

Ticketsolving:

# Arts Fundraising: Create a Successful Fundraising Strategy



How to implement fundraising and action these campaigns successfully within your organisation.



## Creative, strategic fundraising is a must for today's arts organisations

**With government funding for the arts rapidly dwindling, arts organisations need to turn to their creative foundations and find additional funding elsewhere. It is no surprise then that fundraising is becoming a major part of arts organisations' business strategy.**

There are a myriad of ways in which organisations can raise funds themselves, some will just dip their toes in the water and look at taking donations with ticket purchases, others will have hyper focused strategies aimed at high-level donors. Whatever the path, the most important thing to remember with any campaign which you organise, is that it must have a clearly communicated purpose.

While nearly every arts organisation has done some form of fundraising at some point, this whitepaper will look at the benefits of having a more strategic approach to fundraising. We'll give you some practical examples as to how you can build successful campaigns around each of your fundraising projects.



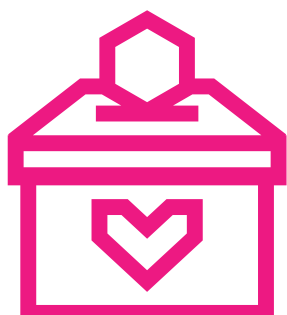
# Benchmarks

## Benchmark data allows you to see where you are amongst your peers

We work with over 290 arts organisations and many of them have a fundraising strategy, so what better place to start then with some benchmarking. The following tables have been taken from Ticketsolve aggregate data of all customers who take donations so you can see how our community is performing when it comes to fundraising.

Donation Conversion Rate	Ireland		UK	
	Online	BO/Phone	Online	BO/Phone
Large Theatre	36%	12%	22%	9%
Small / Medium Theatre	45%	9%	38%	15%
Festival	37%	22%	36%	14%

Average Donation Value	Ireland		UK	
	Online	BO/Phone	Online	BO/Phone
Large Theatre	€2.57	€2.10	£2.08	£1.68
Small / Medium Theatre	€2.27	€1.37	£2.12	£1.44
Festival	€3.20	€1.10	£5.51	£1.22



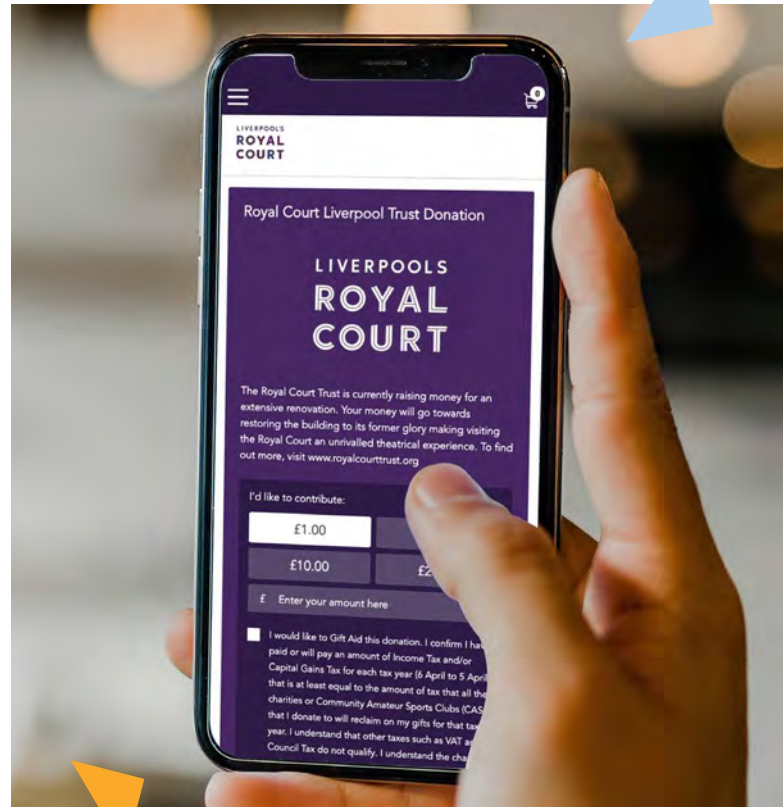


## Initial Thoughts

**Online is where the bulk of donations happen, but the opportunity is in the box office**

On initial inspection, the data show that donation conversion rates are fairly high. The highest is for **Small / Medium Theatre in Ireland** when customers buy online. A staggering **45%** of customers who buy online for these types of venues will leave a donation.

Although the individual amounts donated are not very high, because **45%** of purchasers are also leaving a donation the total donations add up significantly. If you imagine that if **45%** of your online customers would all leave just over **€/\$2**, you could raise a significant amount of revenue from just that one source.



