

A Great Match

How match-funding incentivises charitable giving in the UK
and unites funders and donors in tackling social issues

By Dr. Catherine Walker, The Researchery

Commissioned by the Big Give,

Charities Trust and RBS



the**BigGive**.org.uk

Charities**trust**

 **RBS**



Executive summary

In the slow recovery period following the global financial crisis, and in the throes of accompanying austerity measures, there is an increasing pressure for funders of charitable endeavour to try to make money go further. One such leveraging tool is match-funding. This is the first in-depth exploration of match-funding in the UK. While match-funding has been analysed in some depth in the US context and globally, the UK market has previously been under-explored.

Evidence is drawn from a literature review, analysis of one of the UK's largest online matching facilitators for charitable appeals (the Big Give), a survey of donors, and interviews with practitioners and experts in the fields of matching charitable appeals, matching employee engagement and cause marketing (as a special case of matching).

The findings of the research point towards match-funding being a successful and popular way of incentivising greater giving – both more people giving and people giving more – in relation to matching charitable appeals, matching employee engagement and cause marketing (this report gives you the facts and figures around this).

But there are some important caveats for funders, potential funders and facilitators around this:

- Matching must be done well in order to work most efficiently (this report defines what that means)
- Matching is not appropriate in all situations (this report tells you when it is and when it isn't)
- Matching needs to continue to evolve and be innovative in order to be an effective incentive (this report gives examples of innovation)

For companies, matching can be a powerful tool to nudge employees' engagement with charities in certain directions in line with the company's CSR strategy, and we find that more companies appear to be moving away from matching payroll donations in favour of 'more active' employee engagement with charity, such as fundraising (this report gives you the facts underlying this trend).

For companies engaged in cause-related marketing, a growing and evolving concept needs to be handled carefully in a more cynical UK marketplace where donors are quick to dismiss clumsy attempts at product partnerships as charity-washing (this report tells you how to avoid this pitfall).

With a more demanding younger generation coming into both the workforce and the charitable giving arena there are greater expectations of the ways in which engaging with charities should be made easier. Companies and charities are expected to encourage and reward charitable engagement, and matching could play a pivotal role in this.

Match-funding can provide a well-needed boost to charities who, in the current climate, are struggling to bring money in. It's like giving them a new superpower, a new weapon, a new challenge to get their teeth into. It can reinvigorate their fundraising.

Bridget McGing, Deputy Director,
Pears Foundation

I think it chimes very much with the feeling people have at the moment of wanting their charitable donations to go as far as possible and to do as much good as possible. And of course once you start getting into five-, six-, seven-figure donations that's even more the case.

Dr Beth Breeze,
Director, Centre for Philanthropy,
University of Kent

With the shrinking of public sector funding, there's a recognition that funders need to collaborate more because there's less money around, and therefore they need to be able to demonstrate more of an impact, and match-funding is one way that allows them to do that.

David Warner,
Director, London Funders

For me, matching engagement is about (a) supporting charities and being able to say we're supporting charities, (b) about supporting employees, and (c) about how you can use that support for employees to build a broader ethos of community investment throughout the company.

Peter Bull,
Community Investment Consultant

For an employee to know that their company is going to match their donation I think it's a great incentive to give; it's a no brainer!

Rhiannon Hunter, Workplace Giving
Development Manager,
Marie Curie

When faced with the choice between buying a regular product and one associated with a specific cause, the majority of consumers will pick the one associated with a cause, especially if the products are similar in terms of price and quality.'

FrogDog Marketing & Consultancy
The Ins and Outs of Cause
Marketing'. Online post 09.29.2015
www.frogdog.com

The report gives recommendations for best practice in all areas:

- Get 'the ask' right
- Make it as easy as possible
- Be innovative
- Make it a genuine partnership with all parties
- Beware over-use and over-reliance on matching

Contents

- Part 1 looks at how funders can use matching to encourage greater giving to charitable appeals
- Part 2 focusses on how companies can use matching to encourage employee engagement through workplace giving and volunteering, and customer engagement through cause marketing



More people give and some people give more when match-funded

A survey of The Big Give donors found that **84%** of respondents felt that they were more likely to give to a charity appeal because of the matching offered.



Over one third (36.5%) of respondents said that they only gave to a matched funded appeal because of the match funding.



Nearly half (47.5%) of respondents felt that they might have given to an appeal anyway, but that the matching made them more likely to give.



Data analysis of The Big Give donor database showed that:

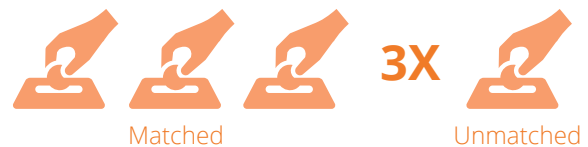
The average matched gift made through The Big Give website is £333 while the average unmatched gift is £132 (matched gifts are **2.5 times higher** on average).



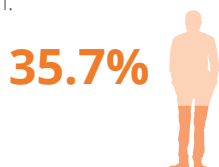
The differences are driven largely by gift size with a higher proportion of lower value donations (between £5-£20) given unmatched compared to a higher proportion of higher value donations (between £500-£5,000) given when matched.



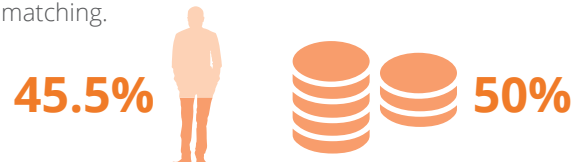
Comparing an unmatched with a matched disaster appeal shows that the matched appeal raised **three times more** than the unmatched total online donations raised; and five times more when total match-funds are taken into account.



When surveyed, one in three (35.7%) donors said that they gave a larger gift because matching was applied to their donation.



Nearly half (45.5%) of these respondents (said that they) gave up to **fifty percent more** because of the matching.



34% gave up to one quarter more. **One fifth (13%)** doubled their own gift in response to the matching.



Matching employee donations incentivises more employees to engage and to engage more



Less matching for payroll giving



More matching for employee fundraising

Evidence from employees in a survey of donors conducted by CAF Australia in 2011 shows that, when asked: "What are the key reasons you donate to charities through Workplace Payroll Giving?"

The same survey found that when it comes to disaster appeals, matching donations was regarded by



over three-fifths (61%) of donors responded: "My company matches my donations."

42%

of people as a key driver for giving



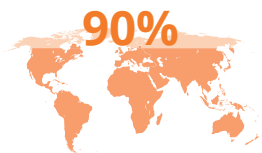
81%

with Victim Empathy being the main motivator

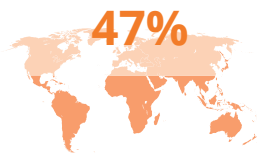


Although more cynical, UK consumers do respond to matching via cause marketing

The literature shows that:



90% global consumers say that they would switch to a similar cause-related product given the opportunity



47% buy a brand at least monthly that supports a cause

In 2014 55% of global consumers say they are willing to pay extra for products and services from companies that are committed to positive social and environmental impact—an increase from 50 percent in 2012 and 45 percent in 2011

55%

2014



50%

2012



45%

2011



Willingness to pay extra for sustainable products:

51%



is highest amongst the Millennial generation (21-34 year olds)

25%



compared to 25% of 35-49 year olds

15%



and 15% of over 50s

Our survey of The Big Give donors found that:

59%



Three-fifths (59%) of respondents had bought or used products as part of a cause marketing scheme

7.7%



Only a minority (7.7%) of these buy or use them regularly

44%



44% willing to pay more for that product



About match-funding and the aims of the research

For the purposes of this research, match-funding is defined as: when a funder (who could be an employer, a grant-making trust, a major donor or the government) offers to match part or all of a donor's gift to charity. The aim of match-funding is to incentivise more people to give and people to give more.

Match-funding is also often referred to as 'doubling donations' since the most frequently-used match is 1:1 funding – the donor gives £1 and is matched by a further £1. But match-funding can also be used at lower or higher levels of incentive (e.g. £1:£0.50 or £1:£2) and may come with a number of criteria which must be met in order for the matching to be applied: including individual donations being over a certain value, total donations reaching a particular threshold, setting a cap on the total to be matched, setting a time limit on matching and/or limiting the choice of charities to be donated to. Evidence from the literature suggests that each of these criteria may affect the incentive effect of the matching.

It seems like a 'no-brainer': If you offer to double their donation then more people will give (and maybe give more). The evidence base for the effectiveness of match-funding is, however, somewhat inconclusive and nuanced, and although it has been widely studied in the US, in the UK very little systematic research has been carried out.

The aims of this research were to explore how match-funding is used in the UK today, to assess its effectiveness as an incentive, and to understand its impact on the donors, charities, companies and philanthropists using it to maximise charitable donations. The project was commissioned by the Big Give, Charities Trust and RBS, and carried out by Dr Cat Walker, founder of the independent research consultancy, The Researchery.

The research reviewed the literature on match-funding; analysed 138,000 donations made through the Big Give online giving portal; surveyed 1,215 Big Give donors who made gifts in the last year; and conducted interviews with 17 companies, trusts and foundations, charities and experts involved in match-funding in the UK³.

The attractions of lower prices... taps an ancient motivation—to make one's money go as far as possible. This is universal—not simply a motivation but actually a need.¹

Theodore Levitt,
Harvard Business Review

Matching campaigns...may be as close to magic as we have in the fundraising world²

Brady Josephson, Re:charity

1 Levitt, T., 1983. The Globalisation of Markets. Harvard Business Review, May/June 83.

2 Josephson, B. 2015. Multiplying magic of matching funds. Re:Charity.ca, March 17.

3 See Appendix for further details.

Part 1: Match-funding charitable appeals

In philanthropic giving, match-funding is a way for funders to help charities raise more money by the promise to match or partially-match any funds they raise from individual or corporate donations. It can also be used as an incentive to attract other grant-making funders into a co-funding arrangement.

The research found:

More people give when their donations are match-funded

While the existing literature on match-funding finds mixed results, in the main it shows that match-funding can increase:

- Response rates to charitable appeals by 22% - 110%
- Overall campaign revenue by 51% - 120%

A survey of the Big Give donors found that 84% of respondents felt that they were more likely to give to a charity appeal because of the matching offered.

- Over one third (36.5%) of respondents said that they only gave to a matched funded appeal because of the match-funding
- Nearly half (47.5%) of respondents felt that they might have given to an appeal anyway, but that the matching made them more likely to give

Some donors give more when their donations are match-funded

The literature shows that match-funding can increase donation size by 15% - 63%⁴.

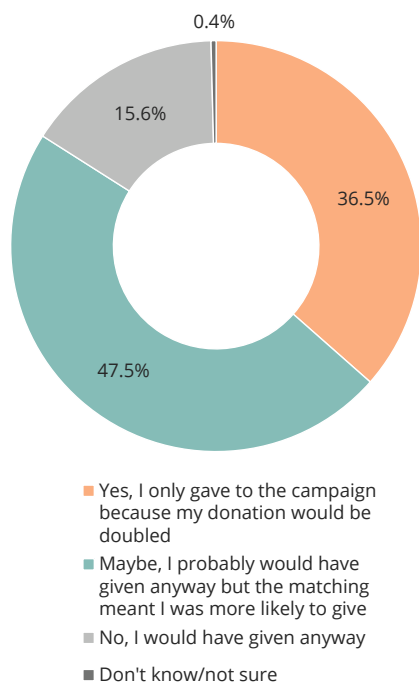
Data analysis of the Big Give donor database showed that donors give more when their donation is being matched. The average matched gift made through the Big Give is £333 while the average unmatched gift is £132 (the matched gifts are 2.5 times higher on average⁵):

- The differences are driven largely by gift size with a higher proportion of higher value donations (between £500-£5,000) given when matched (14% vs 6%) compared to a higher proportion of lower value donations (between £5-£20) given unmatched.

When surveyed, one in three (35.7%) donors said that they gave a larger gift because matching was applied to their donation:

- Nearly half (45.5%) of these respondents said that they gave up to fifty percent more because of the matching.
- 34% gave up to one quarter more. One fifth (13%) doubled their own gift in response to the matching.

Figure 1: Did the fact that your donation might be matched affect your decision to give to the campaign?



⁴ See Appendix for further details.

⁵ The maximum matched gift through The Big Give is £5,000.



Comparing a matched with an unmatched disaster appeal conducted through the Big Give for the Disasters Emergency Committee (DEC) showed that the matched appeal raised three times more than the unmatched in total online donations, and five times more when total match-funds are taken into account⁶.

