

Giving Attitude

Private Sector Support Survey 2020
Research Report

creative
partnerships
australia

instinct^{and}
reason

wavelength

Our Acknowledgement of Country

Creative Partnerships Australia acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to land, waters, and community. We pay our respects to them and their cultures; and to Elders both past and present.

Cover Image: Spare Parts Puppet Theatre - String Symphony
Photo: Luke Baker

Image: Giyyong Festival - Dancers
Photo: David Rogers



Contents

Foreword	4
Executive summary	5
Introduction	8
Arts & cultural profile	18
Income analysis	26
Fostering success in fundraising	47
Appendix	66

Creative Partnerships Australia is supported by the Australian Government through the Department of Infrastructure, Transport, Regional Development and Communications.

Image: Helpmann Academy, Jacinta Jefferies
Photo: Sofia Calado



Foreword

Welcome to the second edition of *Giving Attitude*, our biennial survey of private sector support for the arts and culture. The survey includes both quantitative data and a reflection of sentiment towards fundraising in this sector. It is designed to track trends over time, as well as provide arts organisations with a reference point against which to measure their own achievements in attracting and maintaining private sector support.

This year's results show the total value of private sector support was \$540 million, an 11% decline from the total value in the previous survey. However, the decreases were limited to in-kind support and volunteering and pro bono support, and they were offset to some degree by increases in other areas. Growth areas included the amount of cash received across both philanthropy and business sponsorships, driven by cash donations and cash sponsorships.

The results also show an increase in the sector's acceptance of the need to raise private sector support, as well as an increase in its perception of its skills in fundraising. As a result, organisations are spending more on fundraising activities, and recognising philanthropy and sponsorship as important and necessary sources to supplement government grants and earned income.

Despite this, less than a quarter of organisations have a dedicated fundraiser on their staff, meaning

that staff undertaking fundraising activities do not necessarily have skills or experience in this area.

As in *Giving Attitude 2018*, organisations have vastly different experiences depending on their size and location, with larger organisations more likely to have dedicated fundraising teams and established relationships with donors and sponsors that have enabled them to maintain and grow private sector support.

The role of boards in fundraising is always contentious and this is reflected in the results which show that boards are not all engaged with fundraising, with only 25% of board members participating in fundraising activities. This is a key area where we would like to work towards seeing an improvement in future years.

While the COVID-19 pandemic was in its early stages during the survey period, this report shows early signs that donors and sponsors stuck by the arts as the pandemic hit, confirming the close

relationship between arts organisations and their communities of supporters. This is a positive sign in what we now know has been a devastating time for the arts and cultural sector and indicates that, as it emerges from this difficult period, we should be optimistic about continued private sector support for the sector.



Chief Executive Officer
Creative Partnerships
Australia

Executive summary

Data collection periods

While comparisons between the data sets of *Giving Attitude 2018* and *Giving Attitude 2020* show no major changes that would impact the results, the start of the COVID-19 pandemic in March 2020 impacts the final four months of the reporting period for those organisations using the financial year 2019/20 to report financial results, which was about half of the organisations surveyed. As the survey was undertaken six months after the start of the pandemic, the questions on sentiment reflect the continuing impact of the pandemic as the year progressed.

Financial data:

Was collected based on the participating organisations' reporting periods (44% reported calendar year 2019 and 56% reported financial year 2019/2020). This means only 56% of the sample had their financial results impacted by the pandemic in the final four months of the reporting period (March 2020 to June 2020).

Sentiment data:

Was collected in between November 2020 and May 2021, with the context of COVID-19 having already impacted the arts and cultural sector.

Total value of private sector support

The total value of private sector support for the arts and cultural sector was \$540 million for the 2019 calendar year and 2019/20 financial year reporting period. This includes all cash and in-kind support provided through donations, sponsorships, bequests, fundraising, and volunteering.

This represents an 11% decline in the value of private sector support compared to *Giving Attitude 2018*, when the value was \$608 million. This decline can be attributed to significant falls in the value of in-kind sponsorships (\$65 million to \$25 million), volunteer and pro bono support (\$180 million to \$124 million), and bequests (\$49 million to \$17 million) received by arts and cultural organisations.

However, not all types of private sector support declined. Total cash support increased from \$351 million to \$378 million across cash donations and cash sponsorships. This rise likely prevented a greater decline in private sector support, demonstrating that cash support remains a significant contributor to the sector alongside government support and earned income.



Image: Australian Dance Theatre, *SuperNature* by Garry Stewart
Photo: Sam Roberts

Executive summary

What are the trends in private sector support?

The final four months of the 2019/20 financial year were impacted by the COVID-19 pandemic. This was a time of significant challenge as 55% of all arts and cultural organisations reported a decline in overall revenue of an average of 45%.

A decline in private sector support was felt most strongly by smaller arts and cultural organisations, with a 41% decline in private sector support for organisations with turnover of less than \$50,000, and a 47% decline for organisations with turnover of between \$50,000 and \$250,000. Conversely, the results found an 18% increase for organisations with annual turnover of \$5 million or more and 55% for organisations with a turnover between \$1 and \$5 million. This may be linked to greater use of calendar year reporting for larger organisations which avoided the impacts of COVID-19, but also a reflection of their employment of dedicated fundraising staff who were able to continue fundraising and were not diverted to other activities as the pandemic set in.

Supporters of arts and culture were also impacted by COVID-19. The decline of in-kind sponsorships and volunteering is connected to the decline in the number of business sponsors from an average of sixteen per organisation in the 2018 report to only five. This result suggests that supporters paused their in-kind support as the COVID-19 pandemic unfolded, most likely as it related directly to arts activities that could no longer take place.

The total costs incurred in raising private sector support increased 14% from \$175 million to \$199 million in the current study period. This was driven by higher salaries (+\$22.4 million), marketing (+\$6.3 million), consulting (+\$2.4 million), and event expenses (+\$4.1 million).

While the sector continues to earn most income through box office and sales (37% of all funding), it is a decline from 40% in the 2018 report as COVID-19 restrictions closed face-to-face operations between March 2020 and June 2020. The study shows that the sector remains reliant on private and government support for over 50% of all funding. The estimated share of private sector support of overall revenue dropped from 25% to 23% while government support increased from 27% to 33% in this reporting period.

Nevertheless, arts and cultural organisations do anticipate private sector support to rebound as a percentage of revenue within five years, leading to a reduced reliance on government funding in the future. This finding indicates a belief that fundraising activities will return as state government restrictions are lifted and the arts and cultural sector returns to normal activities.



Image: PhotoAccess - Life in the Landscape 2019
Photo: Rory Gillen

Executive summary

What are the drivers for successful fundraising?

There has been a rise in the sector's belief in both the need for, and their capability to raise, private sector support. Since the last study, belief in the importance of private sector support has risen, with an improvement in the level of knowledge of and experience in seeking private sector support. This is demonstrated in a higher level of perceived success in these activities compared to the previous report. At the same time, belief in the importance of government funding also strengthened, indicating that the sector sees government funding as a crucial component of future revenue.

Personal approaches remain the most effective strategy to raise private sector support. The study indicated that directly engaging with individuals and businesses for donations and sponsorships, along with using entertainment events, continue to provide the best opportunities to maximize private sector support.

It is encouraging to see that directly approaching individuals for donations remains the most common fundraising activity (77%). The COVID-19 experience is likely to have resulted in a change in

other kinds of fundraising activities; as evidenced by a rise in social media campaigns (64% compared to 49% previously) and fewer direct-to-business activities, raffles, and entertainment events. The results also suggest that arts and cultural organisations are finding fundraising success in social media campaigns and that the future may see a more diversified approach to fundraising.

The size of an organisation continued to have the most influence on private sector support in terms of fundraising skills, knowledge, resources, and confidence in raising private sector support. Though organisations with a turnover of more than \$1 million spent more on fundraising, they raised more funds and therefore achieved a higher return on investment on fundraising activity than smaller organisations.

How to improve capability and capacity to fundraise?

A growing understanding of the importance of private sector fundraising has led to an improved self-awareness within organisations when they lack the internal expertise to effectively raise private sector support. This has resulted in a

better understanding of the need for an internal fundraising strategy and improved profile-raising activity by 36% of organisations. The identification of this need for enhanced fundraising involves organisations either reviewing or developing a fundraising strategy that set goals and outlines a compelling proposition for support.

Other key strategies included having dedicated and experienced staff to seek better fundraising relationships (20%). Currently, 80% of arts and cultural organisations lack dedicated fundraising staff, similar to the previous *Giving Attitude* study, which makes it difficult for nearly one third of organisations to gain or maintain the right relationships. These relationships are a key driver of fundraising success.

Another key strategy is to improve support and engagement from the organisations' boards. Leveraging the capability of the organisation's board is a clear opportunity to harness knowledge, skills, and expertise. However, this study discovered that boards are more likely to discuss fundraising strategies rather than to regularly participate in fundraising activities, or to directly approach potential sponsors and donors.



Introduction

Image: Arena Theatre, Air Race
Photo: Jolyon James



Purpose of research

***Giving Attitude* is a biennial survey of Australian arts and cultural organisations commissioned by Creative Partnerships Australia (CPA). It is designed to strengthen the knowledge base on private sector support that can inform policy and advocacy for investment in the sector across Australia.**

The first study, *Giving Attitude 2018*, was published in 2019 and provided a new level of depth and rigour to the question of what private sector support is raised in the industry, what is behind the successes, and how the challenges to fundraising can be overcome. It gives us insight into how CEOs and fundraisers are thinking, feeling, and behaving in relation to raising private sector support. It offers arts and cultural organisations a guide to the most successful fundraising strategies, and the ability to see how their fundraising income and costs compare with others.

It will assist policy makers at all levels of government to understand what is required to be successful in fundraising, and what they can do to help build the fundraising capacity of the arts sector. Arts organisations can also see what is achievable, and the return on investment they can expect when they invest time and resources into fundraising activities.

This report builds on *Giving Attitude 2018*, and over time will enable us to track trends. It will also help measure the impact of external factors, such as the effect of the COVID-19 pandemic, on private sector support.



Image: Spare Parts Puppet Theatre - Rules of Summer
Photo: Jessica Wyld



Survey design

Focus areas

The survey focused on five areas, as follows:

- Tracking the total value of private sector support for the arts and cultural sector by estimating the dollar value of private sector support.
- Tracking trends in each type of private sector support for the arts and cultural sector (e.g., donations, sponsorship, volunteering).
- Tracking trends on the return on investment for arts and cultural organisations.
- Tracking and reporting on the sentiment of the sector towards private sector support including the main challenges and opportunities faced.
- Reporting on the influence of the COVID-19 pandemic on the data and attitudes towards fundraising.

Methodology

The *Giving Attitude* study uses a multi-mode recruitment approach to achieve a representative spread of arts and cultural organisations across Australia. The participating organisations complete a questionnaire that reveals their activities and success with fundraising and their financial private sector support data. Wallis Consulting Group designed the methodology that has been repeated for this second *Giving Attitude* study.

The sample was recruited from a contact list of arts and cultural organisations provided by Creative Partnerships Australia. Creative Partnerships determined this list through an identification of organisations that had Deductible Gift Recipient (DGR) status for the purpose of being an arts or cultural organisation at the time the list was created, where their primary purpose was arts or cultural activities.

By engaging a spread of arts and cultural organisations across Australia, this report was able to provide a true representation of this sector through key characteristics such as the organisation turnover, geographic location, and primary art form or cultural activity. The collected survey data was

weighted to reflect the composition of arts and cultural organisations in the Australian Charities and Not-for-Profit Commission (ACNC) 2019 Annual Information Statement (AIS).

The questionnaire contains quantitative questions relating to financial information, fundraising activities, and sentiment towards fundraising. Regarding fundraising activities and sentiment, participating organisations answered questions that covered the organisation's capacity and capability to fundraise, their perceived success at raising support, and the challenges they faced to undertake any fundraising activities.

The financial data requested addressed the types of private sector support they received in their recent financial reporting period (Calendar 2019 or Financial Year 2019/20). This included information relating to cash and in-kind support in the form of donations, sponsorships, bequests, and income from fundraising activities, as well as volunteer and pro bono support. The study also collected information relating to the costs of raising support to highlight the return on investment of fundraising activities.

The study includes organisations that did not receive any private sector support in the financial reporting period to ensure the study revealed the true status of private sector support in the sector.

The results of the survey fed into the national estimate methodology to provide an estimation of the total value of private sector support. This methodology enables a deeper understanding on what was driving the total value of private sector support through estimating the value of cash, in-kind, donations, sponsorships, bequests, fundraising activity, volunteer, and pro bono support, as well as the level of associated costs that were incurred to undertake any fundraising activities.

The collection of this business data allows a determination on the changing value of private sector support to the sector to be made, and in combination with the sentiment data relating to capability and capacity, strengthens the knowledge base on fundraising capacity to inform how investment in the arts can be fostered across Australia.

AIS data and estimate method

Wallis Consulting Group developed the methodology for estimating the value of private sector support income and expenses using a combination of data from the survey and ACNC reports. Please see Appendix 3 for more detail.



Image: Festival of Jewish Art and Music, Transformer - A tribute to Lou Reed
Photo: Carmen Zammit



Arts and Cultural Classifications

There are many ways to define arts and cultural organisations. This research was designed based on the following International Classification of Non-Profit Organisations (ICNPO 1100) arts and cultural definitions:

Media and communications



Production and dissemination of information and communication, including radio and TV stations, publishing of books, journals, newspapers, and newsletters; film production; and libraries.

Visual arts, architecture, ceramic art



Production, dissemination and display of visual arts and architecture; includes sculpture, photographic societies, painting, drawing, design centres, and architectural associations.

Performing arts



Performing arts centres, companies, and associations; includes theatres, dance, ballet, opera, orchestras, choirs, and music ensembles.

Historical, literary and humanistic societies



Promotion and appreciation of the humanities, preservation of historical and cultural artefacts, and commemoration of historical events; includes historical societies, language associations, reading promotion, war memorials, commemorative funds and associations, and poetry and literary societies.

Museums

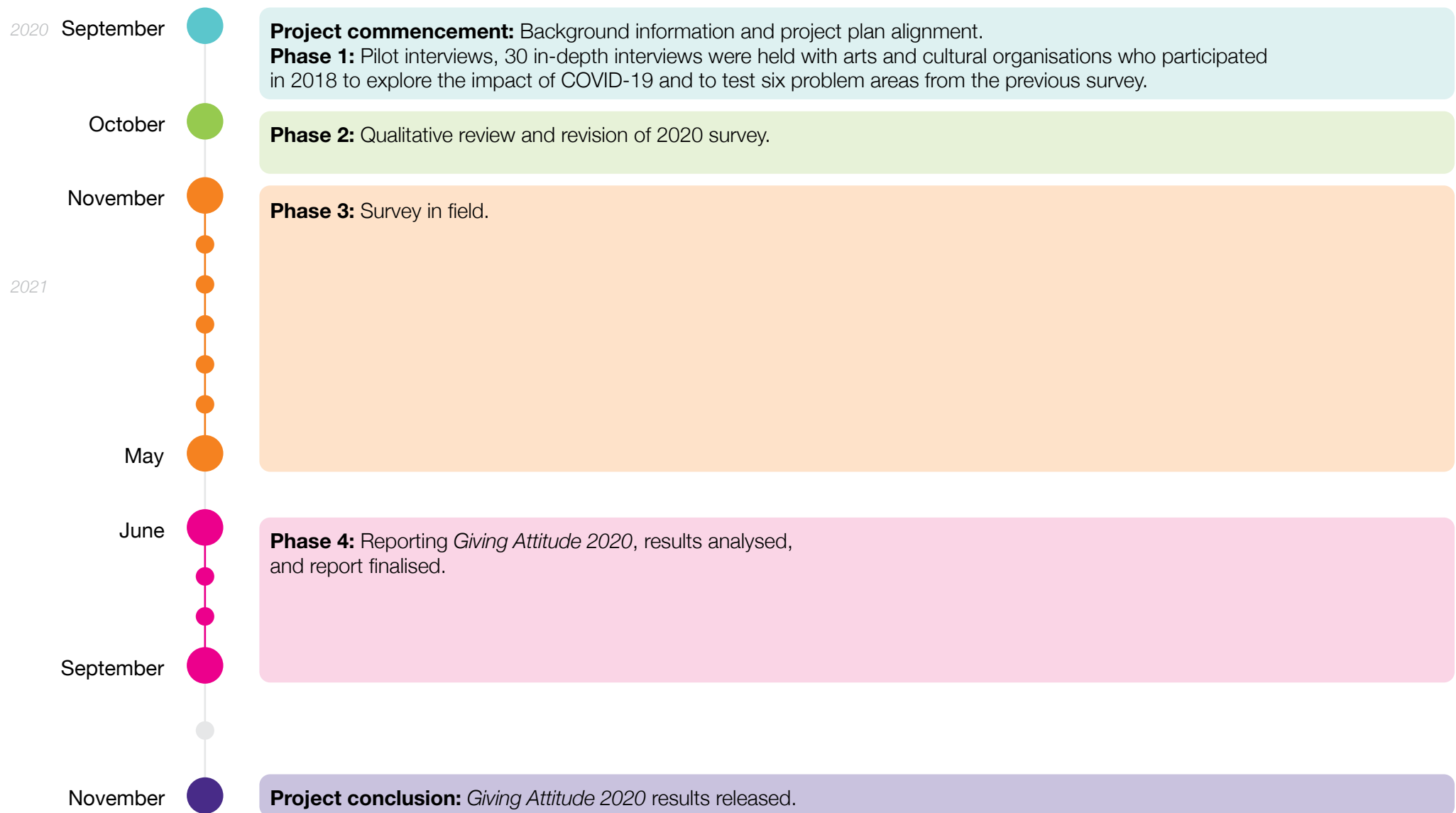


General and specialised museums covering art, history, sciences, technology, and culture.

The following adjustments were made to the categories during the design process:

- Festivals were given a separate category.
- Galleries were combined with Museums rather than being included in the overall visual art category.
- Cross-art form organisations were given a separate category to recognise that some organisations provide creative and/or cultural services that involve multiple art forms or are not art form specific and/or work in emerging and experimental arts.

Project timeline



Sample and data analysis methods

Data collected in the *Giving Attitude* survey

This iteration of the *Giving Attitude* survey collected the following data:

1. A profile of their organisation.
2. Fundraising activities, and their perceived capability and success with fundraising.
3. Fundraising challenges and opportunities.
4. Business data for their recent reporting period (Calendar 2019 or financial year 2019/2020):
 - a. Total turnover (Earned income, government funding, private sector funding figures).
 - b. Funding sources, including donors & supporters.
 - c. Private sector funding figures (Cash and in-kind values for donations, fundraising, sponsorships, bequests).
 - d. Volunteer hours.
 - e. Associated costs.

Data collection approach

- A multi-mode recruitment approach was utilised across email, phone, and mail.
- Instinct and Reason recruited the sample from a contact list of arts and cultural organisations identified as having deductible gift recipient status.
- Each organisation was provided a unique online link for the survey to be completed.
- If a respondent preferred, they were able to complete the survey via phone or on a paper-based survey. This data was then entered into the online system.



Image: TRACKS Dance, Last Light
Photo: Peter Eaves

Sample profile and comparability

380 of the 1,703 organisations in the sample provided a response to the survey between November 1, 2020, and May 16, 2021. This represented a 22.3% response rate. The sample also included eight partial completes that did not provide financial data but completed the sentiment questions.

A smaller sample was collected for *Giving Attitude 2020* compared to *Giving Attitude 2018*, which saw 551 organisations complete the study. Recruitment was likely impacted by the disruption to arts and cultural organisations during late 2020 and early 2021 as a result of the pandemic.

Significant barriers were encountered during the data collection period for *Giving Attitude 2020*. As a result, the data collection period was extended to six months, in order to achieve a sample that was similar to the sample achieved in *Giving Attitude 2018*.

The key recruitment barriers were:

1. Fewer organisations were provided in the sample list to ensure the primary purpose of all organisations in the sample list was arts and culture and contactable through current contact details.
2. The company was unable to be located according to known contact details. Evidence from the recruitment suggested that the existing contact details became out-of-date quickly.
3. The relevant staff could not be contacted. Higher staff mobility, with more employees working-from-home, made it difficult to directly contact the staff required to complete the study.

4. Organisations were operationally and creatively focused. The need for organisations, especially those with no dedicated fundraising staff, to focus on programming and operational issues in response to the changed conditions due to the pandemic meant that they had less time to prioritise completing the survey.
5. Organisations would not buy-in to the research's relevance. It was difficult to persuade those with minimal or no fundraising activity to complete the survey in a time when their priorities were elsewhere.

Sample consistency is paramount to any tracking study to ensure that changes presented are reflective of true industry changes and not a result of a variation in the sample. The smaller sample size of *Giving Attitude 2020* is unlikely to have impacted results, as the response rate is not significantly different to *Giving Attitude 2018* (22.3% vs 24.9% in *Giving Attitude 2018*), the margin of error is not too dissimilar (+/- 4.43% vs. +/- 3.62%) and there is no significant difference in the size composition of the industry between the ACNC's Annual Information Statements (AIS) for 2017 and 2019 which the weighting of the results is based on.

Moreover, there were no statistical differences between the samples in not-for-profit status, being an Aboriginal or Torres Strait Islander organisation, and the number of years of operation.

However, there are several considerations that must be kept in mind when understanding the results of *Giving Attitude 2020* and the changes from *Giving Attitude 2018* that these represent.

In *Giving Attitude 2020*, there were fewer museums and galleries and more performing arts represented in the sample. A change in the sample composition is also seen in fewer responses from volunteer organisations, as indicated by a higher proportion of paid staff organisations in 2020. This was likely a reflection of COVID-19 restrictions that forced organisations to close or change their operations.

2020 also saw more staff that were not in leadership roles responding to the survey. This was likely influenced by fewer CFOs starting the survey, with a higher number of other staff working on this survey. It was observed that staff were managing an increased workload due to the pressures of the pandemic, which led to a team-based approach to completing the survey. This resulted in senior staff contributing primarily to the business data and capacity/capability sections.

Data period references

The start of the COVID-19 pandemic occurred during the middle of the data collection period and must be kept in mind when considering the results of this report.

As a result, the data collection period provides a point-in-time reference to the challenges faced in the fundraising space due to disruptions from COVID-19. This was borne out in the difficulty of recruiting organisations to participate in this wave of research. The pandemic impacted upon the results of the sentiment questions that were asked six to twelve months after it began, and the financial results for the 2019/20 financial year (the final four months).

The data periods indicated in this report must be noted to understand the results and caution must be taken when interpreting the financial data.

The financial data was collected based on the organisations' reporting periods. 44% of the sample reported on the 2019 calendar year (CY19) and thus their financial data was not impacted by the pandemic.

This means that 56% of the sample reported on the 2019/20 financial year (FY20). As a result, their financial results were impacted by the final four months of this reporting period occurring after the start of the pandemic (March 2020 to June 2020).

The sentiment data must be understood in the context of the timing of the pandemic. Organisations responded to this section of the

study between November 2020 and May 2021, well after the impact of COVID-19 was being felt across the arts and cultural sector.

This report references the data collected as *Giving Attitude 2020*, and this is compared to the previous' report, now referred to as *Giving Attitude 2018*.

Differences in the sample profile between organisations reporting on calendar 2019 compared to those reporting on financial year 2019/20 must be noted.

Organisations reporting on the 2019 calendar year were more likely to be large or medium in size, have a primary focus in the performing arts, have been operating for longer (more than 10 years 91% CY19 v 74% FY20), and have paid staff (62% CY19 v 35% FY20). Anecdotal feedback from the recruitment calls suggests there were fewer organisations with unpaid staff reporting on the 2019 calendar year, and they relied on their paid staff to continue operations and creative developments.

Organisations reporting on financial year 2019/20 were more likely to be micro or small organisations with a primary focus as a museum or gallery. They were also more likely to be younger (less than 10 years 26% CY19 v 9% FY20), with unpaid staff (65% CY19 v 38% FY20) and without a board (13% CY19 v 3% FY20).



Image: Kate Harman, Depthless
Photo: ArtWork Agency

Overview of the qualitative review

Approach

Objectives of the qualitative interviews:

1. Pilot test the survey to understand how to:
 - Improve clarity of the overall survey while maintaining its trackability.
 - Improve the collection of financial data, as well as to provide definitions to improve understanding of the survey.
 - Improve data collection for cross art form categorisation, private donor definitions and board engagement.
 - Determine any barriers to completing the study.
2. Gather insights on the impact of COVID-19 and the economic recession on private sector support.

Session overview

- The interviews occurred between September 16 and October 6, 2020.
- They were 45 to 60-minutes in length.
- 25 of the interviews were conducted via zoom and 5 via the phone.
- Instinct and Reason recruited participants from a list of nominees Creative Partnerships provided. The list was based on organisations that participated in 2018.

Sample: All were recruited via email or phone (where a number could be publicly found). A breakdown of participants by their location, organisation size (turnover) and the self-identified cultural area or art form provides context for the results.

Category	Subcategory	Primary	Secondary
Cross-art Form		13	
Visual Arts	Painting		1
	Ceramics		2
	Design	1	3
	Photography		2
	Digital Art		1
Performing Arts	Music	4	7
	Dance	1	4
	Theatre	1	3
	Music Theatre	1	1
Museums and Galleries	Art	3	5
	Culture	1	3
	History	1	
Media and Communications	Film Production		3
	Publisher		1
Festivals		4	4

Turnover size	
Micro (<\$50k)	5
Small (\$50k–\$249k)	5
Medium (\$250k–\$999k)	7
Large (\$1m–<\$5m)	5
Extra-large (>\$5m)	8

Location	
NSW	6
ACT	2
VIC	7
QLD	2
WA	3
SA	6
TAS	1
NT	3

Arts and cultural profile

Image: Crossroad Arts - CRUSH
Photo: Jim Cullen



INTRODUCTION

ARTS AND CULTURE PROFILE

INCOME ANALYSIS

FOSTERING SUCCESS IN FUNDRAISING

APPENDIX

Giving Attitude 2020 18

Key findings

- 70% of arts and cultural organisations in Australia have a turnover of less than \$250,000.
- 30% of organisations are based in New South Wales and 26% in Victoria which reflects the concentration of the sector in these states.
- Arts and cultural organisations are multidisciplinary, with 63% having secondary art forms in addition to their primary art form.
- There are more organisations reporting that they have paid staff, 58% compared to 38% in *Giving Attitude 2018*.
- 56% of the sample reported on financial year 19/20, capturing the beginning of the COVID-19 pandemic, while 44% reported on calendar year 2019 which was not affected by the pandemic.



