



Fundraising for impact

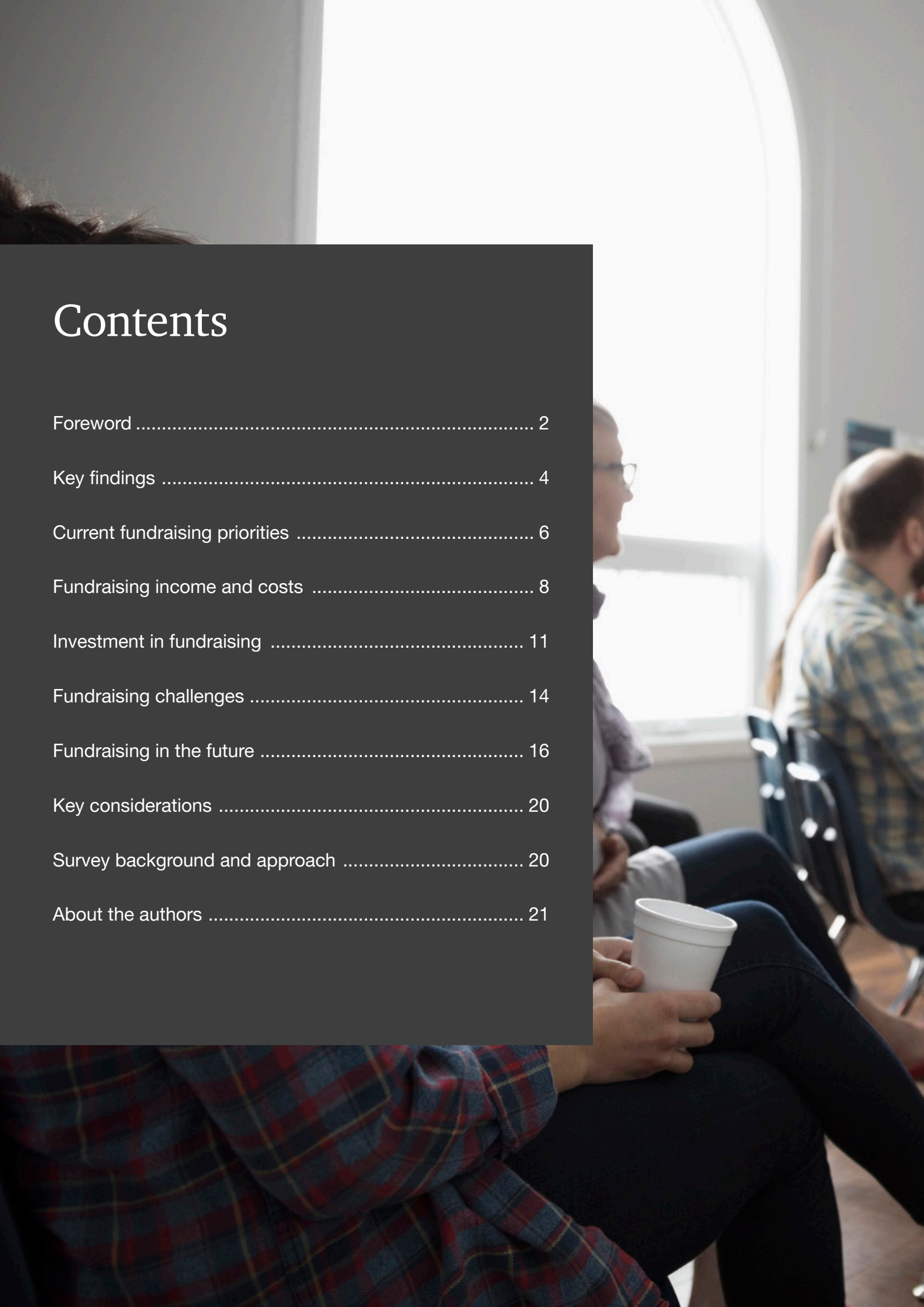
Exploring the current and future fundraising landscape for charities

May 2019



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Foreword



Aidan Sutton
Partner and Head of Charities, PwC

At a time of so much change in the fundraising landscape, I am delighted that PwC has collaborated with the Institute of Fundraising to look at the current state of fundraising and explore what the future may hold.

Fundraising is central to many charities' efforts to achieve their charitable objectives. Over recent years, charities have seen increased regulation and greater scrutiny over their fundraising practices. At the same time, public views are hardening. This was encapsulated by a member of the general public in our people's panel, as part of our Building Public Trust Awards, commenting that "people do think twice now before donating".

All of this means charities need to think carefully about how they tell their story and the manner in which they fundraise. Many charities have reactively dedicated a higher level of resources to respond to the regulatory environment and public expectation. As they look to the future, it is important for charities to develop fundraising approaches that achieve sustainability and impact.

Improving the experience of existing supporters and attracting new supporters are seen as key priorities by the charities we surveyed. Building deep, authentic relationships with supporters – relationships that are more genuine and less transactional – will be at the heart of this. This applies to all charities, large and small. Focusing on creating a great supporter experience means a shift in mindset away from a traditional measure of financial return on investment and towards a return on experience.

Given wider political and economic uncertainty, demographic change and digital transformation, the ability of charities to adapt and be responsive to their supporters' needs in a more competitive fundraising landscape has never been more important. Harmony between fundraising strategy, digital innovation and a focus on the supporter experience will help to make this happen.

Overall I was heartened by the sense of positivity and optimism from those who responded to our survey. At times of uncertainty, charities are more important than ever. They have an opportunity to capture the momentum and enhance their engagement with supporters and the wider public.

I would like to thank the individuals representing a broad range of charities who took the time to participate in our research, and I hope you find our insights useful.



Peter Lewis
CEO, Institute of Fundraising

I am really pleased that the Institute of Fundraising has been able to partner with PwC on this important new project. The issues that we look at around current fundraising priorities, investment in fundraising, and challenges and opportunities ahead are crucial for charities to get right as they embark on their strategies and plans. Every charity should be focused on how they can achieve the most public benefit and deliver for their causes and beneficiaries, and this report shows that investment in fundraising activity is absolutely fundamental to working towards that goal.

This research is published at a very timely point for the charity sector in general and fundraising in particular. The last couple of years have seen the regulatory system for fundraising change, the introduction of GDPR, safeguarding scandals and a continuing rise in demand for charity services. And alongside all of that trustees are faced with the ongoing economic and political uncertainties associated with Brexit.

So at times when charities might be feeling a little unsure or hesitant about what they should be doing, and how to respond effectively, I hope it is reassuring and useful to have this kind of benchmarking research to be able to take a sector-wide view of how charities are responding and what plans they are putting in place. I was particularly struck by the emphasis reported by the respondents on the importance of reviewing and improving the experience of supporters. We know fundraising, and the success of fundraising, goes beyond the pound that is donated – it's about

the relationships that are created between the cause, the charity and supporters that will deliver long-term success. That means we need to measure, recognise and value fundraising to move beyond a simple return on investment metric and incorporate the wider benefit and value that fundraising activities bring, to individual charities, supporters and society as a whole.

As we look forward, I am also struck by the 'green shoots' of positivity that respondents have indicated in this report. Fundraising charities seem on the whole to be optimistic for the future in terms of the voluntary income they believe that they will raise in the next three years. I know fundraisers tend to be resilient and positive people themselves, but I believe that this is more than just having a sunny glass half full disposition, and more grounded in the reality of charities putting in place strong foundations and building blocks that will deliver for their causes into the future. Strategic investment in activity and training will deliver results, as we've seen in recent years with the growth of legacy giving. We should always remember, even in a changing world, people still care about making the world a better place.

I hope the findings are useful for your organisation as you navigate the road ahead and I look forward to seeing the future fundraising strategies reaping success for years to come.

Key findings

The decisions that charities take about how they fundraise are among the most important they will make. Levels of demand across the sector are growing and it is right for charities to think carefully about how they can best use their funds to achieve their purpose. That includes reviewing how they are investing in growing voluntary income to maximise their impact, looking at long-term sustainability and forward plans, as well as navigating existing challenges and responding to change.

Our report looks at the current fundraising priorities and decisions that charities are taking, fundraising income and costs, how charities are investing in fundraising, key fundraising challenges and their views about fundraising in the future.

Current fundraising priorities

The top three current fundraising priorities for charities are



This corresponds with the most widely selected options by our respondents for the most important areas of investment of



To be sustainable and successful in the longer term, charities are increasingly looking at the whole supporter experience, improving engagement and building relationships, to keep people as loyal and long-term supporters.

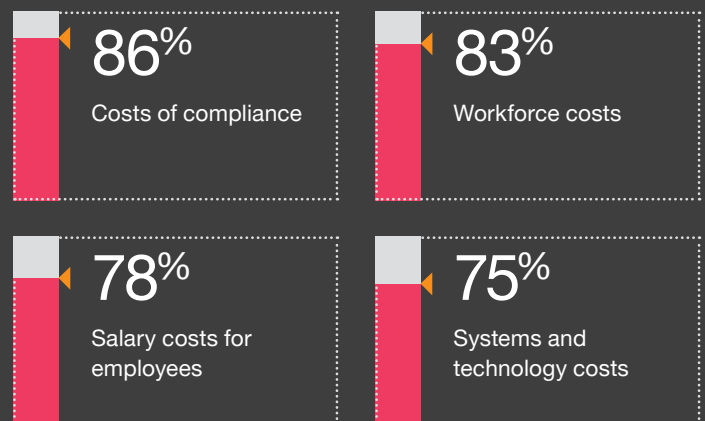
Fundraising income and costs

Our survey respondents reported that the level of voluntary income has increased over recent years, but the associated costs have also increased.

