

GDPR

The change that charity donors want

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Introduction

The big topic on the agendas of UK charities this year is undoubtedly General Data Protection Regulation (GDPR). This incoming regulation has been greeted with some alarm, with many concerned about what it means for charities and the impact it will have on charities' supporter bases and ultimately, income and ability to provide services. Due to come into force from 18th May 2018, GDPR states that organisations of all kinds, charities included, require very clear and unambiguous opt-in consent to communications from customers and donors. There are various reports from sector bodies advising charities on how best to interpret and react to GDPR from a legal standpoint. This report is not one of them. As researchers exploring opinion, knowledge and sentiment when it comes to charities, we don't tend to get stuck into the specifics of EU law. Rather, this report looks at what the public understand by personal data, whether or not they think it is secure and how they feel about charities using their data. Finally, it asks how the public would react to an opt-in model, examines their likelihood to opt in and considers the consequences for charities and how they might respond to a changing fundraising landscape.

This reports draws on two main sources of research. The first was a specially commissioned set of focus groups on data protection which took place at the start of May 2017. There were three focus groups – participants were all charity donors, and they were grouped by age in the following three categories: 22 – 34, 35 – 54 and 55+. They were mixed in terms of gender and social grade. The second source, also from May, is a piece of quantitative public awareness research, which took place via an online survey of 1000 adults, nationally representative of the British population by age, region, social grade and gender.

This report will cover the following areas:

1. Context – data protection is a broad and controversial topic for the public
2. Donors feel bombarded and want to take more control of how they are contacted
3. The public like the idea of GDPR and feel it should apply to charities as much as businesses
4. Recommendations
 - a. The consequences are going to be tough
 - b. Relationships with donors are going to become more personal
 - c. Develop an explanation culture
 - d. Be creative in your opt-in ask
 - e. Getting frequency right is vital

Data protection is a broad and sometimes controversial topic for the public

A search of recent news media demonstrates that data protection issues have fairly frequently graced the pages of newspapers in recent months. With stories ranging from the NHS cyber-attack to concerns about data misuse by political parties, it is clearly a hot and controversial topic in 2017.

In our focus groups, the topics of data, information, and how it is used, raised a broad and wide ranging selection of issues. When asked to think what came to mind when they thought of personal data and information, the participants had an impressive knowledge of the kinds of data that might be sought by organisations and charities, with mentions of everything from your CV, to your medical records to your browsing history.

However, when the conversation moved on to how organisations use data, it became clear that, for many, the prevalence of data sharing as a part of everyday life meant it was impossible to feel fully in control of the data which is out there about you and what is being done with it. There was a sense of a bit of a black hole feeling around data – we give our data out and become increasingly detached from what happens to it. For some there was an inevitability to this, whilst for others this created a stronger sense of resistance – particularly amongst the older age groups – towards the prevalence of requests for data which felt like an unnecessary intrusion in modern life.

Donors feel bombarded and want to take more control of how they are contacted

In all the focus groups participants spoke of feeling bombarded by communications. Younger people appeared to be receiving more communication (across the board, not specifically from charities), but the perception of bombardment was consistent among all age groups.

*"I don't want to be **bombarded**. It's not that I'm a Luddite."*

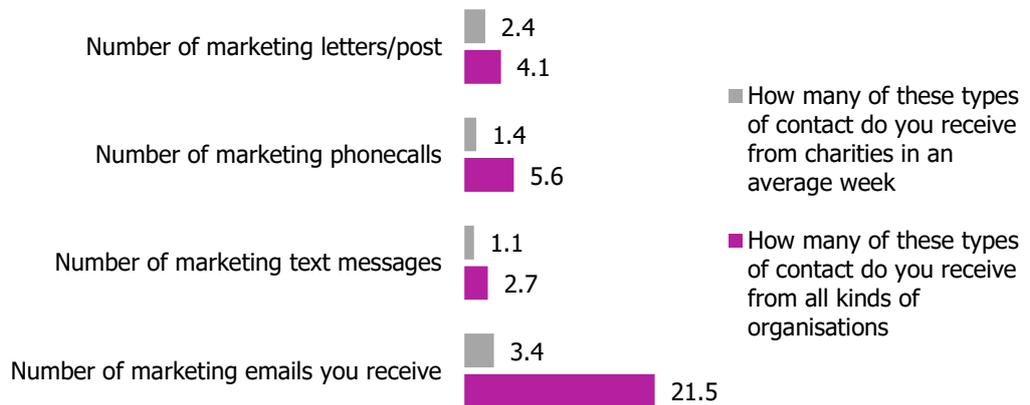
35 - 54

*"Every day, I get a hundred emails, **of which maybe one is useful**. I think this is an amalgamation of years of my data being passed on and passed on."*