Image: Performance Space, Other Tempo by Lauren Brincat - Liveworks 2019
Photo: Robert Catto



Profile detail

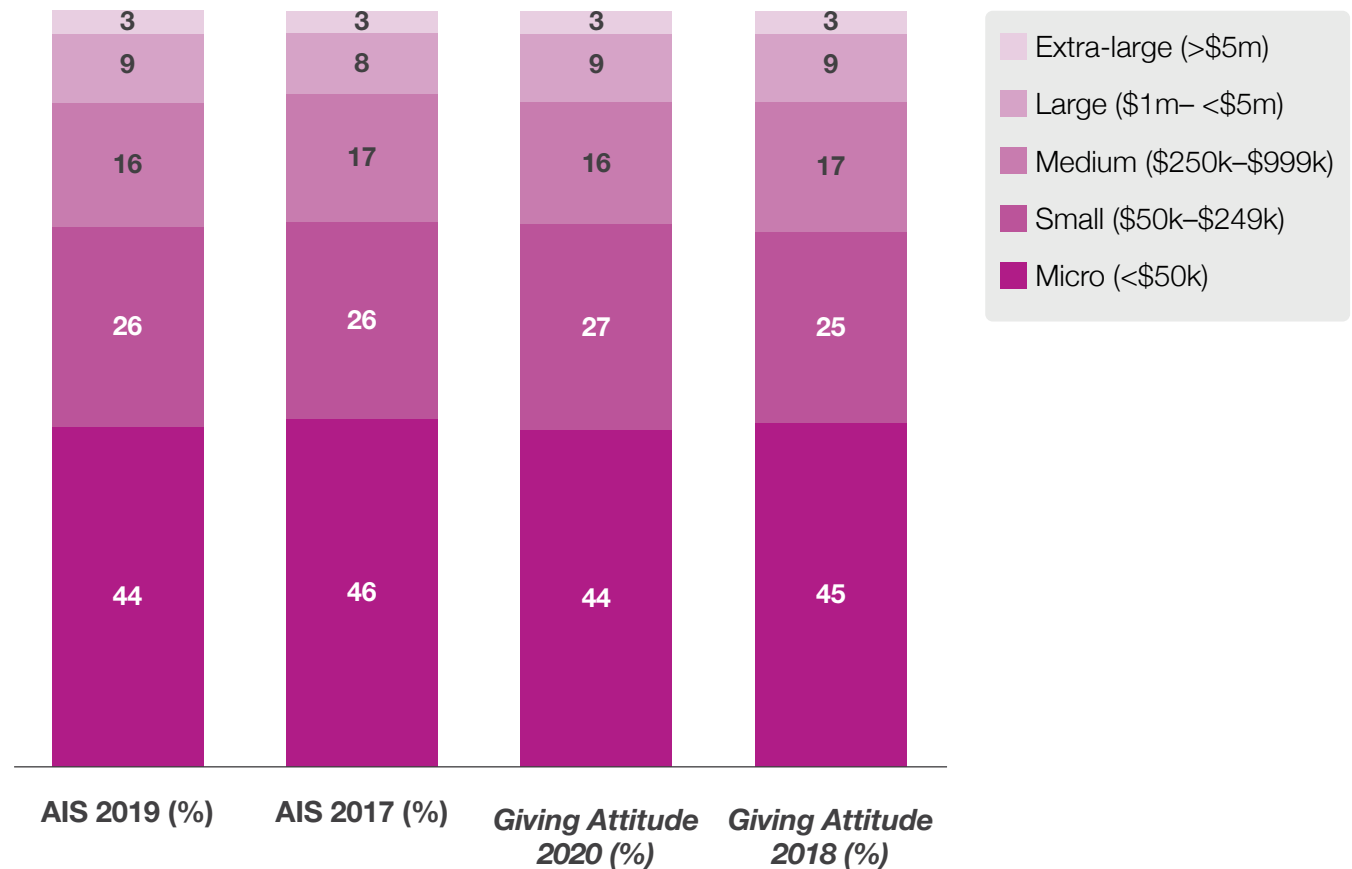
Size of arts and cultural organisations

A comparison of the ACNC's Annual Information Statements (AIS) for 2017 and 2019 shows no significant changes in the turnover composition of the industry for organisations whose main activity was either cultural or artistic.

As seen in Figure 1, the 2019 AIS results demonstrate that 70% of arts and cultural organisations in Australia continue to have a turnover of less than \$250,000. 44% are micro-organisations with turnover that is less than \$50,000, and 26% are small organisations with turnover between \$50,000 and \$249,000.

As a result, the composition of the industry was reflected in the weighting of the survey results discussed throughout this report.

Figure 1: Size of arts and cultural organisations



Location of arts and cultural organisations

The *Giving Attitude 2020* sample included 30% of the organisations from New South Wales and 26% from Victoria after being weighted. The geographic spread of the responses received remains relatively unchanged compared with the previous survey, with only the results from Western Australia increasing from 8% to 12% of the total sample.

The results of the Northern Territory, Tasmania and Australian Capital Territory should be treated with caution given the low sample obtained in these states. As a result, there is an increased likelihood that these results can be influenced by one or two responses. However, the sample for each of these locations represents a high portion of the number of organisations within that location. This means the margin of error in the results is smaller than what it might be for states with a greater number of organisations.

Figure 2: Location of arts and cultural organisations



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.

Cultural area or art form activities undertaken

The approach to asking about the type of cultural area or art-form of each participating organisation was modified in *Giving Attitude 2020*. As a result, direct comparisons cannot be made against *Giving Attitude 2018*.

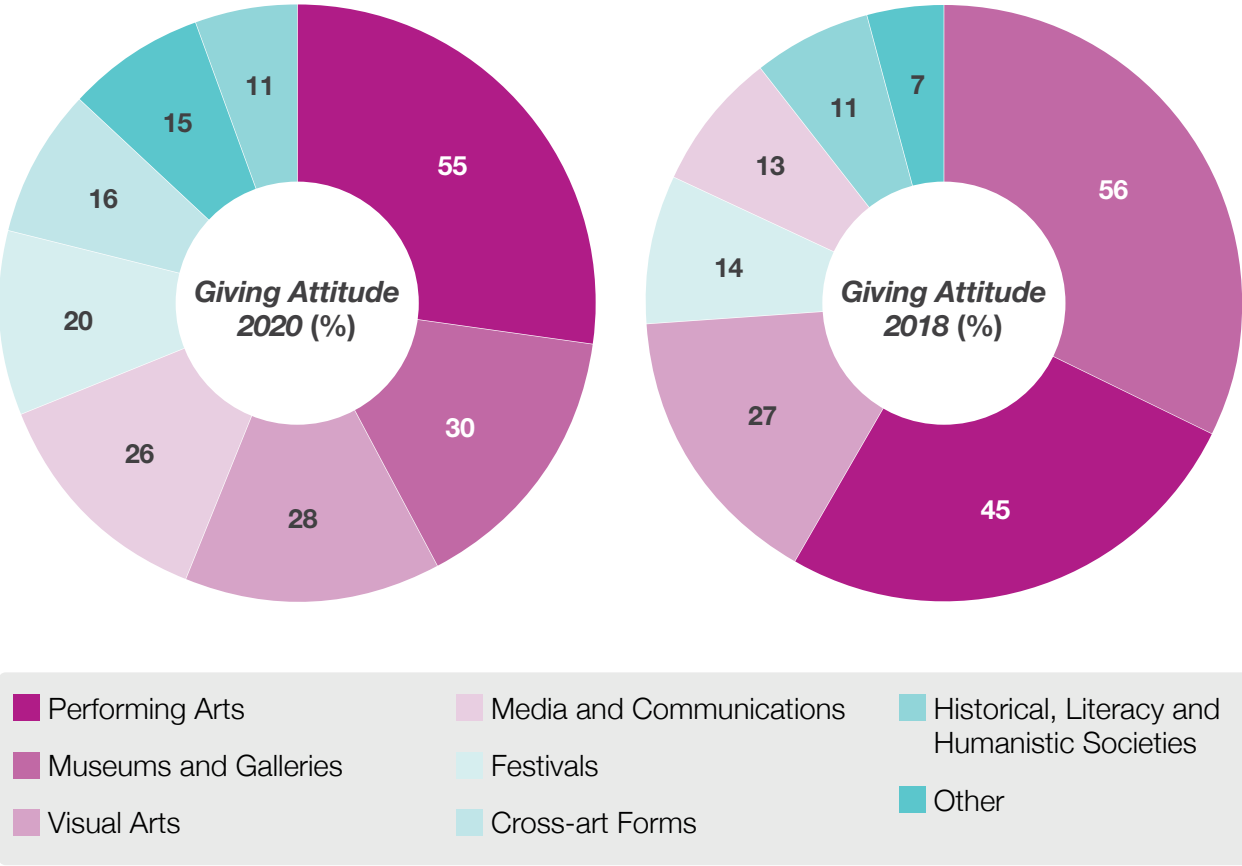
In *Giving Attitude 2018*, the question was a multiple response question that resulted in most companies nominating several activities which made it difficult to determine the main art form of focus for the organisation.

In *Giving Attitude 2020*, the question first asked about the primary focus of the organisation and included a new cross-art form category. The study then asked cross-art form organisations about the art form spread of their cross-art form activities. The secondary and additional activities of all other organisations were also sought.

Cross-art form was defined in the survey as an organisation providing creative and/or cultural services that involve multiple art forms or are not art form specific and/or work in emerging and experimental arts.

When grouped using the same classifications in *Giving Attitude 2018*, the results show that the *Giving Attitude 2020* sample has fewer museums and galleries and includes more performing art organisations.

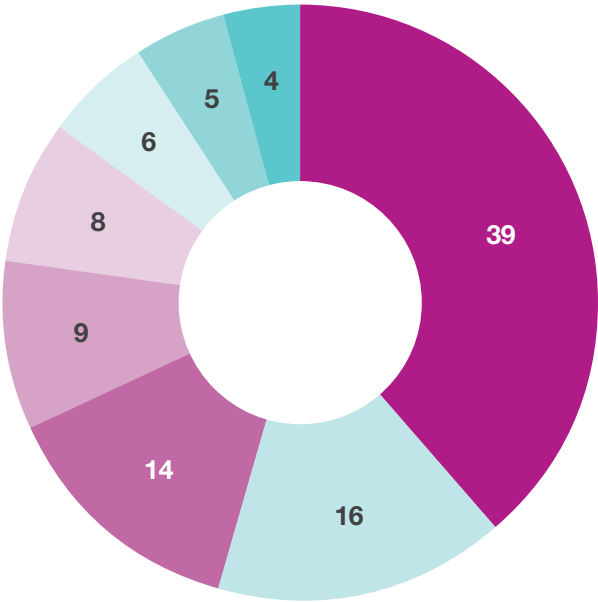
Figure 3: An indicative comparison of art form between *Giving Attitude 2018* and *Giving Attitude 2020*



In consideration of the primary activity, Figure 4 reveals that 21% of organisations are singular art form, 16% identify as cross-art form, and 63% have secondary art forms in addition to their primary art form focus.

The dominant primary cultural area or art form activity in the sample is the performing arts, which constitutes 39% of the sample, followed by 14% primarily focused on activities in museums and galleries, and 9% primarily focussed on visual arts activities.

Figure 4: Primary cultural area or art form activity



21% are singular art form (only one cultural area or art form)

63% have a primary art form, and additional cultural or art form activities

16% are cross-art form (more than one primary cultural area or art form)

- Performing Arts
- Museums and Galleries
- Visual Arts
- Media and Communications
- Festivals
- Cross-art Forms
- Historical, Literacy and Humanistic Societies
- Other

Other characteristics of the organisations

There are minor differences in the organisational profile of the sample from *Giving Attitude 2018*, with statistical differences in the staff structure, board type and not-for-profit focus.

The sample shows a higher representation in *Giving Attitude 2020* (58%) of organisations where the majority of their employees are paid, compared to *Giving Attitude 2018* (38%). This change is consistent with the anecdotal recruitment feedback that organisations were relying more on paid employees as volunteer numbers reduced due to COVID-19. Government programs such as JobKeeper were discussed in these sessions as providing a 'lifeline' for organisations to retain a permanent staff presence.

All organisations reported that they were a not-for-profit in 2020, compared to 94% in 2018.

Figure 5: Years in operation, not-for-profit status, and staff structure

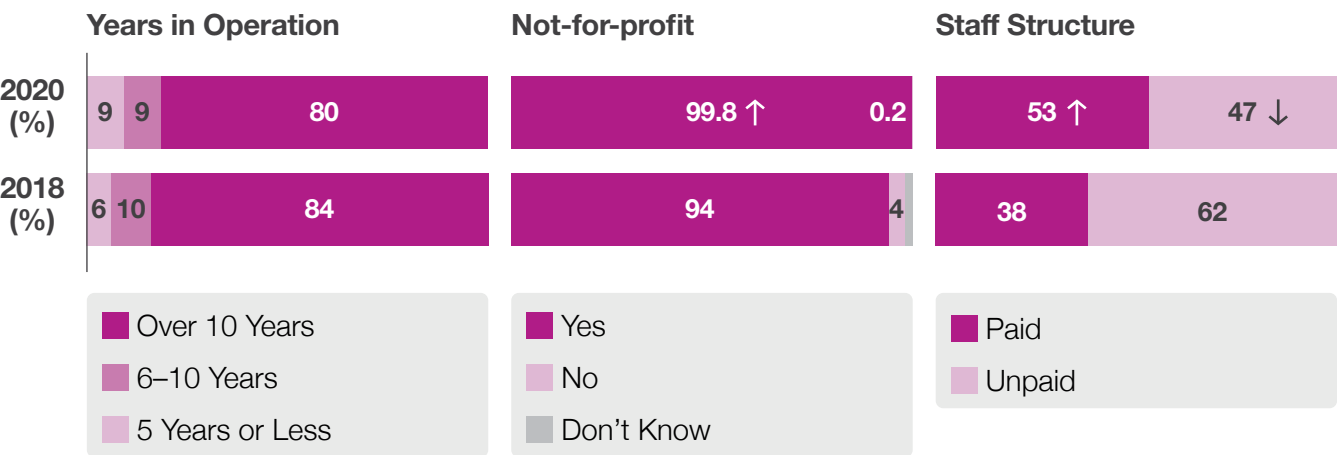
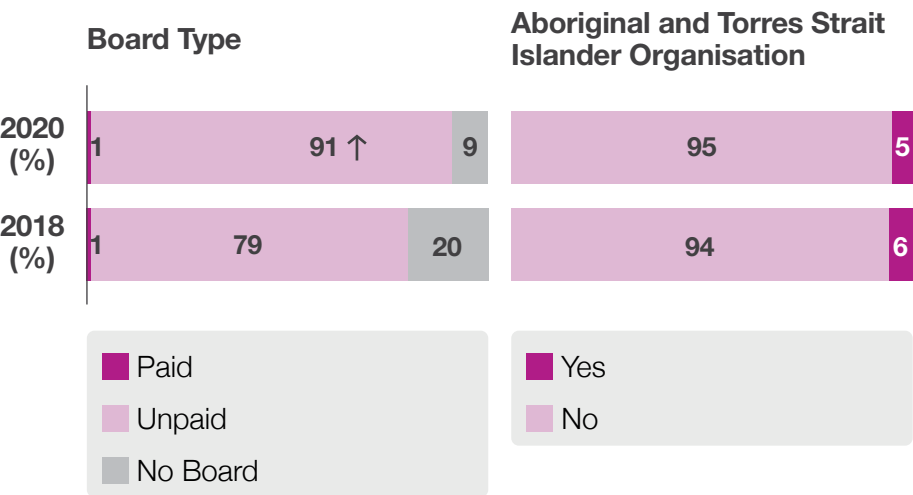
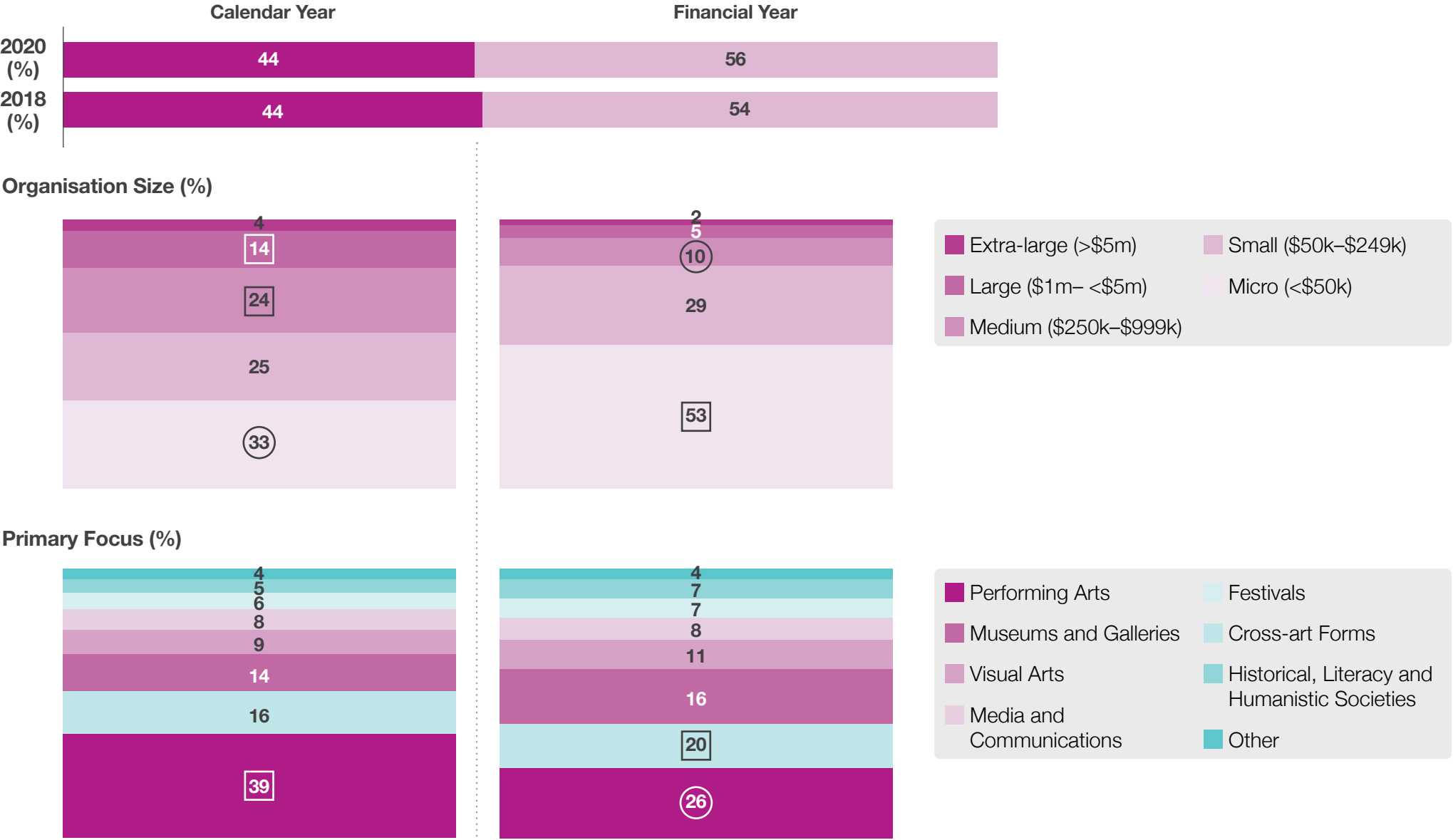


Figure 6: Board type and Indigenous status



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.

Figure 7: Profile comparison between financial reporting periods



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results; Significantly more □ or ○ less than the *Giving Attitude* 2020 total.

Income analysis

Data collected for calendar year 2019 and financial year 2019/20

Image: TRACKS Dance - In Your Blood
Photo: Duane Preston



INTRODUCTION

ARTS AND CULTURE PROFILE

INCOME ANALYSIS

FOSTERING SUCCESS IN FUNDRAISING

APPENDIX

Giving Attitude 2020 26

Key findings

- There was a rise in cash contributions to the sector from donations and sponsorships, with an increase of \$26 million between surveys.
- Most income was earned through box office and sales (37% of revenue), although organisations reported that government grants (33% of revenue) and private sector support (23% of revenue) played an equally important role in the funding mix.
- Private sector support is anticipated to become a larger percentage of their overall revenue by an increase of 3% in five years' time.
- The largest share of private sector support remains among New South Wales organisations, who accounted for 34% of all private sector support raised by arts and cultural organisations.
- Arts and cultural organisations are spending more to raise funds with the Return on Investment (ROI) for every \$1 spent only \$2.72 was raised, compared to *Giving Attitude 2018* the ROI was \$3.50 for each dollar spent.



Image: Brooke Leeder, Nocturnal - Structural Dependency
Photo: Hannah Laurent



Estimate of total turnover in the arts and cultural industry

Using the private estimate methodology as outlined on page 76 of this report, the total value of industry turnover in the arts and cultural sector was estimated to be \$2.7 billion in the 2019 calendar year and 2019/20 financial year.

The estimate of total industry turnover was calculated by using the survey results (including the value of support hours) in combination with the total private sector support estimate.

The impact of the COVID-19 pandemic on overall turnover was estimated by participating organisations. These results can be seen in Figure 8. 55% of organisations reported that their overall income had declined compared to their income before COVID-19 restrictions began impacting operations in March 2020.

There is no statistically significant difference in the proportion of organisations impacted in this way across organisational size; however, the results suggest that more extra-large organisations may have had a decline in turnover (though this is not significantly different due to the small sample).

For those organisations that reported a decline in turnover, the average percentage of decline was 45%. Micro and small organisations experienced larger declines, with nearly a 50% decline in income being reported on average across both organisational sizes.

Alternatively, medium, large, and extra-large organisations reported an average decline in turnover closer to a 40%.

The 15% of organisations that reported a rise in turnover experienced an average rise in income of 52%.



Image: Australian Dance Theatre, SuperNature - Her Maj 2021
Photo: Sam Roberts

Figure 8: Stated change in turnover since the pandemic began

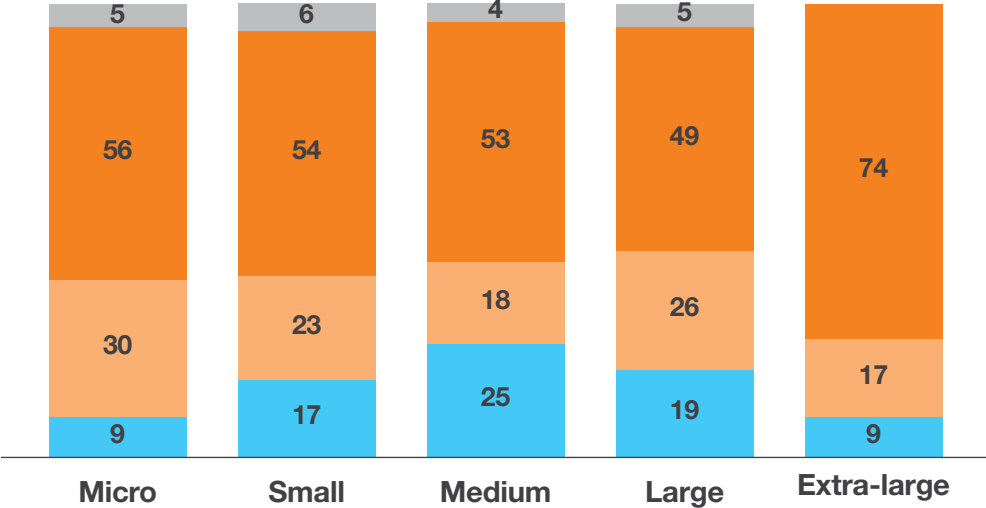
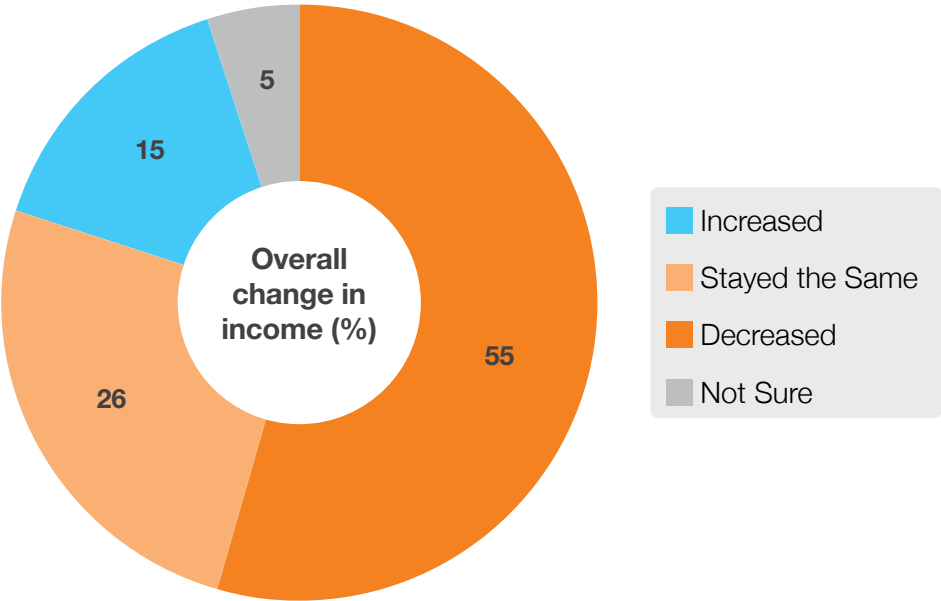
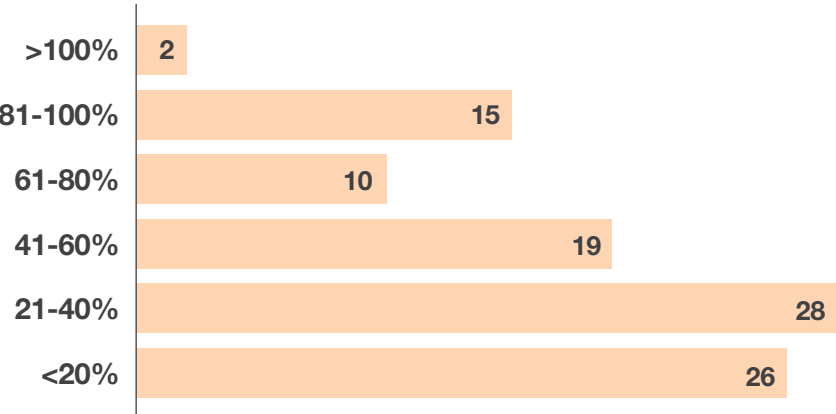


Figure 9: Percentage change in income



Average decrease in income: **45%**

Micro	47%
Small	48%
Medium	39%
Large	39%
Extra-large	38%

As seen in Figure 10, 43% of the overall turnover that organisations reported in the survey during the financial reporting period was through government sources. Earned income accounted for 34% of overall turnover, while private sector support accounted for 20%.