Table 1: Donations raised for DEC disaster appeals through the Big Give (2015)

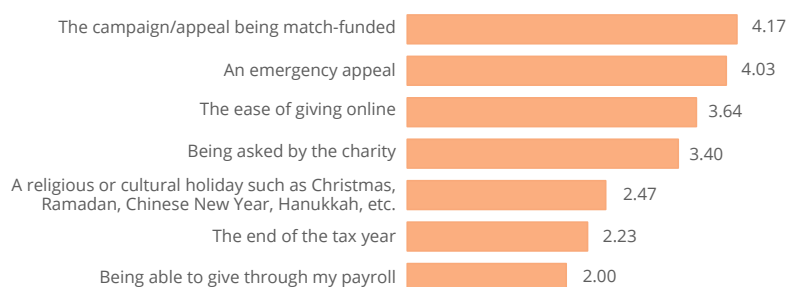
Disaster Emergency Committee			
Campaign	Online donations (via the Big Give website)	Grand total (including match-funding and Gift Aid)	Length of the Big Give campaign (days)
Ebola (2015) unmatched	£26,892	£33,077	22
Nepal earthquake (2015) matched	£91,276	£182,505	10

Match-funding is currently the most likely factor to make donors give more

Amongst the Big Give donors surveyed, match-funding was rated the most likely factor to encourage donors to give more, scoring more highly than emergency appeals, and Christmas or other religious or cultural festivals.

The vast majority (93%) of donors would consider giving to a match-funded campaign in future.

Figure 3: Which, if any, of the following factors would be likely to make you give more to charity?

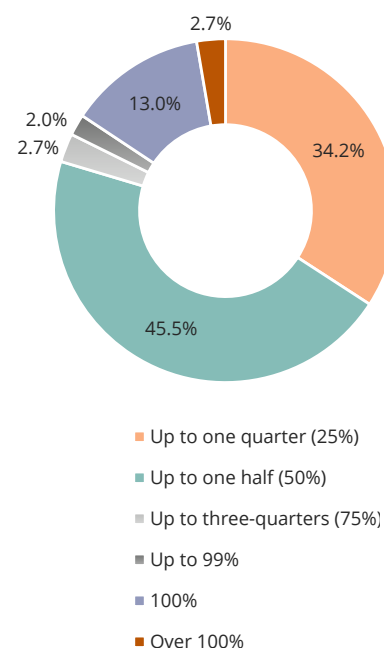


- 38% of respondents said that matching was 'very likely' to make them give more to charity, with a further 47% being 'quite likely' to give more as a result of matching

DEC's mission is to maximise fundraising in the wake of a crisis, so match-funding, whether it's through the Big Give or UK Aid Match is a good thing for us.

Lisa Robinson,
Philanthropy & Partnerships
Manager, DEC - Disasters Emergency Committee

Figure 2: Can you estimate how much more you gave because of the matching?



⁶ Although caution should be exercised in comparing different emergency appeals. See Appendix for further details.

Charities who take part in the Big Give matching campaigns tend to pick up new donors. Anecdotally, I'm given to understand that it's around 10% of the total donations... The charities can then cultivate these new donors.

Lisa Gagliani, Chief Executive,
The Childhood Trust

There's huge need out there and encouraging others to help is useful. Sometimes it's causes that don't attract much funding directly and a match is a way of helping them do that.

Bridget McGing, Deputy Director,
Pears Foundation

There's a news story because of the match-funding, which is definitely an added benefit. We then work with DfID to promote that and gain greater awareness of the appeal.

Catherine Cottrell, Deputy
Executive Director, Fundraising,
UNICEF

There isn't anything magic [about the ask], other than it needs good clear communication.

Lisa Gagliani, Chief Executive,
The Childhood Trust

We also used it to try to reactivate lapsed donors because we felt it was such a strong ask.

Lisa Cousins, Executive Director,
Ethiopiaid

Matching can give an extra boost to charities' fundraising

Matching can provide an extra fundraising tool to encourage giving to causes which find it more difficult to attract donations. Matching can also help charities both to engage new supporters and to re-engage less engaged/lapsed supporters. For example, half of the charities taking part in the Big Give Christmas Challenge report gaining new donors from the process (see Case Study).

Match-funding success depends largely on contextual factors

The literature shows that the conditions around 'the ask' need to be optimised for match-funding to work most effectively, including:

How you ask **Who you ask**

When you ask **What you ask**

How you ask – The details of the match matter:

- A match ratio of 1:1 appears to be the ideal⁷.
- Framing the ask using example donation sizes close to a donor's previous average appears to give better results as does introducing an element of urgency via a time-limited offer. In our donor survey, three-quarters (75%) of those who had their donations matched through the Big Give had timed their donations so as to try to get matching.
- Making the process as easy as possible and communicating it effectively is key.

Who you ask – Specific donor segments tend to react better to match-funding (also see next section); e.g. US donors in states that voted Republican gave 55% more per donation in response to a match than donors who voted for Democratic candidates⁸. It may therefore be useful to understand the politics and other background information about your donor base when planning to run a matched campaign. Some studies have found that matching worked best for 'warm' donors (those having given within the last 12 months) who gave more in response⁹; while others have found matching to work better for lapsed donors.

7 Karlan, D. & J.A. List. 2005. "Does Price Matter in Charitable Giving? Evidence from a Large-Scale Natural Field Experiment." National Bureau of Economic Research Working Paper 12338.

8 Ibid.

9 Karlan, D, List, J & Shafir, E. 2010. Small matches and charitable giving: evidence from a natural field experiment. Journal of Public Economics Vol 95(5-6) pp344-350.



Who's doing the asking also matters: Studies have shown that price elasticities (how donors view the 'price' of giving) vary among different types of charitable organisations¹⁰. Also important may be who's providing the match-funding: Citing the Gates Foundation as the match-funder has been found to generate more and larger donations¹¹.

When you ask – Both the end of the tax year and major holidays including Christmas increase people's propensity to give and may increase the appeal of match-funding. According to JustGiving, the 21st December is 'the most charitable day of the year'¹².

What you ask – Telling potential donors that the overhead costs of the charity they were donating to had been covered by an initial donation had a significant additional effect on their donations (donation rate increased by 94% and total donations by 89% more than the matching approach only)¹³. Similarly, telling potential donors that 'seed money' (also called 'leadership gifts' - an initial donation of half the total fund) had already been donated by a private donor increased the response rate (compared to match-funding) by 41% (31%), the average gift by 16% (15%) and the overall total revenue by 64% (51%) over a control group¹⁴.

Middle-aged, male, high earners respond to match-funding most strongly

The donor survey showed that:

Middle-aged donors were more responsive to the matching: 38%-45% of 35-54 year olds say that they only gave to the campaign because of matching; while 21% of 75+ year olds would have given anyway without the matching.

Men were significantly more likely to say that they would increase the size of their donations by 100% (double their donations) in response to matching being available (18% vs 8% of women), where women were significantly more circumspect, saying that they would increase their donations by up to one quarter (38% vs 27% of women)¹⁵.

Analysis of the Big Give donations found that women do tend to give smaller donations. Just over half (54%) of donations made through the Big Give came from women and made up one third of the total value of donations (37%)¹⁶.

10 Feldstein, M.S., 1975. The Income Tax and Charitable Contributions: Part II-The Impact on Religious, Educational, and Other Organisations. *National Tax Journal*, 28(2):209-26.

11 Karlan, D. & List, J., 2014. How Can Bill and Melinda Gates Increase Other People's Donations to Fund Public Goods? http://karlan.yale.edu/sites/default/files/bmgfmatching_sept2014.pdf

12 <http://www.justgiving.com>

13 Gneezy, U., Keenan, E.A. & A. Gneezy., 2014. Avoiding overhead aversion in charity. *Science*, 346(6209), pp 632-635.

14 Gneezy et al., 2014; similar results have been found by Rondeau and List (2006) & Huck & Rasul (2008).

15 All significance measured at 95% confidence level, p=0.5

16 This is based on an analysis of donors' prefixed titles and excludes gender-neutral titles such as Dr, Rev, Professor.

There are no significant differences between the proportion of matched versus unmatched donations between men and women, and for both male and female donors the average matched donation was over three times as much as the average unmatched donation.

Higher earners were more likely to give to a campaign primarily because it was matched (44% of those earning over £50k vs 29% of those earning less than £30k), while lower earners were less sure, feeling that they might have given anyway.

Those earning more also tend to give more in response to matching: The higher the income the more likely a donor is to double their gift in response to the matching (18% of those earning over £50k vs 7.5% of those earning less than £30k).

Examples of innovation

Government match-funding

The UK Government has a long history of using match-funding as an incentive and leverage for charitable giving: From the £1 million pledged to three innovative Christmas appeals¹⁷ in 2011 by Civil Society Minister Nick Hurd to make it “easier and more compelling for people to give, to 2015’s #GivingTuesday initiative which saw the Cabinet Office giving up to £100,000 to ITV’s Text Santa charity appeal to encourage people to donate or search for volunteering opportunities, and joining with a private philanthropist to match-fund (by lottery) 1,000 donations of £5 to Localgiving’s #GiveMe5 campaign to encourage support for small, local charities and community groups. The Cabinet Office has also matched both The Big Give’s Christmas Challenge and Localgiving’s Grow Your Tenner campaigns.

The government has also partnered with grant-making foundations to provide match-funding incentives, e.g. the Community First Endowment Match Challenge - a unique initiative launched in 2010 providing £50 million of match-funding to create endowed pots of money for local community foundations to fund local social action projects and form a sustainable source of funding for communities. The project was a partnership between the Community Development Foundation (CDF) and the Community Foundation Network (CFN). Including investment returns accrued, the total collective endowment pot now sits at more than £130 million, and Community First has awarded 2,373 grants worth £5.8m to local causes across England.

The government also match-funds some public appeals: In 2010 the money raised by the London Evening Standard’s Dispossessed Fund was match-funded to the tune of £1 million by the Grassroots Endowment Challenge, a £50m government fund administered by the Community Foundation Network. More recently in 2016 the Government match-funded £1 million to help raise funds for the flood victims of Cumbria and Lancashire through those Community Foundations.

17 ITV’s Text Santa (a text message appeal), Street Smart (which asked restaurant customers to add £1 to their bill to support local charities that help homeless people) and Localgiving.



CASE STUDY: Department for International Development (DfID) UK Aid Match

People power is literally doubling the amount that great causes are receiving from the public. And when individual donors know about our match-funding scheme, they tend to give more because they recognise that each pound they give doubles up.¹⁸

Justine Greening,
UK International Development Secretary

The Department for International Development (DfID) UK Aid Match scheme was developed to provide a way to give the UK public a direct say in the spending of an element of the UK aid budget. UK Aid Match has now committed up to £120 million in grants over 3 years from 2013 to 2016.

The increase of income raised over estimated income experienced by UK Aid Match appeals averages 84% with the increase in actual money raised at 11%. The report adds: 'There are likely to be a number of key reasons for this including (i) the NGOs worked harder to contact existing and previous supporters because of the matching offer, (ii) the media partnership gave greater exposure to appeals than organisations had previously achieved (iii) the endorsement of the Government gave the appeal additional credibility.'¹⁹

UNICEF has raised £11 million to date from the UK Aid Match programme through DfID since 2012 for Soccer Aid, our Ebola appeal and the Syria Winter Appeal. The value of the match itself is incredibly important as it doubles the funds raised for the vital programmatic work. There's also the positive association we get from the UK Government endorsing the appeal – we think that's important. Whilst we haven't tested this, we believe the match encourages more donations as we have seen a lower response rate after the end of the matching period.

Catherine Cottrell,
Deputy Executive Director, Fundraising, UNICEF

An estimated 700,000 people have donated to match-funded appeals since the launch of the scheme. There is circumstantial evidence to suggest that knowledge of UK Government match-funding has encouraged donors to give more - some appeal totals greatly exceeded expectations based on previous similar (but un-matched) appeals.

Annual Review¹⁹

18 Ogden, J., 2013. 'Government to provide £120m of match-funding for development charity appeals over three years'. ThirdSector.co.uk, September 30.

19 Annual Review. UK Aid Match: backing public choices on aid spending (Pilot Phase) June 2012.

20 Business Case and Intervention Summary, UK Aid Match 2013-16.

Quangos and other bodies

A number of large funding bodies use match-funding to make money go further, e.g. HEFCE's University funding match initiative (see Case Study), and the Heritage Lottery Fund which is currently running an endowment-matching scheme Catalyst to encourage arts organisations to fundraise for long-term endowments to meet their future funding needs.

CASE STUDY: HEFCE – the Higher Education Funding Council for England – Matched Funding Scheme

The mechanism of matched funding is effective in incentivising giving and in capacity-building... Matched funding has worked for universities in England and Wales and should remain in the repertoire.

HEFCE, 2012

It is clear that the leverage generated by the idea of matched funding is very attractive to donors at all levels. It acts both as an incentive and a stopwatch; it gives the donor a significant sense of value for money.

HEFCE, 2012

The Government made available up to £200 million for a matched funding initiative between 2008-2011 intended to incentivise giving to universities.

It allowed Higher Education Institutions to apply to take part in one of three tiers. Tier 1 allowed a match of 1:1, capped at £200,000 over three years. Tier 2 matched at 1:2 (i.e. 50p match for every £1 raised), with a cap of £1.35 million. Tier 3 matched at 1:3 with a cap at £2.7 million. In Wales a separate matched funding scheme drew on £10 million from the Higher Education Council for Wales (HEFCW) and was structured in two capped tiers, matching 1:1 for lower level fundraising operations, and 1:2 for more developed fundraising universities. Funds were also made available for capacity building.

