Latest charity research study which, since 2005, has tracked donor behaviour and attitudes to fundraising

Donors demand more information and less "pestering"

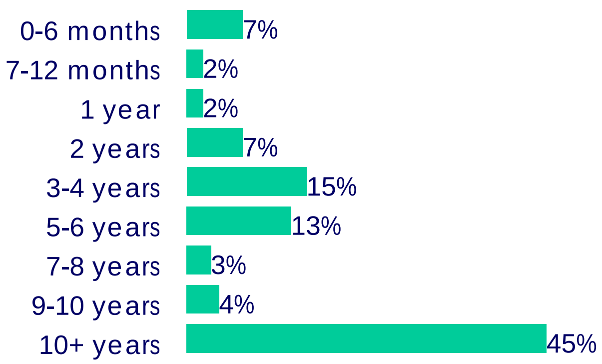
Unique insights into how peoples' views on charity marketing, their level of loyalty to their chosen charities and their preferred ways of giving, have changed over the last four years are revealed in a powerful CCB *fast.*MAP Direct Marketing Tracking Study which it has repeated each summer since 2005.

This highly- regarded CCB *fast.*MAP research has each year posed the same questions to panels of 4,000 people whose demographics echo those of the UK population, thus revealing both consumer opinion and behavioural changes over the years. (Read Marketing-GAP Tracking Study White Paper at http://www.ccbfastmap.com/white-papers.htm.)

The good news is that the number of people who donate to charity has increased substantially from half (51%) in 2005 to more than two thirds (68%) in 2008, the majority (45%) via ad-hoc gifts, followed by 42% monthly, 7% quarterly and 6% annually.

How long have you been donating to your charity?
80% of donors have been supporting their chosen charity for three years or more, up from 71% In 2005, and almost half (45%) have remained loyal for more than ten years (up from a fifth in 2005).

***fast.*MAP 2008: How long have you been donating to your charity?**



Those who had given for more than 5 years were asked why they still donated and, in both years, the majority (more than half in

2008, down from two thirds in 2005) did so because they "believe it's a worthwhile cause" .

The second biggest group - a fifth in 2008 and 14% in 2005 - "can relate to the cause".

However, in 2008 the third most common reason (with 1% more than both "the charity keeps in regular contact with me and explains how my money helps" and "they need my money") was "a relative or friend has benefitted from the charity" (7%). In 2005 "the charity keeps in regular touch etc." came third with 9%.

CCB *fast.*MAP 2008: Why do you still donate?

I believe that it's a worthwhile cause	53%
I can relate to the cause	20%
A relative or friend has benefitted from the charity	7%
The charity keeps in regular contact with me and explains how my money helps	6%
They need my money	6%
Other, please specify	5%
I work for the charity or I know someone that does	3%

Loyalty
More that a third of donors stopped giving to a specific charity in both 2005 and 2008.

Of these, in 2008, two fifths (up from a third in 2005) had done so because they couldn't afford it any more;

22% said "it wasn't clear how my money was helping" (12% in 2005); 14% believed "another charity seemed like a more worthwhile cause" and 7% each cited "another charity needed the money more" (17% in 2005) and "lack of communication from the charity that I was donating to".

CCB *fast.*MAP 2008: Please state the reasons why you stopped giving to a specific charity?

Couldn't afford it anymore	41%
Other, please specify	29%
It wasn't clear to me how my money was helping	22%
Another charity seemed like a more worthwhile cause	14%
Another charity needed my money more.	7%
Lack of communication from the charity that I was donating to.	7%
A lot of media attention about the cause I decided to support instead	2%
Because I gave money instead to a recent disaster/ appeal	2%
When another charity contacted me, I liked its more personal approach	1%
I moved house and the charity did not contact me	1%
Another charity offered a free gift/incentive	0%

This year, only 4% stopped giving because of a disaster appeal or other media coverage and half of these selected "A lot of media attention about the cause I decided to support instead" and the rest "because I gave money instead to a recent disaster/ appeal", suggesting that most people will continue to give to a cause to which they are committed, even when they are moved to make extra donations elsewhere.

