

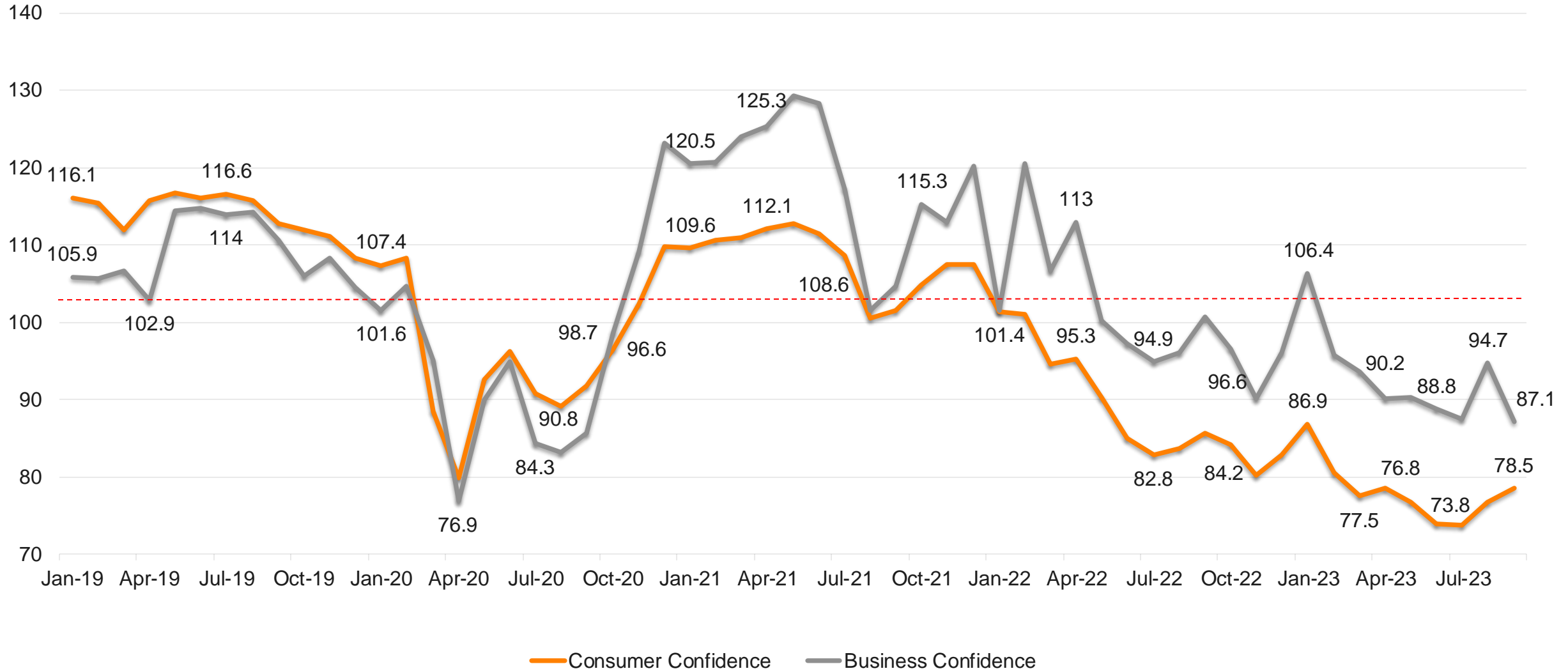


THE MEDIA PRECINCT

Building Resilient Fundraising Strategies

The Media Precinct | November 2023

Consumer Confidence and business confidence has experienced the longest low since the 1980's