The English scheme made matched funding payments of over £143 million, triggered by around £580 million of giving by donors. Fifty-five institutions reached the cap within their respective tiers, while 43 others, although not meeting their own tier's cap, raised more than needed to achieve the same level of match in the next lowest tier.



Trusts and Foundations

Many grant-making trusts and foundations use matching as a way of making their funding go further. They may do this as a condition of some of their grants to charities in a co-funding partnership with other funders, or (less frequently on a large scale) as matching for donor fundraising appeals. The use of matching may be particularly prevalent amongst non-endowed foundations who feel an added pressure to make the money go further.

Stars is not an endowed foundation so we have some pretty ambitious goals around leveraging the funding that we have, so we've put a lot of effort into collaboration with other funders.

David Crook, Development Director, Stars Foundation

CASE STUDY: The Big Give Christmas Challenge

The Big Give Christmas Challenge, founded by the entrepreneur and philanthropist Sir Alec Reed CBE, is the UK's biggest annual online match-funding campaign which offers supporters of participating charities the opportunity to have their donation doubled. Since 2008, the Christmas Challenge has raised over £71 million for more than 2,529 charity projects.

The Christmas Challenge model utilises a matching fund which comes from a combination of two sources: philanthropists brought by the Big Give ('Champions') and charities' own major donors ('Pledges'). These matching funds are used to match online donations to selected charities.

The Christmas Challenge has historically run on a competitive basis (i.e. not enough Champion funds for all charities to hit their fundraising target) although this is being reviewed by the Big Give in 2016. The campaign is run over a selected number of days, which provides both the incentive and the impetus for donors to give. As a result, the campaign raises a significant amount of money in a short space of time.

The 2015 The Christmas Challenge supported 258 charities, raising over £7.2m. The Big Give processed 10,450 donations throughout the ten-day campaign, at a peak of 391 donations per minute when the match-funding was initially released. 87% of the value of donations on day 1 were received between 12 and 1 pm (the match-funding was released at 12pm). The largest gifts of the day were also given during this 'golden hour'.

Amongst the reasons charities give for taking part in the Christmas Challenge is 'to gain new individual donors' and half of all charities successfully report doing so. One quarter (25%) also report that their regular major donors gave more than usual in response to being asked to 'pledge' for the Christmas Challenge and 62% of charities received new money from the pledging process.

If somebody says to you: look, if you've got £100,000 that you want to give away philanthropically; (a) we'll help you find the charities to give it to; (b) we'll do some due diligence for you; and (c) we'll potentially quadruple your giving so you've got a bigger story to tell; frankly you'd be a fool not to say yes.

Lisa Gagliani, Chief Executive,
The Childhood Trust

I like the competitive element of the Big Give. I think there's nothing wrong with putting a ticking timer on donations. It adds excitement! It's why I like #GivingTuesday as well: I think we're all busy people, we all care about charity but we find it hard to prioritise it, so why not say: 'Act fast! Give at 12 o'clock!' I think it's an incentive.

Dr Beth Breeze,
Director of the Centre for
Philanthropy,
University of Kent

CASE STUDY: Stars Foundation: Fund The Frontline

It was a bit of an experiment. We felt that in order to incentivise donations from the public and to draw them into what we hoped would be an online conversation we should offer some match-funding. We hadn't used match-funding before but we had seen how match-funding could work to incentivise participation and donations from individuals.

It didn't draw the public in in the way we hoped it would. With hindsight we can see that the public element of it, with the match-funding, was too much of a bolt on and wasn't entirely compatible with the rest of the campaign.

We would use match-funding again but we would want to do it better. We remain passionate about how you can use a fundraising incentive like that to build relationships, and through that to shift norms and shift practices.

David Crook, Development Director, Stars Foundation

As there was a huge incentive of 100% match-funding, it was easier to draw in new individual donors.

Developments in Literacy,
2012 Education Winner, Asia-Pacific

The Stars Foundation, Bill & Melinda Gates Foundation, Pears Foundation and the Charities Aid Foundation facilitated Fund the Front Line, a co-funding model for frontline grassroots NGOs in the developing world with added elements of public awareness and a small match-funded public appeal. The campaign was run in association with GlobalGiving UK and The Guardian and raised £38,000 in public donations (of a £50,000 target).

Some of the participant NGOs, however, did achieve success and applauded the opportunity the matching scheme gave them to enhance their exposure to wider networks and audiences. In particular, the ability it gave them to re-engage less engaged/lapsed supporters and to engage new supporters:

There was positive feedback that these new donors represented a diverse donor pool – institutional donors (i.e. campaign partners) and a wide range of national and international individual donors, who are now engaged on an ongoing basis through the GlobalGiving UK project sites .

As a Champion funder, in our first round of giving (Christmas Challenge 2013), the Big Give enabled us to expand our portfolio of 12 charities, and get around 12-13 more who'd applied to the Big Give. Our lump sum was multiplied fourfold.

Lisa Gagliani, Chief Executive, The Childhood Trust

Third party online facilitators

A number of third-party organisations facilitate match-funding on behalf of donors, funders and charities. The largest of these in the UK are the Big Give (over £74 million raised since 2007), Globalgiving UK (over £35 million raised since 2008) and Localgiving (over £11 million raised since 2009). The Big Give benefits from 'Champion' match-funding from a wide range of funders and philanthropists including its founder's trust, The Reed Foundation, which has provided over £7m of match-funding for 'The Christmas Challenge' since its inception (see Case Study). Another of the Big Give's regular 'Champions' is The Childhood Trust which has provided the match-funding for 'The Summer Give' (its own bespoke campaign) and 'The Christmas Challenge'.



Recommendations for best practice

Get 'the ask' right

Besides getting all the contextual factors in order (the who, what, when and how), communication is key to engaging donors with the matching process. For example, DfID notes that the success of individual appeals as part in the UK Aid Match appears to 'depend to some extent on the scope and number of communications and fundraising activities which are used and on the target audiences'²². The example of the Fund the Frontline campaign underlines the importance of engaging with donors in the right way, and while matching might seem a 'no-brainer', it's not guaranteed to succeed without fundraising know-how and some effort.

The other thing is that it needs to be implemented well and presented in a sympathetic and positive way to donors. I have, as a donor, been on the receiving end of a match-fund offer done badly, and it was an unpleasant experience. The fundraiser framed the ask as a situation where unless I donated, the charity would lose out badly, as the goal had to be reached before any match was paid. This email came out of the blue and suddenly made me feel cornered.

Dr Beth Breeze,
Director of the Centre for Philanthropy, University
of Kent

It didn't draw the public in way we hoped it would. With hindsight we can see that the public element of it, with the match-funding, was too much of a bolt on and wasn't entirely compatible with the rest of the campaign. The online site was geared more towards engaging with thinking than donating. There were a lot of think-pieces and online Q&As and lots of information, lots of 'head stuff' but that wouldn't necessarily lead to donating, which probably needs a bigger focus on 'heart stuff'.

David Crook,
Development Director,
Stars Foundation

Make it as easy as possible

Any fundraising manual will say this on page one! In order to encourage donors to give, the process needs to be made as simple as possible. This is equally true for the charities and funders involved as well. Matching can sometimes be made too complicated because of all the variations on a theme, and everyone needs to be clear on the process and the likely outcomes. So again, communication is key.

Sometimes it can be a lot of effort on the part of the charities. You can put a lot of work into applying to be part of a scheme, then if you get it you're still no better off because you've then got to go and raise the donations before you can receive any matching. And I think a lot of smaller charities can struggle with that. Because of that, the application to be accepted needs to be as light touch as possible.

Dr Beth Breeze,
Director of the Centre for Philanthropy,
University of Kent

I know that it can be a tricky process for some. Especially those charities that run many other appeals at the same time.

Lisa Cousins, Executive Director,
Ethiopiaid

22 Business Case and Intervention Summary, UK Aid Match 2013-16.

Be innovative

The varied examples of match-funding reviewed by this research show that there isn't a 'one size fits all' model of matching, and neither should there be. The right model needs to be tailored to the users: funders, charities and donors. That said, innovation needn't be over-complicated. Campaigns such as ITV's Text Santa, Street Smart and LocalGiving's #GiveMe5 offer simple and effective ways for the public to engage with matched giving.

Make it a genuine partnership with all parties

Not all charities are 'match-ready'. Funders need to be able to have an open and honest dialogue with charities around this, and be prepared to either veto charities who aren't ready or to help them to become ready. This takes time and resource to make sure that the charity has the skills and resources to be able to use match-funding effectively. And if you're going to use an online giving portal, you need to make sure that charities taking part in matching have online donors or at least the potential for online donors.

Some funders build this into their models. The HEFCE scheme made some funding available for capacity-building, while both Pears Foundation and The Childhood Trust help charities to become 'match-ready' by vetting them thoroughly and investing in key resource development if necessary.

An evaluation of Atlantic Philanthropies' matching programme in the US concluded that:

Foundations should consider carefully the purpose, design, and policies around their matching contingencies before moving forward, as some types of grantees benefit from matching, while others find it a difficult and perhaps a counterproductive process²³.

The charities who made the best use of the match-funding were those with the best donor base who found it easy to drive their donors to the site. Those that didn't have a good existing network of supporters really struggled to make use of the matching opportunity.

David Crook, Development Director,
Stars Foundation

If you've got ambitions to use match-funding to encourage philanthropy in a local area, you've got to have the infrastructure there to support that and to continue to support it.

Bridget McGing, Deputy Director,
Pears Foundation

It's not the right tool for everybody. Very small charities may struggle with having no emailable supporters or don't have the capacity to try a new form of fundraising.

Lisa Gagliani, Chief Executive,
The Childhood Trust

23 Mathematica Policy Research, 2015. Lessons for the philanthropic sector on the use of matching contingencies. The evaluation found that 23 out of Atlantic Philanthropies' 38 grantees on the matching programme had met or expected to meet their full matching target, but 5 grantees had to have the match parameters adjusted in order to meet them (e.g. more time), and 8 grantees did not expect to meet their target.



Beware over-use and over-reliance on matching

Experts and practitioners warn of the dangers of over-using match-funding or relying on it too heavily. Both funders and fundees need to beware over-reliance on any one form of funding, and with matching there is literally double the money at stake, meaning larger consequences for fundees at least. There is also a danger that matching could become a new norm for fundraising, and that would bring consequences of its own, with raised expectations and the potential for donors to preference match-funded appeals over other considerations.

We should be aware of the fatigue factor because it will definitely happen, and then the question is: are people willing to keep increasing the matching ratio or will there come a point where that's not sensible? There is a danger that a good new idea becomes over-used and sometimes misused. Sometimes matching is just not right for the situation.

Dr Beth Breeze, Director of the Centre for Philanthropy,
University of Kent

Like anything, if it becomes the dominant funding model it has a downside, because it's not going to be appropriate for every organisation or cause or issue. But provided it's one part of a more diverse funding ecology then I don't see any real downsides to matching.

David Warner, Director, London Funders

You should also beware of over-use of matching. It's not appropriate in every situation. An organisation needs to have the skills, personnel and capacity to be able to run the match well. And in the same way that dependency on any one form of funding is dangerous, organisations need to be wary. If you get to the point where matching becomes 'your funding' then you risk halving your income if anything happens to the match-funding.

Bridget McGing,
Deputy Director, Pears Foundation

Part 2a: Match-funding employee engagement

Match-funding is used by companies wishing to encourage employees to engage more with charity, whether through their own donations (through the payroll or otherwise), fundraising donations from others, or through volunteering. Companies employ many variations in their matching schemes: The matching ratio varies from employer to employer, and many also put a cap on the total value of donations by an individual that will be matched each year; some organisations may offer matching on an employee's donations to any charity, while others may restrict matching to donations made to charities which are official partners of the company or "charity of the year".

The research found:

CSR and community investment are changing

Many companies are moving away from giving cash donations in support of charitable organisations, to more 'strategic partnership' arrangements involving more in-kind giving and volunteering²⁴. This has knock-on effects on companies' use of matching.

Match-funding employee engagement is growing in popularity

The number of companies offering match-funding for employee engagement is increasing. According to the latest figures from the Directory of Social Change (DSC) around two-fifths (39%) of the top companies who provide funding for UK charities offer their employees a matched funding scheme (155 companies out of 400). This is an increase on the estimated 138 companies from two years previously²⁵. Figures reported by The Trust Partnership show a pick-up after the global recession in the number of employees submitting match-funding applications – a 50% increase 2010-2011 and 34% increase 2011-2012; although the total value of donations has increased much more slowly – 8% in 2011, 2.4% in 2012 and 3% in 2014.

We see Payroll Giving as a great way to enable our employees to give to the causes which matter to them the most and have successfully used match funding events as a way to incentivise uptake.

