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arts fundraising & philanthropy

# Fundraising Considerations

With David Johnson of Arts Fundraising & Philanthropy

Ticketsolve and Arts Fundraising & Philanthropy



# Fundraising Considerations During COVID-19

COVID-19 has caused major problems to cash flow and revenue streams of the arts & cultural sector. Lockdown restrictions, social distancing measures, and furloughed staff mean organisations are experiencing new challenges. For most, fundraising will be an important and the only source of revenue over the next few months. In this whitepaper, David Johnson of Arts Fundraising & Philanthropy shows us some of the most important considerations to successfully implement crisis fundraising campaigns for your organisation during this period of closure.

<u>Arts Fundraising & Philanthropy</u> work with a wide range of organisations in the arts, culture, and heritage sectors. Their mission is to transform the fundraising knowledge, skills and levels of success of arts organisations. Their team empowers cultural professionals to harness the considerable opportunities that fundraising offers and to develop diverse and entrepreneurial practice, building and growing a skilled fundraising workforce.

Arts Fundraising & Philanthropy has published their latest e-zine, <u>Now New and Next</u> with a specific focus on fundraising in a crisis. David Johnson, Head of Programme outlines some of the key fundraising challenges organisations need to consider as they plan ahead for reopening.

Sincerely,

David

David Johnston Head of Programme at Arts Fundraising and Philanthropy





# Fundraising in the Current Climate

The world as we know it has changed dramatically over the past few months due to the Covid-19 outbreak. Professionals working in Arts and Culture are currently faced with the question of whether or not it is appropriate to ask audiences to donate during this crisis period. With a multitude of uncertainties and concerns, one thing is clear - communication and relationship management is more vital than ever between organisation and supporter when considering and implementing fundraising.

Relationships between audience members and arts organisations have changed and while we need to be mindful of the new uncertainties facing them, we also need to manage and maintain these important relationships with supporters, audience segments, and members alike. For a lot of organisations, appeals for donations, fundraising campaigns, and the support of stakeholders will form an important and integral stream of revenue over the next few months.

### Take a Look at Your Business Model

Fundraising is a normal part of any organisation's business strategy but with doors closed and performances either cancelled or postponed, we have seen an urgent shift in focus and immediate response for organisations to increase their fundraising efforts and communications. During these uncertain times, with limited to no earned ticket revenue, arts fundraising can provide some financial stability for organisations.

There are many forms of creative fundraising which organisations can consider during this period of closures including; PWYC (Pay What You Can) for any online streaming or content offered, Crisis Fundraising Campaigns, Fundraising Appeals for Artists, and encouraging audience members to exchange their tickets for cancelled events for a credit voucher or full donation to the venue.

## Is it Appropriate to be Fundraising Right Now?

The arts is and has always been a solace for many in the community. With severe restrictions on movement, continued closures, and many in the community still isolating and cocooning, inaccessibility to a valued source of comfort is an added strain. In addition, the continued health crisis has meant that many in the community are facing new challenges, particularly on resources, which rightly take precedent.

David Johnson believes that arts organisations can definitely implement fundraising right now. While you may have previous fundraising campaigns ongoing, one of the most important considerations to fundraising in today's climate is your approach to 'making the ask'. Fundraising should be implemented in a new way, with a considered approach.

A change in tone of messages and communications is also needed to ensure that the nuance of your ask addresses how audience members are feeling in the current moment. Creating a sense of understanding will go a long way; Covid-19 has impacted every member of your audience and continues to impact us all in our daily lives.

# Audience Communications During a Period of Crisis

Social distancing, travel bans, and the closure of retail stores and venues has made the past few months a very strange time for everyone. Regular ticket purchasers, familiar donors, and other stakeholders are all facing the same situation and it is really important to remember this in any communications on behalf of your organisation.

Arts audiences are facing stresses and strains in which they have never experienced up to this point - we certainly don't want to add to these strains with too many messages or the wrong messages altogether. The best approach is to look at what audiences need from you and how you can really help your supporters right now.