Fundraising charities represented by our respondents have principally focused on growing their fundraising income through

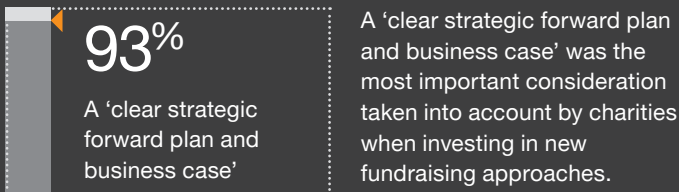
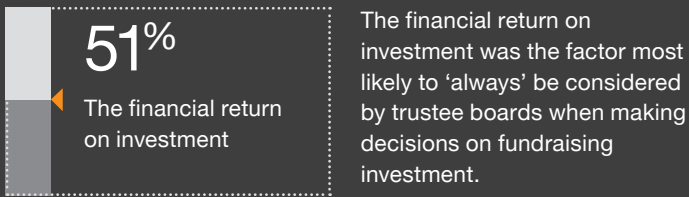


The most significant increases in costs of fundraising seen by our respondents have been



Charities need to balance the compliance, workforce and salary costs associated with fundraising, with investing in future activity such as digital engagement. When it comes to digital, it is important to remember that technology needs to be embedded as part of a broader and holistic fundraising strategy and approach.

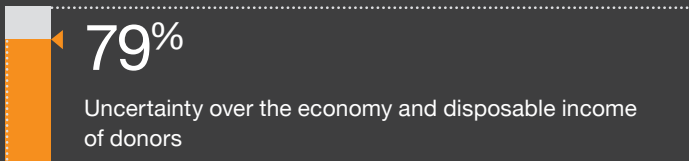
Investment in fundraising



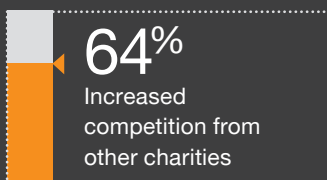
While the financial return on investment is clearly important, longer term impact measures should also be taken into account. Increased focus on delivering great supporter experience means that measures such as return on experience have become more relevant over recent years.

Fundraising challenges

The most common significant concern for the future was



Charities perceived the other key fundraising challenges to be



The prevailing uncertainty makes planning for the future and taking long-term strategic decisions more difficult. However, charities that focus on becoming adaptive and resilient and proactively take control where they can will be the ones that are the best placed to succeed.

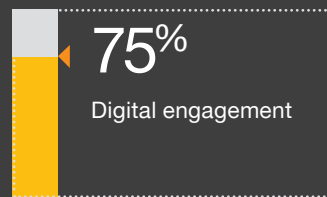
Fundraising in the future

When looking ahead, there is a relatively positive view about what the future holds.

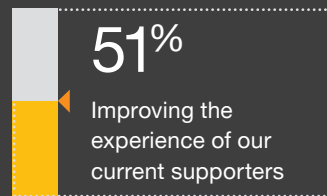
The majority of charities that were surveyed predicted that there would be growth of



The areas where respondents were most likely to say that they thought there would be an increase overall were in



The most important areas for fundraising in the future are



Charities are putting themselves in the best position for future success by reviewing their priorities, getting the right plans and strategies in place, and taking action to ensure that future fundraising campaigns continue to be compelling, engaging, and successful.

Current fundraising priorities

When we asked charities about their current areas of focus for generating voluntary income, the most popular area was 'Improving the experience of and growing relationships with existing supporters', selected by 63% of respondents. There has been a great deal of focus within the charity sector and fundraising profession on the experience of supporters, and perhaps following the introduction of the General Data Protection Regulation (GDPR) in May 2018, it is unsurprising that many charities are saying that taking care of their existing supporters is a top priority as they get used to a new regulatory landscape for sending direct marketing.

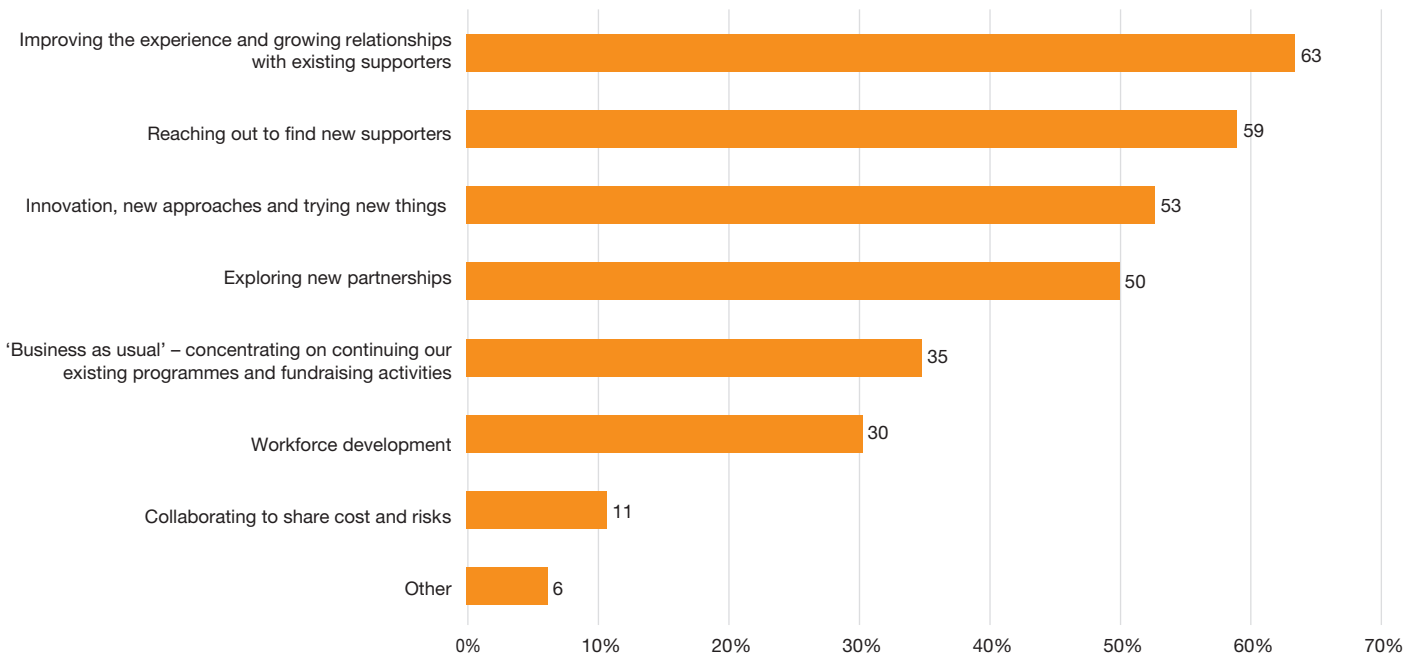
The second most selected area was 'reaching out to find new supporters' (59%), followed by 'innovation, new approaches and trying new things' (53%). This indicates that the traditional lifeblood of charity income (finding new supporters) is still a main focus, but suggests the way that some charities reach and engage new donors is changing. Charities are innovating and using technology with the aim of engaging new audiences and ensuring that when new supporters are recruited they receive the right communications and tailored engagement to give them the best experience of giving to that charity.

This focus on doing things differently tallies with the fact that only 35% of respondents said that their focus is on 'business as usual' – concentrating on continuing our existing programmes and fundraising activities'. With a backdrop of the disruption and change that is happening, it seems that fundraising charities have taken a view that business as usual may not be a sustainable approach and embarked on a journey to take on new approaches and embrace a culture of change.

'Collaborating to share costs and risks' was the least selected area of focus (11%), aside from 'other', indicating that where charities are exploring new options or doing things differently, collaboration is not a top priority. This was interesting, however, as 'exploring new partnerships' was selected by 50% of respondents, meaning that an appetite to explore partnerships did not translate into collaboration. It may well be that partnerships is seen as something that charities do with other sectors, whereas collaboration is viewed as being within the charity sector. It was notable that only 23% of larger charities saw 'exploring new partnerships' as a current focus, compared to 57% for medium-sized charities and 52% for smaller charities.

Chart 1
Current areas of focus for generating voluntary income

Q: In terms of your investing in generating voluntary income, where would you say your organisation is currently focusing its efforts? (Choose up to three).

