

# **How can arts organisations increase their relevance and cultivate the next generation of donors?**

Jo Blair, Founder and Director, Brown Bread



**Brown  
Bread**

## How relevant are the arts for philanthropists, anyway?



### USA

1. Religious causes **31%** of all donations
2. Giving to Education **14%** of all donations
3. Donations to Human Services **12%** of all donations
4. Foundations **11%** of all donations
5. Health charities **9%** of all donations
6. Public-Society Benefit charities **7%** of all donations
7. Giving to International charities **6%** of all donations.
8. **Arts, Culture and Humanities 5% of all donations.**
9. Charities that focus on the Environment / Animals **3%** of all donations

## And in New Zealand?

- The arts, culture and heritage are **one of the higher sectors in terms of reliance on philanthropy** in their income mix at over 30% of income
- This is more than **double** the overall charity sector
- They enjoy (DO WE?) good volunteer support which more than doubles their workforce on a FTE basis
- Unlike most other sectors, there is not a strong relationship between income and either surplus or assets.
- The number of arts, heritage charities has grown strongly since 2000, up almost 25%, double the rate of overall charity numbers.
- In comparing the New Zealand and Australian sectors there is a similar good profit margins and a rich asset base. However New Zealand enjoys greater philanthropic support as a proportion of income, even though over the last 20 years Australia has moved from 8% to 14%, offsetting a fall in Government grants.

## Donations and bequests as a share of total income



**A reminder of where we all fit in the scheme of things...**

**Baby Boomers: Born 1946-1964 (54-72 years old)**

**Generation X: Born 1965-1980 (38-53 years old)**

**Millennials: Born 1981-1996 (22-37 years old) (Gen Y)**

**Post-Millennials: Born 1997-Present (0-21 years old) (Gen Z)**



**What do you think of  
when you think of  
arts philanthropist?**

“

Millennials will be the largest demographic in the workforce by 2020. Today they make up 1/3 of the workforce.

By 2020 they will make up half.

Forbes 2018

”



## Traits of the Millennial

- **Economic and social/political optimism is at record lows.** strong lack of faith in traditional societal institutions (EEK), including mass media, and are pessimistic about social progress.
- **Millennials and Gen Zs are disillusioned with everything.** They're not particularly satisfied with their lives, their financial situations, their jobs, government and business leaders, social media, or the way their data is used.
- **Millennials value experiences.** They aspire to travel and help their communities more than starting families or their own businesses.
- **Millennials are sceptical of business's motives.** Respondents do not think highly of leaders' impact on society, their commitment to improving the world, or their trustworthiness.
- **They let their wallets do the talking (and walking).** Millennials and Gen Zs, in general, will patronize and support organisations that align with their values; many say they will not hesitate to lessen or end relationships when they disagree with companies' business practices, values, or political leanings.



**CASE STUDY 1: Christchurch Art Gallery  
Democratising giving.**



“

I can't give to the Gallery. That's for old people with grey hair. I can't be a patron or a donor. I just don't see it as part of my future.

38 year old male, Ōtautahi Christchurch, 2014.

”

## CHRISTCHURCH ART GALLERY FOUNDATION

### WE'RE ON A MISSION

If you share our obsession with art, with artists and the power of art—and if you believe that art makes a difference, we should get together.

If you want to show how much good art really matters in Christchurch—we **definitely** need to get together.

Collaborate with us for the next five years. Help us build a collection of works which treasures this time, our memories, our stories, which shows 'part of us'. Help us build a collection which expresses our hopes for the future.

### OUR AMBITION?

- A **5 million dollar endowment fund** by the end of 2019 to ensure Christchurch Art Gallery Foundation can help the Gallery build a collection of which we're all proud;
- and **5 great works in 5 years** to tell the world a little bit about us through this time.

*Together we're curious,  
we're confident, we  
care about good art.*

*Together we support  
innovation, we like  
doing things differently,  
we break rules.*

*Together we like things  
that go alongside art—  
architecture, design,  
food, music.*

*Together we can do  
amazing things.*

Sound like you?  
Please turn over.

Proposition - TOGETHER

Clear mission, urgent.



## Legacy proposition: Baby Boomer's proposition

You are a steadfast supporter of Christchurch Art Gallery. You may or may not live here, but you believe in this Gallery and its mission. You believe in the power of a city's collection to tell a story for decades to come. You'll pledge **\$25,000** a year to the Foundation to build an endowment fund that, by the end of 2019, allows the Gallery to buy important art for Christchurch on a regular basis.