## Problem or huge opportunity?

**People will help drive in person donations**

If we look a little more closely at the data, there is a glaring discrepancy between online and in person/phone donations. While people generally prefer to leave donations online, the question is, why is there this difference between online and in person/phone giving - and is there an opportunity here?

We did a little digging with our customers and interestingly it comes back down to people. Box office staff are either afraid to ask, or they are unsure how to frame the ask in the first place. So there is definitely an opportunity here!

With this in mind, we want to focus in on how you can drive more fundraising through the box office.



**45%**

Highest percentage of donations online



**22%**

Highest percentage of donations via BO/phone



# Laying the Foundations

## Get everyone involved from the beginning

Before you even get to “the ask,” it is essential that you plan your strategy and identify your needs. To do this there are a few different questions you may want to consider. We suggest you do this as a workshop type planning meeting and involve people from each part of the organisation. It is important, especially at this early stage, to get people involved from the start to ensure everyone is clear on what the goals of your fundraising campaign. At this stage it is vital to get the box office team involved as they are one of the biggest opportunities to ensure that you meet your goals.



Rather than give you vague ideas, let's take a look at a real world example of how one Ticketsolve customer, Liverpool's Royal Court has tackled their fundraising strategy. They recently went through a large redevelopment in which they had to raise some of the funding themselves. Here is how they did it...

## Start with the Why: Why are you fundraising in the first place?

While on the surface this may seem like a fairly simple question, dig a little deeper and you will find more nuances. Really take your time with this question as it will form the basis of your strategy for that campaign.

In the case of **The Royal Court**, they were raising money for a complete redevelopment of the venue with new seating, improved toilet facilities, disabled access to create easy access to every level, better food and drink facilities, plus a new 150 seater studio with better dressing rooms for actors and backstage staff. The refurbishment also involved converting the building next door into the Courtyard Bar & Restaurant.





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Fundraising for the refurbishment scheme included a £1 per ticket levy that raised over one million pounds.



## If you don't fundraise, what would happen?

This is a great follow on from why you need to fundraise. Your answer here will help focus your teams' minds on understanding the results of no action. It might also spark some other creative funding ideas!

In our example, the Liverpool's Royal Court would simply answer, we would not have an amazing upgraded building. This answer speaks volumes as everyone should be very motivated to make this project happen.

## What is our goal?

Having a clear goal is very important as this again will lead into your strategy and which direction you will go with your fundraising efforts. Staff who will be implementing the campaign need a clear financial target, as this also ensures customers that are donating have clarity on your needs. There are some clever techniques to drive some more donations if you have a clear goal from the outset.



# What's the Strategy?

Now you know why you are raising funds, what would happen if you did nothing and how much you need to raise. The answers from the above will form the basis of your strategy.

The next critical part of your strategy is your target audience; who are you going to be targeting for your fundraising campaign. To start with, let's look at a simplified donor pyramid:



## High Level Donors

This level of donation giving is very unique and normally requires a fundraising team at your organisation. This is all done via one to one relationship building and can take a number of years to establish.



## Mid Level Donors

Mid level donors tend to be your members, friends or patrons. They are more vested in the organisation and feel a part of what you do. Money raised here tends to come from membership programs where you can gift aid all or part of the membership fee or they come from regular giving via direct debits etc.



## Low Level Donors

These customers tend to leave donation when they buy tickets or visit the venue and leave some spare change. In our example of Liverpool's Royal Court, they previously utilised a voluntary donation and implemented a pre-ticket donation box in their audience members' booking cart. Looking at the data, the team decided to introduce a restoration donation levy within the ticket price. From inside charges set up through Ticketsolve, Liverpool's Royal Court has generated over £1 million which will be used as match funding, as well as to develop the building directly.



## Recommendations on Strategy

### **Low and mid level donors are the easiest to start with**

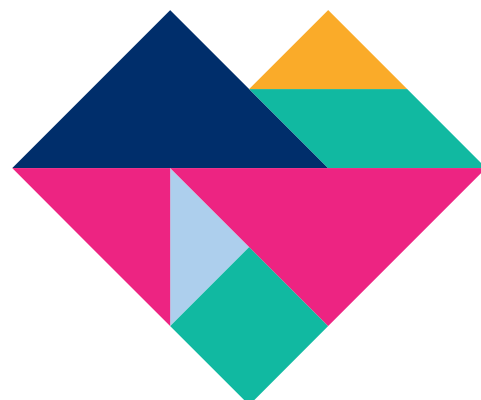
While this is highly dependent upon your goals, the majority of our customers have found that the first two donor types represent the majority of their customers. Low and mid level donors are also the easiest to develop a strategy for and the easiest to target. You are also likely to see very good (and fast) results from them as indicated in our benchmarking data.

If you are interested in some ideas on how to develop your high level donor strategy, read **Fundraising Campaigns and The Arts: Major and High-level Donors** for some ideas.





