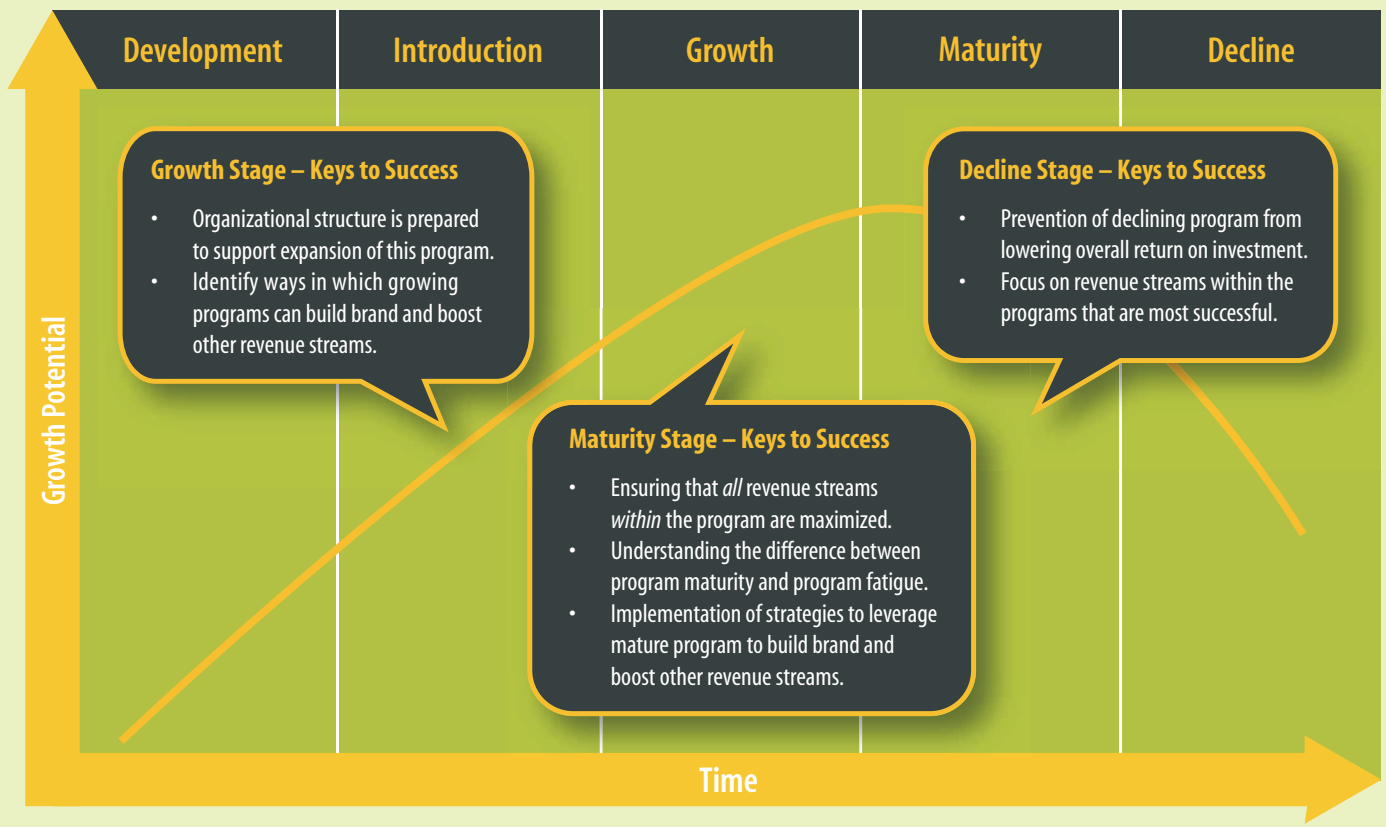
Different Lenses...Part One

To give your planning process a helpful jolt, here are some suggestions about the different lenses through which you can explore your mass market fundraising programs. Let's get this "tried and true" one out of the way first – Programs.