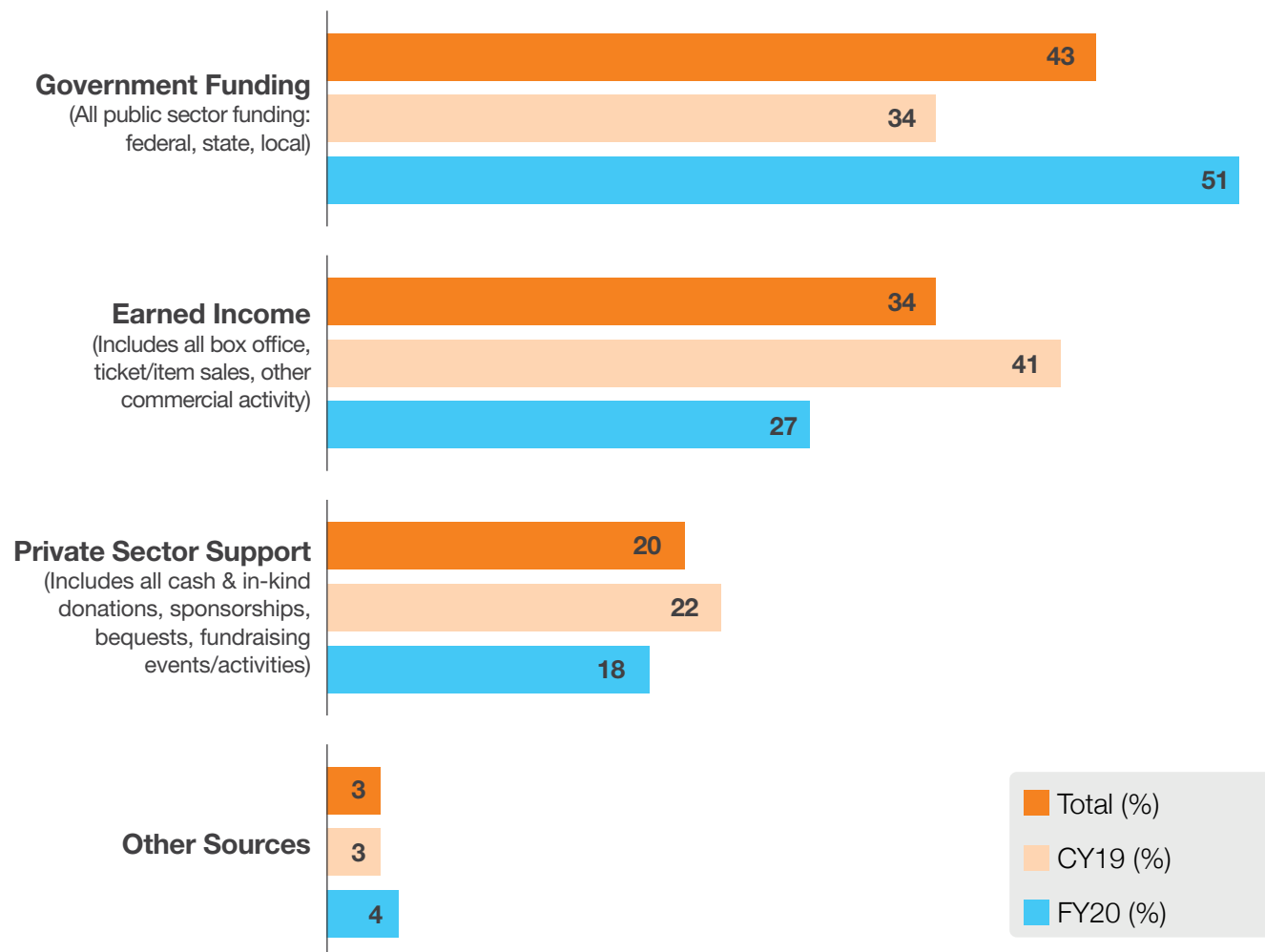
These financial figures are inclusive of all funding sources, with an 'other' category provided to ensure all remaining funding sources are captured. Organisations were provided with the following funding type definitions to ensure a consistent approach was undertaken:

1. **Government funding** includes all federal, state, and local sources.
2. **Earned income** includes all box office, ticket/item sales, other commercial activity.
3. **Private sector support** includes all cash and in-kind donations, sponsorships, bequests, fundraising events, and activities.

The impact of COVID-19 was demonstrated by a sharp decline in the share of earned income for the 56% of participating organisations who reported on the 2019/20 financial year. Organisations who reported in calendar year 2019 stated that 41% of their income was from earned revenue, whereas for organisations reporting on the 2019/20 financial year this dropped significantly to only 27%.

Government support as a percentage of overall income rose for organisations that reported on the 2019/20 financial year. While government support accounted for 34% of funding for organisations that reported on the calendar year 2019, it accounted for 51% of all funding for organisations that reported on the 2019/20 financial year.

Figure 10: Distribution of turnover in the arts and cultural industry



Income and funding sources

Estimated funding mix

Organisations were asked to provide the estimated mix of total funding that they received in their last financial reporting period.

As demonstrated in Figure 11, most income was earned by organisations through box office and sales (37% of all funding). Private sector support (23%) and government funding (33%) continued to play an equally important role in funding for the sector during this time.

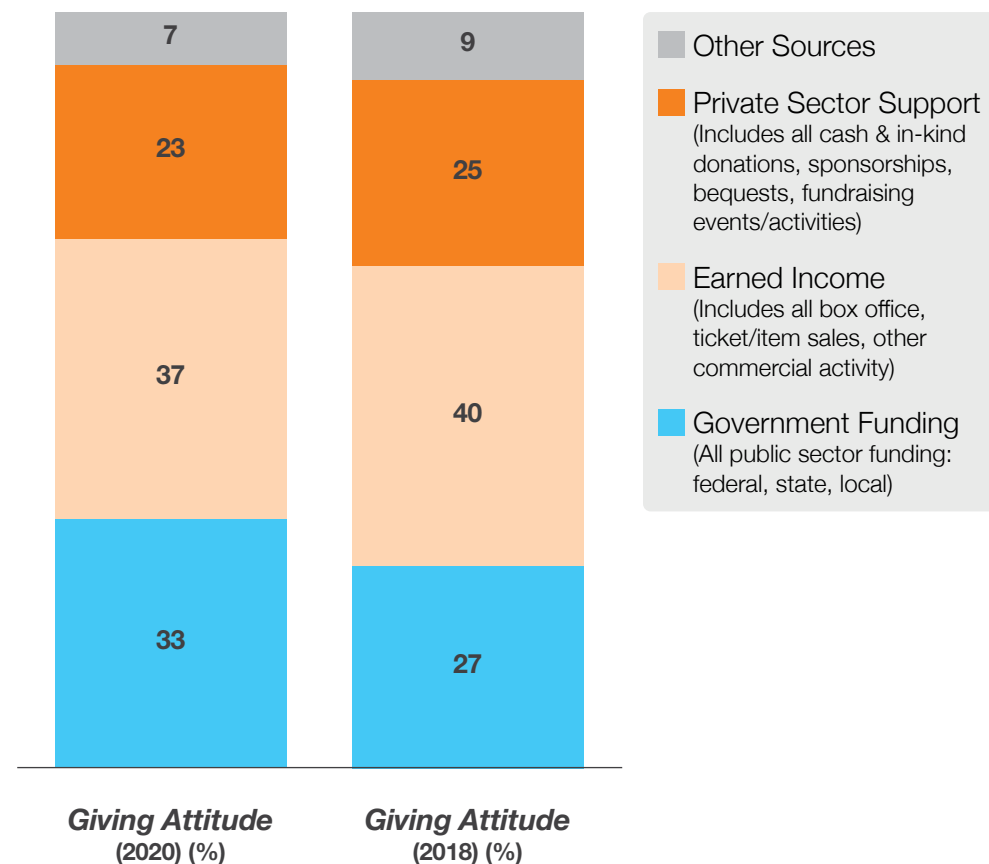
The mix of overall funding changed between *Giving Attitude 2018* and *Giving Attitude 2020*. Over this time, the estimated share of government funding increased from 27% in *Giving Attitude 2018* to 33% in the current report. This was likely influenced by an increase in government funding at the end of the financial reporting period in response to the impact of COVID-19.

Overall, the results demonstrate that reliance on a combination of private sector support and government support remained high. The combined level of support from the private and government sectors accounted for 56% of all funding for arts and cultural organisations. This was a slight increase on the *Giving Attitude 2018* results, when the combination of private sector and government support accounted for 52% of all funding.

A more nuanced picture of the current funding mix is seen in Figure 12, where organisations estimated their funding mix pre and post the March 2020 COVID-19 restrictions. It is important to note that the existing estimation was inclusive of the period from March to June 2020 when COVID-19 restrictions closed down the vast majority activities that drive earned income across the sector.

Organisations that reported on the 2019 calendar year indicated government support increased 8% in the months after March 2020. These organisations received 33% of their funding from government in 2019, compared to 41% post March 2020.

Figure 11: Estimated funding mix for the current financial reporting period (as a percentage)

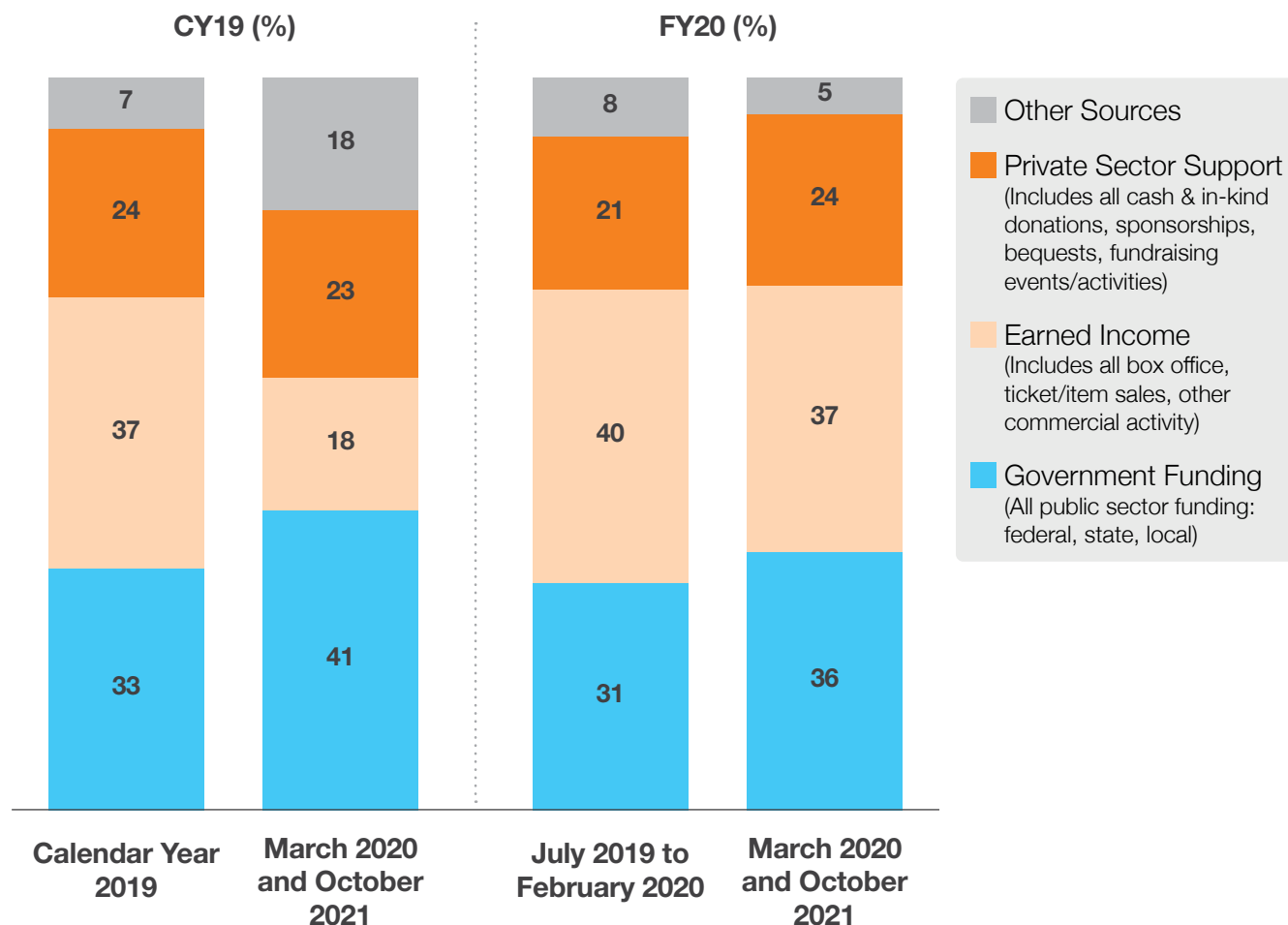


Conversely, there was an estimated 19% decline in earned income over the same time (37% to 18%). While organisations estimated a relatively similar level of private sector support, this does not consider any overall change in total turnover so it cannot be concluded that they received the same level of private sector support.

Organisations that reported on the financial year 2019/20 reported that government funding increased by 5% from 31% pre March 2020 to 36% post March 2020.

Conversely, there was a 3% decline in earned income (40% to 37%), while private sector support was estimated to be relatively stable (21% pre and 24% post March 2020). Again, this does not consider any overall change in total turnover.

Figure 12: Estimated impact of the COVID-19 pandemic on the funding mix



Anticipated funding mix in five years

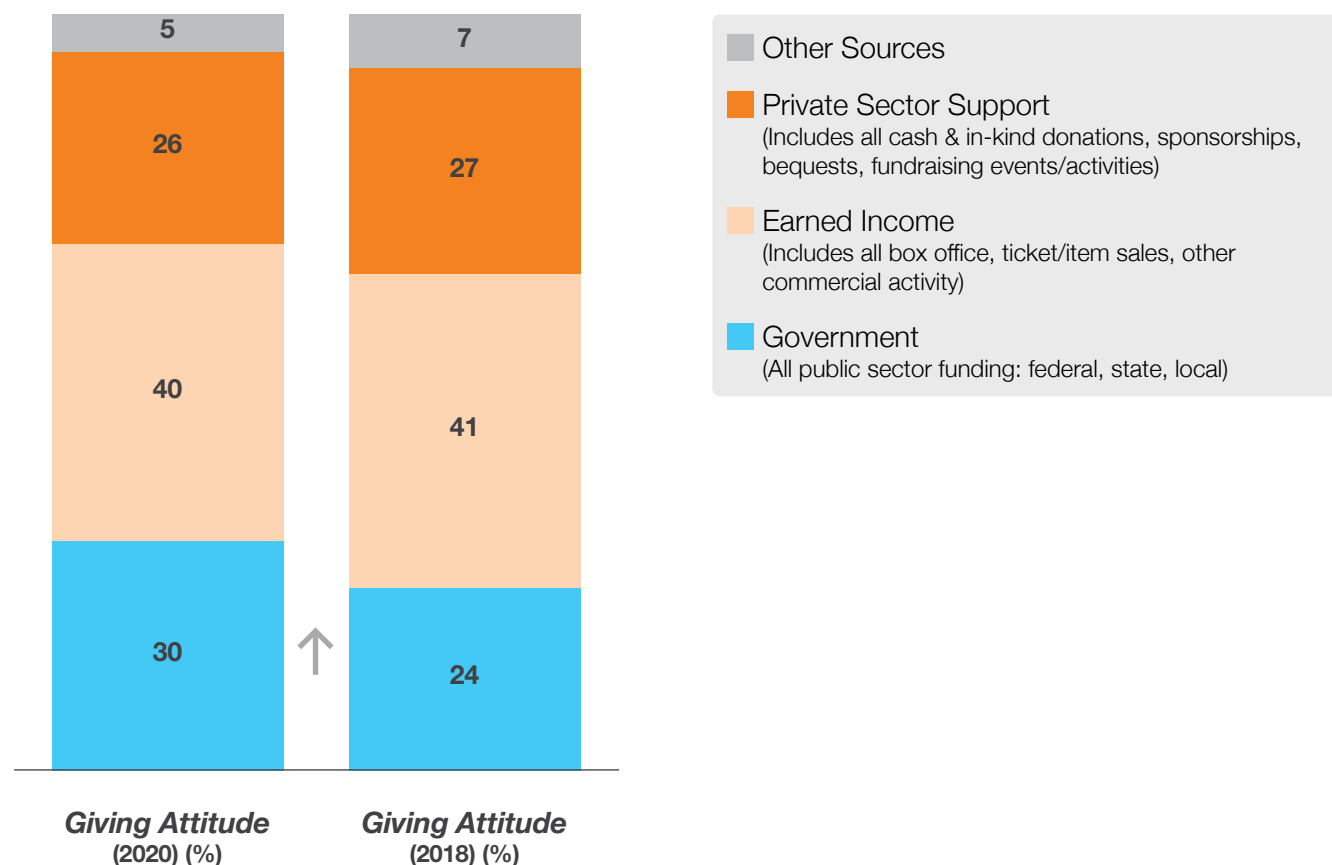
Organisations were asked how they thought their funding mix might change in five years' time. They projected that in 2025, 40% of funding would come from earned income, 30% would come through government sources, and 26% through private sector supporters.

A comparison of current funding against what is anticipated to occur in five years' time demonstrates that earned income is anticipated to be an increased share of overall revenue by 3% as the world optimistically returns to post-COVID-19 business as usual activity. There is also an expectation that the industry will rely more on private sector support, with this to also take a higher share of their overall funding (+3%) in five years' time, growing it from 23% to 26%.

In contrast, government support as a share of overall funding is expected to reduce in terms of organisational turnover (-3%), from 33% to 30%.

Although the 2020 survey results show that government support as a share of overall funding is predicted to reduce by 3% over the next five years, this is still an increase on the *Giving Attitude 2018* results, in which government support was predicted to be only 24% of the future funding mix. Figure 13 highlights how in 2018 organisations anticipated government funding would take a 24% share of future funding. In *Giving Attitude 2020*, this rose significantly to a predicted 30% share of future funding. This is likely influenced by ongoing considerations of the long-term impact of COVID-19 disruptions and resulting financial challenges.

Figure 13: Anticipated funding mix vs *Giving Attitude 2018* anticipations (as a percentage)



Significantly more ↑ or ↓ less.

Total private sector support estimates

Total private sector support in the arts and cultural industry

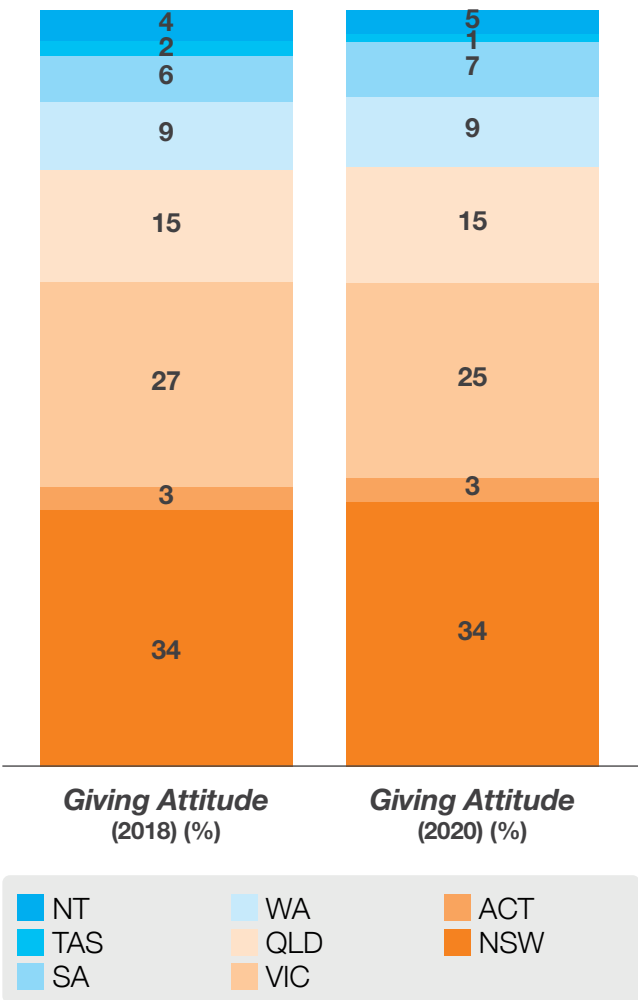
Total private sector support was estimated to be \$540 million¹ for the period of this survey. This is a decline of 11% from *Giving Attitude 2018*, when total private sector support was estimated to be \$608 million.

The distribution of private sector support by state remains relatively unchanged since 2018, as seen in Figure 14. The largest share of private sector support in 2020 remained among New South Wales organisations, who received 34% of all private sector support, with Victoria taking a 25% share. Tasmania was the only jurisdiction to see a significant decline in their share of private sector support in this, down from a 2% to a 1% share.

Table 1: Estimate of total turnover in the arts and cultural industry

	Total \$2.7b	CY19 \$1.3b	FY19/20 \$1.4b
Government	\$1.1b	\$457.9m	\$709.6m
Earned Income	\$923m	\$542.4m	\$380.6m
Private Sector Support	\$540.3m	\$290.9m	\$249.4m
Other Source	\$93.7m	\$44.1m	\$49.6m

Figure 14: Total private income by state (%)



¹Total Net Private Sector Support estimates are based on the national estimate methodology. Private Sector Support methodology results are comparable to 2018 as the same methodology was used in both years, using the AIS Data and Estimate Method developed in 2018. Please see the appendix for more detail.

Table 2 demonstrates the overall estimated change in private sector support for each state and territory, comparing *Giving Attitude 2018* estimates to *Giving Attitude 2020* estimates.

Giving Attitude found that most of the estimated \$540.3 million in private sector support was received in New South Wales at \$185.2 million. While New South Wales received the highest amount of private sector support compared to other Australian states, this was a decline of 10% on 2018 figures, which were \$206.1 million.

Victoria received the second largest share of private sector support at \$134.1 million. This represents a 17% decline from \$160.8 million in the previous study.

However, not all Australian states demonstrated a decline in private sector support. The amount of private sector support received in South Australia and the Northern Territory increased by 6% each at \$38.7 million and \$27.2 million respectively.

When looking at the distribution by organisation size, as seen in Table 3, a significant decline in support occurred for micro (-41%) and small (-47%) organisations. They are overrepresented in the financial year 2019/20 reporting period and thus are likely to have been heavily impacted by COVID-19 disruptions.

