



Center for  
Nonprofit  
Management

# INNOVATIVE FUND DEVELOPMENT CONCEPTS

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# WELCOME & INTRODUCTIONS

**What is your biggest challenge going into 2021?**

**Name one thing you learned in 2020 that you will carry over into 2021?**

# AGENDA

2020 Sector Snapshot

Reopening, DE&I, Virtual Fundraising

Challenges in Arts Fundraising

Q&A





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# 2020 SECTOR SNAPSHOT

## LEADERSHIP IN CRISIS

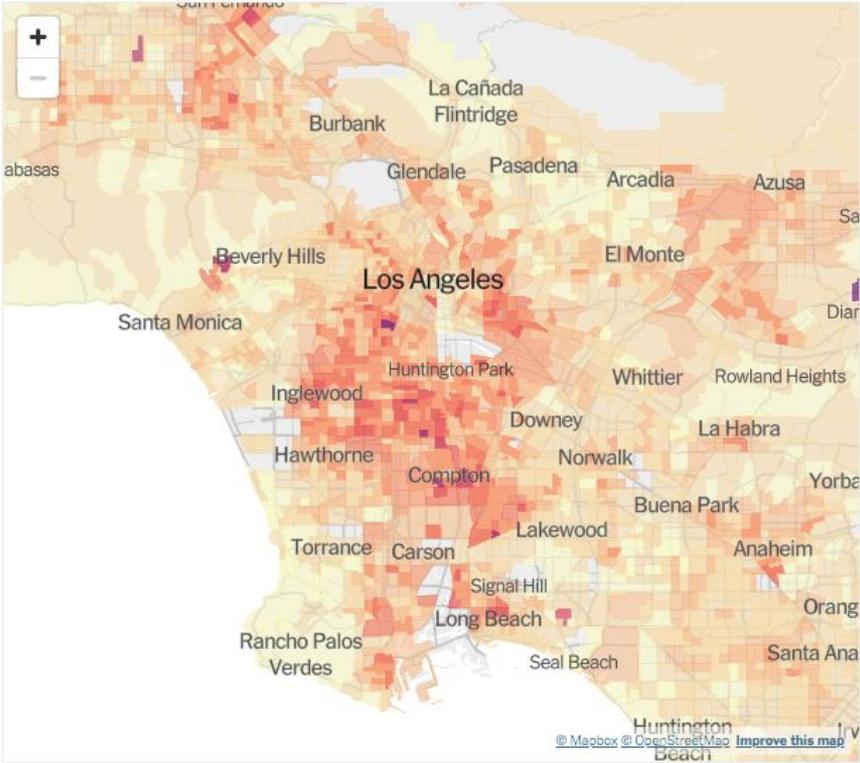
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# 2020 SECTOR SNAPSHOT