22 - 34

Some participants in the focus groups did reference charities as being part of the problem, but it was part of a broader picture of contact from organisations and companies from lots of different sectors that were contributing to the generalised sense of bombardment. This is also born out of our quantitative data (see Figure 1 below). On average the public say they receive 21.5 emails a week, of which 3.4 are from charities. It is clear however that the public believe that proportionally they are contacted more by charities via post and text messages. Of the 4.1 letters a member of the public receives each week, 2.4 are from charities.

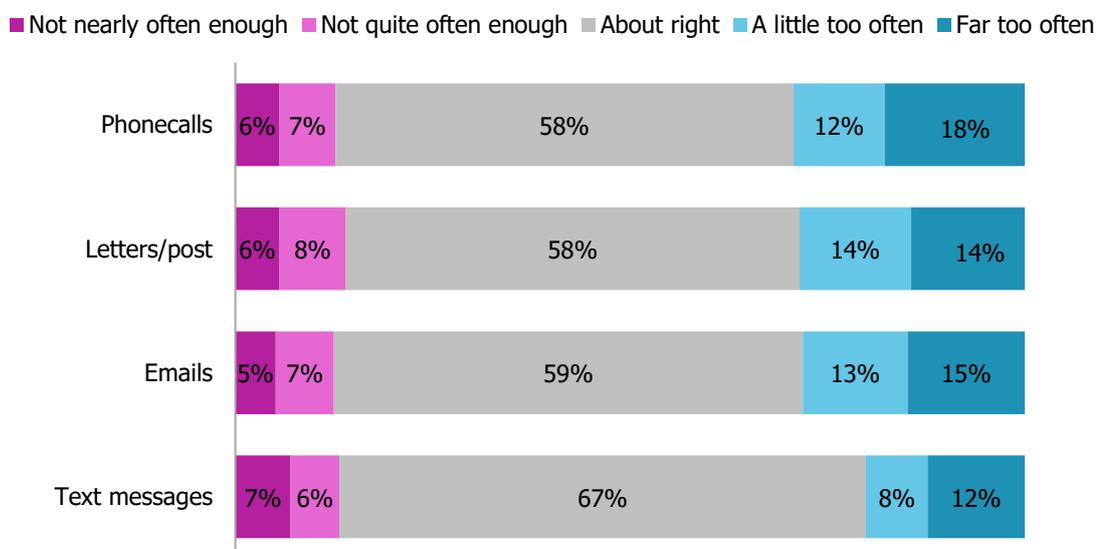
Figure 1: Average number of different types of communication in an average week



“Many companies and other organisations use the personal data and information provided to them to contact people for marketing or other purposes. How many of these types of contact, if any, do you receive from all kinds of organisations in an average week, through each of the following forms of communication?” / “Now we want to ask you about contact from charities. Thinking about charities specifically, how many of these types of contact do you receive from charities in an average week, through each of the following forms of communication?”

In our quantitative research, we see that the majority of the public believe that charities are getting the volume of communications about right through the main channels (Figure 2). 67% of the public believe the volume of charity communication they receive by text message is about right. Nearly a third however feel that they receive too many phone calls from charities and 28% believe they receive too much post. Consistently around one in ten believe they do not receive nearly enough communications from charities.

Figure 2: Perceptions of volume of communications and information received from charities



“How would you describe the volume of communications or information you get from charities through the following channels?”

Young and old have very different ideas on frequency

We asked the public how often they would like to be contacted by charities. 56% of 16-24 year olds said they would be happy to be contacted weekly or monthly; this compares to only 14% of over 65s. There appears to be clear correlation between age and how often you want to be contacted; the older you are, the less you want charities to contact you. 24% of 55-64 year olds and 31% of over 65s said they don't want to be contacted at all by charities they have supported. We need to bear in mind that older people may be more irritated by certain methods of contact from charities due to the fact that they have made their way onto a greater number of charity mailing lists over time, and thus are more likely to have had an experience at some point which they perceived negatively when it comes to contact from charities. Further, we know that charities may be targeting this group more heavily if they are seen as having greater amounts of disposable income to donate to charitable causes.

