BEFORE THERE WAS CHANGE. THERE WAS YOU.

IT STARTS WITH YOU

Vision.
Collaboration.
Transformation.
FIA 2020

FIA CONFERENCE

Evolve or Die

An overview of the why, what and how of innovation within fundraising

Ben Littlejohn, Act for Peace
Ruth Wicks, More Strategic

Creativity & Innovation Track

IT STARTS WITH YOU

Vision.
Collaboration.
Transformation.
FIA 2020

FIA CONFERENCE

Sponsored by vega

Hangover mask

by CyberLink PowerDirector

0026

NOKIA
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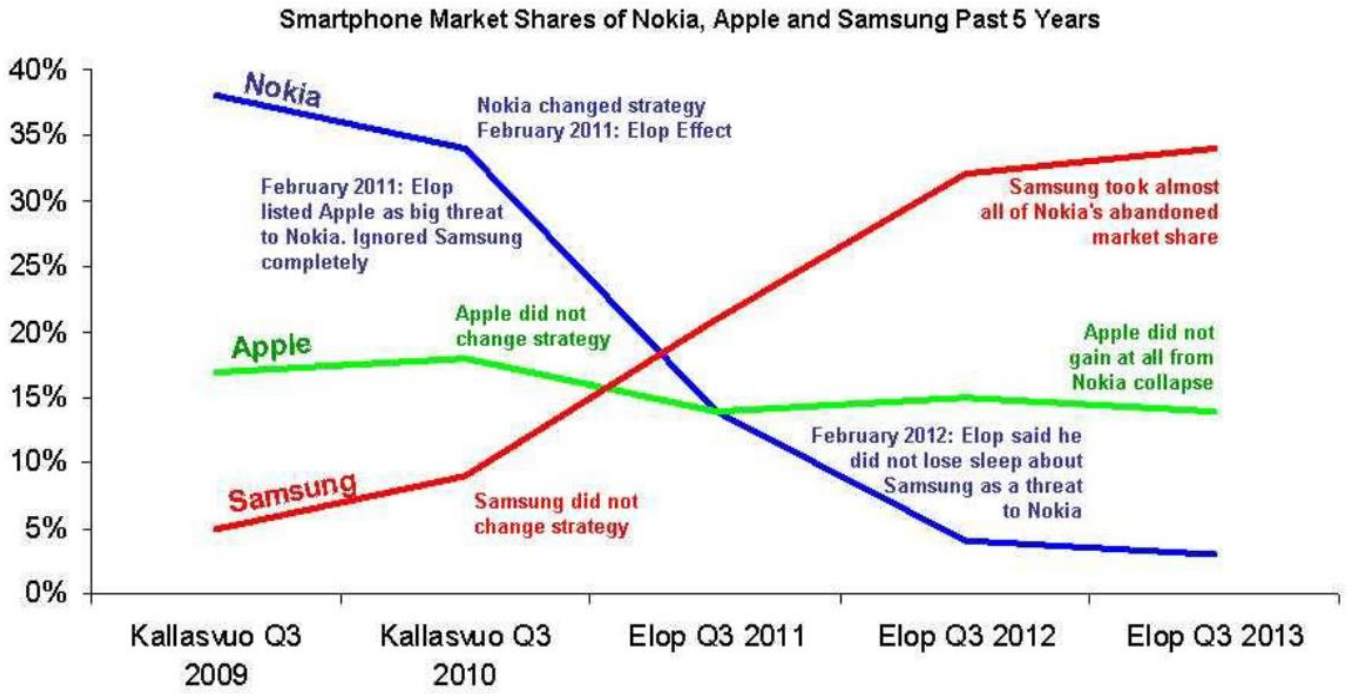


Source: TomiAhonen Consulting Analysis of Manufacturer and Industry Data, November 2013

"We didn't do anything wrong, but somehow, we lost"

Last Speech by Nokia's CEO

Complacent

Prisoners of their own success

Long development process

Too much focus on R and D

Non collaborative

Over confidence in brand

Expectation of innovation

WHY?

Ruth Wicks

Ben Littlejohn

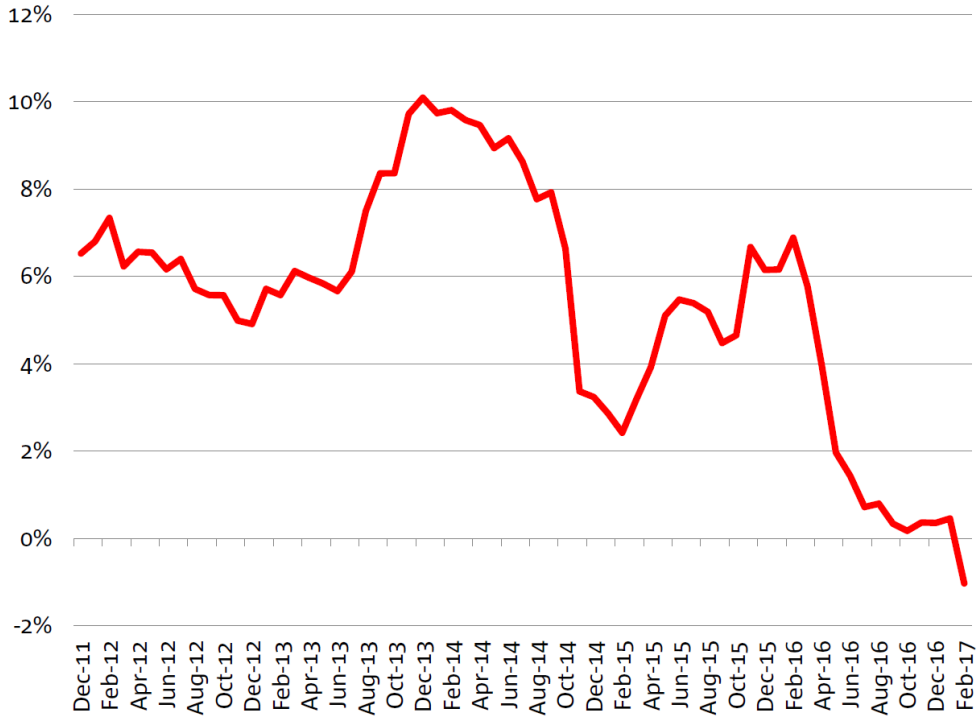
What we will cover today

1. What's happening in fundraising (and why it's a problem)
2. Why is it happening? (our analysis)
3. What can we do about it? (innovate)
4. Types of innovation
5. How can we do it?

WHAT'S HAPPENING IN FUNDRAISING?

GROWTH IN NAB CHARITABLE GIVING INDEX

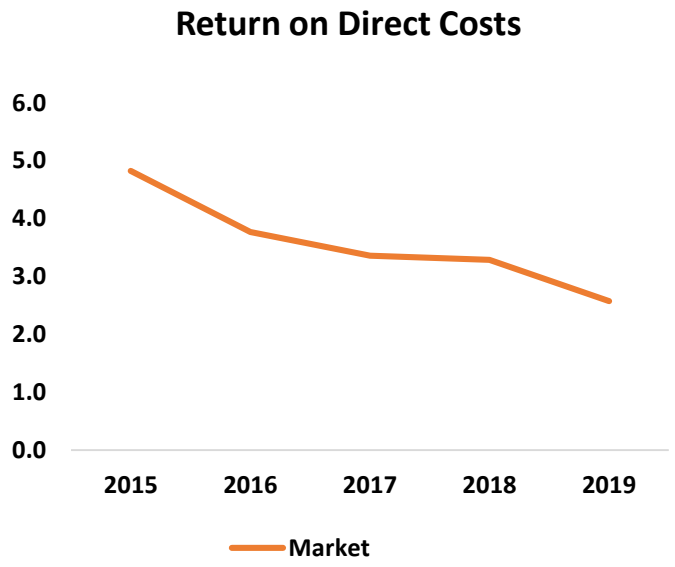
(percentage change, rolling 12 month year-on-year)

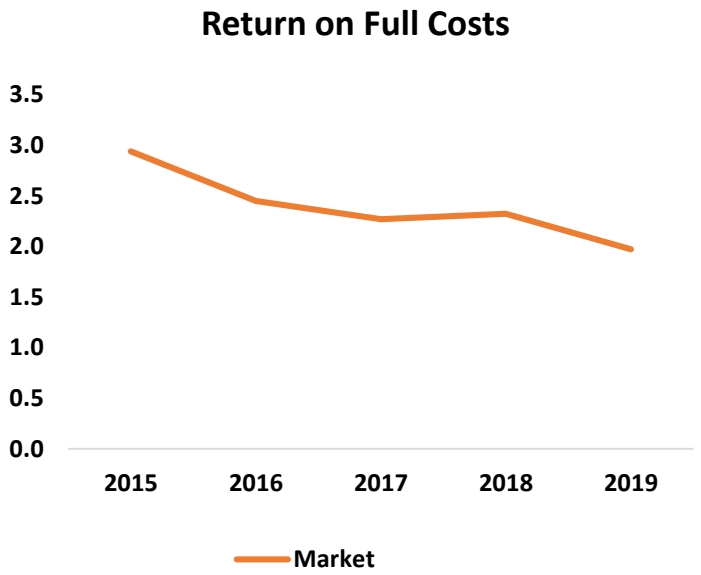


© NAB Charitable Giving index 2017

Overall annual income compared to new recruits

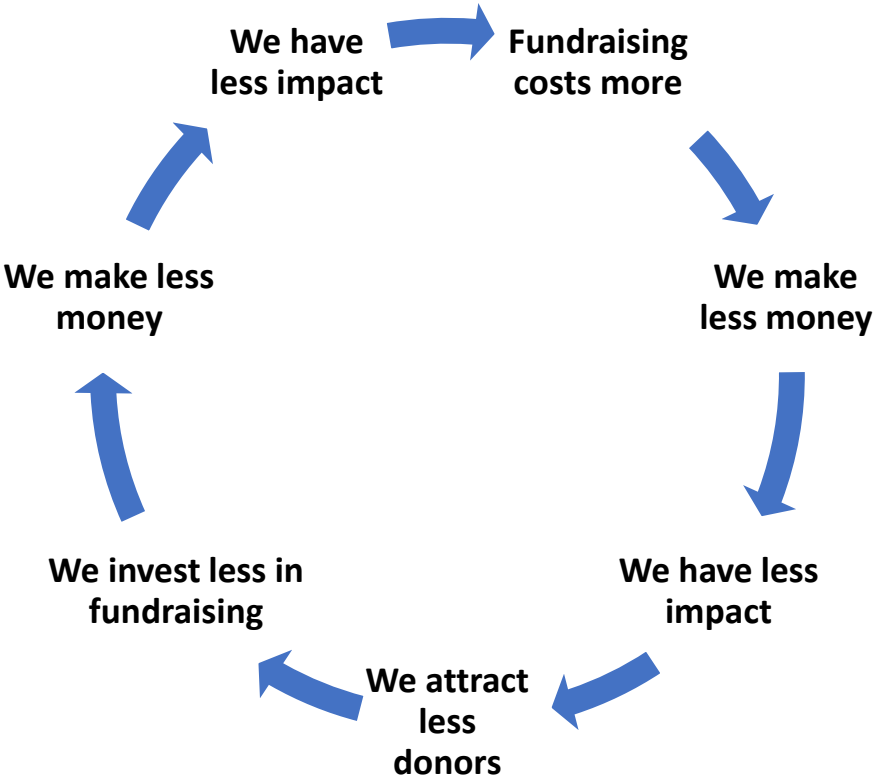
Charity market return (no bequests)

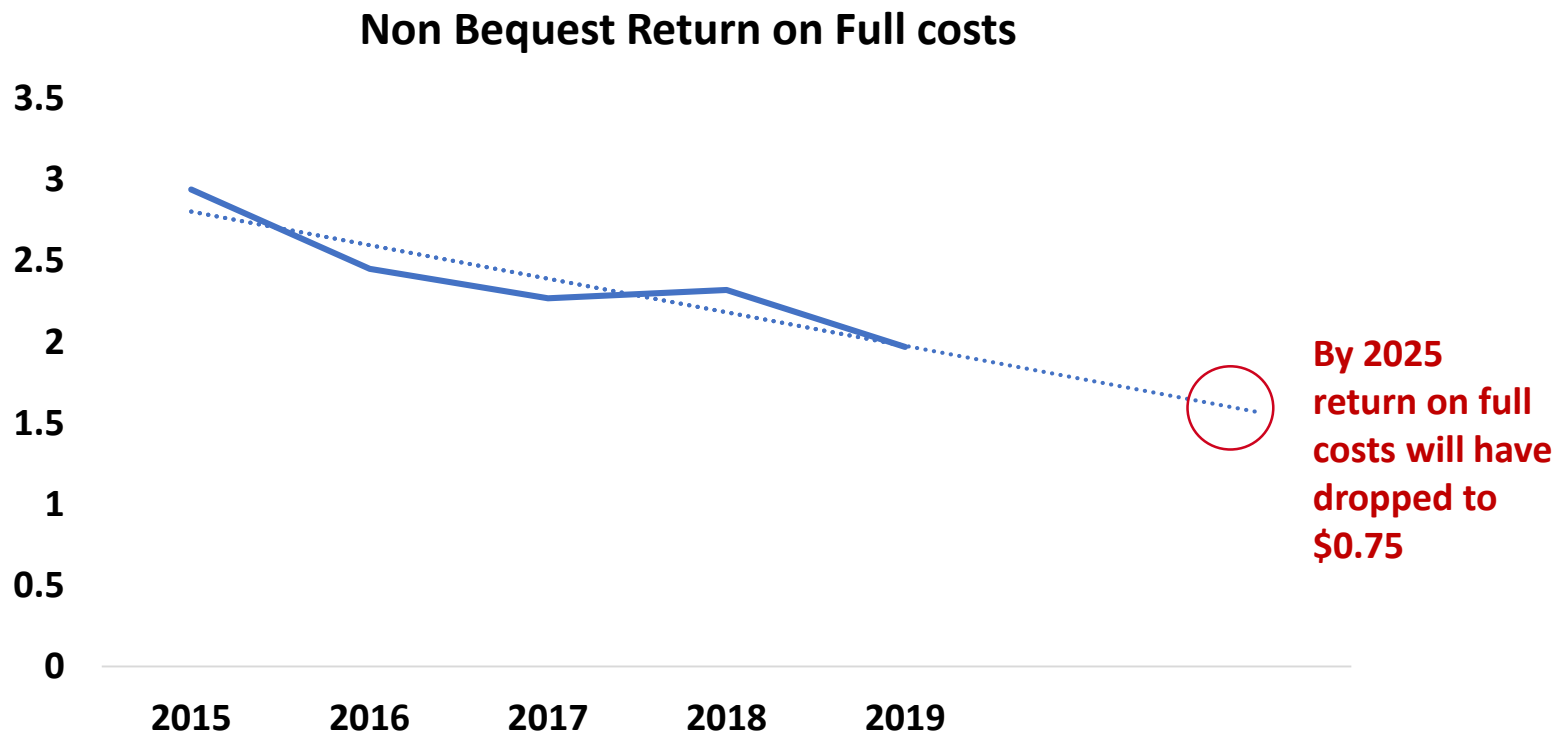


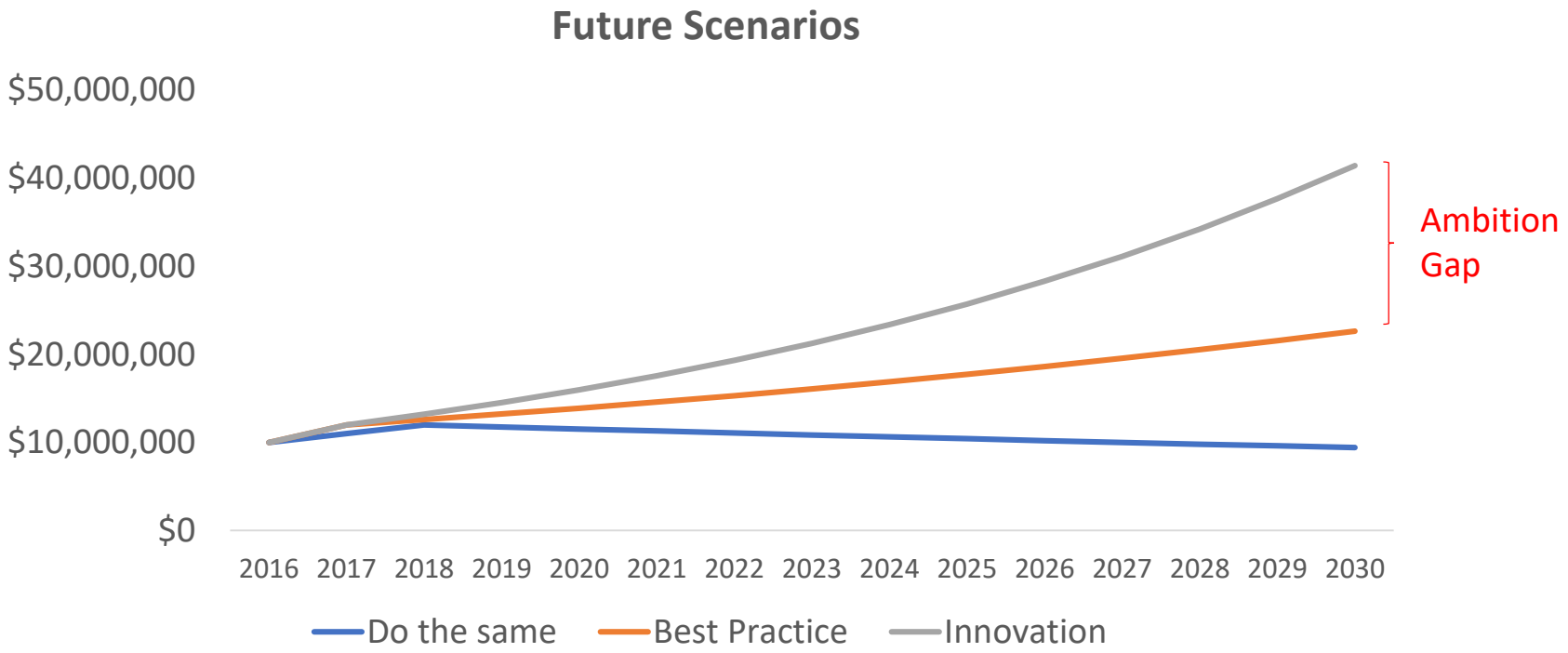


© More Strategic Cost Effectiveness Benchmarking 2019

Why is this a problem?

