

Arts Philanthropy Study

Ms Camelia Soh, Senior Consultant, Behaviour
Change and Experience Design, Kantar Public

KANTAR

NAC Corporate Arts Philanthropy Study

CMF Engagement Session 2023

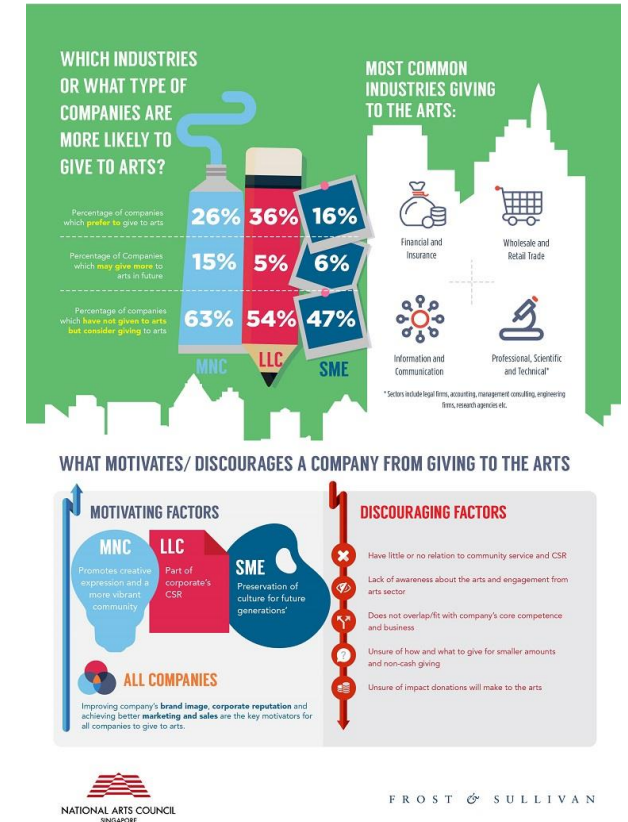
Camelia Soh
Senior Consultant
Behaviour Change & Experience Design
Kantar Public Singapore



Background

As a follow on from the Arts Philanthropy Study conducted in 2015/16, NAC is conducting a 2nd edition of the study to:

- Track shifts in giving behaviours and philanthropy trends of **companies in Singapore**.
- With the findings, NAC intends to refine giving strategies to better target, cultivate and steward corporate donors to support the arts industry.



Central question and objectives

How might we increase corporate giving to the arts industry in Singapore?

Explore

1

Understand current and future (incl. post-COVID-19) arts philanthropy and giving trends, and best-in-class practices

2

Understand the psychographic profile, motivations, challenges and interest areas, deep-diving into the various types of giving