*"I subscribed to one particular animal charity, and at Christmas time, **the world and his wife came out of the woodwork** and piles high of requests."*

55+

Young taking control into their own hands

However, another consideration could also be that young people have become more adept at managing or compartmentalising the contact they receive and are thus less adverse to regular contact. A couple of participants in the younger focus group mentioned they had set up new email addresses in order to separate out 'spam' and important emails.

*"I have **a spam account and I have my account** which I keep more private. For receipts and things, I use the spam account."*

22 - 34

Younger people were also far more likely to be aware of the value of their data and how companies can sell it on as part of their business model. As one participant said "I feel everyone's getting rich off me apart from me." There was an awareness amongst some that they were being influenced by targeting and that it was directly leading to an increase in their spending behaviour.

*"I know **I'm spending more money** than I used to spend because people know more about me...so I'm constantly buying stuff. Constantly."*

22 - 34

The feeling that targeted advertising can work wasn't exclusive to the younger group, as the quote below illustrates.

*"Sometimes I'm not even thinking of holidays, **but then an offer comes through** and you think 'Oh my god, it's so cheap'. I'm ringing my daughters and saying 'Oh there's this offer on', and straight away we're booking holidays."*

55+

However, the younger group seemed to have a slightly more in-depth knowledge of marketing techniques and strategies (and an acceptance of the motives behind them) whereas older groups were generally more sceptical about whether these worked. Despite these complex feelings about the purpose of data collection,

when there was a clear benefit to the consumer, acceptance tended to be stronger. One female participant in the youngest group spoke about how she was happy to be on the mailing list for a retail brand as she was given exclusive benefits such as new collection previews. However, for the older groups, there were more participants who felt anxious about data sharing, and its intrusion into everyday life – for instance, the tendency for shops to ask for your email address when making a purchase was treated with suspicion and annoyance.

The public like the idea of GDPR and feel it should apply to charities as much as businesses

Opt-in will be an uphill struggle...

When introduced to the idea that legislation is coming in that will move more firmly to an opt-in model, the public feel overwhelmingly positive about this – reflecting their desire to keep control over contact. We also put the implications of GDPR to the test by asking our focus group participants to imagine donating to their favourite charity and that – to make the donation – they were asked to complete an opt-in response form. Both the focus group responses and the follow up quantitative research, which replicated this exercise, demonstrated that getting the public to opt in will be an uphill struggle. When asked if they would be willing to opt in to a range of different types of contact, we saw that whilst some would sign up to hear about impact or to be thanked for their support, only 16% would sign up to be asked to donate again – and 34% would not opt in to any kind of future contact. Keeping in mind that this was when they were questioned about their favourite charity, these results demonstrate the challenge ahead for charities pursuing opt-in.

Figure 3: Opting in to communications from charities



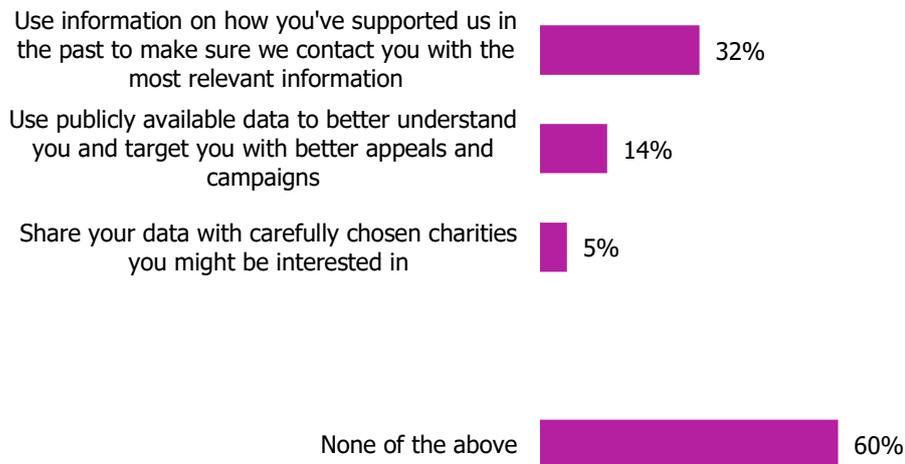
“Imagine that you are making a donation to your favourite charity. To complete the donation, they ask you to complete a form. Please read the message from your favourite charity carefully and tick the relevant boxes. You can tick as many boxes as you like. If you would not tick any of these, please choose none of the above.”