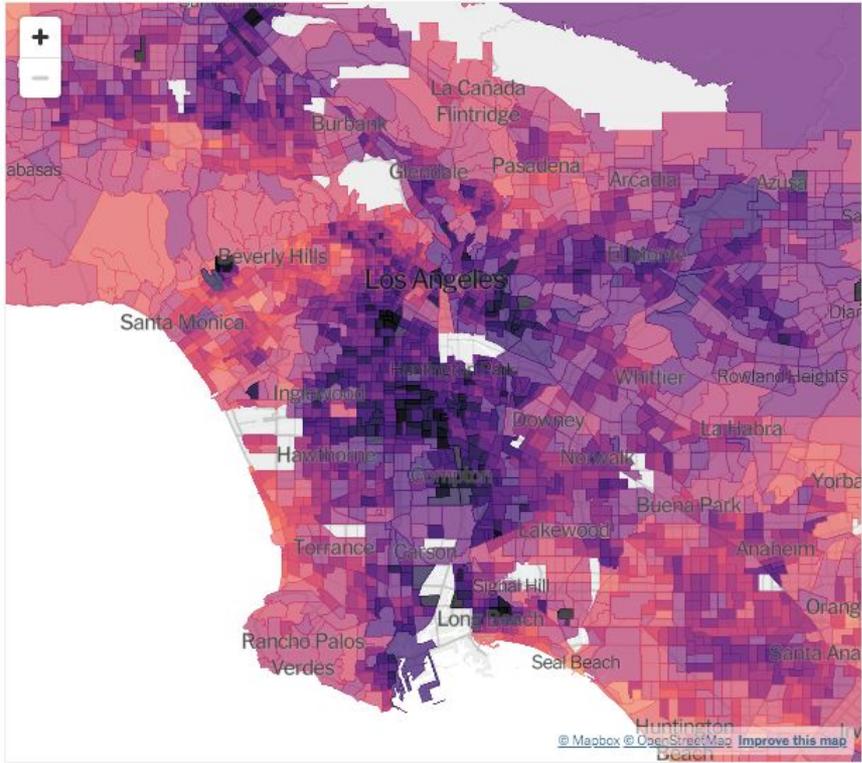
## Job Loss in LA



FEBRUARY 2020



JUNE 2020



## 2020 SECTOR SNAPSHOT

### How Philanthropy Has Been Responding

- Rapid Response Funding: Over \$100M for hunger and essential services in first 60 days
- Converting grants to general operating support
- Lifting grant deadlines
- Generally being more flexible

### While

- Corporations & Donors give to meet emergency needs



# REOPENING, DEI&A, & VIRTUAL FUNDRAISING

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THE NEW NORMALS

# RE-ENVISIONING OUR FUTURE...

With performance spaces and galleries shuttered due to the COVID pandemic, nonprofits used their creativity to keep their audiences engaged and entertained. With funders attention moving to the pandemic and support of emergency services, arts organizations were forced to pivot and find ways to recoup lost revenue.



# A PERFECT STORM

Pandemic



Social Unrest



Recession



Three crises, any one of which would create serious challenges, are disrupting arts and culture organizations at the same time.

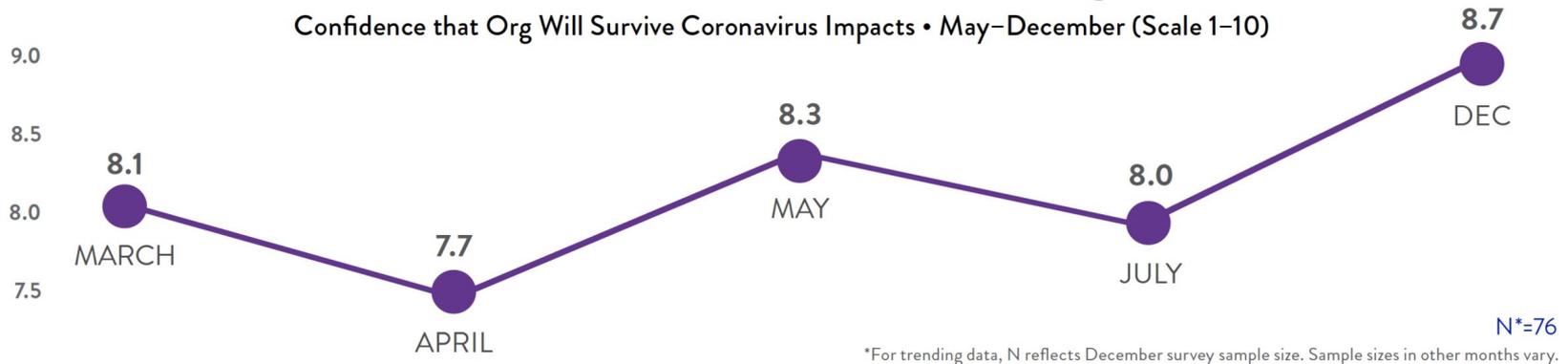
These crises each have the potential to reshape audience and donor behaviors for years to come.