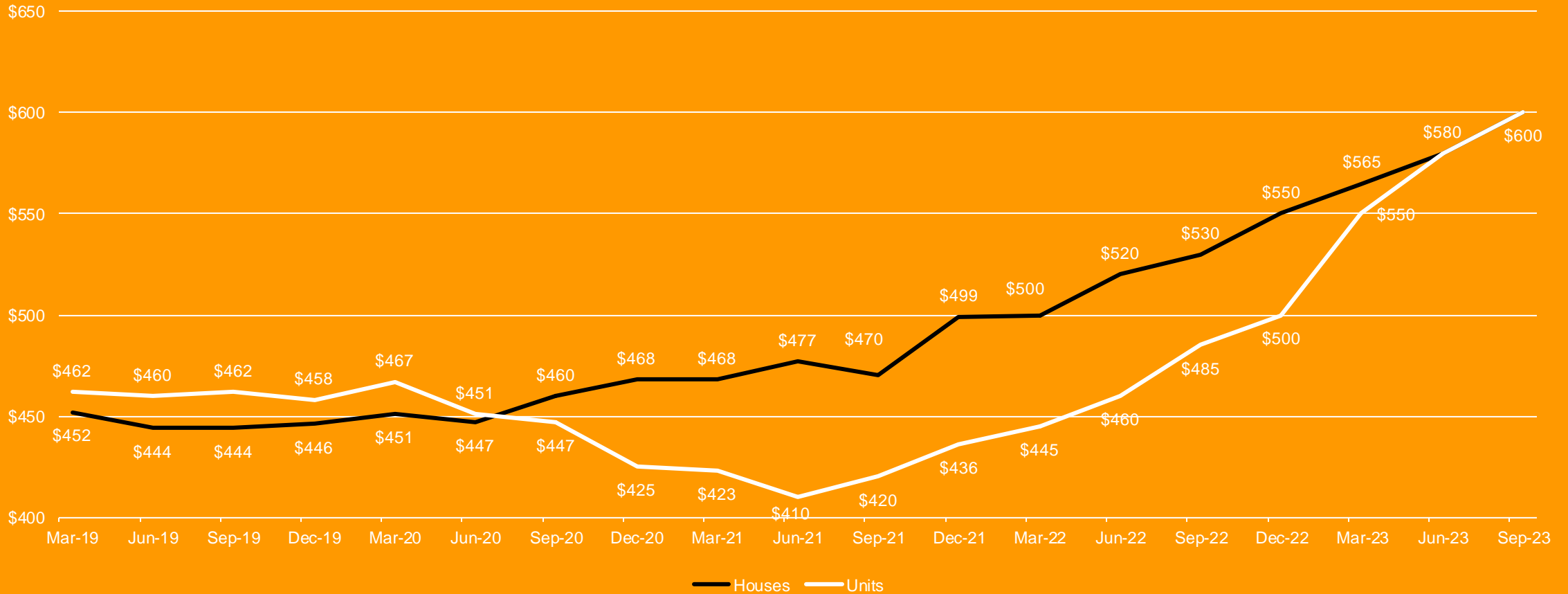


Source: Roy Morgan Research Consumer Confidence October 2023

At the same time, rental prices have seen their largest ever annual increase...