Table 2: Private sector support estimates by state

	<i>Giving Attitude 2018</i>	<i>Giving Attitude 2020</i>
Total	\$607.9m	\$540.3m (-11%)
NSW	\$206.1m	\$185.2m (-10%)
ACT	\$18.1m	\$17.7m (-2%)
VIC	\$160.8m	\$134.1m (-17%)
QLD	\$92.3m	\$81.9m (-11%)
WA	\$54.5m	\$48.6m (-11%)
SA	\$36.6m	\$38.7m (+6%)
TAS	\$10.3m	\$6.8m (-34%)
NT	\$25.7m	\$27.2m (+6%)

Table 3: Private sector support estimates by organisation turnover

	<i>Giving Attitude 2018</i>	<i>Giving Attitude 2020</i>
Total	\$607.9m	\$540.3m (-11%)
Micro	\$16.9m	\$10.0m (-41%)
Small	\$62.6m	\$33.1m (-47%)
Medium	\$55.2m	\$54.7m (-1%)
Large	\$67.5m	\$104.3m (+55%)
Extra-large	\$251.4m	\$296.0m (+18%)
Unknown	\$154.5m	\$41.9m (-73%)

Return on investment

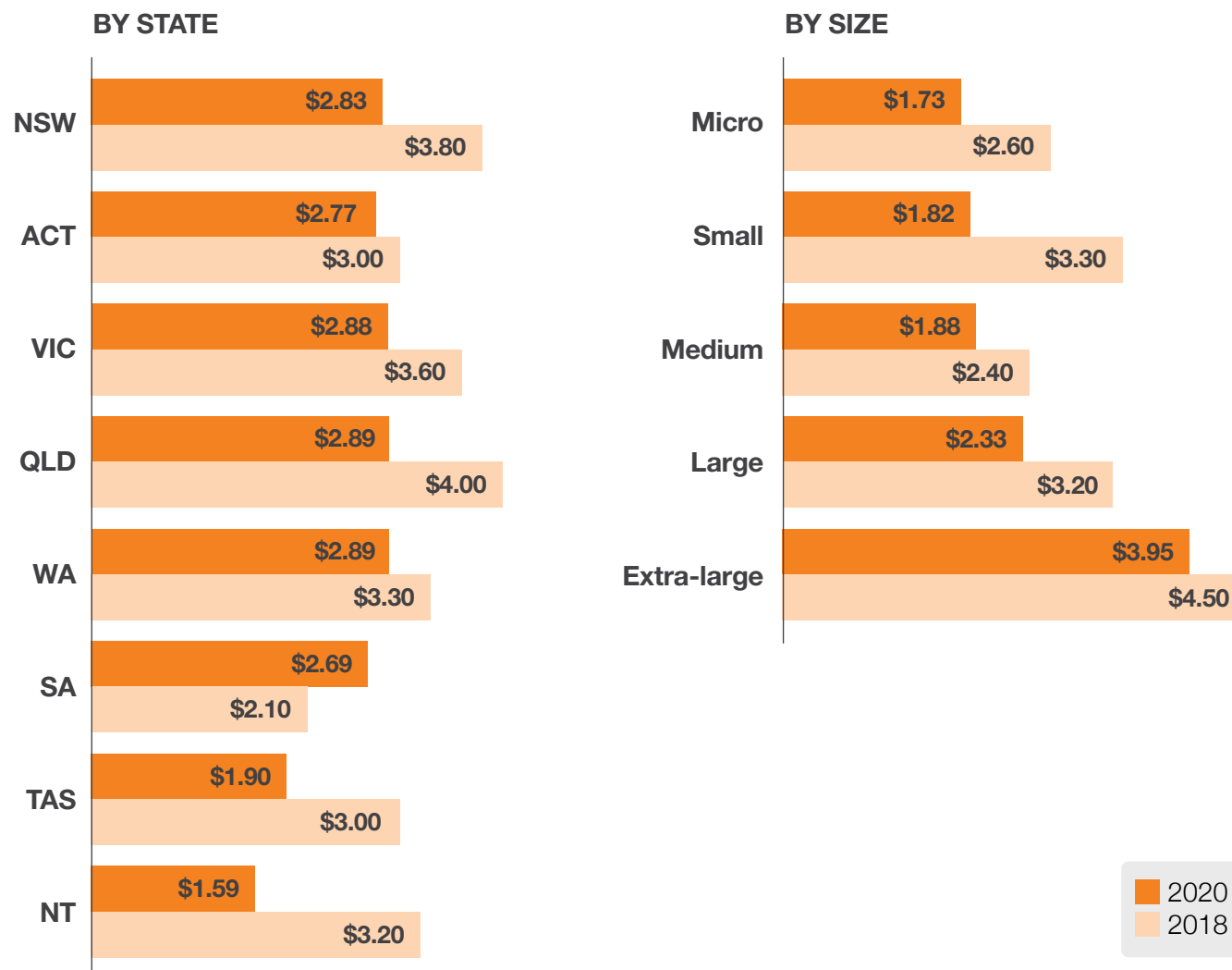
In the most recent financial reporting period, the return on investment (ROI) for arts and cultural fundraising activity was \$2.72 raised for every \$1 spent. This remains far below the benchmark measure for fundraising in Australia across all charitable cause areas of approximately \$5 raised for every \$1 spent.

This ROI result represented a 22% decline from *Giving Attitude 2018* when the ROI for the industry was \$3.50.

Analysis by jurisdiction shows declines in fundraising ROI have been experienced by every state and territory except South Australia, across all organisation sizes. As seen in Figure 15, Queensland and Western Australia have the highest ROI with \$2.89 raised for every \$1 spent, followed by Victoria at \$2.88, New South Wales at \$2.83 and the Australian Capital Territory at \$2.77.

The survey found that larger-sized organisations had a greater likelihood of a higher ROI. Despite a general decline in ROI compared to *Giving Attitude 2018*, extra-large organisations had the highest ROI at \$3.95 compared with \$4.50 in the previous study. Large organisations had the second-highest ROI at \$2.33. Conversely, the ROI for micro, small, and medium organisations dropped significantly compared to the previous study to under \$2.

Figure 15: ROI by state and organisation size



Total net private sector support

The level of net private sector support declined 21% from the previous financial reporting period; down to \$341.5 million, compared to \$432.6 million.

This change was a result of income declining by \$67.7 million, and expenses increasing by \$23.4 million. This also explains why the ROI fell between the financial reporting periods.

The following analysis on the net private sector support segments uses the survey results to detail the distribution of net private sector support received across the arts and cultural sector, whereby the level of private sector support that is received after cost of raising the support is removed from consideration. The level of net private sector support is split into the following five categories:

1. Low net support – received between \$0 and \$50,000 in private sector support after costs.
2. Medium net support – received between \$50,000 and \$100,000 in private sector support after costs.
3. High net support – received between \$100,000 and \$250,000 in private sector support after costs.
4. Very high net support – received more than \$250,000 in private sector support after costs.
5. Negative net support – the level of private sector support received is lower than their overall cost to raise it.

Figure 16: Change in income and expenses since 2018

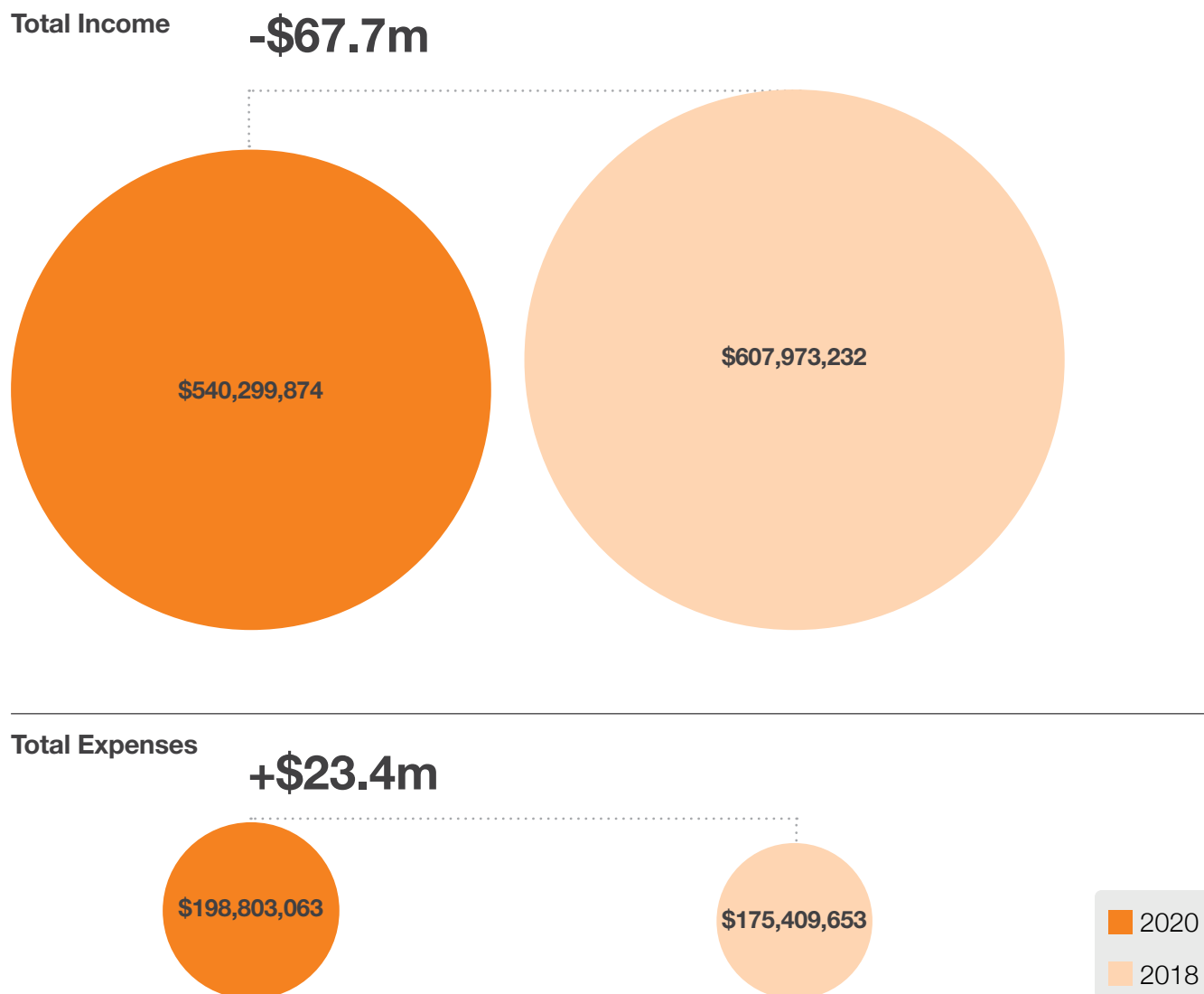
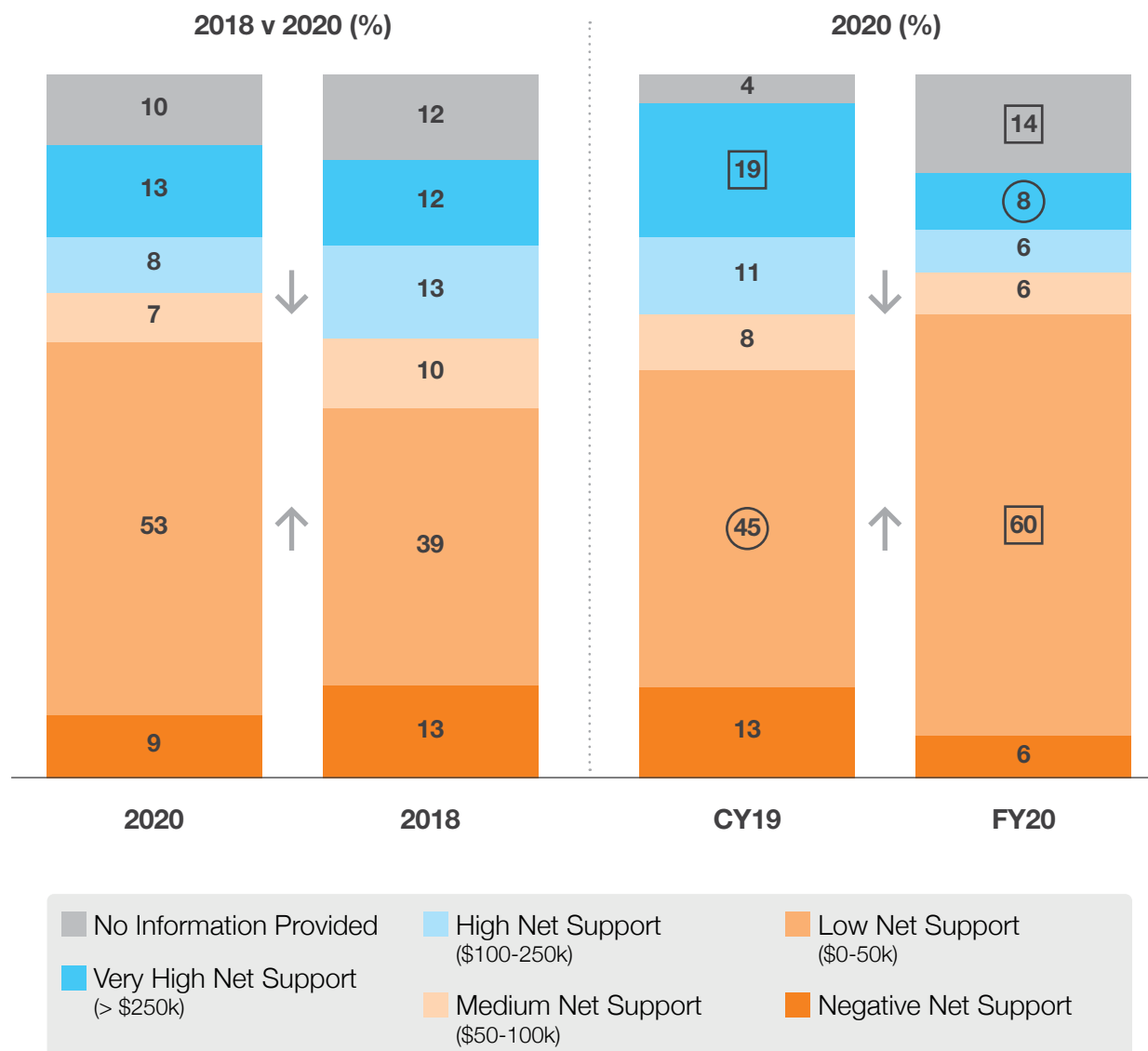


Figure 17 demonstrates that a change occurred in this distribution of net private sector support since the previous reporting period. In *Giving Attitude 2020*, there is a significant 5% decline in the proportion of organisations that received high net support of between \$100,000 to \$250,000, down from 13% to 8%.

Significantly, there is a rise in those organisations with low net support (\$0-\$50,000), up 14% to 53% of all organisations. This looks to be driven by those reporting in the financial year 2019/20, as 60% of these organisations have low support, compared to 45% of organisations reporting on the 2019 calendar year.

This highlights the difficulty many organisations in the arts and cultural sector faced with in managing a decline in private sector support at a time where fundraising expenses had already been incurred.

Figure 17: Total net private sector support – after costs



Significantly more ↑ or ↓ less than the 2018 Giving Attitude Survey results; Significantly more □ or ○ less than the Giving Attitude 2020 total.

Types of private sector support

Type of investment

The type of private sector support in the arts and cultural sector has changed significantly since the previous reporting period.

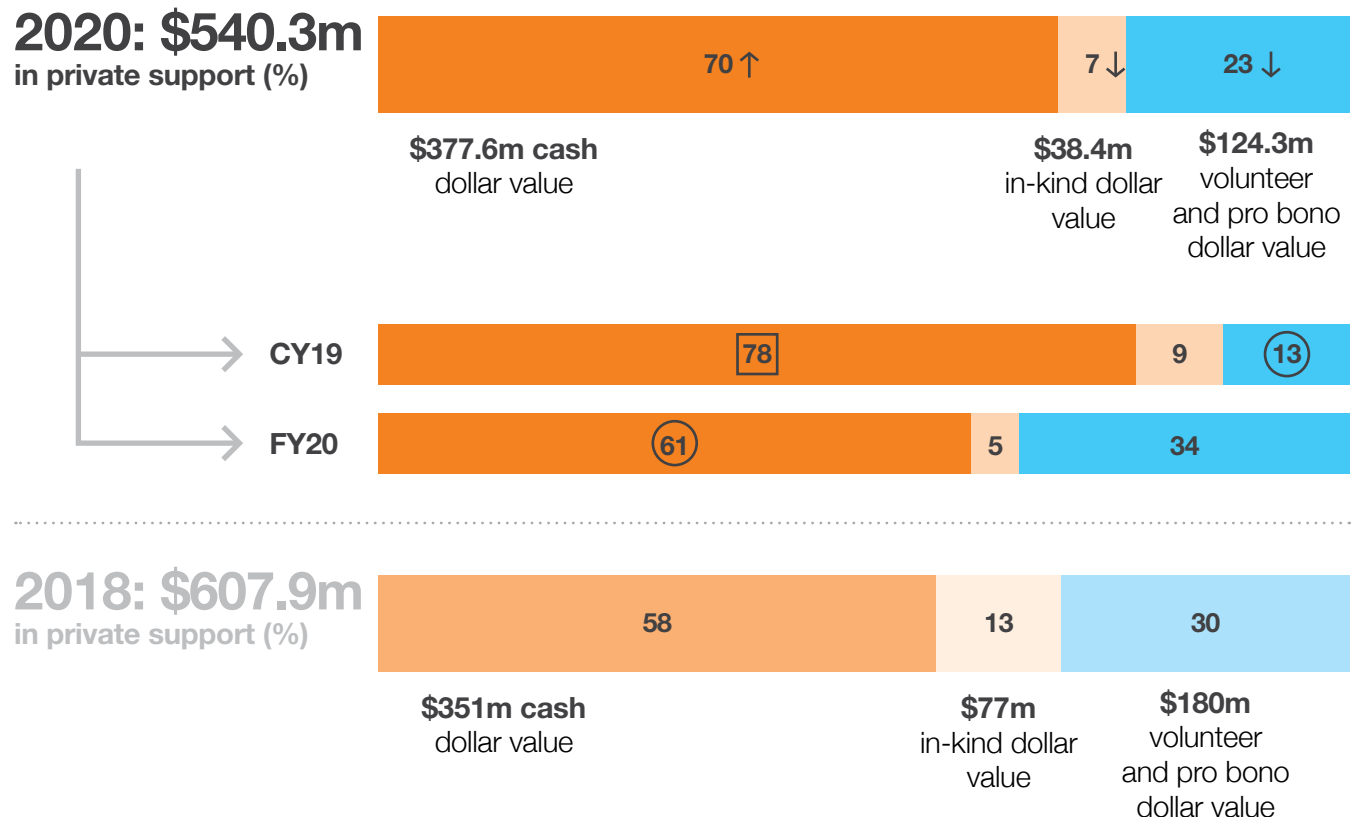
The overall decline in private sector support from \$608 million to \$540 million is attributed to a significant decline of in-kind support (\$77 million to \$38 million) and volunteer and pro bono support (\$180 million² to \$124 million). Consequently, in-kind support accounted for 7% of private sector support (compared to 13% previously), and volunteer and pro bono support accounted for 23% of private sector support (compared to 30% previously).

For this study, the following definitions for volunteering and pro bono were applied to ensure a consistent approach:

- Volunteer hours: work that requires no specific skills or easily obtained skills (e.g. sorting and arranging, handing out flyers, and crowd control).
- Pro bono hours: work that requires specific or professional skills (e.g. board membership and pro bono consultants such as accountants, project managers, designers, and event organisers).

Positively, there was a rise in cash contributions (\$377.6 million from \$351 million) which resulted in a significantly higher (70%) share of overall private sector support. This rise in cash support helped organisations withstand a more substantial decline in other types of private sector support.

Figure 18: Distribution and value of private sector support by cash, in-kind and volunteering



Significantly more ↑ or ↓ less than the 2018 Giving Attitude Survey results; Significantly more □ or ○ less than the Giving Attitude 2020 total.

²The average volunteer & pro bono dollar value is based on an estimate of \$35.25 per hour as recommended by the Handbook on Non-Profit Institutions in the System of National Accounts that assigns to volunteer hours the average gross wage for the community, welfare, and social service occupation category.

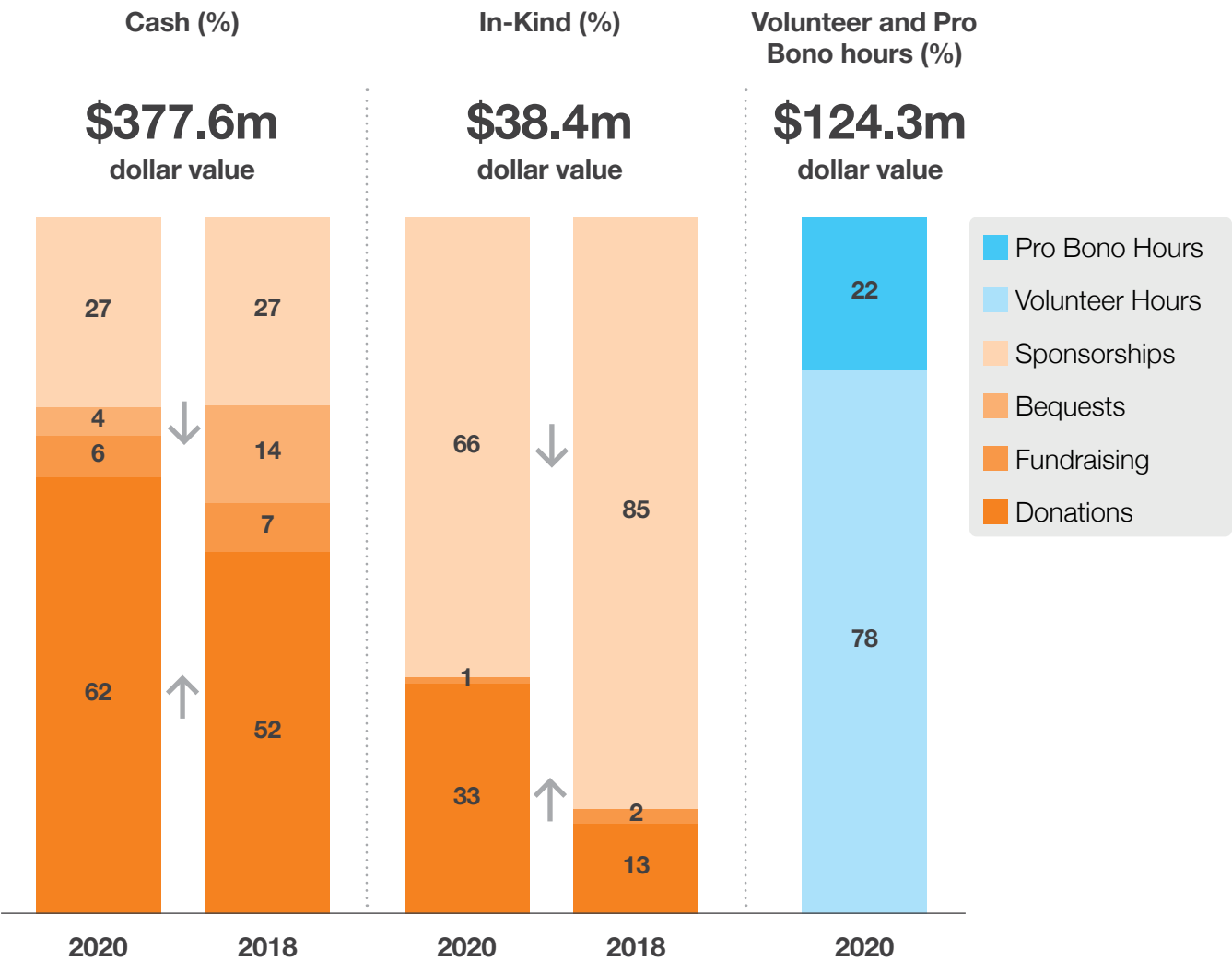
Further analysis of the types of investment, as seen in Figure 19, show cash donations were a key reason for the rise in cash contributions overall, with a 10% increase to 62% of all cash support recorded.

The decline of in-kind contributions is attributed to a significant reduction in in-kind sponsorships. In the previous reporting period, in-kind sponsorships accounted for an 85% share of total in-kind support, which dropped significantly to 66% in *Giving Attitude 2020*.

There was a substantial difference in the value of in-kind support between 2019 calendar year and financial year 2019/20 results. The reported change of in-kind sponsorship is particularly of note: in-kind sponsorships accounted for a 76% share of all in-kind support in the 2019 calendar year, whereas in-kind sponsorships accounted for only a 44% share of all in-kind support for the financial year 2019/20. For the financial year 2019/20, 78% of support hours were volunteer hours. This is the first time we can understand this level of detail, as this figure was collected as a combined figure in *Giving Attitude 2018*.

There was also a substantial difference in the value of volunteer and pro bono support hours between the 2019 calendar year and the 2019/20 financial year. For example, pro bono hours contributed to 33% of support hours in the 2019 calendar year, but only 16% in the financial year 2019/20. This is likely because COVID-19 restrictions forced venues to close, while capacity limits were in place when restrictions started to ease.

Figure 19: Contributions of private sector support types



Significantly more ↑ or ↓ less than the 2018 Giving Attitude Survey results.

With respect to the dollar value of these types of investments, the decline in overall private sector support is emphasised by large drops in cash bequests (\$49 million to \$17 million), in-kind sponsorships (\$65 million to \$33 million) and volunteer and pro bono support hours (\$180 million to \$124 million).

The rise of cash and in-kind donations and cash sponsorships helped slow this decline. Total cash donations increased to \$234.6 million from \$183 million, while cash sponsorships increased to \$102.5 million from \$96 million, and cash fundraising remained relatively steady at \$23.5 million from \$23 million.

Overall, combined cash and in-kind donations increased to \$247 million from \$192 million, as highlighted in Figure 21. However, there was a significant decline in the value of sponsorships to \$128 million from \$160 million, despite the aforementioned increase in cash sponsorships. As a result, there was a significant change in the composition of sponsorships between cash and in-kind.

