

8. COMMERCIAL DEVELOPMENT - GIVING (SM)

Purpose of the report

1. This report provides the strategic context to the earlier Giving Strategy report presented to the Audit, Resources and Performance Committee on 22 January 2016 (Appendix A).

Recommendations

That:

2.
 1. **The Authority approves the Giving Strategy.**
 2. **The Authority approves the budgets and broad activity plan contained within the first report.**
 3. **The Authority notes the intention to develop a strategic commercial development plan within which to develop and manage the strategy further.**
 4. **The Authority notes the strategic context in which the work on voluntary giving will be further developed and implemented.**

How does this contribute to our policies and legal obligations?

3. See original report's reference to meeting the strategic objectives to grow support and income. This supporting report provides confidence that resources will be invested wisely with due regard to maximising return on investment.

Background

4. The Authority has taken the strategic decision to diversify its income streams in order to maximise its ability to protect and enhance the National Park. To achieve this it has recognised the requirement for a step change in how engages with a wide range of audiences to win their support.
5. The core elements of the current 'giving strategy' will provide a good foundation from which to start the work. Establishing roles with specific skills and focus on this particular initiative – plus the processes and systems to support CRM and campaign management – will help us to understand the propensity of supporters to give to the cause. It will help identify the best channels for acquisition, techniques for retention and, most importantly, the likelihood of converting donors into committed givers.
6. The Authority is entering this new arena against the backdrop of a cluttered, competitive and increasingly connected world where more charities, campaign groups and individuals are clamouring for attention in the spheres of conservation, culture and heritage. Communication channels are multiplying and 'people power' is no longer simply a slogan, it is standard operating procedure. At the same time, organisations with longer histories and more experience are still learning how to do data-driven marketing and will not sit passively when another proposition enters the market. The Charity Brand Index, a benchmark of the top 100 UK charities in terms of awareness, perceptions and attractiveness to donors, indicates that giving patterns are relatively entrenched and the barriers to entry relatively high.
7. How we navigate this terrain – as a new entrant with little experience – will determine our ability to achieve our vision. An integrated commercial development plan will be

developed to maximise the chances of the giving strategy to deliver. That plan will be underpinned by the strategic principles of simplification and integration (and wider organisational design work).

8. **Commercial development and outreach objectives:**

- Build awareness
- Develop understanding
- Increase active supporters/advocates
- Grow income (*to invest back into the National Park*).

9. To meet these objectives the Authority will develop competence in:

Strategic marketing

Benefit: greater direction and flexibility to support strategic priorities and improve efficiency.

Supporter/market insight

Benefit: deeper understanding to inform long-term decisions and ability to grasp near-term opportunities.

Brand management

Benefit: clearer positioning (based on compelling differentiated narrative) around which to formulate all our fundraising, site experience, engagement activities.

Merchandise planning

Benefit: better product ranges (and licensing opportunities) that match the lifestage/lifestyle and preferred trading channels of supporters.

Digital communications

Benefit: Easier engagement by supporters, more targeted messages, co-created content and development of a channel that best reflects our special qualities.

10. This list is not exhaustive but indicative of the areas of development needed to deliver on the Authority's wider commercial aspirations.

11. **Conclusion**

To improve our performance across these areas will require a step-change in our **data-driven marketing**. The giving strategy represents an important step in this process. By placing the supporter at the heart of our thinking we can be clearer on key performance indicators such as activity rates, recruitment costs and the efficiency of contact strategies. It will support better visitor experience planning and the future development of legacy marketing and other giving models. It will add value to our wider outreach activity plus engagement with corporate partners.

12. There will be work undertaken during the next phase of the initiative to finesse the plan, identify key testing opportunities and revisit some of its assumptions. In the meantime, making these investments now will enable the Authority to integrate its entry into voluntary giving within the three-year strategic plan and wider corporate reshaping exercise.

Proposal

13. The Director of Commercial Development and Outreach, having reviewed the proposals as per the request from Audit, Resources and Performance Committee,

recommends that the Authority:

- Approves the Giving Strategy paper; and
- Notes the intention to develop a strategic commercial development plan within which to develop and manage the strategy further.

Are there any corporate implications members should be concerned about?

14. **Financial:**

None further than those set out in the original report.

15. **Risk Management:**

To attract voluntary income may require, in the longer-term, a review of processes and governance structures to meet fundraising codes and standards of practice and potential tax efficiencies.

16. **Sustainability:**

None further than those set out in the original report.

17. **Background papers** (not previously published) – None

Appendices

Appendix A – Giving Strategy Report (Mary Bagley)

Report Author, Job Title and Publication Date

Simon Malcolm, Director of Commercial Development & Outreach, 10 March 2016