



PERSONAL INFORMATION AND FUNDRAISING: CONSENT, PURPOSE AND TRANSPARENCY

CASE STUDIES

Consent case studies

The following 6 case studies focus on a range of charities at different stages in the process of achieving full data compliance who have reconsidered their approach to donor consent over the last 12 months.

As part of the case study, contributors were asked to provide details of their aims in conducting a consent review, the position they started from, the change process they undertook and the outcome.

The resulting stories present a snapshot of where each of these charities are currently in their compliance journey. They are not intended to be highlighted as “best practice” or provide a definitive approach to reviewing consent, but to give other organisations at similar stages of development practical examples of how a review may be undertaken, based on an analysis of where your organisation is and where it needs to get to. They highlight the benefits of taking a consent-led approach, the challenges and risks of changing their approach and how these risks were mitigated by the charities concerned.

If you would like to offer your own story for inclusion on our website, please contact: enquiries@fundraisingregulator.org.uk

Cancer Research UK: The Move to Opt in for New Supporters

Zoe Rowland, Senior Data Compliance Manager

In January 2016 Cancer Research UK made the decision to move to an 'opt-in' model when collecting marketing permissions. This means that the organisation only wants to contact supporters with marketing activity who have provided explicit consent for contact via that communication channel. Historically Cancer Research UK gathered informed consent for post and telephone (choosing not to opt out) and explicit consent for email and SMS (opt in). The charity now seeks unambiguous, explicit consent for all marketing contact.

Why did Cancer Research UK do this?

Our Vision: Cancer Research UK wants supporters to fully understand what they are opting in to and actively choose to receive these communications from the charity.

Why did Cancer Research UK decide to change how to capture and use supporter consent?

- To put supporters at the heart of all activity and decisions
- To create more engaging relationships on supporters' terms
- To ensure we are listening to supporters and always respecting their wishes
- To improve supporter experience and play a part in helping to re-build trust in the sector

The decision was driven by a desire to change how the charity talks to supporters rather than being led by compliance or a legal requirement.

Approach

- During 2015 the team explored options and the impact that moving to explicit consent might have. This enabled a quicker move to opt in once the final decision was made.
- A phased approach was used to deliver the change, initially prioritising changing forms that capture details from new or returning supporters by the end of May 2016.
- The organisation then plan to use the rest of 2016/17 to gather evidence and understand what works best, before extending to all existing supporters from April 2017.

Main Challenges

- Modelling
 - Trying to model the predicted impact was very complex due to the number of variables which could be affected impacting long term contribution.
- Complexity of touchpoints

- The charity has over 150 different touchpoints (online, offline and managed by 3rd party suppliers) where supporters can sign up to support its work that needed to be changed. Keeping track of the changes being made and managing risks and issues across the breadth of the project was difficult.
- Finding Budget and Resource
 - There was significant short term intense resource requirements and resource costs due to the complexity of the project, plus the organisation saw a knock on impact on other areas of work as priority status was given to opt in.
 - Budget was needed for actual costs to deliver opt in, especially changes to 3rd party managed forms and databases.
 - The charity has now created a bespoke role to own and manage opt in for the rest of the financial year.
- Reporting
 - Reporting was difficult due to the complex landscape. Bespoke solutions had to be developed to enable reporting at individual form level.

Measuring the impact

- Cancer Research UK needed to understand what the key metrics were it was looking to measure:
 - How can the organisation measure supporter understanding?
 - Were all channels equal or did the charity want to optimise sign up to certain communications channels?
- Cancer Research UK set up regular reporting split out by channel, sign up form and products allowing direct comparison as well as overall figures.
- In the first three months, over 100k supporters completed a form with the new marketing permissions questions.
- The initial results are in line with our predictions with opt in to post tracking around 20%, opt in to telephone tracking in single figures, and an as expected rise in opt in to email from the new model.
- Rates of opt in are found to be higher when supporters provide their details directly to a fundraiser compared to web forms. It is believed that this is because the fundraiser can have a conversation with the supporter to ensure they fully understand what communications they would receive if they provide explicit consent. The charity did a lot of fundraiser training so that it could fully ensure supporters were providing unambiguous consent.
- Cancer Research UK hasn't yet been able to measure the impact on direct marketing activity due to time since sign up. We recognise that the change will impact fundraising income, but believe it is the right thing to do for our supporters and will protect their trust in us in the long term.

What's next?

- Cancer Research UK is currently developing and testing the approach for Current Supporters and intend to roll this out from April 2017.

- The charity is looking to optimise the way they ask for supporter permissions, ensuring that supporter understanding remains the key metric and driver.
- Cancer Research UK is continuing to talk to supporters about their views on opt in and the changes they have made to ensure they are providing the best experience.
- The Charity is keen to share its learning with any organisation considering a similar move.