Figure 20: The value of private sector support types


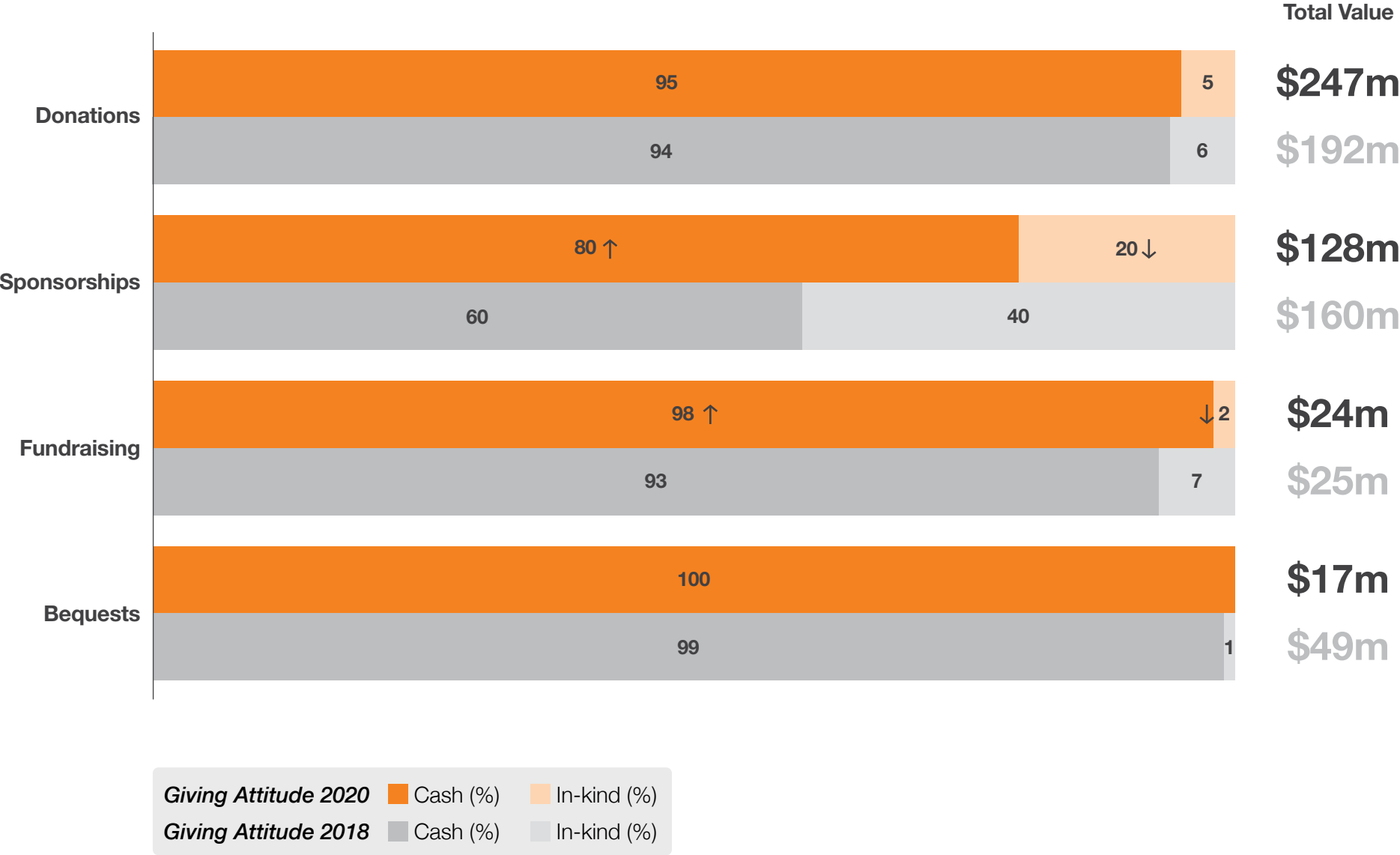
	Cash		In-Kind		Volunteer and Pro Bono Hours	
	2020	2018	2020	2018	2020	2018
Total	\$377.6m	\$351m	\$38.4m	\$77.0m		
Donations	\$234.6m	\$183m	\$12.5m	\$9.7m		
Fundraising	\$23.5m	\$23m	\$524k	\$1.5m		
Bequests	\$16.9m	\$49m	\$0	\$0		
Sponsorships	\$102.5m	\$96m	\$25.4m	\$65.4m		
Volunteer Hours					\$97.2m	\$180m
Pro bono Hours					\$27.1m	

Figure 21: The combined contributions of private sector support types



Significantly more ↑ or ↓ less than the 2018 Giving Attitude Survey results.

Volunteer and pro bono hours

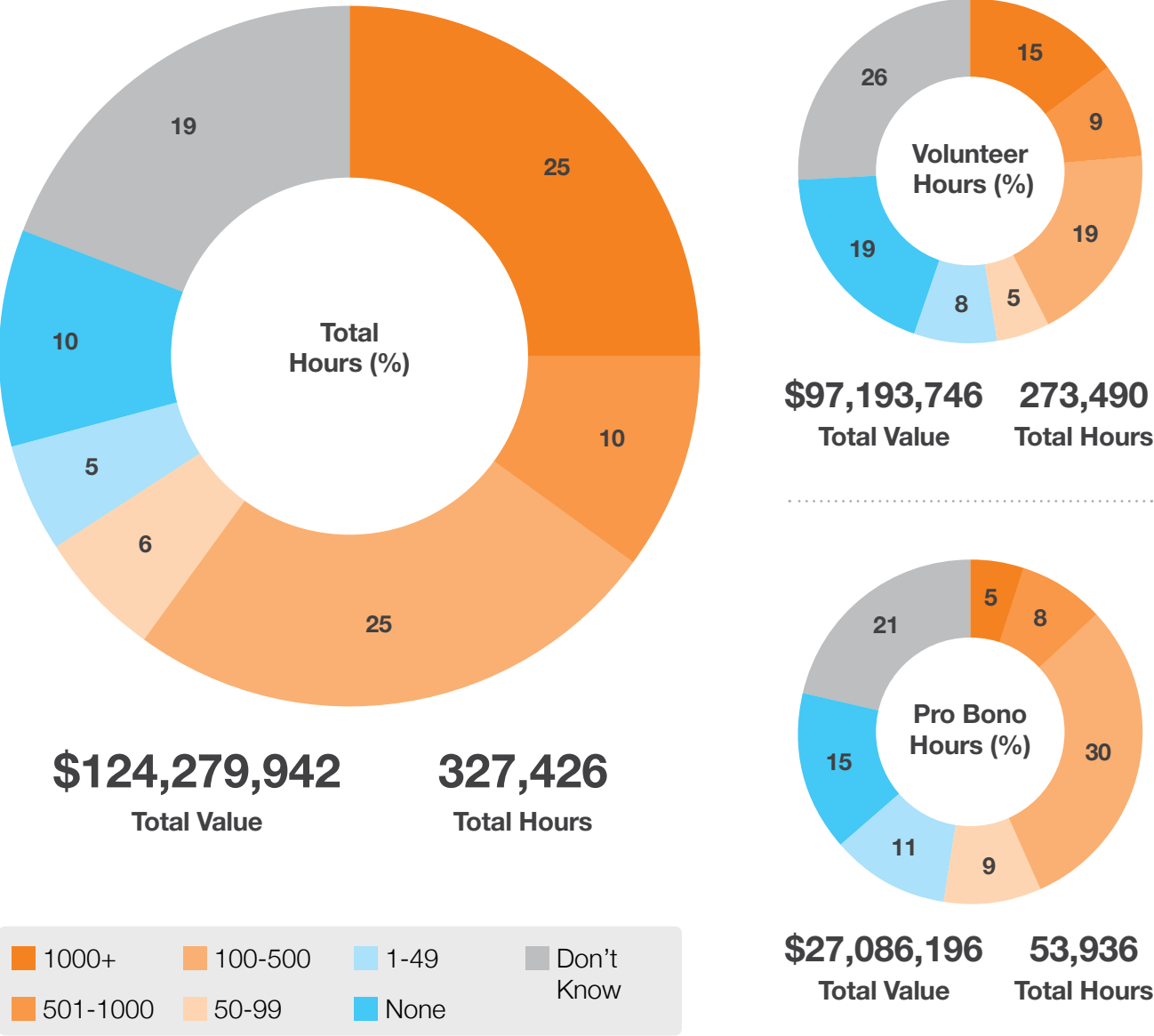
For the entire arts and cultural industry, a total of 327,426 volunteer and pro bono support hours were reported to have occurred in the *Giving Attitude 2020* reporting period, equating to a total value of \$124.3 million.

The average value of volunteer and pro bono hours is based on an estimate of \$35.25 per hour, as recommended by the Handbook on Non-Profit Institutions in the System of National Accounts that assigns to volunteer hours the average gross wage for the community, welfare, and social service occupation category.

This was primarily comprised of volunteer hours, which equated to 273,490 hours, or \$97.2 million. Pro bono hours comprised 53,936 hours and were valued at \$27.1 million.

On average, 60% of organisations received more than 100 hours of volunteer or pro bono support.

Figure 22: Value of volunteer and pro bono hours, and the distribution of hours



Volunteer: work that requires no specific skills or easily obtained skills (e.g., sorting and arranging, handing out flyers, and crowd control).

Pro bono: work that requires specific or professional skills (e.g., board membership and pro bono consultants such as accountants, project managers, designers, and event organisers).



Type of private sector supporters

Some types of private sector supporters do bring more support than others. While individuals play an important role in contributing to private sector support for arts and culture, those organisations with strong support from business, trusts, and foundations tend to earn more private sector support overall.

The largest number of contributors that organisations reported were individuals with a 94% share of all support; this remained relatively constant with the previous reporting period. In this new reporting period, business sponsors dropped 3% from a previous share of 7%, to a current share of 4%.

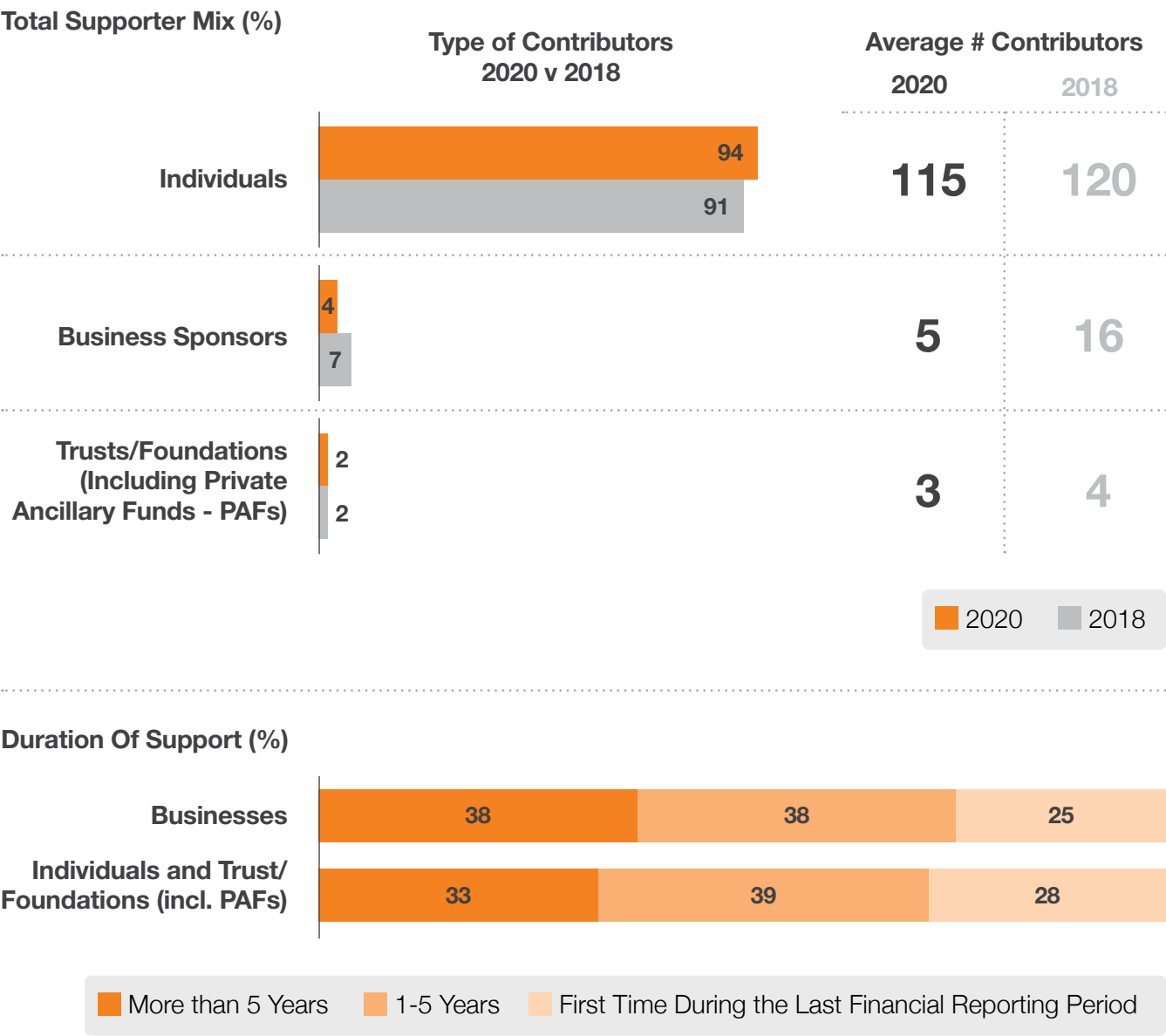
The average number of donors and supporters declined across all three categories of contributors between the reporting periods:

- Individuals from 120 to 115.
- Businesses from 16 to 5.
- Trusts/foundations (including Private Ancillary Funds - PAFs) from 4 to 3.

In this study, organisations were asked to report on the duration of support for their contributors. There was a relatively even split in the duration of donors and supporters:

- 38% of business sponsors were with the organisation for more than five years.
- 33% of individuals or trusts/foundations have been donating for more than five years.

Figure 23: Contributor mix and duration of their support



Cost of raising private sector support

As seen in Figure 24, total expenses incurred by raising private sector support during the reporting period was **\$198.8 million**. This is a **\$23.4 million** increase on the last reporting period, when expenses totalled **\$175.4 million**.

The following analysis used the survey results to profile the type and cost level of raising private sector support, looking to provide deeper insight into which costs were driving the increase in expenses reported.

This analysis, as seen in Figure 25 revealed that expenditure on salaries (+\$22.4 million), marketing (+\$6.3 million), consultancies (+\$2.4 million), and event expenses (+\$4.1 million) had increased since the last reporting period and were thus driving the overall increase in expenses.

During this same period, general expenses incurred in raising private sector support declined by \$6.9 million, as did other associated costs, which declined by \$4.9 million.

The distribution of costs remained relatively consistent, as seen in Figure 26. The only significant change in cost distribution was for

the ‘other’ cost category, with its share of overall costs declining significantly from 10% to 6%, and for general expenses, with its share declining from 15% to 10%.

Salaries as a share of expenses rose but not significantly, accounting for 53% of all expenses.

Cash costs have risen since the last reporting period. Salaries have increased \$16 million, while marketing has risen nearly \$4.5 million, and event costs reached \$3.5 million. On the other hand, general cash expenses (-\$7.6 million) and other costs (-\$7 million) both declined substantially. There have been modest increases in the value of in-kind related costs since *Giving Attitude 2018*.

Figure 24: Change in income and expenses since *Giving Attitude 2018*



Figure 25: Associated costs and distribution by cash and in-kind

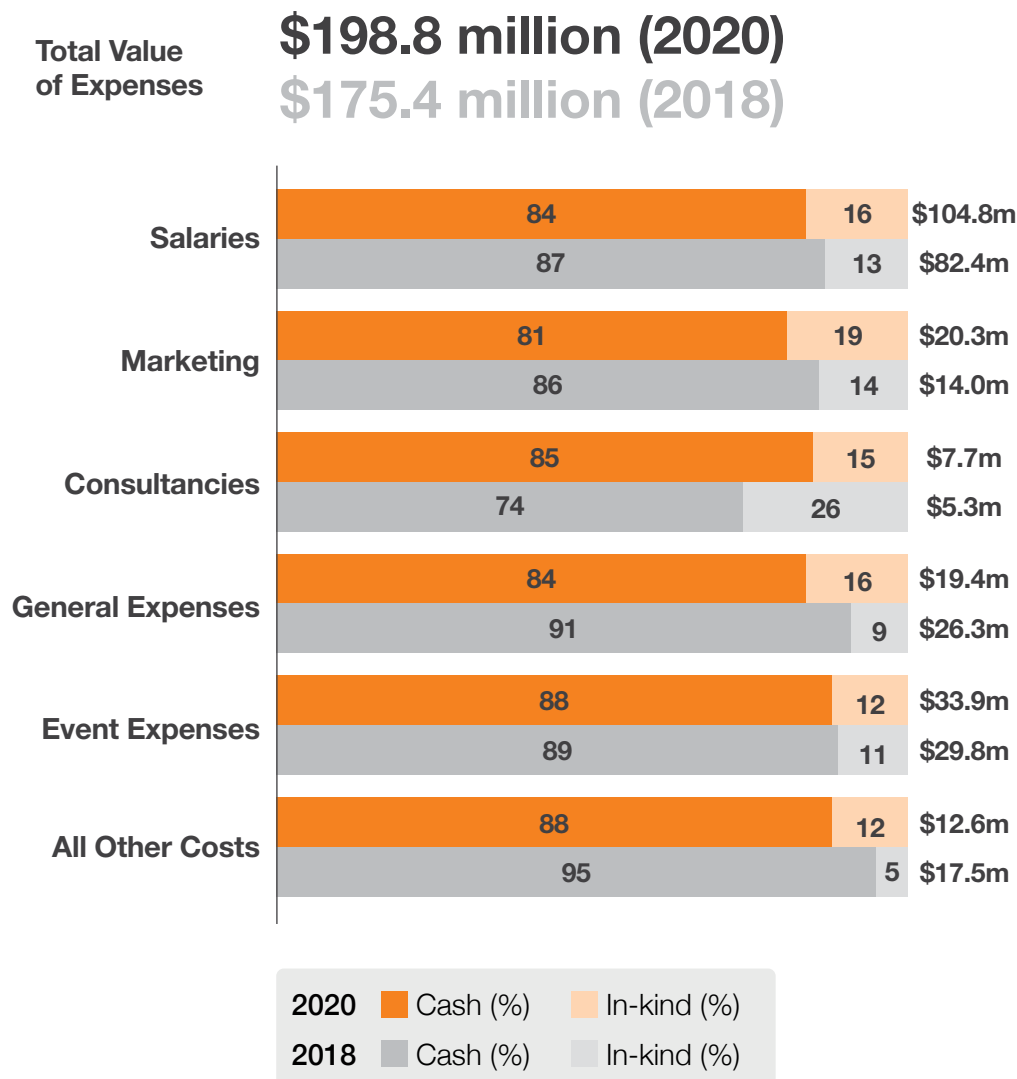
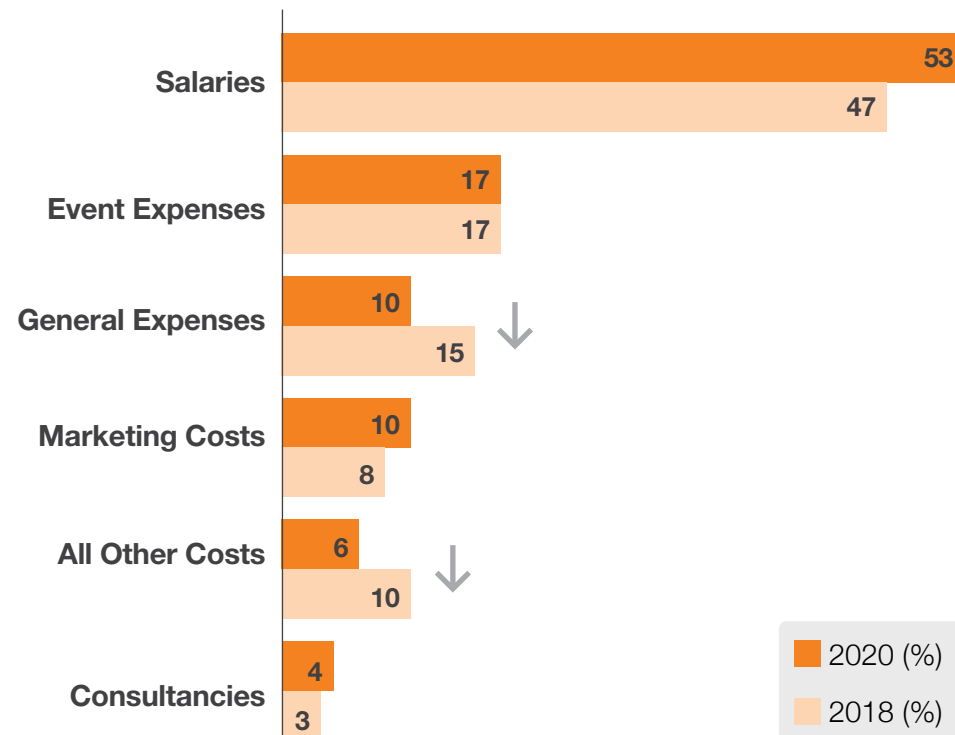


Figure 26: Distribution of associated costs with raising private sector support



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.



Fostering success in fundraising

Image: Restless Dance Theatre, Worlds Smallest Stage dress rehearsals
Photo: Sam Roberts



Key findings

- Securing the right skills and expertise was the main challenge facing arts and cultural organisations when seeking private sector support.
- The most common fundraising activity was directly approaching individuals for donations (77%).
- The potential impact of ongoing disruptions from COVID-19 led 56% of organisations to believe that there would not be any new avenues of private sector support.
- Maintaining sponsors through the economic pressures of the pandemic was a concern for 43% of organisations.
- Board engagement in fundraising was still an area for improvement with only 22% of boards only discussing fundraising strategies monthly.



Image: BLINDSIDE Artist Run Space Inc, Emma Hamilton – Photographic Tunneling Installation
Photo: Nick James Archer



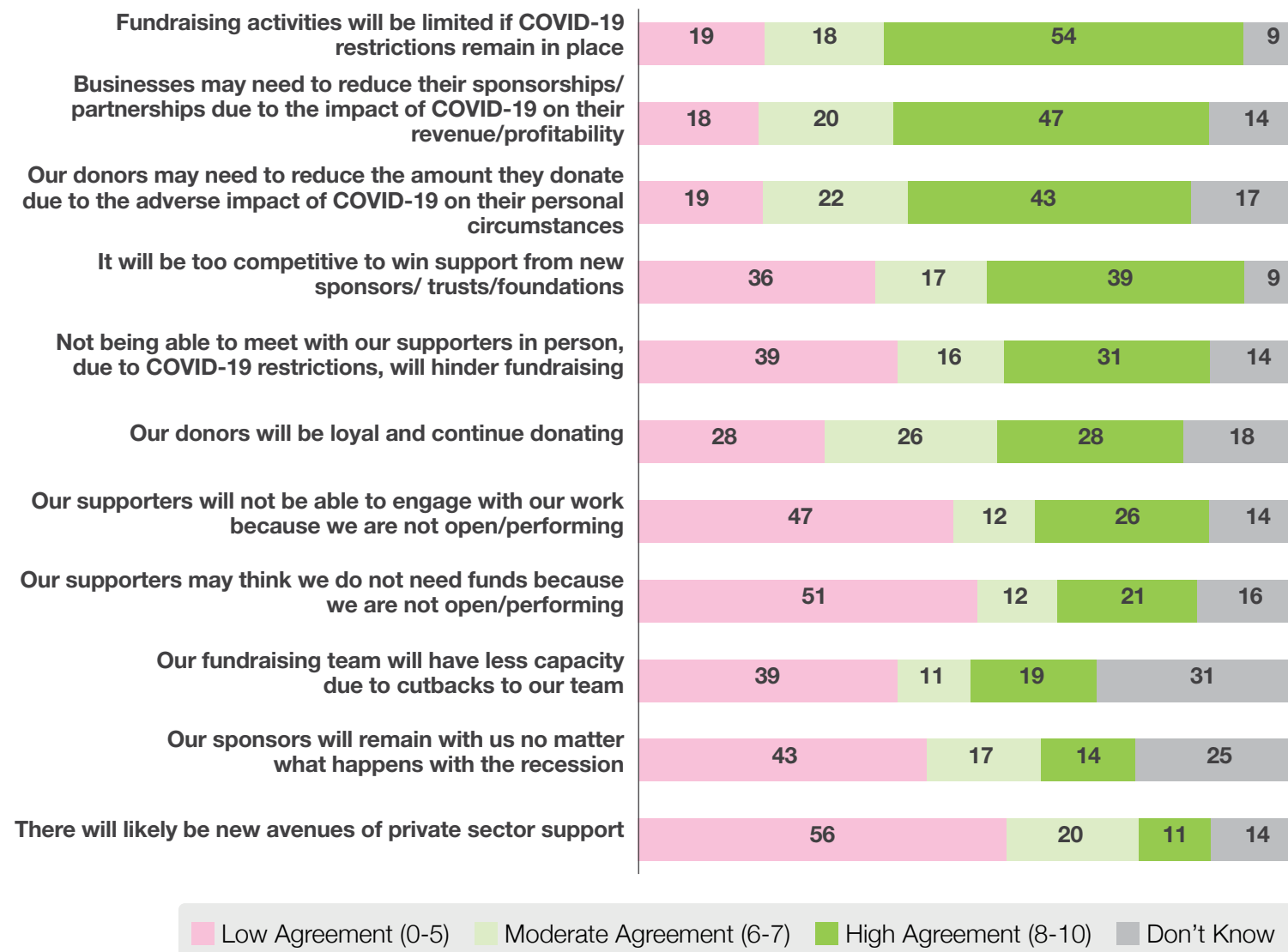
State of mind in late 2020 and early 2021

The results of *Giving Attitude 2020* must be understood in the context of the COVID-19 pandemic and the impact on attitudes during this period. Organisations responded to this study in the period between Victoria's extended 2020 lockdown and other COVID-19 disruptions taking place nationally.

This research shows that the adverse impact of COVID-19 negatively affected the perceived capability of arts and cultural organisations to undertake activities that raised private sector support and has shifted the way they are thinking about their future. Importantly, COVID-19 negatively impacted perceptions on the amount of private sector support that organisation could expect to receive moving forward.

As can be seen in Figure 27, 54% of the organisations sampled agreed that their fundraising activities would be limited as long as COVID-19 restrictions remained in place.

Figure 27: Impact of COVID-19 on raising private sector support in the next 12 months



A key challenge in undertaking any fundraising activity is the ability to focus on areas that will return the most reward. The potential impact of ongoing disruptions from COVID-19 led 56% of organisations to believe that there would not be any new avenues of private sector support opening up.

More organisations than not believed they could keep their supporters engaged with their work (74%) and that their supporters were aware that they needed the funds despite not being open or performing (79%). This provided hope that they may continue to rely on the support of existing sponsors and donors if the financial circumstances of supporters if not also adversely impacted by the pandemic.