**Ambition, mover-shaker  
proposition:  
Gen X, Baby Boomers, Business**

You understand ambition and the power of a collective focus. You live large or aim to and you want to see the Gallery's collection living and large. You're part of a limited group of 40 duos and solos who pledge **\$5,000** a year to the Foundation. Together, we'll power our way to good art.



## Fresh, new and bold proposition: Gen X and Gen Y

We're opening our doors and wrapping our contemporary arms around a younger attitude in Christchurch. You may not have been part of the Gallery before; you may know nothing about art. Or you may be part of our regular art-loving crowd who helps us celebrate at every opening. Either way, you have an inkling that partnering with the world of contemporary art is the right place to be right now. And you know Christchurch Art Gallery's team will bring something great together. For **\$1,000** a year (that is \$19 a week or a coffee a day) you'll hang out with others who think contemporary art is critical for Christchurch.

## Meet a real live millennial giver.



“

If I didn't choose to support causes I believe in, I'd just be a girl who bakes. There's not much meaning to it all if it never solves anything more than someone's cake cravings.

”

We estimate 50% of our TOGETHER and great works donors who've collectively given \$7 million cash to the Gallery's endowment and great works, gave when they were under 45.



Our Board changed significantly in 2013 (bringing in 2 x young Gen Xs, 2 x older Gen Ys).  
And it's about to have another revamp (2019)

The development team (Brown Bread) were all millennials influencing the vibe.

## So, is it real? Are millennials changing giving.

### Millennials are simply more generous than other generations.

- In 2014, 84% of millennial employees gave to charity and 70 % of them donated more than an hour to a charitable cause, (Case Foundation's Millennial Impact Report 2019)
- Boomers and Gen Xers are giving more in terms of dollars (\$732 and \$1,212 per year, respectively), millennials are giving an average of \$481 a year. (The Next Generation of American Giving, 2018).
- Millennials earn less than their counterparts, and are often riddled with student debt, years away from owning a car or a home and are famous for their sense of entitlement, apathy and indifference towards brands.
- Yet millennials are the furthest thing from a passive audience – they are obsessed with progress
- They are a generation of people who believe life can and should be better: the impact generation.



**Brown  
Bread**

If people become more generous over their lives and are more likely to give if their parents give, millennials will become the most generous generation in history.

Forbes 2018

The impact generation.



## Why are millennials giving at higher rates than their predecessors?

- Digitization of the world as we know it,
- Rise of mobile and online banking
- Ease with which individuals can learn about and share issues with others.
- Empowerment to make change, and believe in their responsibility to create change and are optimistic about their abilities.
- Young people are finding community through causes and activating each other as they do
- Obsessed with progress.

“

With the ease of sharing came the ease of giving, as well as the expectation to do so.

Forbes 2018

”

## And then there's the wealth transfer...

Thanks to the entrepreneurship of a few of their baby boomer parents, millennials are on the cusp of a massive [\\$30 trillion](#) wealth transfer

So. Back to Christchurch Art Gallery. We started to engage in a contemporary way – but due to costs to deliver etc, also in a way that could catch all our givers.



**Getting your product right.**

# Join us for a back-of-house take over!

## TOGETHER

Yealands  
— FAMILY WINES —  
HAMILTON - NEW ZEALAND

three boys brewery



lizzie's cuisine

**CHRISTCHURCH  
ART GALLERY  
FOUNDATION**

Foundation Partner  
**ANZ PRIVATE**

To thank you for getting TOGETHER with us, we are inviting you to roam like never before 'behind the scenes' at Christchurch Art Gallery Te Puna o Waiwhetu.

See how works of art enter the Gallery, their journey to the collection stores, the photography studio and (drum roll, please) even to where Jenny Harper keeps her smoked fish salad for lunch. You won't want to miss this one!

**Thursday 6 April, 6–8pm**  
**Christchurch Art Gallery Te Puna o Waiwhetu**  
**Loading Bay, 58 Gloucester Street**  
**(Please avoid the main entrances to the Gallery. This is back-of-house only.)**

RSVP to Hannah at [together@christchurchartgallery.org.nz](mailto:together@christchurchartgallery.org.nz) or 03 941 7356 by 16 March.

Did you know the Gallery has three floors? We didn't until we put this event together...











