

## CASE STUDY: STARLIGHT CHILDREN'S FOUNDATION AUSTRALIA

---

The Starlight Children's Foundation Australia, based on the US model, was established here 18 years ago by a group of passionate individuals led by direct marketing guru Ian Kennedy, who is still on the Board.

Starlight's commitment is to brighten the lives of seriously ill and hospitalised children and their families by delivering innovative programs that restore the fun, laughter and joy that serious illness takes away. "Distractive therapies" are an integral part of the total health care of these children.

There are 10 children's hospitals in Australia, of which 7 now have Starlight Express Rooms on the premises. Starlight Express Vans (mobile express rooms) visit other hospitals around the country. There are also mobile "Fun Centres" which can be wheeled to hospital bedsides for children too sick to leave their bed. Australia's talented Captain Starlights, who lead the fun activities, are immensely popular and the envy of Starlight organisations abroad.

There is a huge and growing demand for Starlight services and activities, particularly in regional and remote Australia, which its resources are unable to meet.

In 2005, SCFA reached one third of the 600,000 children who were hospitalised. Starlight wants to turn this one-in-three into three-in-three. The 3 out of 3 is a clear goal, which has become the Starlight mantra. Achieving this will require the organisation to increase its income from \$17m to \$30m. This is the 5 year target they have set for themselves.

The enthusiastic and committed Starlight Board has traditionally been recruited largely from the corporate sector, so most effort has been focused in that direction. In 2004, corporate Australia provided 65% of SCFA funding; the majority of the balance coming from community fundraising such as the popular national Star Day, and fundraising events.

Individual giving had played only a minor role, contributing \$1m (7% of total income) via a bi-annual direct mail appeal and some major gifts arising from the events. The CEO, Jill Weekes identified this as an untapped source of great potential, especially when Starlight has a compelling case emotionally and intellectually - a children's charity being a natural cause for individual donors to embrace.

What had not been examined were the 65,000 supporters on the database, over half of which had been active in Starlight activities during the last 3 years. While these largely comprised community and corporate supporters, when Starlight took a closer look at this data they found that 12,900 were recorded as individual donors in their own right. A further screening exercise identified 133 as high net worth individuals and known philanthropists, although their gifts to Starlight had been small. Clearly, here was a potential treasure trove!

Even though structured Individual Giving had never been a part of Starlight's program, they were apparently raising money in this area with no effort at all. In NSW alone, a surprising 31% of gifts from individuals were marked 'unsolicited'. Imagine what could be possible with a dedicated resource.

Initially, a staff member was re-assigned as Relationship Manager and with a little bit of effort she managed to put faces to many of these donors in this untapped market for future cultivation and solicitation. The warmth of the response from donors to the personal touch was encouraging and at times overwhelming. At the same time, Starlight began to examine in more detail what a structured Individual Giving program should look like.

Brainstorm sessions with donors revealed that not only did Starlight not know a great deal about their donors - donors knew very little about the breadth of services the organisation provides for sick children and their families. Until they heard about these, some donors had felt the organisation to be

well-resourced and not greatly in need of further funds. Clearly a communications plan should seek both to raise awareness of Starlight in general, and educate potential donors about the scope of its activities so that they will have a better understanding of the need for additional support.

Another message from the donors came through as a criticism of charities in general. Most charitable organisations, they said, did little or no personal follow-up with their donors no matter how large or small the gift. They recited tales of invitations to events left hanging with no follow-through; of being forgotten once appeals had reached target; of lack of communication about how their gifts had been spent, or, at best, of being invited 'as an afterthought' to an annual thank-you for corporate supporters.

Starlight was guilty of some of these, not others. But it took the message to heart. The CEO now personally manages the relationship with Starlight's top 10 individual donors – bearing in mind that the numbers are not yet large. Also, Board members are encouraged to call and thank donors over \$5,000 and invite them to come and see their local Starlight Express Room.

The benefits of maintaining contact became apparent in spectacular fashion in November 2005, with one donor who had participated in the brainstorm contributing an additional \$75,000 to Starlight from an unexpected windfall he had just received.

The restructured individual giving program was formally introduced in January this year. New staff have been appointed; the database is being upgraded; state managers are researching their own donors and the communications plan is firmly focused on building knowledge and engagement among supporters.

Currently, the 5 year target to achieve the 3 out of 3 goal shows individual giving increasing by 180% to approximately \$3m per annum. For a national children's charity with a wealth of existing support this may yet prove to be a modest target.

Starlight still has some issues to think through. Opportunities for support must be created for everyone whether they are \$100 or \$100,000 donors. For an organisation whose primary source of revenue had been the corporate sector, thinking small proved difficult, but steps are underway to break every project down into its constituent parts and reconstruct them in such a way that they can be better understood by the individual donor.

Meanwhile the area of greatest need is in regional and remote Australia. However the donor base is in the major cities and many individuals – and indeed corporations - prefer to give within their own community. The challenge will be to educate donors about the need elsewhere, but involve them so that they feel welcome and rewarded at home.

In just 12 months Starlight has learned that while corporate support has been tremendous over the years, the untapped potential from individuals is likely to be the main source of income growth in the future. More importantly, they now understand that, with individuals, if the emphasis is on the relationship then the money looks after itself.

**Acknowledgement:**

Prepared with kind support and permission from Jill Weekes, Chief Executive Officer of Starlight Children's Foundation Australia.

Not to be reproduced without prior written permission from SCFA and Philanthropy Squared.