However, 28% believed that donors would not want to continue their support while minimal activity was taking place and would discontinue their donations.

The greatest concern for arts and cultural organisations was the ability of business sponsors to continue providing support to the industry at pre-pandemic levels. For example, 43% of organisations indicated they were concerned that their sponsors would not remain with them regardless of the economic impact of the pandemic on the business, negative or otherwise.

In addition, 47% believed that businesses may reduce their sponsorships as long as COVID-19 impacted their revenue. There were split opinions on the market being too competitive to win support from sponsors, trusts, and foundations, with 39% agreeing and 36% disagreeing.



Image: Australian Theatre For Young People,
Oedipus Doesn't Live Here Anymore, 2017
Photo: Tracey Schramm

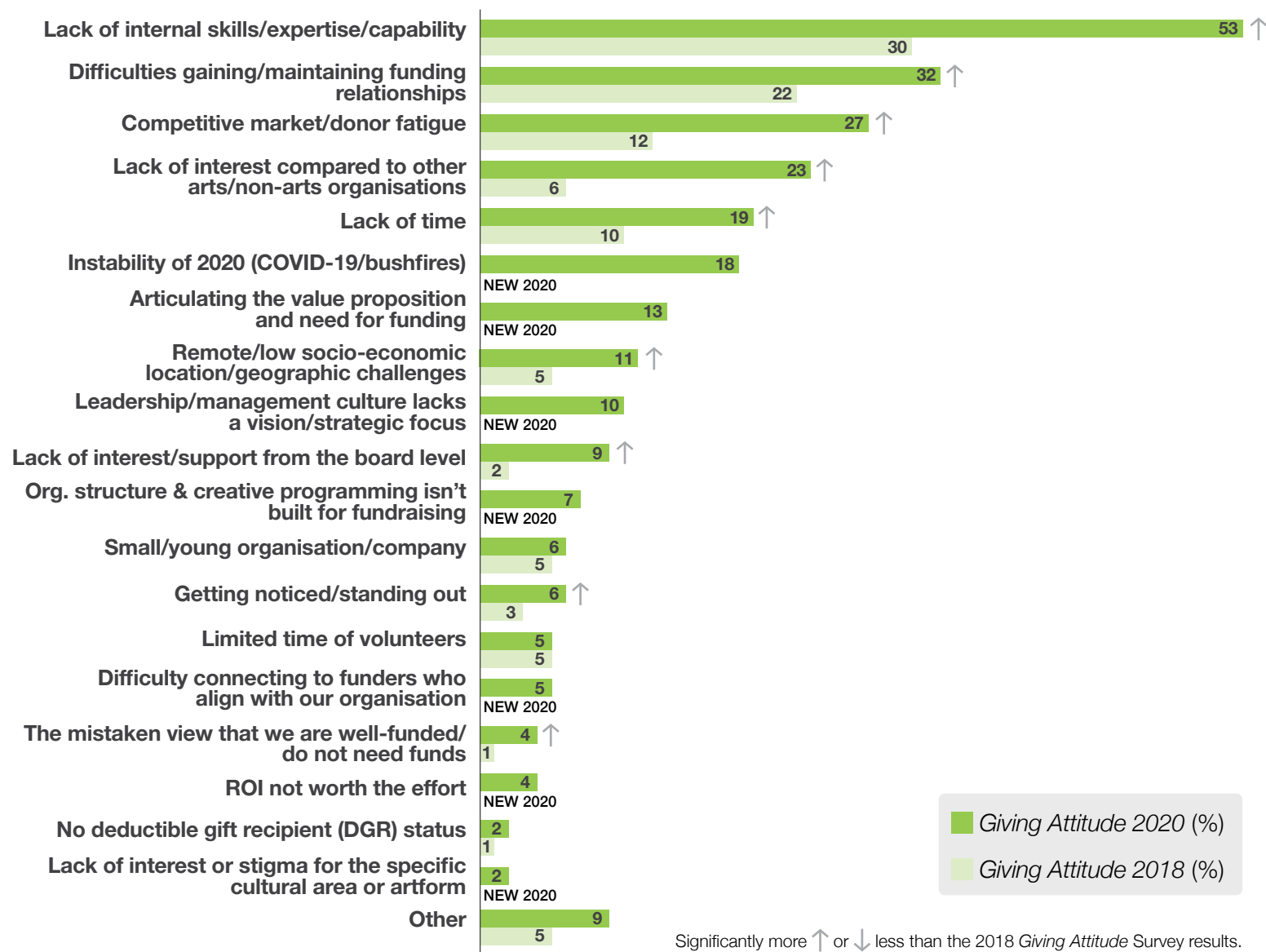
Challenges and opportunities with fundraising

The main challenges

The main challenge that organisations identified was a perceived lack of skills and expertise in seeking private sector funding. This challenge has increased as an area of concern since *Giving Attitude 2018*; 53% of organisations now identify with this issue compared to 30% in *Giving Attitude 2018*. This aligns with greater awareness of the need for private sector support and the resulting opportunities they identify for more skilled staff, combined with a better understanding of this need within the organisation.

Additional key challenges identified included difficulty with gaining or maintaining funding relationships (32%), market fatigue and competition (27%), a lack of community interest to donate to the arts (23%), and a lack of time for organisations to fundraise (19%). The instability of 2020 due to COVID-19 and bushfires was also a key challenge for 18% of organisations.

Figure 28: Main challenges to fundraising with the private sector



Opportunities

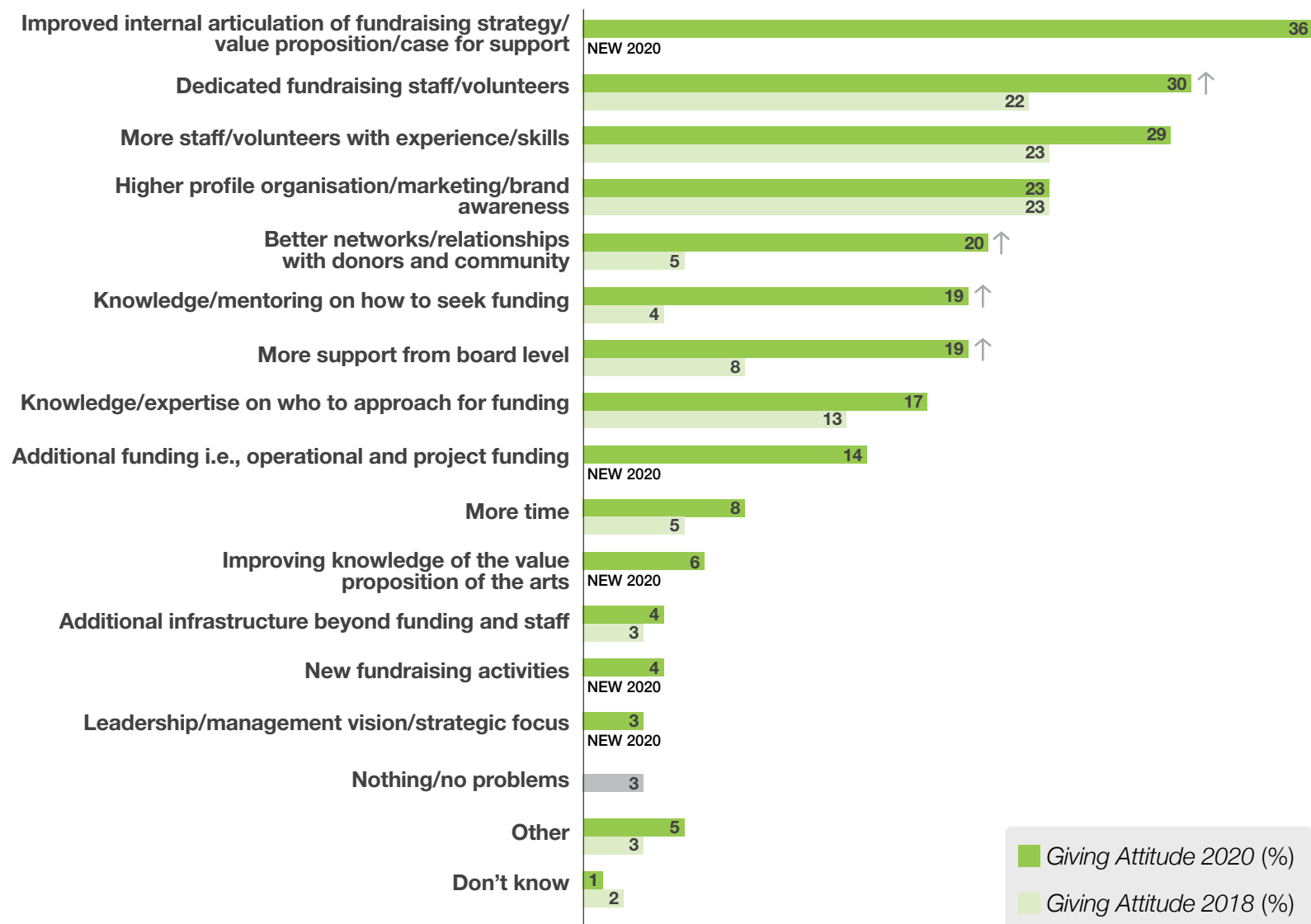
The study asked organisations to identify what they needed to be more successful in raising private sector support.

In the most recent reporting period, 36% of organisations identified the need to develop their fundraising strategy and case for support within their organisation. These organisations were seeking to clearly articulate funding priorities, to review their fundraising strategy to set clear goals, to outline a compelling proposition for support that is tailored to their organisation, and to document a fundraising framework.

There were also more organisations that stated they would have greater capacity to undertake their fundraising activities by having dedicated fundraising staff or volunteers (30%), as well as more skilled and experienced staff and volunteers (29%).

In the most recent reporting period, there was increased awareness of the need to seek better relationships (5% to 20%), the need for fundraising mentoring (4% to 19%) and the need for more support from boards (8% to 19%).

Figure 29: Perceptions of organisations on what they need



Significantly more ↑ or ↓ less than the 2018 Giving Attitude Survey results.

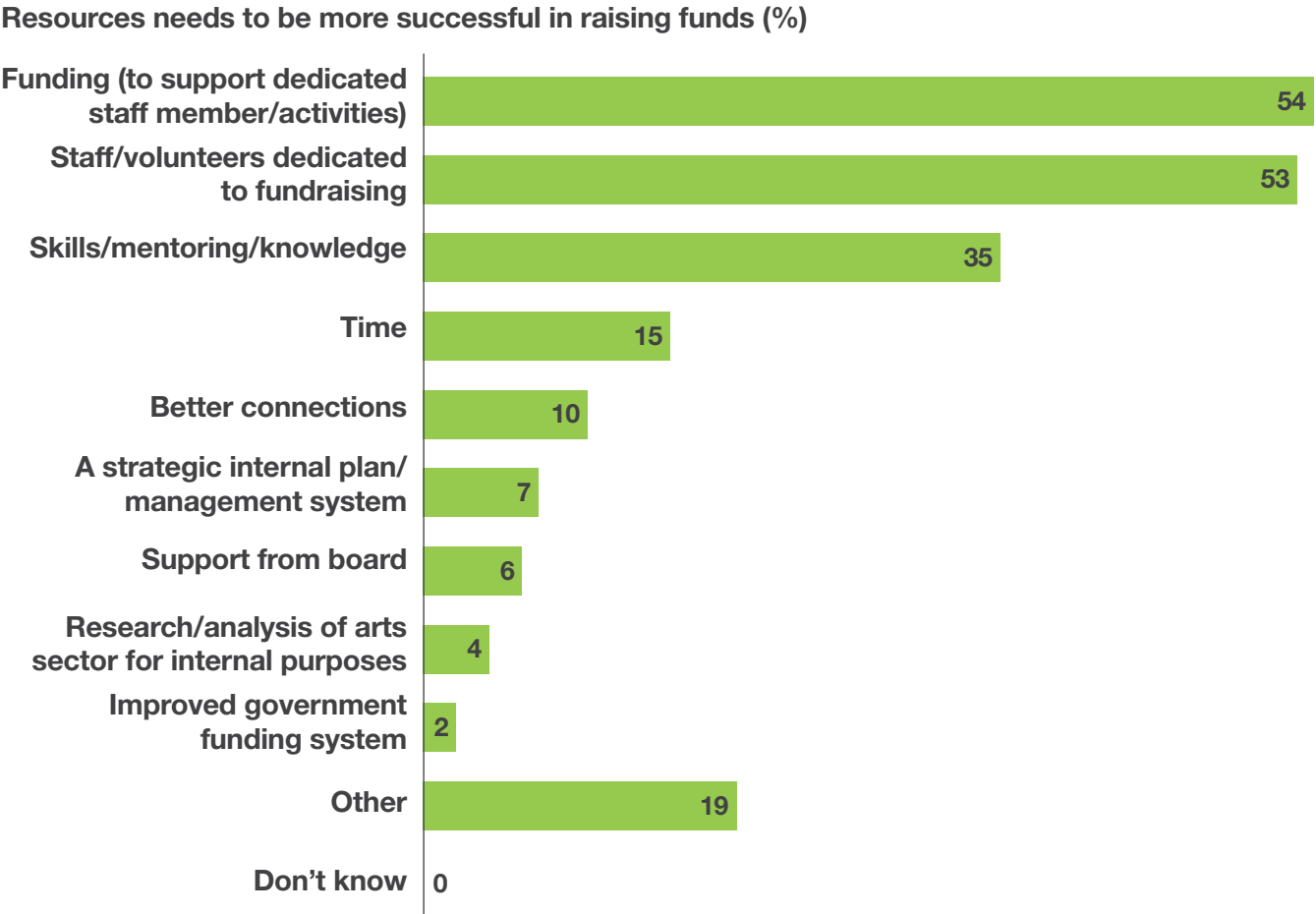
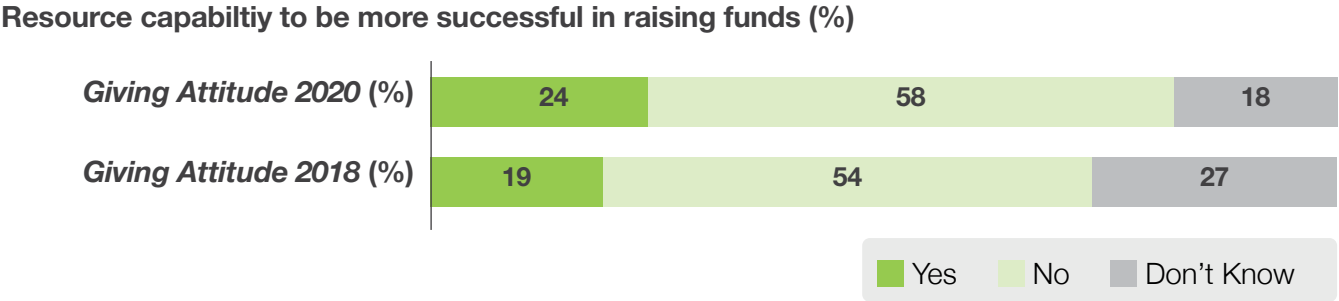


Identified resource needs to improve fundraising capacity and capability

Giving Attitude 2020 sought input on what extra resources were needed for organisations to be more successful at fundraising.

Of the 58% of organisations that stated they did not have the resourced capability to be more successful, the two top resource needs included funding for a dedicated staff member or fundraising activities (54%) and staff and volunteers who are dedicated to fundraising (53%).

Figure 30: Resource needs identified by organisations



Drivers of success

This research sought to understand the fundraising activities that would most likely result in successful fundraising for private sector support.

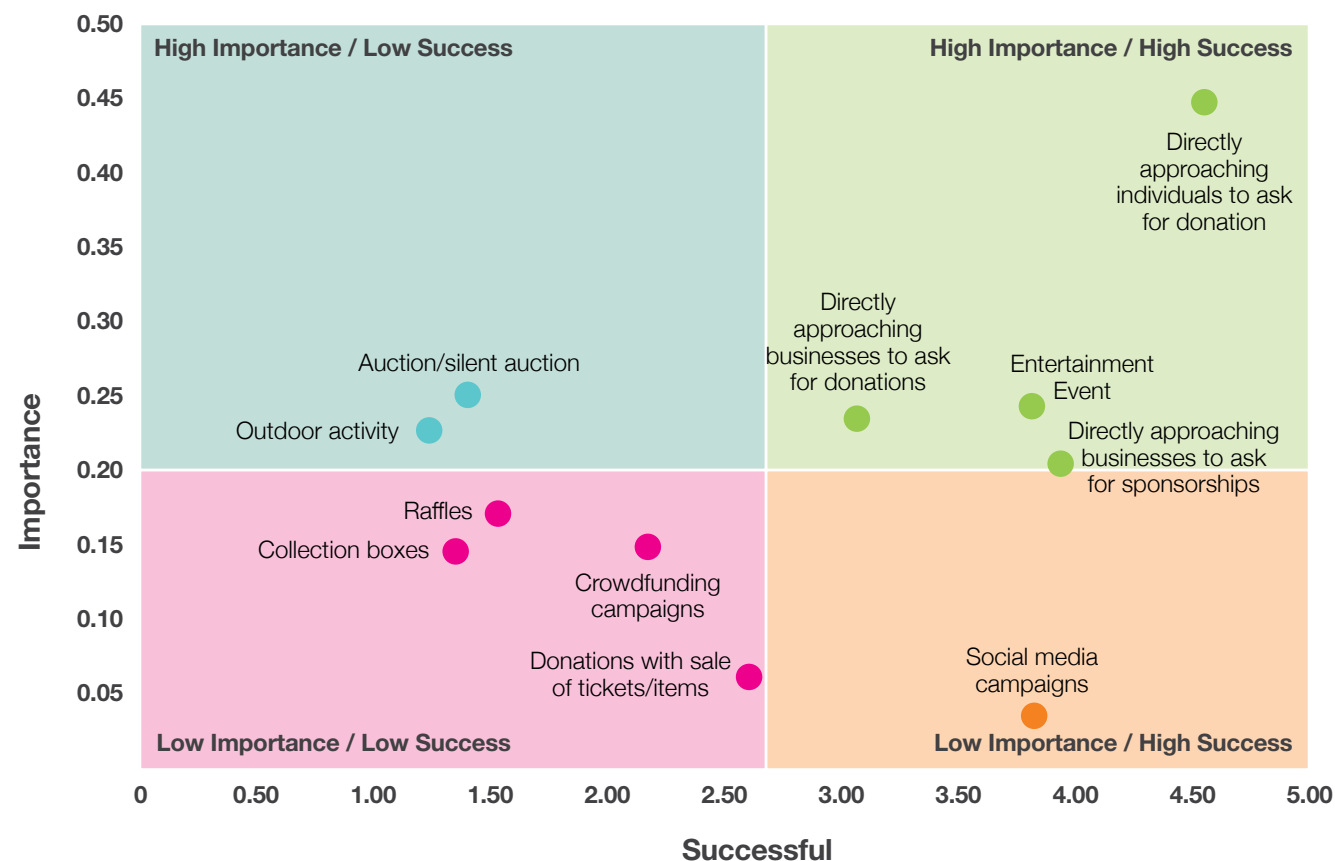
Analysis of the *Giving Attitude 2020* results reiterates that personal approaches were the most effective strategy that arts and cultural organisations could employ to improve their success in raising private sector support, which was also the case in *Giving Attitude 2018*.

Directly approaching individuals to ask for donations was the activity with the highest importance and success rating.

The next tier of strategies believed to enable success included:

- Entertainment events;
- Directly approaching businesses and asking them for sponsorships;
- Directly approaching businesses and asking for donations; and
- Social media campaigns.

Figure 31: Drivers of success - plotting important fundraising activities by their perceived success



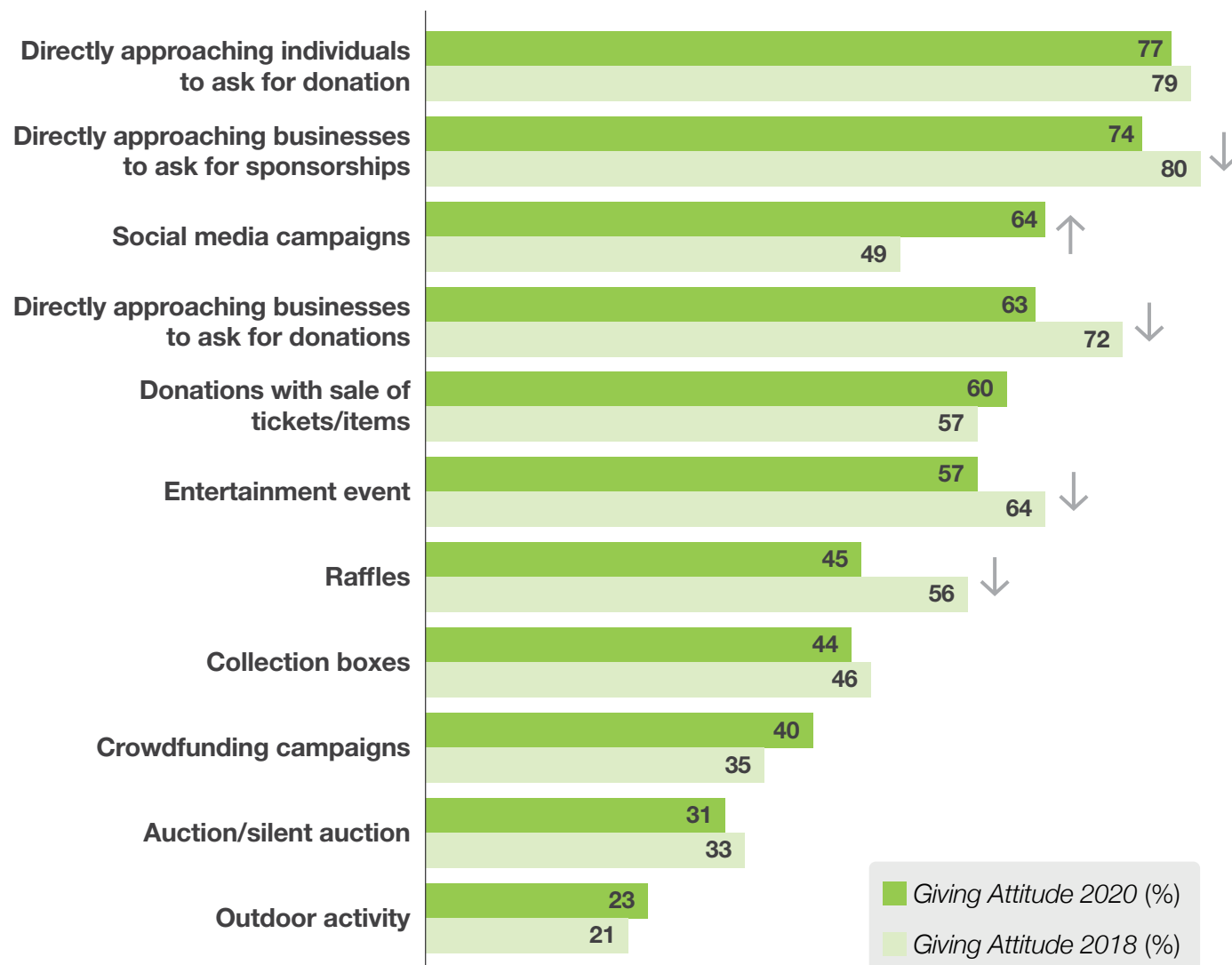
Engagement with private sector fundraising activities

Directly approaching individuals for donations was the most common fundraising activity (77%), a level of engagement that is relatively consistent with *Giving Attitude 2018*.

The use of social media campaigns increased significantly to 64%, up from 49% from *Giving Attitude 2018*.

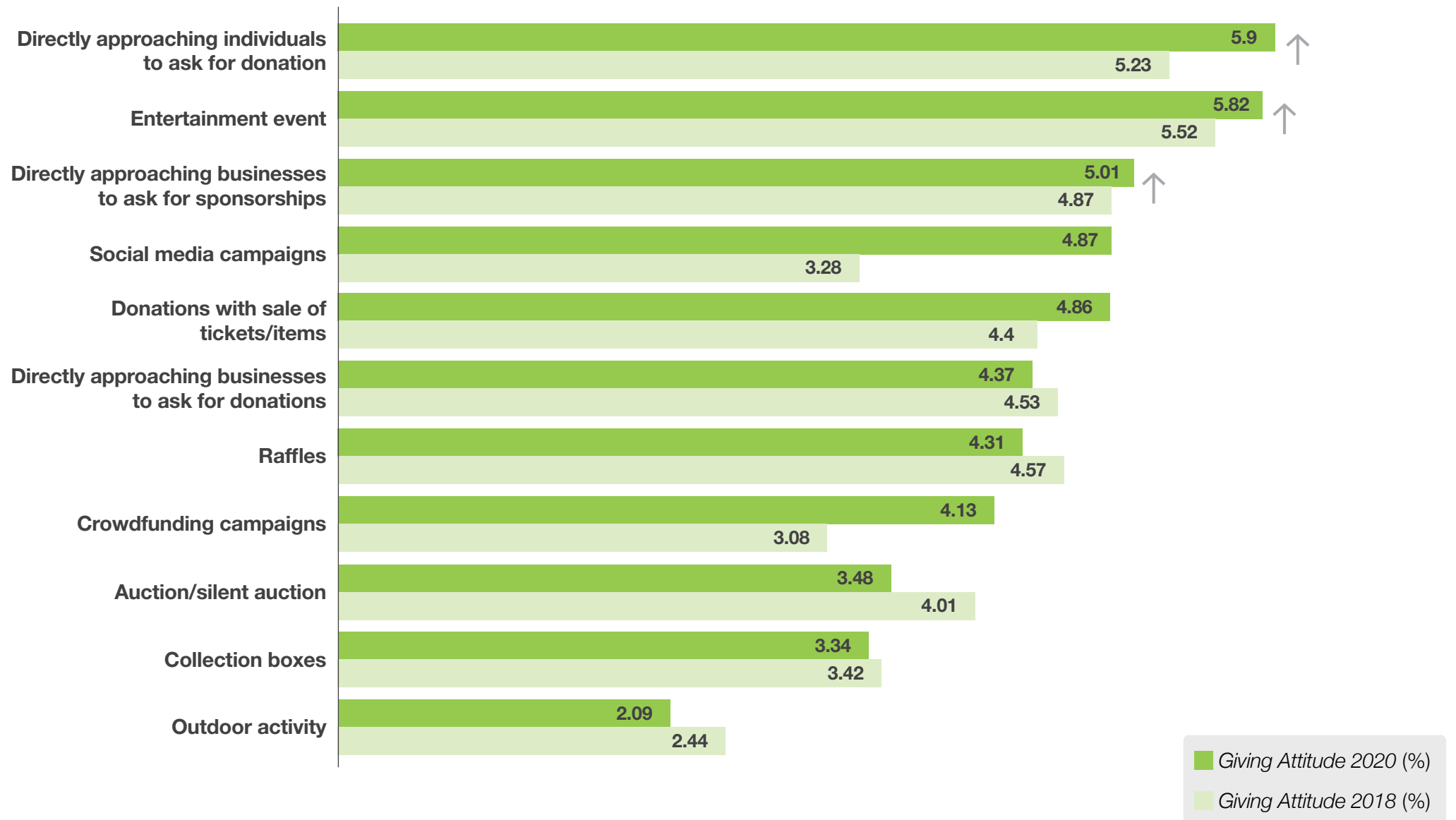
Unsurprisingly, results on engagement with other key fundraising activities were likely impacted by COVID-19 restrictions. For example, the proportion of organisations that sought sponsorships dropped from 80% to 74%, that approached businesses for donations dropped from 72% to 63%, that undertook entertainment events dropped from 64% to 57%, and that used raffles dropped from 56% to 45%.

