

Imagine Better



SPEKTRIX INSIGHTS REPORT 2019: ASKING FOR DONATIONS

The Spektrix Insights Report is a look into the consumer transaction data of over 340 arts organizations that use Spektrix. The report is focused on metrics for audience engagement, revenue management, and customer/donor experience.

To read more of our findings, you can view the report in its entirety in the [Spektrix Insights Library](#).

[Learn how Spektrix can help your organization Imagine Better.](#)

Asking for Donations

The importance of individual philanthropy to the arts sector's bottom line continues to increase. In this section, we focus on the important first stage of the donor pipeline and the critical base of every donor pyramid, donations under \$50/£50/€50¹.

Specifically, we look at metrics on:

- **Donations under \$/£/€50 made as add-ons to ticket purchases**
- **The effectiveness of various channels for donations under this threshold**

KEY FINDINGS

Less than 2% of phone or in-person transactions include donations, while **13% of online transactions do.**

Donations made by phone or in person are **nearly double online donations as a percentage of basket value (15% vs. 8%).**

Training frontline staff on asking for donations **has led to up to a five-times increase in phone or in-person donation rates.**

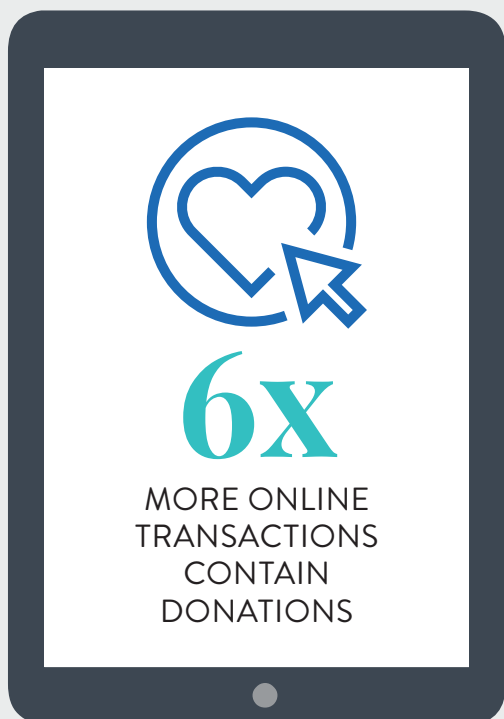
Average rates in the U.S. and Canada are 6% online and less than 1% in person or by phone. **However, some organizations in this region see 20%+ online conversion rates.**

PROVING THE RULES

Relative levels of subsidy, individual, corporate and trust and foundation support for the arts varies considerably between the U.S., Canada, the U.K., and Ireland. Nevertheless, arts organizations in each of these regions find themselves confronted with shifts from historic reliance on larger institutional funders, such as corporations or government bodies, to a greater need to attract individual donors to meet fundraising targets. At the same time, individual giving itself is in flux, showing an increase in total year-over-year contributions, while the number of donors is in decline².

In this environment, a focus on bringing new donors into an organization at an introductory level may help to preserve and grow this valuable funding category. Two commonly held rules of thumb for successfully soliciting donations from individuals are “don’t ask, don’t get” and “people give to people”³. Our data bears both of these out. Organizations that prioritize asking for donations – and in particular utilize sales teams to do so – are seeing impressive results in converting ticket buyers into donors. Yet, in-person or phone asks are not always possible, with the vast majority of transactions in our data set occurring online (see Section 4), so finding ways to effectively ask for donations online cannot be ignored.

TOP ORGANIZATIONS' AVERAGE DONATION CONVERSION RATES



HOWEVER,
PHONE OR COUNTER
TRANSACTIONS ARE

1.9X

MORE LUCRATIVE



RAISING THE GAME

THREE OF THE STAND-OUT ORGANIZATIONS IN OUR DATA SET HAVE MADE STRIDES IN INCREASING THEIR LOW-LEVEL DONATIONS FROM TICKET BUYERS.