# VIRTUAL FUNDRAISING

## SEEKING SUPPORT

### Confidence in Survival At All Time High

Confidence that Org Will Survive Coronavirus Impacts • May–December (Scale 1–10)

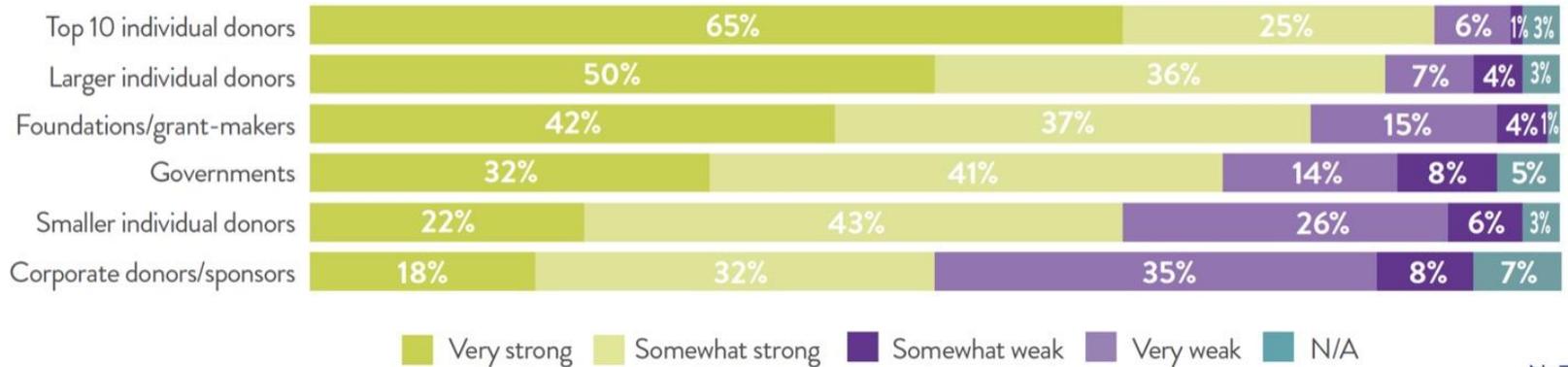


Confidence in the survival of COVID-19 impacts are at an all time high (8.7/10) across survey respondents

# VIRTUAL FUNDRAISING

## Relationships with Biggest Donors the Strongest

Health of Relationship with Each Donor Type



N=73

90% of Arts Orgs say they maintained strong relationships with their top donors

# VIRTUAL FUNDRAISING

- **Pre-pandemic**

- Promotion
- Build the brand and update others
- Snail mail
- Email
- Newsletter
- Monthly giving
- Peer to peer
- Social Media
- Crowdfunding
- Events



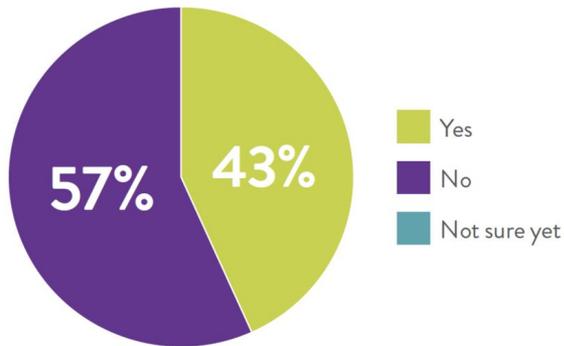
## Pandemic Ideas (virtual)

- Larger events
  - Gala, Concerts, Comedy (pre-record and Live Stream)
- Smaller events
  - Online Auctions, Raffles, Trivia, Happy Hour, Bingo
  - Board networking
    - Poker, Cooking
    - Text fundraising
- Peer to Peer events
  - 5k (personalize fundraising pages)
  - Birthday Clubs
- Program speakers