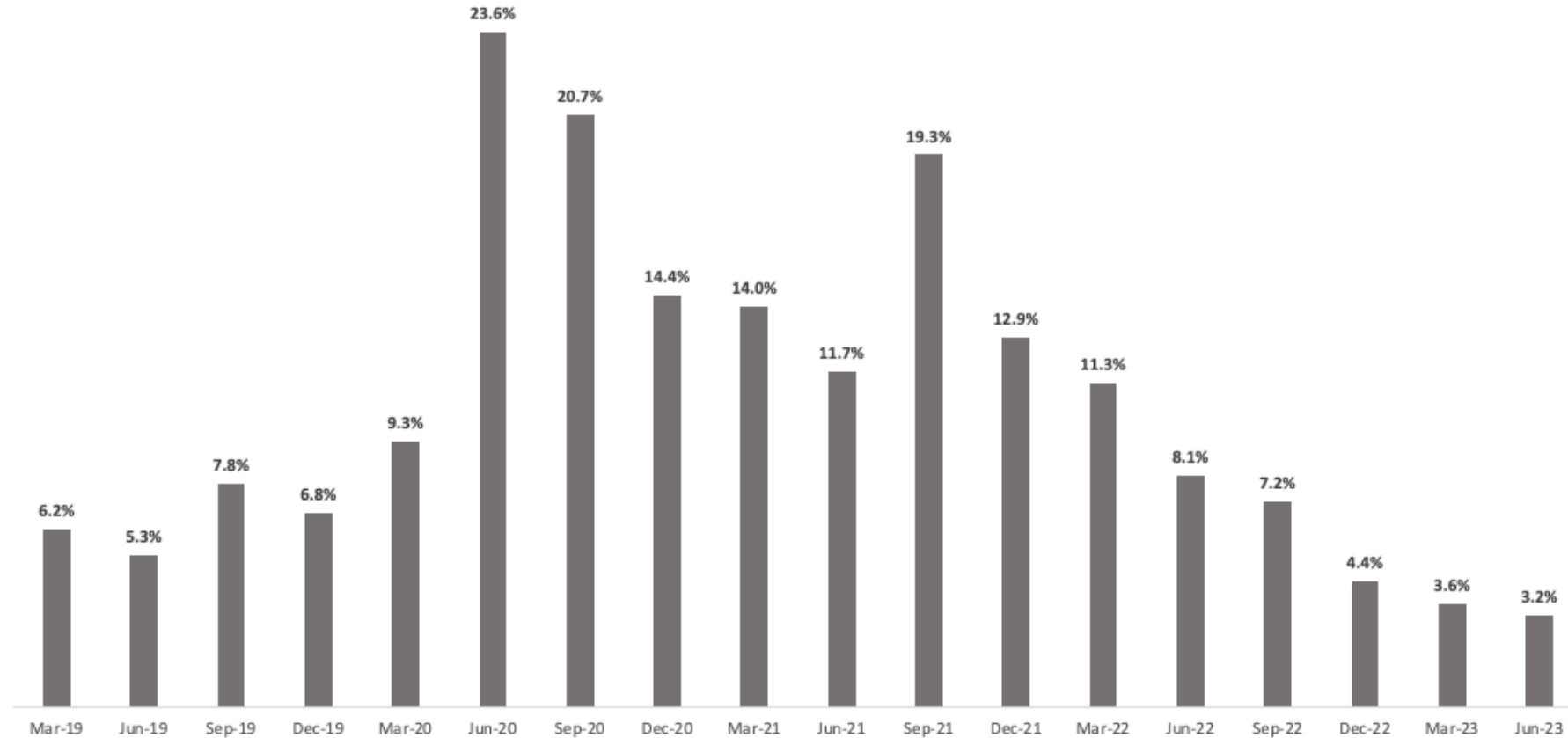
National Median Rent Prices



Source: Domain October 2023

And household savings have taken a huge hit since COVID peaks

Household savings ratio



Source: Australian National Accounts: National Income, Expenditure and Product, Released: 1/03/2023

While rent, groceries and petrol are up, real wage growth is down...



Source: The Australia Institute Nov 2022

Giving behaviour changes during tough times benefiting non-cash donations and social welfare



The GFC **reduced total giving** by 7.0% in 2008 and by another 6.2% in 2009
Total **funding to food banks rose** by 2.2% from 2007 to 2008 and by 31.9% from 2008 to 2009.

Animal, international aid and environmental charities are likely to be most impacted more during these times as the **donating public focus** on **social welfare, homelessness and health***