No one was motivated to change their allegiance because of a free gift or incentive or because of appealing creative work in another charity's recruitment pack. And only 1% each stopped because "I moved house and the charity did not contact me" and "when another charity contacted me I liked its more personal approach".

Open replies reveal being "pestered" as reason for stopping donations

Almost a third (29%) felt strongly enough about their "other" reasons for stopping donating that they provided an unprompted personal reply. These unprompted responses are very instructive.

More than a third cited charity admin reasons, such as high administrative costs, directors' high salaries or bad publicity which had caused them to loose trust in the organisation.

A similar number wrote that 'pressure', 'pestering', 'bombarding', 'pushing', 'demanding', 'hassling' or 'bullying' for more money had caused the rift.

The following examples give an insight into these responses:
'They were too greedy and asking too often.'
'They kept on contacting me asking for more and more, even sending raffle tickets to sell on their behalf.'
'Got sent more letters asking to increase donations, suggested an amount'.
'They constantly sent me letters asking for more money and they put me under a lot of pressure, asked them to stop but they didn't so I stopped donating.'
'They kept pressuring me to increase my donation.'

A similar-sized group resented attempts to move them from standing order to direct debit donations.

The third, slightly smaller cluster disagreed over specific policy issues or events. Animal testing by medical charities; too large a percentage of funding sent overseas; no local presence; not responding when the donor or their friends or family requested help; and not investing funds ethically, were typical reasons given.

A handful mentioned passive events or a change of circumstances, such as retirement, unemployment or moving to a new job where the employer did not have a donations-through-salary scheme

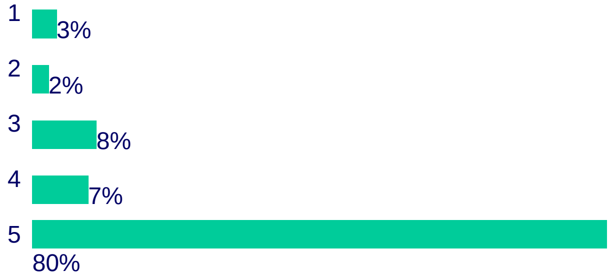
With phone calls –' no' really does mean 'no'

Some fundraisers argue that even people who have registered for the Telephone Preference Service to ban marketing calls do not understand this means that charities can not make contact either.

However, when TPS registered donors were asked if they'd nevertheless be happy to receive calls from charities, only 6% said yes, while 83% (up from 74% in 2007) said they'd actually opt-out of receiving charity phone calls if the TPS was tailored to allow sector by sector opt-out.

And when asked how much they minded receiving phone calls from charities requesting donations, 80% strongly disliked doing so.

CCB *fast.*MAP 2008: Are there some things you don't mind receiving marketing phone calls about?(On a scale of 1 to 5, where 1 is like and 5 is dislike, please tick which is most relevant to the way you feel about each item)
Charity donation requests



Access data on other DM sector phone calls at:
http://www.ccbfastmap.com/white-papers.htm

Even worse from the fundraiser's point of view, charities were seventh on the list of sectors people really didn't want to receive calls from - right up there with the most unpopular marketing calls from loan and credit card companies, financial services and insurance companies. And this is a list where 47% of consumers would register to ban calls from the even "most popular" sector – supermarkets and stores.

CCB *fast.*MAP 2008: If the TPS were tailored to market sectors/companies, which would you register with so you stop receiving unwanted marketing calls? (The higher percentage the more likely people are to block marketing phone calls.)

1.	Loans/ credit cards	88%
2.	Mortgages	85%
3.	Financial services	81%
4.	Insurance	80%
5.	Mobile phones/services	79%
6.	Gym/Health Clubs	79%
7.	Charities	76%
8.	Cars	74%
9.	Utility companies	73%
10.	Banking	73%
11.	Broadband / Cable / landline suppliers	72%
12.	Health and Beauty	68%
13.	Home improvement/gardening	68%
14.	Customer magazines	67%
15.	IT/Computers	66%
16.	Mail order catalogues	66%
17.	Education/further ed. courses/classes	63%
18.	Books	61%
19.	DVDs	61%
20.	Holidays	60%
21.	Newspaper subs./discount vouchers/offers	57%
22.	Competitions	51%
23.	Local services / trades, local shops	50%
24.	Events/entertainment	49%
25.	Local Restaurants/Take-aways	49%
26.	Supermarkets/Stores	47%

More TPS data at http://www.ccbfastmap.com

So despite any contrary anecdotal evidence, the reality is that more than three quarters of people do not want to hear from charities by telephone.