Michael Duncan,
Senior Sustainability Manager, RBS

Some companies are moving away from match-funding payroll giving in favour of matching employee fundraising

Around 2% of UK employers offer payroll giving and this proportion has been fairly static for a number of years²⁷. Payroll giving has delivered an average total of £134 million per year over the last four years, while matching appears to add around 0.5%-2% on top of the total figure for donations through payroll giving. Figures show a slowdown in growth of payroll giving as a whole and that the amount of match-funding has been declining faster than the overall decline in payroll giving donations²⁸.

24 Charities Trust, 2013. The Future of Corporate Giving. With Corporate Citizenship & Medicash; Walker, C., 2013. The Company Giving Almanac. Directory of Social Change.

25 DSC, 2013 & 2015 editions. The Guide to UK Company Giving. Directory of Social Change.

26 Ibid.

27 HMRC: <https://www.gov.uk/government/statistics/payroll-giving-schemes>

28 It is difficult to get accurate figures for the amount of matching as this is dealt with by a number of different agencies. These figures are drawn from a number of sources, including the APGO (the Association of Payroll Giving Agencies) which brings together figures from the top three agencies.



Table 2: Totals donated through UK Payroll giving

Year	Total donated ²⁹	Matching total ³⁰	Matching as % of total
2011/12	£122,000,000	£13,000,000 ³¹	1.8%
2012/13	£155,000,000	£10,500,000 ³²	1.0%
2013/14	£134,000,000	£7,500,000	0.7%
2014/15	£126,000,000	£6,875,000	0.6%

This pattern has been noticed globally as well as in the UK³³ and may be due to a number of factors, including:

- An increasingly mobile workforce both locally and globally, while payroll giving is non-transferable between employers and often between different local offices
- The Millennial generation of employees desiring more active engagement with charities
- Companies switching away from matching payroll donations to more 'active' fundraising in the pursuit of greater employee engagement

Matching employee engagement incentivises more employees to give/engage and to give/engage more

While there is very little experimental evidence around the efficacy of matching payroll donations, anecdotally many suggest its success. Evidence from employees in a survey of donors conducted by CAF Australia in 2011 shows that, when asked: "What are the key reasons you donate to charities through Workplace Payroll Giving?" over three-fifths (61%) of donors responded: "My company matches my donations." The same survey found that when it comes to disaster appeals, matching donations was regarded by 42% of people as a key driver for giving, with Victim Empathy (81%) being the main motivator. UK CSR professionals and practitioners seem convinced of matching's effectiveness as an incentive.

With payroll giving I do think the matching has made more people give. When we introduced the £10 matching we saw a lot of people increase their donation.

Debbie Bullock,
Community Investment Manager,
Aviva

Matching works really well for us. A lot of employees have adjusted how they interact with charities over the years that they've been at Morgan Stanley: They spend a lot of time at work and now do a lot of their giving through the firm because we provide the matching programmes.

Anish Shah, Community Affairs,
Morgan Stanley

Since we've been offering penny-for-penny matching for the Charity of the Year there's a lot more people who take part in our fundraising activities.

Gary Grange,
Community Investment Manager,
Royal Mail Group

People love it, it's a very significant motivational package.

Peter Bull,
Community Investment Consultant

²⁹ HMRC figures, 2014/15 are provisional. <https://www.gov.uk/government/statistics/payroll-giving-schemes>

³⁰ This is likely to represent a minimum figure.

³¹ The Philanthropy Review. A call to action: to encourage more people to give and people to give more. Recommendations from the Philanthropy Review, June 2011.

³² CAF, 2014. Response to HM Government Consultation on Payroll Giving. Charities Aid Foundation, April 2013.

³³ CECF, 2015. Giving in Numbers. 10th Anniversary Edition. In association with The Conference Board; Charities Trust, 2013. The Future of Corporate Giving. With Corporate Citizenship & Mediacash.

Matching encourages more 'active' employee engagement

Some companies feel that matching is best for encouraging more 'active' employee engagement rather than 'passive' donations such as giving through the payroll, and we have already seen a shift towards more active styles of charitable engagement overall. This viewpoint may clash with some charities, however, who might argue that regular donations are just as important.

It's my belief, based on 12 years of experience in this field in large companies, that both charitable organisations and, critically, the employees of the company get much more out of it [their relationship with a charity] in terms of personal satisfaction, learning, building up self-esteem if they are more involved. I know charities need money but I feel that there's something extra that both sides can gain from engagement in a broader sense.

Peter Bull,
Community Investment Consultant

Our philosophy is to recognise employee 'effort'. It's about matching the input of an employee, no matter what level they're at, and regardless of the size of donation. The strategy is to encourage employees to contribute by engaging with the charity rather than just providing a donation.

Anish Shah, Community Affairs, Morgan Stanley

I can't stress enough the importance of offering the chance for employees to gift regularly. There is currently no conclusive evidence to suggest that asking employees to give a manageable regular amount to a cause that they care about inhibits participation in other one-off company initiatives. Because of the ease of giving through the payroll and the tax benefits and the fact that the company offers matching, it can be an appealing way to give and perhaps just as importantly, to 'get involved'. That's because it's an inclusive way to give, appealing to people who might not have thought to give to charity before because other offerings such as fundraising for an event or doing a challenge are not a viable options for them.

Rhiannon Hunter,
Workplace Giving Development Manager,
Marie Curie

Matching can boost a Charity of the Year campaign and/or an employee's personal favourite charity

The Charity of the Year arrangement has been a staple of the corporate-charity world for a very long time, but as CSR is changing and evolving, some companies are moving away from this towards more 'strategic partnerships' including, for example, cause marketing and more holistic engagement opportunities. A company's stance on this usually reflects their core CSR values and how they wish to engage with both staff and charities.



The companies we spoke to for this research expressed different opinions as to the benefits of allowing employees to choose which charities to support over supporting one Charity of the Year (while some companies offer both). Some are pragmatic about this, realising that the chosen Charity of the Year might not be everybody's cup of tea because it's done through a democratic vote on a limited number of options put forward to employees.

Employees should be allowed to choose the charities they donate to

We don't force employees to choose a charity Aviva has chosen, because that won't drive the right benefits and recognition and engagement as if they can choose a cause that really personally matters to them. It plays to an inclusivity agenda as well which is about bringing more of yourself to work, being more you means being more productive as an employee. We like to recognise employees as individual and we like to recognise what matters to them.

Debbie Bullock, Community Investment Manager, Aviva

The reason that we have an employee giving programme is that we recognise that employees can support their own causes that they feel passionate about and we want to be able to recognise this and be a good corporate citizen.

Sabira Rouf, Charities and Fundraising Manager,
Deutsche Bank

Philanthropy is a very personal issue, so the bank's matching gifts programme means that our employees can support those causes which they care most about.

Anthony Harte,
Head of Community Engagement,
EMEA at Bank of America Merrill
Lynch

We recognise that our employees will also want to support causes that are important to them and in their local communities, so we also provide a programme to support their efforts outside the firm.

Anish Shah, Community Affairs,
Morgan Stanley

Employees can be part of something bigger, and get more out of, supporting one Charity of the Year

Employee nominated charity partnerships are a great way to produce big results, by combining the resources of employees and the firm. We have a track record of delivering impactful results for our charity partners and look forward to building on this in future partnerships.

Anish Shah, Community Affairs, Morgan Stanley

The whole idea of the Charity of the Year scheme is to get all employees together behind a single cause, so penny-for-penny matched giving is an added incentive to do that.

Gary Grange,
Community Investment Manager,
Royal Mail Group

Matching brings many corporate benefits

A number of additional benefits were identified by companies using matching:

A lot of people feel that it is a generous scheme and it makes them feel good about working at Deutsche Bank, and that their employer cares about their causes as well.

Sabira Rouf, Charities and Fundraising Manager, Deutsche Bank

Matching employee donations makes employees feel proud of their company

The matching is part of our desire to drive pride in working for Aviva. It's almost a bonus, a thank you from Aviva, and it makes them feel proud of working for Aviva and gives them a bit of recognition.

Debbie Bullock, Community Investment Manager, Aviva

We want to use match giving not only to help good causes, but also to drive up employee advocacy for the business. That acknowledgement of the business' commitment actually does drive people to feel better about the business they work in but also it encourages them and gets them thinking about what they can do to help their local community.

Gary Grange, Community Investment Manager, Royal Mail Group

Because of our matching scheme, when the company's talking to potential clients, we now have some sensible answers to the questions we get asked more often these days about what our policies are.

Peter Bull, Community Investment Consultant

Matching is a selling point for clients and potential employees, particularly 'Millennials'³⁴

It's an attractive benefit to employees, and something people are very keen about. It's not uncommon for potential employees to ask in interview about the company's charity and philanthropy, whether we match fund, whether we support fundraising; usually people in their twenties and thirties.

Isabelle Hayhoe, Charities Co-ordinator, Winton Capital

³⁴ The Millennial generation is defined roughly as those born between 1980 and 2000, generally aged now between 25-34 years.



Incentivising charitable involvement leads to a happier, more productive and more rounded workforce

Engagement leads to people learning things about themselves which is a very valuable outcome for any company involved in this kind of stuff, for all sorts of reasons – skills building, having a happier workforce in challenging and changing times, etc.

Peter Bull, Community Investment Consultant³⁵

Match-funding allows you to develop a bigger and better community investment programme

The matching programme is a real platform to springboard off to develop a much broader community involvement programme.

Peter Bull, Community Investment Consultant

Since we've been offering penny-for-penny matching for the Charity of the Year there's a lot more people who take part in our fundraising activities.

Gary Grange, Community Investment Manager,
Royal Mail Group

³⁵ This is supported by research which shows that supporting staff with paid time off or providing match-funding for charitable causes is likely to lead to longer term gains in productivity and staff loyalty, and a boost to the employer's public image (Birdwell, J. & Wybron, I., Scouting for Skills, Demos 2014).

Examples of innovation

Case Study: RBS and #GivingTuesday

In 2014, we were the very first UK bank to join the #GivingTuesday movement. We loved taking part in #GivingTuesday so much that we're doing it again this year [2015], giving us another chance to encourage our customers, staff and followers to join a global movement to bring about local change.

Thom Kenrick, RBS Head of Community Programmes

#GivingTuesday is "a global day dedicated to giving back"³⁶. Many companies and charitable funders use #GivingTuesday as an opportunity to match-fund greater donations. #GivingTuesday was brought to the UK in 2014 by the Charities Aid Foundation with a number of founding partners, including the Cabinet Office and RBS.

For #GivingTuesday 2015 RBS announced it would donate up to half a million pounds to all charities across the UK regularly supported by their employees through the bank's payroll giving scheme. This would be donated as part of a strategy to promote the benefits of long term giving through Payroll Giving. The funds were distributed as follows:

1. RBS made a corporate donation of £100 to all 2,357 charities supported by staff through Payroll Giving in the UK and Republic of Ireland.
2. For all staff who signed up or increased their regular donation through payroll giving, a £150 boost was given to be shared by their chosen charities and £100 donated to the bank's official charity partner, Sport Relief.

1,023 staff responded to the offer (854 in the UK; 169 in ROI). The total boost funding paid in the UK totalled £128,100 and resulted in an increase of £155,666 per annum being donated by RBS employees through payroll giving to UK charities.

Number of staff who set up instructions for the first time	Number of staff who increased an existing donation	Total increase in donations from staff
327 with average new instruction for £22.80 per month	696 with average increase of £12.75 per month	£12,972 per month (£155,666 pa)

For Cancer Research UK, RBS's #GivingTuesday campaign has yielded a significant increase in the donations made via Payroll Giving with income almost doubling in the month of January - a great success!

Fiona Lewars, Corporate Partnership Account Manager, Cancer Research UK

Thanks RBS! The charities I support regularly are important to me and the extra donation from RBS will be very gratefully received. You have also spurred me on to give just that little bit more in 2016! A great initiative.

Employee feedback: Feedback was posted on the RBS intranet or e-mailed to the Sustainability team.

³⁶ <http://www.givingtuesday.org/>



Recommendations for best practice

Get 'the ask' right

This includes promoting and communicating schemes effectively. Research has shown that only a proportion of the UK's workforce are aware of the matching schemes available to them³⁷. Use matching to reward and recognise employee giving and community work and to underpin the company's programme. Making employee's feel more engaged begins with getting this right. Communication should ideally include letting employees know how their involvement has helped charities and their beneficiaries.

We've seen consistently successful results in our employees giving more due to match funding. Deciding on the size of the match is always one of the first things we scope when planning our fundraising initiatives with staff as it is essential to the success of the campaign.

Laura Chow, Senior Community Programmes Manager,
RBS

From the work that we've done, the more we promote the matched giving offer, the more people we appear to see applying for it and getting involved.

Gary Grange,
Community Investment Manager,
Royal Mail Group

Make it as easy as possible

Many companies' employee engagement and matching schemes appear driven by their internal systems, rather than the other way around. Making this kind of engagement more central to the business should enable rather than disable engagement. Processes need to be as simple as possible for all involved.

Make the application process as simple as possible.

Debbie Bullock,
Community Investment Manager, Aviva

Many people will only raise money for charity when you make it easy for them to do so, so we try to make it easier all the time. Match giving's great but if they have to fill out loads of forms and get sign off from lots of people many just won't bother, so it's important to make the process really easy for people.