How donors want to give

46%

Coin/cash donations

40%

One Off Donations

32%

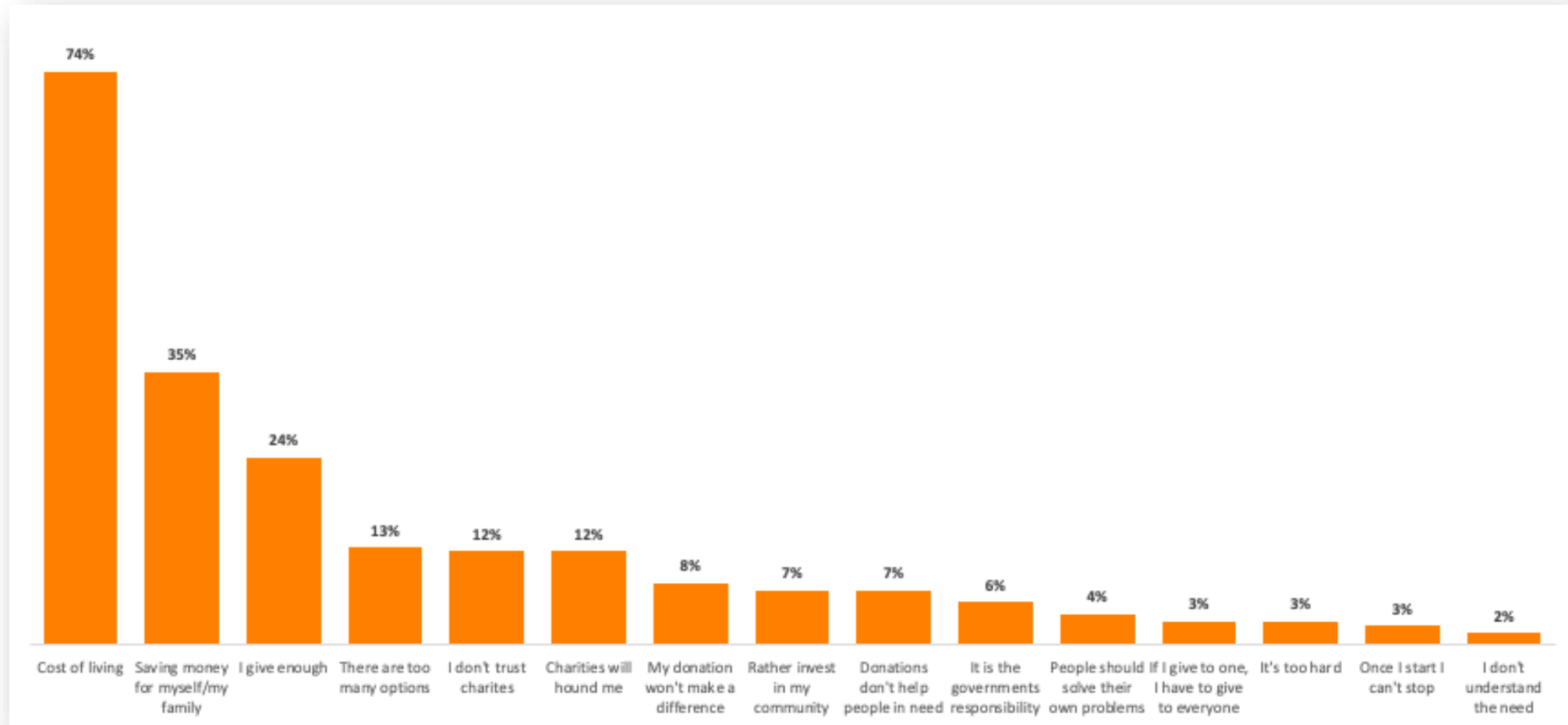
Clothing/Home goods donations

23%

Food Donations

*Source: Charitable Giving and the Great Recession

Donors are facing significant financial pressures with no relief in sight



The economy is your single largest competitor or opportunity

Charity expenses are set to increase with fundraising needed to fill the gap

Fundraising will be more important than ever:

To **maintain the delivery of programs**. Charities will have to create new paid positions to fill the volunteer gap

The national **shifts in government** at both a federal and state level will impact grants and funding as the governments realign their policies

While slowing, **inflation will still impact charities'** margins as the cost of business continues to rise



Approximately **40% of Charities** are
actively fundraising*

Source: FIA Infographic

Donation income, avg. gift and donor value are **growing** however **the active donor pool remained at the same level for the past 5 years**

Source: © The Benchmarking Project 2023

An **increased** level of **competition** as **less people** are called on to **give more**

Source: FIA Infographic

Brand awareness is essential for fundraising

Charities need to be **investing in both above and below the line activities** to build brand awareness and drive fundraising. In an increasingly crowded market frequency is key. The rule of 3 is no longer true, **audiences need to see an ad on average 10-15 times** over a 6-week period.*

The charities that perform best **understand their place in the market** and the value they provide, as well as who and where their audiences are.

