

## **Global Connections Issue 39, June 2008**

Welcome to Issue 39 of the Resource Alliance's electronic newsletter "Global Connections"

Please pass along this newsletter to anyone you feel might find it of interest. You can subscribe for free at [www.resource-alliance.org](http://www.resource-alliance.org).

### **Fundraising in India, the Indian way**

*Western and Indian NGOs are adapting traditional methods to succeed in a market with growing potential as Richard Pordes and Kunal Verma explain*

If you are thinking of raising funds in India, please don't waste any more time just thinking about it. Go and do it now. If you wait much longer, you might find yourself pushed aside by a herd of local and international not-for-profits who are exploring – and beginning to pour into – this incredible market.

In a country of one billion people, India's 200 million middle class citizens may be the world's fastest-growing new pool of potential donors. Faster even than China. But don't be fooled. India isn't a "virgin" market any more, that will respond to any kind of simple appeal. While that might have been the case a few years ago, today any gains you make will have to be carefully planned and vigorously implemented.

Indian fundraisers, whether domestic or imported, are developing their own unique methods and adapting traditional Western methods to benefit local non-profits that used to rely mostly on funding from industrialized countries.

#### **Direct dialogue**

Take for example the traditional Western technique of face-to-face fundraising, pioneered in the west by Greenpeace, and sometimes known as "direct dialogue". Indian fundraisers do it too. But they add their own unique twist.

As everyone knows, India has excellent telemarketing companies that conduct inbound and outbound calls to generate sales or to service customer calls at extremely low cost. Some of these firms that started out selling credit card memberships and insurance have now branched out and started fundraising for western and Indian NGOs eager to reach middle and upper class consumers.

What could be more natural, then, than using the many available telephone and address lists to reach potential donors? Taking care not to give the impression of overly-aggressive fundraising, they engage people in easy-going telephone banter about the charity they are representing. A pitch for funds is never made, because the purpose of this first stage is solely to generate leads. Recipients of calls are asked if they would agree to meet someone from the charity to describe the work of the organization.

If the answer is positive, his or her name and number are sent to a small group of trained face-to-face fundraisers, in the same or even in another city. These solicitors then call the prospective donors and set up appointments to meet at work, at home or possibly at a tea shop. At the meeting, the fundraiser goes into action, using charm and reason to persuade the prospect to agree to a first gift.

Skilled solicitors are able to persuade about 50-75 per cent of the individuals they meet to make at least a one-off gift, and possibly even join a monthly giving scheme or child-sponsorship programme.

### **Pre-qualified direct mail**

Another adaptation of a standard western direct mail technique is using telephone pre-qualification of names and addresses, before sending out an appeal letter. Using this procedure helps to eliminate people who are unlikely to become donors, thus saving wasted paper, printing and postage. While the high cost of doing this might make it prohibitive in the west, the low cost of skilled labour in India makes it very cost-effective.

Kunal Verma, who heads fundraising at Madurai's Meenakshi Mission Hospital in South India, explains:

"When conducting direct mail appeals for our hospital, we aim to optimize our investment right from the start. To be honest, we started pre-qualifying acquisition mailing lists more because of challenges we faced, than a new creative approach. The lists we were buying were not giving us great results, partly because we could only afford to purchase low quality lists. We simply needed to keep our fundraising costs to a bare minimum.

"We had three issues with the lists we were using. First, many of the addresses we rented were inaccurate because people had moved or passed away; second, many of the phone numbers attached to the names were incorrect (due mostly to poor data entry by list vendors); and third, people's phone numbers had not been recently updated. (In India, people frequently change phone companies). On analyzing our campaign results, we found that 28% of our DM packs were being returned owing to wrong addresses and 13% of the phone numbers we called were wrong.

"So, on average, 40% of our rented names were unusable. This was a huge drawback, in terms of wasted paper, printing, postages, cleaning the database and human frustration.

"We therefore adopted two important ground rules. First, we decided never to rent any lists which have no phone numbers. Second, before mailing out any packages, our tele-calling team calls all the addressees, to ensure that they really want to receive our appeals. We also ask them whether they prefer to support our cancer patients or our free meals for poor patients. We then send the appropriate appeal to each pre-qualified donor. This process not only eliminates wrong addresses or changed phone numbers, but also tells us what they are most likely to support.