# **Rekindling Communications**

While focusing on refunds and show cancellations, regular communications with audience members might have taken a dip. When picking up on audience communications after a period of absence, It's important that your approach show context and express empathy. People want to connect with others and feel human so consider all communications as a means of being helpful. Let your audience segments know that although the doors are closed, your lights are still open.

Getting in touch and checking in with all of your audience segments is important to maintain relationships and to prepare for a successful reopen. For all audience members who have spent money with your organisation in the past few months or purchased tickets in advance for your summer programme, it's important to deliver the information they need before making any ask for donations.

Be creative in your communications. Although times are challenging, there's still plenty of room to trial a new approach. Some organisations are creating short video statements instead of newsletters which again helps audiences connect with individuals in organisations, as opposed to the institution itself.

# **Consider the Individual Needs of Donors**

It is really important to consider the individual situation of the donor. Many have been at home for long periods of time, many will be furloughed, others may be self-isolating. Look at the USP and individual strengths of your organisation and think about your mission statement. With these in mind, consider what is useful for supporters at the moment. For example, you might have an education team providing resources to help with home-schooling or supporting educational activities over the summer. Donors are finding themselves in front of laptops and televisions now more than ever before. What is currently in your archive that might provide them continued relief for an afternoon or evening?

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# **Be Creative**

Be creative in your communications. Although times are challenging, there's still plenty of room to trial a new approach

# Fundraising is Entirely Dependent on Strong Relationships

As your audience communications begin to pick up, it's important to identify the areas of your comms that blend more naturally to fundraising. This will make the initial ask easier for both your team and your supporters. Fundraising is relational first and foremost, so it is really important that you continue to contact donors and find out how they are and update them on any measures your organisation is taking.

### **Older Demographics.**

Many organisations have a stream of programming and outreach projects directed towards older demographics. This segment is more vulnerable now than ever before even at these later stages of lockdown. Marketing and box office teams should have some great ideas on how to keep them engaged. Showing support for others will be invaluable for your organisation once your doors are reopened.

Acts of kindness will be remembered and particularly organisations who consider those more at risk of loneliness and isolation. Highlight anything you are doing to help and support more vulnerable communities in your fundraising communications. Ensure that the focus of your ask is on this vulnerable segment rather than your organisations operational costs and overheads.



# Best Practices for Appropriate Communication

Donors may be very glad to hear from you and you should focus on being useful and informative. Thanking them and continuing to be grateful for their support is key. Whilst it may be tempting to let donor communications drop, a continued flow of information from your organisation will help audiences and donors remember those who were helpful, useful and positive during this time.

## **Don't Neglect Your Current Supporters**

Fundraising for your organisation is unlikely to be a major priority for your existing donors but equally, passive updates ignoring the context of what is going on will be irritating, so find a balance and send regular, relevant communications to keep relationships going. Offering Friends credit to the following year's renewal can be a great way to keep up engagement and rapport with your organisation.

# Acknowledge the Current Situation

Acknowledging the situation for audiences and supporters is the most important messaging in your communications. Right now the focus for our supporters and donors is on their family, their friends, and their jobs understandably. It is very alarming and strange for donors to read messaging that doesn't convey this new reality.

Finding the balance to let them know you are thinking of them, and that it is important that they look after themselves, but also that they can help look after you too. You and your team are part of an ecosystem, a wider set of objectives and agendas that enriches the lives of communities. Make sure you don't forget your purpose but that you soften your approach in reiterating this to supporters.

## Human-centered and Honest.

Creating regular, relevant communications with people keeps them reassured and lets them know what is going on for you and your team. There is huge fear in society at the moment and whilst audiences might love what your organisation does, their hearts and minds will inevitably be focussed on their own families and communities.