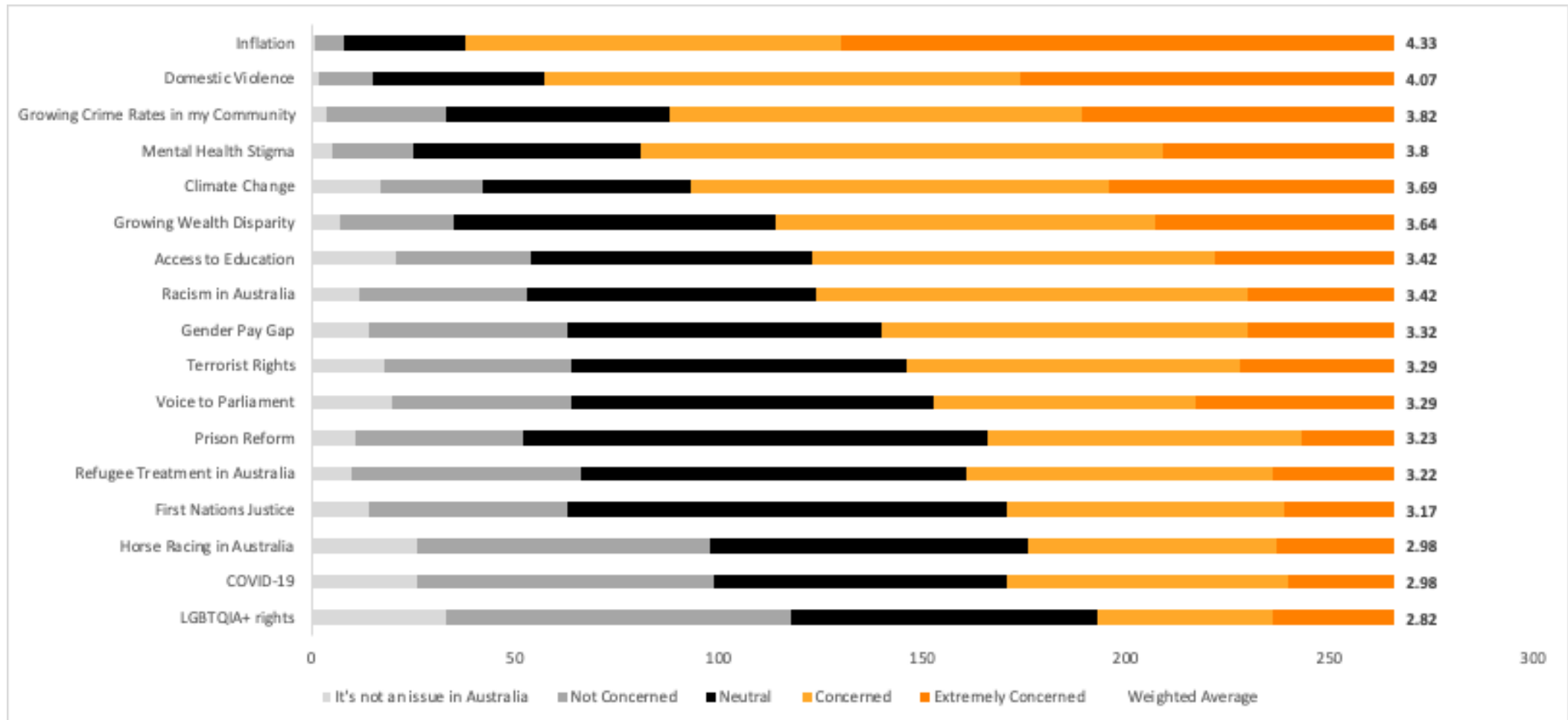
Brand awareness still needs to be **supported by a strong fundraising strategy.**