Mail packs are more welcome

In 2008, 20% (down from 22% in 2007 and 26% in 2006) of people are happy to receive charity mail packs; 16%(down from 18% in 2007) want charity emails; while only 1% (unchanged since 2006) are happy with telephoned appeals.

CCB *fast.*MAP 2008: Please look at the list below and tick to indicate the subjects you would be happy to receive communication about? Please state how you prefer to be contacted i.e. like to receive direct mail for local restaurants and events and insurance.Please tick all of the answers, which apply.

Charities

Direct Mail	20%
Home Tel.	1%
Mobile	0%
SMS	0%
Email	16%

CCB *fast.*MAP 2007: Please look at the list below and tick to indicate the subjects you would be happy to receive communication about?

Charities

Direct mail	22%
Home tel.	1%
Mobile	0%
SMS	1%
Email	18%

CCB *fast.*MAP 2006: Please look at the list below and tick to indicate the subjects you would be happy to receive communication about?

Charities

Direct Mail	26%
Home Tel.	1%
Mobile	0%
SMS	2%

However, this shows an improvement on the attitudes expressed in 2005 when only 12% in total did not mind being contacted by charities. Only mobile phones/ services; insurance; financial services and loans/ credit cards were less popular in that year. **(Read Marketing-GAP White Paper at http://www.ccbfastmap.com/white-papers.htm)**

Mobile and SMS contact increasingly unpopular

Contact by mobile remains unpopular with 0% requesting mobile contact since the CCB *fast.*MAP Tracking Study began. SMS messaging has steadily decreased in popularity, from 2% in 2006, to 1% in 2007 and 0% now.

Email favoured generally, but donors prefer to receive mail

Email was shown to have overtaken direct mail as consumers' preferred method for all types of marketing communication in 2005, when 26per cent selected it, while direct mail was chosen by only 20%, putting it firmly in second place.
In 2008, consumers were asked to differentiate between cold contact and contact from organisations with which they have a relationship. In both instances, email was the favoured method – existing relationship 56%, cold contact 26%. (The difference in percentage is chiefly influenced by the fact that while only 23% preferred not to be contacted by organisations with which they have a relationship; almost two thirds (63%) preferred no cold contact.)

However, when it comes to charity communications, donors have constantly favoured mail rather than email. In 2005, 26% of consumers said they'd be happy to receive mail from charities, dropping to 22% in 2007, and 20% now. And although email has steadily increased in popularity over the same period, it remains the second preference for donors, growing from 2% in 2005 to 18% 2007, before dropping slightly to 16% now.

CCB *fast.*MAP 2008: Are there some things you are happy to receive direct mail about?

Topics people are more receptive to now than in 2005	2005 mail	2008 mail	2008 all media
Local restaurants/ take-aways	46%	47%	73%
Financial services	6%	16%	36%
Local services/ trades, local shops	36%	43%	68%
Charities	12%	20%	37%
Insurance	7%	21%	45%
Education/ further ed. courses/classes	21%	25%	57%
Books	24%	30%	63%
Cars	12%	18%	38%
Mail order catalogues	21%	30%	53%
Home improvement/ gardening	18%	27%	53%
Customer magazines	15%	24%	46%
Mobile phones/ services	11%	17%	41%
Loans/ credit cards	5%	14%	30%
IT/ Computers	21%	20%	51%
Supermarkets etc./ stores they use	57%	46%	86%
Events/ entertainment	38%	37%	74%
DVDs	26%	24%	57%

CCB *fast.*MAP 2006. Please look at the list below and tick to indicate the subjects you would be happy to receive communication about? Please state how you prefer to be contacted i.e. like to receive direct mail for local restaurants and events and insurance. Please tick all of the answers, which apply

Charities

CCB *fast.*MAP 2007: Please look at the list below and tick to indicate the subjects you would be happy to receive communication about? Please state how you prefer to be contacted i.e. like to receive direct mail for local restaurants and events and insurance. Please tick all of the answers, which apply.