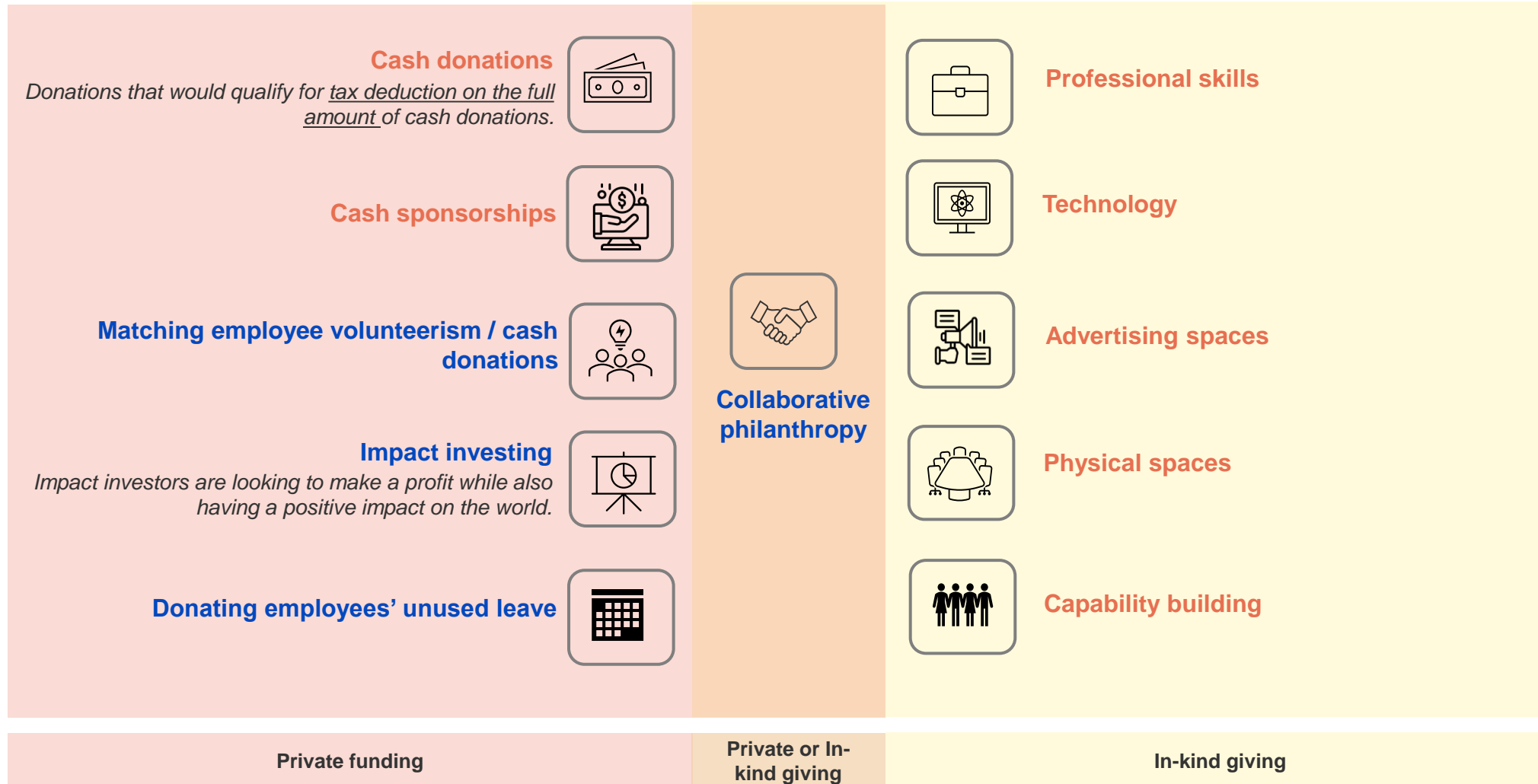
3

Identify growth areas for philanthropy and develop a corporate arts philanthropy outreach plan

Strategise

Refine strategies to better target, cultivate and steward corporate donors to support the arts industry

