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Press release
Embargoed until Monday July 6, 2009

Communications with F2F-recruited donors are as critical to attrition levels as how they are signed up

New research from the **Public Fundraising Regulatory Association** (PFRA) – the self regulatory body for face-to-face (F2F) and door-to-door (D2D) fundraising – suggests that much of the relatively high attrition of F2F and D2D donors is not due to the fundraising technique used to recruit them.

Instead, a raft of new insights into attrition of donors recruited through direct dialogue methods shows that many factors impacting on attrition levels relate to how fundraisers communicate with donors after they have been recruited.

The findings will be unveiled at the Institute of Fundraising National Convention on Monday 6 July, in a session presented by Future Fundraising's Rupert Tappin, and Morag Fleming, from Scottish social care charity Quarriers.

These conclusions were identified through a statistical analysis of the giving patterns of 377,000 F2F/D2D-recruited donors accumulated for the PFRA's *2008 Attrition Survey*, which was devised by Tappin and Fleming. The analysis was commissioned by the PFRA from Professor Adrian Sargeant of the Centre on Philanthropy at Indiana University earlier this year, and is presented in full for the first time at the 2009 IoF convention.

Sargeant's main conclusions are:

1. Donors who receive more communications in a given year tend to stay longer than those that are communicated with less frequently.
2. Donors who do not receive a welcome call and who also do not receive a customised newsletter experience higher levels of attrition than those who do not receive a welcome call but do receive a customised newsletter. These two variables are therefore interacting. Whether or not communications are customised does generally not impact on retention, but this does appear to matter in the absence of a welcome call.
3. The optimum time to make an upgrade call is within seven and 12 months of signing up. This reduces attrition levels and increases lifetime values (because donors have

upgraded sooner rather than later). But retention is not improved if upgrade calls are made after the first year.

4. A welcome call has an impact on attrition if made within three months of the donor signing up, but no appreciable effect after that.

“Face-to-face fundraising has received a lot of criticism for attrition levels that can be higher than other recruitment methods,” explains Rupert Tappin. “But what we are seeing with this detailed examination of our data is that the actions that fundraisers take after donors have been recruited can have as much an impact on attrition levels as the way in which a campaign is set-up and run.

“Both F2F and D2D involve personable, interactive, one-to-one contacts between a fundraiser and a donor. Donors expect similar levels of personal interaction in their subsequent relationships with the charity they have chosen to give to.

“Yet the way charities and agencies work together too often prioritises recruiting donors without focusing enough on building long-term relationships with them. We now have some hard statistical evidence to show this way of thinking is a mistake.

“This is evidence that doesn’t just refute a number of the old wives tales that communicating with donors just reminds them they are giving to a charity they’d forgotten about and no longer want to give to. It is also evidence that communicating with donors will lessen the rate at which they stop giving.

“Welcome calls do not cause donors to cancel their direct debits and neither does trying to upgrade them. In fact, they will do the opposite and help ensure they stay with you.

“It has been constant throughout this survey that if a campaign starts with below-average attrition, it finishes with below-average attrition. So the more charities can do to minimise attrition early in the campaign, with better, more frequent and more targeted donor communications, the better their attrition and the greater their income will be.”

Adrian Sargeant says: “These data provide fundraisers with a benchmark about how to manage attrition levels. For instance, making just one extra communication with a donor during their first year – whether it’s a phone call, text or letter – decreases attrition by four percentage points. Yet the average number of communications F2F donors in the survey received in a year was just three.

“These are the kinds of figures that fundraisers need to have at their fingertips when deciding how to steward those donors that have just been delivered by a new F2F or D2D campaign.”

The IoF convention session will also see the presentation of the results of the PFRA’s *2009 Attrition Survey*.

The 2008 survey compared attrition rates for D2D (door) and F2F (street) campaigns during 2004 and 2006. This showed that attrition (the percentage of donors who had cancelled their direct debits 12 months after signing up) on street campaigns had improved slightly (50 per cent in 2004; 49 in 2006) but that door attrition had improved significantly from 50 per cent in 2004 to 41 per cent in 2006.

The 2009 attrition survey now adds data for the whole of 2007 and part of 2008 to the mix.