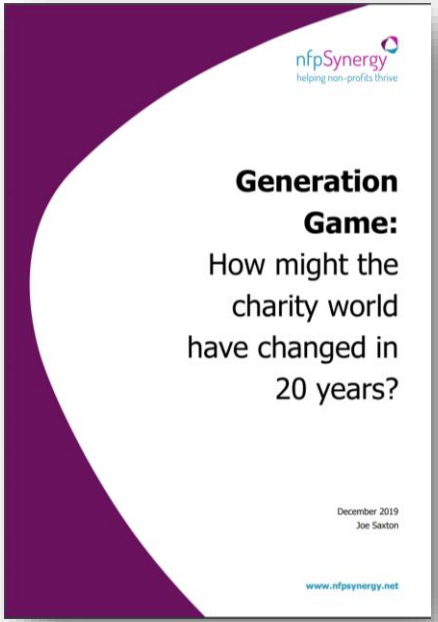



Non Bequest Return on Full costs
3.5
3
2.5
2
1.5
1
0.5
0
2015
2016
2017
2018
2019
By 2025 return on full costs will have dropped to $0.75


Future Scenarios
$50,000,000
$40,000,000
$30,000,000
$20,000,000
$10,000,000
$0
2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030
Do the same
Best Practice
Innovation
Ambition Gap

What's coming up?

- Farewell to Direct Debit?
- Good by cash (and tin rattling)
- Young people (urgh!)
- Lotteries, events and major donors
- Bequest will go up....and then down
- More competition in fundraising to meet public service gaps
- Volunteering will decrease (and be more selfish!)
- Campaigning will be more mainstream
- Social media will be key (just look at Facebook donate!)
- Cancer will no longer be the 'favourite' cause
- More and more focus on Cx
- Fourth industrial revolution
- We'll still be lagging behind....unless we change



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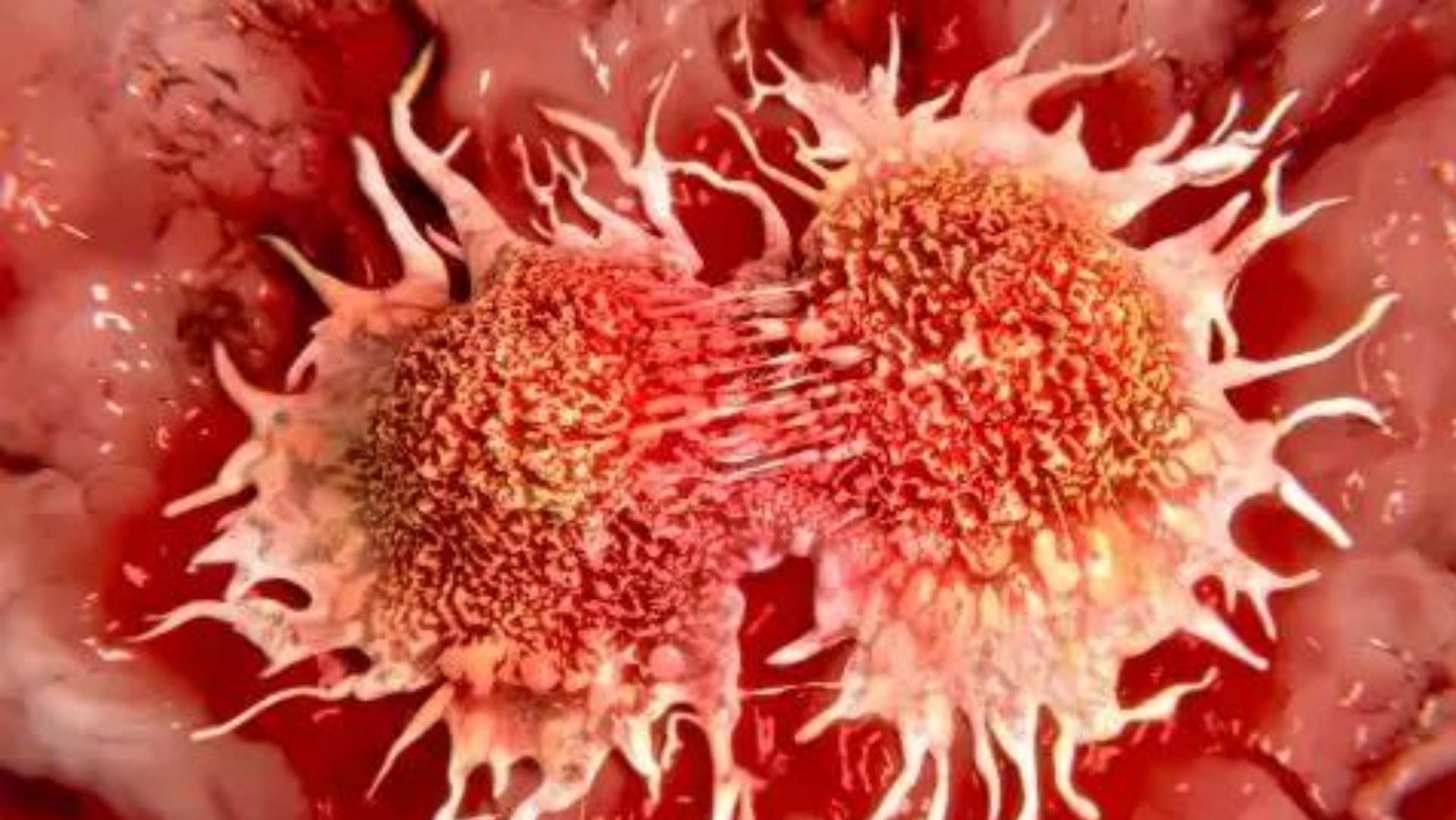
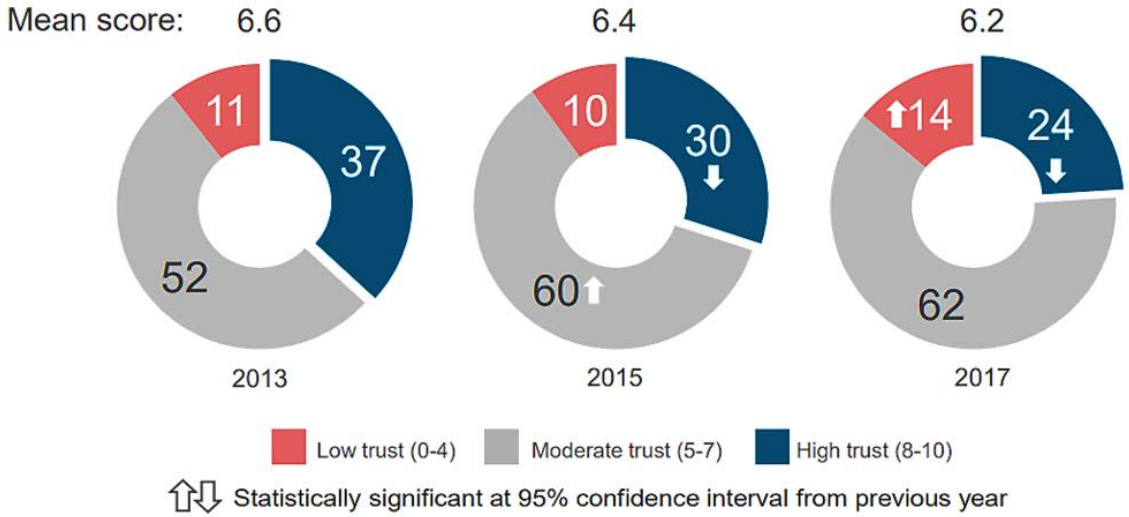


EQUAL?

WHY IS IT HAPPENING?

Declining public trust in charities

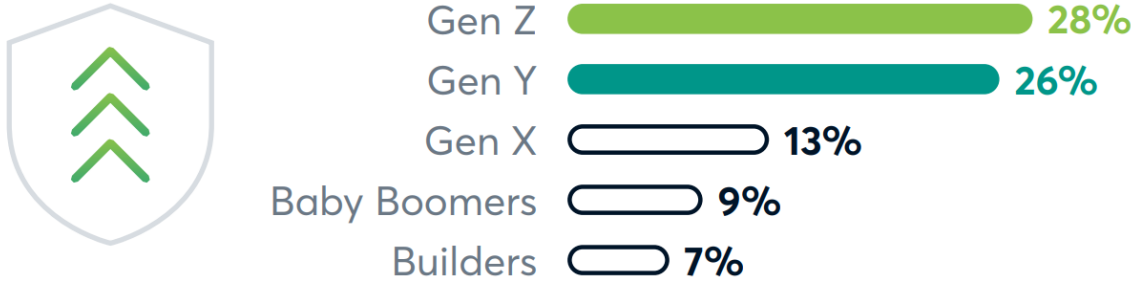


Source: Q7. How much trust and confidence do you have in the following institutions and organisations?
Base: 2017 n=1611

Source: ACNC Public Trust and Confidence in Australian Charities 2017

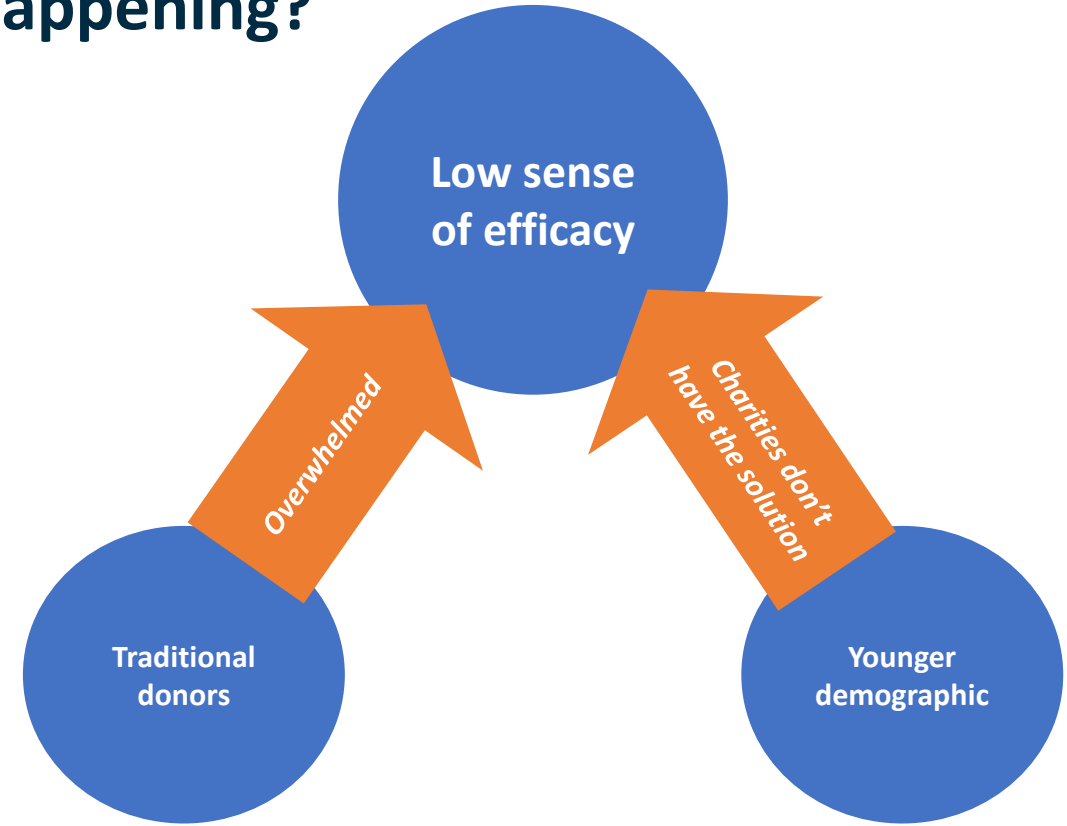
YOUNGER DONORS MORE TRUSTING OF THE CHARITIES/NOT-FOR-PROFIT SECTOR THAN THEY WERE FIVE YEARS AGO

Significantly/somewhat increased their trust

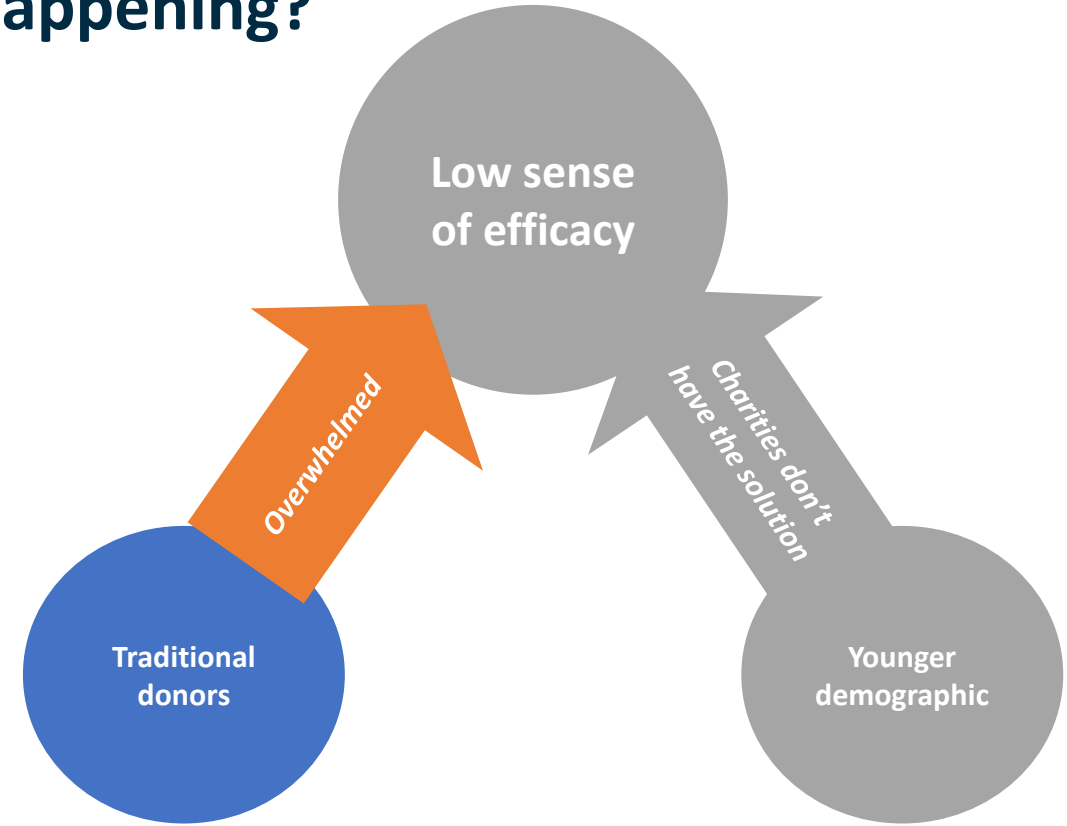


McCrindle Community Trends Report 2020

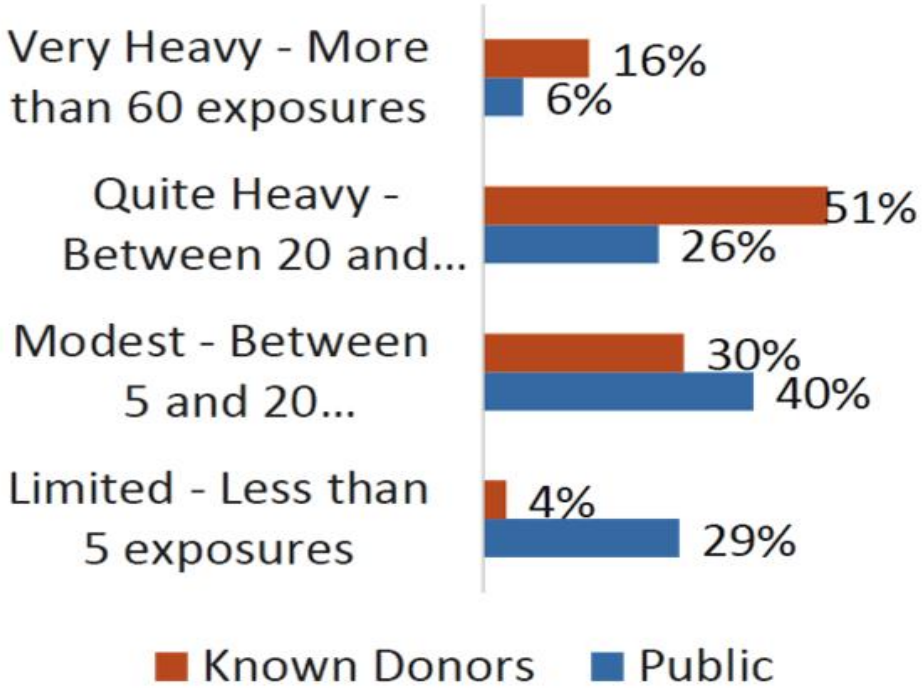
Why is it happening?