OCTAGON THEATRE BOLTON, GREATER MANCHESTER, UK



Octagon Theatre in Bolton focuses on producing world-class theater for the audiences of North West England. Since opening in 1967, the theater has undergone many changes, and in 2018 announced funding for a major capital development of their building.

The need to raise more than £1.5 million toward their capital project compelled Octagon to dramatically overhaul their approach to fundraising. In late 2018, they brought together senior leadership, fundraisers and front-facing staff members to set shared fundraising goals, generate compelling messages, and openly address staff reservations around "making the ask." The result of this: Customer-facing teams are now motivated, skilled and empowered to ask for donations at sales points, specifically over the phone and at the box office counter, with the following achieved in just a few months:

- Phone sales with donations increased from 2% to 10%.
- In-person sales with donations increased from 8% to 32%.
- Online sales with donations increased from 8% to 11%.
- Octagon have raised 50% of their capital target.
- They have engaged thousands of first-time donors.
- Fundraising is now in every staff member's job description and discussed during performance reviews.

Octagon's initial need to convert patrons to low-level donors became the catalyst for a total step-change. The organization-wide commitment to fundraising has set them up for long-term success and ongoing donor support.

SAFFRON HALL

SAFFRON WALDEN, ESSEX, UK



Saffron Hall is a 740-seat performance space built on the grounds of the local high school. Opened in 2013, this award-winning music venue combines world-class events with dedicated school and community programs.

When implementing a donation ask at sales points, it is sometimes difficult to know how much to ask for. Saffron Hall took a purposeful approach to determining this: They examined their members' online spending patterns and found that they tended to purchase large numbers of tickets at season launch times each year. This informed the team's decision to set the donation ask at 5% of the total basket value. They also tweaked the wording of their ask multiple times until they were satisfied that the message was both compelling and transparent.

Their ask has been hugely effective – a whopping 35% of their online sales include a donation worth on average 4.6% of the overall basket value.

The screenshot shows the Saffron Hall website's donation interface. At the top left is the Saffron Hall logo. To the right is a navigation menu with links for 'What's on', 'Visit', 'Support', 'Participate', 'News', and 'About'. Below the navigation is a large, light-colored box containing the following text:

Saffron Hall relies on the support of donations to sustain our work. Your generosity will make a difference.

Saffron Hall's Learning & Participation Activities

Will you help give thousands of young people the chance to experience great culture by adding a donation of 5% of your order?

Amount: £

At the bottom of the box are two buttons: 'Continue with donation' and 'Continue without donating'.

ACTOR'S EXPRESS

ATLANTA, GEORGIA, USA



Actor's Express, housed in a flexible 145-seat modular black box space, seeks to challenge and reflect contemporary human experiences in an inclusive environment.

Though donation add-ons to ticket sales are less common in the U.S., Actor's Express sees 24% of online ticket sales include a donation – a rate far above the global average of 13%. Here's how they do it in their own words:

“ Adding donations on checkout is a lucrative source of revenue for Actor's Express. Some ticket buyers add a significant annual fund donation when they purchase a subscription or ticket, but most ticket buyers use our "Give Us \$2" option. We simply added a donation screen that every patron goes through upon checkout that says "Donate \$2 to support AE! Even the smallest donation has a big impact". This brings in around \$5,000 for us annually.

