

November/December 2005

This document can be freely downloaded, adapted and copied for use by individual organisations. It may not be published or distributed electronically, or used for any purpose without the publisher's prior consent

Kermarquer, 56310  
Melrand, France.  
Telephone:  
+33 (0)2 97 39 52 63.  
Fax:  
+33 (0)2 97 39 57 59.

Email:  
ken@kenburnett.com

# Shaping fundraising's future, part one

## Who on earth will break the mould?

The influential UK trade magazine *Precision Marketing* recently (September 16th issue) delivered a withering analysis of the public's perceptions of and receptiveness to the plethora of marketing communications that are conveyed relentlessly their way by a host of competing commercial interests. Their conclusions were based on recent attitude research amongst a cross section of both consumers and the people in agencies and consultancies who are employed daily to craft and despatch these communications. Two things particularly interested me. First, it was crystal clear that the vendors – agency folk and their kind – profess to believe that their products and propositions are vastly more welcome and better received by the public than their targets themselves state to be the reality. Secondly, fundraising propositions from nonprofits emerged as one of the major areas of marketing that the public most despise.

Bad news, I think, for all in the voluntary sector who care about our organisations' long-term prospects for raising funds cost-effectively. In his leader column announcing the research results, PM's editor, Charles McKelvey, expressed a concern that's been worrying many fundraisers for some time. He said:

'What is becoming clearer by the day... is that charities need a fresh approach to fundraising. The days when you could plaster mailings with grainy images of starving children and battered dogs and expect a huge response are over. Is there anyone out there willing to break the mould?'

The question Mr McKelvey poses is clearly timely and pertinent, but quite wrong. Of course this particular mould should be broken and there are lots of people in nonprofits only too willing and eager to do it. The question that he should have asked is, 'Is there anyone out there *able* to break the mould?' And if not, why not?

In this context the word 'mould', rather than describing the shape and formation of something that we've all come to love and depend upon, could of course apply to the decay and rot that has set in to and started to consume most publicly visible professional fundraising on both sides of the Atlantic.

Whichever mould he's referring to, however, I agree wholeheartedly that in the public interest and in the interests of nonprofit

organisations everywhere, someone should break it. And soon.

But how?

Well, I have a few ideas...

## The challenges of innovation and new product development

First, we need to accept that what *Precision Marketing* reports is indeed becoming daily more clear, to all but the most blinkered.

But is 'fresh approach' us? Do fundraisers do innovation? In my experience, not very well, or appropriately, or often.

Were he to observe them for any length of time the casual visitor to our world from the planet Tharg could be forgiven for thinking that, in our society, the bulk of nonprofits are condemned to endlessly repeat the follies of their past. Were he (or she) to dig into this, he would most probably conclude that fundraisers are clearly not in the market for new products or innovations. Most, he would quickly see, have no one responsible for such things, and lack a structure that encourages or even allows for them. Nonprofits, he would observe, don't often talk about new product development, even among themselves. It's a subject (one of the few) that doesn't often appear on the programmes at their endless seminars, conferences and conventions.

The Thargian tourist would note that even if any of their people were interested in R&D, few nonprofits have adequate budgets for such things placed at their disposal. Or any budgets at all for such purposes. Most nonprofits, he would spot, have no culture or track record of innovation and don't anticipate it in their strategies or thinking. They almost invariably omit to report upon it in their efforts at accountability.

The passing alien would remark that this differs very greatly from commercial businesses of his acquaintance. But perhaps, you might say, as a recent arrival from planet Tharg he would be unlikely to get many fundraising solicitations himself, so could be readily forgiven for assuming, from what he knows of their business area, that such is public warmth and enthusiasm for what nonprofits do that innovation and product development are redundant.

Unless, that is, he were by chance to read *Precision Marketing*.

There, if he were even moderately astute (and most aliens, we assume, are smarter by far than the average earthling), he might reason that perhaps the absence of such things could be terminally serious for nonprofit organisations. He might deduce that the case for nonprofits themselves taking action to prevent the decline and

slow death of nonprofit enterprise must be, in fact, as plain as the nose on his face (visitors from Tharg have indeed only one) to those who should be seeing it. But he must wonder why no one appears to be doing anything about it.

Of course visitors from Tharg can easily leave such conundrums behind as they set off in search of other more fruitful and less confusing worlds. We fundraisers, on the other hand, have no option but to do something to save ourselves. Here's what I think the nonprofit community, if there is such a thing, should be doing to reverse the trend of public disdain for our marketing methods and bring innovation and new product development to centre stage in fundraising and nonprofit management.

1. Make the 90-degree shift\* compulsory in all fundraising training. Get better not just at listening to our donors but also at really hearing them, even when what we hear isn't what we might want.
2. Recognise that the old ways have to change. Encourage fundraising staff to welcome and embrace innovation.
3. Get rid of gimmicks and so-called involvement devices that cheapen fundraising and alienate potential supporters.
4. Get competitive. Build a reputation for your organisation as the most creative and effective innovator around.
5. Celebrate the right to be wrong. Wrong is a perfectly valid place to be, unless you are the kind of charlatan who cooks results.
6. Get used to taking risks. Innovation doesn't happen without risk, so do all you can to overcome the voluntary sector's tradition of risk aversion.
7. Take action to breed a positive culture of innovation in your organisation.
8. Invest appropriately in innovation so that in your organisation shortage of funds is never an excuse for failure. It won't happen without the money.
9. Ignorance of what's happening in other sectors is no excuse.
10. Make sure your board of trustees, collectively and individually, is fully behind your innovation strategy. Failure to be sufficiently innovative can usually be laid at the boardroom door.

My friend Dick McPherson from McPherson Associates, Malvern, PA, recently told me of a comment he'd heard from a senior citizen at a donor focus group. The words are the donor's, not Dick's. He said

'I give to [organisation X] every year, then write

“deceased” on the next mailing I get. I want to help but I don’t want all that crap.’

Such observations are amusing, and all too common. This one could even presage a new and worrying trend that might appeal to lots of current donors. But they are an alarm bell, and should give us serious pause for thought. How long can our nonprofit enterprises survive, if most of our customers think of our urgent communications in these terms? If this is how our donors view our routine need for funds?

The answer is obvious. We need to change, and that change will only come if our organisations can create a culture that welcomes and embraces innovation as a fundamental part of what we are and what we do. For nonprofits, innovation has to become as familiar and as easy as breathing.

\* The 90-degree shift is a concept described in detail in Ken Burnett’s new book *The Zen of Fundraising*, published in March 2006 by Jossey-Bass Inc of San Francisco. It involves developing the ability to see things not from a selfish perspective but from a variety of different points of view.

© Ken Burnett 2005