Ways of giving



Ways of giving NAC was interested to explore

Additional ways of giving explored in this study

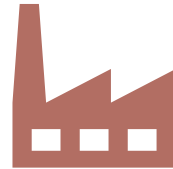
7 industries of focus



**FINANCIAL &
INSURANCE
ACTIVITIES**



**INFORMATION &
COMMUNICATIONS**



MANUFACTURING



**REAL ESTATE
ACTIVITIES**



**ACCOMMODATION &
FOOD SERVICES**



**PROFESSIONAL,
SCIENTIFIC &
TECHNICAL
ACTIVITIES**



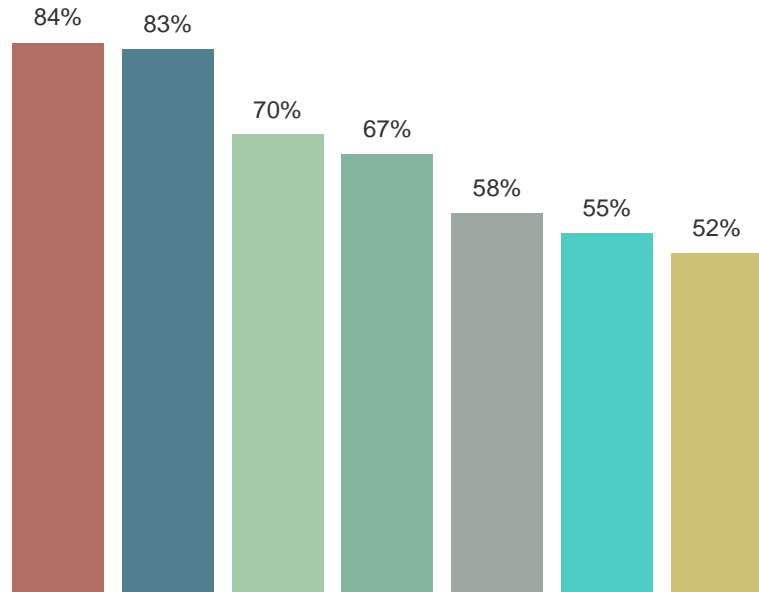
**TRANSPORTATION
& STORAGE**

1 Corporate giving landscape & trends

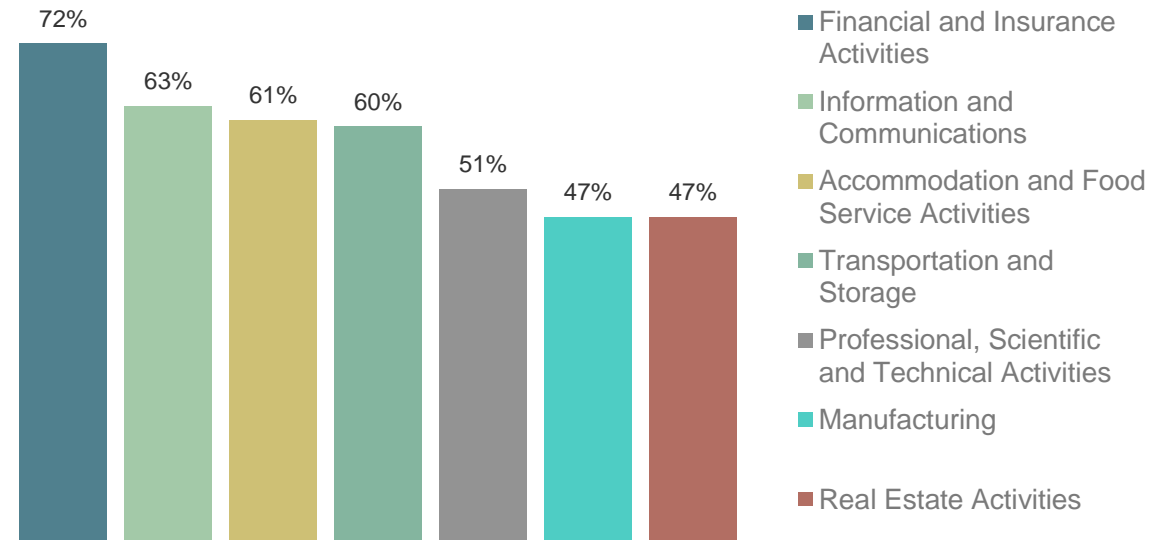


Amongst the 7 industries of focus, the financial and insurance activities industry grew during COVID-19 and is likely to continue growing in the next 3-5 years.