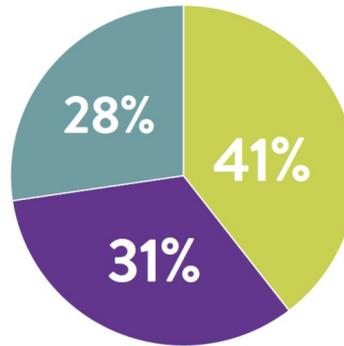
# VIRTUAL FUNDRAISING

## Most Did Not Host Virtual Fundraising Event During Pandemic But Many Are Considering it for 2021

Hosted Online Gala/  
Virtual Fundraiser During COVID



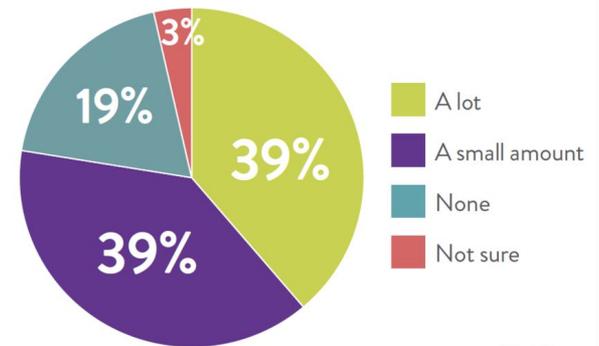
Plan to Host Online Gala/  
Virtual Fundraiser Next 6 Months



N=74

## Online Galas Led to Significant Extra Dollars

Incremental Funds Raised by Virtual Events  
(Above What Org Would Have Raised Otherwise)



N=31

Only 43% of Arts Orgs hosted online fundraising events in 2020

# QUESTIONS TO ASK YOURSELF

- Do I have an effective stewardship strategy to sustain strong relationships with my key donors?
- Am I working my pipeline of smaller individual donors and cultivating them to increase the size and/or frequency of their gifts?
- What fundraisers have inspired me?

# MAKING PROGRESS WITH DEI&A...

Issues related to diversity, equity, inclusion, and accessibility (DEI&A) have long been important to arts organizations. The events of 2020 made the need for progress even more intense.



# KEY FINDINGS FROM ARTS EXECES

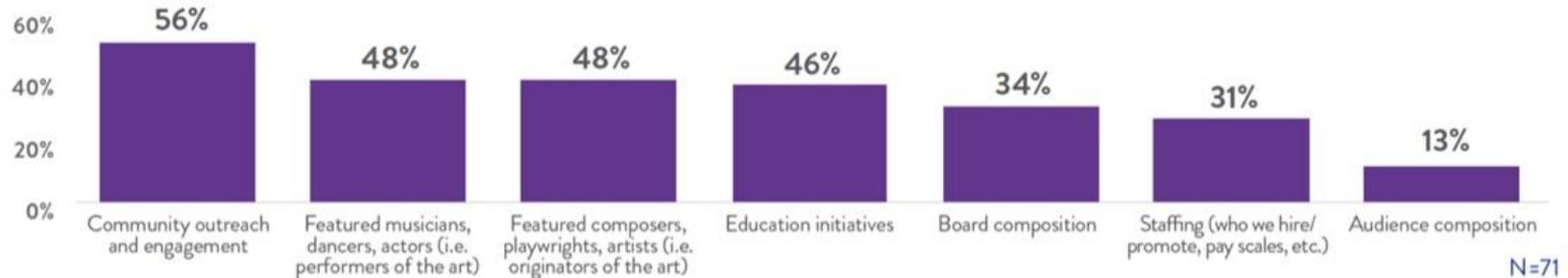
- Nearly all arts organizations assert the high importance of making progress in DEI&A, but many have yet to set public goals or attach hard metrics.
- All elements of DEI&A are critical for arts organizations including community engagement, staffing, representation in their art, and more.
- Current DEI&A efforts are dominated by a focus on race/ethnicity, but many have plans to expand their focus in the future to encompass other elements.
- Arts leaders' top challenge is being seen as authentic while pursuing progress.