Gary Grange,
Community Investment Manager,
Royal Mail Group

37 See e.g. CAF, 2016. Corporate Giving by the FTSE100. Charities Aid Foundation.

Be innovative

Match-funding can be used to encourage innovative engagement and shape a more engaging CSR programme and strategy which can stand out from the crowd and engage better with both staff and charities' needs and possibilities.

Another thing we started offering for the first time ever last year was match giving to Royal Mail pensioners. We've got 190,000 pensioners and each pensioner can claim up to £50 to match their fundraising for any registered charity or good cause. We hope that this encourages more retired people to get involved in charitable work.

Gary Grange, Community Investment Manager,
Royal Mail Group

Make it a genuine partnership with all parties

Engage with all employees and use their stories to encourage others to become more engaged, and engage with the charities you are supporting around the whole process and be aware of the consequences on donors and charities of your strategy.

Telling the story is important. One of the other benefits of running these schemes has been being able to replay these stories back again to colleagues. That peer-to-peer conversation: instead of saying "ooh, look at us as a company, aren't we wonderful, we did this", you can see your colleagues as heroes. That's what's going to persuade people.

Debbie Bullock,
Community Investment Manager,
Aviva

To make a community investment programme work in any company you have to engage people from the bottom of the organisation to the top, otherwise it won't work, and in my experience one of the most powerful ways of doing that is a matching programme.

Peter Bull, Community Investment Consultant

We call our employee programmes the 'bread and butter' of our community investment strategy, they underpin the headlines - the company schemes - with the everyday great stuff that they do through volunteering, fundraising and giving. And if you haven't got those basics right, don't go for the hero stuff unless you've got that basic commitment at the heart of what you do. It's the things that makes the hero stuff more authentic.

Debbie Bullock - Community Investment Manager, Aviva

[When double-matching payroll giving donations to our charity was removed] there was a noticeable downwards shift in our overall matched income. The contribution that just one company can make in terms of trends and figures is significant, but of course, the real impact is in terms of how best we can plan for the future and deliver the quality of service that we believe our beneficiaries are entitled to.

Rhiannon Hunter, Workplace Giving Development
Manager, Marie Curie



Beware over-use and over-reliance on matching

Matching is not the only tool in the box, and may possibly not be as successful if used constantly, although there is little data on this pertaining to corporate matching. Often the issue is around budgets. Make sure your budget is realistic and that you manage employees' expectations. On the other hand, many companies have allowances for matching which are not taken up by all eligible employees. If they were, it could make quite a difference to charitable giving.

If a company really wants to engage their employees at every level, across all age groups, in every department, then they should look at Payroll Giving as an integrated part of their employee fundraising offering. It simply forms part of the company's philanthropic culture and can be a spring-board for other campaigns.

Rhiannon Hunter, Workplace Giving Development Manager,
Marie Curie

We know that some of the budgets available to encourage employee engagement are hugely generous, but take up can be poor. If more employees took advantage of matching, the impact on the whole sector – for charities and good causes – would be that much greater.

Linda Minnis, Chief Executive,
Charities Trust

Part 2b: Match-funding with commercial products

An alternative form of match-funding is known as ‘cause marketing’ or ‘cause related marketing’, which is when companies donate money to a charitable cause when a consumer either purchases a certain product or takes a certain action. For example:

- Innocent Smoothies donate 25p to Age UK for every bottle sold with a knitted hat
- Pampers donate the cost of a tetanus vaccine to UNICEF for every branded pack of nappies sold
- Carluccio’s restaurant donates 50p to Action Against Hunger for every Penne pasta dish sold
- Natwest Reward current account and credit card offers cashback on direct debits and some purchases which can be donated to seven different charities

The research found:

Cause-marketing is a growing phenomenon

Cause marketing has grown from almost zero in 1983 to nearly \$2 billion in 2015 in the United States³⁸, experiencing continued growth with the exception of the 2009 recession, although at a reducing rate. In the UK the phenomenon has been far less researched and tracked, but appears to be a similarly growing market (although whether behind the US curve, which is usual in most things, is not known but might be presumed).

The future is likely to see more cause marketing and greater engagement with consumers. Two-thirds of respondents (67%) in a recent online survey of UK community investment professionals felt that corporate giving will involve consumers more in selecting causes for the company or purchasing ‘cause related’ products in ten years’ time; with only 10% feeling that this involvement would be lessened³⁹.

While the UK market is amongst the more cynical globally, UK consumers still respond to cause marketing

The literature shows that 90% of global consumers say that they would switch to a cause-related product given the opportunity, and 47% buy a brand at least monthly that supports a cause. The United Kingdom, however, has one of the more cynical and least engaged audiences around cause marketing. While the global average for consumers willing to pay extra for products and services as part of a cause marketing scheme stands at 55%, the proportion is highest for consumers in Asia-Pacific (64%), Latin America and the Middle East / Africa (63%), and lowest for North America (42%) and Europe (40%)⁴⁰.

38 Eikenberry, A., 2009. The Hidden Costs of Cause Marketing. Stanford Social Innovation Review, Summer 2009.

39 Charities Trust, 2013. The Future of Corporate Giving. With Corporate Citizenship & Medicash

40 Cone Communications/Ebiquity Global CSR Study, 2015. (conecomm.com)



UK citizens have high expectations of companies to do good as well as profit, but can be highly sceptical, being more likely than the global average to say they don't believe companies are striving to be as responsible as possible until they hear about positive efforts (57% vs. 52% global average). UK citizens are least likely to believe their purchases make a significant impact (14% vs. 29% global average) and are much more likely to make a donation to a charity supported by a company, than to take part in other CSR activities, with 70% reporting they have made such a donation in the past 12 months (vs. 61% global average). This means that business has to work harder in the UK market to gain the trust of UK consumers.

A majority like 'charity products', a minority love them

Nevertheless our survey of the Big Give donors found that over half (59%) of respondents had bought or used products as part of a cause marketing scheme, while a minority (7.7%) of these buy or use them regularly.

While a majority (58%) of respondents said that they were likely to choose a 'charity product' over other brands, this declined to 44% when asked if they were willing to pay more for that product. A smaller number (35%) are quite dedicated cause-related product advocates, saying that they were likely to be willing to recommend a 'charity product' to others, and almost as many were willing to make a further donation to the charity or cause (30%), but most drew the line at buying a 'charity product' they didn't need just so that the charity or cause would get an extra donation (12%).

Figure 4: Do you buy or use products which result in money being donated to a charity?

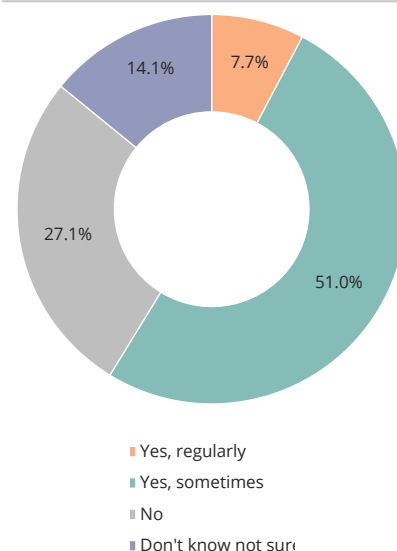
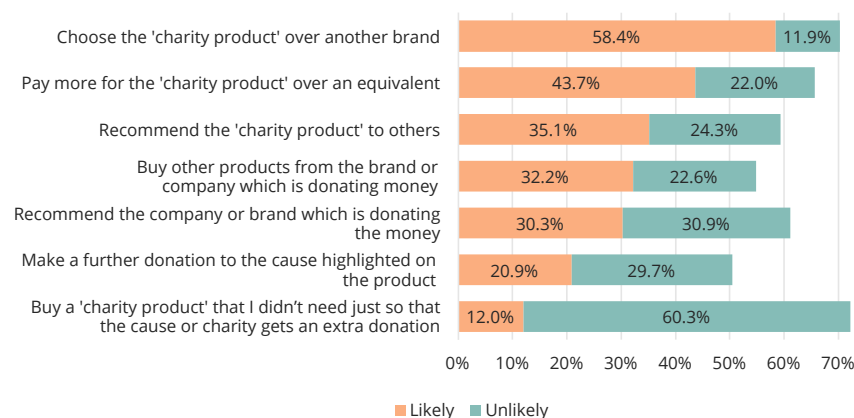


Figure 5: How likely would you be to take one of the following actions if it results in money being donated to charity? *



* Where responses don't add up to 100% it is either because of rounding or the subtraction of the "don't know" category.

Responsiveness to cause-related products is highest for women, lower earners and younger donors (Generation X and the Millennial generation)

In our survey of Big Give donors, significantly more women than men report buying cause marketing 'charity products' (57% vs 40% 'sometimes' do). Similarly, women are significantly more likely than men to take further actions in relation to cause marketing 'charity products':

- 65% of women vs 46% of men would be likely to choose a 'charity product' over other brands
- 49% of women vs 34% of men would be willing to pay more for that product

Lower income earners were more likely to choose the 'charity product' over another brand, with 63% of those earning less than £10,000 and 67% of those earning between £10,000-£30,000 compared to 54% of those earning £30,000-£50,000.

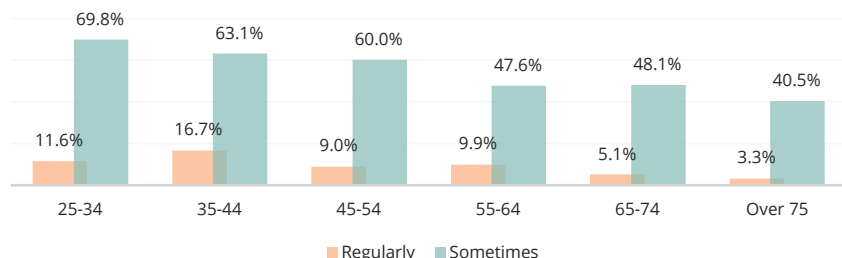
They were also slightly more likely to pay more for it (48% of those earning less than £10,000 and 49% of those earning between £10,000-£30,000 compared to 36% of those earning £75,000-£100,000).

Those on a lower income are slightly more responsive to cause marketing, being more likely to buy an everyday supermarket product, acquire a current account, a savings account or ISA, a credit card, or a mortgage or personal loan. This may be related to the longstanding finding that, on average, people on a lower income give more as a proportion of their income to charity

Our survey of Big Give donors found that younger donors are significantly more likely to buy 'charity products', with 70% of Millennials (aged 25-34) buying cause-related products 'sometimes', although regular purchasing peaked at age 35-44 years (Generation X). This is in line with other studies in the UK which have found the millennial generation to have greater expectations of how they, their employers and the wealthy could make a bigger contribution to building a more equitable and sustainable society⁴¹.

41 e.g. Pharoah, C. & Walker, C. 2015. More to Give: London Millennials Working Towards A Better World. Commissioned by City Philanthropy, A Wealth of Opportunity.

Figure 6: Likelihood of buying or using 'charity products' by age



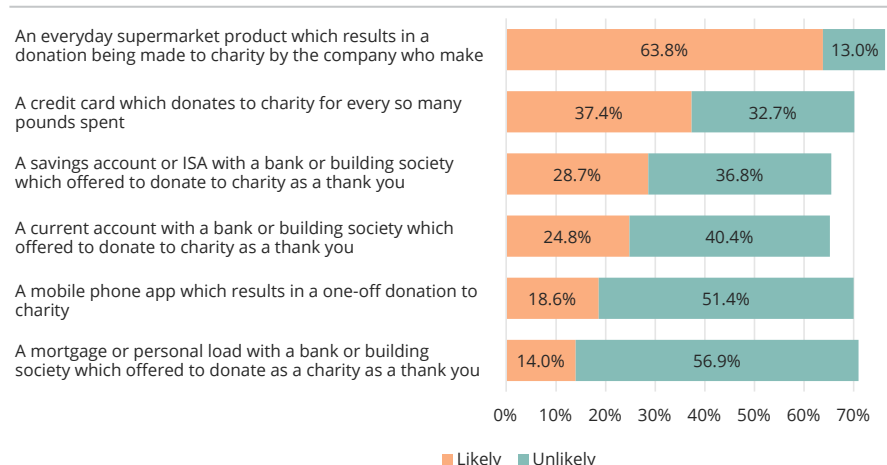
Younger donors are more likely to choose a 'charity product' over another product, to be prepared to pay more for that product (peaking at 35-44), to buy other products from the company donating money (peaking at 35-44), to recommend the 'charity product' to others (peaking at 35-44), and to recommend the company or brand.

- **40% of 35-44 year olds would be likely to make a further donation to the charity while 22% of them would be likely to buy a 'charity product' they didn't need just so that the charity could get extra money. This is dedication above and beyond other age groups!**

Everyday supermarket products are the most popular cause-marketing products but financial products are also popular

While nearly two-thirds (64%) of survey respondents said that they would be likely to buy "An everyday supermarket product which results in a donation being made to charity by the company who make it"; over one third (37%) would be likely to get a credit card, 29% would be likely to get a savings account or ISA, 25% would be likely to get a current account and 14% a mortgage or personal loan 'with a bank or building society which offered to donate to charity as a thank you'.