Figure 32: Engagement with private sector fundraising activities



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.

Figure 33: Industry change in the perceived success of key fundraising activities (mean score on an 11-point scale)



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.

Success with each activity to raise private sector support

All organisations were asked to rate their organisation's success in raising private sector support through each of the listed activities in Figure 32.

Since *Giving Attitude 2018*, there has been a positive shift in perceived success across most key activities.

Individual donations, undertaking entertainment events, and asking for business sponsorships were rated as being most successful across the industry and are now classified as moderately successful compared with a classification of low success in *Giving Attitude 2018*.

Asking for business donations was a stated driver of success, but perceived success was down in this survey, likely an influence of COVID-19.

There were very few organisations that saw themselves as very successful for each fundraising activity.

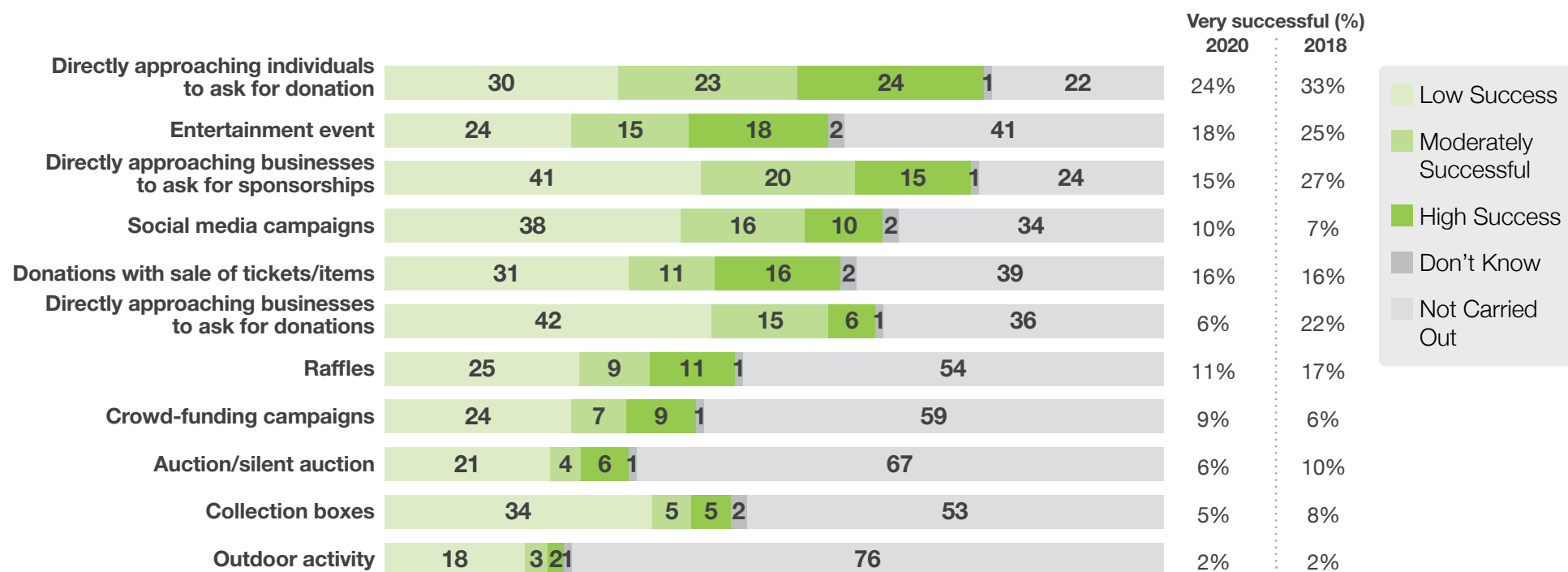
This is not surprising when considering the impact that COVID-19 disruptions had on fundraising activity. As seen in Figure 34, the proportion of organisations that rated themselves as highly successful had declined for those seeking individual donations (33% to 24%), for entertainment events (25% to 18%), and

in asking for business sponsorships (27% to 15%) and business donations (22% to 6%).

High agreement with the importance of private sector funding significantly increased (from 46% to 54%). The strengthening of knowledge and experience of, and success in, private sector funding was led by a general improvement with fewer low responses and more moderately agreeing.

In contrast with private sector support, there were more organisations with high agreement for their stated knowledge, perceived importance, and experience with government funding.

Figure 34: Proportion of the industry rating themselves as highly successful in each activity (rank 8-10 on a scale of 0-10)



Perceptions of private sector fundraising and government funding

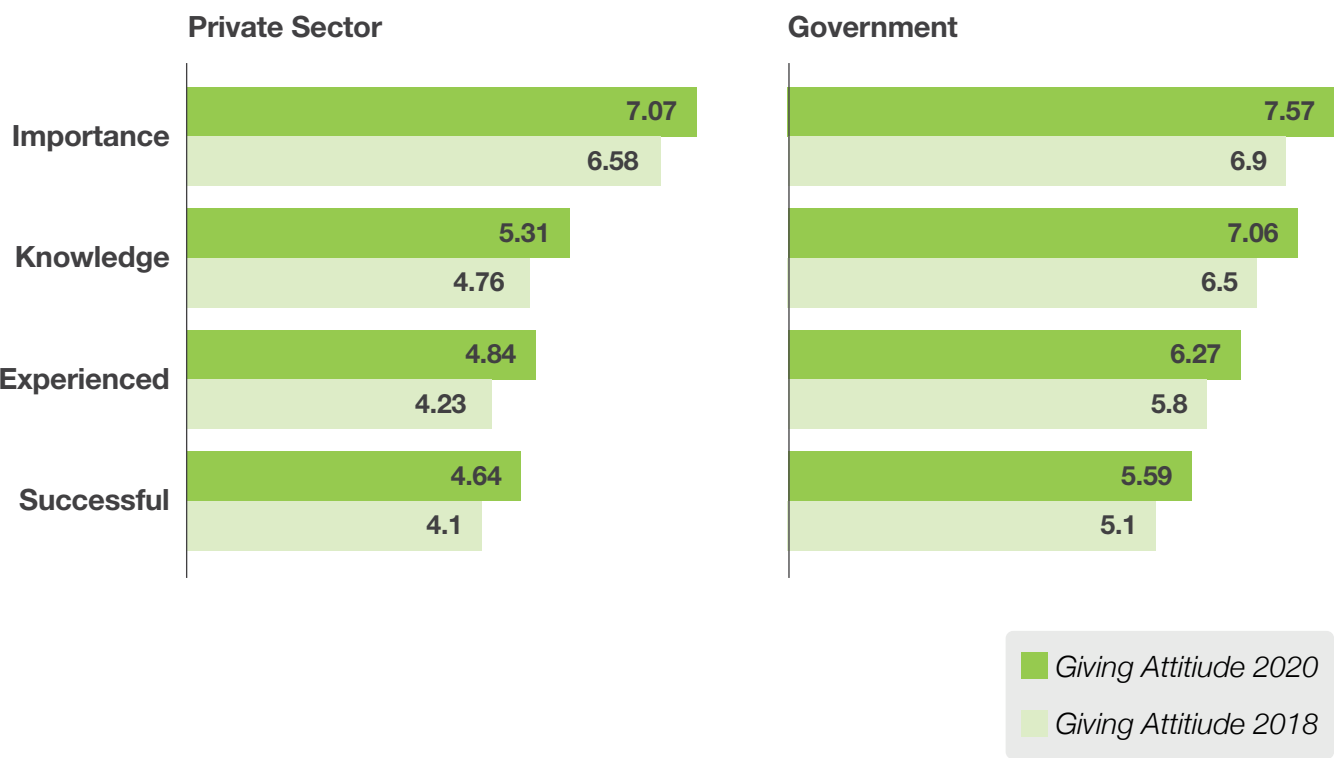
This section profiles the perceptions of arts and cultural organisations towards their own knowledge, experience, and success in raising funds from the private sector, as well as the importance of these activities to the viability of their organisation. It then compares this to the same metrics on seeking government support.

Despite declines in the perceived success of some activities that raise private sector support, organisations surveyed remained clear in their understanding of the importance of private sector fundraising as seen in Figure 35 (up from an average of 6.58 out of 10 in *Giving Attitude 2018* to 7.07 out of 10).

Encouragingly, improvements were also seen across the three other key metrics; stated knowledge in how to seek support was higher (4.76 out of 10 in *Giving Attitude 2018* to 5.31 out of 10), experience in seeking support (4.23 out of 10 in *Giving Attitude 2018* to 4.84 out of 10) and success at doing it (4.1 out of 10 in *Giving Attitude 2018* to 4.64 out of 10).

However, organisation’s perceptions on their government funding capability remained stronger overall. This was most apparent in the results on their perceived experience and success.

Figure 35: Mean rating for each attribute



Capability and capacity to fundraise

Only half of organisations agreed that they could articulate unique points of difference and build strong supporter relationships, while the use of budgets and proven techniques has risen (albeit from a low base). Nearly 80% did not have dedicated full-time equivalent fundraising staff; however, the average number of these staff members employed increased among those that did employ them (1.4 to 1.8, on average), as difficulty in finding these staff declined (potentially through an overall reduction of recruitment activity in the industry during 2020).



Image: STRUT Dance - 'tHE bAD', Hofesh in the Yard
Photo Anthony Tran

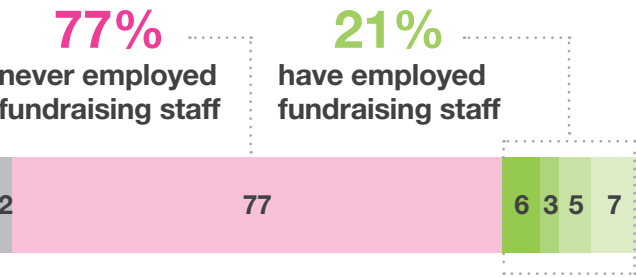
Staff resources for fundraising

The proportion of arts and cultural organisations that employed fundraising staff remained relatively consistent with *Giving Attitude 2018*; 21% employed fundraising staff compared to 24% in *Giving Attitude 2018*. This means that 77% of organisations have never employed staff and thus felt pressure to focus on raising private sector support when they may not have had the necessary expertise.

Among those who did employ fundraising staff, there was a higher number of full-time equivalent fundraising staff: 1.8 in *Giving Attitude 2018* compared to 1.4 in *Giving Attitude 2020*. This was led by larger organisations who reported on the 2019 calendar year.

Figure 36: First employed fundraising staff

Giving Attitude 2020 (%)



Giving Attitude 2018 (%)

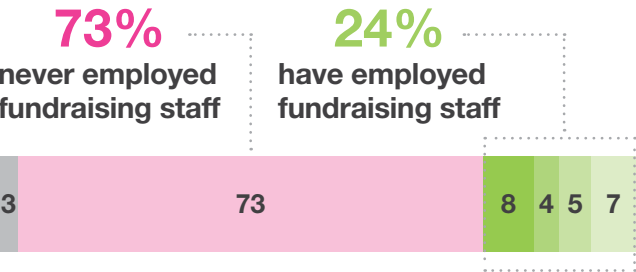
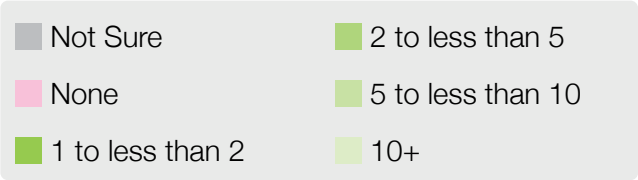
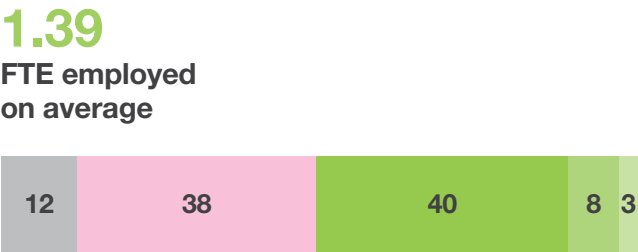


Figure 37: Full time equivalent fundraising staff



Board involvement in fundraising

This study asked senior staff about their perceptions of the level of involvement of board members in fundraising activity.

Senior staff reported low levels of board engagement, irrespective of organisation size. For example, 13% reported that board members donated frequently, while 32% did so once a year.

A high proportion of board members were not actively engaged in activities that raised private sector support. For example, board members were reported to be most frequently involved in discussing fundraising strategies (22% monthly and 31% every 6 months) while having participated less frequently in the actual activities (25% never do and 15% do so less than once a year).

Direct approaches by board members to businesses for sponsorships and to business and individuals for donations was reported to occur much less frequently, if at all.

Figure 38: Frequency of board donations to the organisation

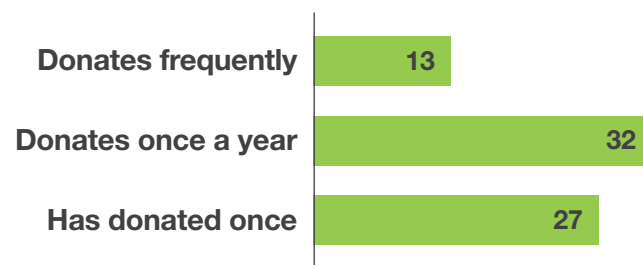
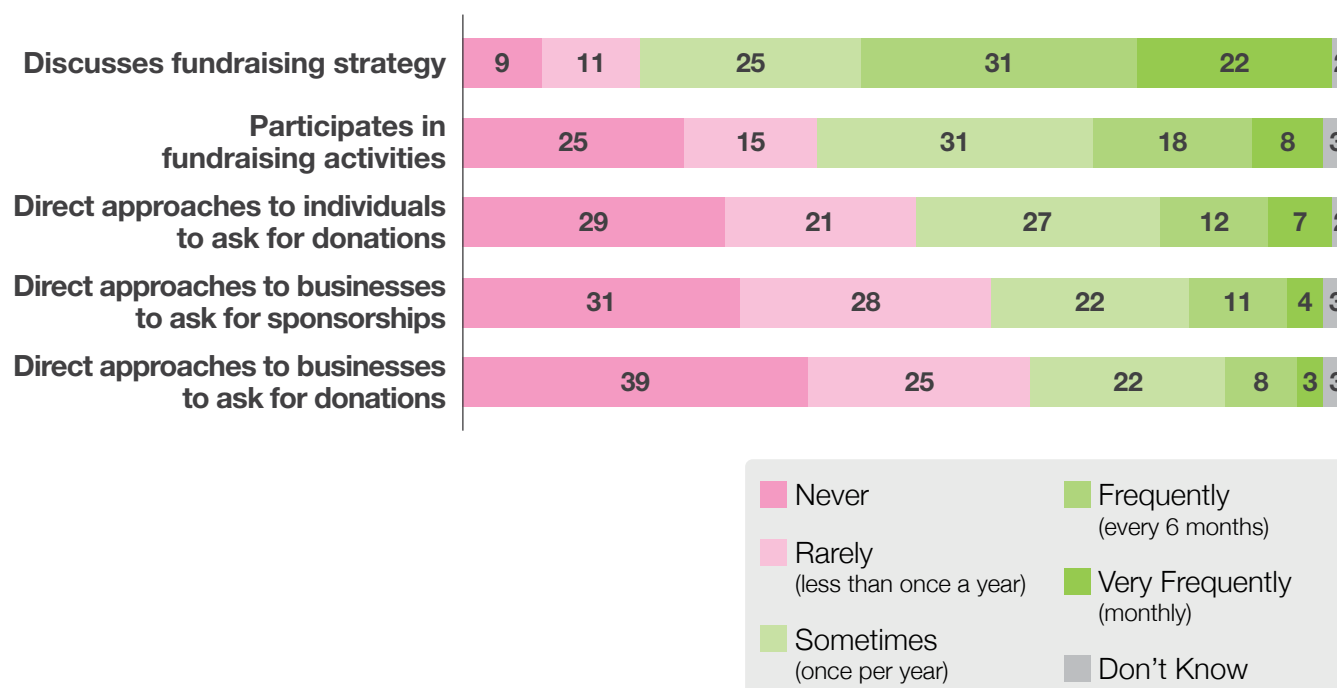


Figure 39: Frequency of board engagement in fundraising activities



Other marketing and fundraising activities undertaken

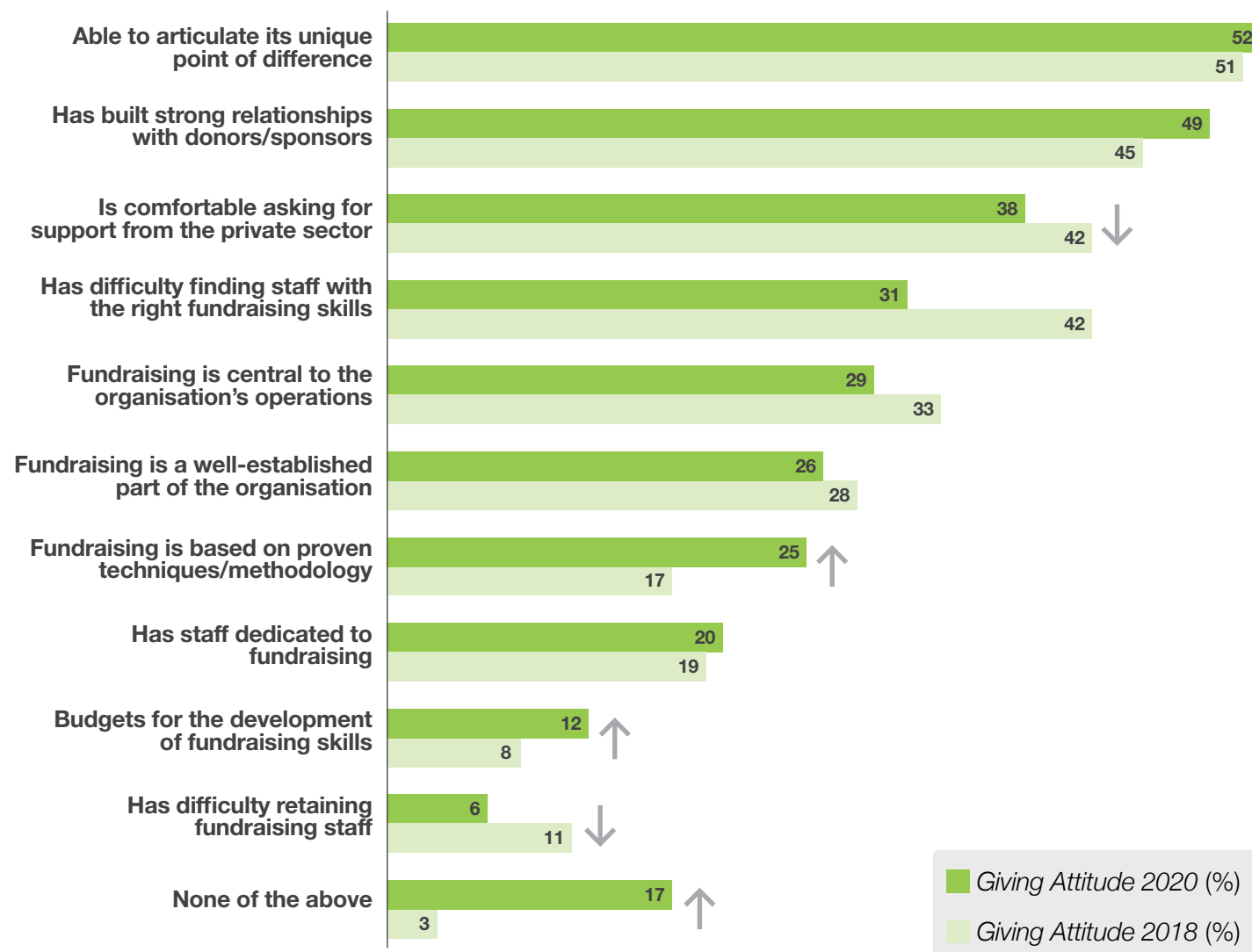
The other marketing and fundraising activities that arts and cultural organisations were undertaking remained similar to *Giving Attitude 2018*.

Articulating a unique point of difference (52%) and the ability to build strong donor and supporter relationships (49%) continued to be the top two internal marketing and fundraising activities. Despite most identifying these areas as key challenges, these results indicate they had been attempting such activities.

In addition, there were noted improvements since *Giving Attitude 2018* in the use of proven techniques (25% do so now, from 17% in *Giving Attitude 2018*) and budgeting to develop the right fundraising skills (12% do so now from 8% in *Giving Attitude 2018*).

In the 2020 survey, fewer organisations found it difficult to find fundraising staff (31% from 42%) or to retain skilled staff (6% from 12%). While having the right expertise was noted as a challenge, a decline in these metrics reflects organisations' recognition that to raise private sector support they needed to attract and retain skilled staff.

Figure 40: Other activities undertaken in the organisation



Significantly more ↑ or ↓ less than the 2018 *Giving Attitude* Survey results.

The influence of the size of an organisation on fundraising

Further analysis³ of the data was undertaken to determine which organisational characteristics were likely to have the most influence on private sector support in terms of fundraising skills, knowledge, resources, and the success in fundraising.

The analysis revealed that size of an organisation had the most influence on private sector support in terms of fundraising skills, knowledge, resources, and the success at raising private sector support. This was also the case in *Giving Attitude 2018*. As will be seen in the following analysis of income, organisations with a turnover of more than \$1 million spend more on fundraising, raise more funds, and thus achieve higher returns than organisations with a turnover of less than \$1 million.

More specifically, the following pages reveal that organisations with a turnover of more than \$5 million had a higher level of capability within their

organisation in comparison to the average of all other sized organisations. This included the ability to articulate the organisation's unique point of difference, comfort in seeking private sector support through enhanced levels of knowledge and experience, the use of proven fundraising techniques and budgets, and the availability of dedicated fundraising staff.

Additional analysis by organisation type (primary art or cultural focus) and organisation location can be seen in the Appendix.



Image: Barking Gecko Theatre, My Robot
Photo: Daniel Grant

³To provide confidence that the differences are a true reflection of the industry and not just due to the sample that was recruited, the analysis undertook a two-sided test at a 95% confidence interval to compare responses on the qualitative questions by the size of the organisation, the organisation's location, and the primary art form or cultural area of the organisation.

Extra-large organisations (turnover of more than \$5 million):

- More extra-large organisations received very high levels of net private sector support at more than \$250,000 after costs (86% extra-large vs. 13% all organisations).
- Extra-large organisations had a greater number of individual supporters (average: 1014 for extra-large vs. 115 for all organisations) and trusts/foundation supporters (average: 10 for extra-large vs. 3 for all organisations).
- More extra-large organisations rated themselves as knowledgeable with the availability of private sector funding (56% extra-large vs. 17% all organisations), experienced at raising private sector funding (59% extra-large vs. 18% all organisations), and successful at raising private sector funding (44% extra-large vs. 16% all organisations).
- More extra-large organisations discussed having a higher internal capability with respect to their level of comfort with asking for support from the private sector (86% extra-large vs. 38% all organisations), the use of proven fundraising techniques (69% extra-large vs. 25% all organisations), the use of dedicated fundraising staff (86% extra-large vs. 20% all organisations), and the use budgets for the developing fundraising skills (61% extra-large vs. 12% all organisations).
- Extra-large organisations had been employing fundraising staff for longer, with a greater number doing so for between 6 and 10 years (22% extra-large vs. 3% all organisations), and a greater number doing so for over 10 years (47% extra-large vs. 6% all organisations).

Large organisations (turnover between \$1 and \$5 million):

- More large organisations received very high levels of net private sector support at more than \$250,000 after costs (58% large vs. 13% all organisations).
- More large organisations discussed having a higher internal capability with respect to the ability to articulate the organisation's unique point of difference (78% large vs. 52% all organisations), their level of comfort with asking for support from the private sector (62% large vs. 38% all organisations), the use of proven fundraising techniques (54% large vs. 25% organisations), and the use budgets for the developing fundraising skills (35% large vs. 12% all organisations).
- More large organisations used dedicated fundraising staff (42% large vs. 20% all organisations) with a longer extra-large organisations have been employing fundraising staff for longer, with a greater number doing so for between 6 and 10 years (14% large vs. 3% all organisations).
- More large organisations stated they want greater support from their boards on fundraising (28% large vs. 6% all organisations).