# DEI&A

## PROGRESS & PARTNERSHIPS ON DE&I

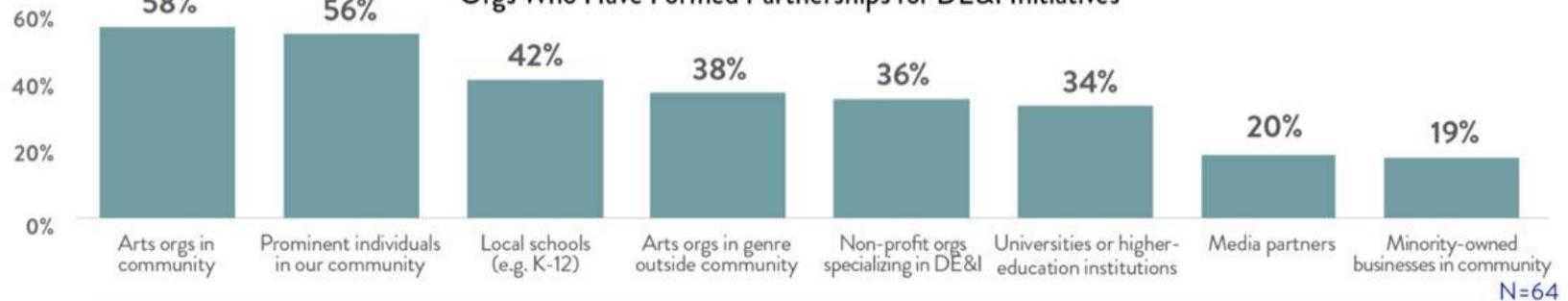
### Many Have Made Progress Against Diversity Initiatives During COVID

Area Org Has Made Most Progress on Diversity, Inclusion, Equity, and Accessibility Priorities in Past Year



### Other Arts Orgs, Community Leaders, and Schools Top DE&I Partnership List

Orgs Who Have Formed Partnerships for DE&I Initiatives



Progress on issues of diversity, equity, and inclusion has been made primarily in community outreach and engagement (56%) and featuring musicians, dancers, actors (48%).

# QUESTIONS TO ASK YOURSELF

- Does my organization have a clear DEI&A vision and is this a priority?
- Am I able to convey our DEI&A initiatives to patrons and funders?
- Is there more could we be doing in the community?

# PERFORMING IN THE NEW NORMAL...

All over the world, arts organizations are struggling to navigate the constantly shifting environment and set the right strategy to reopen their doors. At the same time, some have started reopening already or are preparing to reopen significantly ahead of others' plans.