Figure 7: How likely would you be to buy any of the following products if it results in money being donated to charity?



Examples of innovation

The number of charity-corporate cause marketing partnerships in the UK is increasing, with causes popping up on everything from washing powder (Persil / Comic Relief; Unilever / NCT; Fairy non-bio / UNICEF), washing up liquid (Fairy Liquid / Make a Wish Foundation), soup (New Covent Garden Soup / Crisis), juice drinks (Innocent / Age UK), coffee (Nestle Nespresso / Rainforest Alliance), chocolate (Cadbury / Save the Children), crisps (Walkers / Comic Relief), to water (Co-operative sparkling Fairbourne water / the One Foundation) and wine (Wine Relief for Comic Relief).

Barnardo's recently rated their 'top five' charity corporate cause related marketing campaigns as follows :

1. **Age UK and Innocent**: See Case Study.
2. **Make-A-Wish Foundation and Fairy**: This £1 million campaign highlights the Make-A-Wish cause and has been featured on special Christmas editions of Fairy for the last ten years.
3. **UNICEF and Pampers**: For the last eight years, Pampers have donated the cost of one tetanus vaccine to UNICEF for every branded pack they sell as well as donating each time someone watches a campaign video on their YouTube channel. The campaign has provided 300 million vaccines around the world.
4. **Help for Heroes and Noble Foods**: Over four years, Noble Foods have raised £880,000 for Help for Heroes by donating 15p for every pack of khaki military style branded free range eggs they sell.
5. **Carluccio's and Action for Hunger**: Since 2007, Carluccio's has raised more than £1 million for Action for Hunger by donating 50p from their Penne Giardiniera pasta dish.

Financial cause-related products

The market for financial cause-related products has evolved over the last few decades in the UK. There are currently around 75 different charity credit cards on the market, in the region of 39 charity savings accounts and a number of current account schemes and other financial products which result in donations to charity⁴³.

One of the longest partnerships in charity credit cards paired Cancer Research UK with HBOS for over twenty years and raised over £12 million, while the Co-operative/Oxfam current account cash back scheme has raised £6 million, and the Triodos charity saver account in partnership with Friends of the Earth has been in place since 2007, and has raised over £88,000.

⁴³ Moneyfacts.co.uk: 'Spend and save to support your charity'; 'Charity credit card celebrated'; 'Giving Made Easy'.



Other cause-related financial products include loyalty card schemes (e.g. Tesco's Clubcard, Sainsbury's Nectar Card and American Express Membership Rewards, Red Spotted Hanky)⁴⁴; and a number of 'green' products which donate to environmental charities (e.g. Barclaycard Breathe which has donated over £1 million to schemes around the world such as Solar4Schools since 2007, Barclaycard Sustain, and Co-operative Ecolnsurance which offsets 20% of CO2 emissions by investing in projects like rainforest reforestation, energy efficiency and renewable energy resources, and also make sure that the garages they choose always try to recycle or reuse things like body panels and plastic parts).

Case Study: Innocent Foundation's the Big Knit with Age UK

<http://www.thebigknit.co.uk/>

Since 2003 people have been knitting hats for Innocent smoothies, with the symbolic logic that the be-hatted smoothie bottles shivering in the supermarket fridge mirror the struggles of older people to keep warm over the winter months (1 older person dies needlessly every 8 minutes because of the cold). For each bottle sold Innocent make a donation of 25p to Age UK. Since its inception, the Big Knit campaign has received over 5 million hats and raised nearly £2 million. The campaign currently raises around £200,000 from 800,000 hats.

Age UK has said that it is particularly happy to work with Innocent because the company has a positive brand and the widespread involvement of older people in the promotion serves to dispel the image of helplessness:

The Big Knit aligns so well with Age UK's winter campaign to help older people keep warm and well in winter. The money raised is invested in services including Age UK's national helpline and local Age UK lunch clubs, energy efficiency home improvements and emergency winter warmth support. However, the Big Knit is about more than just the money raised. A real sense of community has developed over the years. Local Age UK's knitting groups bring older people together, connecting communities with a unique and rewarding social activity and helping to tackle loneliness at the same time.

- Jamie Sterry, Big Knit Activation Manager

We want to say a massive thank you to everyone who has got involved in the Big Knit this year. After 12 years, we're still amazed by the amount of hats people send into us from all over the UK, and the stories we hear from our knitters. All the little woolly hats, from the wild and colourful to the spotty or stripy, have once again helped to raise money for Age UK to help older people stay warm and well during the winter.

Jamie Sterry, the Big Knit Activation Manager

44 Choose.net: 'How to give loyalty points to charity'.

Recommendations for best practice

Get 'the ask' right

Details matter, with 61% of consumers taking the time to learn the details of a cause marketing offer before deciding whether to support it⁴⁵. Experimental studies have shown that this 'desire for detail' is particularly strong when the donations promised by the company are larger⁴⁶. Evidence also suggests that cause marketing offers have positive long-term effects on demand and may reduce price sensitivity. Our survey found that 79% of respondents felt that "How much money or product will go to the cause" is important in their decision to buy a product which results in money being donated to charity.

Be specific: More specific commitments lead to stronger support (e.g. 'one donated vaccine for every t-shirt purchased' is stronger than '10% of sales')⁴⁷. 'How much money would be donated' was one of the top three determinants of likelihood of consumption of a cause marketing product in our donor survey.

Make it as easy as possible

Make it easy for your key audience to engage with your message. For example, social media is becoming increasingly used for engaging around corporate social issues: 51% of Americans report using social media to engage with companies around social and environmental issues⁴⁸, with 64% amongst Millennials. However, it should also be noted that 20% acknowledge using social channels to share negative information about companies and issues (26% among Millennials) so engage wisely and thoughtfully.

Be innovative

The rate of global growth in cause marketing is slowing. In a cynical UK marketplace innovation is needed to stay ahead of the curve. Innovative partnerships such as Innocent Foundation's the Big Knit with Age UK shows that real social value can be created in a partnership between the private sector, the third sector and the public.

Brands like TOMS Shoes, Nike and RockCorps Orange have built programmes around a longer-term commitment to specific issues, giving consumers the opportunity to engage more deeply by participating through volunteering, advocacy and education. For the younger generations at least, such an evolution appears to be a growing expectation to meet a need for greater engagement.

45 Cone Communications, 2010. Cone Nonprofit Marketing Trend Tracker: fact sheet. (conecomm.com)

46 McManus, B. & Bennet, R., 2010. 'The Demand for Products Linked to Public Goods: Evidence from an Online Field Experiment'. *Journal of Public Economics* 95 (2011) 403–415.

47 CauseCapitalism.com. 2010. Khalili, O. 'To Tap Cause Marketing's Huge Potential, Do Less Of It.'

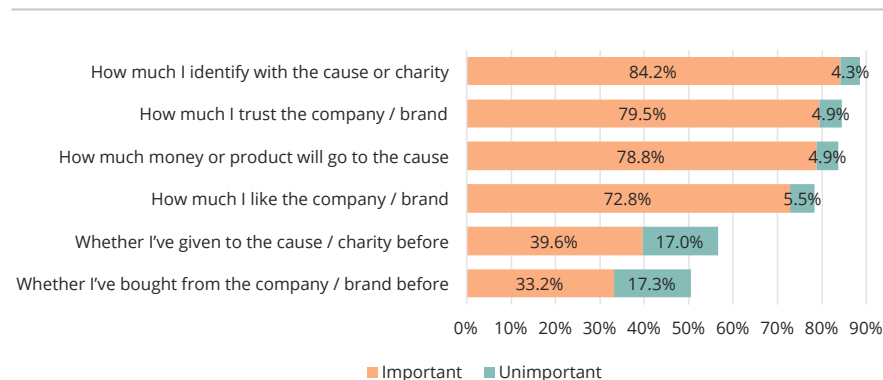
48 Cone Communications Social Impact Study, 2013. (conecomm.com)



Make it a genuine partnership with all parties

Identification with the cause, and trust in the company, were the top two determinants of likelihood of consumption of a cause marketing product in our donor survey and both need to be solicited. UK consumers are very wary of charity-washing. Three-quarters (73%) of respondents felt that “How much I like the company / brand” is important in their decision to buy a product which results in money being donated to charity, suggesting that they would like a good relationship with the company. And this could pay dividends, since nearly one third (32%) were likely to buy other products from the brand or company donating money. If you don’t have a good, strong relationship with your consumers, brand loyalty may be rather transient, with some believing that ‘consumers are loyal as long as the price is right’⁴⁹. People genuinely want to help make a difference, but only if they feel that the company is doing their bit as well as the consumer.

Figure 8: How important are any of the following factors in your decision to buy a product which results in money being donated to charity?



Re promotions on supermarket products – the key point is that nearly all of these have a maximum donation limit which they know will be met through regular sales, so it's in the budget. It makes no difference if I buy it or not. It's just charity-washing for these corporations.

Survey respondent.

The only scheme of this sort that would be interesting would be if the donation was truly unlimited based on purchases.

Survey respondent

Cause-related marketing, as we know it, is dead. It's not about slapping a ribbon on a product any longer.... [Americans] seek deeper involvement in social issues and expect brands and companies to provide various means of engagement.

Carol Cone, Managing Director of Brand and Corporate Citizenship at Edelman⁵²

Beware over-use and over-reliance on matching

Caution should also be exercised around the over-use of cause marketing, which has allegedly led some consumers to view this kind of charity-corporate partnership as a ‘neo-liberal conspiracy to make everything market-driven’⁵⁰. Recent studies show that this is particularly true for altruists (those with an unselfish concern for others, thought to be a primary motivation behind charitable giving) who tend to respond negatively to perceived commercial motivation behind such initiatives⁵¹. Given that the UK market is already cynical, and experiencing a period of intense mistrust of charities, this is a genuine concern. Such criticisms lead to the conclusion that cause marketing, like other forms of corporate-charity engagement, needs to evolve to stay relevant.

50 Karoff, P., 2012. ‘The first rule of corporate social responsibility is not what you think.’ Stanford Social Innovation Review, December 10.

51 Zasuwa, G., 2016. Do the ends justify the means? How altruistic values moderate consumer responses to corporate social initiatives. Journal of Business Research, May.

52 CauseCapitalism.com. 2010. Khalili, O. ‘To Tap Cause Marketing’s Huge Potential, Do Less Of It.’

There are other concerns around cause-marketing, including that it might hinder future donations to charities because consumers think of their purchases as donations (Flaherty & Diamond, 1999 & Lichtenstein, 2004)⁵³. There are also those who believe that the short-term benefits of cause marketing belie its long-term costs, including 'individualising solutions to collective problems; replacing virtuous action with mindless buying; and hiding how markets create many social problems in the first place.' Such beliefs lead some to feel that cause marketing is unsuited to creating 'real' social change (Eikenberry, 2009⁵⁴).

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- 53 Flaherty, K. & Diamond, W., 1999. The Impact of Consumers' Mental Budgeting on the Effectiveness of Cause-Related Marketing. American Marketing Association Conference Proceedings, 10, 1999: 151-52; Lichtenstein, D.R., Drumwright, M.E. & B.M. Braig, 2004. The Effect of Corporate Social Responsibility on Customer Donations to Corporate-Supported Nonprofits. *Journal of Marketing*, 68(4), 2004: 16-32.
- 54 Eikenberry, A., 2009. The Hidden Costs of Cause Marketing. *Stanford Social Innovation Review*, Summer 2009.



Conclusions

The UK voluntary sector is currently experiencing a slow and painful recovery period after the recent global financial crisis, coupled with continued austerity measures. Evidence points towards larger charities bouncing back more quickly while smaller ones, which make up the bulk of the sector, continue to struggle⁵⁵. Consequential changes in the funding environment mean that many are looking to make money go further and work harder.

The findings of the research point towards match-funding being a successful and popular way of incentivising greater giving to charitable appeals when done well, enabling the development of giving across a wide range of fundraising scenarios. Findings from both the literature and this research suggest that matching can be a brilliant booster but may not be a long-term solution, or appropriate for all.

In the corporate world, matching appears to positively reinforce charitable engagement and can be used to 'nudge' employees' engagement with charities in line with the company's CSR strategy. Overall companies appear to be moving away from matching payroll donations in favour of 'more active' employee engagement with charity, such as fundraising or volunteering; and while some companies still favour a Charity of the Year arrangement with matching, others prefer to allow employees their own personal choice of charities to donate to. There are pros and cons to each strategy, which also have consequences for the charities on the receiving end of such partnerships (especially when strategies change).

As a special case of matching, cause-related products are a growing market. As with other forms of matching, it seems an obvious selling point to attract consumers into choosing a cause-related product over another similar one, but not everybody buys into it. Care needs to be taken with the UK market for such products as it has been shown to be more cynical.

Most agree that the use of match-funding will continue to grow, and will need to evolve in order to stay as relevant and effective as possible. Matching can encourage and support more innovative and experimental forms of charitable engagement, making it a key tool for those with the budget to enable it.