Further information about how it worked in practice

In order to deliver the move to opt-in, Cancer Research UK:

- Formed a Steering Committee of Fundraising & Marketing directors for fast decision making.
- Identified all points at which a supporter provides their contact details and are asked to provide consent to marketing.
- Set up a Project team with representatives from IT, Digital, Data, Compliance and Supporter Development.
- Agreed a set of principles which would govern the project.
- To enable quick delivery and consistency, used one opt in model for initial go live based on existing marketing permissions wording.
- Used yes/no questions rather than tick boxes as testing carried out in 2015 showed that this was more likely to be read and understood by supporters.
- Introduced product specific opt-ins for certain teams to increase supporter choice in areas where this was felt to be beneficial.
- Created new codes in Supporter Relationship Management (SRM) system.
- Changed all offline touchpoints (e.g. paper forms and phone contact) and online forms.
- Worked with 3rd party suppliers to apply the changes to their systems, including complex supporter journeys managed by more than one supplier.
- Developed training and guidance documents for teams covering the new approach and how to record the preferences on the SRM system.
- Updated selection logic and campaign planning guides.

Opt In Model Used for Go Live

Join us

Become part of the movement to bring forward the day when all cancers are cured. Hear about our latest breakthroughs, campaigns and how you can support our life saving work.

Would you like to hear from us by:

Email

Yes

No

Text message

Yes

No

Post

Yes

No

Phone

Yes

No

Your details are safe with us. We will never share them with anyone else. Check out our [Privacy Policy](#).

Macmillan Cancer Support – reviewing consent

Catherine McCaskie, Fundraising PR Manager

Background

Macmillan's aim is to develop long term relationships with our beneficiaries and supporters. We recognise that trust is vital to us securing these lasting relationships and have been working to strengthen this trust. We are proud of being the most trusted charity brand in the UK and we are determined to maintain this position. Like other charities, the story of Olive Cooke and questions around fundraising activity prompted Macmillan to carry out a thorough review to ensure our fundraising practices were in the best possible place for our donors and beneficiaries.

- This review made it clear that although there were a number of areas of excellent practice, there were times that we were inconsistent in our approach and therefore immediate improvement was needed.
- One area that we decided needed immediate review was our approach to consent.
- The capture and responsible use of data is critical to Macmillan in order to maintain donor trust and so our work to ensure we collect and manage consent effectively is not just a regulatory requirement but for us a business-critical objective.

Starting point

Our existing opt out consent statement required strengthening, and we also needed to make the important organisational decision around whether we would be adopting an opt in or opt out approach.

- This decision was extremely complex as we have one database of people who both get support from our services and give support through fundraising and donations. We needed an approach that worked for both groups and that did not restrict our ability to promote our cancer support services. It was vital that people were still hearing from Macmillan about support available to them when they needed it.
- In addition, Macmillan had been through a period of sustained and significant growth and as such our data management systems were extremely complex. Although we have one core data management system, we also have numerous other data collection, management and import processes and systems across both fundraising and services.
- We also knew that to future proof consent we needed to be able to time stamp it and provide evidence on which statement was served. Our current system was not able to do this.
- In addition, we had over 800 staff who needed to be trained on the consent changes with tailored messaging around what it means for their area/role.

Process of change

- We created a formal Macmillan Organisational Change Programme. This was sponsored by an executive director and reported back to our board as well as a fundraising and marketing committee made up of some of our trustees.
- This change programme has three main work streams
 1. Influencing and preparing for future regulations
 2. Ensuring we are compliant with current regulations
 3. Consent and donor experience
- Our Head of Customer Management led the work around Consent because this so closely aligned with our ongoing overall programme to deepen the relationships with our customers.
- We began by conducting extensive research with both our service users and fundraisers to find a consent statement that was clear and worked for both audiences. This robust but also customer centric research was to help us understand the complexity behind consent research and included:
 - Testing 30 possible fundraising statements to ensure that our statements were as clear as possible. This involved removing jargon and confusion, ensuring a good layout which is easy to navigate and the right length.
 - Gathering the views of over 3,000 people, who came from a cross section of the population (nationally representative)
 - Benchmarking against the average to ensure our statements are the best they can be
- This in-depth research gave us confidence that an opt-out approach would give us unambiguous consent and was the correct decision for our donors and beneficiaries. The new consent statement can be viewed in Appendix 1.
- We then scoped the systems changes which required significant support from our IT department and underwent a prioritisation process as we did not have resource to change everything at the same time.
- We also spent considerable time with our marketing teams and legal department to develop detailed processes and guidance around how consent should be collected and used.
- To deliver the work required cross-organisational support from numerous teams from our IT department through to service delivery teams.

Main challenges and risks

- The majority of our systems are maintained in house. Although external costs for this change are currently low, internal resource investment has been significant, most notably within our IT department.
- We have found challenges in finding approaches and processes that are suitable for the wide variety of work we do. For example, how do we handle the sensitivities of reading out a formal and quite lengthy consent statement during a distressing or emotional call to our support line?
- We also have found that there are some 'grey areas' in terms of legislation which have caused internal debate with our legal teams. For example, how we define direct marketing versus operational communications.