*Source: World Advertising Research Council

People are most concerned with what hits them closest to home

Q: What is your attitude towards the following social issues:



Donors are feeling the pressure

86%

Are concerned due to inflation

74% of non-donors said that this was their main barrier to giving

20%

Likely to reduce the amount they give

Only 16% of donors indicated they would increase their donations in the next year

74%

30-44 age bracket donated in the last 24 months

This was the lowest among all the age groups and this group are the most likely to have young families

35%

Are saving for their family instead of donating

This increases to 42% among 30-44 age bracket and 44% among the 44-60 age bracket

The growing impact of climate change, political tensions and wealth disparity will increase the frequency of emergency campaigns

60% of donors support just 1 or 2 charities and are looking to give through **one-off donations**.

Millennials and Gen Z (**52%**) are prepared to fund **international emergencies** compared to just **30% of 45+** who are prepared to give donations to international aid.*

Charities need to rethink **how emergency campaigns are delivered or impact** and develop **new retention strategies** to protect long-term revenue.



Understanding your audience will help identify your quick wins and future opportunities

Once you have a clearer understanding of who your donors are, their motivations and behaviours you can start **moving them through the pipeline.**

Moving audiences towards a mid-value or high-value gift, change regular gift frequency from monthly to 4-weekly etc or inviting them to a premium donor event.

This will also **allow you to identify your Gift in Will and bequest opportunities** or identify potential corporate connections.



People are living longer, healthier lives

The number of **Gifts in Wills** realised each year has been **flat for the last five years**, as income has varied year on year the actual volume of bequests realised has stayed the same*.

As people live longer, we are going to face longer stewardship timelines. It is essential to engage with people not only when they are writing their initial will but also as they update their final will (approx. 70+).

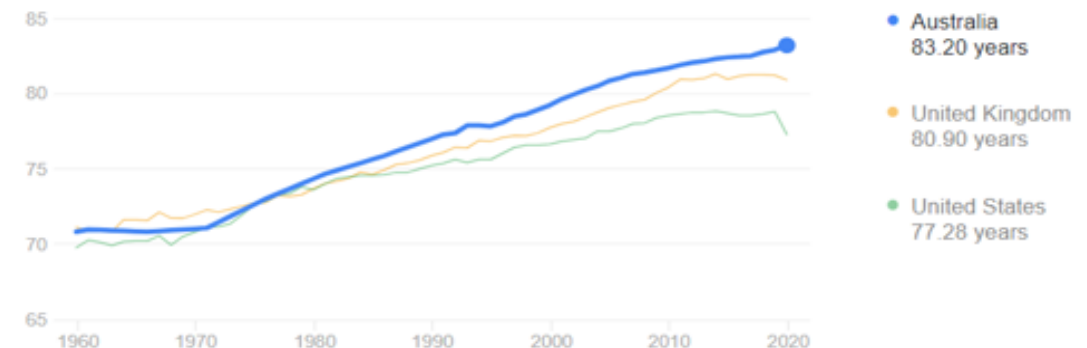
Table G: Age of testator when writing their final will

Age when writing final will	Number of bequests	% of total bequests
Under 70	272	18%
70-79	381	25%
80-89	580	38%
90-99	276	18%
100+	11	1%
Total	1520	100%

Source: Include a Charity and Bequest Assist 2023 Gifts in Wills Report

Australia / Life expectancy

83.20 years (2020)



Source: Roy Morgan Research August 2023

*Source: © The Benchmarking Project 2023

If Corporate Partnerships are not getting what they need, they go

But they aren't asking for the moon and often less is more – **do the basics** and do them **right**:

- Identify organisations with alignment and / or shared objectives
- Demonstrate impact or success
- Provide valuable staff engagement opportunities
- Invest in individual relationships

Get the basics right and you will likely have a successful long-term partnership.



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