Message from the charity: *Would you be happy for us to safely store your data so that we can contact you for any of the following reasons? Please tick all that apply*

We also asked about willingness for data to be used in a range of ways, to ensure relevance of communications. These tended to receive particularly short shrift, with focus group participants highly

dismissive of the idea of opting into any of these, an attitude that was backed up in the quantitative research as well (Figure 4).

Figure 4: Opting in to data usage from charities



"Imagine that you are making a donation to your favourite charity. To complete the donation, they ask you to complete a form. Please read the message from your favourite charity carefully and tick the relevant boxes. You can tick as many boxes as you like. If you would not tick any of these, please choose none of the above."

Message from the charity: *We want to make sure the information we send is relevant to you. Would you be happy for us to do any of the following to help us do this? Please tick all that apply.*

We also asked whether, if someone had not opted in, there were any situations where it would be acceptable for a charity to contact them. The groups were fairly split on this issue – whilst some felt that the opt-in decision should be final, others felt that an occasional contact – for instance in the case of a major emergency appeal – could be acceptable. We replicated this in the quantitative data, finding that 42% said no form of contact would be acceptable where opt-in had not been provided and a quarter said that they could be contacted for an emergency appeal for funds.

The public believe charities should be held to the same standards as businesses when it comes to GDPR

In our focus groups, we encouraged participants to put themselves in the shoes of charity fundraisers and explained some of the potential impacts which the move to GDPR could have for charities. With this in mind, would our respondents take a more lenient approach when considering whether new regulations should be applied as strictly to charities as they would be to businesses? Although a few raised reservations – particularly at the idea that charities might receive hefty fines for breaking the rules – in general there was a strong feeling that charities shouldn't be treated any differently.

*"They're still businesses, **they're still there to make money.**"*

22 – 34

*"I think there's got to be **some kind of uniformity**...if there was the option for charities to have the softer option, who would regulate it?"*

55+

Clearly, the key motivation is to reduce the information and contact overload described above and to have greater control over contact from charities. However, three further explanations lie behind this feeling that charities should be held to the same standards as businesses.

Firstly, the fact that the public want to see charities as morally superior to businesses makes them feel more strongly that charities must play by the same rules. With this in mind, they actually feel more annoyed when charities are perceived as breaking the rules than they do when businesses do it – as it undermines their beliefs about what charities should be.

*"They're a charity, they're supposed to be **nice and moral.**"*

22 – 34

*"I am fully in support of charities but **there is a danger of complacency creeping in** if you always treat charities differently. They need to take care of people's data."*

35 – 54

Secondly, there is a lack of acceptance – particularly amongst older groups, but the viewpoint did appear across all groups – that targeted approaches to marketing actually work when it comes to charities. The rationale behind this view is a feeling that we give because we decide to off our own back, not because we are asked or prompted to give by a charity.

*"If I want to support a charity then **I'll support it**, I don't need to be bombarded with emails from them."*

22 - 34

This perception is a challenging one for charities to grapple with and appears to be hard to shift. Even when we explained to our focus group participants the fact that many charities actually make significant proportions of their income through asking previous donors to give again, there is a tendency to believe that this doesn't apply to us. It may be human nature to see ourselves as unique, different, and to believe that we will continue to generously give to charities without being prompted to do so. With this perception so ingrained, it is unsurprising that donors are reluctant to opt in.

Thirdly, there is a feeling that rather than asking for different treatment of any kind in regard to incoming legislation, charities should be adapting their approach and looking for new ways to bring in income.

*"Maybe they could use **other means and other routes?**"*

22 - 34

*"All the charity shops around, I don't think I've ever been in one where they've tried to engage me there. **It would be a perfect opportunity**, why aren't they using that?"*

35 - 54

Of course, the public aren't experts in charity fundraising (although some certainly believe they are!) and their suggestions may often be unrealistic for most charities (e.g. frequent calls for more TV advertising are common in focus groups). However, this feeling that charities must innovate and adapt to a changing environment should nonetheless be taken on board.

Conclusions and recommendations

Clearly, GDPR will have a significant impact in the short term

This research demonstrates that public feelings about data protection and the desire to reduce the amount of contact from organisations means that there will be significant consequences for charities, with databases and income likely to shrink as a direct result. An early example of this is RNLI, which actively decided to pursue opt-in prior to the introduction of GDPR. By getting ahead of the game, RNLI is likely to do better than those who follow (although recently there has been some suggestion that they may have to revisit their data protection in light of some discrepancies between the changes they have made and incoming GDPR¹) – as they won't have faced the competition with many other charities that is bound to arise in the coming months. Even so, they projected that they would lose £36 million by 2020. So even with a very large charity, where they have taken the time to plan this into a broad strategy, the impact on their financial position is likely to be significant.