Street attrition levels during 2007 again fell slightly to 47 per cent. However, the trend for 2008 is for rates to rise and, after all donors recruited during 2008 have completed 12 months of payments, it is expected that street attrition levels for 2008 will come in at around 55-57 per cent.

Door attrition during 2007 climbed back to 46 per cent, but its outlook for 2008 appears better than for street attrition: the data indicate that attrition for 2008 door campaigns will be around 46-47 per cent, which is better than the 2004 level.

Morag Fleming, who is the convenor of PFRA Scotland, says: "While it's disappointing to see attrition levels rising after seeing some gains, it's nothing we weren't expecting. The recession has hit all forms of fundraising and it would have been a miracle if F2F and D2D had escaped.

"But I hope that the communications aspect of this research will show how charities can ride out the increased attrition that's due to the economic climate and emerge from the recession with bespoke communications programmes designed specifically for street- and door-recruited donors.

"If charities use this information wisely, they should be able to make a serious dent in F2F attrition levels when the recession is finally over."

ENDS

For further information or to arrange an interview with Rupert Tappin, Morag Fleming or Adrian Sargeant, contact:

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Full details of the *PFRA 2009 Attrition Survey* will be presented at the Institute of Fundraising National Convention at 11.15am on Monday July 6, 2009, during the session *Maximising Income from Face-to-Face Regular Giving*.

Notes for editors

The PFRA

The Public Fundraising Regulatory Association (PFRA) is the nationally recognised self-regulator for all forms of face-to-face (F2F) fundraising activity – direct debit solicitation or data-capture – conducted in public spaces by charities and good causes anywhere in the UK. Supported by the Office of the Third Sector and the Charity Commission but without drawing on public funds, PFRA seeks to guarantee the sustainability of F2F with the donating public by working in partnership with local authorities, TCMs and BIDs to provide and enforce bespoke and free-to-user durable and Charities Act 2006-compliant local voluntary management solutions within the framework of the Institute of Fundraising national Code of Practice.

Our work and effectiveness is recognized by the Institute of Licensing, NALEO, and the Association of Town Centre Managers, all of whom occupy observer seats on our board of management. We were among the founder members of, and occupy a seat on the board of, the Fundraising Standards Board. We are a corporate affiliate of the Trading Standards Institute – committed to fair trading and consumer protection.

Rupert Tappin

Rupert Tappin is managing director of Future Fundraising Ltd and chief executive of Fundraising Recruitment Ltd. He has previously established two separate fundraising agency operations: face-to-face for NTT ActionAid – now Face 2 Face Fundraising Ltd, part of the Dialogue Group; and door-to-door for Front Door Fundraising. Rupert has been an active member of the PFRA since 2002, and an executive board member since 2006.

Adrian Sargeant

Adrian Sargeant is the UK's leading fundraising academic and currently Robert Hartsook Chair in the School of Public and Environmental Affairs at the Centre on Philanthropy at Indiana University.

He is a leading international expert in fundraising research, with expertise in donor loyalty and retention and the application of marketing principles to fundraising, and has conducted much of the UK charity sector's benchmark research into public trust and confidence.

Professor Sargeant received his PhD in marketing from the University of Exeter. Among his professional affiliations is managing editor of the *International Journal of Nonprofit and Voluntary Sector Marketing* and serving on the editorial boards of the *Journal of Nonprofit and Public Sector Marketing*, *Nonprofit and Voluntary Sector Quarterly*, and the *International Journal of Advertising*.

Morag Fleming

Morag Fleming is head of fundraising at Quarriers. Morag has been with Quarriers for eight years running face-to-face campaigns every year over that period. She was responsible for the implementation of a direct marketing strategy that increased income from individuals by 500 per cent over a three-year period. Morag has been an executive board member of PFRA since 2002 and is convenor of PFRA Scotland.

Future Fundraising

Future Fundraising was launched in 2004 as a consultancy primarily to help charities to either implement or improve their regular giving income streams, primarily through face-to-face and door-to-door fundraising.

Clients include:

- World Vision
- Oxfam
- Rethink
- Home Farm Trust
- EveryChild
- Brainwave
- St Mungo's.

Future Fundraising specializes in helping charities maximize their income from face-to-face, through proactive retention management.

Quarriers

Quarriers is a Scottish charity providing care and support for children, adults and families. We challenge inequality of opportunity and choice to bring about a positive change in people's lives.