

# Peter MacCallum Cancer Foundation Achieves Fundraising Success through Innovation

The Peter MacCallum Cancer Centre (Peter Mac) is Australia's only public hospital solely dedicated to cancer, and is the home of Australia's largest cancer research group, treating more than 29,000 people each year. Over the past five years, Peter Mac's fundraising arm, the Peter MacCallum Cancer Foundation, has also made a name for itself as a fundraising innovator with huge fundraising successes.

## Achievements

In 2013, Peter Mac earned three awards at the Fundraising Institute of Australia (FIA) Conference: Excellence for a Donor Acquisition Campaign, Excellence for a Donor Upgrade Campaign and Most Outstanding Fundraising Project. The team returned to FIA in 2014 and earned an additional four awards, adding the Donor Renewal Campaign award to their list of accolades.

"While the awards are nice to win, what is more pleasing is the impact our improved fundraising results have on Peter Mac's life-saving work. The awards themselves also lead to further discussion within the not for profit sector, which I hope leads to collective improvements and growing the donation pie for all," states Carl Young, fundraising director at the Peter MacCallum Cancer Foundation.

## The Road to Success

Young attributes Peter Mac's success to a strong focus on the science of fundraising and the use of data and measurement to guide the decision making process. "We look at the data measurement to support each fundraising program and each development officer. This ranges across all of our programs that require some form of donor development – bequests, major gifts, supporter events and trusts and foundations," explains Young.

"What we've done well is our consistent application of the 'moves management' fundraising theory, which is a tool to aid the process of donor targeting and development. The business rules we've developed around this theory and how we execute it through our database make it an empowering tool for development officers, rather than a punitive experience," Young continues.

## Contents

Achievements.....	1
The Road to Success .....	1
In Dollar Terms.....	2
Tools for Success .....	2
Challenges in the Sector..	3
The Next Five Years .....	3

Continued on following page

The Foundation applies moves management across all programs that have a development officer and a solicitation objective – not just the major gifts program. Says Young: “This has resulted in a consistent and coordinated approach to our donors, with efficient and measurable service level standards that support development officers. Responsibility for the development of a donor relationship is therefore clearer, with little ambiguity of when and how a development officer can engage with the donor. A development officer’s judgment is always required in the process, however, so we have good mechanisms and communication processes to resolve any ambiguity or exceptions. As a result, most of our programs appear to be flourishing.”

This approach was started just over five years ago when the Executive Director of Peter MacCallum Cancer Foundation, Jennifer Doubell, approached the Board with a five-year strategic plan for doubling gross income and a long-term plan to achieve similar net income results. “The good news is the plan is working,” says Young. “It’s the result of numerous learnings and we still have areas for improvement.”

## In Dollar Terms

Individual giving has grown exponentially for Peter Mac. In face-to-face fundraising and regular monthly giving, they have seen their number of active regular givers grow from approximately 900 donors in 2009-2010 to close to 20,000 in 2014. This growth explosion changed their monthly regular giving revenue from \$184,000 to over \$600,000 per month.

“It’s pleasing to see the program generate growing net returns, which could not have been achieved without the vision and support of the Foundation executive director and the Board,” says Young. “We’ve also sought to diversify our fundraising programs and have continued to invest in direct mail, which remains the engine room of our fundraising and donor engagement. It feeds into and supports our other programs. For example, in bequests, we’ve grown the number of confirmed bequestors from 325 to 744 over the past five years.”

Peer-to-peer fundraising has also been hugely successful. Peter Mac’s two main events, the Ride to Conquer Cancer and the Weekend to End Women’s Cancers, together generate over \$8 million annually.

Peter Mac is also averaging high donor retention rates, ranging from 80% to 90% year on year. “Our average gift in face-to-face is about \$35, and 73% of donors are over the age of 30, which is not the demographic profile that most organisations have. Thankfully, our regular giving retention rates have been strong, but as I’m sure many people in the sector would appreciate, this dynamic program requires constant attention and diligence to keep it healthy and strong,” states Young.

## Tools for Success

Peter Mac has used Blackbaud’s flagship fundraising solution, The Raiser’s Edge®, in combination with the RE:Prospect module for over five years. The Raiser’s Edge has had an essential role in managing the Foundation’s unique approach to moves management and overall fundraising success. “Operationally, for regular giving, if you’re going to have a high volume of regular monthly donors you really need a platform

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that can facilitate the dynamic nature of regular monthly giving, as well as facilitate, segment, measure and report accurately other key fundraising programs. I don't know how we would have coped using other products. The Raiser's Edge executes regular monthly giving well," comments Young.

"I think the added advantage is that most fundraisers' database needs are available in a single product," says Young. "Staff can all follow the same process through the Prospect Module to solicit a gift, whether it's a bequest, a trust, or even a third-party supporter event. They all have the ability to identify the number of proposals they are working on and their status, which really helps the team build their programs, add to their donor pool and predict future income."

From applying action tracks to running multi-level campaigns, having a platform with this capability has been key. "All charities have limited resources, which influences the level of donor engagement the charity can provide. Good operating structures provide clarity and direction to fundraisers, which ultimately helps them to be more successful and reach more donors. It generally makes fundraising jobs easier and fundraisers' actions more measurable. And you've probably heard of the rule: If it's not in The Raiser's Edge, it didn't happen!" Young notes.

## Challenges in the Sector

As with most not for profit organisations, "There is a challenge in supporting and training staff with a limited personal development budget (due, in part, to the necessity of meeting legislative requirements regarding the cost of fundraising). This leads to the tension of trying to develop staff's knowledge of fundraising and personal development, keeping them up to speed in the use of the database and other software packages, and keeping your costs low," remarks Young.

"Having a good database and understanding how it can be applied to your charity and your fundraising strategies requires constant attention. It's an operational necessity for fundraising and if you don't have the in-house specialised capacity, it can be quite a challenge for both small and large charities. Opportunities are lost through a lack of database knowledge and investment."

"It's a real challenge for the sector – maximising the database opportunities, translating fundraising theory into operational practice and using the database as a tool in that process," Young continues.

## The Next Five Years

For Peter Mac, continuing their development is crucial. Young predicts that Peter Mac will "continue to focus on individual giving, incrementally grow where we can and cross-sell the other programs or convert donors into regular giving or/and bequests as appropriate. We'll also constantly monitor our retention rates. We'll certainly be keeping an eye out for the 'next big thing' in fundraising, but I don't know if anyone has found it yet."

"The vision for the future is to keep on top of our data as the donor volumes increase, because that will shape and determine our future strategies," Young reflects. "We'll continue refining and never staying constant, and then we'll see what impact digital has: How much is fact and how much is fiction?"

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## About Blackbaud

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