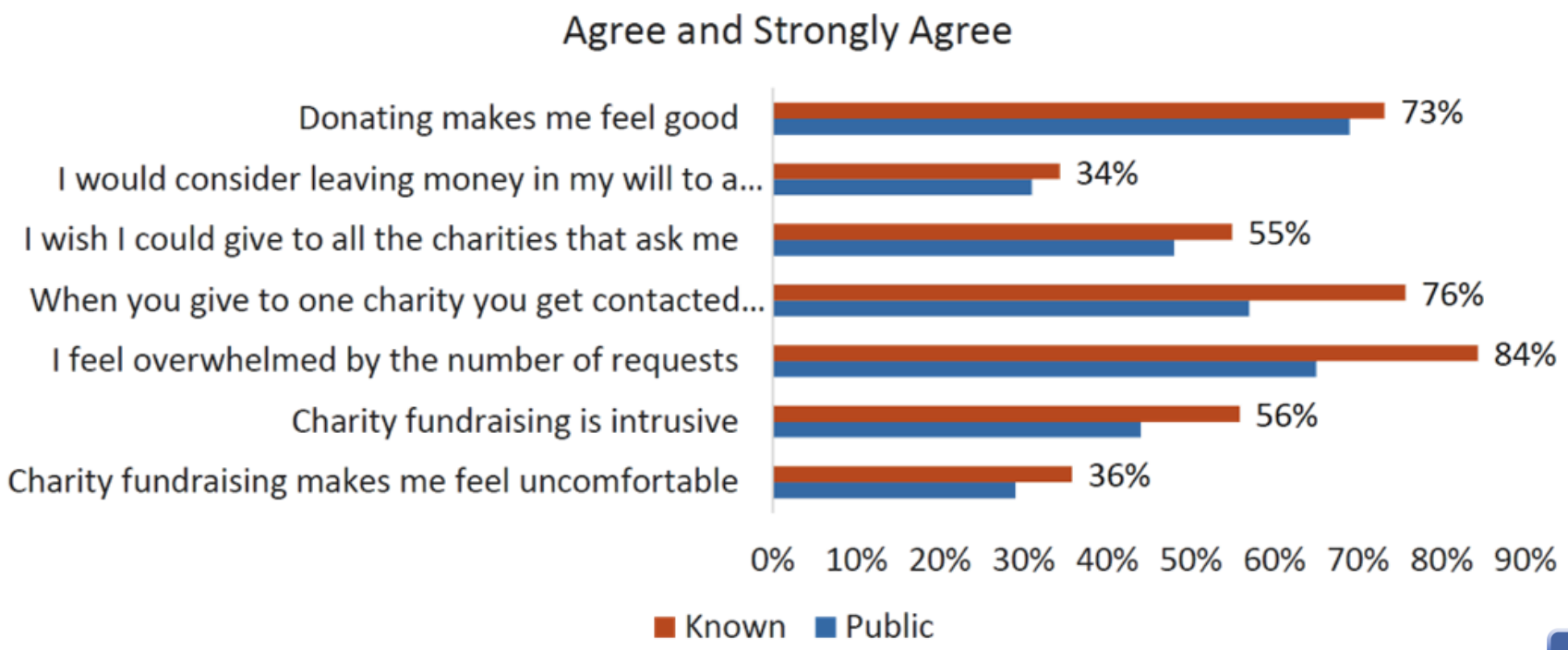
Why is it happening?



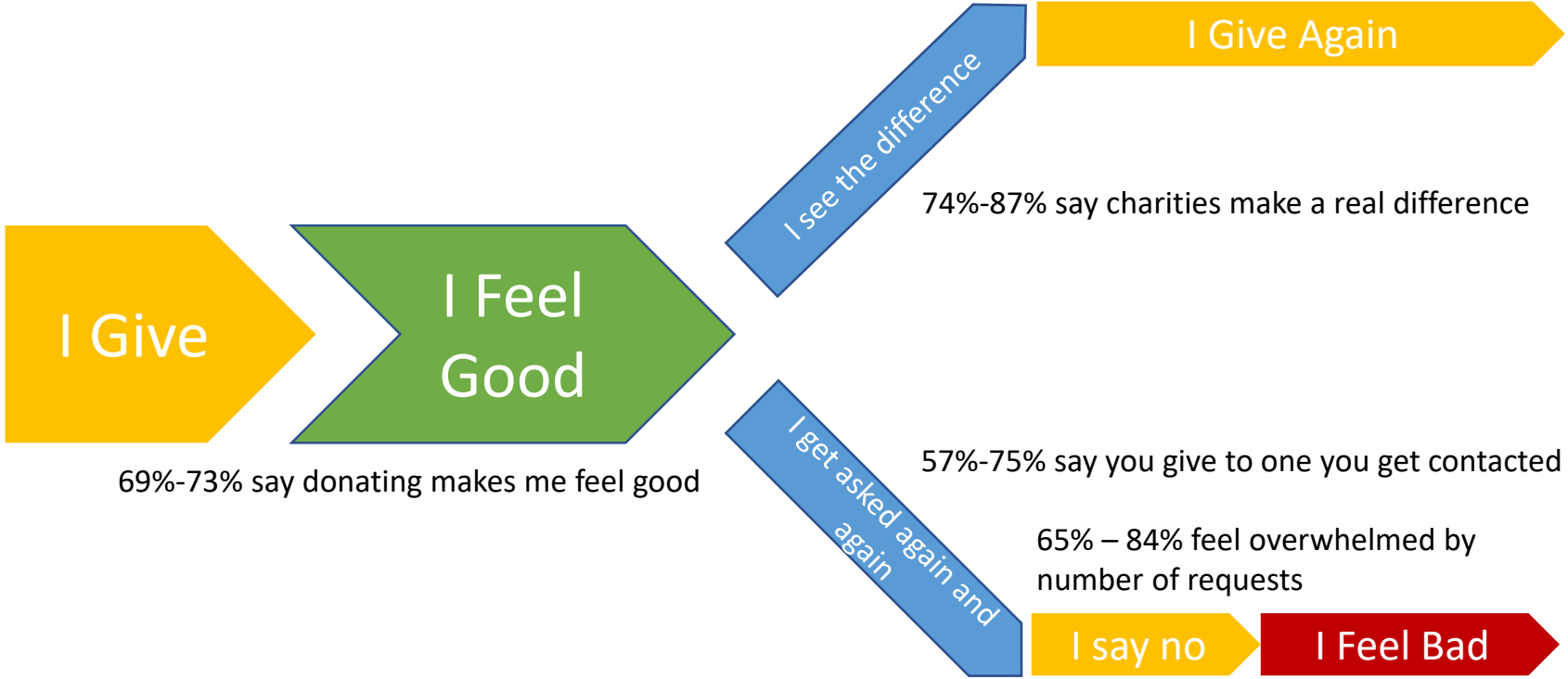
Number of Exposures



© More Strategic Trust and Confidence Study 2017

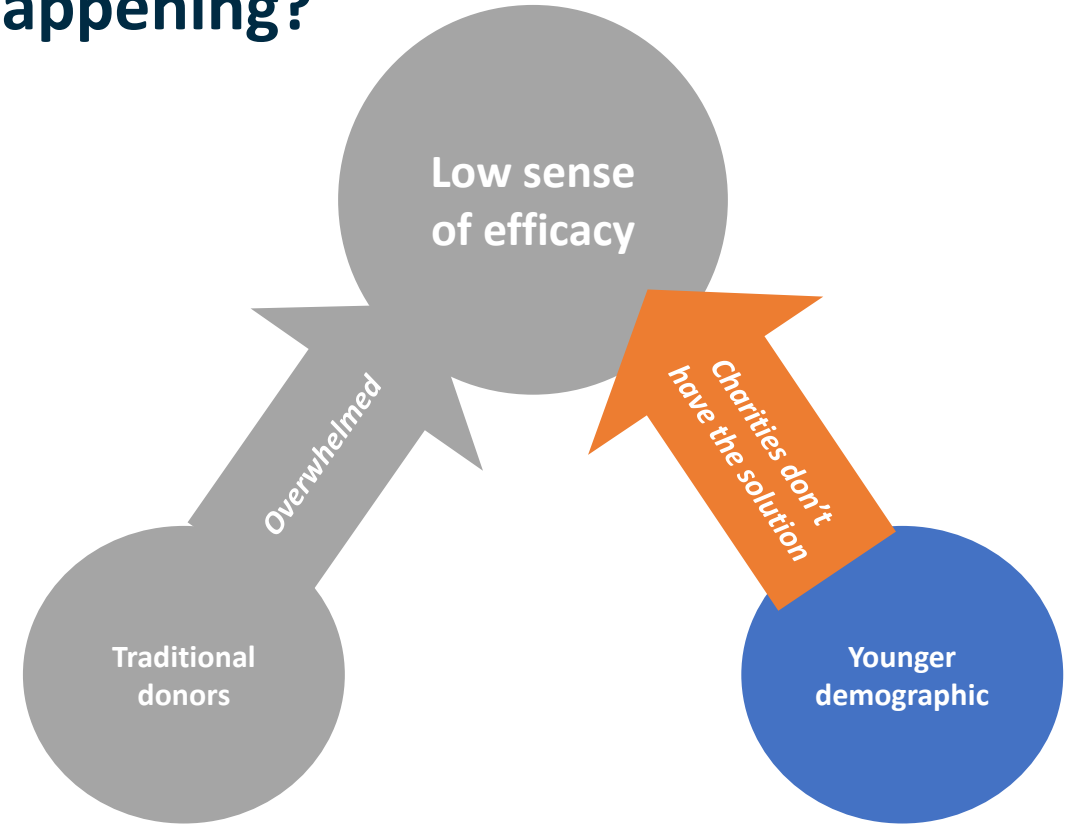


© More Strategic Trust and Confidence Study 2017


I Give
I Feel Good
I see the difference
I Give Again
74%-87% say charities make a real difference
69%-73% say donating makes me feel good
I get asked again and again
57%-75% say you give to one you get contacted by others
65% – 84% feel overwhelmed by number of requests
I say no
I Feel Bad
48% – 55% wish they could give to all charities that ask

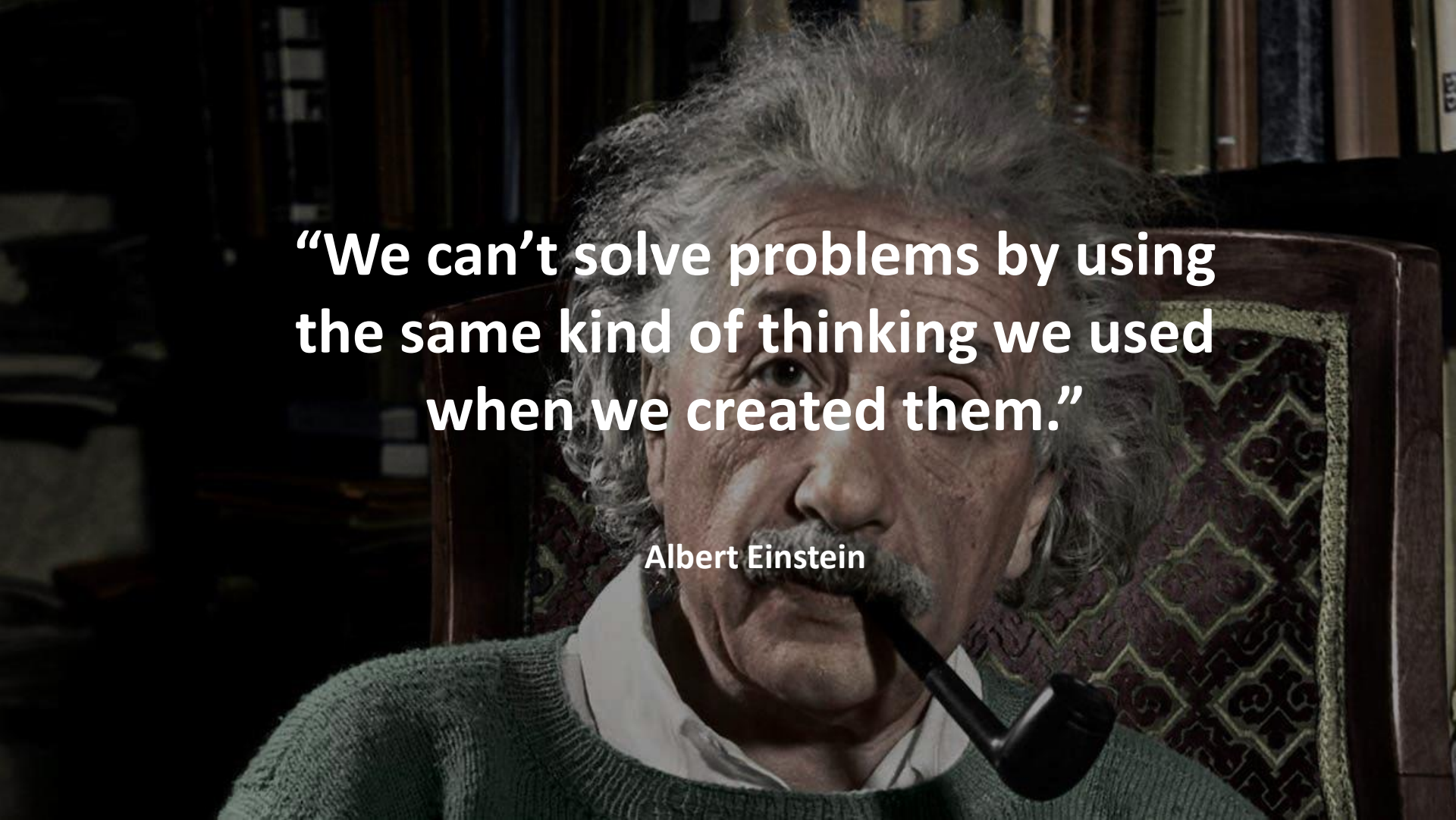
We are making people feel bad for doing good

Why is it happening?



Underlying problem:	Giving money to charity feels transactional and delegative, not relational or meaningful *THE EGG*	There is a crisis of confidence in this audiences ability to effect change- no 'plan' at an individual, organizational, cultural, social or political level. *THE WAY*	Our audience isn't getting enough feedback (dopamine) to keep them giving. *THE CRACK*	There is an increasing erosion of social bonds and polarisation, or 'sense of negativity'. *THE CONNECTION*
Expressed in sentiments like:	*"I feel unmotivated by only being able to give money"*	*"I feel frustrated by a lack of clear direction on how to help....I don't know where to start"*	*"When I give to charity I feel uncertain about where my donation is going/ whether it is making a difference"*	*"I am so overwhelmed by all the negative exposure"*

WHAT CAN WE DO ABOUT IT?


“We can’t solve problems by using the same kind of thinking we used when we created them.”
Albert Einstein

What IS innovation anyway?

Innovation is the introduction of new ideas, methods, or things.

- We must promote originality and encourage innovation.

Collins Dictionary

What IS innovation anyway?

Evolutionary innovations (continuous innovation)

Brought about by many incremental advances

Revolutionary innovations (discontinuous innovations)

Disruptive and new.

What IS innovation anyway?

Doing new things

Doing old things in new ways

The important thing...

To help us achieve our goals

What IS innovation anyway?