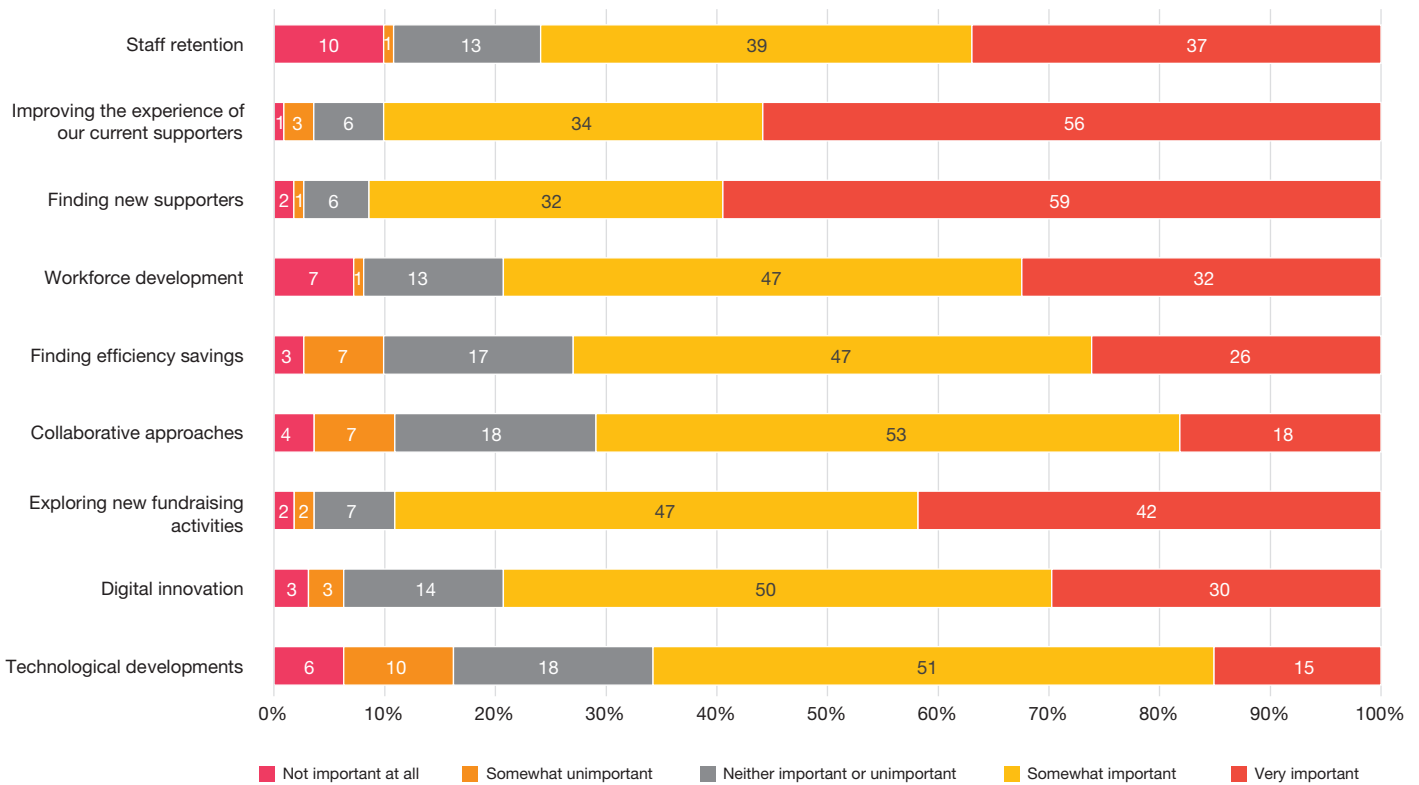


Not surprisingly, in terms of the areas of investment that charities say are the most important, the most widely selected option was 'finding new supporters' with 91% of respondents indicating this was 'very important' or 'somewhat important'. This was followed with 'Improving the experience of our current supporters', with 90% selecting this as an important area of investment.

Many of the areas were rated as important across the board, showing that charities have a number of priorities that they need to manage and contend with. Two related areas which are worth highlighting, ranked fourth and fifth in terms of importance, are 'developing our workforce' and 'staff retention', with 79% and 76% of respondents respectively saying that they were important. This indicates a different aspect of importance for fundraising – that having people with the right levels of skills is critical for success for charities and that, to get this right, internal investment is needed.

Chart 2
Levels of importance for areas of investment

Q: How important or not are any of the following areas of investment for your organisations?



Reflections

The focus on supporter experience is part of a wider shift in the culture and practice among fundraising charities. Following on from regulatory changes in recent years, and following the outputs from the Commission on the Donor Experience¹, we know that many charities are reviewing their fundraising strategy and approaches to put the supporter first. There seems to be a growing understanding and recognition that excellent fundraising is more than reviewing a simple return on investment metric or counting success purely on financial figures. To be sustainable and successful in the longer term, fundraisers are increasingly looking at the whole experience of donors, increasing engagement and building relationships, to keep people as loyal and long-term supporters.



The supporter experience is very important, we need to offer a fantastic experience at every touch point.

Kathryn Holloway
Friends of the Earth

¹ The Commission on the Donor Experience.
<http://sofii.org/cde/the-commission-on-the-donor-experience>

Fundraising income and costs

The average (mean) voluntary income for the last year reported by our respondents was £2,900,000 and the average spend on generating voluntary income for the last year reported by our respondents was £860,000. Recognising the limitations of self-reporting, and the broader point that fundraising is not just about generating financial returns, this provides a high-level indication that the charities represented by our respondents received £3.37 in voluntary income for every £1 spent on generating voluntary income.

Our survey indicates that the level of voluntary income has increased over recent years but the associated costs have also increased. Many of our respondents (67%) have experienced an increase in voluntary income over the last three years, with 37% having had an increase of more than 10% in this time. A similar number of respondents (63%) experienced an increase in the general costs of running existing fundraising activity, with 25%

having had an increase by more than 10% in this time. Three quarters of respondents (74%) said that they have increased their investment in new fundraising activities and programmes or in growing existing programmes.

The areas which charities most commonly said that they had increased their investment in over the last three years were: 'digital engagement' (65%); 'trusts and foundations' (55%); 'individual giving' (55%); and 'community and events' (51%). The two areas which have seen the largest jumps in the level of investment (by over 20% over the last three years) are with trusts and foundations and in relation to digital engagement. The focus on digital engagement is a theme that recurs throughout this research showing that it is one of the most important priorities. In relation to major donors, 46% of larger charities said that their level of investment would increase, compared with 32% for smaller and medium-sized charities.

Chart 3
Changes to voluntary income, costs and investment over the last three years

Q: Thinking about the last three years, please indicate how your voluntary income, costs and investment have changed, if at all.

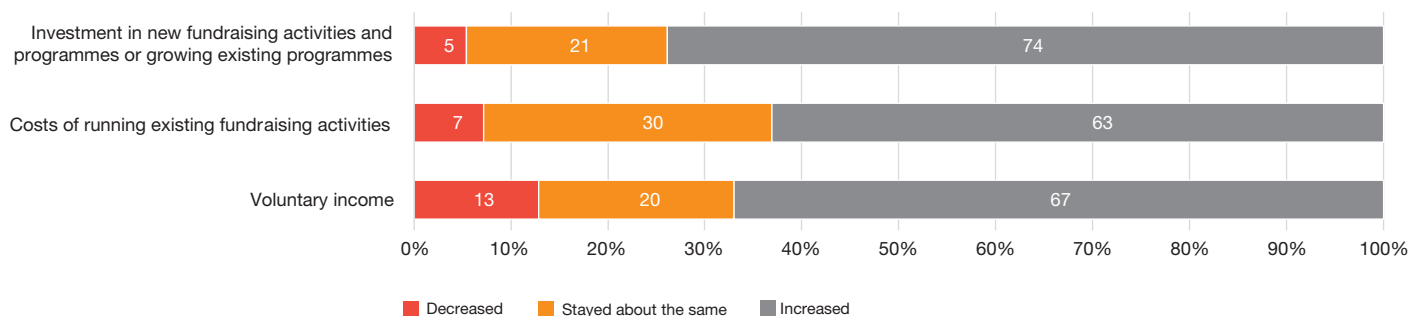
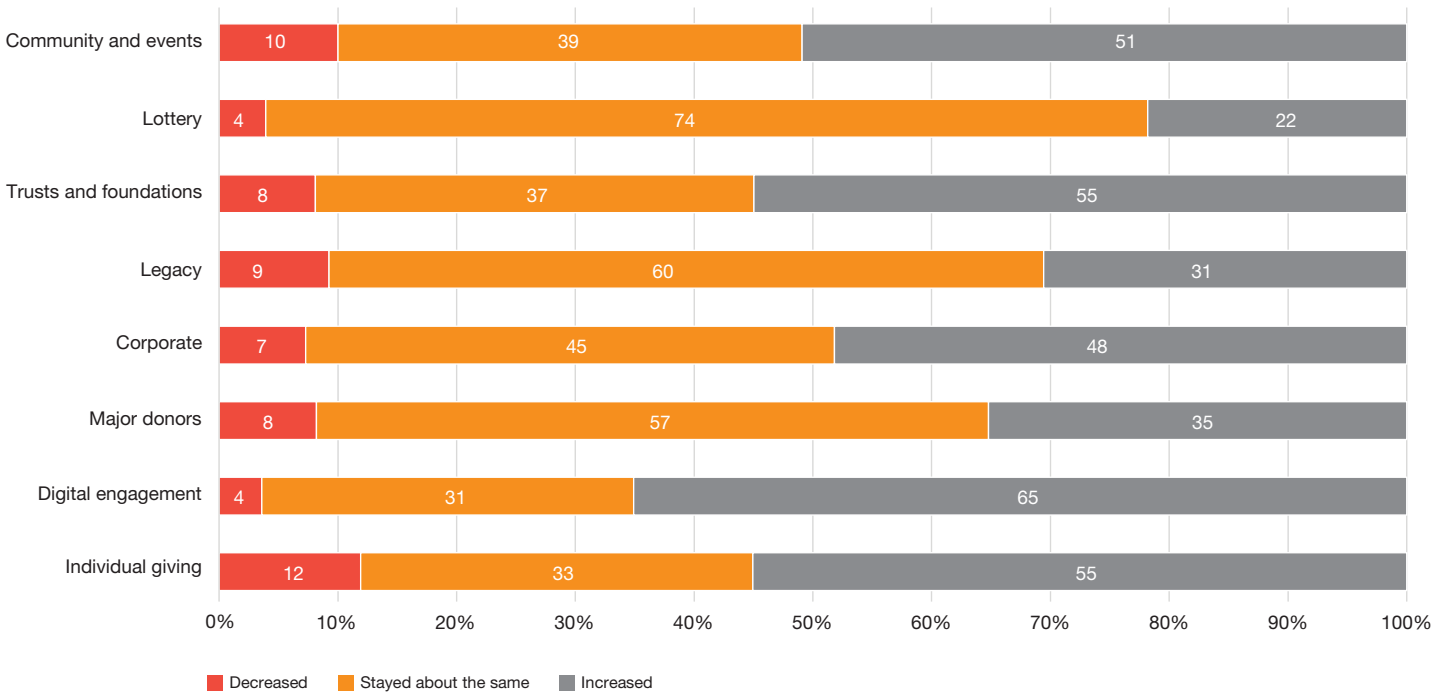


Chart 4

Changes to investment in growing existing activities and developing new programmes, initiatives and campaigns over the last three years

Q: Please indicate the level of investment your organisation has made in growing existing activity and developing new programmes, initiatives and campaigns over the last three years (We know that some areas of fundraising overlap, so please give your best estimate).