I think matching has the potential to be quite a creative way of encouraging other people to give. For me that's where it gets exciting. How can we utilise that philosophy to persuade others to give, and how can you do that locally and responsively? I think that's one of the interesting challenges for match-funding. How do you build a long-term relationship with a donor who's giving because they're encouraged by the matching, and turn them into a longer-term donor supporter and small-scale funder?

David Warner, Director, London Funders

I think matching appeals to people because someone has put in their money and by putting in yours it's a sense of collective solidarity, you know, let's all club together and do this.

Dr Beth Breeze, Director of the Centre for Philanthropy, University of Kent

It's possible that match-funding, or co-funding, between government and philanthropy is going to become more prevalent as the amount of money government has decreases. Pears Foundation is currently co-funding the National Youth Social Action Fund with the Cabinet Office.

Bridget McGing, Deputy Director, Pears Foundation

In the last seven years I've seen more and more foundations overtly talking about how they have to go out and seek leverage. Boards seem to insist on it now, saying that a foundation can't do anything new unless you get match-funding for it. They're using the term 'match-funding' to mean co-funding between foundations. Stars Foundation are definitely using co-funding more.

David Crook, Development Director, Stars Foundation

⁵⁵ NCVO, 2016. The UK Civil Society Almanac. By Crees, J., Dobbs, J., James, D., Jochum, V., Kane, D., Lloyd, G., & N. Ockenden.

We're the convening partner of the 'With and For Girls Collective' with 8 other funders, and we run that model on a pooled funding basis of: "we'll fund if you fund". We've found some really compelling benefits to funding in this way, not least of which is that we feel able to fund organisations which are much less developed than we would normally consider for funding. But through partnering with funders who are more used to doing that the perceived risk is lessened as the risk is spread.

David Crook, Development
Director, Stars Foundation

Match-funding is attractive to funders because it offers 'more bang for their buck', and can help mitigate concerns they might have about being the sole supporter of a project. This is particularly true for a new generation of younger philanthropists⁵⁶. It's also true for donors in an era where trust in charities has taken some major blows in recent times. Knowing that someone else has done the due diligence for them, and/or is sharing any associated risks, is reassuring.

- 80% of survey respondents "felt that I could trust the charity as it had been selected to take part in the matching campaign by the Big Give"

With a more demanding younger generation coming into both the workforce and the charitable giving arena there are greater expectations of the ways in which engaging with charities should be made easier. Companies and charities are expected to encourage and reward charitable engagement, and matching could play a pivotal role in this.

All parties need to ensure that they get the model of matching right for their particular campaign in order to be as successful as possible. With due care, skill and attention, funders, companies, charities and facilitators can make a great match with donors, uniting all in tackling social issues more effectively.

⁵⁶ CAF, 2014. Philanthropy: A gift or an investment? How young, socially-conscious investors are balancing approaches to philanthropy. Charities Aid Foundation.



About us

The Big Give was founded by entrepreneur Sir Alec Reed in 2007 to provide a platform for online donations enabling donors to discover charities and projects of interest, and offering opportunities to double donations through match-funding campaigns run throughout the year. The Big Give is responsible for the UK's biggest online match-funding campaign, the Christmas Challenge. In addition to match-funding campaigns, it also provides a number of other services to help charities, individuals and philanthropists to connect and raise more money online.

www.thebiggive.org.uk

Charities Trust was established in 1987 by the Littlewoods organisation. Its aim was to enable more people to give to charity through Payroll Giving. Since 2003 Charities Trust has been an independent organisation providing end-to-end solutions across a wide range of corporate social responsibility activities including individual and corporate fundraising and match management, appeals management including Christmas campaigns and disaster appeals, charity verification and support on community engagement. In the last five years Charities Trust has distributed £300 million to more than 50,000 charities.

www.charitiestrust.org.uk

RBS is a UK-based banking and financial services company, headquartered in Edinburgh. RBS provides a wide range of products and services to personal, commercial and large corporate and institutional customers through its two main subsidiaries, The Royal Bank of Scotland and NatWest, as well as through a number of other well-known brands including Ulster Bank and Coutts.

www.rbs.com

The Researchery – the research surgery for the voluntary sector – is an independent consultancy. It was founded in 2015 by Dr. Cat Walker, who has worked in the UK voluntary sector for the last 16 years, from running small community organisations to working with two of the leading infrastructure bodies in the sector: Charities Aid Foundation where Cat was Head of Research from 1999-2006, and Directory of Social Change where Cat was Head of STEAM (Sector Trends Evidence Analysis & Metrics 2010-2015). Cat is an experienced freelance researcher with particular expertise in the funding environment for the UK voluntary sector.

www.theresearchery.com



Appendix: Methodology and detailed findings

In order to explore what difference matching makes to fundraising appeals the research drew evidence from the following sources:

- A literature review
- Analysis of one of the UK's largest online matching facilitators for charitable appeals (the Big Give)
- A survey of donors to the Big Give
- Interviews with practitioners and experts

Summary of the literature on match-funding

Table 1: Evidence from the literature on the effectiveness of match-funding

Investigators	Year of study	Country	Matching ratio	Response rate	Donation size	Overall revenue
Positive results (i.e. match-funding is effective in incentivising more giving)						
Karlan & List	2005	US	1:1	↑ 22%	↑ 19%	↑ 55%
Gneezy et al.	2014	US	1:1	↑ 31%	↑ 15%	↑ 51%
Avalon Consulting direct marketing fundraising agency (Porter, 2015)	2015	US	1:1	↑ 37%	↑ 63%	↑ 54%
Chimp online charitable donations platform (Joesphson, 2015)	2015	US	1:1	↑ 110%	↑ 41%	↑ 120%
Partial or negative results (i.e. match-funding has some or no effect)						
Huck & Rasul	2008	Germany	1:1, (1:2)	No effect	↑ 24% (↑ 36%)	↑ 36% (↑ 49%)
Meler	2006	Germany	1:2, 1:3	↑	No effect	No effect
Karlan et al.	2010	US	1:1, 1:3	No effect except for 'warm donors'		
Sanders et al.	2015	UK	1:1	No effect except for peer-to-peer fundraising		

*Key to matching ratios: 1:1 = 'doubling', 100% match i.e. for every £1 donated it is matched by £1; 2:1 = 'double matching', 200% match i.e. for every £1 donated it is matched by £2; 1:2 = 'half matching', 50% match i.e. for every £1 donated it is matched by 50p.

Caution is advised in comparing such studies which were all carried out under very different circumstances and using various different manipulations of match-funding. For example, Meier's test subjects were students in an online experiment, while Sanders et al. administered their experiments digitally using email and social network sites (Facebook and JustGiving).

The Big Give donations data

We analysed over 138,000 donations, raising £37,343,448 for 9,885 charities. 68% of donations made through the Big Give website were matched, adding over £30,000,000 in match-funding. Over 2,000 charities benefitted from match-funding through the Big Give, and 1883 projects were match-funded.

Comparison of matched versus non-matched charitable disaster appeals through the Big Give (DEC)

The Big Give has supported a number of disaster appeals over the years. All of these (except one) have been match-funded in order to increase the money going to the charities¹. The one exception was the Ebola emergency appeal which, due to its timing (just after the Gaza Appeal and close to the Christmas Challenge 2015) was unable to attract match-funding. The analysis compared the success of the unmatched Ebola Appeal and other match-funded disaster appeals by the Big Give site² for the Disasters Emergency Committee (DEC) to see the effect of matching.

Table 2: Donations raised for DEC³ disaster appeals through the Big Give (2013-2015)

Disaster Emergency Committee			
Campaign	Online donations (via the Big Give website)	Grand total (including match-funding and Gift Aid	Length of the Big Give campaign (days)
Ebola (2015)	£26,892.00	£33,077.16 ⁴	22
Gaza (2014)	£29,905.00	£63,558.75	24
Syria (2013)	£31,552.00	£62,800.00	34
Philippines (2013)	£72,331.50	£137,728.25	10
Nepal earthquake (2015)	£91,276.10	£182,505.10	10

- 1 Charities taking part in emergency appeals run by the Big Give face no maximum amount which can be matched (up to the limit of the funding) although the maximum individual matched gift is £5000.
- 2 This constituted a very small part of DEC's overall appeal which takes place across many other platforms.
- 3 DEC brings together 13 leading UK aid agencies to raise money at times of humanitarian crisis in poorer countries.
- 4 Gift Aid estimated on all online donations at same level as other campaigns.



Table 2 shows that while the unmatched Ebola appeal raised around half as much in total compared to the matched appeals, it also raised less in terms of individuals' online donations (before matching). So is this a clear-cut case of matching making the difference?

The Disasters Emergencies Committee does not compare appeal totals as each disaster is different. DEC also points out that the Ebola appeal was particularly complex for a number of reasons⁵ and this was reflected in the overall totals raised by DEC (outside of the Big Give). When compared with its closest chronological comparator, the Nepal Earthquake appeal, the Ebola Crisis appeal raised less than half (43.5%) compared to the Nepal Earthquake appeal total:

- DEC Ebola Crisis Appeal total raised £37 million
- DEC Nepal Earthquake Appeal total raised £85 million

Taking this into account, the unmatched Ebola campaign still raised significantly less than its matched counterpart through the Big Give - three times less (29%) than the total online donations raised; and five times less (18%) when total match-funds are taken into account.

It should be borne in mind that a further contributory factor may be that fewer communications were sent out by the Big Give to donors on behalf of the Ebola Crisis Appeal compared to the Nepal Earthquake Appeal. Although it's difficult to quantify the effect of this, we have seen that communications play a vital role in match-funding. Four emails were sent out about the Nepal Earthquake compared to one email for the Ebola Crisis: over 3,000 donors clicked through to the Nepal Earthquake appeal page in response to the first email, and 1,400 in response to a second, resulting in 1,085 donations made in total to the Nepal Earthquake Appeal; compared to 324 donations to the Ebola appeal.

Match-funding charitable appeals interviews and case studies

The following were interviewed and/or provided data in connection with their experiences around match-funding:"

- Bridget McGing, Deputy Director, Pears Foundation
- Dr Beth Breeze, Director of the Centre for Philanthropy, University of Kent
- David Warner, Director, London Funders
- Lisa Gagliani, Chief Executive, The Childhood Trust
- Lisa Cousins, Executive Director, Ethiopiaid
- David Crook, Development Director, Stars Foundation
- Catherine Cottrell, Deputy Executive Director of Fundraising, UNICEF
- Lisa Robinson, Philanthropy & Partnerships Manager, DEC - Disasters Emergency Committee
- Cathy Welch, Senior Programme Manager, UK Aid Match, Department for International Development
- Jamie Sterry, Big Knit Activation Manager, Innocent Foundation
- Katherine Wyndham, PGMS Ltd, APGO
- Isabelle Hayhoe, Charities Co-ordinator, Winton Capital
- Sabira Rouf, Charities and Fundraising Manager, Deutsche Bank
- Peter Bull, Community Investment Consultant
- Gary Grange – Community Investment Manager, Royal Mail Group
- Anish Shah, Community Affairs, Morgan Stanley
- Debbie Bullock – Community Investment Manager, Aviva
- Anthony Harte, Head of Community engagement, EMEA at Bank of America Merrill Lynch
- Rhiannon Hunter, Workplace Giving Development Manager, Marie Curie

The Big Give donor survey

1,215 people responded to the survey in March 2016. This represents 14.6% of the sample of donors who have given through the Big Give website in the last year (2015) and who agreed to communications from the Big Give. Around 20% of Big Give donors agreed to communications.

Figure 1: Have you donated to match-funding campaigns outside of the Big Give?

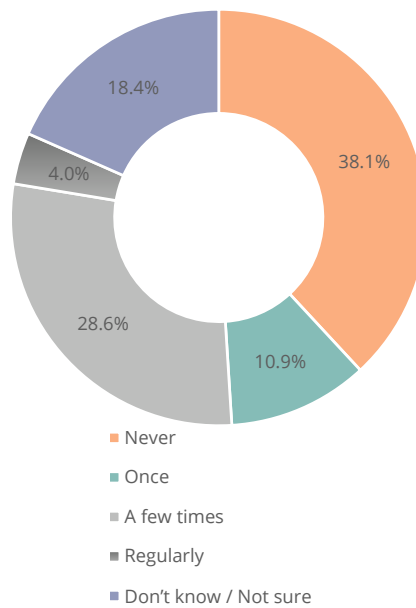


Figure 2: Did the fact that your donation might be matched affect the amount you gave?