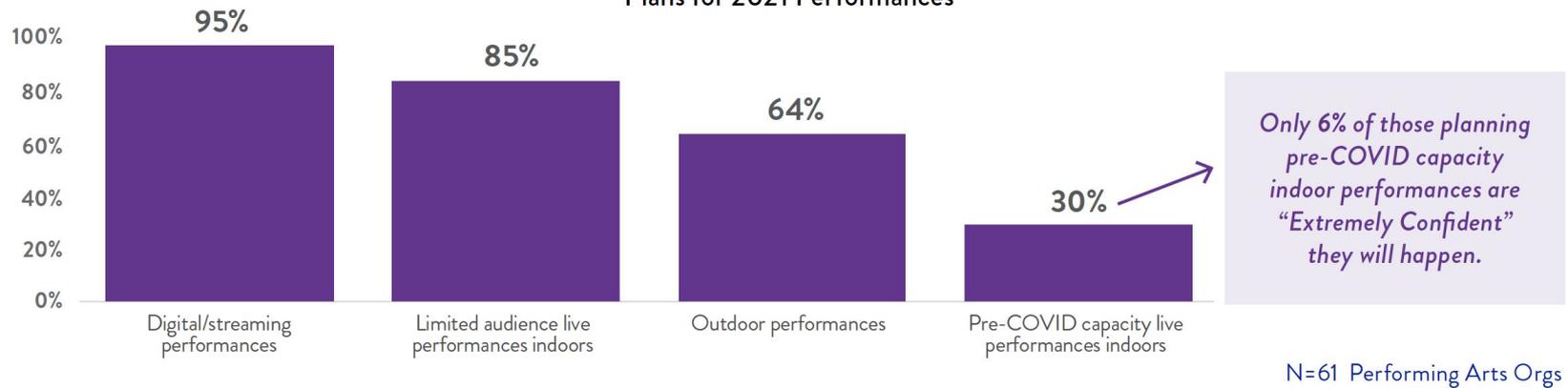


# REOPENING

## PERFORMING IN NEW NORMAL

### 2021 Performances Will Take Many Forms

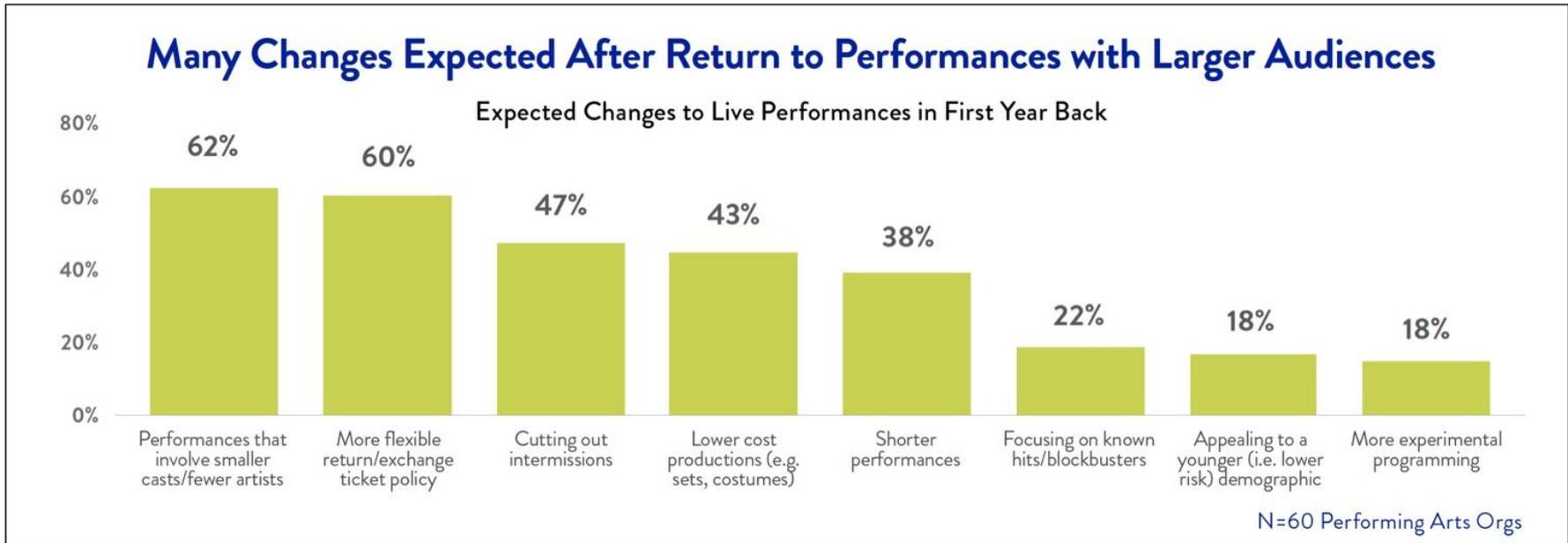
Plans for 2021 Performances



Only 30% of respondents expect to have live indoor performances at full pre-COVID capacity in 2021.

Of those, only 6% are 'extremely confident' this will happen.

# REOPENING



Having smaller casts and shorter performances will be a trend to help keep performance costs low

# CHALLENGES IN ARTS FUNDRAISING

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FINDING THE RIGHT BALANCE

# 3 AREAS OF FOCUS FOR 2021

1

**Development offices must strike a balance between donors with transactional mindsets and those more focused on philanthropy — all while the pandemic makes offering tangible benefits a challenge.**

2

**High-touch stewardship is key to building strong donor relationships. The effort required to provide it can limit expansion of the donor base.**

3

**Arts organizations recognize the need to attract a new generation of donors but must navigate doing so without jeopardizing existing donors.**

# QUESTIONS TO ASK YOURSELF

- What high touch-points are in my “toolkit”?
- Who’s been on my call list that I haven’t yet called?



# Q&A

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# THANK YOU

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