The corresponding costs of fundraising have also increased over the past three years, particularly around compliance (86%). This reflects significant step changes in the regulatory environment including the establishment of the Fundraising Regulator and the introduction of GDPR, as well as issues around governance and safeguarding. Salary costs and workforce-related costs have also seen an increase in 78% and 83% of charities respectively. Systems and technology costs have also gone up in 75% of charities, for example customer relationship management (CRM) and finance systems or website upgrades, which did not differ between different sizes of charities. This may reflect the fact that charities are at different stages of technological maturity.

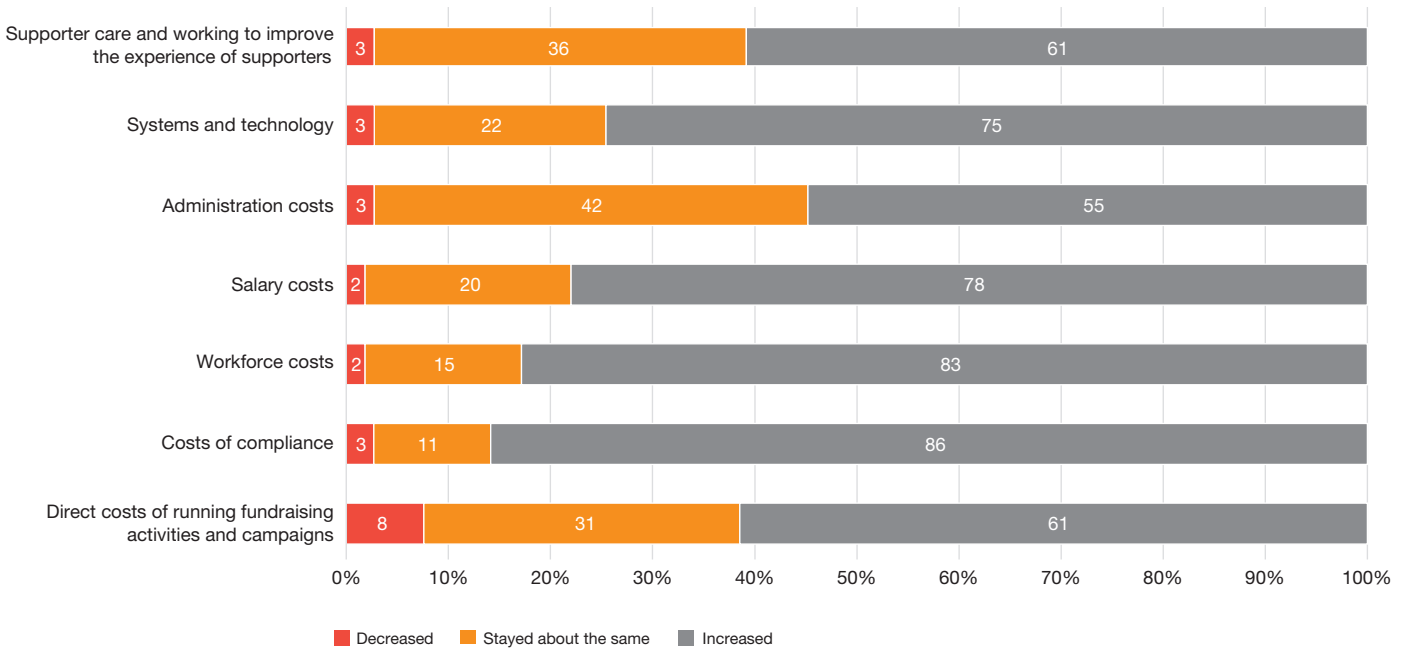
69% of larger charities reported that they had experienced ‘no noticeable change’ in administration costs, compared to 36% and 39% respectively for smaller and medium-sized charities who were more likely to report an increase in administration costs.



Chart 5

Changes to the costs of generating voluntary income over the last three years

Q: Thinking more closely about the costs of generating voluntary income, which of these areas have you seen an increase or decrease over the last three years?



Reflections

Charities have challenging decisions to make around where to invest their income from a fundraising perspective to ensure it provides value for money and will help them deliver more for their cause. Charities need to balance the compliance, workforce and salary costs associated with fundraising, with investing in future activity such as digital engagement.

A focus on improving the experience of current supporters will help to ensure that, when new supporters are reached, the right foundations are in place to inspire long-term relationships. Charities should carefully consider the appropriate level of supporter engagement to ensure that the costs do not outweigh the benefits, with a view to delivering the best donor experience in an efficient way. There is an additional consideration around restricted and unrestricted income, with a sense in the sector that more supporters are attracted to project-based approaches with defined outputs or outcomes and where impact can be clearly seen, with income to cover core costs being significantly harder to fundraise for.

“
Supporters have higher expectations for their relationships with charities, with greater levels of involvement.

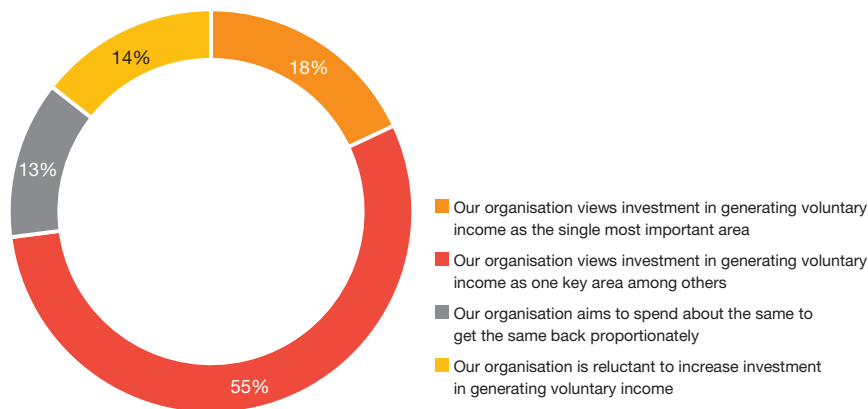
Rachel Groves
Sumatran Orangutan Society

Investment in fundraising

Almost three quarters of our respondents (73%) said that they viewed investment in generating voluntary income as being a priority; 18% said that investment in this area is the 'single most important area' to ensure growth and sustainability, with a further 55% saying that it is 'one key area among others'.

Chart 6
Views on investment in generating voluntary income

Q: Which of the following do you think most reflects your organisation's stance on investing in generating voluntary income? Please select one.

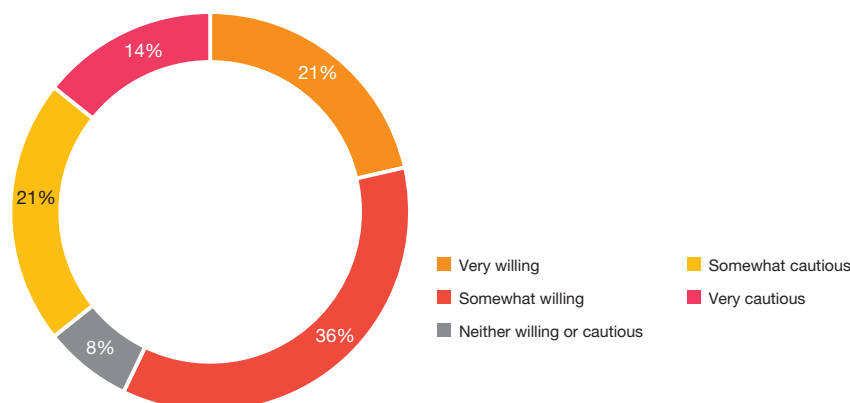


However, this view of the importance of investment in generating voluntary income does not seem to necessarily translate into a willingness from trustee boards to make those investments. Our survey indicates that most trustee boards have a moderately open attitude towards investment in fundraising, with 36% of respondents believing that their charity is 'somewhat willing' to invest in generating voluntary income. The second most popular response was equally divided between 'somewhat cautious' (21%) and 'very willing' (21%). It is likely that attitudes towards fundraising vary significantly between different charities – with some placing a great deal of focus and investment into fundraising and others viewing investment as being important but being less willing to commit to new investment strategies.

Our survey shows that willingness to invest differs by the size of the charity. Larger charities were more willing to invest in generating voluntary income compared with charities with lower levels of income. 69% of larger charities were 'very willing' or 'somewhat willing' to invest with only 23% 'somewhat cautious' or 'very cautious' about investment. This compared to 58% willing and 35% cautious for medium-sized charities and 52% willing and 40% cautious for smaller charities.