Proportion of companies that experienced revenue growth in the past 12 months by industries
(Industries of focus)

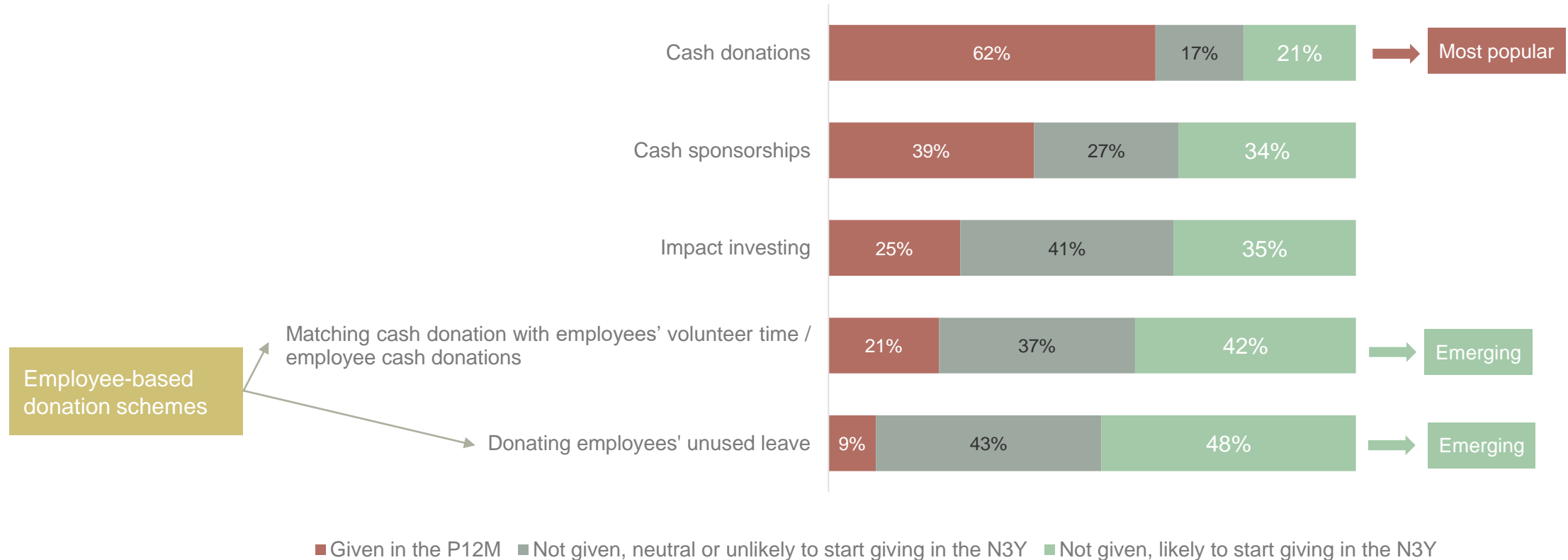


Proportion of companies that forecast revenue growth in the next 3-5 years by industries
(Industries of focus)