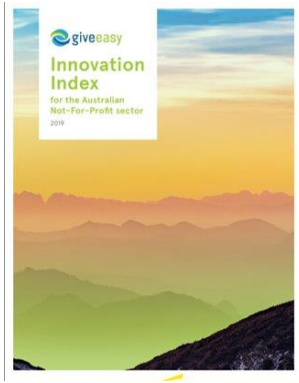
Innovation can be something which ***isn't*** new…

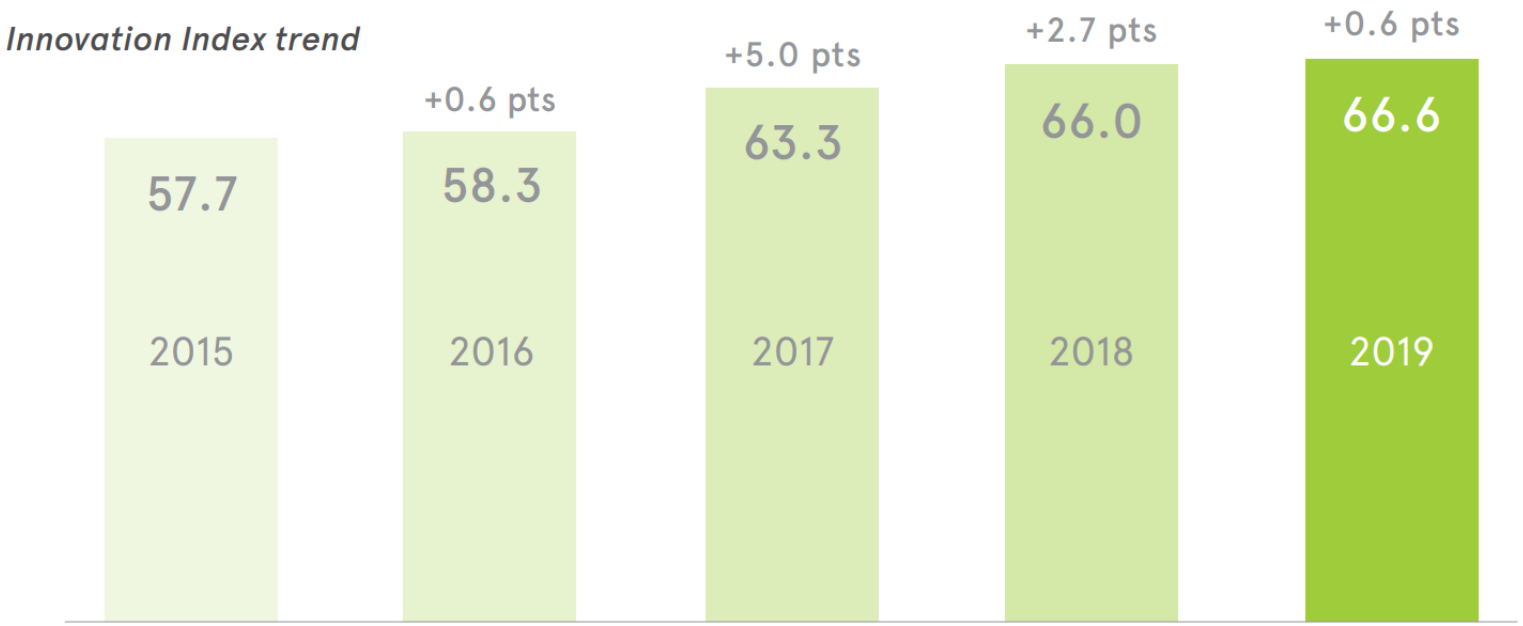
- An idea may not be new, but can still be an innovation waiting to happen
- Many successful innovations come from 'old ideas'

DRIED CHICK PEAS 85G
RATION CHALLENGE
RICE - WHITE, MEDIUM GRAIN 420G
RATION CHALLENGE
VEGETABLE OIL 300ML
RATION CHALLENGE
RATION CHALLENGE
RED LENTILS 170G
80,000 people signed-up
$15 million raised
6 FIA Awards
FOOD COUPON
RICE
Product:
Weight redeemable: 1.5 KG
Expiry date: 9/11/2019
No. 27658
FOOD COUPON
FLOUR
Product:
Weight redeemable: 400G
Expiry date: 9/11/2019
ACT FOR PEACE
No. 29831
Collins Dictionary

How good are we at innovating in fundraising?

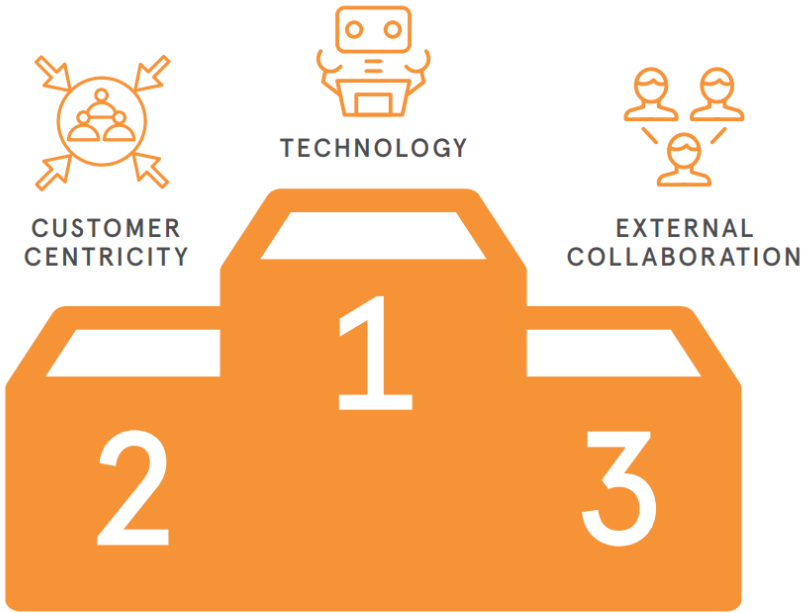
GiveEasy®



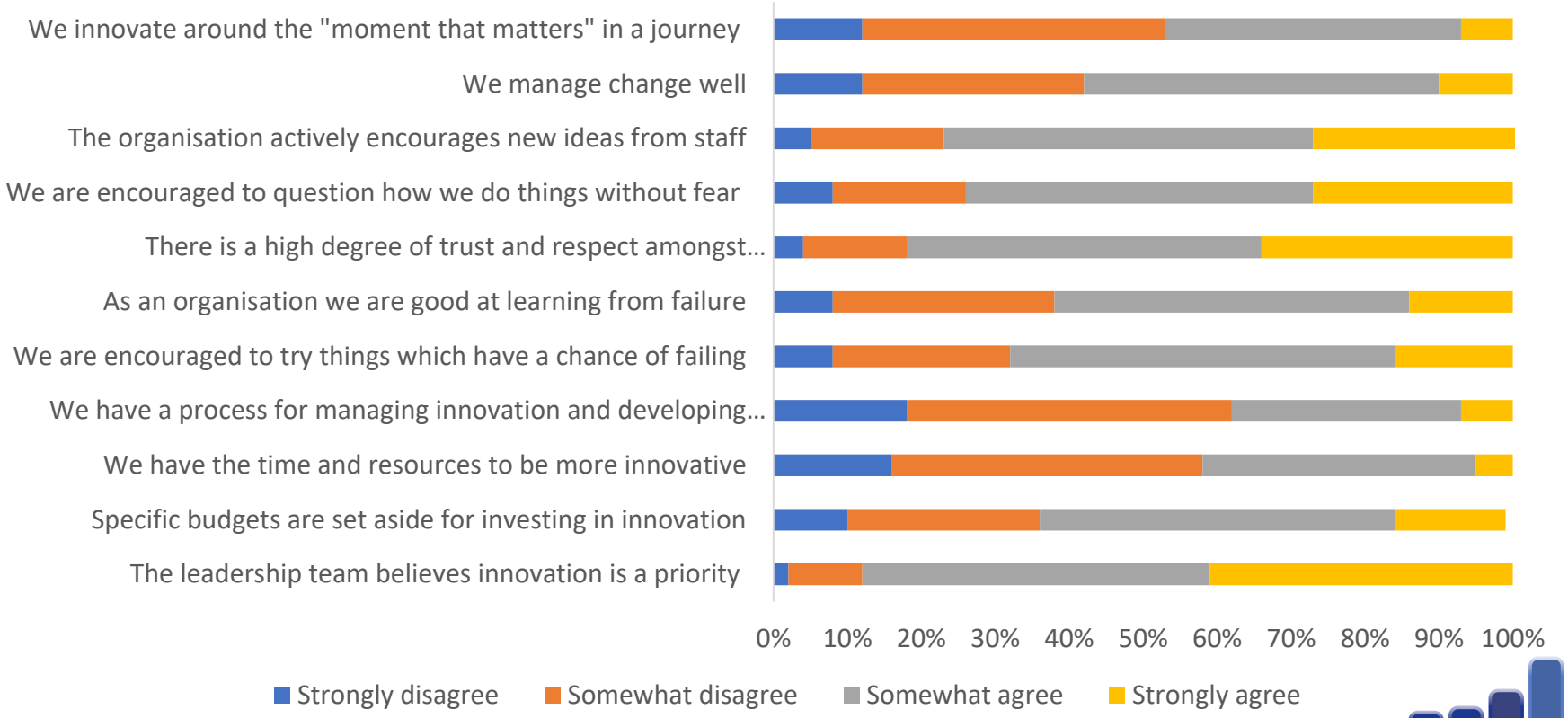

Innovation Index trend
57.7
2015
+0.6 pts
58.3
2016
+5.0 pts
63.3
2017
+2.7 pts
66.0
2018
+0.6 pts
66.6
2019

- The innovation performance of the sector has plateaued
- Digital transformation is a leading contributor to innovation
- Sustainable business models are disrupting traditional funding models
- Leadership and vision are key to innovation success
- Culture needs to be created pro-actively
- Teams are important

The winning trifecta in 2019

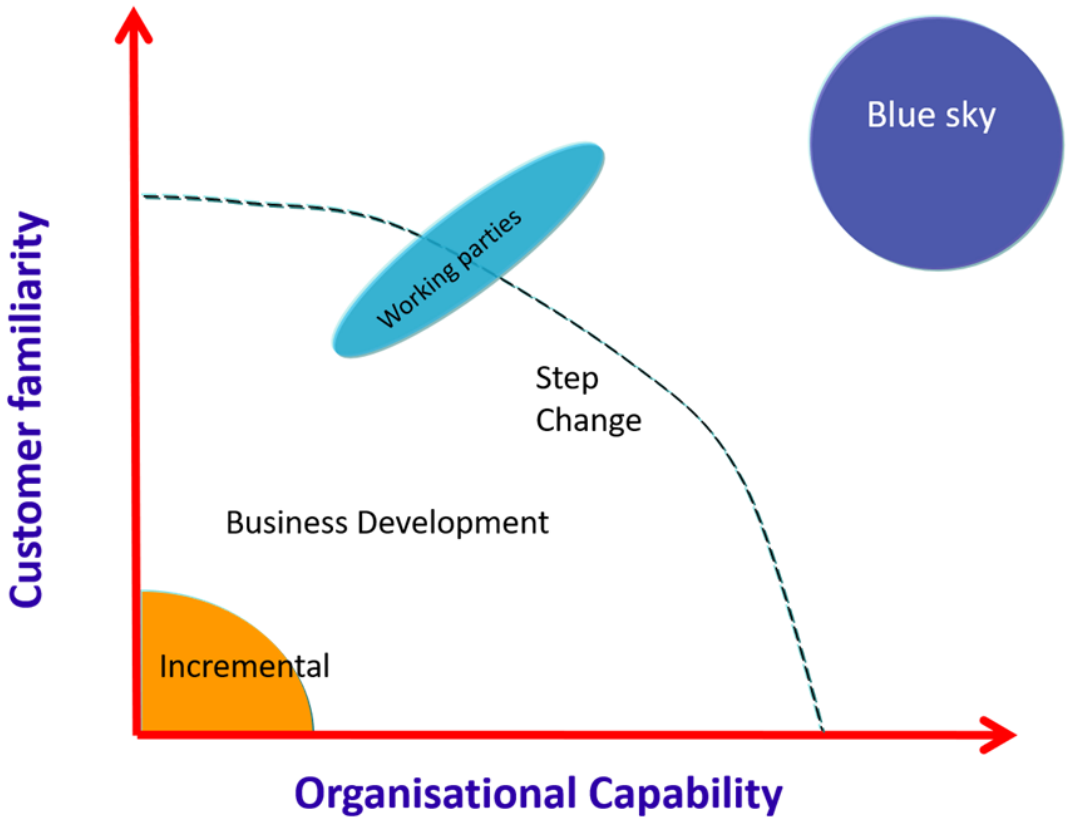


Technology is still the major transformer for this sector. However, the standout shifts in the sector this year were in Stakeholder Centricity and External Collaboration. This shows that charities are growing their focus on benefactors and building valued relationships.

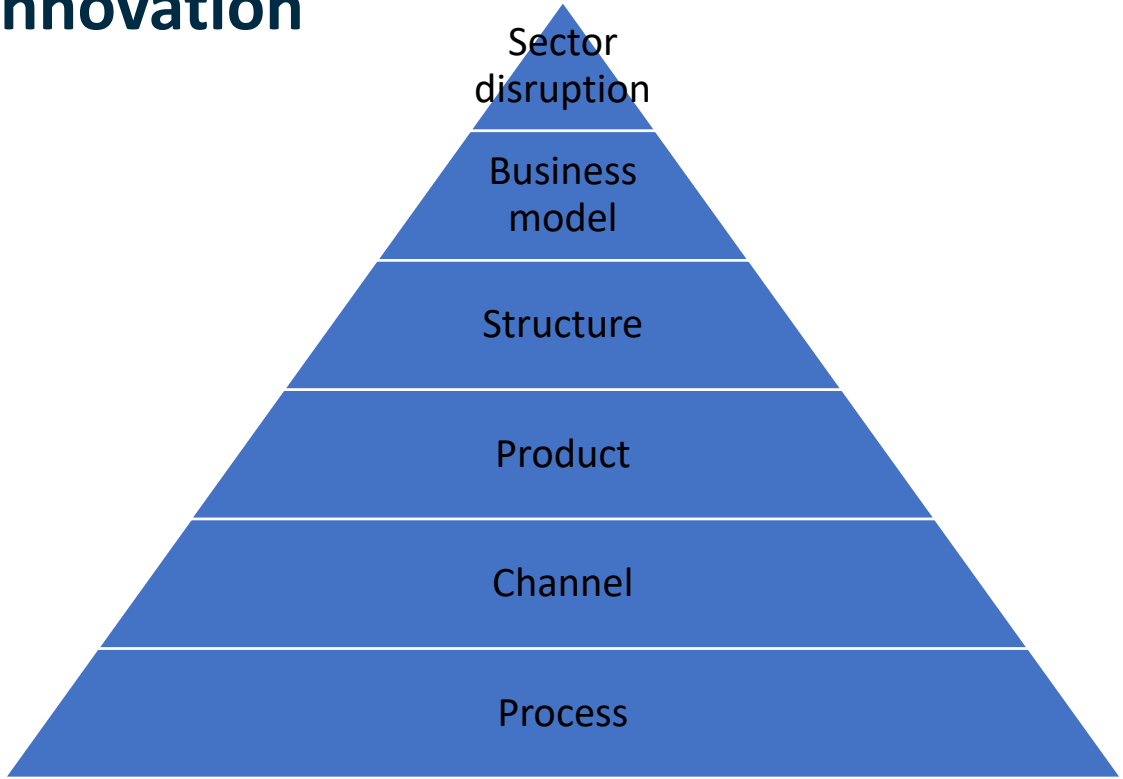


© More Strategic Cost Effectiveness Benchmarking 2019

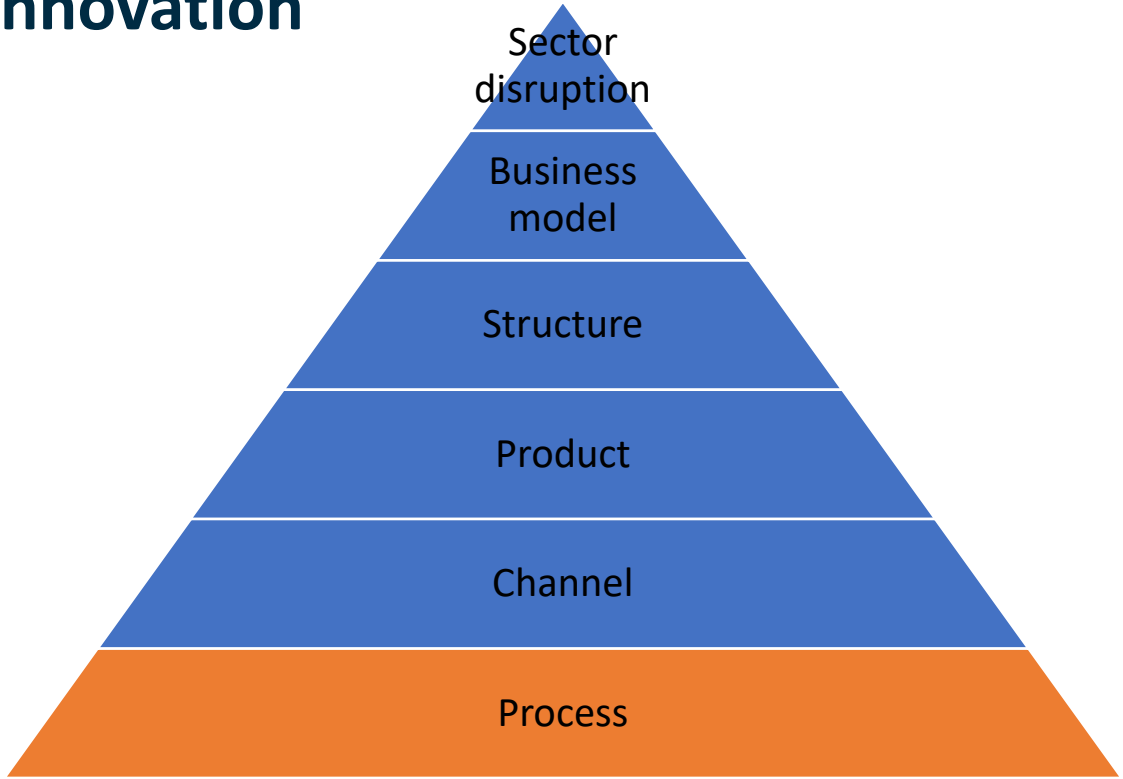
TYPES OF INNOVATION


Blue sky
Working parties
Step
Change
Business Development
Incremental
Customer familiarity
Organisational Capability