Charities

CCB *fast.*MAP 2008: Please look at the list below and tick to indicate the subjects you would be happy to receive communication about? Please state how you prefer to be contacted i.e. like to receive direct mail for local restaurants and events and insurance. Please tick all of the answers, which apply.

Charities

Conclusion

All the evidence indicates that people do not view charity communications, any differently from any other direct marketing contact. If they are not interested in what appears in their in-box or on their doormat, they regard it as junk and the money spent on it is wasted. Those who are interested are the only ones likely to respond.
They secret of success is to discover and target the two fifths of people who are eager to hear from charities and then communicate with them using their preferred medium.
Instead of chasing dead wood, channel your precious funds into increased return-on-investment by deploying money cost-effectively by seeking out the receptive, responsive ones.
Then treat them with respect, because informative and engaging contact will help to bind the 7% of donors who stopped giving to a specific charity because of lack of communication.

David Cole
Managing Director
CCB *fast*.MAP

David has 20 years of experience in the direct marketing industry.
He has a Business Degree, a CIM diploma and the BDMA Diploma in Direct Marketing and has worked in direct marketing agencies, a database bureau and in a mailing and fulfilment operation. He was Head of Database Marketing at The Telegraph Group, where he developed a substantial research programme as well as building and managing a highly profitable and unique data-driven business. David is co-founder and managing director of CCB fast.MAP.

- **can help you create <u>marketing messages that really sell</u> via new product - *charity*.MAP**
- **uses the economy/speed of web testing to pre-test all formats - direct mail, DRTV, press, poster, radio or inserts - to find out which treatments works**
- **and can help Agencies win pitches with risk and reward, *Pitch Product***

Find out more at [www.ccb*fast*map.com](http://www.ccbfastmap.com).

<u>Methodology for the *CCB fast.*MAP Marketing-GAP Tracking Study</u>

Each year, the same questions are asked of similarly-constructed, online consumer and marketer panels. However, to ensure the survey stays abreast of technological advances, some questions have been added since 2005, as emerging media have moved into the marketing mainstream, for example, the internet, mobile phones and SMS messaging.

The panel

- *34 questions were submitted into a fast.MAP online self completion survey despatched on Friday 27th June 2008*
- *The panellists were entered into a prize draw to win £250*
- ***Randomisation** of images and answer options to avoid top box bias / creative skew*
- ***An acceptable minimum completion time** was pre-set and surveys completed more quickly were not included in the results*
- ***Intelligent Routing** ensured panel members would experience a high-quality survey experience, because respondents are only presented with relevant questions*
- ***Constant re-qualification** of the panel to ensure that background variables are updated. Differences from initial recruitment can result in being removed from the panel*

The consumer panel comprised 4,000 adults recruited from the 30,000 CCB fast.MAP wholly-owned, closed panel whose profile echoes that of the UK's population profile in age and gender.
Demographic data, collected via online lifestyle survey, made it possibly for only people who are both mail and internet responsive to be selected for the panel.
*This pre-existing data also makes it possible for CCB fast.*MAP *to examine in detail the demographics of a group of people who respond to a question in a specific way. For example, it might choose to investigate their age, sex, income, family or marital status to establish whether there are any significant similarities.*

*The advantage of the CCB fast.*MAP *panel - which has been running for more than seven years and has achieved accurate results for marketers within sectors including automotive, charity, finance, catalogue and mail order, telecomm, internet, fast-moving consumer goods and medical - is that it is extremely representative of a direct marketing-responsive audience.*
It is used by direct marketing, marketing, advertising and sales promotion agencies and brands to gain feedback on marketing, advertising (print/

web/ mail/ video/ radio) or sales activity, e.g. testing different creative treatments, scripts or envelopes; list selection; data planning and purchase and media planning.

It is now possible to reach far more people for research purposes via the internet than the telephone, because so many households have registered for the Telephone Preference Service (TPS).

Online research offers many benefits. Two of these are overwhelmingly important for the CCB fast.MAP Marketing-GAP study. One is the availability of the wealth of demographic and lifestyle data on panel members, which allowed the profiling of cluster groups of those who respond in specific ways. By relating these profiles back to the database, it was possible to identify and quantify the number of other individuals who fitted the same profile.