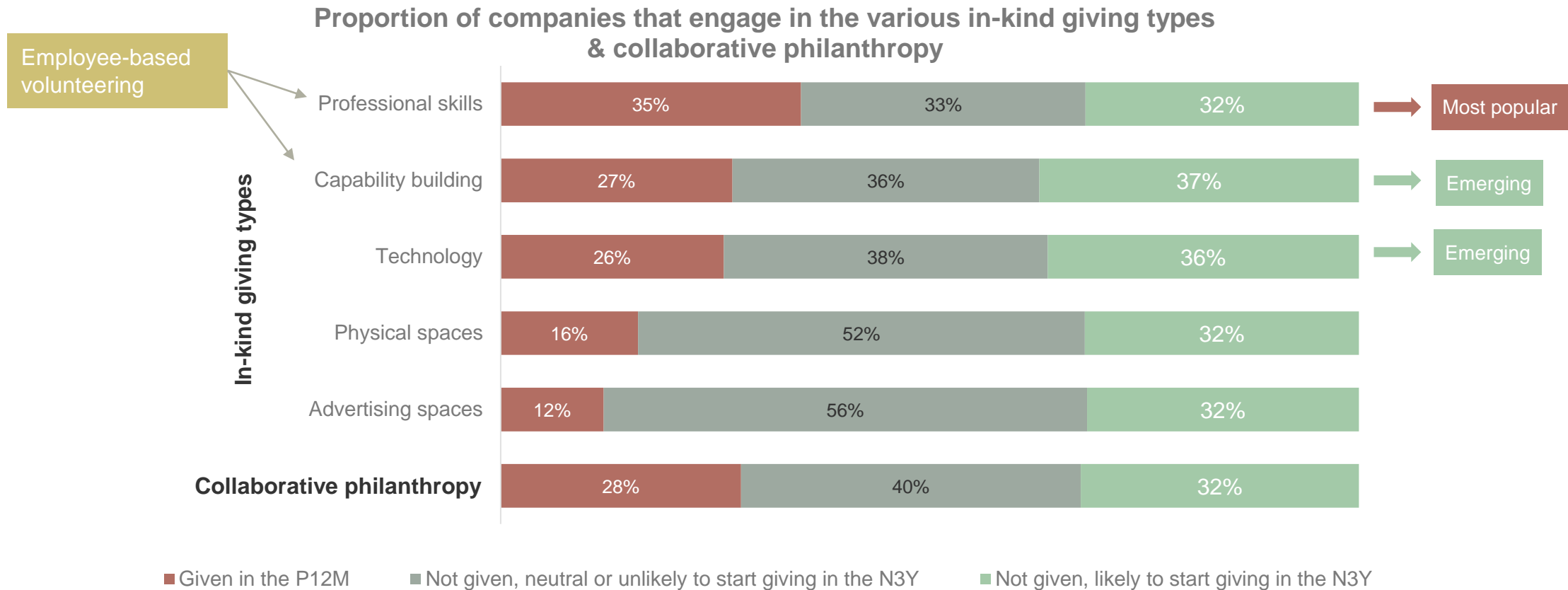


Amongst private funding giving types, cash donations are most popular. However, employee-based donation schemes are likely to grow in popularity in the next few years.