# Top Tips for Fundraising



You have laid the foundations, you know what you need to do and you know who to target for your fundraising campaigns. You're on your way to building a successful fundraising campaign!

But we thought we'd share some top tips in fundraising so that you can ensure that your campaigns crush all your goals (for even more ideas, check out our Fundraising Playbook).

## 1. Get Buy In from Everyone

If you want your fundraising campaign to be successful, you have to get buy in from everyone. And when we say everyone, we mean everyone. That's all staff, stakeholders, customers etc. If everyone is brought into the campaign, everyone will feel part of it and they will do more to make the campaign a successful one. Getting buy in doesn't have to be hard, but you need to involve people from the very start. Make them feel as if they are contributing to each stage of the planning cycle.

There is also another benefit of getting everyone in at the beginning. It's obvious really, but as they have been involved from the get go they will know everything there is to know about the campaign itself so that they can communicate that to customers which should increase donations - and decrease any fear about asking for donations.

## 2. Build a Campaign Around It

Building a specific campaign around a fundraising project is critical to success. This means everything should be linked together within the project. For example, if you are raising money for new seats within the auditorium, build a campaign that links everything nicely back to the new seats. Don't be afraid to get creative and trial things that might generate more donations such as "sponsor a seat" or "try the seats before we buy them". Run competitions about what colour they should be, "name a seat" - anything that gets people interested, excited and donating. For example as part of their £10.6 million refurbishment campaign to renovate their grade II listed theatre, Liverpool's Royal Court offered their donors the opportunity to adopt one of their 403 seats in the Grand Circle of their main auditorium. Royal Court appealed to high-level donors to join in the story and adopt a seat for £250.

Once the campaign has been thought through, you can start to build collateral around it such as posters, leaflets, email campaigns, letters etc. This will help your front of house teams communicate the projects to your customers. Again get creative, think about local links or other avenues to get the word out. You can even try crowdfunding or even podcasting to expand your reach and tell your story in a new and creative way.



### 3. Clear Communication

Keep in mind this is a journey for patrons as much as it is for you. Remember to communicate regularly and be transparent with all your staff and customers. Be clear on where the money is going, how much you have raised so far, how much there is left to raise, how much they are helping, what more they can do to help etc. Consider developing a specific webpage on your website for the campaign, as this a great way to establish clear communication with your customers and patrons. You can list everything about why you are raising money, what you hope to achieve, your goal and current progress of the campaign. And of course - social media is your friend (as are videos and photos) people want to see progress and feel like they are part of something bigger!

### 4. Special Customer Moments

Special customer moments is a very important part of any campaign. If you can share that moment with customers it will generate loyalty and gratitude from them, and you never know, they may engage in the campaign again down the line. One example that comes to mind is an email automation that triggers when a customer leaves a donation for your campaign. Send them a thank you email with links to your campaign page so they can read more about it. You can also try sending them an email a couple of weeks after they left the donation to say how the campaign is going etc. It is perhaps only small, but a thoughtful way to acknowledge their contribution.

### 5. Use Your Box Office

The online part of the box office is pretty simple and we encourage all of our customers to start using our prompt donation feature. This will prompt a donation when someone adds a ticket to the cart and is a great way to engage your customers in your fundraising campaign. That said, as you saw from the benchmarks, the box office staff is the biggest opportunity - so use them! It all comes down to your staff feeling like they are part of the planning process from the beginning, and ensuring they are at ease when asking for donations. We can help here as well through workshops and training.



## 6. Donation Stations

The collection stands or buckets have been around for what seems like forever but they are a tried and tested way of collecting donations. One of our customers, **Iris Theatre**, actually tried something a little different and turned their collection bins transparent. This was an easy thing to change but they reported that they saw a three fold increase in donations due to the change. They put it all down to the fact that the customer can see that other people have been leaving donations; a little social pressure goes a long way!

Another newish method used by many arts organisations is the digital donation station. As we know, more and more people are not carrying cash with them so it's difficult for them to leave anything in your collection bins. These new digital bins allow your customers to tap their contactless card to leave a set amount. They are fairly new, but they seem to be working well. Companies such as **Good Box** and **Pennies** are already operating successfully in the UK.



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In May, Pennies announces that it has surpassed **70 million** in consumer donations already. Even the National Funding Scheme has launched “**Tap and Donate**” which has seen success at a wide variety of charities including Shakespeare Schools Foundation.

## 7. Memberships & Friends Schemes

Another great opportunity for fundraising is through your membership programmes. Members and Friends are a great first stop for your fundraising campaign because they have already demonstrated their commitment to your organisation. As part of your campaign you could consider a fundraising campaign that is specific to your members that offers benefits such as VIP evenings or “Meet the Director” etc. You could also create a “Friends Of” programme to help extend your membership programme, and of course, get more donations. Using a “Friends Of” scheme can help you have different levels of donors within the mid-level donor range. Offering your audiences a variety of donation amounts gives people who may not otherwise donate at a higher level a chance to get involved and support you.