**PEN  
GOUGH**

BOARD MEMBER  
CHRISTCHURCH ART  
GALLERY FOUNDATION





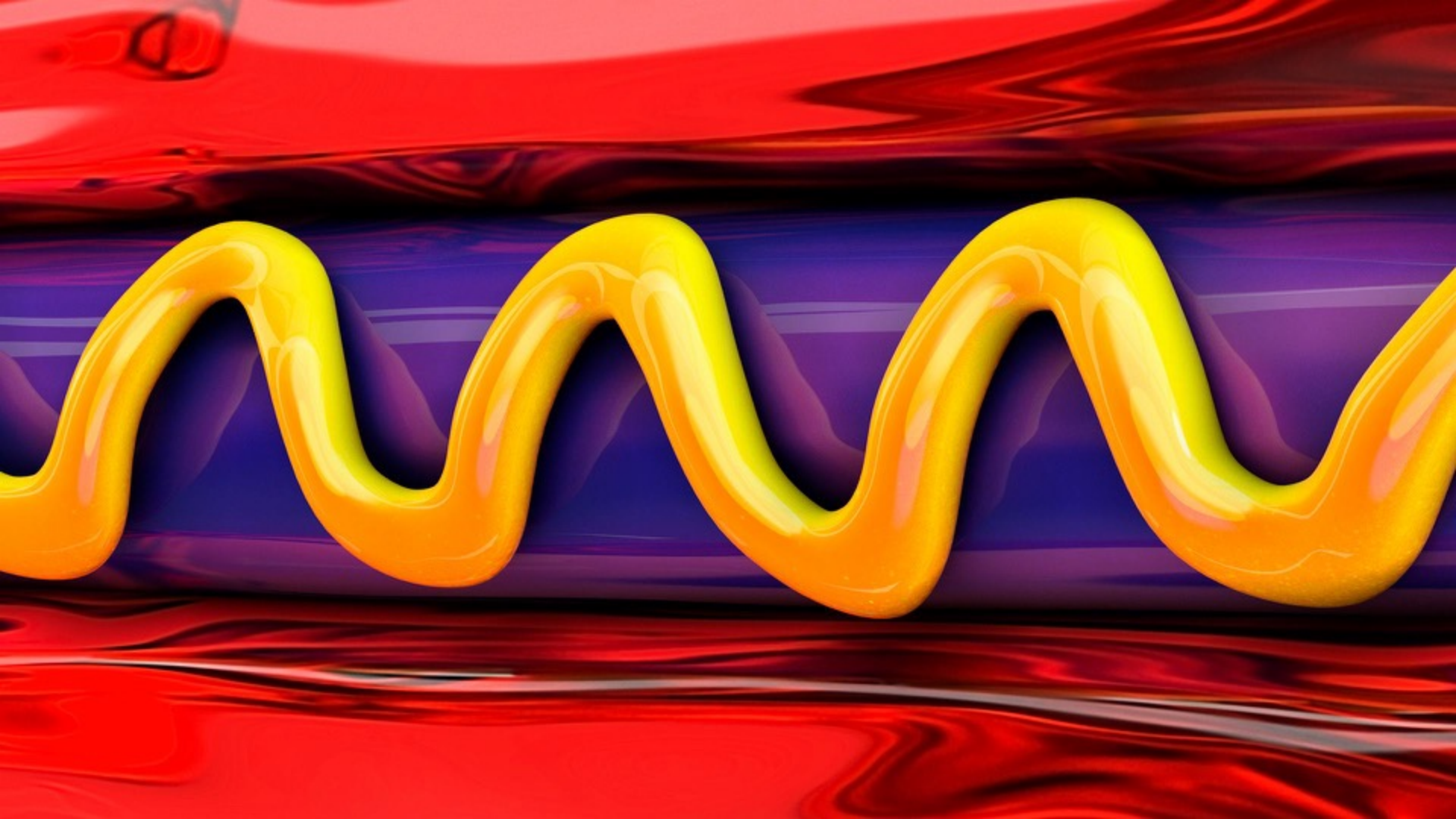
OBJECTSPACE

SPACE.M.COM





OBJECTSPACE









**Top tips to snag the new generation donor.**

# 1

## **Work out what you're selling.**

To gain your market/audience ask: is your programme right / are you selling an experience to be part of something new, or are you selling a building, a show. What will move people to give?

Does your chosen product appeal to this new generation?

*Gen Y is often referred to as the 'experience generation' so arts companies need to look at engaging Millennials through unique experiences that are both memorable and meaningful.*



# 1 (W)

## **Workshop**

**Define a short term need (urgency).**

**Define a long term, aspirational need  
(sense of belonging)**

# 2

## **Make the arts feel accessible again.**

If you're going to invite people 'in', make it inviting.





