

Few charities would argue that it's important to retain as much information as possible about donors, but what can be done about those irregular supporters who give every now and again. Cancer Research UK might have the right idea, as David Adams finds out

Capturing their interest

Most charities recognise the importance and practical value of keeping accurate records about their regular donors' giving preferences and habits. Many also allow supporters to choose how frequently they are contacted, and by which methods. And while managing donor relationships in this way can be challenging, particularly for charities with more limited resources, at least it's obvious how it should be done – through data capture and some degree of segmentation and analysis.

What has always seemed pretty much impossible has been extending these principles to irregular donors, such as those people who make one-off or occasional donations. In an ever-more crowded charity sector, this could be said to represent a missed opportunity. "You're more likely to turn a non-regular donor into a regular donor than you are someone who has never given you any money," says Mike Basketter, senior product manager at data management specialist Associa. "With someone who's made a one-off donation at least you know they have some sympathy for your cause, so there's got to be a greater opportunity there than with just any old Tom, Dick or Harry."

Until now, few charities have been able to develop the data capture methods that would help test this theory, relying instead on relatively crude cold direct mail campaigns based on lists of the names and addresses of known charity donors. But some are now beginning to develop data capture methods that could bring them a little closer to the people most likely to become new supporters.

Cancer Research UK is one such organisation. Its data gathering method is a shop loyalty card scheme. The cards' primary function is to encourage repeat purchases at two new types of charity shop it launched in July this year: the Entertainment stores, which stock DVDs and CDs, the first examples of which are in Headington and Newcastle; and the Premiere stores, which stock fashion brands, and are to be found in Chichester, Wilmslow and Henley. The cards themselves don't use particularly advanced technology – they



are just simple stamp cards, and cardholders who make ten £10 purchases in the Premiere shops or ten £5 purchases in the Entertainment shops qualify for a £10 or £5 discount on their next visit.

"The scheme is really just designed to encourage repeat purchases, but it has also given us massive opportunities in terms of data capture," says Julia Russell, retail marketing manager at CRUK. "In charity retail data capture is very difficult, there's no way of knowing who the people who come into the shop are, or why they're supporting you. What we do with the loyalty card is ask for some information, just name, address, postcode and email. We ask if they would mind being contacted by the organisation, or by other organisations that share our aims, and we ask if we can contact them by email."

"At the moment I've got a pile of about 600 forms that have been filled in by people wanting the card, and of those most have ticked the box that says it's OK for us to send them more information about our activities." The charity is now planning when and how to approach these potential regular supporters to try and develop a closer relationship with them.

"We're trying to gauge how many people will actually give us the data, rather than how many loyalty cards we can get people to apply for from each shop," says Russell. "Once we have the data then we'll see how much success we get if we approach those people and ask them to support us, maybe to give £2 a month, or support one of our campaigns, or take part in the Race for Life."

If charities can arm themselves with this sort of data they can also make use of the increasingly sophisticated data segmentation technologies and promotional media services

that are available, including carefully targeted direct mail or email, alongside website or text messaging-based fundraising campaigns, depending, of course, on the demographics of the target audience. "Direct mail seems to be the bread and butter of how charities are reaching out to people, but the Internet is also showing more growth now," says Holly Salvona, senior consultant at fundraising technology specialist Blackbaud. "Websites are very useful because you can get so much information about what a charity does. So many more campaigns now are all about driving more people to the website then doing the hard-sell there."

"Fundamentally, providing you understand what you're going to use which bits of data for, it's relatively easy to construct the IT

infrastructure and processes," says Associa's Basketter. "The question is how you capture it in the beginning and how you decide exactly what you want and why you want it."

"And the opportunity to capture the information has to be at the first point of contact," he continues, "because that could be the only contact you have with them."

Of course, as with any commercial organisation seeking to accumulate and analyse customer data, charities planning to use data capture as the basis for fundraising campaigns do have to make sure they maintain compliance with data protection legislation. But there's a more serious problem for charities to contend with on top of this, which is the damage that heavyhanded fundraising can do to their reputations. While many donors are always happy to receive information about the activities of the charities they support, they can find unsolicited mail from other charities irritating. It's not clear on which side of that line irregular donors fall – whether they consider themselves to be supporters of a charity or not. Although gathering data about them will ultimately help a charity answer that question, they must find a way of doing so that doesn't turn people off. There are grey areas between fully fledged supporters and mildly enthusiastic shoppers in a charity shop, and it is vital that charities respect these.

Charities ought to try and offer irregular donors just as much choice over how they are contacted as they do with regular donors, suggests Lindsay Boswell, chief executive of the Institute of Fundraising. "When charities first gather details they need to find out how they want to be contacted and then stay within that remit," he says. And although most charities do their best to make donors and potential donors aware that they

have the right to remove themselves from mailing lists or alter contact preferences at any time, it's important to remember, as Boswell points out, that "we're all busy people, and we don't necessarily have the time to tell people we don't want any more phonecalls or leaflets."

Nor should charities forget the wider context of their own fundraising efforts. "The other thing is that there are so many charities out there now all trying to find donors," says Boswell. "You've got to take into account that you're not the only people they're going to be hearing from."

With this in mind, it may not be long before the CRUK loyalty card scheme finds it has some imitators – firstly because of the way it offers potential donors a reward for providing the charity with data. And secondly because, as long as the charity finds a practical, worthwhile use for that data, the cards can offer two fundraising streams from one medium.

However, the success of the cards is still to be established. "We don't expect everybody who takes up the card to complete one, so that will determine how much we really spend on the scheme," says Russell. "If we get data from 1,000 people and only 50 of them make enough purchases to complete the card then we'll lose a few hundred pounds. But if 100 of them set up a £2 a month direct debit with us then you can see how quickly we will recoup that money."

"Irregular donors are not so warm towards the organisation, and so data capture from them can be more of a hassle. It's often a worry that it can put them off," she continues. "So what we're doing to get around that is to offer some sort of reward, which allows us to reach them more softly." We will have to wait a little while to see if CRUK is on the verge of developing an ingenious new fundraising method. In the meantime, they're certainly not losing anything by trying.