- We are beginning conversations with third parties such as Just Giving and our challenge event partners to ensure that their consent statements give us the right permissions to continue contact with supporters. As we can only influence and not direct their approach we are likely to find challenges here.
- We still need to consider how refreshed consent can and should be obtained in an opt-out environment.
- Whilst this programme of work has looked at the high risk, high volume systems we know that there is still work to be done across the organisation and with third parties, partners and volunteers to ensure our approach is consistent and compliant with all regulations. A broader and larger scale programme of work around data and data compliance is being developed and launched imminently.
- Despite undertaking research into our consent statements, we are still unsure of the impact on our income. Changes to our consent statements will have immediate impact and we also expect further impact from the wider compliance changes we are making across our fundraising activity. We are committed to improving our fundraising and putting our supporter's experience at the heart of what we do. Therefore, we are monitoring the potential dip in income closely and already looking to develop new products and ways of fundraising to minimise negative impact on our services and ensure we are still there to support people affected by cancer.



Re-think Mental Illness: Moving to opt-in

Emma Malcolm, Associate Director for Fundraising and Supporter Engagement

Background

Two things contributed to our decision to move to opt-in this year:

1. Rethink Mental Illness exists to support people severely affected by mental illness. We know that this means many of our supporters may be carers, family, friends, or workmates of those with a mental illness, and some may have a mental illness themselves that we may or may not know of, or be vulnerable in some other way. Mental illness is not a constant, lifelong state for everyone, but we must consider that all our donors might at any time be considered vulnerable in one way or another, through mental capacity, age, disability, financial circumstance or other means.

So as part of implementing a new five year fundraising strategy we decided that we needed to look at how we contact people, as we don't want our communications to impact negatively on anyone. We must treat every supporter or potential supporter with respect, honesty and clarity, and listen and act appropriately.

2. And secondly, charities have come under increasing scrutiny in recent years particularly around their fundraising practices. From the Channel 4 investigation into telephone fundraising, the investigation into the death of the poppy seller Olive Cooke and the amount of direct mail she received from charities, through to the Daily Mail's expose of charities using agencies to call people registered with the Telephone Preference Service. It seems that increasingly the need to raise more money has clashed with the need to value and respect supporters.

So with changes to fundraising regulation, the introduction of the Fundraising Preference Service, and GDPR on its way it was a great opportunity to look entirely at the way we speak to our supporters and make sure that firstly, it's better than best practice well before 2018, and secondly, it's exactly how our supporters would expect to be treated.

We feel going entirely opt-in is the right thing to do. And we're also setting a two-year limit on consent. These two points form part of our eleven-point 'Supporter Promise', and will result in a smaller group of more committed and trusting supporters of our work.

Getting started

Like many charities our database is made up of a mix of service users and supporters, and via a number of 'contact blocks' people were able to opt themselves out of certain mailings and types of varied contact. Over time this had become quite unmanageable – we had almost 30 different and sometimes contradictory contact blocks, making data selections complex and making our supporter care team's conversations with supporters unnecessarily complicated.

We had contact forms in different formats on our website for different teams, and while we did have consistent opt-out messaging on fundraising mailings this was an opportunity to talk positively

about communications preferences to a much wider audience, and make our web forms consistent, secure and link directly to our database.

We also had, like many charities, quite siloed lines of communication between the same supporters, so this was a chance to break down some internal barriers and improve and streamline external email communications and their timings, and engage wider teams in data protection and supporter engagement.

While all teams in all parts of the organisation have access to the database, usage was varied and understanding of data and consent for marketing was limited, so this gave us an opportunity for an internal communications project to help tighten understanding and processes more consistently.

The change process

Whilst fundraising led on this project we ensured that we had representation from all parts of the organisation, from services through to our database team.

We involved trustees and senior management as early as possible (autumn 2015) and then wrote a series of papers and talked at meetings in early 2016 ahead of the planned rollout in the summer. A small working group was set up to work out the technical needs of the project with the database and the website, and to liaise with expert organisations like the DMA on consent wording.

'Existing supporters' were defined as any record with an active and unambiguous action being taken showing support of the charity within the last 24 months.

24 months was chosen as this is the period of time used by the fundraising team in direct marketing selections where donors are considered 'active' and responsive – past that, they are considered 'lapsed' or 'dormant'. For this reason it was felt consistent to widen this definition for other supporters, and mass-lapse (ie block from contact) anyone with no discernible activity within the last 24 months. Should any person then contact the charity and ask why communications have stopped, they would be given the opportunity to opt-in using the new statement.

We could then apply a two year rolling consent journey to all new and existing supporters, and are in the process of refining this journey to maximise opt-ins at crucial touch-points, and in particular set up triggered, positive and tailored reminder communications just before consent is due to lapse.

New web forms were built and now use address verification to improve the user journey as well as create and de-dupe database records where necessary. New paper forms were swapped for all existing ones (on donation forms, sponsorship forms, membership leaflets, thank you letters etc) with wording consistent with the data base/online version. New viewing screens were created within the database to better view the four new contact preference channels, and the dates they were changed. Then our email package had new templates built to link to the same contact preferences as other routes, and the same done for our campaigning software. We want to make sure we have the most up-to-date preferences recorded for each supporter. To manage this, a statement making it clear that new choices made will overwrite older ones exist on all new forms. This applies even if the person returns to the website the next day for any reason (eg donates one day, signs up to be a campaigner the next, both times they update their contact preferences).

