

## ***UPDATE:* Coronavirus Pandemic and Fundraising**

Lots of ‘what to do’ advice for fundraisers trying to figure out what to do about the Coronavirus pandemic is floating around on blogs, Tweets, other social media and in print. *The Agitator* has selected a sampling from some fundraisers whose judgment we respect for this Update.

In addition, in the last section of this Update we’ve listed a few previous *Agitator* posts dealing with fundraising in a recession. Regardless of how long the pandemic lasts one thing is certain: consumer confidence has been badly shaken, and a significant economic downturn is likely.

We hope this Update is helpful. Equally, we hope you’ll share your thoughts and questions with us.

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### ***INSIGHTS FROM:***

#### ***Michael Rosen Says....***

Michael Rosen and Ken Wyman, a Canadian-based consultant and Professor Emeritus from the Fundraising Management graduate program at Humber College have recently posted 17 valuable tips in [\*How Will Coronavirus Affect Your Fundraising?\*](#) Here are their verbatim insights.

- 1. Special events may need to be canceled.** Already, the American Physical Society canceled its annual conference; the Global Health Conference has been canceled; the American Bar Association canceled its National Institute on White Collar Crime; Chicago State University has canceled some basketball games; and other nonprofit and for-profit events have been canceled. You might need to cancel certain events out of real health concerns or because attendance would be low because of fear.
- 2. Staff and volunteers may need to work from home, and/or take sick days.** Sick people should stay out of the office rather than come in and risk infecting colleagues. Not only will this protect people from coronavirus, but it will also protect them from many other illnesses as well. To allow for this, your organization might need to revise its policies and procedures.
- 3. Donors may value your health-related projects more.** If your nonprofit is a healthcare organization or a charity that offers health-related programs, you may find greater donor interest in your services. Be sure to let people know how your organization is responding to the current health situation.
- 4. Corporate donations may go down as profits and stock markets decline.** The US stock market has seen several days of sharp decline and extreme volatility. Leading economists anticipate a

global reduction in Gross Domestic Product because of COVID-19. A decline in corporate profits will likely result in a decrease in corporate giving. When appealing to corporations, be sure to demonstrate how giving to your organization will deliver value to the corporation.

**5. Don't lick envelopes for thank-you cards. Eww!** The same goes for any correspondence you mail. Instead, for high-volume mailings, automate the process; for low-volume mailings, use a damp sponge or paper towel to moisten envelopes. The bonus is that you won't risk getting a paper cut on your tongue.

**6. This is a good time to remind donors about gifts in their Wills.** A gift in a Will is a great way for someone to support their favorite charities when they might not be able or willing to do so with a current cash gift.

**7. Isolated lonely donors may welcome phone calls.** As people start spending more time at home rather than risking a trip out in public, some will begin to feel isolated. These supporters will appreciate a phone call from you even more than ever. Call donors to thank them, update them about a program, survey them, etc.

**8. Virtual board meetings are less infectious and better for the environment.** Instead of gathering your board members around a conference table, you can host a virtual board meeting. You have a number of technology options to accomplish this ranging from a simple conference call to a video meeting. The bonus is that using technology will reduce greenhouse gases as board members will not have to drive or fly to the meeting.

**9. Foundations may give less if their investments in the stock market go down.** The stock markets have taken a big hit and continue to be volatile. Unless there is a strong recovery, foundations will have less money with which to contribute. So, anticipate slower growth or a reduction in giving by foundations.

**10. Individuals may give less.** For decades, individual giving has correlated closely with Gross Domestic Product. So, if GDP slows, giving will likely slow as well. Again, economists are predicting that the coronavirus will dampen GDP worldwide.

**11. Nurses are the most trusted profession. Get one to sign your appeal.** This makes obvious sense for healthcare organizations. However, other types of nonprofit organizations can still engage a nurse as a letter signer if that person has a relevant attachment to or role with the organization.

**12. Government grants may shift to other priorities.** If you are not working on health, plan for cuts and diversify funding sources. Over-reliance on government funding has always been risky even in the best of times because political winds change. In times of crisis, government funding becomes even more precarious as officials focus on emergencies.

**13. All the usual proven methods will still work.** If you haven't done so already, master and embrace fundraising fundamentals. What has worked will continue to work. The coronavirus is not the first threat the nonprofit sector has encountered. Through each crisis, those charities that have continued to do what works for fundraising have done comparatively well.

**14. Be honest with all your people. If there is a problem, disclose it early.** If your organization experiences challenges related to the coronavirus, don't hide the fact. Instead, share the news with staff, volunteers, donors, and the public. Let people know the difficulty your organization faces, what it is doing to meet the challenges, and how supporters can help. Transparency is your friend.

**15. Get tech ready for webinars and video chats.** Just as you can use conference calls or video meetings when engaging your board members, you can also use technology to communicate with supporters, constituents, and the public. For example, the Cancer Support and Welcome Center at Jefferson Health offers certain educational programs as both live events and webinars. The Free Library of Philadelphia offers live events and records many of them making them available for download online. You can even use video chats to meet one-on-one with donors.

**16. Look after yourself. Eat healthy. Get rid of toxins in your life. Walk in nature. Increase your resistance.** Self-care has always been a good idea. It's particularly important when threatened by diseases such as influenza or COVID-19. You won't be able to care for others unless you take care of yourself.