Chart 7
Attitude to investing in generating voluntary income

Q. Thinking about your organisation's attitude to investing in generating voluntary income, which do you think most resembles your organisation?

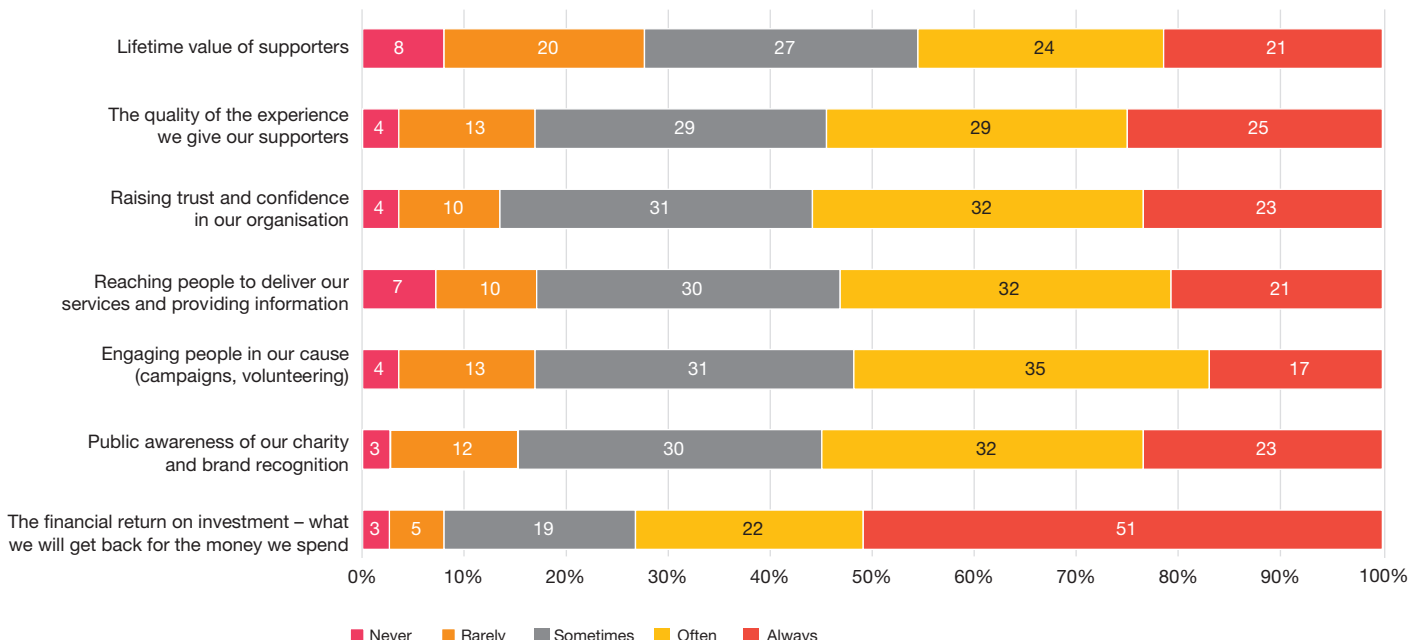


If trustee boards have a relatively cautious attitude towards investment in fundraising, it is clearly important that fundraising teams are able to effectively communicate the benefits of an investment strategy to them. Our survey suggests that the most important factor that trustee boards currently take into account when making investment in fundraising decisions is the financial return on investment, with 51% of respondents indicating that their board will 'always' take this into account which was consistent across charities of all sizes.

Secondary outcomes, such as increased public awareness and brand recognition, were areas that trustee boards would 'often' or 'sometimes' consider, but are less likely to 'always' be part of the decision making process. Public awareness and brand recognition was, however, less often considered by the trustee boards of smaller charities, with only 16% 'always' taking this into account when making decisions about generating voluntary income, compared to 28% of medium- sized charities and 38% of larger charities.

Chart 8
Factors for board decisions about investing in generating voluntary income

Q: What factors does your board currently take into account when making decisions about investing in generating voluntary income?

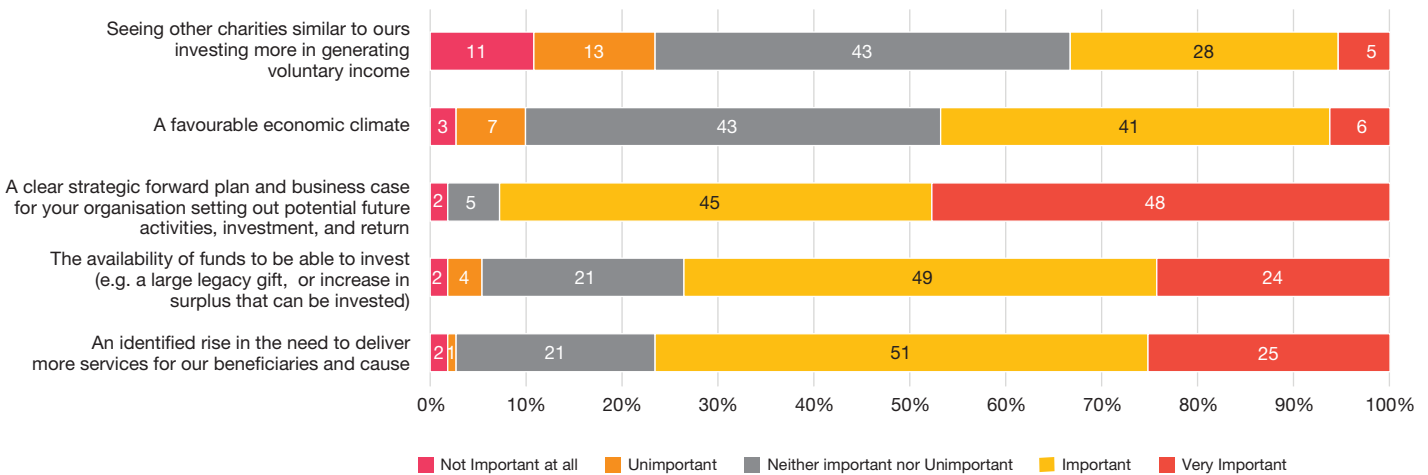


‘A clear strategic forward plan and business case’ was the most important consideration taken into account by charities of all sizes when investing in new fundraising approaches, with 93% of respondents indicating that this was ‘very important’ or ‘somewhat’ important.

The predominant focus on financial returns by trustee boards may cause some frustration in fundraising teams who see the value of fundraising being more than just the pound that it brings in, which is often not reflected in a pure return on investment based on spend and return. It is often difficult to measure return on investment accurately and consistently across the sector – with medium-sized and smaller charities particularly expressing that they lack the tools or staff capacity required to monitor and measure return on investment.

Chart 9
Considerations when making decisions on investing in generating voluntary income

Q: Which of the following do you think are the most important considerations that your organisation takes into account when making decisions on investing in generating voluntary income (by this we mean investing in new programmes and activities rather than increasing spend to account for rising costs of existing work)?



Reflections

It is of vital importance that charities have a clear and agreed strategy and business case for fundraising, allowing them to have a joined-up approach, especially between trustee boards and fundraising teams. This includes being able to show the impact of the investment in fundraising which goes beyond a percentage of expenditure and a simple return on investment metric and emphasises the importance of supporter experience.

While there is no one size fits all approach, when developing and reviewing the impact and benefit of fundraising, it is likely that the most effective method is a combination of both financial figures and qualitative impact reporting, such as storytelling. While the financial return on investment is clearly important, and understandably the most important factor that trustees take into account when making investment decisions, increased focus on delivering great supporter experience means that measures such as return on experience have become of greater significance.

“ Judging results based only on the financial statistics can be too limited. It’s important that the full impact of investment decisions are considered that add colour and context to the picture.

Dan Fletcher
 Sustainable St Albans

Fundraising challenges

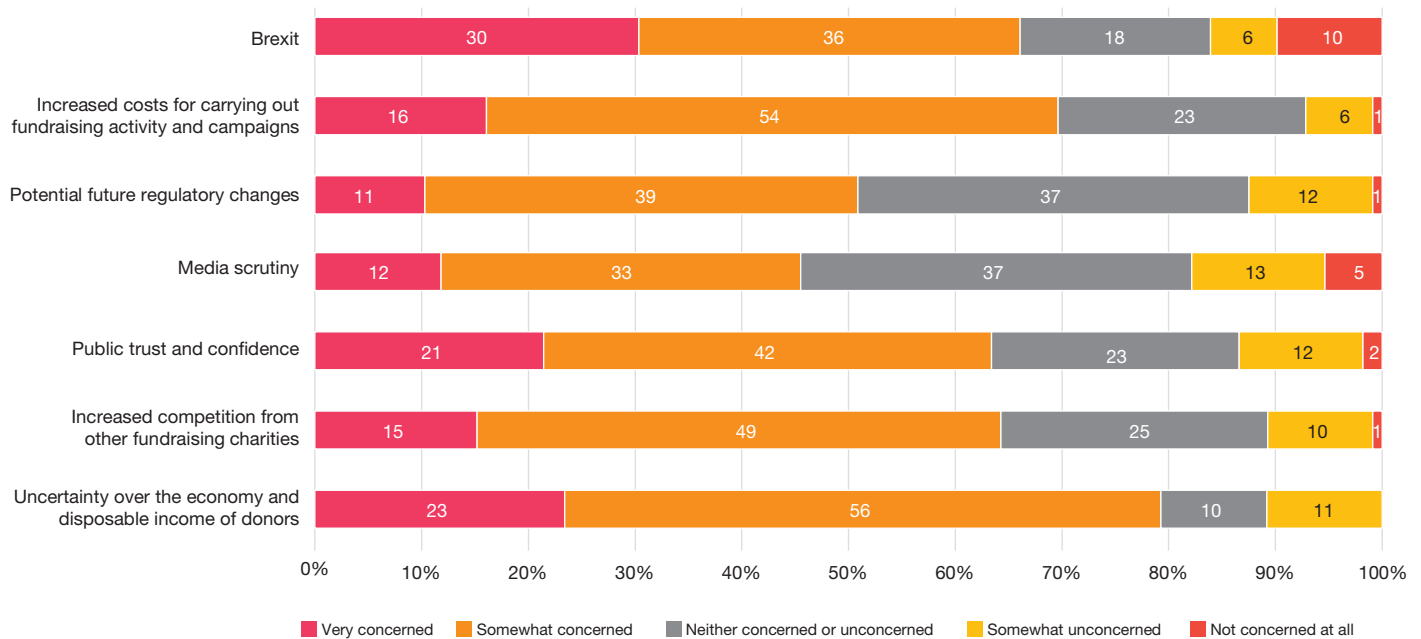
Charitable giving does not happen in a bubble – the wider macroeconomic environment will impact on the ability of charities to raise funds when individuals experience a decline in disposable income.

