

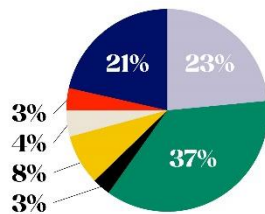
Donors feeling the pinch, but giving sentiment is up – are we paying attention?



With the holiday season underway, we're diving into the latest data on donor sentiment, helping to provide a snapshot of the fundraising landscape amid today's cost-of-living (COL) pressures. After reviewing our October metrics, we found several valuable insights into donor confidence, financial challenges, and giving behaviour as we approach the peak fundraising month of December.

What role does financial pressure play in donor decisions—and how can we adapt to it? Our “financial reason” metric, which tracks why donors may hesitate to give, shows that COL concerns remain prominent. In October, 37.2% of surveyed donors cited financial strain as a reason for not contributing. This sentiment remains consistent with our Tax 2024 campaign, which saw a 37% financial reason rate. While we observed a lower rate (34%) last Christmas season, the similarity to our recent campaigns highlights the persistence of financial pressures across the board. Among the regions, South Australia (43%) and Tasmania/Western Australia (39%) have the highest rates of financial hesitation.

Tax 2024 - Sentiment for NO responses



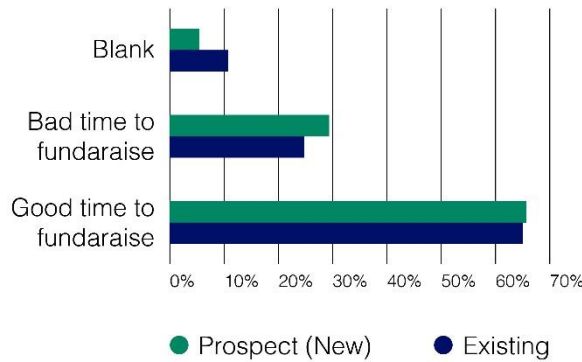
- No longer supports
- Family Commitment
- Other
- Will respond to DM/EDM
- Supports other charities
- Financial circumstances
- Not this time can help Christmas



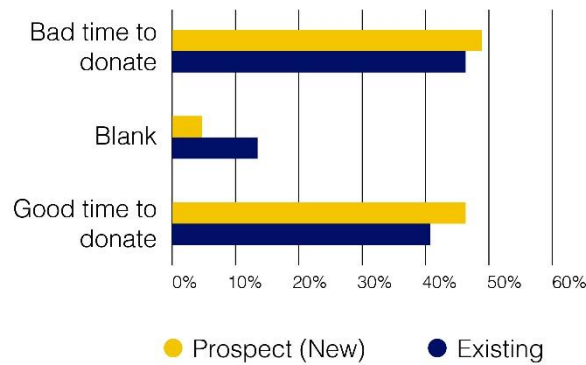
Our annual cost of living survey also provides essential insights into broader donor perceptions:

- Good time to donate: Despite economic strains, the proportion of respondents indicating it's a "good time to donate" has grown slightly, up 4% from last year, reaching 46%. Although sentiment dipped in mid-October, it has since stabilised.
- Good time to fundraise: Encouragingly, sentiment around the timing for fundraising has shown steady improvement over the past three years, reaching 70% this year. This increase may reflect growing awareness of community needs as the holidays approach, reinforcing that many Australians consider this a suitable time for charitable efforts.

October/November 2023 Good or Bad Time to Fundraise Per Existing or Prospect (New)



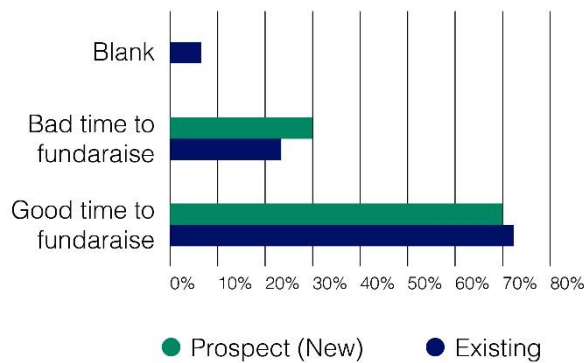
October/November 2023 Good or Bad Time to Donate Per Existing or Prospect (New)



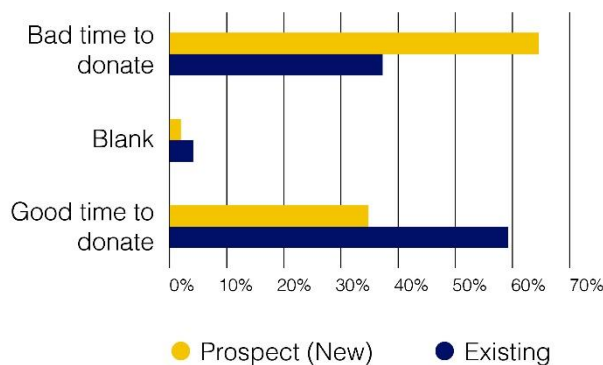
Diverging trends breaking down sentiment data by donor type reveals contrasting attitudes between existing supporters and new prospects:

- Existing supporters: Sentiment from this group has strengthened, indicating confidence in continued support through the Christmas season. In October, 72% of existing supporters agreed it was a “good time to fundraise” (a 7-point increase from 2023), and 59% felt it was a “good time to donate” (up 18 points). This suggests that while financial challenges are real, the commitment among our established donor base remains resilient.
- New prospects: In contrast, new donor prospects show lower confidence in giving this season. While expectations of being asked to support are steady (with 30% agreeing it’s a “good time for charities to fundraise”), sentiment around actual donations has decreased by 15 points to 64%. This indicates a higher likelihood of reluctance from new donors, underscoring the need for targeted outreach and supportive messaging to engage this group.

October 2024 Good or Bad Time to Fundraise Per Existing or Prospect (New)



October 2024 Good or Bad Time to Donate Per Existing or Prospect (New)



What does a modest rise in consumer confidence mean for fundraising when nearly half of Australians still feel financially strained? The broader economic sentiment echoes these findings. According to Roy Morgan's Consumer Confidence Index, confidence has shown modest growth, reaching 82 points in October—an increase of 8.7 points compared to last year. This uptick in consumer confidence mirrors the relative stability in our supporter sentiment, particularly among existing donors. Despite these small gains, Australians continue to express caution, with nearly half (47%) feeling worse off financially than the previous year, underscoring many households' ongoing financial pressures.

Adapting to the current climate, this data offers essential guidance for the approach we take this season:

- Ask high, ask confidently: Our loyal supporters remain willing to give despite economic challenges. This confidence in our work is a testament to the relationships built over time, and it's crucial to maintain our momentum by asking confidently and ambitiously.
- Understanding and engaging new donors: With prospects exhibiting lower giving sentiment, now is the time to personalise our messaging, address potential financial concerns directly, and highlight the unique value their support can bring.
- Stay contextual at every touchpoint: While COL pressures remain evident, the data suggests donors may still be open to contributing when the purpose is clear and the messaging remains empathetic.

As we head deeper into the holiday season, we must consider sentiment metrics, balancing confidence with sensitivity. By aligning our approach to the evolving landscape, we can continue to drive support effectively, helping charities meet their goals through this critical period.

What if donor generosity is more substantial than we think? Are you ready to make the ask? Apple Marketing Group is here to help you build trust and make impactful appeals.

Call us for a chat:

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“As a donor I want to feel good about my decision to help the charity AND I want to know that my donation is making a difference.”