Relationships with donors will need to become more personal and income generation priorities may need rethinking

As databases inevitably shrink, charities will need to reconsider their relationship with donors. While the pool of remaining supporters (who have opted in) will likely reduce, there is also a potential opportunity in the fact that those who remain are likely to have a greater engagement with and commitment to your brand. Could this change lead to more personal, individual connections between charities and donors? It may also be about a shift in priorities for income generation – for instance, a greater focus on major donors, events, membership or legacies.

A culture of transparency is more important than ever

It's undeniable from the research that it will be a challenge to encourage donors to opt in. However, we need to remember that concerns about how data is used and protected by charities make this reluctance more likely. When discussing experiences of different types of consent forms, belief that charities and other organisations are 'sneaky' and try to get different elements of consent past consumers (i.e. with pre-ticked boxes or double negatives) are pervasive.

*"Or they're **sneaky**, some of them say 'Tick here if you don't want', but on the same form 'Leave blank if you don't want'."*

55+

Similarly, the belief, or in some cases experience, of charities having passed on donor contact details (seemingly, to the donor, without consent) raises fears of being tricked by organisations. These viewpoints mean that the default position when it comes to consent forms is, for many donors, one of suspicion.

*"Every time I've done anything with charities **I've ended up with loads of stuff** from other people, not related to charity."*

35-54

¹ Civil Society, 30 May 2017: <https://www.civilsociety.co.uk/news/rnli-may-have-to-unpick-opt-in-decisions-due-to-gdpr.html>

Thus, it is more important than ever to show yourself as being open on the issue of data, informing your donors why data is valuable to you and what you do with it.

*"If they actually laid it out relatively bare, **this is why we want your data, this is how your data helps us** become more efficient and do better, then I would say alright, fair enough. If it means you spend less money finding data about me when I could just tick a box and give it to you for nothing, then great because **I'm all for efficiencies in charities** because it's more money to where it's meant to go."*

22- 34

Be creative in your opt in ask

The next few months are the crucial time to act for charities switching to opt-in. The challenge will be that each charity asking their donors to opt in is likely to be one of many opt-in asks that a donor receives, if they are currently on the databases of a number of charities. With this in mind, creativity and innovative approaches to opt-in are vital – you need to stand out from the crowd and attract the attention of those warmest supporters who would consider opting in. Make sure your creative teams or agencies prioritise this challenge, and do your research as an organisation in order to understand what methods, routes and messages will work best with your target audiences.

Frequency needs to be part of the conversation on donor care

As mentioned above, our qualitative and quantitative research proves that a proportion of the public feel that they receive a considerable amount of communication from charities. Although most are reasonably happy with the frequency, the focus group research proves that in a few cases frequency causes some donors to feel greatly aggrieved. With the potential to build warmer relationships with a smaller database and in order to encourage future donors to opt in, it will be important to offer more choice when it comes to frequency. As this quote illustrates, if donors feel in control of contact frequency, they feel more positive about contact;

*"A reminder maybe a year after you donated saying 'you've made a donation, would you consider doing it again'. You might actually really want to but you've forgotten. I think **gentle reminders occasionally** is massively different to a daily or weekly email almost begging. I think in moderation and with respect, it could be okay."*

55+

Furthermore, with changes upcoming, now is a great time for supporter research. Asking donors what they want from your charity when it comes to contact and engagement is especially vital in a time of flux for charity support. Ensuring donors' wishes are understood and that they feel respected is an important step in encouraging them to continue their relationship with your organisation.

About nfpSynergy

nfpSynergy is a research consultancy that aims to provide the ideas, the insights and the information to help non-profits thrive.

We have over a decade of experience working exclusively with charities, helping them develop evidence-based strategies and get the best for their beneficiaries. The organisations we work with represent all sizes and areas of the sector and we have worked with four in five of the top 50 fundraising charities in the UK.

We run cost effective, syndicated tracking surveys of stakeholder attitudes towards charities and non-profit organisations. The audiences we reach include the general public, young people, journalists, politicians and health professionals. We also work with charities on bespoke projects, providing quantitative, qualitative and desk research services.

In addition, we work to benefit the wider sector by creating and distributing regular free reports, presentations and research on the issues that charities face.



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