Main challenges and risks (potential loss of donors, costs of the process, uncertain impact-modelling)

We had spoken to the very kind RNLI about their modelling of potential loss of supporters and of income but couldn't find from this or other basic research anything that we could apply to our own supporter base with any certainty. We won't know the real impact until the first set of rolling

consents begin to lapse in the summer of 2018. But we've anecdotally had great feedback to the first 2 or 3 communications about our new approach. In the meantime we are keeping up a level of conversation about contact and our supporter promise, and making sure that internally our processes and understanding of our new approach are as good as can be.

We ran down printed stock of forms, leaflets and other paper stock so as to minimise waste, which worked well.

We had to second-guess what the impact of FPS would be, as at the time we were doing the development we had only consultation ideas and initial thoughts on how this would impact on personal consent, MPS and TPS. So we have planned as best we could by making sure all contact preferences are dated, and shall do the same with FPS checks, MPS and TPS and make sure these are visible on the viewscreens for those teams that need it. We have had to hold back on finalising how data selections work in relation to FPS but already screen against MPS and TPS.

Measuring impact over time

We are refining a new report on the number of people opting-in, as this proved more complicated than first thought.

We also had to change our 'warm' consent statements (again consulting with the DMA) after opt-in launch as we realised that putting the full opt-in consent statements with the 4 channel tickboxes on all communications would cause us problems.

We have also had technical problems with online donations (all other online routes are fine) where opt-ins could not be displayed for cold donors, and therefore we could not gain consent for further contact except on their welcome pack letter. So there have been missed opportunities to engage new donors.

We are also proud to have been part of the NCVO working group that has developed a series of good practice recommendations on how charities can secure consent from their donors and potential donors.

Whilst we just don't know how this will impact on income over the coming months we are clear that this was the right thing to do for our supporters, and that must be the most important thing.



RNLI: Opt-in

Tim Willett, Head of Funding

Background

In 2014, the RNLI made a significant change to the way it intended to deliver its services. Based on feedback from the RNLI's local communities of lifesavers, fundraisers and supporters, we realigned core roles and specialisms and encouraged cross-discipline working throughout the charity to protect the future of our vital lifesaving work. Having done this, it became clear that the funding model would also need to be examined.

By 2015, we had started to assess the way we raised money for our lifesaving service in line with our organisational transformation the previous year. From dispersing our fundraising department and embedding fundraisers into our frontline services, to looking at new ways to generate income in response to the rising costs and falling responses of traditional methods – we knew that we needed to make significant changes. Last year, the public response to media reports about questionable fundraising practices and proposals to change charity regulation prompted us to bring that work forward and move to opt-in communications for our supporters.

Fundamentally, this was the right thing to do for the RNLI. We'd always taken great care to adhere to fundraising best practice (we didn't sell supporters' data or cold call people), but we realised that we could take a step further. Our supporters trusted us with their donations and time, and we wanted to demonstrate that their trust was well placed. We also wanted to make sure that we aligned the way we treated our supporters with the way we treated people who benefitted from our lifesaving services. It was essential that we engaged with both sets of stakeholders in accordance with our organisational values; selfless, courageous, dependable and trustworthy.

This decision was about the long term sustainability of the RNLI; making sure that we would always be able to rescue those in need. While we estimated that we would take a short-term financial hit and potentially lose touch with over 500,000 people, we believed that those supporters who did opt-in would be genuinely engaged with the RNLI's work and more likely to trust us with their loyalty, time and/or donations. We saw this as a critical junction in how we wished to operate and be perceived as an organisation

Initial thinking

For us, it was more than just reviewing how we contacted our supporters or updated our database – we were able to move to opt-in because we had the right structure, clear governance and good supporter engagement at the time. It was important to understand that opt-in would potentially apply not only to our donors, but to everyone who trusts us with their data, whether they receive safety information or fundraising information from us.

While these circumstances meant we should consider moving to opt-in, we still had to decide if we could. We analysed various scenarios to estimate the impact of moving to opt-in on our database – and ultimately our ability to fundraise.

There was little evidence and no previous case studies to draw on so we had to make some assumptions. One of the key ones was to use our planned giving income, as the most significantly impacted area of fundraising, as a proxy to assess possible impacts on overall income.

The team concluded that the most likely successful solution would be to pursue a fully opted-in consent model with limits on future direct financial asks.

In late 2015, our database held about 2M contacts. However, many of these had not been active for some time and we only had regular contact and responses from around 885,000 people. So, while we knew that we might lose touch with some of these, moving to opt-in also gave us an opportunity to re-connect with supporters and build a more engaged community who had pro-actively opted to get involved with the RNLI in some way.

We calculated that we needed 255,000 supporters to opt-in to ensure a sustainable fundraising model in the future. We also needed to find new and additional ways to raise income to offset our predicted short-term loss.