**17. This too shall pass. Most of us will survive. The sun will come up tomorrow.** I'm not being dismissive. I'm merely suggesting that we should prepare rather than panic. The coronavirus will soon be just a memory. The flu comes and goes every year. As the season changes, the coronavirus might vanish as the flu does. In addition, as with the flu, scientists will likely develop a vaccine that will protect the public in the future. From the fundraising perspective, that means that things will get back to normal at some point. By continuing to fundraise and by showing your supporters genuine gratitude and engaging them, you will ensure that your organization is well-positioned when normalcy returns.

## **Future Fundraising Now ...**

*[The way COVID-19 WILL destroy your fundraising—if you let it](#)*

Now I don't want to be unrealistically optimistic about this. It is serious, and it will hurt some organizations beyond what would happen if they cancel fundraising activities. In ways like these:

- If you or your colleagues contract the virus, you could be out of commission for a period. This could cause real problems. So please take precautions!
- If you have fundraising efforts that depend on items manufactured in China (some direct mail premiums and other things like that), you will see disruptions in supply. And supply-chain problems could spread.
- Fundraising events could be cancelled or have much lower attendance than expected.
- If you rely on face-to-face (street) fundraising, you may see disruptions.
- You may need to postpone visits to major donors.
- If you rely on income from ticket-buyers or other visitors, you may see a serious drop.

These things are real problems that could hurt revenue. Don't add to them by cancelling fundraising!

Fundraising you don't do is *guaranteed zero revenue*. It's also lost opportunity that you can never get back.

## **Moceanic...**

*[COVID -19 Video on Moceanic](#)*

1. Staff. The obvious one. The rate of infection is so high, we could end up with >40% of the population impacted. Nearly all should recover, but it will have disrupted a lot. Already, some Moceanic members in Italy are stuck away from home or even stuck in another country.
2. Distribution chain. This was the quickest impact, since the virus spread initially in the world's biggest manufacturing country.
3. Fundraising events. This is happening already; today it depends on where you are as to whether you should postpone or cancel an event. Tomorrow may be different. Contingency plans are needed now.
4. Face-to-Face fundraising programs. Is it responsible to employ teams to meet people in the streets right now? Will they welcome door to door canvassers? Short term... this will save you some cash flow. Long term... you need those donors!
5. Paying customers. If you are an arts or education organization, you will come under extra financial pressure.
6. Beneficiaries. If you work to help groups such as the homeless, extra financial pressure is likely to be piled on as more become sick; and they are often more vulnerable than other groups.
7. Corporate donors. Travel bans and cancellations are crippling travel businesses. Corporates will renege on donations before they cut exec salaries.
8. Economic downturn. Huge falls in stock values. 7.1% in Australia yesterday, no recovery so far today. UK, HK, USA... same story. What does this mean for you?
9. Major donors. May be worried about their investments. Reliance on a few, large gifts, is much scarier than a nice smooth level of income from a large group of smaller donations.

With any of these... the first reaction from many bosses at charities is the wrong one. The most devastating one which will leave your organization a crippling and ongoing legacy.

**If you have to make cuts – and you may have to... don't cut fundraising.**

One of the most important things you can do right now to prepare is **be part of a strong community of fundraisers**. When we have each other – to share advice, to ask questions, to support those hit hardest – we are all better.

*Editor's Note:*

If you're a believer in the value of an information sharing community of fundraisers I recommend you consider joining Oceanic's [Fundraisingology Lab](#). Membership is only open a couple times a year and on a limited basis. Right now open for new members. Sean tells me Enrollment ends Wednesday, March 18. So, if you're thinking about joining, now is the time. Membership in The Fundraisingology Lab may be one of the best ways to make it through this crisis! [Check it out while it's open!](#)

***THE AGITATOR...***

While we all deal with the immediate effects of the pandemic we must also be thinking of strategies and plans for dealing in what is likely to be an economic recession. As I write this on March 11<sup>th</sup>, the U.S. stock markets ended the 11-year run in bull market territory slipping into bear market status.

We'll have more on specific strategies and tactics in the coming weeks, but for now here are some earlier *Agitator* posts written during the Great Recession of 2008-2009.

[\*Recession Fundraising: What Your Colleagues are Doing.\*](#) During the Great Recession we asked this question of our readers: *“As you adjust your fundraising plans for 2009, what are the three most important strategic changes or emphases you’re likely to make?”*

It was an opened-ended question. Rather than try to interpret the answers for you, [here in some broad categories](#) is what your fundraising colleagues said .

[\*Contrarian Fundraiser’s Tips for Recession Fundraising.\*](#) Jerry Huntsinger, oft described as the dean of American copywriters, has been through more recessions than I have shirts. In this post he offers some mighty good advice.

[\*Donor Acquisition in a Recession.\*](#)in a climate when most fundraisers and CEO’s will freeze, either by cutting costs, and most importantly, reducing or eliminating investment in new donor acquisition and increased expenditures on retaining and upgrading the ‘core’ supporters. This is why historically there is usually a dramatic fall in income one, two and three years after a recession or major crisis. They turn off the fountain of the future (prospecting) in order to save on today’s water bill.

## Stay Tuned

In the days and weeks ahead, we’ll do our best to keep you updated...to share some information on what other fundraisers are doing...and to answer whatever questions you have as best we can.

Please don’t hesitate to drop a line: [Roger@theagitator.net](mailto:Roger@theagitator.net).

Be well,

Roger