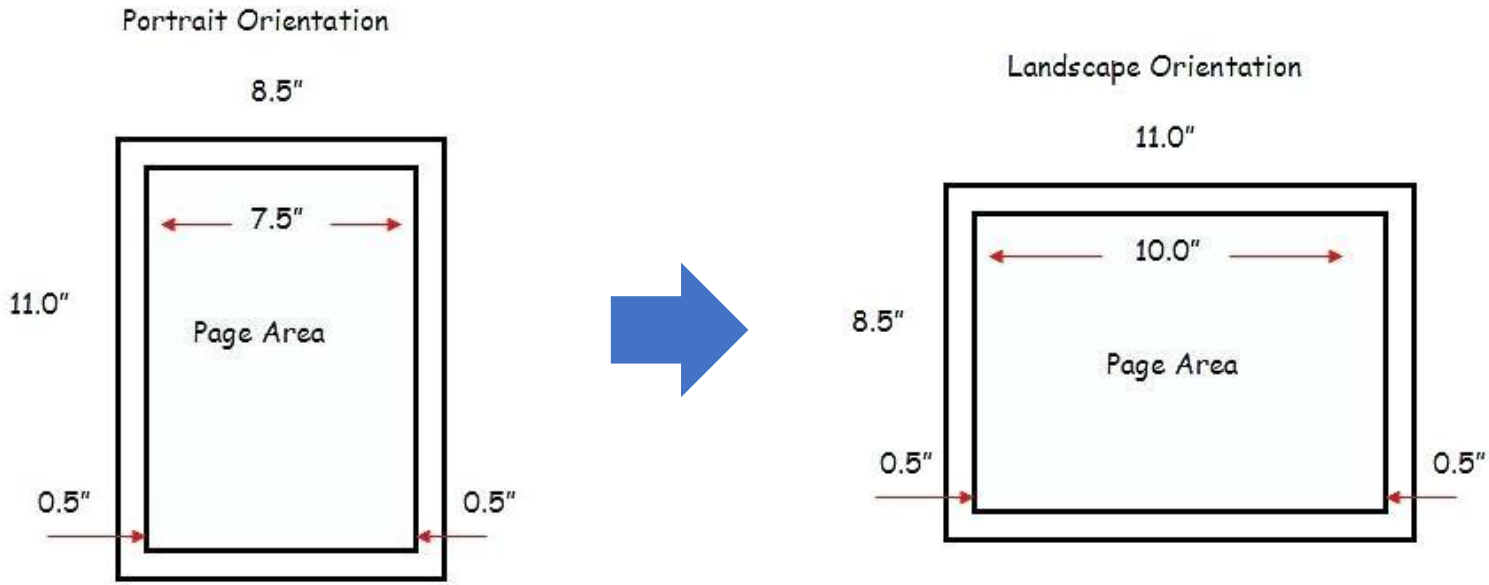
Levels of innovation



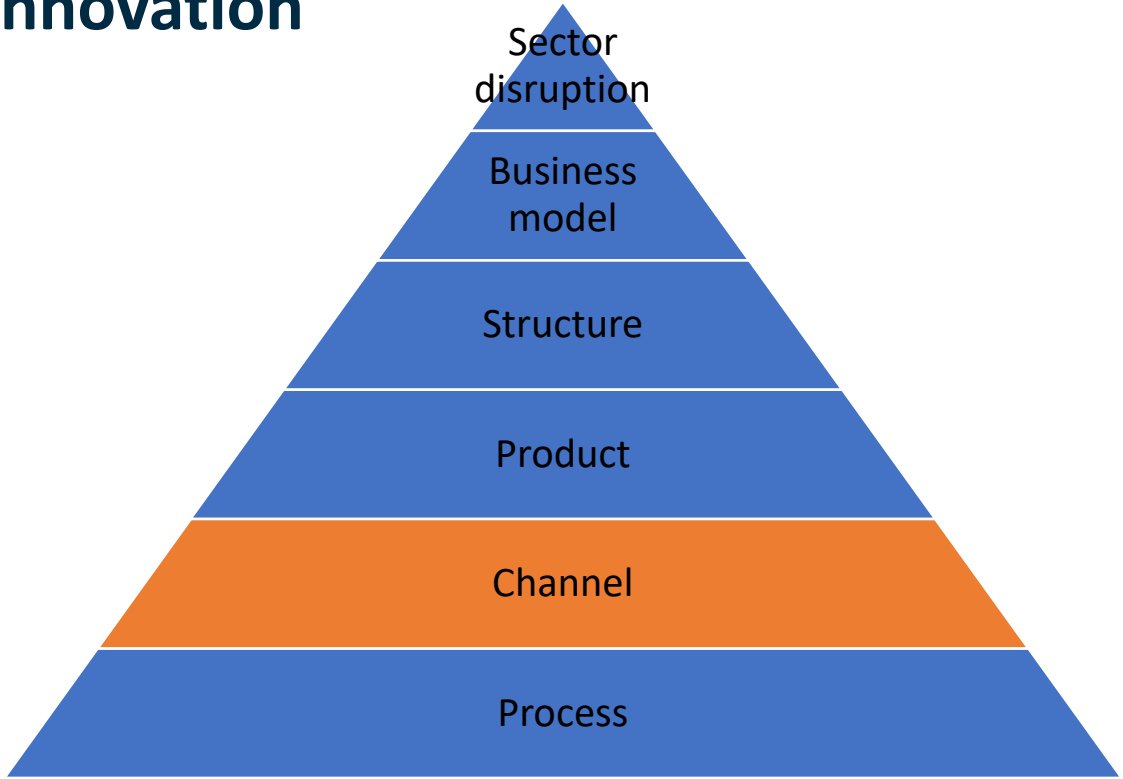
Levels of innovation



How did we get **70,000 new leads** per year for **$0** investment?

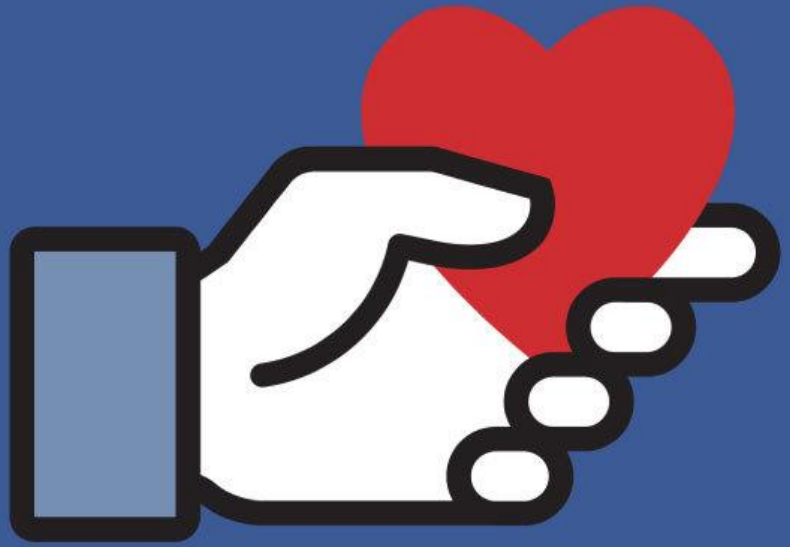


Levels of innovation

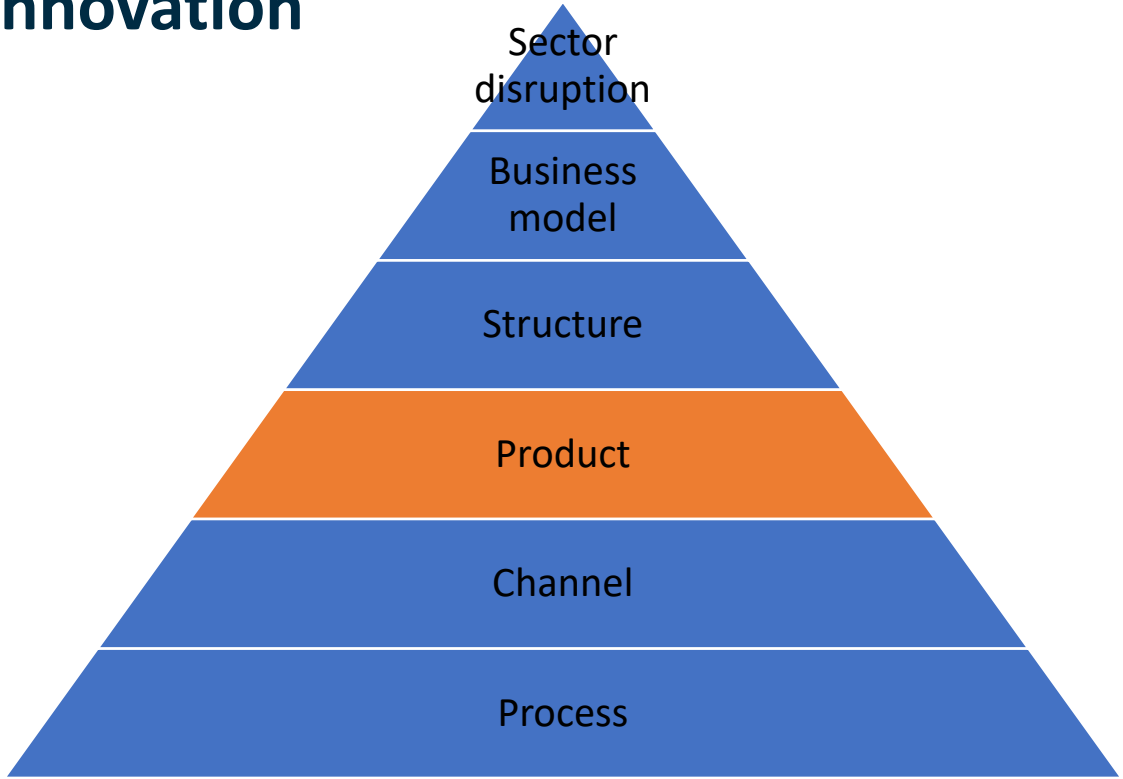


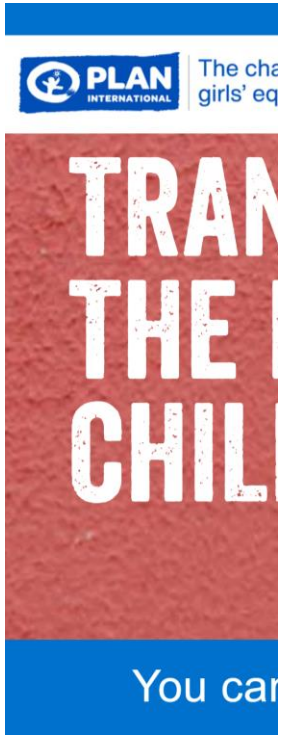
The first permanent
OXFAM shop
began trading here
in December 1947

act!on



Levels of innovation

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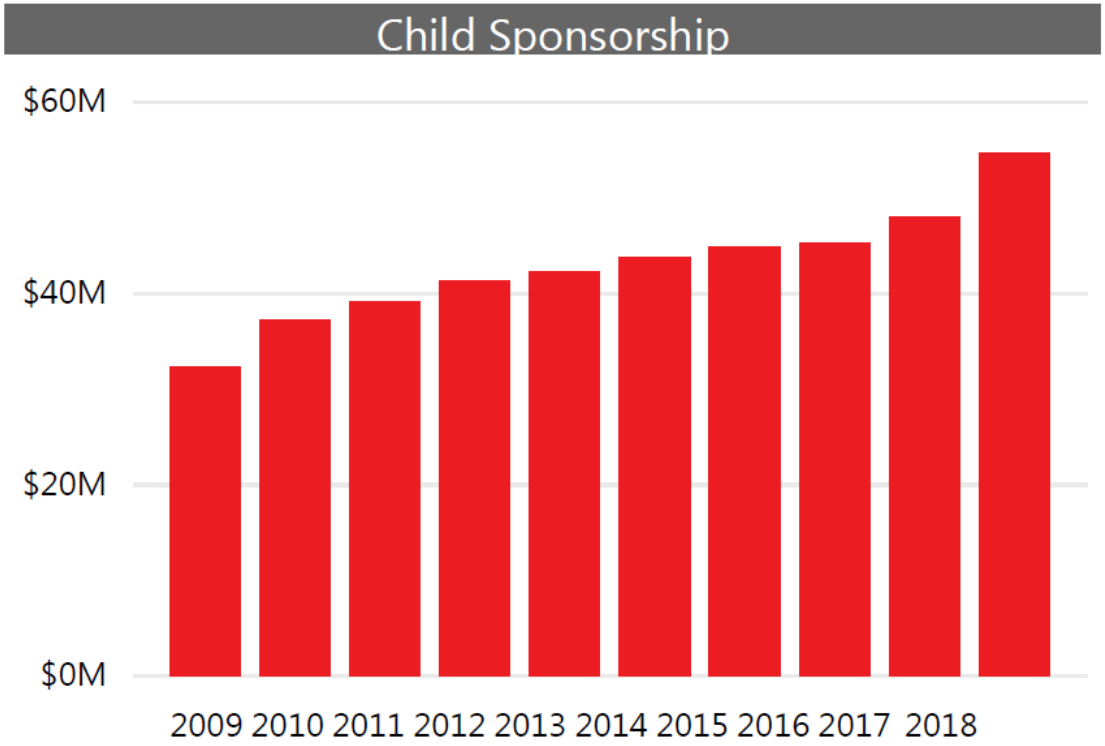
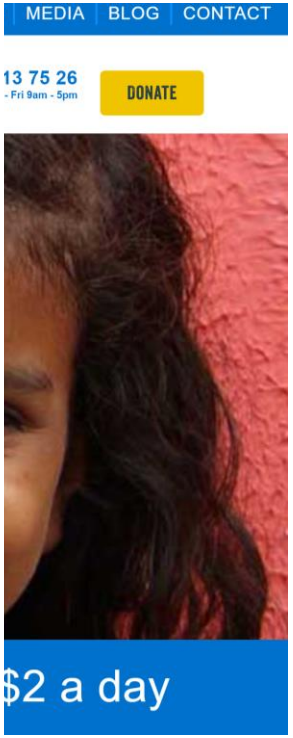
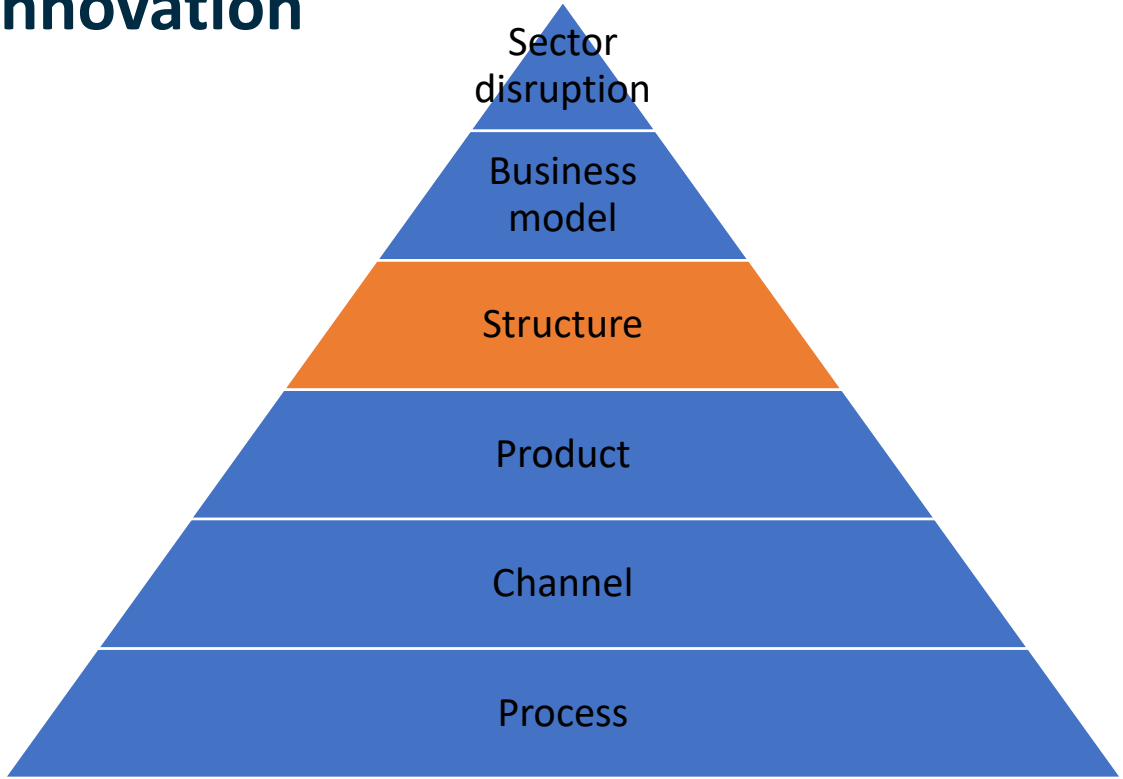

