



Some money makers in the Temple

www.culturalconnotations.com

Last week in Paris (what an opening line!), I visited the Musée de la Mode et du Textile (Museum of Fashion and Textiles) and saw a wonderful exhibition entitled Light and Dark. After a couple of enjoyable hours of longing and learning, I noticed a total absence of logos and sponsorship messages, so commonly found in most museums nowadays. My companion, a Dutch museum curator, remarked coolly that this museum didn't need such support since the French Ministry of Culture simply bankrolled the lot. What a luxury, I thought, not having to solicit sponsors and patrons for every show that your museum staged.

Alternately though, this also means missed opportunities for engaging committed and enthusiastic supporters, as fundraising is not only the pursuit of the almighty dollar, undertaken effectively it is also a very specific and effective form of audience development. Potential major donors and sponsors are frequently, although not always, drawn from the movers and shakers in the community in which a museum operates. These people to whom you make your sales pitches might not always contribute to your current campaign, but access at such moments provides unique opportunities to sew seeds for future support, financial or otherwise, with people of influence.

There are many vehicles available to museums for raising money. In addition to applications to government and undertaking commercial operations, the sources for financial support can be broadly defined into three categories: foundations and trusts, corporates and private individuals. The distinctions between them though are often blurred, especially where corporate leaders influence their company's patronage as well as being philanthropic in their own right.

All our museums have, or should have, a mission statement, which defines our goals and objectives on both a daily basis as well as for the longer term. Raising funds of course directly enables museums to fulfil these, but the way in which fundraising is undertaken can also facilitate achieving these goals. A contemporary art museum, for example, might raise just as much money by staging a chook raffle in every pub in town, as it could by introducing a friends scheme, but the latter also enables it to simultaneously garner supporters interested in its programmes as well as bring in an (ongoing) source of income. The key to successful fundraising then is integrating the objectives of the fundraising activities and those of the museum.

In an effort to achieve the maximum benefits from a fundraising campaign over both the short and longer terms, it is appropriate to first step back and identify the goals of the campaign. These might include: attracting enough resources to ensure that over the longer term the museum's growth is secured; increasing community awareness of the needs of your organisation; encouraging more people and organisations to become actively involved in your objectives; ensuring that it is financially stable over the longer term; and undertaking fundraising in a cost-effective manner. Unfortunately, it is usually not possible to achieve all of these simultaneously. For example often the campaign incurring the least cost per dollar is one that secures a few, very large donations from private individuals. This is unlikely though to influence the many potential smaller donors who might contribute say \$100 or less, upon which you might also be dependent. Similarly, a direct mail campaign might raise the greatest awareness of your programmes, but can be extremely expensive to undertake.

For most museums, each year's budget appears to be larger than that of the previous year. Usually it is the result of expanding programmes and services either to the current audience or increasing them to embrace new community segments, as does the costs of delivering them. If a museum's growth is to be sustainable, the organisation must continue to expand the base of smaller donors from which it is able to obtain financial, and other support. Direct mail campaigns requesting small amounts of money to either existing supporters, ie. friends groups, or the broader community is a typical tactic to increase the donor base, and may possibly be repeated annually with success. The cause to be supported must generally have broad appeal with clear outcomes in order to be successful. Additionally, it can be a costly exercise both in terms of undertaking the campaign itself, as well as in ensuring adequate levels of servicing of the increased numbers of donors acquired.

Fundraising tactics can also facilitate the raising of awareness of a museum's existence. This is particularly important for new organisations or for those wishing to alter their profile in the public arena. The staging of exclusive gala events, for example, can generate donations as well as increase the visibility of a museum amongst potential larger donors. Similarly, media stunts and popular events can enhance the broader community's awareness, often by their ability to garner media coverage. A good example of a particularly



Some money makers in the Temple

www.culturalconnotations.com

successful tactic from the health sector is Red Nose Day developed in aid of research into Sudden Infant Death Syndrome. This campaign's decreasing popularity over time attests to the limited life that such tactics generally have. Equally, many corporate sponsorships and donations can increase awareness further via their own promotional channels.

Museums are traditionally very good at encouraging members of the community to be actively involved in their organisation, ranging from meeting-and-greeting at the front desk to governance at board level. These supporters are generally the first to be called upon for financial contributions because they rarely require extensive convincing of the merit of the cause. Appropriate servicing, again, is foremost in maintaining the strength of this support. Newsletters, briefings, tours and personal contact all help to build effective relationships, which in many instances will lead to increased donations over time from individuals and corporations. Informed, engaged and involved donors, and in particular volunteers, are more likely to give more and do so more frequently.

Unfortunately for most museums, and charitable organisations in general, the financial horizon is viewed as being remarkably nearby. Budgets are often managed to balance in the short term, usually the financial year or at most a three to five year term. Our institutions on the other hand are philosophically rooted in the concept that they will always be around. Greater financial stability over a longer-term perspective will be achieved by periodically reviewing fundraising strategies and modifying them to account for a changing world – the current uncertainty in the business sector after the troubles of September 11, for example, might require a decreasing reliance on large individual donations from private individuals for the near future. Tactics that were in place before are likely to be less effective now. Additionally, it is important to recognise that much as a diversified share portfolio ensures greater stability in one's own personal finances, a diversified fundraising programme enables a museum to be less dependent upon individual sources of income, and changes in these levels beyond their control. Museums concerned with their longer-term stability will be looking towards establishing and maintaining foundations and planned giving programmes if they have not already done so.

Finally, fund-raising must be cost-effective, although the measurement of this will change over the life of a campaign. For any campaign it should be possible to identify the various costs per dollar raised and this should be used as a guide to evaluate the effectiveness of any given tactic. The costs associated with maintaining a friends group, procuring a major benefactor, or staging a fund-raising event should be measured against their net return, which will affect the museum's decision to continue or change its current fund-raising course. Some tactics, such as establishing a supporter's group (membership forms, cards, newsletters, databases etc.), require substantial start-up investment to instigate, whilst others such as acquiring a few major donors might not. Given the many other possible outcomes associated with fundraising strategies, the economics of an individual campaign though should be measured against the other possible outcomes such as those referred to above.

Museums should identify their ideal fundraising strategies in accordance with their overall mission. Through the accidents of history, the involvement of various individuals and the changing political, economic and social climates in which they operate each museum will have developed an individual mission statement setting it apart from every other in the country. The logical outcome then is that the fundraising strategies and tactics chosen too will be individually tailored to a museum's needs in order for it to be efficient, effective and successful.

*Annette Welkamp, Director, Cultural Connotations
Currently engaged with Heide Museum of Modern Art as
Campaign Manager for the Heide Building Fund.*

Published in Insite, Museums Australia (Vic)
December – January 2001/2002