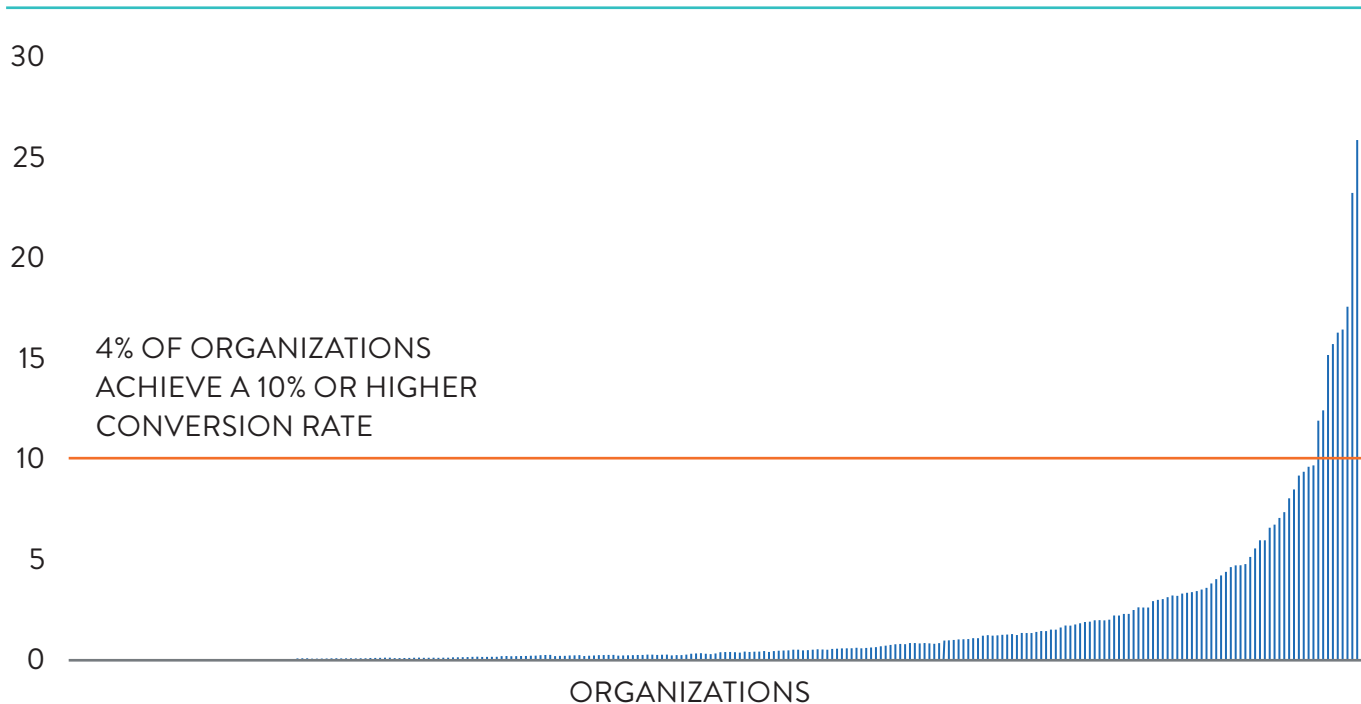
KRISTEN GWOCK SILTON
MARKETING AND DEVELOPMENT DIRECTOR