This is reflected in the survey findings, with the area most regularly identified as a cause of concern for the future being ‘uncertainty over the economy and disposable income of donors’. Over half of the charities (56%) say that they are ‘somewhat concerned’ about economic uncertainty in the future. An additional 23% of charities are ‘very concerned’ (taken together 79% indicating that they were concerned to some degree).

The point in time that respondents completed the survey should be kept in mind (January–February 2019) with uncertainty about Brexit and associated concerns about the economy being front of mind for many charities. 30% of respondents say that they are ‘very concerned’ about Brexit with a further 36% saying they are ‘somewhat concerned’ (taken together 66% indicating that they were concerned to some degree).

Chart 10
Issues about fundraising in the future

Q: From the following, which of the following are you concerned or unconcerned about for the future?



Charities reported the other key challenges in the current fundraising environment to be rising costs, increased competition from other charities and concerns around public trust.

Changes in the wider economy are not only concerning for charities in terms of the ability of those to donate to them, but in rising costs meaning it becomes more expensive to carry out activity. 70% of charities say they are either ‘very concerned’ or ‘somewhat concerned’ about rising costs, which also go beyond the costs associated with fundraising, but in service delivery and other charitable activities too.

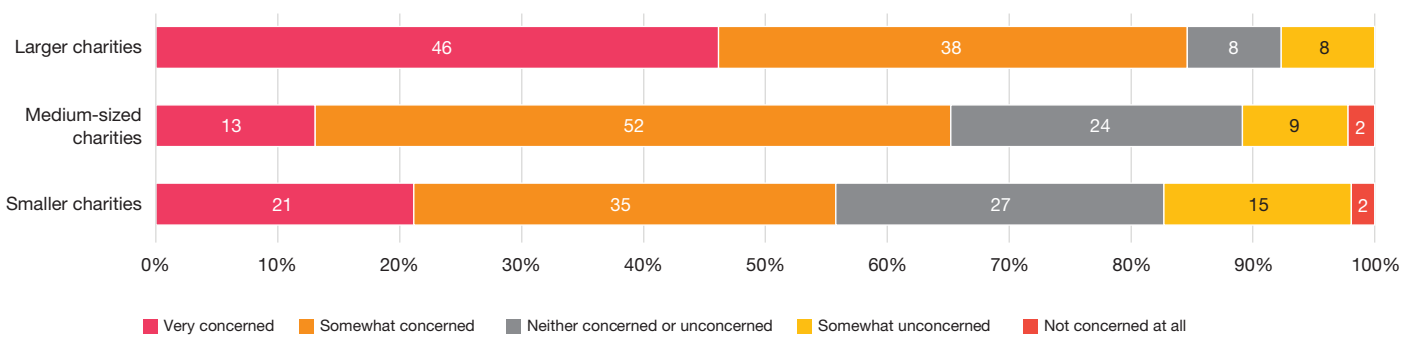
The fourth most selected concern was ‘increased competition from other fundraising charities’. Nearly half (49%) of charities indicated that they were ‘somewhat concerned’ about this area for the future. A further 15% of respondents indicate that they are ‘very concerned’ about increased competition (taken together 64% indicating that there were concerned to some degree).

'Public trust and confidence' and 'media scrutiny' were also areas of concern for many charities. In total, 63% of respondents indicated that they were concerned about how 'public trust and confidence' could impact their charities in the future, with 21% saying that they are 'very concerned'. While not as frequently selected as public trust, around 46% of respondents indicated that they were concerned to some degree about the impact of media scrutiny on their charities going forward.

This was particularly the case for larger charities, where 85% saw 'public trust and confidence' as an area of concern, compared with 56% and 65% for smaller charities and medium-sized charities respectively. The importance placed on this by the largest charities is aligned to the finding in the Charity Commission's latest research on trust in charities that when asked what types of organisations come to mind when they think of 'charities', the public instinctively imagine the country's largest charities.²

Chart 11
Impact of public trust and confidence for fundraising in the future, by charity size

Q: From the following, which of the following are you concerned or unconcerned about for the future? (Public trust and confidence)



Reflections

While this piece of research was carried out at a time of unique challenges in the charity sector, including continuing uncertainty around Brexit and a tough economic outlook, the backdrop of disruption and uncertainty looks set to continue. Charities are experiencing rising demand year on year, and the impacts of a restrained public sector funding environment continues to place significant pressures on parts of the sector, while costs are rising.

While uncertainty and challenges might make planning ahead and taking long-term strategic decisions difficult, those charities that take control where they can, and take the initiative to future-proof their charities, will be the ones that are the best placed to succeed.



The top quality you need to work in fundraising is resilience.

Suzanne Featherstone
National Lobster Hatchery

² Charity Commission for England and Wales, Trust in Charities, 2018: How the public views charities, what this means for the sector and how trust can be increased, July 2018.
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723566/Charity Commission - Trust in Charities 2018 - Report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723566/Charity_Commission_-_Trust_in_Charities_2018_-_Report.pdf)

Fundraising in the future

While there are obvious challenges for charities to work through, it seems that when looking ahead respondents were relatively positive about what the future holds. When asked to estimate the change in voluntary income that their organisations were expected to raise over the next three years, the majority of charities predicted that there would be growth of at least 10% in most areas.

The areas where respondents were most likely to say that they thought there would be an increase overall was in 'digital engagement' (75%) and 'individual giving' (74%). 'Digital engagement' was also thought to be the area where there would be significant growth (24% predicting an increase of more than 10% and a further 14% predicting an increase of more than 20%). The growth in income from digital engagement could be because the current level of giving is relatively low in comparison to other forms and so has the potential for the most growth.

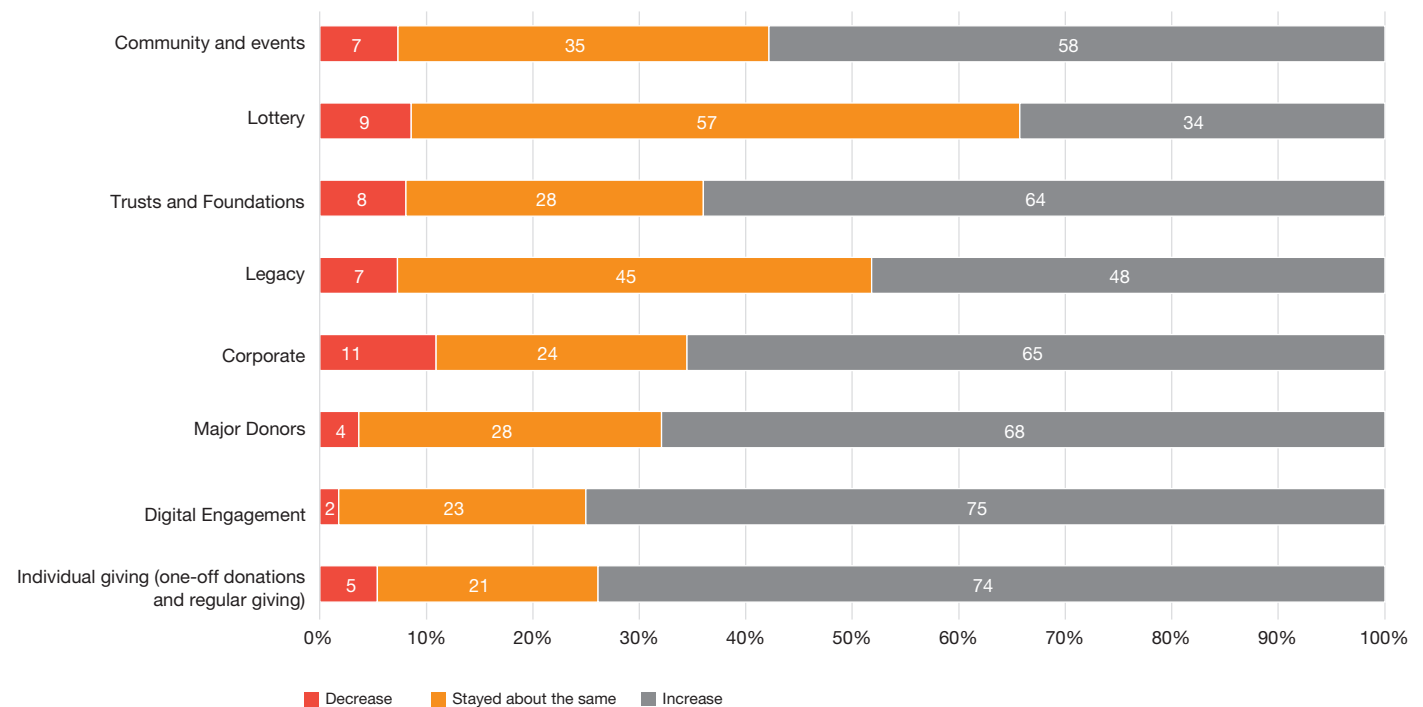
Lottery income and legacy income were estimated as being the least likely to grow significantly compared to the other areas of fundraising, although more respondents still predicted they would increase rather than decrease.