"The tele-callers do not to make an ask, but promise to call back after seven days (when people have received their DM pack) to answer any questions. If someone sounds very enthusiastic and motivated to give, the DM pack is sent out immediately by messenger (with a handwritten addressed envelope) so that the donor can make an immediate contribution. Otherwise it is sent by regular mail.

"Pre-qualifying the lists not only saves us a lot of money, but also boosts the morale of our tele-calling and direct mail teams," says Verma.

Since these prospects have been informed in advance about Meenakshi Hospital's appeal, they are well prepared for the ask and respond at a rate of 24 percent. With

repeated calls to the same names, Meenakshi Hospital's fundraisers are able to persuade up to 52% of mail recipients to make at least one donation. This is, of course, a big improvement over the previously existing situation, where they were failing to connect with 40% of the rented names.

As a result of pre-qualifying lists, Meenakshi Hospital now has a clean and updated house list. The tele-calling and DM teams are happy. People in the community do not receive unsolicited mail. And the Hospital fundraising team has learned how to turn a low-quality list into a database that generates over one out of two donors.

*Richard Pordes retired from UNICEF in 2006 and now heads his own international fundraising consultancy, with clients in North America, Europe and Asia. He can be reached at [richardmpd@aol.com](mailto:richardmpd@aol.com). Kunal Verma served formerly with ActionAid India and Christian Children's Fund and is now the Director of Resource Mobilisation at Meenakshi Mission Hospital, in Madurai, India. His email address is [directorrm@gmail.com](mailto:directorrm@gmail.com).*

## Resource Alliance News

### **Blackbaud Europe and Resource Alliance launch first pan-European benchmarking survey to explore the state of fundraising in Europe**

It will gather and provide an overview of information that can help not-for-profits better benchmark their operations. It will also be extended to European not-for-profit organisations, allowing for direct benchmarking of UK organisations against their European counterparts and vice versa.

The survey focuses on a series of timely issues critical to today's not-for-profits and it is structured to capture data in three main areas:

- General operations, including staffing, budgets and organisational challenges
- Use of the internet
- Accountability and stewardship.

Participants will be asked to share information on:

- The top three fundraising methods for their organisations
- The percentage increase or decrease of income delivered through each fundraising method they expect to experience in the next 12 months
- The methods they most commonly use to communicate with donors
- If they have seen an increase in donors asking for information about how their donation is being used.

Blackbaud has run the SONI (State Of the Not-for-profit Industry) survey in the US since 2003 and Asia Pacific since 2005. The survey was introduced to the UK last year. This year for the first time it will be extended to France, the Netherlands, Germany and Switzerland in multiple languages.

Full details of the 2007 UK survey are at [www.blackbaud.co.uk/resources/soni/soni.aspx](http://www.blackbaud.co.uk/resources/soni/soni.aspx)

## **Resource Alliance's CEO launches blog for UK Fundraising**

Simon Collings, the Resource Alliance's CEO, is writing a blog for UK Fundraising.

So far Simon has covered items as diverse as women philanthropists, the Malaysian NGO of the year award, and raising funds from the Filipino diaspora and clocked up an impressive five blog entries in May.

Check out the blog at [www.fundraising.co.uk/blogs/simoncollings](http://www.fundraising.co.uk/blogs/simoncollings)

## **28th IFC offers 'Hands-On' sessions to delegates**

The International Fundraising Congress (IFC) in the Netherlands this year will find themselves a bit more involved in hands-on work this year, rather than simply absorbing the cutting-edge thinking the IFC's offer.

These sessions are in addition to its in-depth, six-hour long masterclasses that will involve delegates in practical work. For example, one Hands-On session will give delegates the opportunity to practise data mining and analysis using a real charity database loaned to the IFC for this purpose. Another will offer fundraisers the chance to set up their own profiles on social networking sites.

The IFC's marketing and communications director Alan Bird explains: "These new Hands-On sessions have audience participation designed into them. This isn't just lip service to interactivity either. If you come to one of these sessions, you will have to get involved – there's no hiding at the back of the class."

The schedule for the interactive masterclasses is available on the Resource Alliance website

## **Second international charity DRTV competition calls for entries**

The only international competition for charity and NGO DRTV adverts will be back for a second year at the IFC in October where delegates will again get the chance to vote for the advert they think is the best.