This lens thinks about the various pro-

grams and channels by which money can be raised from mass audiences - think direct mail, third party events, peer to peer fundraising, etc. While definitely the most traditional lens, it certainly continues to be relevant. But when thinking through this lens, pass your programs through a filter that explores where they land on the pro-

gram life cycle. Is there room for growth? Or have they passed their "best before" date? Are there any emerging programs that are missing and should be introduced? By exploring your program mix in this way, you will be able to manage programs in each stage so as to maximize the relative potential within each.



mid-level giving program. “The Direct Marketing team sees our work, at least in part, as serving as a bridge between marketing and philanthropy. It’s our job to bring in as many donors as we can through a variety of mass channels and then work to advance them through a deepening relationship spectrum with Heart and Stroke. As that relationship develops and they move along the spectrum, the focus becomes less about mass marketing and more about Development,” says Hambleton.

Building and deepening relationships

Making the experiences of donors who give through these programs feel less transactional and achieve the objective of growing their relationships with us is undeniably a challenge. Finding ways to

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meaningfully connect with our major donors and stakeholders is difficult enough, never mind doing that with hundreds or thousands of people who engage with us through our mass market efforts.

The answer, it turns out, is to challenge the way we think about how donors view their relationships with us and our tradi-

tional practice of maintaining a “church and state” division between giving and organizational engagement. Instead, endeavour to build stronger links and synergy between mass philanthropy programs and the parts of the organization that deliver on mission.

One example is the increasingly common trend among Canadian universities for annual giving programs to report to alumni relations. McMaster University was one of the early adopters of this structure in Canada and according to Karen McQuigge, Director of Alumni Advancement, it is rooted in the belief that giving should be viewed as one element of a larger relationship that alumni have with the University. “By having annual giving as part of our overall Alumni Relations program and strategy, we are able to think holisti-

Different Lenses...Part Two

To further shake up your thinking, here are some less traditional and perhaps even unorthodox ways to think about your mass market programs. By exploring your programs through these different lenses, you may generate insights that help you determine the best approach to maximize where opportunities lie.

1. Pillar Lens – Perhaps still in the traditional category, a good way to think about your mass market fundraising programs is by the pillars of Acquisition, Retention, Upgrade and Re-Engagement. Segmenting your donors and prospects into these groups and developing specific strategies and programs related to each is an important way to consider your mass market fundraising strategy.

2. Donor Lens – Put the donor at the centre of your planning by creating strategies that reflect the key character-

istics and behaviours of your prospective donors. Think through the lens of generations – Millennials, Generation X, Boomers and Civics. Should you have a strategy that targets women? Does the cultural and ethnic make-up of your community warrant a special approach?

3. Engagement Lens – Spend some time thinking in a robust and meaningful way about how best to engage and connect with your mass market donor. This is a spot where, if not already happening, there is an opportunity for fundraising staff to connect with marketing and program staff. Undertake a process to really determine how donors can intersect and engage with you in a way that authentically reflects who you are and is meaningful to them.

4. Cause Lens – One area on which to spend time is thinking about how to brand and package your annual or mass

market fundraising under the umbrella of a cause or movement. A best in class example to look at is the new SickKids Foundation VS Campaign. While they have always recognized the opportunity to harness SickKids as a cause, they have taken it up a notch with their **VS Campaign**, through which they have very effectively created a movement that encourages donors to join sick children in their fight against illness and disease.

5. Multi-Year Lens – While not suggesting a full-scale abandonment of annual planning and goal setting, also look at your mass giving programs through a multi-year lens, thinking about what is your 3 or 5 year goal. Sometimes 12 months just isn’t a long enough runway to be able to consider all the ways you can grow and enhance your programming and thinking about a longer timeline can generate breakthroughs and identify some new opportunities.

cally about their relationship with us, which I feel is more reflective of how they think about their relationship with us. When the functions are separate, Alumni Relations runs the risk of forgetting about the potential for giving to be part of the relationship, while fundraising initiatives can't fully harness the engagement elements inherent in our alumni relations programming. For example, when we designed our **McMaster Memory Project**, we included both an engagement element that asks alumni to share their memories of McMaster as well as a fundraising component that asks them to consider a gift."