# Take a Strategic Approach

Right now things feel a little uncertain for the arts but it's important to hold your nerve, and not panic. Taking a strategic approach requires clear-thinking but it also demands strong internal communication. If you are feeling pressured and panicked to secure donors support, your feelings will be amplified amongst the team and then onto supporters through communications. It may be that you don't make the ask in the first few communications to them. You want your donors to follow you and emerge with you on the other side of this crisis.



#### **Repurpose and Reorder**

The best way to take a strategic approach is to look at your current approach to fundraising. Ask yourself three key questions;

- 1. Where can you find material that can be repurposed and is relevant?
- 2. Which aspects of communications need to be re-ordered?
- 3. What definitely needs to change in your current approach?

## **Donor Segmentation**

Audiences are often segmented far more effectively than donors within arts organisations. Learning from this, it may be the time to start looking at the motivation for people giving to your organisation as opposed to just the frequency or percentage of ticket buyers who give. This could be through reaching out to the most loyal donors and asking their opinion on messaging or reviewing campaigns to see what messages generated the most income.



# Building a Successful Fundraising Strategy

Whilst surviving both physically and financially are at the forefront of people's minds now, arts and culture have a key role to play in reassuring and connecting people. Arts organisations need to be able to continue to deliver their work, but to achieve this they'll need to raise funds.

Consider your existing business plans. It may mean that you want to reconsider what you prioritise right now, and it is helpful to break this down into achievable goals, so you don't become overwhelmed. There are a number of groups working together on reopening planning and guidelines. The Arts Advocacy Working Group, which Ticketsolve is involved with, will be releasing a toolkit for reopening which may help feed into your planning.

You should think about all of your upcoming activities and contact existing funders, donors and sponsors to establish contingency plans and what activity can and can't be fulfilled in existing timeframes.

#### **Being Inventive to Encourage Multiple Donations**

Organisations should think about being inventive in how they continue to engage their donors and continue to refine the messaging for different groups of people. Predominantly though, continue to focus on how the pandemic is continuing to impact the people you serve rather than just your business. The local impact of what you do and the values you stand for are key for engaging and retaining audiences as well as donors.

## **Consider your Digital Output**

With many people still based entirely at home, we are seeing shifts in trends all the time. The last few months have seen consumers become increasingly digital and seeking more ways to entertain themselves. This may be temporary, but as people move beyond the current pandemic, it may be that some of this doesn't reverse. With that in mind, again empathy is key – organisations that try to be commercially exploitative will not fare well and it is important to be honest and transparent with supporters and audiences.

You may decide to pause 'normal' conversations with your major donors but it is important to establish ways of keeping in contact with them as they face this 'new normal' with you. With membership or friends' schemes you may want to refocus creative efforts on how you'll continue to deliver some of the benefits virtually and ensure that you minimise membership churn rates.

From a fundraising perspective, it's important to show donors and patrons of members or friends schemes that there's lots going on at the moment. You might decide to host quizzes, your annual gala, or focus at creating new networking events online. Ask supporters what they are missing the most. You might decide to host virtual drinks in an attempt to bring everybody together again. What are tangible benefits for patrons or audience members being associated with your organisation and what can now be shared or recreated online?

## **Donation Pages**

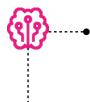
At the moment, the donation page on your website is doing a lot of hard work for your organisation. Take the time to ensure that it is working for your organisation and that supporters are not getting confused with mixed messaging.

Key areas to address on the first instance with your Support Page;

# 1. Is it easy to find?

Simplicity is really important. Make sure that accessibility to your donate button isn't a barrier for supporters.





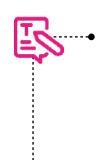
# 2. Is it easy to understand?

You might be telling a great story, but have you made it clear to potential donors that you are asking them to make a clear call to action which is to donate?

# 3. Where is the key landing page?

Sometimes we can have several layers to our online donation journey. Has your team identified a key landing page and is it easy to find from your homepage? Are you offering supporters the option to donate as a guest and not have to fill in mandatory forms during check out?