Child Sponsorship
$60M
$40M
$20M
$0M
2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

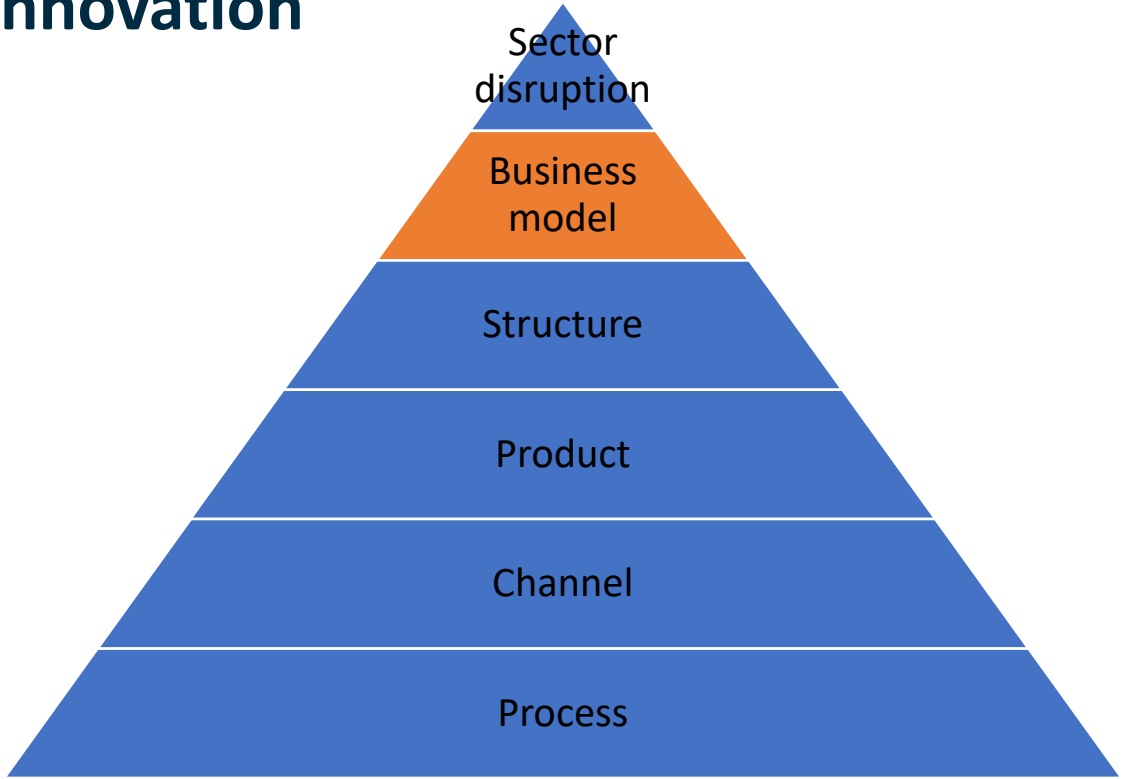

MEDIA
BLOG
CONTACT
13 75 26
- Fri 9am - 5pm
DONATE
$2 a day

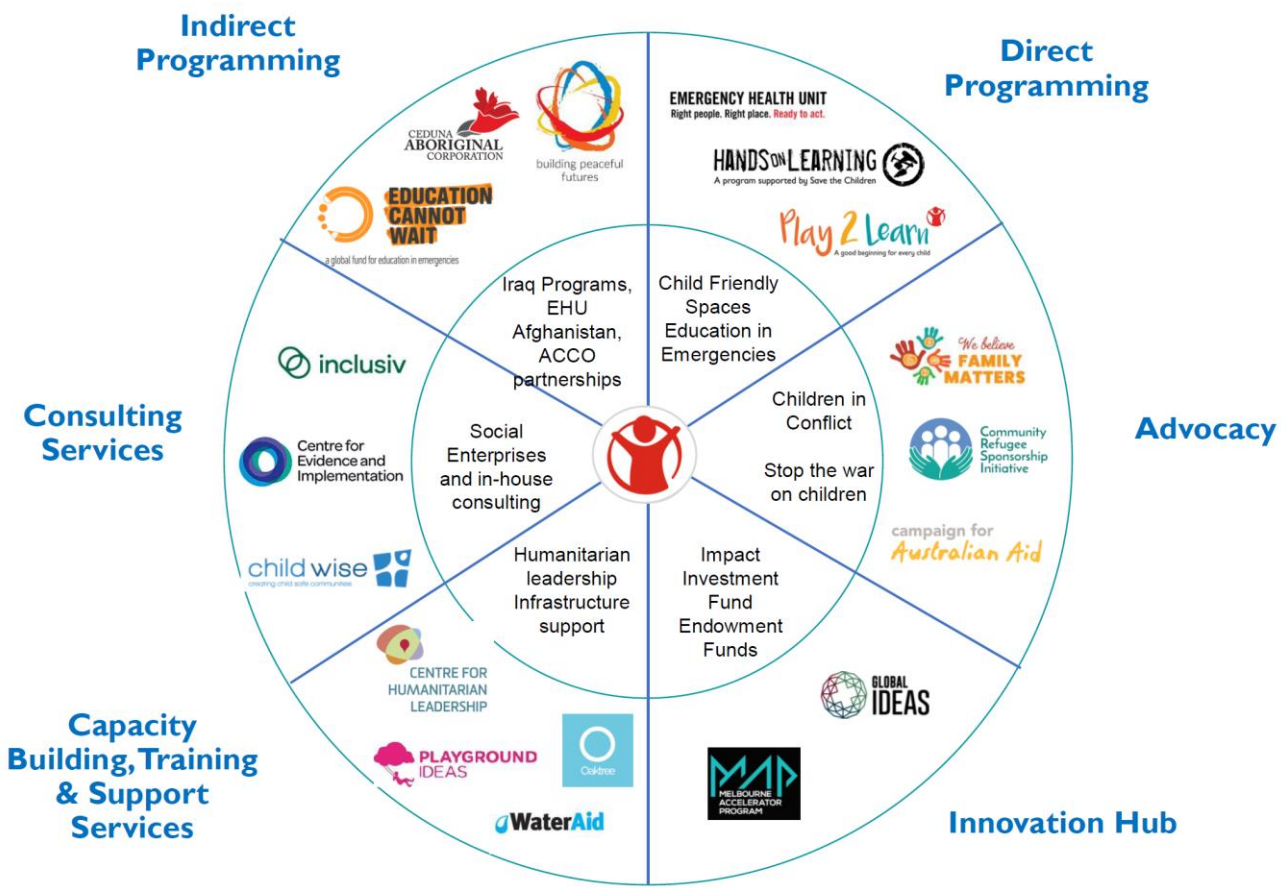
Levels of innovation



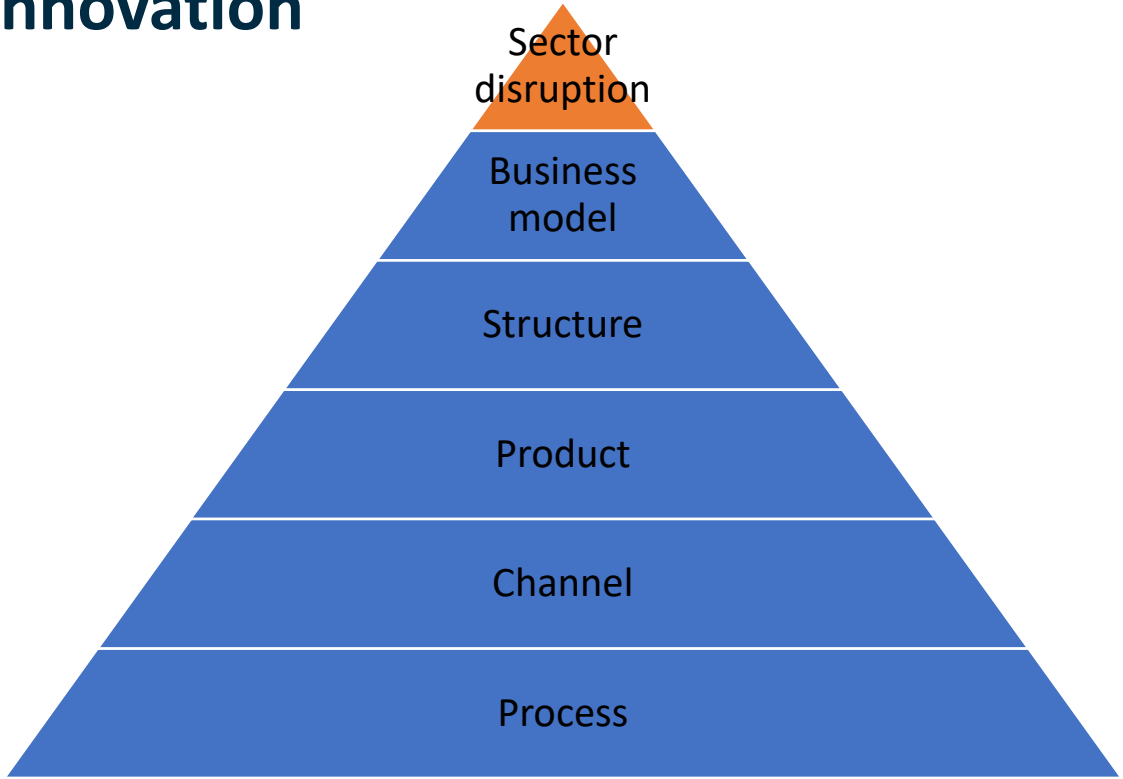
AUSTRALIAN
RED CROSS

Levels of innovation



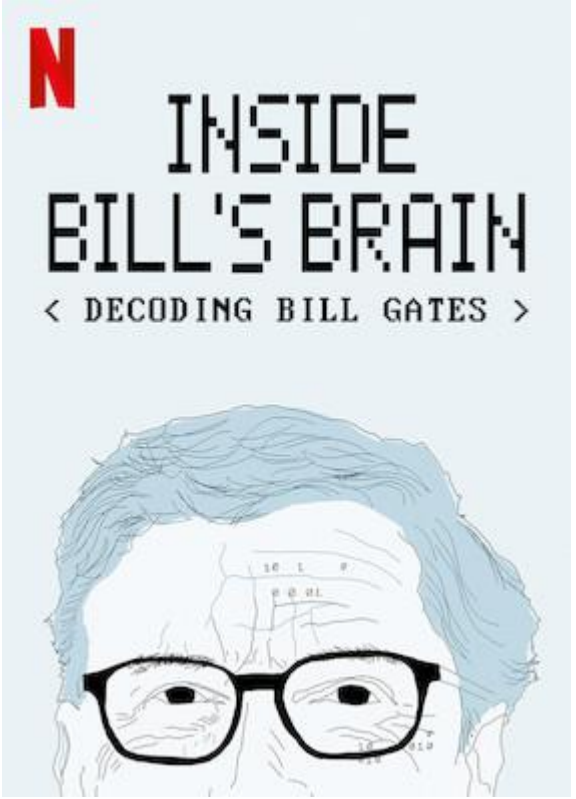

Indirect Programming
Direct Programming
Consulting Services
Advocacy
Capacity Building, Training & Support Services
Innovation Hub
Iraq Programs, EHU Afghanistan, ACCO partnerships
Child Friendly Spaces Education in Emergencies
Social Enterprises and in-house consulting
Children in Conflict
Stop the war on children
Humanitarian leadership Infrastructure support
Impact Investment Fund Endowment Funds
CEDUNA ABORIGINAL CORPORATION
building peaceful futures
EDUCATION CANNOT WAIT
a global fund for education in emergencies
EMERGENCY HEALTH UNIT
Right people. Right place. Ready to act.
HANDS ON LEARNING
A program supported by Save the Children
Play 2 Learn
A good beginning for every child
inclusiv
Centre for Evidence and Implementation
child wise
We believe FAMILY MATTERS
Community Refugee Sponsorship Initiative
campaign for Australian Aid
CENTRE FOR HUMANITARIAN LEADERSHIP
PLAYGROUND IDEAS
Oaktree
WaterAid
GLOBAL IDEAS
MAP MELBOURNE ACCELERATOR PROGRAM