Our Executive Team and Trustees were involved from the earliest discussions around approaches and recommendations right up to the final decision to move to opt-in. Their input, support and help with this critical decision allowed us to move quickly and easily to start a project to deliver the new approach.

Implementation

The RNLI has been innovating for nearly 200 years – whether that’s developing cutting edge lifeboats or holding the first ever charity street collection in Manchester in 1891, or accepting bitcoin donations. So we are used to change and are always looking at how we can do things better. Moving to opt-in was no different. Our ongoing organisational programme of change meant we had the processes, skills and support in place to make the move.

While adopting an opt-in approach felt right, we needed to test the impact of the decision before deciding whether we should commit to it. Like all charities, our responsibility is to those who need our service, and a move to opt-in could not be allowed to jeopardise our long-term ability to save lives at sea.

So, we built a model that allowed us to assess different approaches, response rates and volumes of financial asks based on a number of key variables. We estimated between 10 and 40% of supporters contacted would opt-in. We then forecast how this would affect our income, comparing it to our business plan.

Alongside this modelling work the project group started to build a plan of activity for the next 18 months that would allow us to achieve our objectives. This plan looked at the impacts of changing activity, running an opt-in marketing campaign, reviewing and updating our technical system and implementing changes to our database. We also talked to our supporters, volunteers, staff and suppliers to get their feedback and insight.

Taking all this into account, we projected a loss of net income of about £63M over 5 years. Mitigating activity was then assessed and ranked for viability and we estimated we could generate income or savings of £27.4M, leaving us with a £35.6M income shortfall. Working with our Corporate Strategy team, we agreed that by using our reserves, business planning and additional operational savings we could manage the projected drop in income over the coming years.

A number of our Trustees had been involved throughout this process – offering advice and insight. Now we collected all this material and presented it, with our recommendations, to the Executive

Team and all the Trustees for final approval. Due to the high levels of information and engagement with both groups throughout the research and modelling process, a unanimous decision to move to opt-in was reached swiftly.

And that was just the beginning. Since then we've brought together a project team, taking people from our community lifesaving, fundraising and public engagement teams, Marketing, IT, Data, Compliance, Finance, and Communications. They're responsible for implementing opt-in across the organisation – from running a marketing campaign to opt-in our existing supporters, to making sure our lifeboat stations and fundraising groups understand and follow the new processes involved.

By taking an organisational approach rather than just a fundraising approach we're on track to complete the project and be fully opt-in by the end of the 2016.

Main challenges and risks

The risks of moving to opt-in include losing touch with over 500,000 people, a negative impact on our income in the short term, ensuring compliance throughout the organisation and the ultimate uncertainty of what a smaller, more engaged database of supporters would mean in the long term.

The final outcome of our opt-in marketing campaign still won't be known for some months to come and only then will we be able to assess the size of the risk to future income. What we can say is that early results are proving positive and are encouraging – over 375,000 have opted in so far.

One of our biggest challenges at the outset was predicting opt-in rates as there was very little evidence elsewhere to inform our thinking. We mitigated this, to some extent at least, by talking to our existing supporters, volunteers, Trustees and suppliers to gauge their reaction to opt-in and learn from any insights they had.

Since then, implementing the move to opt-in has had its own challenges. In the early days, we needed time to navigate a path between upholding our own opt-in principles while still taking a pragmatic approach. The debates were often long and heated, but we've grown in confidence and the decisions we made then have helped us clarify the questions that are still bubbling up – but there are things we still don't have an answer to and we're still having those long discussions.

Applying our opt-in principles is one thing, making sure we have the technology to support them is another. We are currently in the process of replacing our CRM, so now is a good time to make sure any opt-in requirements are included. But we also needed to find interim solutions to recording and storing our supporters' contact preferences on our existing systems.

The RNLI is a large and complicated organisation – making sure everyone understands the importance of opt-in, how it affects them and what they need to do is a daunting process. For us, opt-in isn't just a marketing or fundraising initiative; it's something that affects the whole charity from how we tell people about our lifesaving work to asking for their support or giving them valuable safety information. So making sure everyone – from volunteers on the ground to staff across the organisation – understands and adopts the opt-in approach is a challenge.

Measuring impact

Opt-in at the RNLI is still very much a work in progress – the third and final wave of our marketing campaign is due out in November, while our staff and volunteers are working hard to embed opt-in into their everyday work by the end of the year. But we have learned a lot since we made the announcement in 2015.

There have been several pleasant surprises. We calculated that we needed a minimum opt-in rate of 25%, but we're at 40% today.

We've exceeded our original ambition of opting in 255,000 supporters by the end of 2016; so far over 375,000 people have said they want to keep in touch and we still have one more wave of the marketing campaign to go. What we don't yet know is the detail around who these people are, how they want to support us and what this means for us in the long term.

So our marketing campaign is another success. And it's not just our existing supporters that have responded – we've also attracted new support and, at the time of writing, over £175,000 in unsolicited donations via the opt-in marketing campaign.

This was a large undertaking and we recognised early on that we needed to devote specific resource to the project. Critically we brought in a project manager and diverted existing staff into the project team, using the skills we already had to drive and deliver our objectives.