# 4. Do all communications align with your overall strategy?

It is important that supporters understand the difference that their contributions are making. If they arrive on your website to donate to an elderly outreach project during the Covid-19 outbreak, it's important that this is reiterated on your donation page.

# 5. Easy to donate?

After a lot of hard work and important messaging, your donors are now ready to contribute to your cause. Ensure that the only hurdle they face is not a complicated donation journey. Check in with your Google Analytics data from time to time and identify if donors are abandoning the donation journey at any stage of their online journey.

# **Crisis Fundraising Appeals**

Now a few months into this pandemic with a few more months ahead of us, the dials may have ramped up on your organisation's fundraising efforts and your messaging may be more focused on the current financial crisis impacting your venue.

Crisis fundraising appeals resonate with people and some donors may be motivated by a call to action . Since this period of closure due to Covid-19, there has been a sizable shift in donors supporting causes in their local vicinity where their giving can have a direct impact on their own community. If you are considering implementing a crisis appeal, a local connection might lead to a more focused and generous audience.

## **Best Practices for Launching a Crisis Appeal**

However, if you do decide to launch an appeal, then make sure you follow good practice. Often donors need easy ways to help, so make your organisation's response simple and distinctive. Campaign messages should make it clear why your organisation is wellequipped to help, or for exactly what purpose you are raising money. Be as specific as possible, sharing a specific project will reassure donors and may encourage some firsttime contributors to give generously for urgent and immediate needs.

## **Simplicity is Key**

You want to keep your messaging, no matter what form you go with, nice and simple. Remember to make it an ask and not a pressurised plea. A meaningful ask is always reflective of the purpose and doesn't feel disjointed to audience members no matter where they pick up in your marketing mix.

## Keep it relevant and realistic

Relevance of the ask is extremely important, ensure that the campaign highlights the current crisis facing the organisation or the artists in which it is directed towards.



# Consider All Options For Fundraising

<u>...</u> 52%

52% of patrons either donating or accepting a credit voucher

## **Exchanging Tickets for Donations and Credit Vouchers**

There have been mass show cancellations across the arts world, with that in mind we designed the Ticketsolve Exchange tool which has been widely accepted by audiences with an average of 52% of patrons either donating or accepting a credit voucher.

# Careful and Appropriate Messaging to Manage Audience Expectations

The ask here has to be careful and appropriate and recognises not everyone will want to or can give at this time. The language and approach that is used when communicating with ticket holders is imperative in terms of maintaining the relationship with the booker over a longer period of time.

## The Ticket Exchange Tool

The Ticketsolve Ticket Exchange Tool was built by our DevOps to alleviate some of the immediate pressure facing Ticketsolve customers. This new tool helps arts organisations communicate to all of their customers regarding a cancelled or postponed event and is fully GDPR compliant. This entire process is fully automated for Ticketsolve customers and it gives patrons the choice of 3 options regarding a cancelled event. Customers can opt to; Request a full refund, Exchange the full or contribute a partial value of their purchase into a credit voucher which can be redeemed at a later date, Donate the full or partial value of their purchase to the organisation (with the option of Gift Aid).



"This support from our audience members means so much to us and to our venue. It 's been tough for all of us but having that level of support gives us hope and security during a time of closure and uncertainty. The generosity of our audience members has allowed our team to look forward and rebuild our confidence in the sector and to begin forward planning with positively"

Laura Scobie, Box Office & Venue Administrator, The Old



# **Conduct Fundraising Audits Regularly**

Like any other area of your business strategy, it's important to examine your campaigns frequently and critically. David Johnson shares his top tips to audit your fundraising efforts.