Levels of innovation



UBER

BILL & MELINDA GATES *foundation*

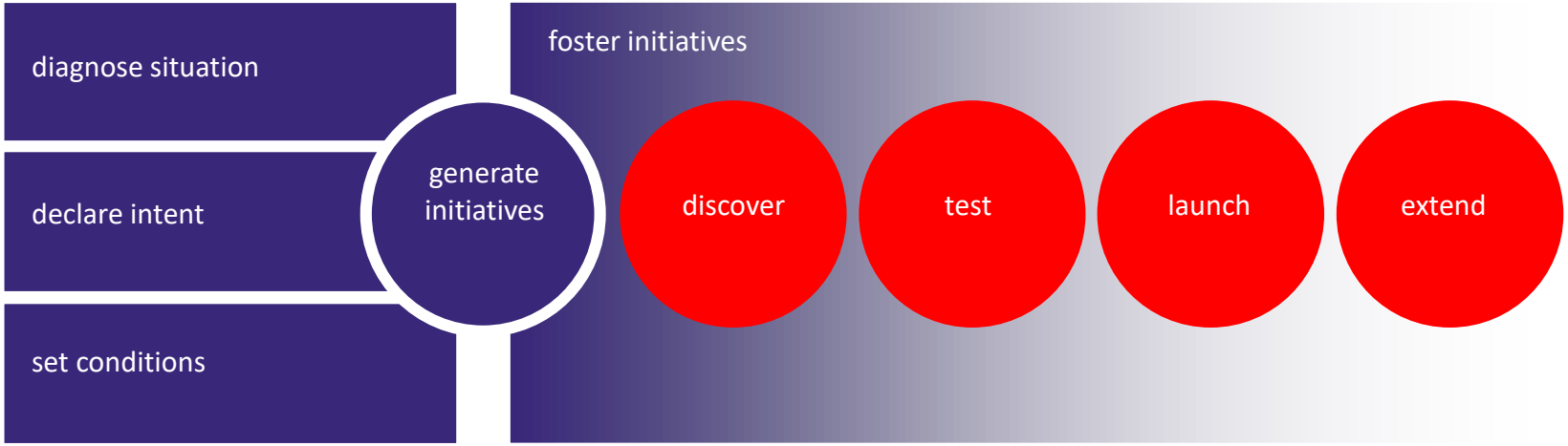


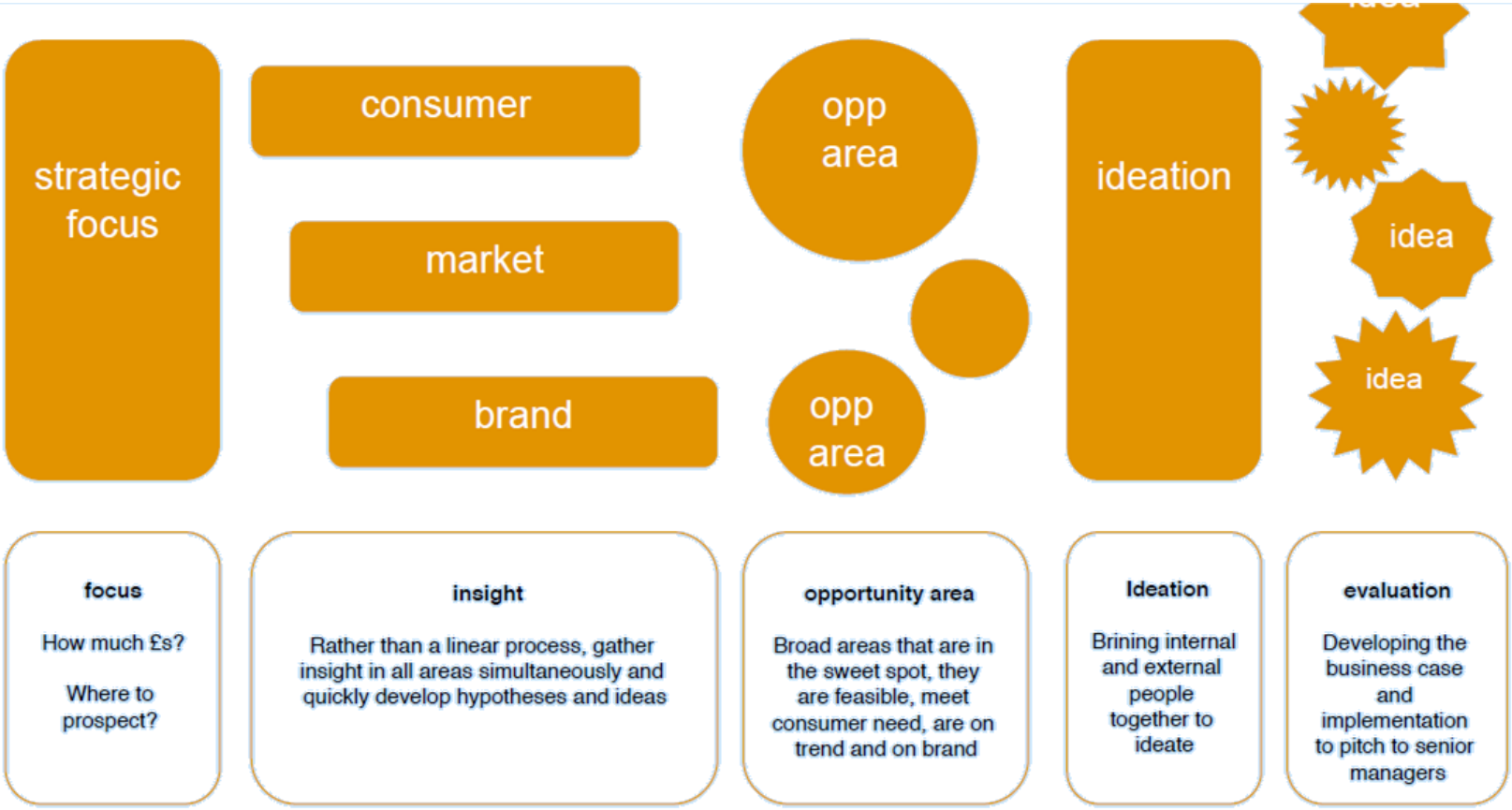
rippling

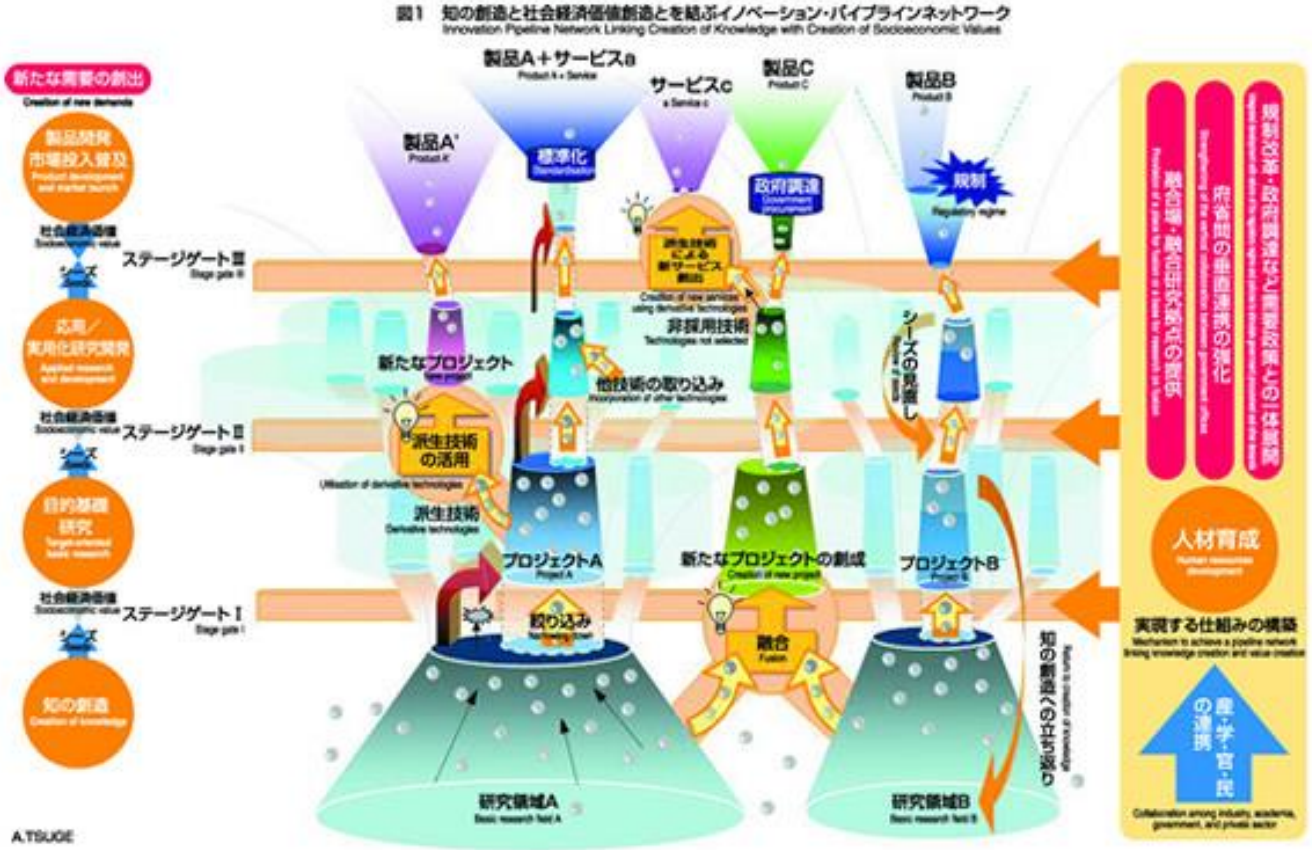
The new wave of giving

HOW CAN WE DO IT?

Innovation pipeline




strategic focus
consumer
market
brand
opp area
opp area
ideation
idea
idea
focus
How much £s?
Where to prospect?
insight
Rather than a linear process, gather insight in all areas simultaneously and quickly develop hypotheses and ideas
opportunity area
Broad areas that are in the sweet spot, they are feasible, meet consumer need, are on trend and on brand
Ideation
Brining internal and external people together to ideate
evaluation
Developing the business case and implementation to pitch to senior managers

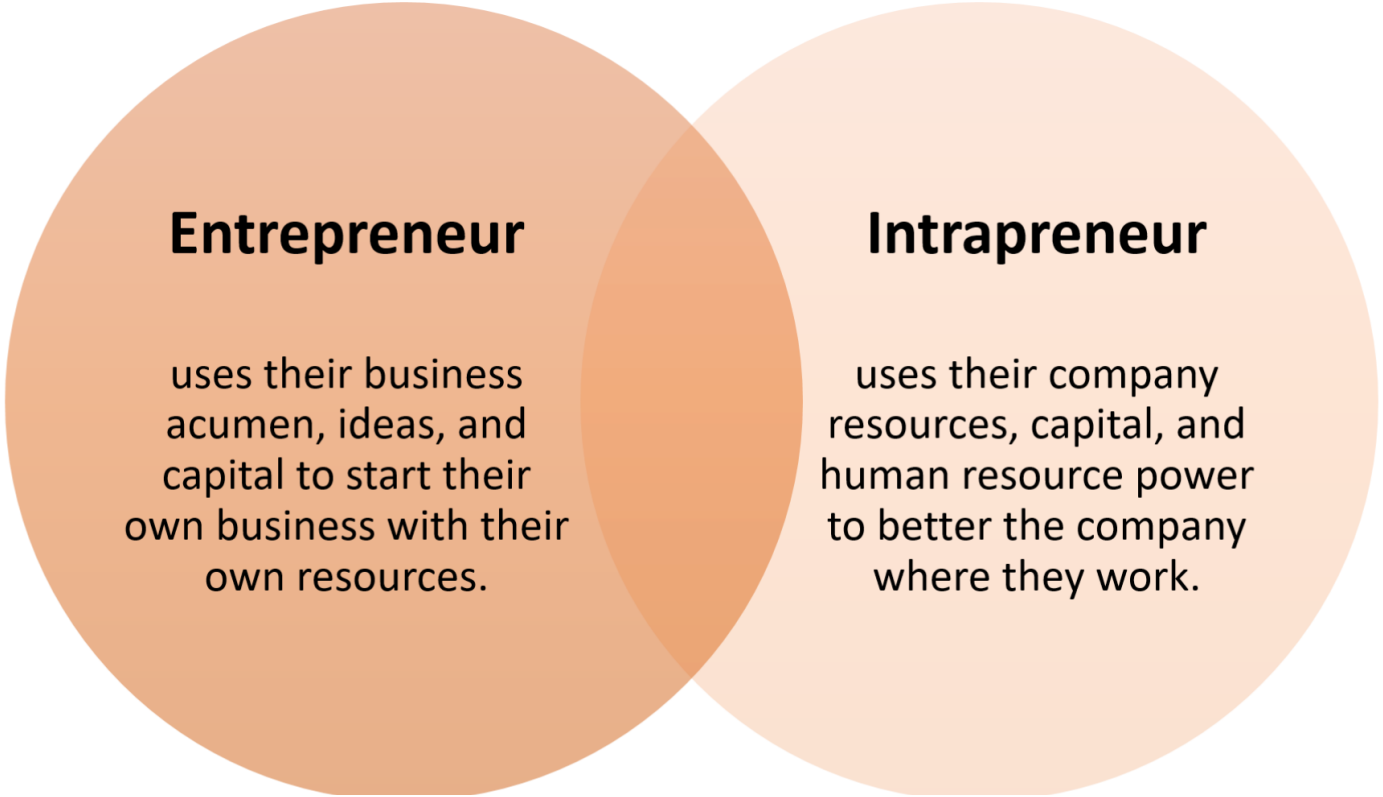


FIA CONFERENCE

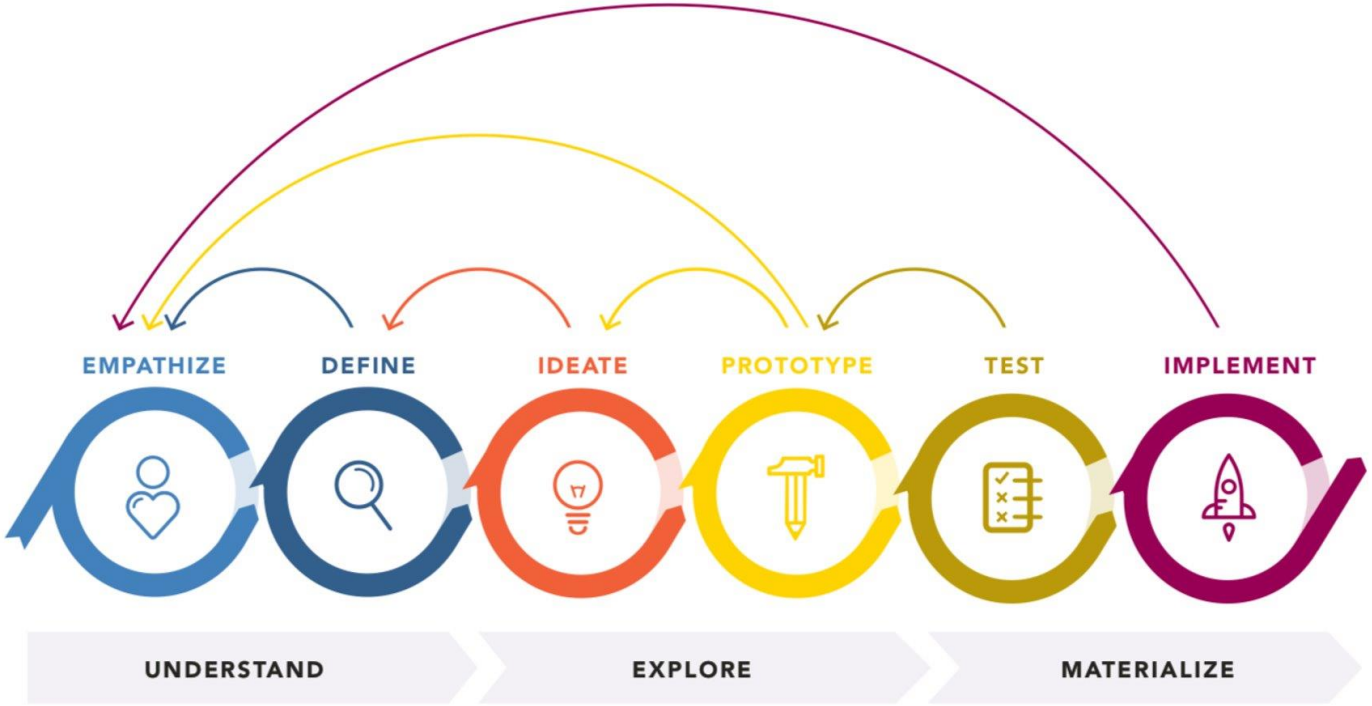
Preparing your organisation for innovation

"Culture Eats Strategy for Breakfast"

Peter Drucker


Entrepreneur
uses their business acumen, ideas, and capital to start their own business with their own resources.
Intrapreneur
uses their company resources, capital, and human resource power to better the company where they work.

Human Centered Design Process



+Acumen free online course

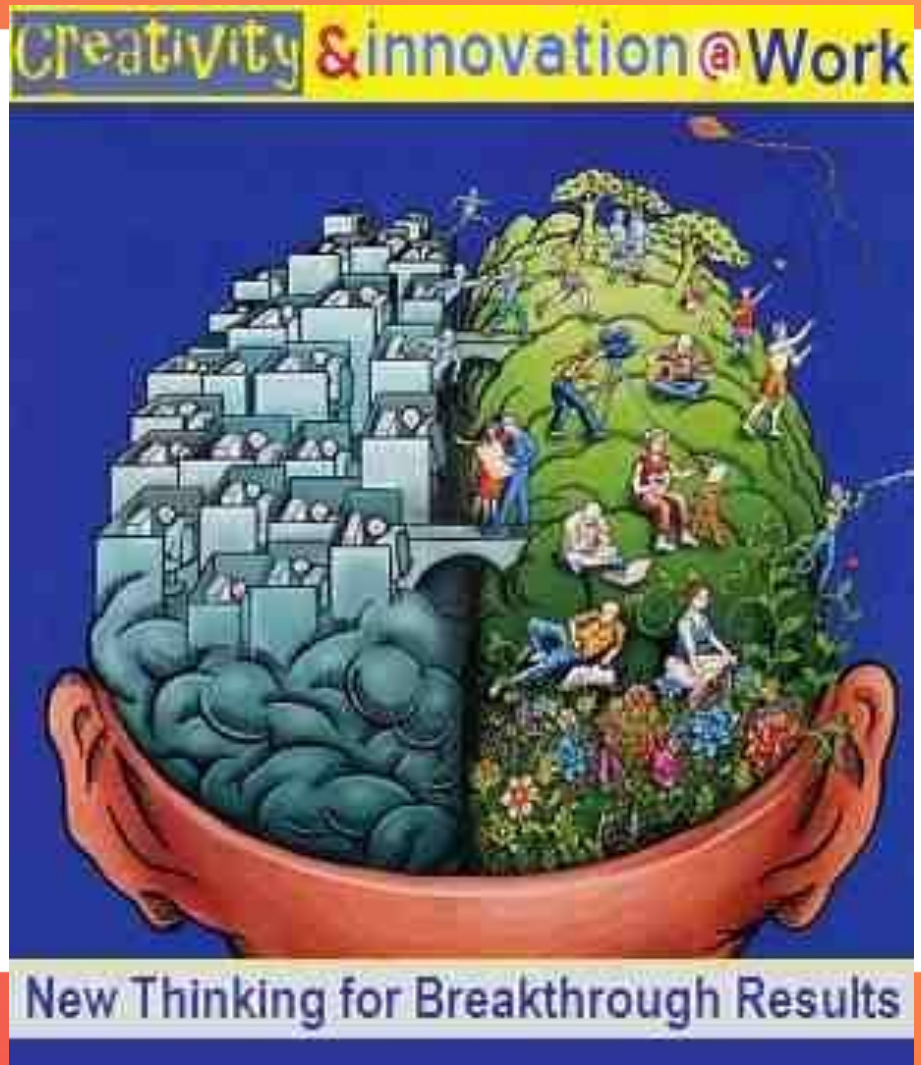
Used this methodology for campaign design