CONSIDERATIONS

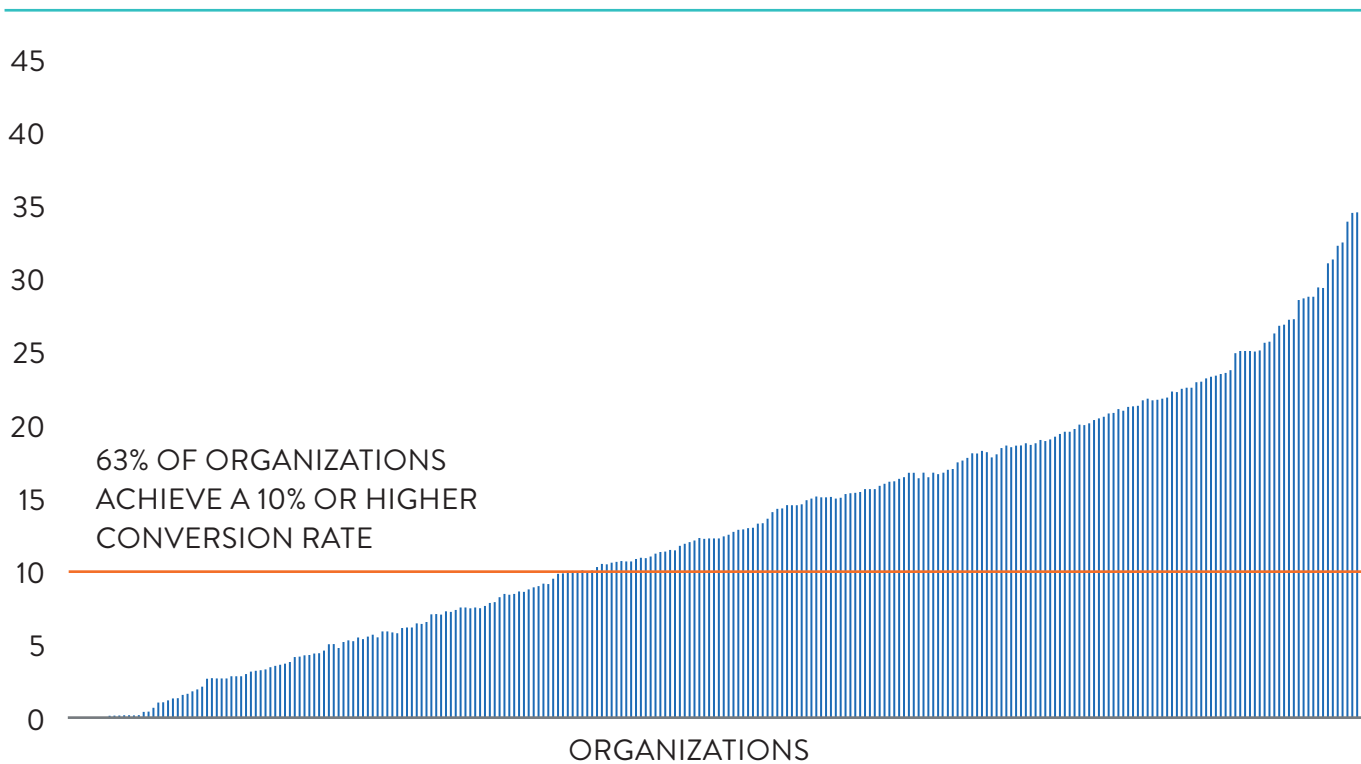
- The pressure is on to increase donations from individuals, to identify new donors and maximize the effectiveness of lower-level giving. **Is your organization doing all it can?**
- Training and engaging sales teams and other audience-facing staff in fundraising has proven benefits. **Is your leadership demonstrating the importance of fundraising to your entire organization?**
- An increasing majority of transactions are now made online, so we can't rely on the in-person ask anymore. The same methodology used for other marketing messages can be helpful: refine, test and repeat. This can help you identify the messages and ask amounts that find the most valuable balance for your organization between higher donation rates and larger donation amounts. **How is your organization optimizing your online ask?**

BENCHMARK DATA

% AVERAGE BASKETS WITH DONATIONS – PHONE/COUNTER



% AVERAGE BASKETS WITH DONATIONS – WEB



Spektrix *insight:*



Anne Wareing, a Senior Consultant who specializes in fundraising at Spektrix, shares her experience of donor motivations.

As consumers in a digital age, we're constantly bombarded with online advertising, and are keenly sensitive to messages that speak to us personally versus those that show no understanding of our context or preferences.

While the data shows 13% of all online transactions contain a donation, organizations are leaving money on the table when it comes to online asks. We know this because personal interactions (on the phone or face-to-face), while substantially fewer in number, yield proportionally higher donations.

An online ask can be based on the event for which someone is purchasing tickets, what events they've previously attended, the value of what they're purchasing at that moment, where they live, and plenty of other behavioral and demographic factors. Address specific patron groups (consider the New Wolsey Theatre examples in Section 1), and describe how their gift will impact your organization. This may give you license to ask for more than a generic request with no particular group in mind. A higher ask may also be appropriate when based directly on the value of items already in a patron's basket.

As consumers, we expect to understand what we're paying for, and this is no less true for donors. So ask yourself: Would your audiences donate *more* if they knew that their donations were supporting something specific, especially if it felt personal to them?