### Key 5 Areas to Focus On

- The world is going to be different and some of those changes are going to be less clear and more uncertain than others. It's important to plan based on what you know rather than what you don't. This might mean altering your strategies to weekly goals or only forward planning 6 weeks at a time. Things can change in an instant, be prepared for more changes.
- 2. Hold your nerve. Diversified income will come back. After the recession box offices boomed and people did want to come back to theatres, cinemas, and live entertainment. While there are certainly still some issues around social distancing etc. we will deal with these worries together as a sector. For now, stay positive audiences will come back!
- 3. Digital is vital so what you're doing digitally now will impact how successful you are when you reopen later. Make sure your digital communications are a good response to the current situation and sensitive to the needs of audience members.
- 4. Think about your building and how is it going to respond to the new norm? How will the box office work? How do you queue, and the practicality of reopening. Audience members need to know that you are considering all of the above before you reopen your doors. Their support is enabling your team to reopen stronger and safer than before. The Arts Advocacy Working Group will also be helping by providing some guidance in the coming weeks.
- 5. Internal communications mean stronger messaging with a greater return. More than ever there is a huge demand for Marketing, Box Office, and Fundraising teams to work together. Your organisation might not be in the situation to implement direct fundraising at the moment but you can certainly work with marketing and box office communications and really get the word out there on why your organisation is great and why people should support you.



## **Ask Difficult Questions**

If you are currently implementing fundraising campaigns during this period of closure but not hitting the targets you need to achieve then it's time to get brutal with your questioning.

#### **Starting Questions:**

#### 1. Where is your starting focus?

- Is this a need that is absolutely critical? Have we communicated this?
- Is that a need that other people think is absolutely critical?

#### 2. Are you confident with your messaging?

- Audience Members are showing their generosity! In the arts we wouldn't dream of taking away donations from food banks, community, and health resources but we need to remember that plenty of people will donate to both and that for some, culture is going to be a positive force through this time.
- Don't think about your fundraising as being apologetic, now more than ever we need to show the sector as confident. Once you have established and made peace that the rationale is really strong behind your ask, your team will feel more confident with their approach and your supporters will gain stronger consumer confidence in return.

#### 3. Have you made a definite ask?

It is entirely common that organisations have a lovely story but don't make the ask at all to supporters. Is it clear what you are asking people to do and how they can contribute to your efforts? We might also need to tweak our messaging to ensure that we haven't used industry jargon and acronyms.

#### 4. Are you answering questions around refunds?

While it is really important to secure that revenue stream and maintain as much cash flow as possible, showing empathy and transparency are critical for audience members. Is there clear information available to ticket holders about refunds and are your team answering these correspondence? It might be worth creating a separate FAQ on your homepage to support your team with the overflow of refund correspondence.



Expanding development a data-drive approach

# Support and Fundraising Resources Available to Arts Organisations

The main cultural sector funders all have resource directories and <u>Arts Council England</u> and the <u>National Lottery Heritage Fund</u> are both offering emergency funds to support the sector in England and the UK. Similarly, <u>Arts Council of Ireland</u> have released their emergency response to the sector with the <u>Covid-19 Crisis Response Reward</u>.

Arts Fundraising & Philanthropy regularly update a <u>news</u> item with key resources and changes in major arts funders across the country.

A number of other sector support organisations also offer direct support including the <u>Audience Agency</u>, the <u>Arts Marketing Association</u>, <u>Clore Leadership</u> and the industry publication, <u>Arts Professional</u>.

The response of this whitepaper is summarised from Arts Fundraising & Philanthropy's latest <u>Now New and Next</u> e-zine, <u>Fundraising in a Crisis</u>. To download the entire publication please visit their website <u>https://artsfundraising.org.uk</u>



"We would like to offer a special thanks to David Johnson of Arts Fundraising & Philanthropy for contributing to our Whitepaper." Paul Fadden, Managing Director, Ticketsolve





#### **Ticketsolve Ltd**

Ireland Digital Court Rainsford Street The Digital Hub, Dublin 8 +353 (0)1524 0954

talktickets@ticketsolve.com www.ticketsolve.com United Kingdom Jactin House 24 Hood Street Manchester, M4 6WX +44 (0)1865 987 667