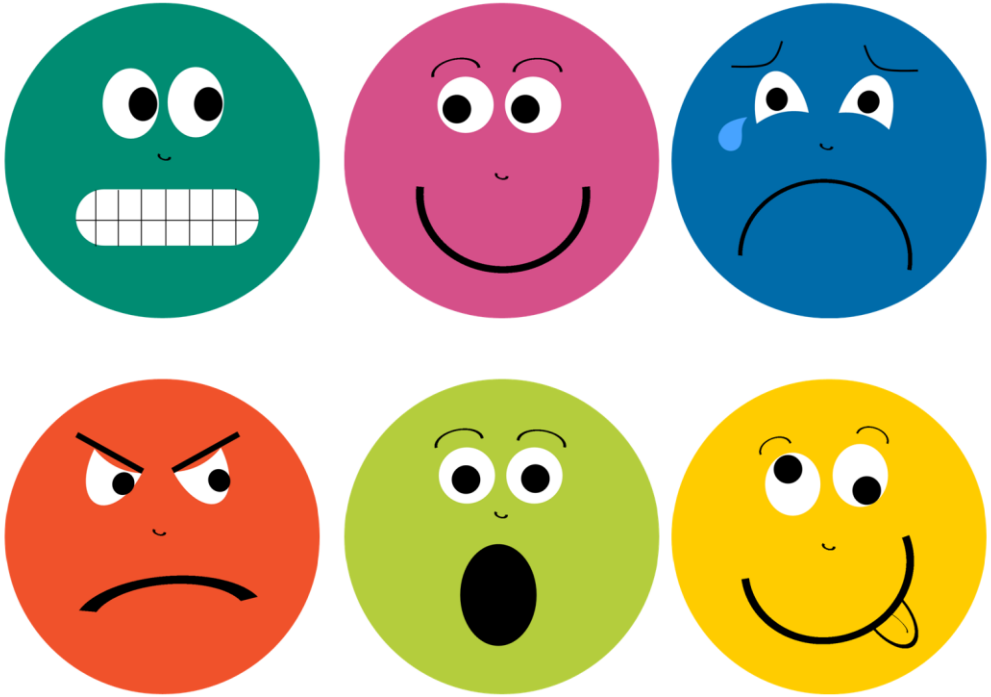
Get crystal clear on the underlying problem you're solving

LEGO Serious Play
LSP
A FACILITATED THINKING, COMMUNICATION AND PROBLEM-SOLVING TECHNIQUE
20-80 MEETING (LEAN OUT)
50%
10%
5%
30%
5%
20% OF PEOPLE CONTROL 80% OF THE MEETING
LSP IS A TECHNIQUE TO GET PEOPLE TO LEAN FORWARD
+ CLEARER INSIGHTS
+ UNLOCK KNOWLEDGE
+ BUILD CONFIDENCE
+ SHARED COMMITMENT
100-100 MEETING (LEAN IN)
100% OF PEOPLE PARTICIPATE 100% OF THE TIME
CORE PROCESS
POSE A QUESTION
BUILD
SHARE
REFLECT
LSP IS NOT ABOUT MODELS & PROTOTYPES
LSP IS ABOUT METAPHORS AND TELLING & SHARING STORIES
LSP
MAKE GOOD DECISIONS IN REAL TIME
Be ready for HARD FUN!
CURRENT STATE
OBSTACLES & CHALLENGES
FUTURE STATE
LSP HELPS IMAGINE HOW TO GET TO THE NEXT LEVEL
WHEN TO USE LSP?
LSP IS GOOD WHEN CONTEXT IS:
"Complex problem -and- Courageous manager"
✗ A — SOLUTION IS CLEAR → B
✓ A — NO OBVIOUS SOLUTION → B
NUGGETHEAD Studios
INTERESTED IN A LEGO SERIOUS PLAY WORKSHOP IN YOUR ORGANIZATION? | KEVIN THORN, CERTIFIED FACILITATOR USING LEGO® SERIOUS PLAY® METHODS | kevin@nuggethead.net | http://nuggethead.net

5 why's analysis can help you get to the root cause of problem

Come up with a bunch of solutions

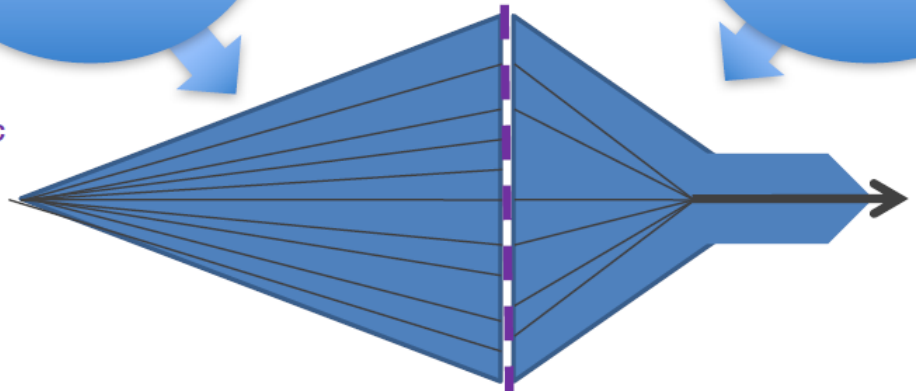

Creativity &innovation@Work
New Thinking for Breakthrough Results



icop
IDEAS CONNECTING OUR PEOPLE

DIVERGE =
70%
As many ideas as possible - stretch the best and develop

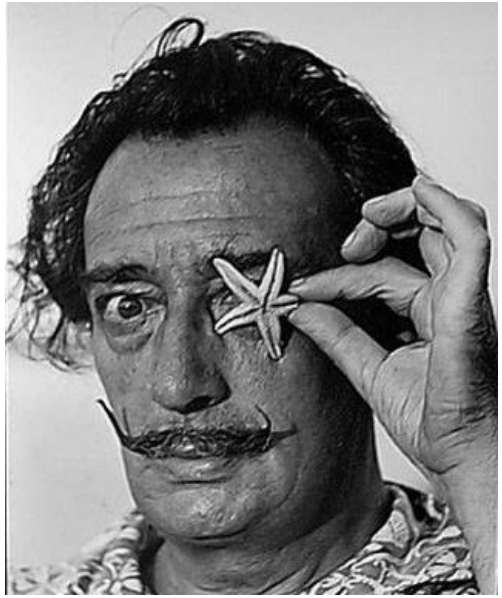
CONVERGE =
30%
Rationalise, Identify the best



- No judgement or logic
- **Quantity**
- Imagination
- Freedom
- Gut instinct

- Judgement and logic
- **Quality**
- Discipline
- Rigour
- Then build….

FROM

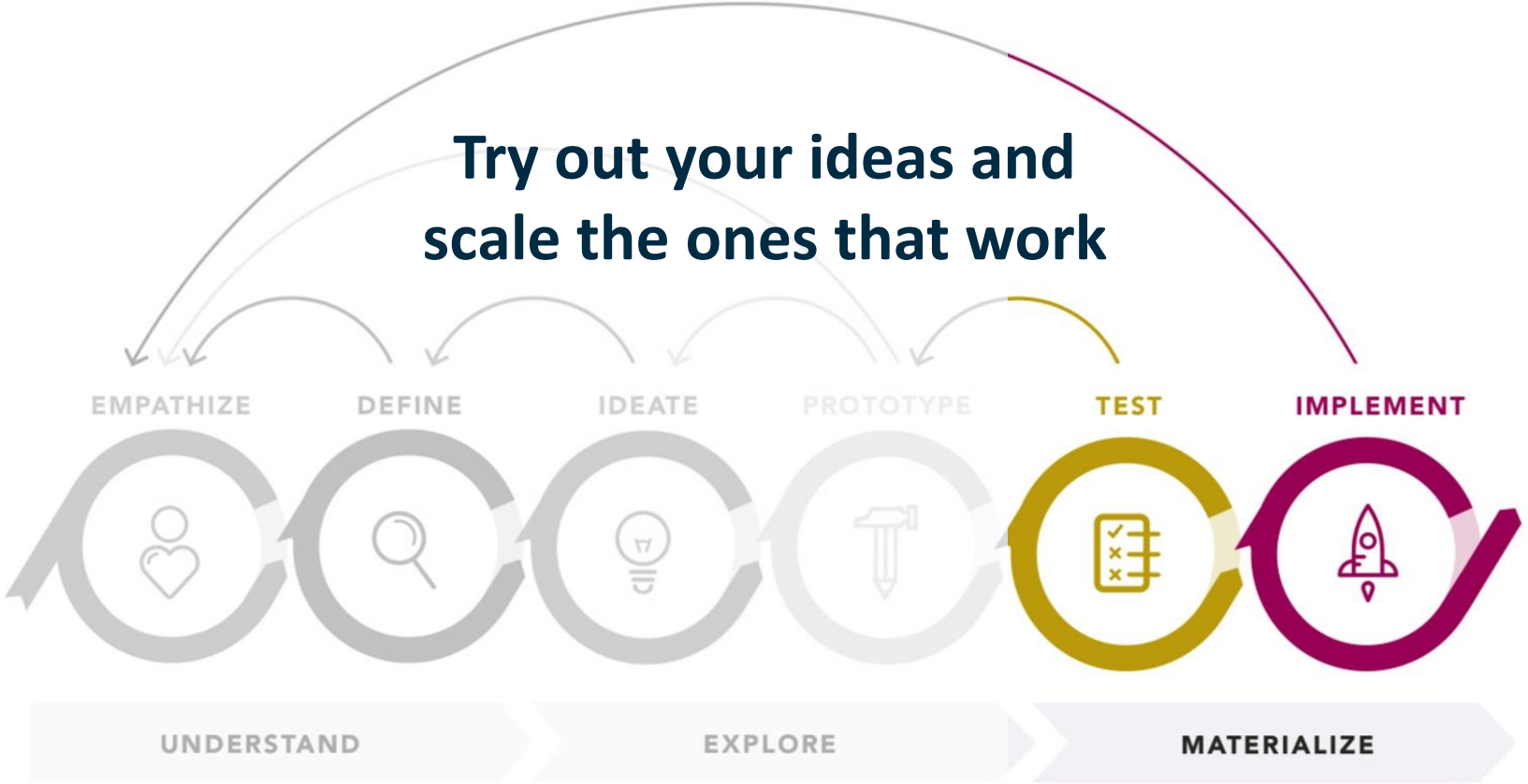


- Inquisitive
- Broad
- Flexible

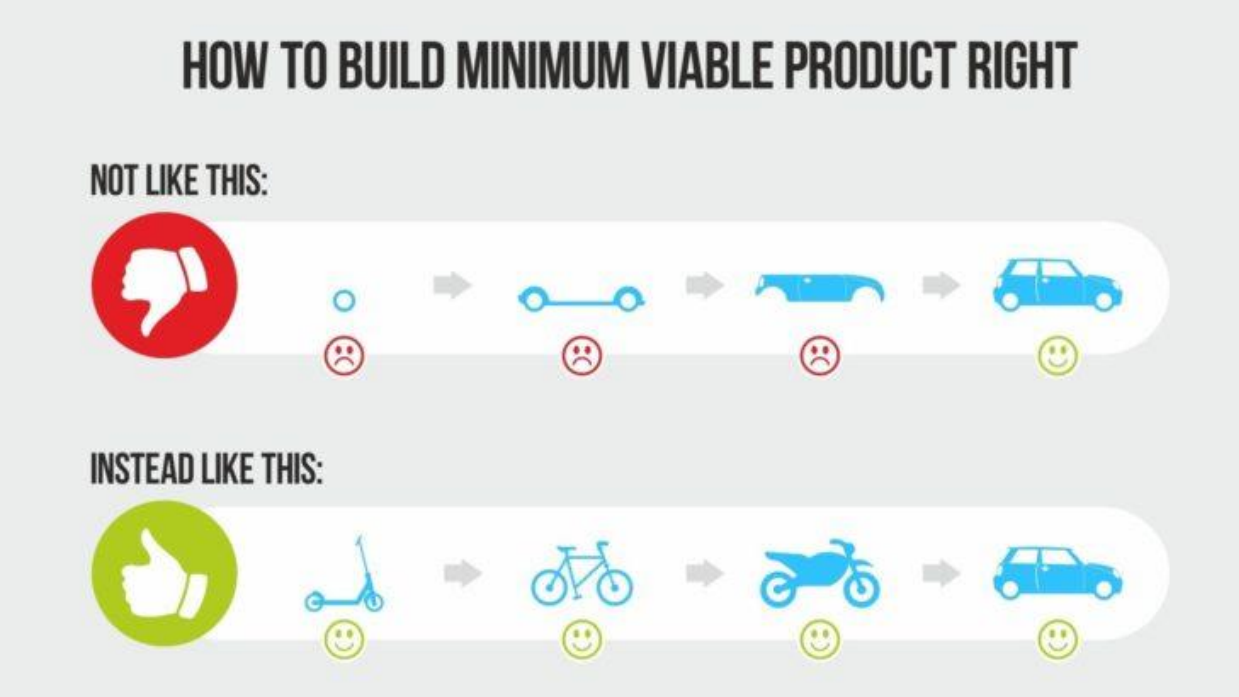
TO

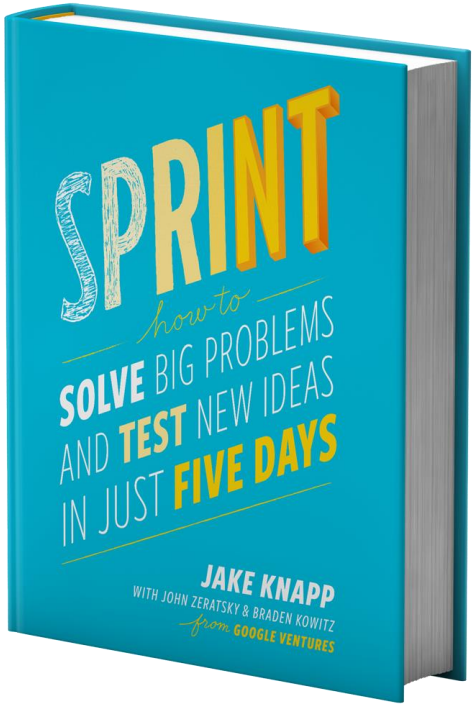
- Intentional
- Precise
- Narrow

Try out your ideas and scale the ones that work

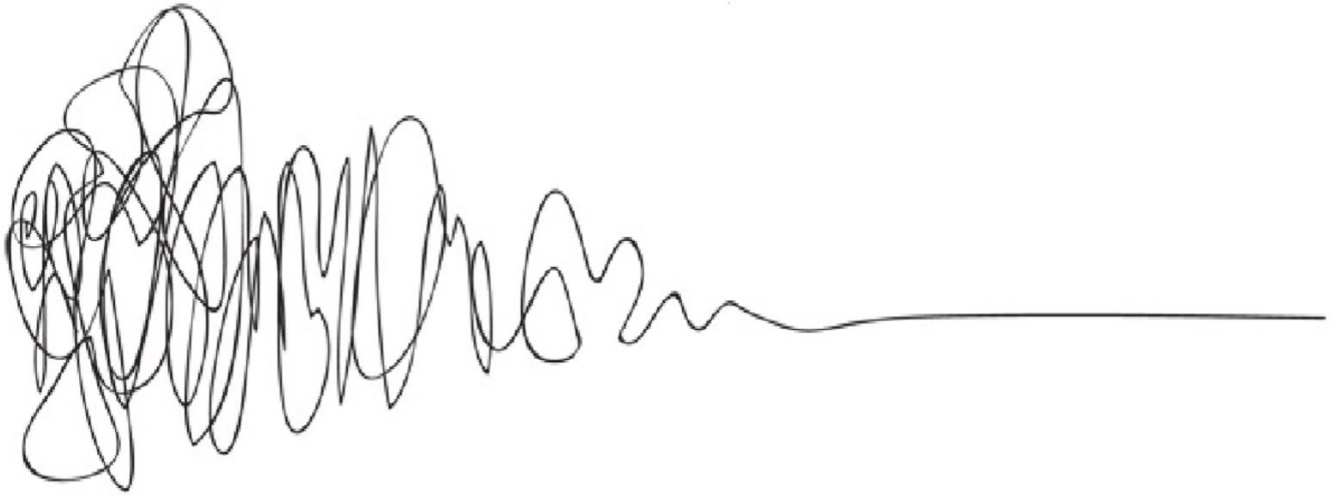


Implementation





How does it feel?



“There is no innovation and creativity without failure. Period.”
Brene Brown

What we covered today

1. What's happening in fundraising (and why it's a problem)
2. Why is it happening? (our analysis)
3. What can we do about it? (innovate)
4. Types of innovation
5. How can we do it?

Where to go for more inspiration

inventium

+ACUMEN PRESENTS
HUMAN-CENTERED DESIGN
FOR SOCIAL INNOVATION
DEVELOPED BY IDEO·ORG

sofii
showcase of fundraising innovation and inspiration

Blinkist

“What good is an idea if it remains an idea? Try. Experiment. Iterate. Fail. Try again. Change the world.”
Simon Sinek

THANK YOU.

Creativity & Innovation Track

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