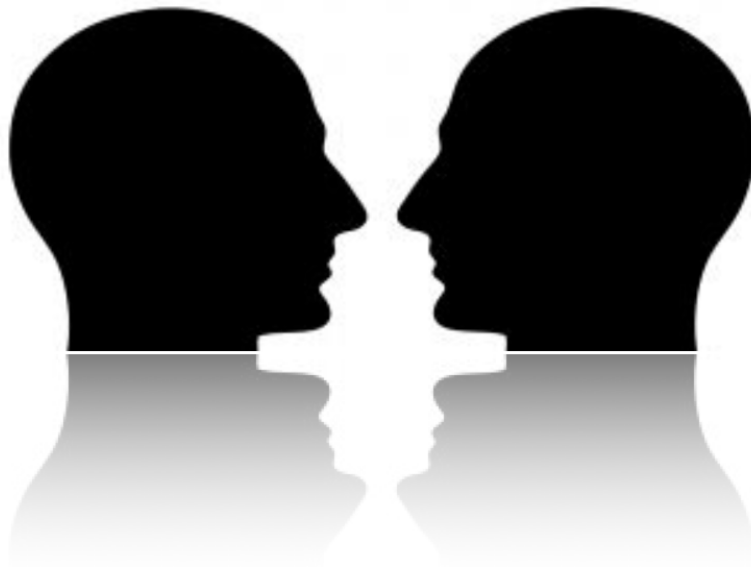

Shallow Review of Face 2 Face Fundraising



Face to Face (F2F) fundraising is the idea of speaking one-on-one with potential donors about a charity with the intention of acquiring a (often recurring, monthly) donation from them. Generally, it is conducted by third-party for-profits on the street, door-to-door, or in malls. It is not a method that is intended to raise a large amount of funds quickly, but is considered to be an effective way to build a donor base, provide a reliable source of income that can be used for ongoing projects or emergencies, and expand general public awareness of the charity (although this is only attainable through larger-scale efforts).

This method is generally assumed to be effective in reaching youth: a demographic that cold calling, television advertisements, and snail mail campaigns seem to miss out on. The idea is that young people are more responsive to this one-on-one approach, which is also commonly conducted by youth. The fundraiser can answer the potential donor's questions immediately, and in such a way that can be directly catered to them.

It is generally assumed that F2F fundraising is more effective with longer-term donor retention because individuals who have had a more personal interaction with another human being are thought to be less likely to withdraw or cancel a donation as they may be with a

more shocking fundraising tactic about an immediate disaster they see on television or hear about on the radio. The opinion of fundraisers is that human interaction is more memorable.

Research

Researching the specific ratios of this method of fundraising is extremely difficult, as there seems to be an absence of any legitimate studies or specific general statistics: rather a collection of hearsay and generalized statements about F2F. One of very few third parties I found with reports about F2F was the Public Fundraising Regulatory Association (PFRA) which is based in the UK. Obviously information from another country isn't ideal, but as it seemed to be the best information available, it has been included. The PFRA says the returns are not likely to be less than 2.5:1 over a 5 year period, and for some charities it is much higher.

Public Outreach, the largest face-to-face fundraising company in Canada, guarantees between a 2:1 and 3:1 ROI over 5 years (the average length the monthly donors they sign up continue to donate for is 5 years). When I was employed with Public Outreach, we were required to raise a total of \$3.50-\$4 in monthly donations per hour that we worked. To me, something here doesn't add up: I believe the ROI could and should be 5-10 times higher. This leads me to conclude the numbers reported by PFRA and guaranteed by Public Outreach illustrate the lack of effectiveness of third-party, for-profit fundraising companies.

Face-to-face fundraising is considered to be extremely successful and, at least in Canada, a chief source of monthly donations. According to Excellence in Fundraising in Canada, "the success rate of face-to-face fundraising is 70-80%, much higher than any other strategy." It has been adopted by many major and a number of smaller charities as well. One example of a larger charity's success with the method is Médecins Sans Frontières (MSF). Rebecca Davies, who headed their Canadian fundraising department from 2007-2014, is quoted as saying "this year alone, \$5 million has gone right to the field because of conversations people have had with street or door-to-door canvassers. I want people to know that we couldn't have raised that \$5 million otherwise." She did not say how much the organization spent to get that \$5 million.

F2F fundraising is probably not best for a charity that focuses on an obscure illness or something unfamiliar to the general public; a more relatable issue would be more compelling and successful. For example, the public may not react well to the iodization of salt for raising IQ, but showing how effective deworming is for helping with education in developing countries is something I believe the public would be receptive to. There are intuitive and—according to general opinion—demonstrated benefits to this method of fundraising for raising public awareness and increasing the public image of a smaller charity that can afford

to wait for their ROI, which could be useful for the charities that Charity Science works with, but only if we eventually expanded this experiment to the point of exposing a large enough sample of people. Larger charities use this method to improve their donor base, and maintain positive public relations. Many charities say they are attracted to this method because it helps them to build a solid base of income they can count on for longer-term projects; or, if an emergency crops up, they can respond immediately as opposed to waiting for income from a disaster plea campaign.

There is very little information about how common this type of fundraising is for charities in general, and none about charities in Canada. In the UK, it's estimated that 17-18% of all donors give via this method; and in Australia in 2012, 90% of monthly donors were acquired this way. This method is considered less effective than asking existing donors to give more; however, in order to do this, it's obvious that you have to acquire these donors in the first place.