Throughout the RNLI, people are proud of the ethical decision the charity has taken and the move to opt-in has galvanised them around a clear objective. Staff have helped their colleagues deal with the flood of responses and taken part in photoshoots for our marketing campaign, while our volunteers are making opt-in an integral part of the lifeboat station open days or fundraising branch gala events. The Chief Executive has led by example and been actively involved in answering the phones and opening postal responses during every campaign phase.

The move also puts us ahead of data protection regulation. We're confident that we already work to a higher standard of consent, so any changes coming out of new legislation should be minimal. But new legislation (GDPR) is about a lot more than just consent, so our move to opt-in is just one critical step towards a much broader approach to data protection and compliance.

It's not all been plain sailing and we do still have concerns. Despite the great response, we still risk losing touch with around 500,000 supporters. We don't yet know details about who has opted in and what that means in terms of support in the future. We know it will take another year to engage everyone across the RNLI and fully embed opt-in as business as usual.

We're also still working hard to develop a new, sustainable, approach to fundraising – traditional fundraising methods are no-longer enough with an opted-in database and we need to create additional activities that work alongside the programmes and products we already produce. Indeed, our planned mitigations have not been as successful as we had hoped, so we're looking at what else we can do to reduce the initial loss in income.

We underestimated the time needed to accelerate existing, or create new, technical and customer relations management solutions for the project. Moving to opt-in has highlighted unforeseen issues and this has forced us to invest capital earlier than anticipated to address problems. The advantage to this is that many of these solutions benefit the whole charity and will give us a solid technical and data-governance foundation for the future.

Our move to opt-in has not been done in isolation – the new charity regulator and regulations may also influence how charities gain and use consent – and we look forward to greater clarity in the future. As an example, we await the outcome of the consultation on the proposals to implement the Fundraising Preference Service (FPS) that will hopefully encourage best practice rather than allow acceptable practice.

So our advice to others who might be thinking about adopting opt-in is to start early – it's more complex than you might think and the immediate solution is not always straightforward or clear. But, if the response from our supporters, volunteers and staff is anything to go by, it's a challenge that can be worth taking on.

The Rose Road Association: Opt In – Confronting the Big Decision, and Rising to the Challenge

Heather Aspinall, Chief Executive

Louise Clarke, Director of Business Development

In 2014 The Rose Road Association, a small / medium sized charity, became aware of the increasing focus from across the sector in relation to data protection and donor stewardship, and we took a collective decision, involving key stakeholders and trustees, to implement an Opt In process for all data held linked to fundraising and associated communications and activity.

Starting status

- An independent charity, with voluntary income of c. £400,000 pa.
- A database of 14,000 historical records with an uncertain audit trail, some on paper, filing cabinets, standalone databases etc.
- Values and ethos – fundraising with respect and integrity.
- REGULATING FUNDRAISING FOR THE FUTURE – report published. Understanding of importance and focussed minds.
- An understanding of the inherent risks and the commitment required was prepared.
- A number of risks were identified – the prime one being; **we could not predict the actual outcome**. However the risk of **NOT** acting was seen as the greatest risk of all.

Process

- We researched best practice and processes with the ICO and contacted their helpline.
- Trustees were engaged in the process and the decision.
- We identified and allocated specific tasks – recruited a volunteer to support the process alongside an experienced data and marketing specialist. We understood that this was a very skilled task, which needed to be approached carefully – the priority being, funders commit to Opt in whilst minimising donor attrition. Project plan drafted and managed over 6 to 9 months.

Main challenges

- Additional funding required, at a time when minimising costs and overheads was a priority.
- Included time allocation of fundraising staff adding to the considerable pressure to raise funds and with competition for voluntary funding increasing.

- Long-term impact – hard to predict – BUT we did speak to a range of stakeholders so this was done with as much knowledge as possible.

Outcome

The loss of data was high c.85%. A major challenge of the process was to accept this and move on.

- We kept a high % of warm contacts and donors, within the overall retention rate of 15% - those that did not reply or we lost, in general we had not heard from in a number of years.

Learnings

- Actual impact in terms of revenue was very hard to measure, and required tracking received over a number of months and years, and other factors are always at play. This outcome – which is at the core for most charities – really does depend on the make-up of the donor base e.g. regular donors Vs events income, and requires detailed consideration and analysis by each organisation, for their circumstances.
- A lot of returned mail made us realise how quickly data becomes out of date.
- Speaking to people always returned better results.
- Only one complaint received – which was dealt with considerately and swiftly, maintaining a good relationship with the donor.
- The individuals who ‘Opted In’ on our database were significantly warmer to the charity.
- Better future communication response rates and less resources expended in future mailings.
- Reputation – if asked we are able to explain what was undertaken, openly and transparently.

Footnote

As of 2016, we have not experienced any notable impact, revenues have been maintained and are now increasing. Costs of mailings have reduced, but continue to yield the expected return. The number of prospects continue to increase and we continue to operate an Opt-in policy.