ART IS:



ART S:



ARTS MONTH

0800phantom

ART IS:

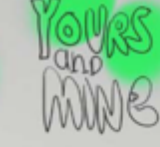


ART IS:



ARTS MONTH

ART IS:

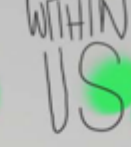


ART S:

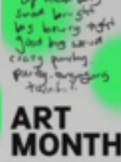


ARTS MONTH

ART IS:

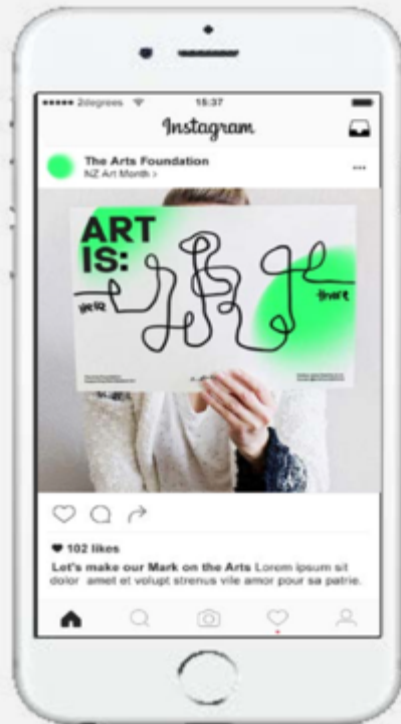
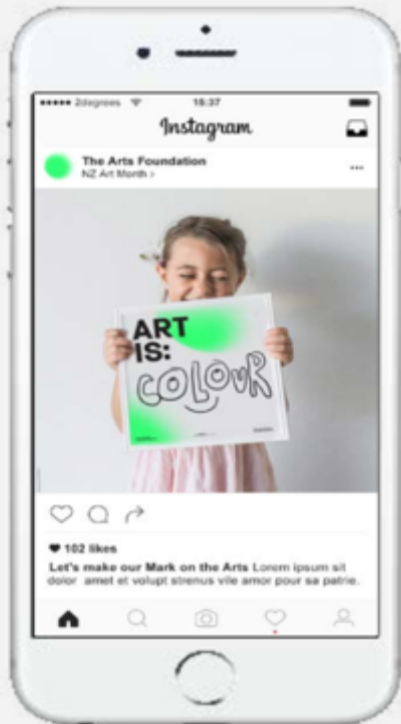


ART IS:



ARTS MONTH





# 3

## **Meet the audience on their terms (not yours)**

Think: Language, design, product, the ask, how you look after givers.

YSP

HELP  
US  
STAY  
AMAZ  
-ING

Yorkshire Sculpture Park  
[yssp.org.uk/support](http://yssp.org.uk/support)

3 (W)

**What can you do to be super relevant to a new generation of donors.**

**Take a need, product, offer that you have and work out how to package this for a younger donor.**

Think: Language, design, product, the ask, how you look after givers.

# 4

## **Show the social impact of the arts**

Demonstrate that the Millennials' preference to support social causes is not mutually exclusive from the arts. In fact, the arts are an important platform for advocacy and exploring social issues and can have a significant social impact.

*theartsfoundation*



# THE ARTS FOUNDATION

## 2019 LAUREATE AWARD



# 5

## **Demonstrate a tangible outcome for their investment**

Something specific that they can have ownership of and say 'I achieved this'.

Offer learning – about themselves or art



*Trust + Growth*



# 6

## Transparency

Millennials are skeptical of how much of the dollar actually goes into the causes they support, so it is far more compelling call for support if the potential donor knows that every single dollar they donate goes directly into the program or cause.

# The TOGETHER Programme – thanks to all 168 of you!

- Some of our TOGETHER partners are now entering their fifth year of partnering with us to support great art in Christchurch and build a \$5m endowment fund.
- We now have \$2.5m pledged towards the \$5m fund.
- A special one-off major anonymous gift of \$500k was made to the endowment.
- We now only have \$15m to go before the proceeds from our endowment can be used by our gallery.
- As the gallery and the central city become part of our everyday lives, we've decided to reopen the TOGETHER programme to more people at any level – 1, 2, 3 and Small Business Partner.
- A financial update of funds received and invested can be viewed inside this report.