Internationally, this method is considered by many to be an annoyance, and fundraisers are often aggressive as they are paid commission as opposed to a set hourly wage. In Canada, commission-based fundraising is illegal, and an over-saturation problem found in other countries has been combated with territory rotations that fundraising companies and charities have in place. This includes the incorporation of zones that larger companies apply for on a daily basis, some of which are given specific rest days so as not to bombard the same neighbourhood every day. It is generally assumed that this leads to better donor retention, although I cannot find any evidence that this is so.

Subjective Sense



F2F fundraisers can have a bad reputation because of some tactics that are common in the sector: examples include pressuring people into stopping, following people down the street, and attempting to make people feel guilty for not stopping. However in my personal opinion—and in

the opinion of charities I've worked with—F2F fundraising has a positive effect on public relations, and the aforementioned negative reputation can be attributed to, and is often blamed on, the fundraisers themselves or the fundraising industry rather than the charities they represent.

This method of fundraising could raise more “brand” awareness simply by exposing people to a charity they've never heard of before. I think this could be extremely helpful for the less-

known charities we work with: individuals just seeing the name of a charity a few more times would increase their familiarity with it and possibly lead to more of a sense of trust (more people have heard of larger charities and don't question their legitimacy as much). Admittedly, it would take a long time to see the results or test the effectiveness of this. Also, because Charity Science has so few staff, the actual influence of using this method on a small scale would be negligible.

Another positive aspect of this method of fundraising is that younger generations are considered to be more receptive to this kind of approach, and they have more years of their lives to donate to charity. This means a longer commitment, more time to build a positive relationship and—in the end—more funding.

Estimated Success

My estimation is that this would be successful in the long term, but the immediate gain would be minimal. One possible concern is having the infrastructure in place to deal with a huge volume of immediate success. Also, for this to be noticeably successful with regards to raising more public awareness of the charities, we would have to hire more and more people and expand nationally or possibly even internationally to make any real impact.

Minimum Cost Experiment

The only way to run an experiment is to actually get people out on the street fundraising. My suggestion would be to send one or two people out on a trial run for several days in various neighbourhoods to see what public response is like and how smoothly donation processing goes with the charities. If the initial response was positive, volunteers or additional paid staff could be amassed and trained.

My average pre approved credit (PAC) per hour while fundraising for charity fluctuated between \$3.50 and \$7. This means that I raised between those amounts per month, per hour. I'm confident that I could raise at least \$4/h in monthly donations for almost any charity that Charity Science works with. The donor retention was roughly 5 years on average: at least, that's what I was told. If we had the capacity to take cash as well, I'm fairly confident that I could make \$10 per hour in one time gifts (OTGs) as well. If I am correct, 40 hours of canvassing and 10 hours of calling plus the materials we need would cost us roughly \$650 and would yield (again, very roughly) \$12,500 over a five-year period. This means for every dollar we spent, we would raise \$20. This does not take into account any administration fees the charity would have to spend to process the donations. This also does not take into account any further experiments we may conduct such as calling these new donors to update them on the work the charity is conducting and asking them to increase their donations a

certain time period after they initially signed up, or asking them to give an additional one time donation around Christmas time. This could increase our ROI.

What We Need	Time Needed	Estimated Cost
Research obtaining permits.	Unknown. Estimate 1.5h to research, phone and apply.	Unknown.
Communicate with charities.	Unknown. Estimate 30 minutes to phone or have an email exchange.	None.
Skeleton script.	1-3 hours, depending on the information available from the charity.	None.
Name tags.	30 minutes.	Estimated about \$2 per tag.
Forms.	1-3 hours to make and print.	Unknown: this could be done one to two ways. We could have forms with carbon receipts or hand-written receipts. The latter would obviously be less of an expense but also looks less official.
Information materials.	Unknown. 30 minutes to ask for from charity, or roughly 2 hours to design and print.	Unknown. Hopefully free if the charity provides these.
Coordination with other fundraisers.	Unknown, estimate 1 hour.	None.
Canvass.	I recommend 40 hours but flexible.	Wages.
Callback.	I recommend 10 hours but flexible.	Wages.
Volunteers or other paid fundraisers (later).	Unknown how long it would take to recruit/train.	Unknown.
<i>Very rough preliminary total.</i>	<i>60 h.</i>	<i>Roughly \$50 + wages for hours worked.</i>

Another way to run this experiment would be to ask people for monthly donations at a booth at a conference or on the street. We experimented with a booth at a conference without asking for donations. It's my soft sense that it would have a very low signup rate, or that it would be inappropriate to ask, but that may have been a discomfort I could overcome with time.

Further Research

There is a lot that isn't known about face to face fundraising. There is a great deal of speculation and heresay, but very few hard facts that I could find. We don't (and can't) really

know anything beyond what charities and fundraising companies claim; however, the most important thing we don't know is what the ROI could be if this method was used as effectively as possible without profit in mind.

Possible avenues we could pursue to discover more details include speaking directly to fundraising companies and charities to enquire about specific numbers—however, I can see this being a wasted effort as I know that at least fundraising companies covet their methods and consider these details company secrets. Some of the details in this report are specifics I learned during my time at Public Outreach, some of which I was asked not to publicly divulge.

Moving forward, I would be keen to compare the potential pros and cons of this method with other methods we are researching. If this looks like something we would like to pursue, we could begin with a small-scale experiment, test short-term success, and move on to something larger involving more staff or volunteers if it seems to be moving in the direction of success.

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