It is worth noting that the areas of predicted growth for the next three years should be contextualised with past trends. For example, legacy income has risen at a higher rate than most other forms of voluntary income over recent years, so the more circumspect levels of growth might reflect the strong performance in the last few years.

Very few charities were estimating a decrease, though it should be noted that 11% were predicting a decrease in 'corporate', 9% in 'lottery' and 8% in 'trusts and foundations'.

Chart 12
Estimated change to voluntary income over the next three years

Q: Please indicate what you estimate the change will be in voluntary income raised over next three years.

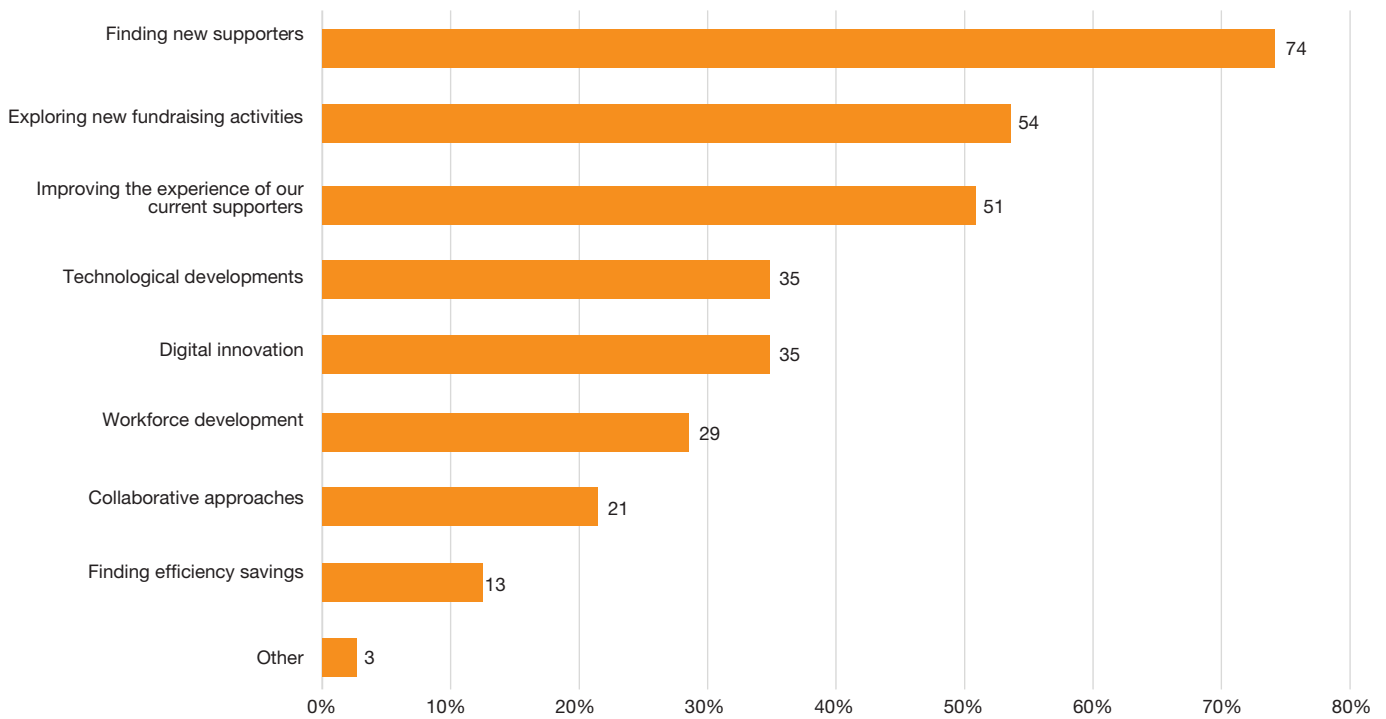


In terms of areas that charities say are the most important for their organisation for the future, the most selected option was 'finding new supporters' with almost three quarters (74%) choosing that as a priority. The second and third most selected priorities were 'exploring new fundraising activities' (54%) and 'improving the experience of our current supporters' (51%).

It is interesting to see the future priorities selected compared to the areas that charities are currently focused where 'improving the experience of current supporters' was the top current priority. It could be a reasonable assumption to think that charities are prioritising the experience of their current supporters now to improve their current work, which can then be followed up with future campaigns to reach new supporters.

Chart 13
Most important areas for fundraising in the future

Q: And looking to the future, which of these, if any, do you think are the three most important areas of focus for your charity in the future? (choose up to three).

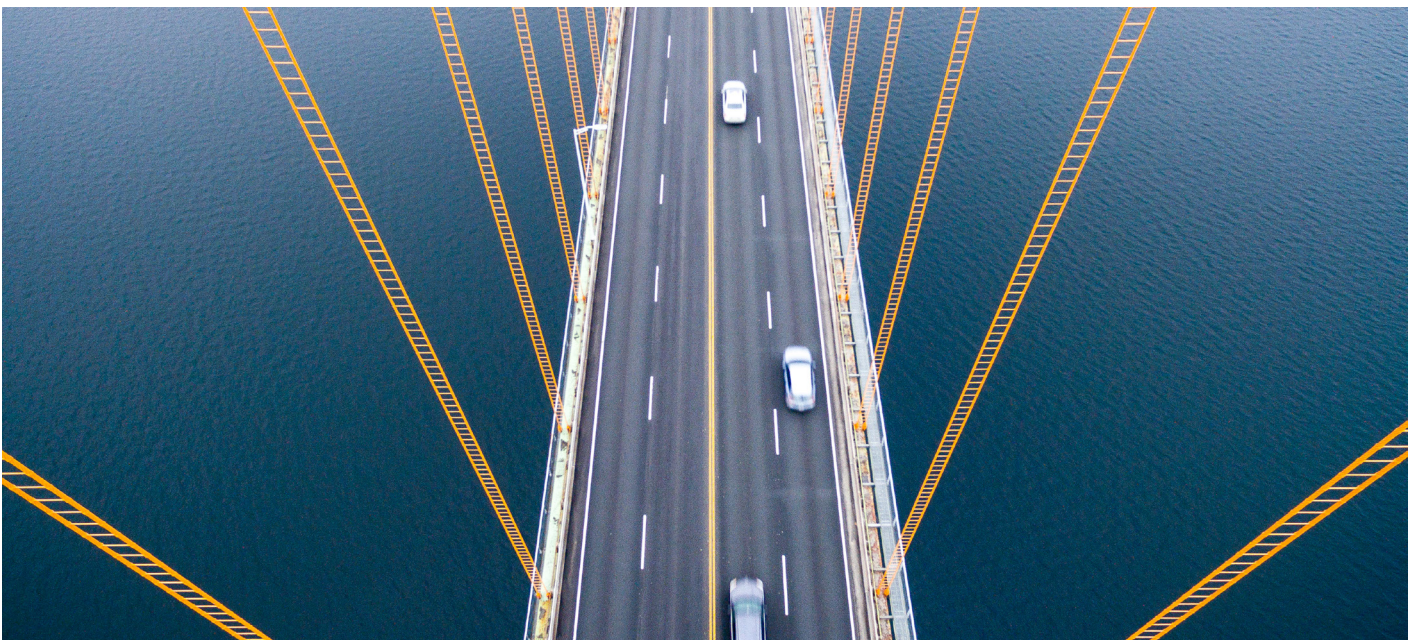
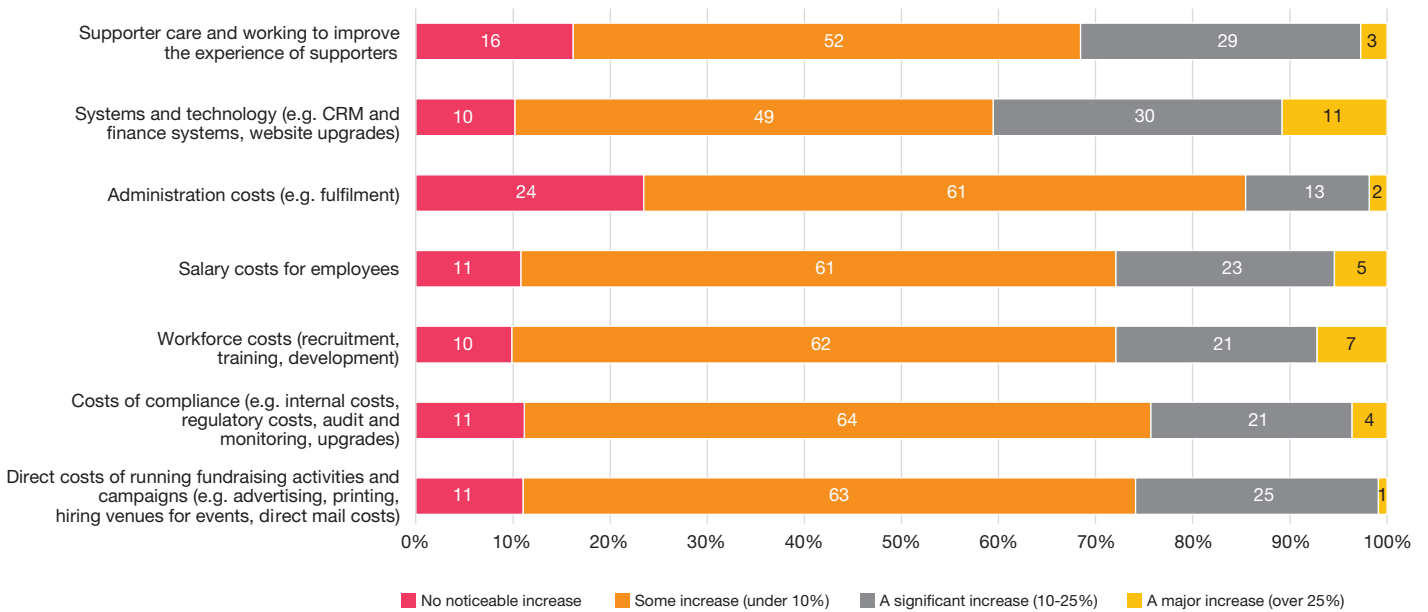