To further illustrate this philosophy and approach, McQuigge points to their young alumni program, **Mac 10**. Targeting alumni who have graduated in the past 10 years, the Program connects alumni with resources to help them succeed professionally, provides opportunities to engage in lifelong learning (**Mac 10 Intellectual**) as well as encourages giving to the **Mac 10 Bursary** that has specifically been created for this group of alumni to support (**Mac 10 Giving**).

Through its **Gifts of Hope** catalogue, Plan International Canada has ingeniously figured out a way to deepen their relationship with child sponsors while also raising money to support their work. "Our **Gifts of Hope** catalogue provides a terrific way to deepen the giving of our child sponsors since it taps into their 'holiday shopping wallet' rather than their 'philanthropic wallet'. But it also grows our relationship with them because it is not a symbolic gift catalogue. When you buy a goat, you support a goat husbandry program. When you buy a literacy package, you support literacy training for women. Since they are designated gifts for real projects, the program deepens understanding of what your gift enables as well as what Plan is doing." Turns out



an added benefit is that it's a terrific acquisition tool as well, bringing in about 20,000 new donors to Plan each year!

With over 43,000 active donors, Union Gospel Mission in Vancouver has a very robust and successful mass giving program that is highly synergized with all parts of the organization, taking a fundraising first to much of their marketing and communications. They have also created terrific collaboration between their mass giving and major giving programs as exemplified through their annual matching campaign. Run over four days at the end of November every year, the campaign creates a terrific sense of momentum, encouraging donors to give within the campaign period

in order to have their gift matched. "The match comes from several of our major donors and over the years, this campaign has become a favourite of our major gifts team," says Chris Mah, Development Manager, Strategy and Direct Marketing. "They love being able to take the message to major donors that their giving will be used to inspire others to give as well." This is the sixth year of the campaign and it raised \$575,000 online over four days, which will be matched for a total of more than \$1 million.

Serving is the new selling

A consumer marketing trend that is gaining traction is the idea that serving is the new selling.

“Brand Butlers”, a term coined by the consumer trends analysis company, Trendwatching.com, describes how businesses have adapted their marketing efforts by helping people to make the most of their lives rather than simply trying to “sell” to them. Trendwatching argues that this model has greater resonance with today’s savvy and empowered customer who want their brands to create value for them, whether that be by sharing a resource, improving their lives, or making them smarter, more enlightened, better-looking, etc.

“While annual planning is a must, be sure to also think about your three to five year strategy. If you find yourself in a repeating cycle of “same old same old” planning, it’s time to jolt yourself out of that by looking at your mass market strategy through some new lenses.”

This is something the Heart and Stroke Foundation does really well. Brady Hambleton, Director of Direct Marketing says that when a donor gives for the first time, they enter a period of onboarding, which involves three to four emails over a period of time that helps the donor to better get to know the Heart and Stroke Foundation. Once that phase of the relationship building process is complete, the donor moves into ongoing stewardship, where the donor continues to be engaged through a variety of vehicles with content that is specifically curated for

Engagement and stewardship ideas

A common struggle is how to meaningfully engage donors in the organizations, particularly the large number of donors who support us through mass market giving programs. But maybe it isn’t as hard as we think.

We tend to limit ourselves by approaching the problem through the lens of the tactics we have available to us – event attendance, newsletters, program updates, etc. A better way is to follow the lead of the Heart & Stroke Foundation and Montreal Children’s Hospital Foundation and think through the lens of what you have to offer donors that is of interest to them. In thinking this way, engagement and relationship building can take on a whole new meaning where the sky is the limit.

Taking inspiration from the consumer marketing trend of being a “Brand Butler”, let’s look at how some companies have creatively thought through the needs of their customers and what they can authentically do to meet those needs, both online and offline.*

1) The Nike+ Run Club app provides users with a variety of features, including an online dashboard for recording exer-

cise data, opportunity to access personalized coaching, as well as the ability to set goals, join challenges and make contact with other users.

2) US based Intelligentsia Coffee offers customers the opportunity to taste, test and learn about the art behind coffee brewing. Customers can visit one of the company’s ‘labs’ for lessons in brewing, latte art, milk foaming and espresso tasting.