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The Children's Society: From Fundraising to Supporter Engagement

Joe Jenkins, Director of Fundraising and Supporter Engagement

Introduction

In 1881, a young Sunday School teacher named Edward Rudolf was appalled by the child poverty that he witnessed in his parish and reached out into his community to do something about it. Thus began The Children's Society and 135 years later, the concept of a community taking action together to achieve positive change for children still remains at our core. The volunteers, donors, supporters, campaigners, communities who join forces with the professional staff of The Children's Society ARE The Children's Society.

And yet in 2015, as the spotlight swung sharply onto the fundraising practices of charities in the UK, we were given pause for thought. We had never stopped valuing the importance of our supporters – but were we behaving in a way that genuinely demonstrated this? Was the experience of getting involved with The Children's Society as positive and inspiring as we believed it should be?

The Board of Trustees and Senior Leadership Team were keen to tackle these questions head-on. With the appointment of a new Fundraising & Supporter Engagement Director, the leadership team set out to chart a new path, reviewing the relationship with current supporters and determining how we would proceed moving forward. From the outset, the brief was clear: The Children's Society cannot tackle the challenges facing the most vulnerable children and young people without building a strong community of support. We needed a strategic approach that would recognise and value everything our supporters contribute to our cause and inspire long term support.

A supporter engagement approach

In January 2016 The Children's Society began the process of creating a new Supporter Engagement strategy. Our incoming Fundraising & Supporter Engagement Director had agreed with trustees and the executive team that we should consider moving from short-term product-led fundraising to long-term relationship building with our supporters. The need to do this was driven by several different factors:

- The events of 2015 which saw unprecedented media and political focus on the practices of the charity sector in raising funds for their causes which highlighted poor practice in some areas.
- The subsequent findings and recommendations of the Etherington Review, including the creation of a new fundraising regulator and the likely creation of a Fundraising preference service (FPS) which could impact the ability of charities to contact a high volume of existing and new supporters through such traditional channels as direct mail and telephone.
- Recognition that in many ways, large parts of the charity sector had become uninspired, detached and complacent in the way it fundraises.

- Genuinely wanting to reconnect with supporters in a mutually beneficial way that brings value to all parties and stakeholders across the entire organisation.
- A need for us to develop a new business model with our Supporter Engagement approach – the proceeding years and strategies had not delivered any growth in income in real terms.
- A desire to be a pioneering, sector-leading charity to increase our impact for vulnerable children and young people.

This long-term approach suggests that loyalty and long-term value is driven by a two way relationship which recognises the uniqueness of each supporter and the story of what they can bring to the cause and beneficiaries. We were fortunate that the Trustees, Chief Executive and Senior Leadership Team were in unanimous agreement that this was a necessary direction for us and supportive of the changes to our current practices that would be required to realise this.

We recognised the high stakes involved. In recent years we have seen an increased need for our services, for example child poverty has increased nationally and more children are in danger of sexual exploitation against a backdrop of pressure on funding from all sources.

Strategic Drivers

Through qualitative and quantitative analysis we established there are key, fundamental drivers that mean we have to take a more supporter focused approach to engaging with people who increasingly live busy, constantly connected lives that are different to even five years ago – let alone 20.

- The charity landscape is increasingly more sophisticated, crowded and saturated and this requires us to focus more clearly on the people who might join with us to achieve change. We need to be clear about who we want to prioritise, nurture and how we meet their needs, so that we can cut through the noise and inspire support. Charities have for a long time been trying to out-compete each other, with often limited returns and the net result that one charity succeeds at the cost of another. So we took the decision to move into new areas by creating new engagement opportunities that don't already exist. These engagements must fulfil a role in supporter's lives – and move us away from our traditional 'competitors' (in fact, we will need to collaborate more in the future)
- Due to the emergence of new channels, increasing fragmentation and some existing channels being restricted in use for charities – it means we need to review the ways we currently communicate with supporters, ensure our approaches reflect people's permissions and preferences as well as diversify more in new channels.
- There are increasing expectations by supporters to be more directly involved in co-creating our work as well as higher requirements to demonstrate impact. We also face the ongoing ethical challenge of balancing meeting that supporter need with ensuring we deliver what is best for children and young people; we need to be clear about how we will work with funders and supporters in designing and delivering our work, and recognising the importance of transparency.
- All the data we looked at showed a long term decline in public trust in key civic institutions. With a more suspicious and less trusting general public it is imperative we build stronger relationships and exemplify the highest standards in transparency, consent-based communications and data protection and privacy standards.

- Because of major changes in societal demographics (driven by the rise of millennials and an ageing population) there is pressure to ensure organisational relevance, by being flexible and adaptable. We need to invest in innovation to find new ways to engage and meet the needs of a changing demography.
- The charity sector will be under increased scrutiny by media and MPs for the foreseeable future. We need to adopt tighter internal systems and processes to manage all aspects of relationship management. We also recognise the need to manage third-party suppliers more rigorously. We've always aimed to have high standards- but we are now on a quest to go above and beyond regulatory requirements and best practice in these areas.
- We must invest in staff training and development to ensure all existing and new staff are skilled in all areas of our strategy, from compliance to relationship building
- Through data analysis we can see that the charity share of household income has not changed in over 30 years -showing that the sector, including The Children's Society, has not adapted our offer sufficiently to take share away from other sources of disposable income spend. Clearly we need to find a new way of engaging people that fits in the way their lives have changed.