Medium organisations (turnover between \$250,000 and \$999,999):

- More medium organisations reported receiving high net private sector support from their fundraising at between \$100,000 and \$250,000 (23% medium vs. 8% all organisations).
- More medium organisations estimated more current funding had been received via the government (43% medium vs. 33% all organisations) and more funding had been received via the government since March 2020 for those reporting on CY19 (65% medium vs. 41% all organisations).

Small organisations (turnover between \$50,000 and \$249,000):

- More small organisations estimated that more funding had been received via the government since March 2020 for those reporting on FY20 (53% small vs. 36% all organisations).

Micro organisations (turnover of less than \$50,000):

- More micro organisations reported having no board (14% micro vs. 9% all organisations) and no fundraising staff (81% micro vs. 75% all organisations).
- More micro organisations estimated that their current funding is from the private sector (29% micro vs. 23% all organisations).
- In five years, more micro organisations stated they will have neither government funding (22% micro vs. 15% all organisations) nor earned income (13% micro vs. 8% all organisations).
- More micro organisations stated they had low success for donations with sale of tickets/items (31% micro vs. 23% all organisations).
- More micro organisations reported receiving low net private sector support from their fundraising at than \$50,000 (72% micro vs. 53% all organisations).
- More micro organisations stated that they needed more staff and volunteers with fundraising experience and skills to help them be more successful at private sector fundraising (38% micro vs. 29% all organisations).



Image: Merinda Davies, Conversations with the forest - Re-membering
Photo: Tangible Media courtesy of HOTA

Appendix



Image: Omega Ensemble
Photo: Daniel Boud



INTRODUCTION

ARTS AND CULTURE PROFILE

INCOME ANALYSIS

FOSTERING SUCCESS IN FUNDRAISING

APPENDIX

Giving Attitude 2020 66

Unweighted sample profile comparison to *Giving Attitude 2018*

The following provides a more detailed picture of the sample profile obtained and this represents the unweighted figures. Please note that the figures within the report are weighted.

Location	GA 2020		GA 2018	
Total sample	n=	%	n=	%
NSW	109	29	174	32
ACT	17	4	15	3
VIC	94	25	150	27
QLD	45	12	74	13
WA	53	14	55	10
SA	31	8	42	8
TAS	15	4	18	3
NT	16	4	22	4

Size of Organisation	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Micro (<\$50k)	69	18	92	17
Small (\$50k-\$249k)	91	24	143	26
Medium (\$250k-\$999k)	106	28	147	27
Large (\$1m-<\$5m)	78	21	97	18
Extra-large (>\$5m)	36	9	72	13

Years In Operation	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Five years or less	24	6	31	6
Six to ten years	27	7	43	8
Over ten years	321	84	476	86
Don't know	1	0	0	0

All Art Form/Cultural Activities	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Festivals	98	26	81	15
Media and Communications	94	25	75	14
Visual Arts	114	30	145	26
Performing Arts	229	60	271	49
Historical, Literary, and Humanistic Societies	37	10	50	9
Museums and Galleries	117	31	303	55
Cross-art form	69	18	N/A	N/A
Other	49	13	41	7

Profit Focus	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Not-for-profit	379	100	519	94
For profit	1	0	20	4
Don't know	0	0	12	2

Staff Structure	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Majority of staff are paid	248	65	334	61
Majority of staff are unpaid	132	35	216	39

Board Type	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Paid	5	1	13	2
Unpaid	356	94	475	86
No board	19	5	62	11

Indigenous Organisation	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Yes	22	6	43	8
No	358	94	507	92

Role of Respondent	GA 2020		GA 2018	
Total sample	n=	%	n=	%
Chief Executive Officer (or equivalent)	189	50	286	52
Chief Financial Officer (or equivalent)	44	12	88	16
Development Manager (or equivalent)	47	12	56	10
Other	100	26	120	22



Unweighted sample profile by location

Size of organisation	NSW	ACT	VIC	QLD	WA	SA	TAS	NT
Total sample n=	109	17	94	45	53	31	15	16
	%	%	%	%	%	%	%	%
Micro (<\$50k)	20	18	20	13	13	23	13	19
Small (\$50k-\$249k)	26	12	27	31	13	19	33	25
Medium (\$250k-\$999k)	23	35	31	22	34	29	33	25
Large (\$1m-<\$5m)	20	24	13	24	32	19	13	25
Extra-large (>\$5m)	11	12	10	9	8	10	7	6

Primary art form/ cultural activities	NSW	ACT	VIC	QLD	WA	SA	TAS	NT
Total sample n=	109	17	94	45	53	31	15	16
	%	%	%	%	%	%	%	%
Festivals	5	-	7	9	4	13	27	13
Media and Communications	7	-	6	9	8	6	13	-
Visual Arts	5	18	6	9	6	6	7	38
Performing Arts	46	41	35	38	40	42	40	19
Historical, Literary, Humanistic Societies	5	-	4	-	8	-	-	-
Cross-art Form	17	12	22	24	17	13	7	19
Museums and Galleries	11	29	16	9	19	13	7	13
Other	6	-	2	2	-	6	-	-

All artform/cultural activities	NSW	ACT	VIC	QLD	WA	SA	TAS	NT
Total sample n=	109	17	94	45	53	31	15	16
	%	%	%	%	%	%	%	%
Festivals	21	12	21	38	32	26	33	38
Media and Communications	28	-	28	22	28	16	40	13
Visual Arts	23	47	31	33	25	32	20	69
Performing Arts	68	53	55	64	58	55	60	50
Historical, Literary, Humanistic Societies	11	6	12	7	13	3	7	6
Cross-art Form	17	12	22	24	17	13	7	19
Museums and Galleries	23	47	30	31	43	26	13	56
Other	16	6	13	9	15	19	-	6



Unweighted sample profile by location

	NSW	ACT	VIC	QLD	WA	SA	TAS	NT
Total sample n=	109	17	94	45	53	31	15	16
	%	%	%	%	%	%	%	%
Years in operation								
Five years or less	6	6	4	4	13	6	7	6
Six to ten years	7	-	7	9	9	3	7	6
Over ten years	84	94	87	84	75	87	80	88
Don't know	1	-	-	-	-	-	-	-
Profit focus								
Not-for-profit	100	100	100	98	100	100	100	100
For profit	-	-	-	2	-	-	-	-
Staff Structure								
Majority of staff are paid	65	71	53	58	77	74	73	88
Majority of staff are unpaid	35	29	47	42	23	26	27	13
Board Type								
Paid	0	6	1	-	-	10	-	-
Unpaid	95	94	91	89	96	90	100	100
No board	5	-	7	11	4	-	-	-
Indigenous Organisation								
Yes	5	6	-	9	11	-	-	38
No	95	94	100	91	89	100	100	63
Role of respondent								
Chief Executive Officer (or equivalent)	54	53	41	51	51	52	33	69
Chief Financial Officer (or equivalent)	14	12	13	13	11	6	7	-
Development Manager (or equivalent)	14	-	13	9	19	13	7	6
Other	18	35	33	27	19	29	53	25



Unweighted sample profile by primary art form or cultural area

	Festivals	Media & Communications	Visual Arts	Performing Arts	Historical, Literary, Humanistic Societies	Cross-art Form	Museums and Galleries	Other
Total sample n=	28	26	30	150	13	69	53	11
	%	%	%	%	%	%	%	%
Size of organisation								
Micro (<\$50k)	7	23	27	17	38	12	17	45
Small (\$50k-\$249k)	21	27	17	25	23	23	30	9
Medium (\$250k-\$999k)	32	27	33	26	31	26	30	27
Large (\$1m-<\$5m)	25	19	23	18	8	33	11	18
Extra-large (>\$5m)	14	4	-	14	-	6	11	-
Location								
NSW	18	31	17	33	38	26	23	55
ACT	-	-	10	5	-	3	9	-
VIC	25	23	20	22	31	30	28	18
QLD	14	15	13	11	-	16	8	9
WA	7	15	10	14	31	13	19	-
SA	14	8	7	9	-	6	8	18
TAS	14	8	3	4	-	1	2	-
NT	7	0	20	2	-	4	4	-



Unweighted sample profile by primary art form or cultural area

	Festivals	Media & Communications	Visual Arts	Performing Arts	Historical, Literary, Humanistic Societies	Cross-art Form	Museums and Galleries	Other
Total sample n=	28	26	30	150	13	69	53	11
	%	%	%	%	%	%	%	%
Years in operation								
Five years or less	4	-	6	8	-	3	12	-
Six to ten years	7	4	10	7	-	10	4	9
Over ten years	89	96	83	83	100	87	85	91
Don't know	-	-	-	1	-	-	-	-
Profit focus								
Not-for-profit	100	100	100	100	100	100	99	100
For profit	-	-	-	-	-	-	1	-
Staff Structure								
Majority of staff are paid	61	42	63	73	46	72	51	73
Majority of staff are unpaid	39	58	37	27	54	28	49	27
Board Type								
Paid	-	-	3	-	-	3	4	-
Unpaid	100	100	93	93	92	94	89	100
No board	-	-	3	7	8	3	8	-
Indigenous Organisation								
Yes	-	12	30	2	8	4	6	-
No	100	88	70	98	92	96	94	100
Role of respondent								
Chief Executive Officer (or equivalent)	46	54	70	43	54	58	43	64
Chief Financial Officer (or equivalent)	14	19	7	13	-	9	9	27
Development Manager (or equivalent)	14	8	-	16	23	7	17	-
Other	25	19	23	29	23	26	30	9

Unweighted sample profile by organisation size

	Micro (<\$50k)	Small (\$50k-\$249k)	Medium (\$250k-\$999k)	Large (\$1m-<\$5m)	Extra-large (>\$5m)
Total sample n=	28	26	30	150	13
	%	%	%	%	%
Location					
NSW	32	31	24	28	33
ACT	4	2	6	5	6
VIC	28	27	27	15	25
QLD	9	15	9	14	11
WA	10	8	17	22	11
SA	10	7	8	8	8
TAS	3	5	5	3	3
NT	4	4	4	5	3
Primary artform/cultural activities					
Festivals	3	7	8	9	11
Media and Communications	9	8	7	6	3
Visual Arts	12	5	9	9	-
Performing Arts	38	41	37	35	58
Historical, Literary, Humanistic Societies	7	3	4	1	-
Cross-art Form	12	18	17	29	11
Museums and Galleries	13	18	15	8	17
Other	7	1	3	3	-



Unweighted sample profile by organisation size

	Micro (<\$50k)	Small (\$50k-\$249k)	Medium (\$250k-\$999k)	Large (\$1m-<\$5m)	Extra-large (>\$5m)
Total sample n=	28	26	30	150	13
	%	%	%	%	%
Years in operation					
Five years or less	11	14	2	1	3
Six to ten years	12	8	6	6	3
Over ten years	77	78	92	92	91
Don't know	-	-	-	-	3
Profit focus					
Not-for-profit	100	100	99	100	100
For profit	-	-	1	-	-
Staff Structure					
Majority of staff are paid	28	34	81	97	100
Majority of staff are unpaid	72	66	19	3	-
Board Type					
Paid	-	-	-	3	8
Unpaid	86	93	97	97	92
No board	14	7	3	-	-
Indigenous Organisation					
Yes	3	5	4	13	3
No	97	95	96	87	97
Role of respondent					
Chief Executive Officer (or equivalent)	42	40	64	62	22
Chief Financial Officer (or equivalent)	12	16	9	9	11
Development Manager (or equivalent)	1	4	8	23	44
Other	45	40	19	6	22



Questionnaire amendment in *Giving Attitude 2020*

The following solutions were identified for the *Giving Attitude 2020* questionnaire that addressed concerns arising from *Giving Attitude 2018*.

Table 4: Identified solutions to the *Giving Attitude 2018* survey

Question	Feedback	Solutions
Organisation type	This is badly designed and wasn't used in the report.	– Delete.
Type of arts & cultural organisation	Most companies nominated several art forms which confused the data.	<ul style="list-style-type: none"> – Retain the ICNPO classifications. – Split the question to first ask about the primary art form and then about other art forms to remove data noise. – Include a cross art form category.
Donor numbers	Possible confusion about “individuals” and “trusts and foundations” and where Private Ancillary Funds (PAFs) should be classified.	<ul style="list-style-type: none"> – Align responses to the financial reporting period. – Define the categories that consider the proportion of donors that are short or long term and reference the results as a breakdown of the donor types. – Update the trust/foundation definition to ensure organisations consider Private Ancillary Funds (PAFs).
Board engagement	Board engagement is key to fundraising success, but this question needs to be reviewed – as many more said their board was already engaged than expected.	<ul style="list-style-type: none"> – Replace this question with a rating scale on board engagement activities. – Remove awareness and support criteria. – Provide multiple categories across different areas of private sector support to determine the frequency of board engagement. – Add a new question that asks about what proportion of board members donate.
Total turnover	Reporting of turnover/size was based upon Q5 because the data appeared more reliable than the responses to Q25. The responses were often not compatible.	<ul style="list-style-type: none"> – Remove Q5 to have only one response on total turnover in the business data section. – Provide clear definitions on the financial terms and define the financial reporting period in the question. – Use the online programming to force the numbers to add before respondents can progress that includes a confirmation of turnover question in the online link.

Question	Feedback	Solutions
Private sector support	The total responses to levels of private sector support Q26 usually did not equal the response to Q24.	<ul style="list-style-type: none"> – Use the programming to force the numbers to add before respondents can progress. – Refine the definitions on the categories. – Include a new question to define cash and in-kind, with an option for those unsure to remove guesses. – Only show cash and in-kind columns if respondents aware of the overall figures.
Non-cash support and expenses	Clarify definitions of “volunteer and pro bono services” and “in-kind support” due to confusion.	<ul style="list-style-type: none"> – Create a new question that splits the question to seek separate responses to volunteer and pro bono hours. – Provide clear definitions on the categories.
Opt-in permissions to data linking	<ul style="list-style-type: none"> – Collect some unit level data to track the same group over a consistent level of time. – Office for the Arts want the de-identified data as a resource to link into other data they have. – Creative Partnerships Australia wants to use the results to identify organisations who want/need their help. 	<ul style="list-style-type: none"> – Include in the survey questionnaire opt-in permissions.

National estimate methodology

1. Create a file containing the total contact listing used for recruitment of the *Giving Attitude* survey.

2. Set-up the file by:

- a) Appending the 2019 ACNC Annual Information Statement (AIS) data to the total listing with the ABN as the merge variable.
- b) Appending the *Giving Attitude* survey results to the total listing when permission was given for their data to be linked to their organisation and compare the financial information from their AIS data with their survey data as a logic check.
- c) Volunteer hours are calculated at \$35.25 per hour (recommended in the Handbook on Non-Profit Institutions in the System of National Accounts that assigns the average gross wage of the community, welfare, and social service occupation.
- d) Appending AMPAG members who have completed the survey and requested that financial information be obtained from AMPAG.
- e) Private sector funding received by Creative Partnerships Australia through the Australian Cultural Fund will be provided as a total amount in dollars of donations.

3. Calculate the income and expenses figures based on which of the following three categories the organisation is within:

- a) Linked survey data. Organisations that have given permission in the survey (Q31 “Yes”) to link their survey results should use their survey’s financial information (and in preference to the AIS data if both are available).
- b) AIS data, but no linked survey data
 - Organisations that have AIS data available, but no survey data (nor given permission to link the data) will not have the detail that is available through the survey (e.g., breakdown of donations, bequests, sponsorships – cash and in kind).
 - Assumptions need to be made based on the survey data and applied to the AIS data to fill these gaps.
 - Survey averages are to be based on the entire survey sample’s mean summary results (excluding zero) for the types of private sector support (Income) and associate costs (Expenses) and calculated by organisation size.

c) Neither AIS nor survey data need to be treated differently. Assumptions need to be made based on the entire survey data collected. (not just the survey responses appended to the file based on). As we don’t know the size of these organisations it is recommended that combined averages from small & micro-organisations be applied to avoid overestimation.

4. Total private sector support is calculated as follows and should always be reported as the NET value:

- a) Total private sector support (income): Sum of cash and in-kind sponsorships, donations, bequests, fundraising and volunteers (hours x \$35.25).
- b) Expenses: Sum of salaries, marketing costs, consultancies, general expenses, event expenses & all other costs.
- c) Net private sector support: income minus expenses.
- d) Return on investment: sum of net private sector support divided by expenses.



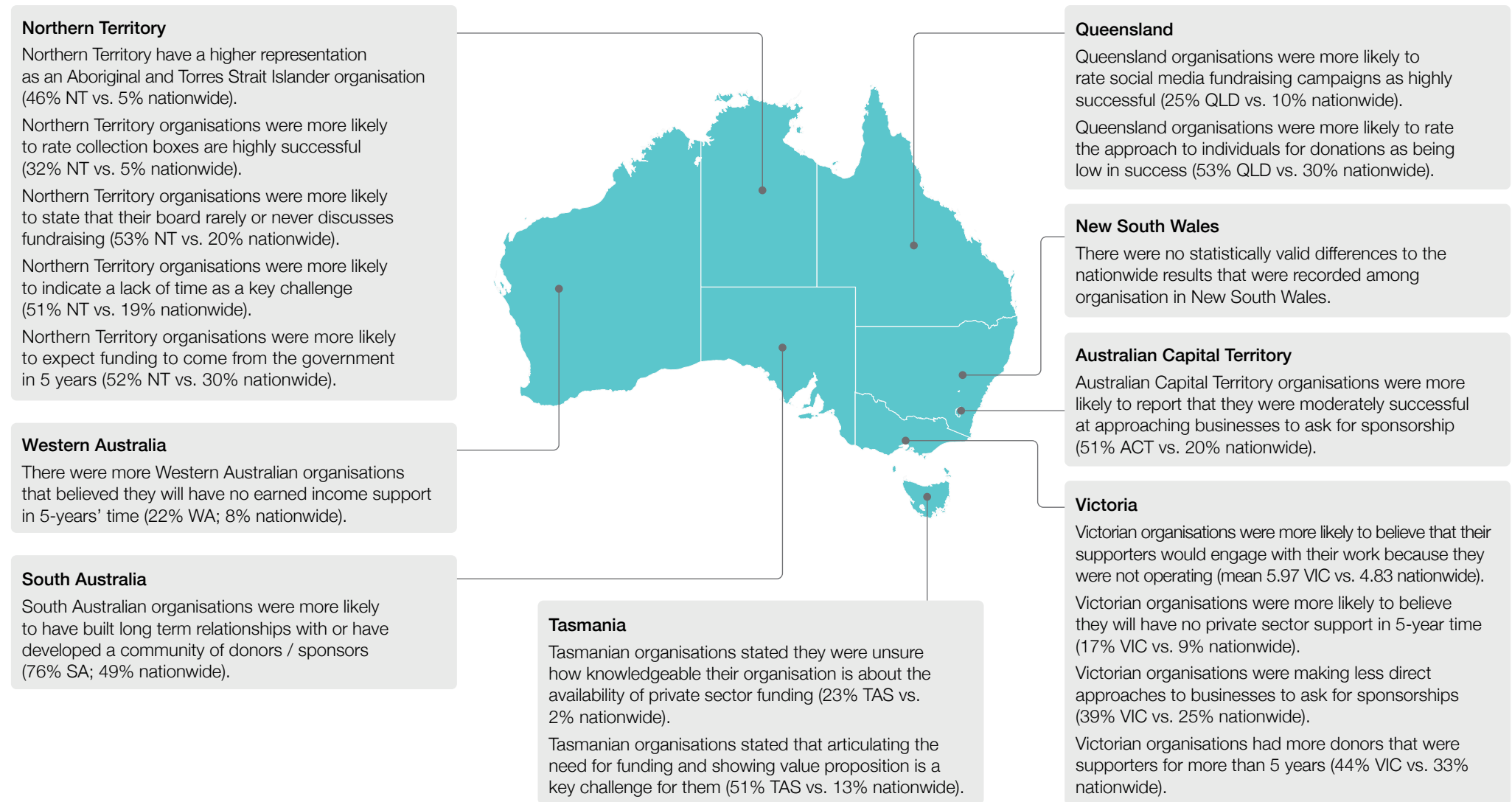
Report and data handling

Data collection periods cover both pre and post the start of COVID-19	<p>Caution needs to occur when interpreting the data in this report. While comparisons between the data sets of 2020 and 2018 show no major changes that would impact the results, the start of the COVID-19 pandemic in the March 2020 impacts the final 4 months of the reporting period for those organisations using the Financial year 2019/2020, and all perceptual data was collected 6 to 12 months after the start of the pandemic.</p> <p>As a result, the data period as indicated throughout this report must be noted when understanding the results :</p> <p>Financial Data 2019/2020: the financial data was collected based on the organisation's reporting period (44% reported calendar year 2019 and 56% reported financial year 2019/2020). This means only 56% of the sample have their financial results impacted in the final four months of the reporting period (March 2020 to June 2020). These results are compared to the previous' report, referred to as <i>Giving Attitude 2018</i>.</p> <p>Perceptual 2020/2021: the perceptual data must be interpreted with caution, in relation to the financial data, as it was collected in the context of COVID-19 having already impacted the industry.</p>
Partial completes	<p>Due to the complexity with recruitment, partial completes were included in the final data, some data was closed earlier in the fieldwork period to then boost the sample for other data points, and question made non-mandatory. Please notes the sample on each slide.</p>
Weighting	<p>All survey results are weighted according to the composition of arts and cultural organisations based on overall turnover within the 2019 ACNC Annual Information Statement.</p>
Statistical significance	<p>All tests for statistical significance have been undertaken at the 95 per cent level of confidence, and unless otherwise noted, any notation of a 'difference' between subgroups means that the difference discussed is significant at the 95 per cent level of confidence. A circle or square around a value denotes that the result is significantly lower or greater (respectively) than that of the total sample for that question, while arrows indicates a significant change from the previous report. E.g. ↑ ↓ or □ ○</p>



2018 data comparisons	<p>Comparisons with the previous report are noted where significance testing (at the 95% confidence level) indicated a valid difference in results. There are no comparisons available when the following stickers are present:</p> <p>a) New: Indicates a new question in this year's survey.</p> <p>b) Refined: Indicates the question has been modified since 2018.</p>
Data notes	<p>Treatment of means: Where responses are scale variables, for example 1 to 5 where 1 is disagree strongly and 5 is agree strongly, the mean is also calculated with the removal of don't know. For numerical results, please refer to the data note on each slide.</p> <p>Rounding of figures: may result in anomalies of +/- 1% - All results have been rounded to the nearest whole percentage figure and anomalies of about +/- 1% may occur in charts i.e., total percentages for each bar add to 99%, or 100% or 101% due to rounding error.</p> <p>Net figures are also rounded: may result in anomalies of +/- 1% - Net results are also rounded after summing the separate proportions rather than simply summing two rounded figures. For this reason, anomalies of about 1% can occur between net results and the rounded results shown. For example, a proportion of 33.3% 'agree' rounds to 33%, and a proportion of 12.4% 'strongly agree' rounds to 12%, yet the combined result of 33.3% plus 12.4% equals 45.7%, which would be rounded to 46%.</p>

Additional analysis by organisation location and primary art form or cultural area



Additional analysis by organisation location and primary art form or cultural area

Performing Arts

- Performing art organisations were less likely to carry out auctions as a fundraising activity (21%; 33% all organisations).
- Performing art organisations were more likely to rate raffles as a success in raising private sector support (average: 5.6; 4.3 all organisations).
- While performing art organisations were more likely to believe that businesses may need to reduce their sponsorships or partnerships due to the impact of COVID-19 on their revenue/profitability, they also believed their donors would be loyal if they could do so.

Media & Communications

- More media & communication organisations estimated their current funding to be via private support (50% vs. 23% all organisations), and they anticipate this to rise (51% vs. 26% all organisations).
- More media & communication organisations that fundraising is central to their operations (58% vs. 29% all organisations).
- More media & communication organisations were likely to see auctions as unsuccessful (39% vs. 17% all organisations).
- More media & communication organisations that the limited time of volunteers is a fundraising challenge (19% vs. 5% all organisations).

Museums & Galleries

- Museums & galleries were less likely to carry out auctions as a fundraising activity (21% vs. 33% all organisations).
- Museums & galleries were more likely to disagree that businesses may need to reduce their sponsorships or partnerships due to the impact of COVID-19 on their revenue/profitability (25% vs. 9% all organisations).
- Museums & galleries were more likely to have rated themselves as successful with the use of collection boxes to fundraise (16% vs. 5% all organisations).

Visual Arts

- Visual art organisations stated that their boards are less likely to discuss fundraising strategies (43% never/rarely; 20% all organisations).
- Visual art organisations were more successful in gaining support from their board (24%; 6% all organisations).

Cross-art Form

More organisations that identify as cross-art form disagreed that their donors would be loyal and would continue donating (if COVID-19 keeps impacting operations) (23% vs. 8% all organisations).

Festivals

- Festival organisations rated themselves as having very high experience in fundraising (47% vs. 18% all organisations).
- Festival organisations were more likely to state that remote locations / low socio-economic location made it a challenge to fundraise (46% vs. 11% all organisations).
- Festival organisations rated themselves as having the right resources to improve fundraising (59% vs. 24% all organisations), that they needed to pursue new fundraising activities (28% vs. 4% all organisations) and that they need more management vision/strategic focus (17% vs. 3% all organisations).
- Festival organisations had average 21 sponsors compared to the national average of 5.

Historical, Literary, Humanistic Societies

- More society-based organisations were likely to believe they will have no private support funding in five years' time (33% vs. 9% all organisations).
- More society-based organisations were likely to have no information to determine their net private support (33% vs. 10% all organisations).