3) The North Face Snow Report app provides users with weather forecasts, snow reports, driving directions, and maps for global ski resorts. It also gives users the chance to tweet about conditions from within the app.

4) Adidas has Runbase stores in various cities around the world. Outfitted with a variety of amenities including showers and lockers, runners can use these stores as a ‘base’ for their runs. These locations also provide users with the opportunity to borrow and test new, cutting edge equipment.

5) In 2009 and 2010, Smirnoff, the makers of premium vodka, hosted a series of The Modern Gentleman Masterclasses to “teach you skills worthy of gents in a modern world”. Complimentary classes

were delivered to a limited number of guests, focusing on classic cocktail making, style consulting and grooming.

6) Charmin (the toilet paper brand) and the **SitOrSquat app**, which allows users to find bathrooms, change tables, disability access and other amenities around the world. In addition to accessing information, users are able to add information to the database based on their own experiences.

Ask yourself what you are about as an organization and what you have to offer. Is it knowledge and information? Is it connectivity and the chance to engage with others who care about the similar things? Is it about getting involved and advocating for the cause? Is it a chance to access to experts or experiences? By thinking imaginatively about what can be offered that is meaningful to donors and others who have an interest in the organization, charities have the opportunity to create experiences that not only embody the essence of who they are but also deepen relationships. A great way to kickstart the creative process and generate ideas is to undertake a series of journey or experience mapping sessions.

Source: trendwatching.com/trends/brandbutlers

them by virtue of what the donor has shared with them through their interactions, both online and offline.

To be a successful Brand Butler requires understanding what customers need and how that brand can help meet those needs. The same applies when it comes to donors. Marie-Josée Gariépy, President of the Montreal Children's Hospital Foundation believes that getting to know donors better by understanding who they are and what they want will be a key differentiating factor for charities in the future. "We have begun a practice of analysing our database in order to better understand who our donors are and why they support us. I feel this activity is an absolute necessity for two reasons. Firstly, I believe it's a matter of respect for our donors and that they will increasingly expect a certain level of customization and personalization in their relationships with us. And I also believe it is crucial from the point of view of respecting your resources and using them efficiently. People are over-solicited today and so it behooves us to figure out the things that are close to a donor's heart in order to get their attention."

There is another commonly accepted best practice in consumer marketing that should be translated into our fundraising practice – offer something before asking for something.

In Part One, we told you about the program where the Heart and Stroke Foundation offered a download of its **FAST**



checklist (to identify signs of stroke) as a way to gather email addresses. Turns out this was only step one in the pre-solicitation relationship building process that Heart and Stroke has in place.

Brady Hambleton and his team have developed a robust set of activities as part of their acquisition strategy by which prospective donors are primed and engaged prior to being asked to support the charity. "We have developed deliberate journeys that begin with awareness and cultivation. We centre our activities around an umbrella theme like heart disease or stroke, targeting the information we send to what we have learned the prospective donor is interested in. We use this phase to first build awareness and invite action, like being an advocate, driving awareness by sharing on social media or answering a few questions on a

survey. Our next phase is "consideration," where we invite them to interact with our assets, such as taking a risk assessment. And it is only then that we move into the phase of the relationship when we invite them to make a gift."

Change the way you look at things...

...and the things you look at change.

This saying aptly sums up the philosophy with which these smart organizations are approaching their mass market fundraising programs. And there is yet another spot where a shakeup is necessary – the planning process.

Because these programs tend to follow an annual cycle, a common mistake is to simply reinstitute the same planning process year after year. If you find yourself in that rut, it's time to shake things up. Too many organizations are simply taking a plug-and-play approach, thinking about their programs only through the lens of tactics and reinstating current programming perhaps with a few adjustments.

One additional shortcoming is that too many programs suffer from acute "annualitis," viewing their programs through a time horizon that is too short term in focus. While annual planning is a must, be sure to also think about your three to five year strategy. If you find yourself in a repeating cycle of "same old same old" planning, it's time to jolt yourself out of that by looking at your mass market strategy through some new lenses. >>

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