The groundbreaking Gold Star Award for Excellence in Fundraising DRTV, sponsored by WWAV Rapp Collins for the second time, was won last year by the Dutch children's charity SOS Kinderdorpen, which beat adverts from British, American and Mexican NGOs.

The process will be the same as last year, with delegates voting for their preferred ad from a shortlist of six drawn up by a panel of expert judges from the fundraising sector.

An application form can be downloaded from the Resource Alliance website and the closing date for applications is 31 August with the shortlisting process taking place at the beginning of September.

To be eligible a DRTV ad must have aired since June 2007. Shortlisting criteria include the objectives of the campaign, the strategy behind it (such as the target audience and choice of media), results, and a short testimony arguing how it 'exemplifies best in class DRTV fundraising'.

WWAV Rapp Collins' global chief creative officer Ian Haworth said: "Last year we received a very high standard of entries, which highlighted the expertise and creativity that exists in global DRTV practice, and we are expecting an even higher standard this year.

"However, one of the areas we hope to see an improvement in is the quality of the ask. Last year, the shortlisting panel had to eliminate a couple of entries because they did not make an effective ask and one advert didn't actually make an ask at all."

Shortlisted candidates will receive a discount for the 2008 congress, while the winner will receive the Gold Star Trophy and a free place at the 2009 IFC.

## **Other News**

### **Net Impact North America conference**

"The sustainable advantage: creating social and environmental value" 13-15 November, Philadelphia

This conference will discuss how businesses and organisations can effectively address social and environmental challenges of the 21st century. The conference will foster enriching and inspirational discussion, present opportunities for professional development and networking and challenge conventional definitions of success in the business field.

Hosted by the Wharton School of the University of Pennsylvania.

Visit [www.netimpact.org](http://www.netimpact.org) for more details.

### **Synergos Social Innovators Program opportunities**

The Synergos Institute is looking for applications and nominations of its Social Innovators Program which will be reviewed in mid-September. The institute is seeking 20 outstanding social pioneers who are successfully implementing innovative projects in Egypt, Jordan, Lebanon, Morocco or Palestine that have helped improve conditions and the quality of life for people in those five areas.

The program will provide professional and financial support to help social innovators transform small-scale projects into sustainable organisations working to bring lasting social progress to their communities and beyond. The Institute will connect candidates to its network of professionals, provide technical support to help innovators develop their social venture, and offer financial awards of US\$ 17,000 a year for two years.

Details can be obtained from [www.synergos.org](http://www.synergos.org)

### **Asian book project seeks successful social entrepreneurs**

Authors of the forthcoming new Asia's TOP book titled 'Asia's TOP Social Enterprises: How You Can Do Good Profitably' are looking for stories from successful social enterprises.

Social entrepreneurs who have been successful and profitable are encouraged to contact Timothy Chan at Asia's TOP Project website, to share stories and secrets of success.

Visit [www.asiatop.org](http://www.asiatop.org) for more details.

### **Asia-Pacific Regional Microcredit Summit 2008**

This Summit will be held on 28-30 July in Bali, Indonesia and speakers include Muhammad Yunus, the 2006 Nobel Peace Prize Laureate, founder and managing director of Grameen Bank. Other speakers come from India, Pakistan, Western Samoa, Myanmar, Vietnam, Philippines and Bangladesh.

Visit [www.inamicrocreditsummit.org](http://www.inamicrocreditsummit.org) for more details.

### **Dates for your Diary**

Certificate Programme in Resource Mobilisation & Communication, 3 July - 9 August, Delhi, India

Webinar on 'Major Gifts: Finding the perfect donors who love your mission and stay with you for life' with Terry Axelrod, July 10, 2008 at 2:00 PM Eastern

Certificate Programme in Resource Mobilisation & Communication, 14 July - 29 August, Hyderabad, India

### **Ask the Guru**

Bernard Ross answers your questions

The Resource Alliance presents 'Ask the Guru' giving you the chance to ask any burning questions about fundraising you might have to one of our top 'Guru' speakers. If you've got a fundraising question - then ask!

To see Bernard's questions and answers, please visit [www.resource-alliance.org/resources/ask\\_the\\_guru](http://www.resource-alliance.org/resources/ask_the_guru)