Staff engagement

We wanted to take a collaborative approach to the strategy development so that we could maximise the internal engagement of staff, increase the number of ideas feeding into the strategy map and to start to break down siloed ways of thinking that prioritise individual or team goals against bigger organisational priorities and crucially, the overall supporter experience. To do this we used cross-team workshop days attended by members of all directorates; internal surveys to collect feedback on core concepts and documents and regular weekly and monthly communication channels. Staff at all levels of the organisation were able to meaningfully contribute.

In the five months it took for us to move from strategy concept to sign off and approval by the board – January-May 2016 - over 100 staff fed in direct comments and content that we used to be able to shape the overall strategic direction.

What have we practically done?

The Board of Trustees approved our new approach in May 2016. The approach sets out our principles, our philosophy, our financial model, our main goals and how we will achieve them. It is a roadmap for engagement with our supporters and any member of the public that leads to a better future for vulnerable children. We have now transitioned from the old model and way of working to the new and we are in the process of setting up the key projects that will accelerate our development and learning.

Practically so far we have:

- Significantly reduced our investment in recruitment channels with high attrition levels and an inability to carefully focus on supporters or prospective supporters before asking them to commit to supporting our work – particularly street fundraising and telephone campaigns.
- Created four work streams and 16 priority projects that will catapult us into a supporter-led future.
- Committed to using a different set of metrics to measure our performance – rather than looking at shorter-term product-focussed ROI, response rates and net present value we are

now implementing supporter satisfaction, lifetime value, % of opt-ins by channel and a loyalty score. Our lifetime value work feeds in non-financial actions as well as financial contributions to include campaigning, volunteering and networked contributions, so that we are considering the total value of our supporter's engagement. This involved reworking our entire balanced scorecard. We know that if we only use metrics that focus on short-term returns on a campaign by campaign basis then that will focus the way our supporter engagement staff behave and prioritise.

- Reduced the number of “solicitation” communications (with sole direct financial asks) and increased the number of “engagement” communications (with no direct ask to supporters). We have been using the ‘non-ask’ communications to find out and understand more about our supporters, thank and recognise their contributions and offer more engagement with our impact.
- Increased investment in innovation and insight.
- Reduced the number of asks in our telephone calls from three to two.
- Increased call listening with our telephone agency. We have increased the amount of calls we listen to on each telemarketing campaign.
- We are seeking to increase non-financial engagement with the organisation that will build supporter trust, commitment and satisfaction – creating much stronger supporter loyalty across all segments.
- Become full members of the Direct Marketing Association (DMA).
- Internally Audited the activities of the supporter facing teams against the current Codes of Practice.
- Introduced a new organisational business planning and budgeting approach that develops activities over a longer (rolling) timeframe and requires greater join-up across all teams to deliver more effective communications to supporters

Risks of our new approach

We know that there are risks inherent in adopting this approach. For example there are limited charity cases that prove greater supporter engagement definitively increases income in the short and medium term. We have a financial model that suggests it will – but we still have to take a leap of faith and do all we can to make it a reality. If ultimately it does not increase overall value to children and young people we will not have succeeded.

Because we are moving from a business model that delivers short-term returns to one that may take longer to deliver results there is of course a danger that the organisation loses patience and removes support from the direction and strategic approach. We can mitigate this by putting in actionable metrics that show positive improvements in key areas along with the ongoing engagement and support of our trustees and senior leadership team.

We have just started our journey on the road to long term supporter led engagement with our work with vulnerable children and we are unlikely to get everything right. To create real change in our approach to engaging with the public will take time, learning, and a strong ability to learn from our mistakes.

So far we have had staff discussions around why we want to take this approach – when in the short-term it will mean we have less money to fund our work with children and young people. This is a difficult conversation to have with colleagues in an environment when funding from all sources

is being squeezed. We have painted a picture of a richer future – with more engaged supporters – who fully understand our work – and support in a variety of different ways – to create better opportunities for young people.

Building a movement

We have conducted a thorough internal and external review, considered data, theory and case studies from a wide range of sources, undertaken research with our supporters (existing and potential), engaged with trustees and staff at all levels. Nevertheless, this approach still requires a leap of faith. We can't "know" that deeper richer engagement focussed on long-term relationships over short-term transactions will grow our income. But everything about our values, philosophy and approach to achieving social change gives us confidence that this is the right direction for us.

Of course, we have to perform well against our planned approaches – and hold firm and true to the Supporter Engagement principles when tests do not always reap immediate returns. We cannot retreat into the old ways of working at the first sign of challenge.

Our aim and vision is to build a dynamic movement of people collectively transforming the lives of vulnerable children and young people through their actions. We are still only starting on our journey to supporter-led fundraising but we suspect if Edward Rudolf were still with us today he'd approve – and across The Children's Society we are excited about the future.