The second benefit is that the research was done in real-time to gain fast, continuous feedback. This means that, for example, if people change their views following, say, a Government announcement, a disaster, a product recall, or a rise or fall in the interest rate, it is possible to instantly track this change and factor its effect into the findings.

The marketer research panel

The second panel comprised 200 marketers, drawn from the CCB fast.MAP marketing professionals' panel, who were emailed the questionnaire. Additional responses came from the readers of Precision Marketing magazine who were invited to access the questionnaire via a website address printed in the magazine.

Validity

When looking at the validity of research findings four things are of prime importance – recency; sample size (that a statistically relevant number of people took part in the survey); whether the respondents form a representative sample; and the manner in which the question is posed.

The representative sample and statistical relevance aspects have been covered above. The research was conducted among a very large sample of 4,000 consumers and is therefore more statistically relevant than similar research done among a smaller sample: The bigger the panel, the more accurate the results.

Since the order in which multiple choice answers appear can influence response (it has been shown that for some individuals items higher up a list are more likely to be selected than those lower down) the order items appearing on all multiple choice lists was randomly changed throughout the survey, to avoid bias.

Results can also be biased by the way in which responses are collected. A very obvious example would be for a face-to-face interviewer to ask the question: "Do you donate to a charity at least once a month?" Or even worse, for the question to be asked by someone easily identifiable as being connected with a charity. In such cases guilt will become a factor and people are likely to lie to save face, rather than admit they've not given to charity recently.

With an online, anonymous survey, people are more likely to give honest answers to awkward questions.

Recency

One of the greatest benefits of online research is that it takes place in "real time" so that at any moment it is possible to monitor response levels and observe progress. Since answers have been input by the respondents, the delay which occurs because written data has to be entered by a third party is avoided.

Also, it has been shown that data entry errors are less likely to occur when people enter their own responses online. This is partly because a third party may make a data-entry error if they have difficulty in deciphering someone else's writing and partly because if an individual takes the trouble to fill in an online questionnaire, they are likely to enter the data more accurately than a keyboard operator whose attention may wander during monotonous, repetitive data-entry work.

Using face-to-face surveys or paper questionnaires, it would take two or three months to achieve responses to 34 multiple-choice, complex questions from 4,000 people who mirror the UK population profile.

This is because, it would be necessary to first identify individuals with the right demographic profiles and persuade them to participate. Then, either the questionnaires would have to be mailed or delivered or a qualified, nationwide research team would have to be assembled to do the interviews. Responses would be returned to base for input and data processing before results could be presented in a useable form.

The CCB fast.MAP Marketing-GAP Research was carried out in late July and the first findings were accessible within hours, statistically relevant results representing an accurate "snapshot" of topical UM consumer opinion were available within three days.

Comparison of marketing specialist and consumer respondent findings

In the marketing specialist questionnaire it was necessary to collect responses in a slightly different way from the consumer questionnaire. So that one set of findings could be compared with the other, it was necessary to organise responses into class intervals.

For example, if consumers are asked to provide a yes or no response to the question: "When providing details about yourself do you always look for the opt out boxes so your details are not passed on to a third party or used for marketing?" 82per cent may answer "yes".

The corresponding marketer question would be: "What proportion of consumers do you think always look for the opt-out box when providing details about themselves, so their details are not passed on to a third party or used for marketing purposes?" and their responses may be as follows:

Proportion	*Response*
0 – 10%	*7%*
11 – 20%	*13%*
21 – 30%	*22%*
31 – 40%	*16%*
41 – 50%	*16%*
51 – 60%	*7%*
61 – 70%	*13%*
71 – 80%	*5%*
81 – 90%	*1%*
91 – 100%	*0%*

The above findings can be reported in several ways, for example, that 1% of marketers correctly predicted that more than 80% of consumers look for the opt out box, or that 99% of marketers are more optimistic than reality suggests, or that, on average, marketers are more optimistic thinking that only 37.5% of consumers opt out compared to a reality of 82%

If 50% of marketers had underestimated and 50% had overestimated, then the overall assessment of consumer attitudes by marketers would have been correct.

CCB fast MAP