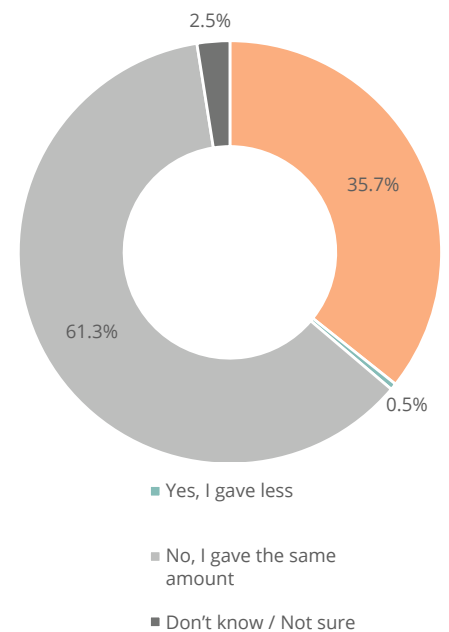


Figure 3: Does it matter to you who is providing the match-funding for your chosen charity?

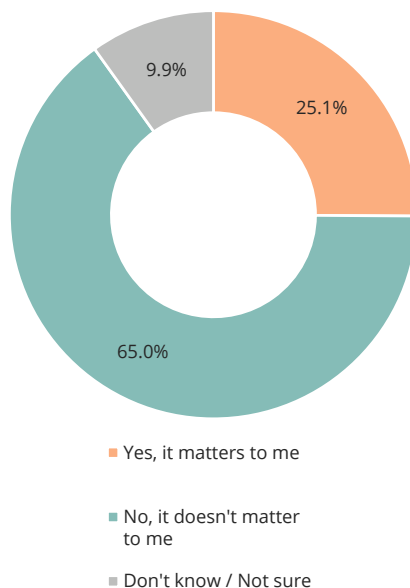


Figure 4: Would you consider giving to a match-funded campaign in future?

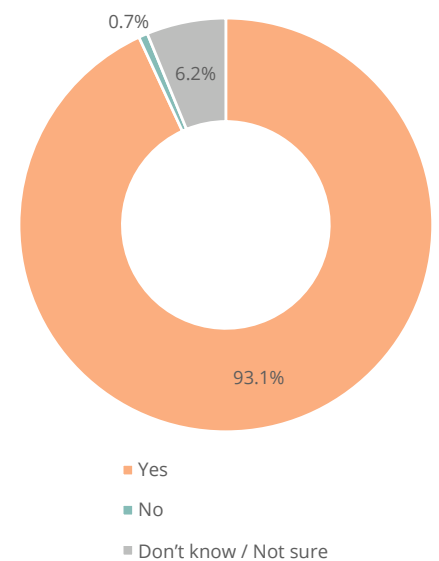




Figure 5: Did the fact that only some donations would be matched affect the way that you gave at all?

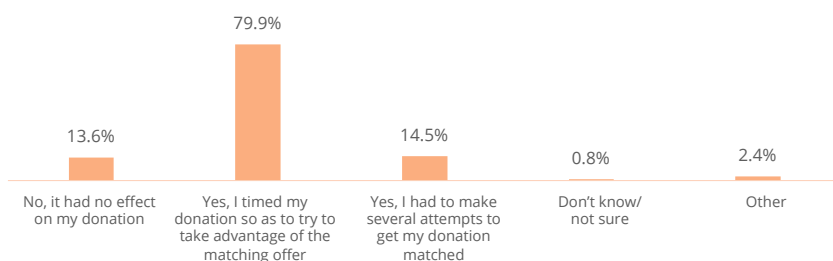


Figure 6: Nationality

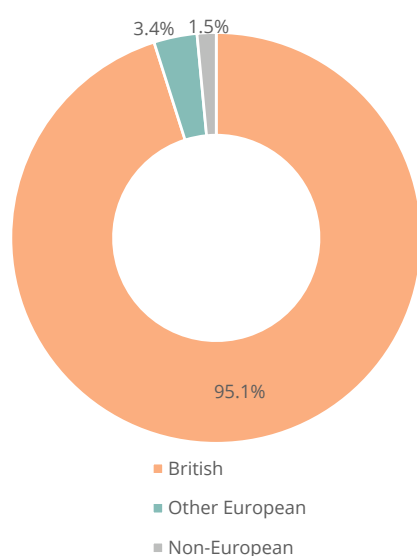
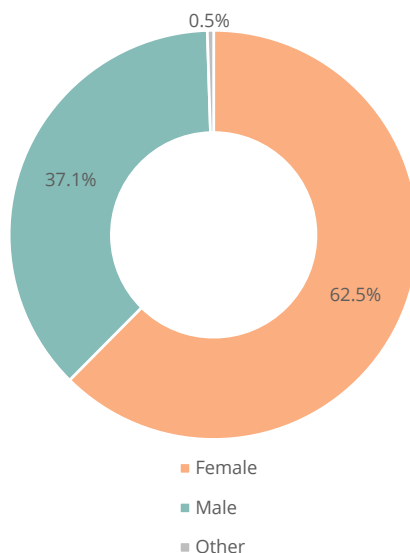


Figure 7: Gender



Nearly two-thirds of respondents (62.5%) are female. This is atypical in two ways: it represents a much higher proportion than national averages which see 48% of women donating to charity in the average month, compared to 41% of men⁶; and it represents a much greater proportion than would normally be found amongst online donors who have been found to be slightly predominantly male⁷. This is partially explained by the fact that proportionately more women agreed to communications from the Big Give. Donations from female donors make up 54% of the Big Give database as a whole.

⁶ According to UK Giving 2014: In a typical month, women are more likely to give money to charity than men, 48 per cent donating directly and/or sponsoring someone, compared to 41 per cent of men.

⁷ 53% according to Barclays (2015), Blackbaud (2006).

An older population of givers

Nearly two thirds of respondents (62.5%) were between 55 and 74 years old. The majority (56%) of respondents earn between £10,000 - £50,000 per annum, with the largest proportion (40%) earning between £10,000 - £30,000. However, given the older age profile of the respondents, many will have accumulated wealth rather than income. This ties in with national averages which show that older and better off people give more⁸ although it's relatively unusual for an online donor population, who tend to be younger⁹.

Figure 8: Age

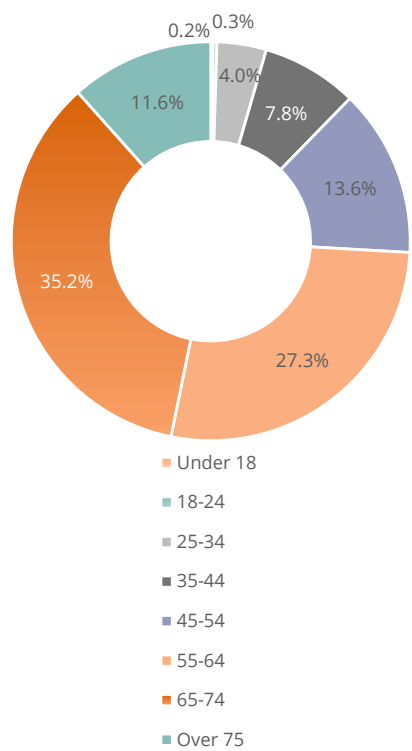
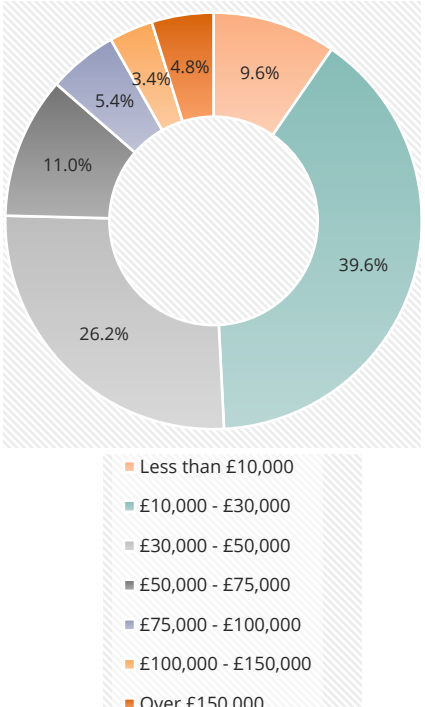


Figure 9: Amount

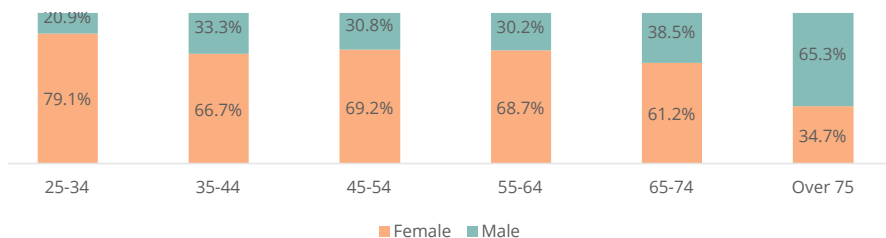


Again, this may be down to the bias in the sample towards female donors, since female donors tended to be younger than male ones (79% aged 25-34 vs 35% aged 75+).

⁸ UK Giving (2014); CGAP & CMPO (2011) New State of Donation.

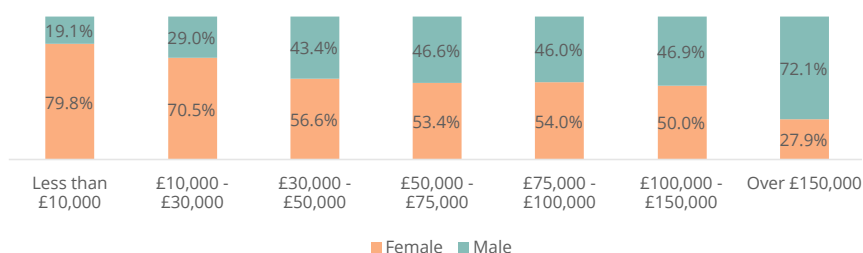
⁹ Blackbaud (2006), Barclays (2015).

Figure 10: Age by gender



There are also significant interactions between gender and income, with women earning less than men, and this also reflects in average donation size which, for women in the sample is £161.90 compared to £311.91 for men¹⁰.

Figure 11: Age by gender



There are also significant interactions between gender and income, with women earning less than men, and this also reflects in average donation size which, for women in the sample is £161.90 compared to £311.91 for men¹⁰.

Despite the female bias in the sample, all significant differences are robust due to the sample size and are significant at the 95% confidence level, $p=0.5$.

¹⁰ Based on the donations of all donors who were sent the survey, with donations allocated by their titles, e.g. Mrs, Ms, Miss, Mr; gender neutral titles such as Dr, Professor or Rev were discounted. This compares with the Big Give average donations over eight years by all donors of £132.15 (unmatched) and £333.67 (matched).

Company interviews

Seven company CSR representatives were interviewed about how they use matching to incentivise employee engagement.

Aviva – recently started matching payroll giving up to £10 per month, they also operate a fundraising matching scheme called ‘£ Plus’ – a fundraising match once a year up to £250; Aviva also offers some additional matching around fundraising for certain charity partners.

The Morgan Stanley International Foundation – The Morgan Stanley International Foundation is the philanthropic arm of Morgan Stanley in Europe, the Middle East and Africa (EMEA). Since its inception in 1994, the Foundation has been making contributions to charitable and non-profit organisations where Morgan Stanley has a presence, focused on children’s health and education. The Foundation supports young people and strives to ensure that more children have access to quality healthcare and educational programmes, enabling them to have a more meaningful life. Giving Back is a core value for Morgan Stanley and its employees. Through fundraising and volunteering, Morgan Stanley is investing in the future of the communities in which we live and work. www.morganstanley.com/msif.

Royal Mail Group – matches donations to their chosen Charity of the Year of up to £2,500 per employee per year, plus it matches all payroll giving donations to the Charity of the Year up to £100,000 per year in total. It also provides matched funding supporting employee fundraising for all other registered charities and good causes of their choice of up to £200 per person per year. A fundraising grant of £200, which helps towards many associated fundraising costs, is also available for all employees. In 2012 the workforce of Royal Mail Group became Guinness World Record title holders for the most registered charities supported by a Payroll Giving Scheme. Around one in four Royal Mail Group employees have supported hundreds of registered charities and good causes with donations worth over £2.3 million in the last 12 months. Since the scheme started in 1989 and £55 million has now been given through this scheme.

Deutsche Bank – Change to: “Deutsche Bank - offers up to £3,000 per employee for matching payroll giving / personal donations per annum plus to permanent employees and up to £1,000 to match employee fundraising. They also and underwrite some of the costs of fundraising events for the Charities of the Year as well. Around one quarter (25%) of staff take advantage of match giving and Deutsche Bank matches around £2 million per year to UK-registered charities.

Winton Capital – Winton offers employees match funding for donations, fundraising and payroll giving of up to £10,000 per annum, per employee. Matching is funded by the Winton Charitable Foundation. The Foundation donated £292,000 last year (2015) in match funding.



Bank of America – The Bank of America Charitable Foundation Matching Gifts program encourages employees to contribute to qualifying charitable organizations. This program supports employee giving by offering a way to double – up to \$5,000 (US) per person each calendar year – employees’ cash or securities contributions to their favourite charitable organizations and thus improve their communities. Annually, the Bank of America Charitable Foundation provides more than \$25 million in matching gifts on behalf of employee donations.

Peter Bull – has worked in the field of community investment for twelve years with a number of large companies, most notably HSBC and most recently Arthur J. Gallagher.