This is aligned to the costs of generating voluntary income that charities are expecting to increase over the next three years. The area most selected by charities as the area expecting the 'a significant increase' and 'a major increase' was 'systems and technology' (41%). The second most selected area by charities was

'supporter care and working to improve the experience of supporters' (32%). Charities also continue to expect 'workforce costs' and 'salary costs' to have 'a significant increase' or 'a major increase' (selected by 28% for both).

Chart 14
Estimated change to the costs of generating voluntary income over the next three years

Q: And thinking about the future, in which of these areas do you think the costs of generating voluntary income might increase in the next three years?

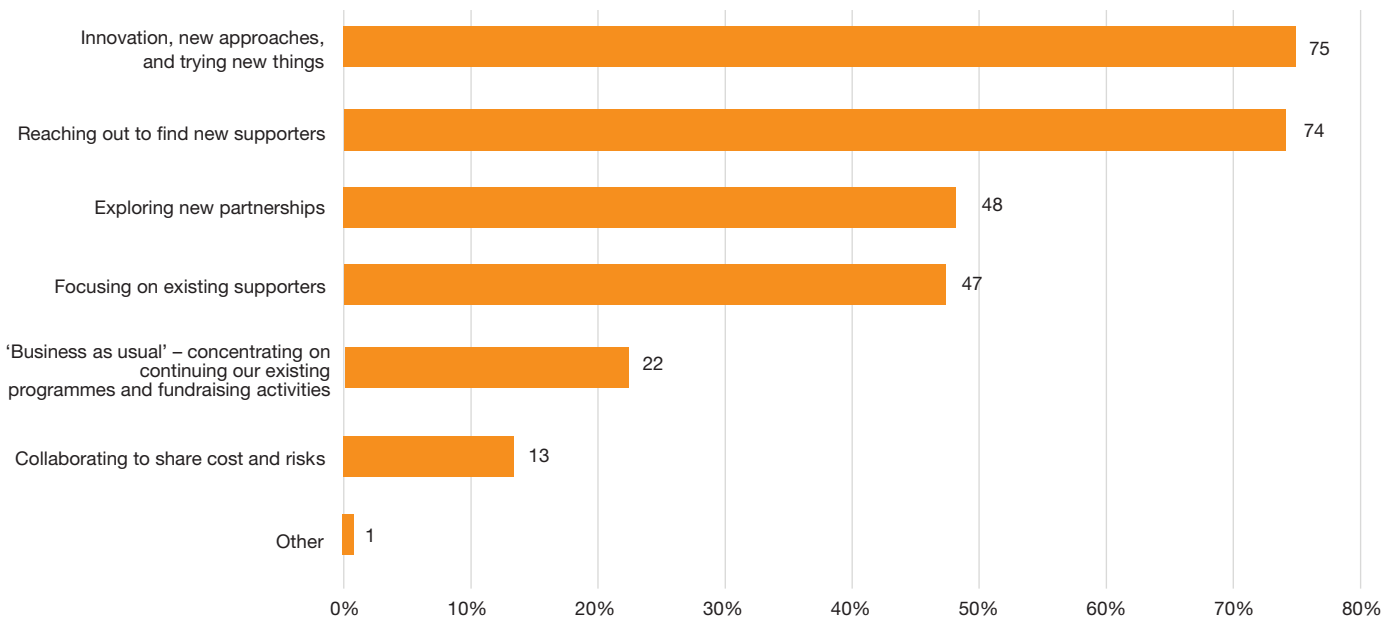


'Finding efficiency savings' (13%) was the least selected options when we asked about the most important areas for fundraising in the future, perhaps because charities think that they have already streamlined efficiencies already. However, it should be noted that the question asked for the 'most important' areas of focus, which does not mean that the areas selected by fewer numbers are deemed unimportant. Other areas which were mentioned by respondents as important areas of focus include "climate change" and "showing our donors the impact of our work".

The importance of finding new supporters was also echoed when we asked about the most important areas for long-term sustainability and growth (at 74%). However, the most selected area of sustainability and growth was 'innovation, new approaches, and trying new things' (75%) which indicates that charities will be investing and prioritising doing things differently, rather than doing more of the same.

Chart 15
Most important areas for the long term sustainability and growth of charities

Q: And which area do you think is most important in terms of the long term sustainability and growth for your organisation?
 (Choose up to three).



Reflections

It is encouraging to see that charities recognise the potential for a positive future in terms of raising voluntary income. A significant number of respondents are predicting a growth in voluntary income (particularly in digital engagement and individual giving), showing that although there are challenges and uncertainty, there is some positivity among the charity sector. Charities are not complacent: they are putting themselves in the best position for future success by reviewing their priorities, getting the right plans and strategies in place, and taking action to ensure that future fundraising campaigns continue to be compelling, engaging, and successful.



We need to respond to the changes around us and learn from our experience, not just do what we have done before.

Lindsay Marsden
 UK Youth

Key considerations

The findings from this research provide much food for thought for all in the charity sector, whether a trustee, leader, or fundraiser. To help charities think about the insights and reflect on their own work, we have identified some key considerations:

- The backdrop of disruption looks set to continue, with political and economic uncertainty continuing, public expectations changing and digital technology transforming what's possible. Charities need to be adaptive and resilient in response. What steps are you taking to future-proof your organisation and your fundraising strategy?
- While the day to day challenges can always take precedence, take time to reflect and think about a longer term strategy and vision to provide direction for your charity. How are you balancing managing today's challenges with investing in the future?

- Make sure you are measuring and reviewing all the right information: fundraising success is not just based on a return on investment for financial spend and return. How are you measuring and improving the experience of your supporters?
- The importance of retaining and developing staff cannot be underestimated. Investment and strategic plans must also look at internal investment to develop workforce and skills to create the kinds of workplaces where people can thrive. How are you investing in your people to ensure you have the skills you need to be successful in the future?

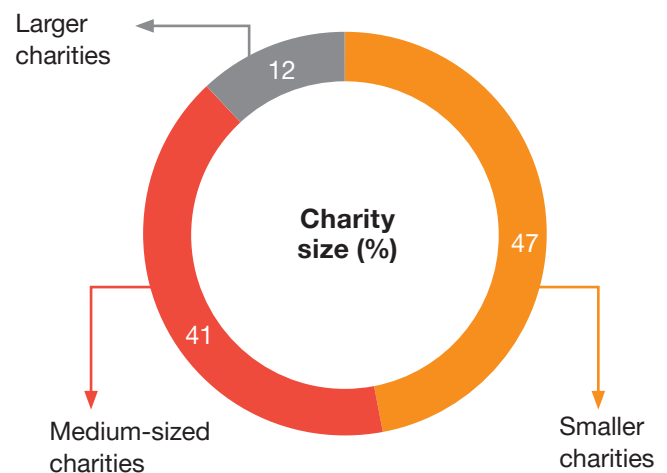
Charities can be the architects of their own future – and a joined up approach from trustees to fundraisers can provide the charity with a consistency of approach, direction, and strategy that can help navigate the uncertain times ahead.

Survey background and approach

PwC and the Institute of Fundraising administered the 'Fundraising for Impact' survey from 24 January 2019 to 27 February 2019. This returned a total of over 100 respondents which form the basis of the research findings in this report. A roundtable was held with some respondents of the survey on 19 March 2019 to discuss the headline survey results and provide insight for the report. Percentage figures in this report are rounded to the nearest whole number.

To provide further insight in some cases responses have been cross-tabulated according to charity size as follows:

- Smaller charities (total income of less than £1m);
- Medium-sized charities (total income of between £1m-£10m); and
- Larger charities (total income of more than £10m).



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With high levels of change and uncertainty in our economy and society, the role of charities is more important, and more challenging, than ever. Our purpose is to build trust in society and solve important problems – and charities are at the heart of both. We work closely with charities to help them gain insight and make choices about how they best navigate through these uncertain times.

For more information please visit:
www.pwc.co.uk/charities

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The Institute of Fundraising is the professional membership body for UK fundraising. We support fundraisers through leadership and representation; best practice and compliance; education and networking; and we champion and promote fundraising as a career choice. We have over 6,000 individual members and over 600 organisational members who raise more than £10 billion in income for good causes every year.

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