Membership and Friends programmes help you to build closer relationships with your patrons. You can get creative and offer a variety of member perks - really anything that would be attractive to your members can work.



## 8. Let Data Guide You

We've shown you the benchmark data, which allows you to see where you are compared to other arts organisations. As you get started with your fundraising strategy you will also need to start taking a look at your own donations data to help refine your strategy and tactics. Seeing what is working and what is not will help you to maximise your donations and find what works best with your audiences.

To give you an example of the power of data in fundraising, **Open House** an arts festival in Bangor, Northern Ireland that we work with, raised over £70K through fundraising for a major building purchase and redevelopment.

**Open House used a variety of data to help them understand their audiences better and thus boost their fundraising:**

- Audience data through Ticketsolve to get a general view on their audiences
- Bespoke reports through Ticketsolve to get finer, more detailed reports on audience demographics
- Survey data (customers, local businesses and volunteers), using Ticketsolve's MailChimp integration to create a direct link between MailChimp and SurveyMonkey.

Amongst a host of important audience data, Open House also found that attendees spent an additional **£38 per person** on top of their festival ticket.

With the audience data and donation data to hand, Open House was able to gently prompt their audience members to consider donating through recommendations on Ticketsolve. Open House also created a fundraising page on Ticketsolve to drive donations through the box office.

The data formed the basis for Open House's fundraising strategy and helped them reach their goals.

The Open House Festival raised over £70,000 during their campaign.



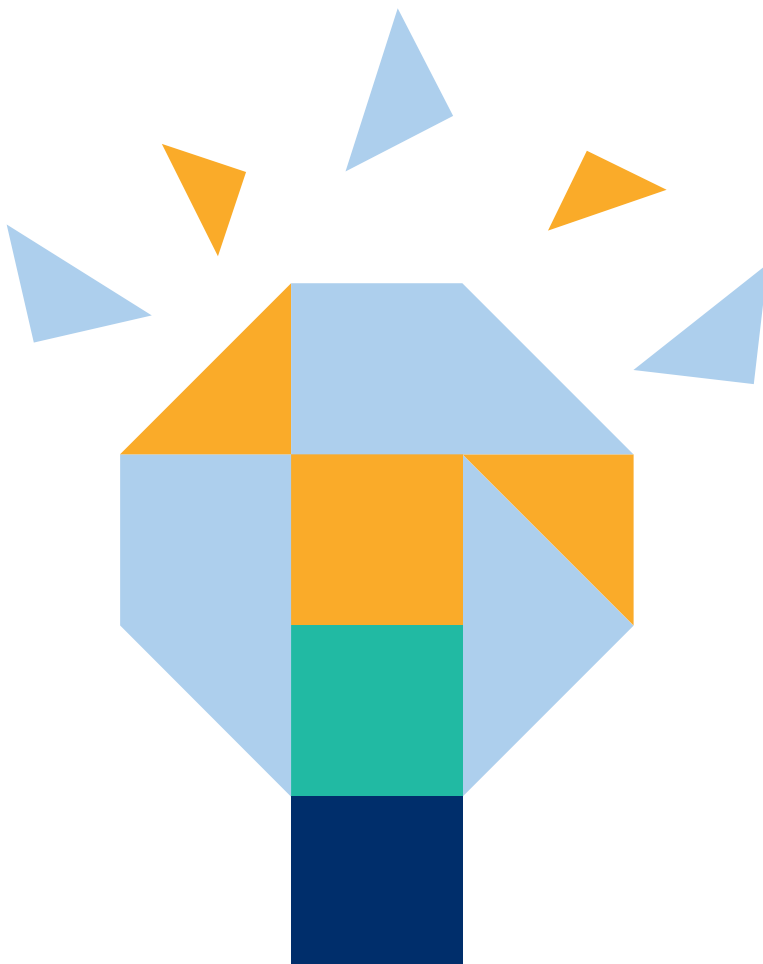




## Final Thoughts

If you are not already doing a basic donation ask at the end of your online transactions, this is certainly the first thing to knock off your fundraising list. Online donations are not difficult - the real opportunity though is through the box office.

Regardless of how your donors give, whether online, via the box office or via digital donations box - your strategy and your story matter. Be transparent and honest about what you need and how your audiences can help. Get creative in your campaigns and the ways you approach them. And don't be afraid to get personal - create special customer moments and appealing membership schemes to encourage people to get involved. Bring them along your journey - in our experience arts audiences want to be part of the story and support the organisations they love.



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