Any queries on your contribution or future contributions should be directed to the Gallery Manager, Emma Walker. To get in touch with our fundraising team, please visit [www.christchurchartgallery.org.nz](http://www.christchurchartgallery.org.nz)

CHRISTCHURCH ART GALLERY FOUNDATION

ANZ PRIVATE

CHRISTCHURCH ART GALLERY FOUNDATION

**Investments**  
Investments have been stated at fair value in the financial statements.

**Restricted cash**  
The Foundation has internally allocated a portion of the bank accounts to deliver to Christchurch Art Gallery.  
The restricted cash totals \$204,011.

**Commitments**  
The Foundation has entered into an agreement to purchase an artwork for \$1,000,000. A deposit of \$200,000 was paid during the 2018 year ending a balance of \$200,000 payable on delivery of the artwork.

**A full copy of financial activities is available via the Charities Commission.**

**Notes to summary financial statements**

**Basis of preparation**  
These summary financial statements were authorized for issue by Christchurch Art Gallery Foundation board members.

The specific disclosures included in these summary financial statements have been extracted from the full financial statements.

The summary financial statements cannot be expected to provide a complete understanding as provided by the full financial statements.

The information has been prepared using consistent accounting policies to the audited financial statements of the Foundation.

A copy of the full financial statements is available from the Charities Register.

The full financial statements have been prepared in accordance with PBE SSFS A (NZF) Public benefit entity.

## Christchurch Art Gallery Foundation Summarised statement of financial activities for the year ended 31 March 2018

REVENUE	2018	2017
Interest and dividends	69,385	81,823
Donations (endowment and ad hoc/donations)	1,361,226	910,863
Sponsorship	275,420	282,550
Other income (includes annual dinner)	79,380	24,716
<b>TOTAL REVENUE</b>	<b>1,875,411</b>	<b>1,499,952</b>
<b>LESS EXPENSES</b>		
Administration	52,705	30,037
Donations paid	301,747	105,510
Fundraising expenditure	420,523	272,246
<b>TOTAL EXPENSES</b>	<b>774,975</b>	<b>407,793</b>
<b>NET SURPLUS FOR THE YEAR</b>	<b>1,100,436</b>	<b>1,092,159</b>
<b>OTHER COMPREHENSIVE REVENUE</b>	<b>14,459</b>	<b>12,452</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,000,498</b>	<b>1,079,689</b>
<b>SUMMARISED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018</b>	<b>2018</b>	<b>2017</b>
Current assets	904,544	806,253
Artwork (including deposits)	3,223,959	2,629,329
Investments	2,203,892	1,750,200
<b>TOTAL ASSETS</b>	<b>6,432,395</b>	<b>5,215,822</b>
<b>LESS CURRENT LIABILITIES</b>	<b>377,395</b>	<b>353,294</b>
<b>NET ASSETS / ACCUMULATED FUNDS</b>	<b>6,054,999</b>	<b>5,162,528</b>



### 5 Great Works update

As you know we've already finished our 5 Great Works programme, and are waiting on the imminent arrival of Tom Meek's work for celebration at its unveiling.

Christchurch Art Gallery has been back to the gallery to see and celebrate its unveiling.

The gallery's curator of contemporary art, Lisa Thompson, has recently as the artist in the lead of the 5 Great Works programme.

We look forward to the work arriving in late summer 2019 and having all these five works on display at Christchurch Art Gallery.

development team

part a create our faces.

the work 28 year - making it by hand just for

Christchurch.

7

**Make your ask/offer accessible –  
but worthwhile**

8

**Offer many ways in**



ORDER ME  
AT THE BAR  
BELOW

TE PUNA O WAIWHEKE



**EXPAND  
YOUR  
PROJECT'S  
AMBITION**

**GET  
BOOSTED**

Crowdfunding for the Arts  
From the Arts Foundation

*The Arts Foundation*

Online: [www.boosted.org.nz](http://www.boosted.org.nz)  
Social: @BoostedNZ

# 9

## Urgency

Regular giving vs project giving /  
Membership?  
Scarcity of tickets

# 10

## **Community**

Celebrate the opportunity to bring like minded people together





Sustainable  
Textiles  
Circularity

- Textile waste
- Water pollution
- Chemicals
- Microplastics
- Carbon footprint
- Landfill
- Recycling
- Biodegradability
- Circularity

## Your competition

- International travel
- Experiences / hospitality
- Brands
- Urgent social causes

Ideas to overcome this?

“

Give. But give until it  
hurts.

Mother Theresa

”

**Kia Ora.**

jo@brownbread.co.nz