Proportion of companies that engage in the various private funding giving types

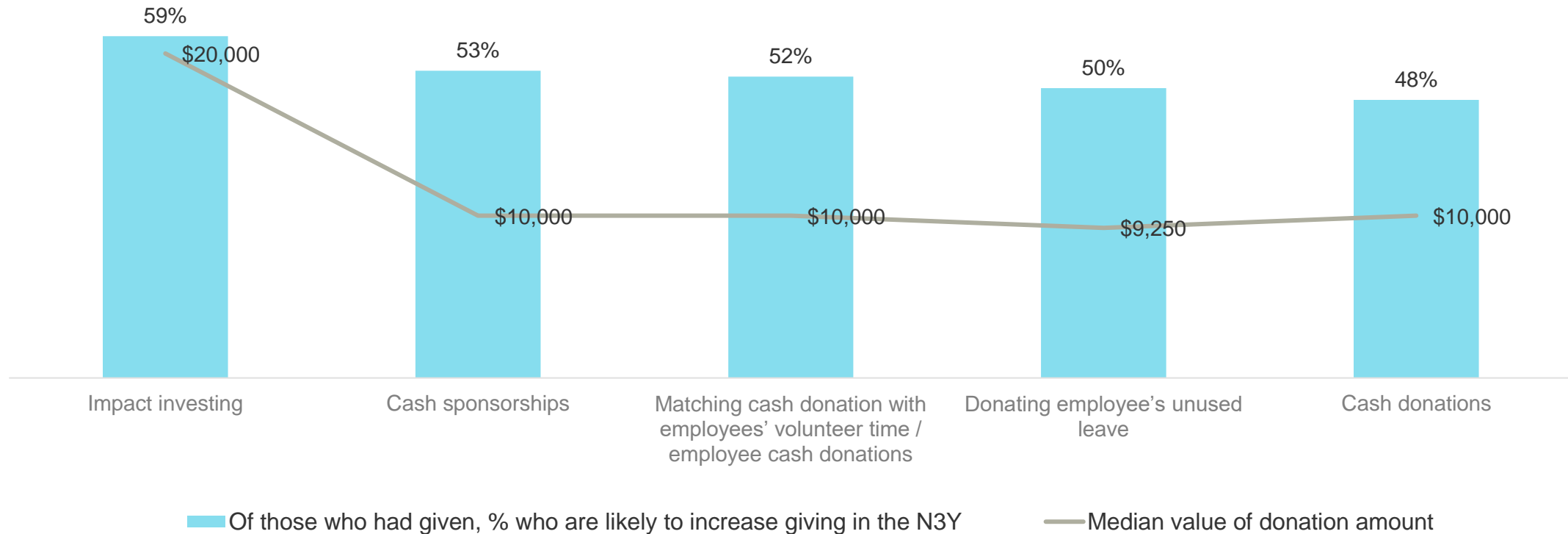


Among in-kind giving types, employee-based volunteering and technology donations are most popular and likely to grow in the coming years. About a quarter of companies engage in collaborative Philanthropy.



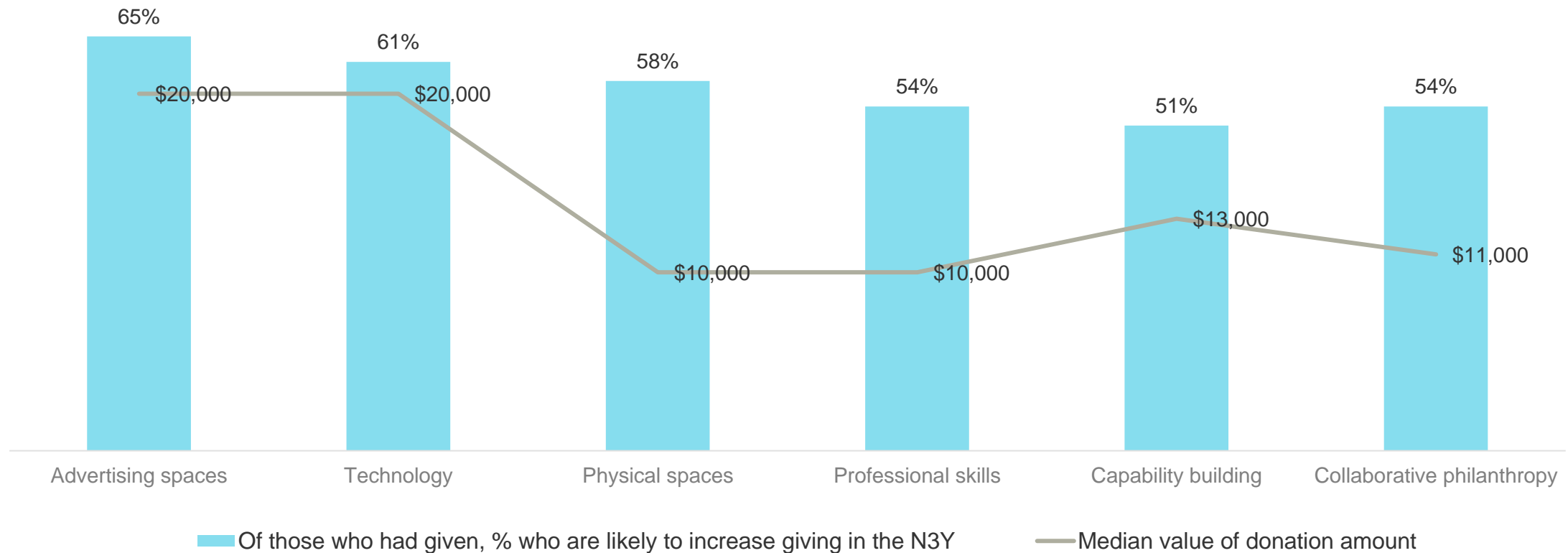
Companies that donate through impact investing are more likely to donate a higher amount and increase their donations in the next 3 years, likely due to the appeal of getting more returns.

Proportion of companies that currently give private funding giving types and will likely increase their giving in the N3Ys, and median value of their donation

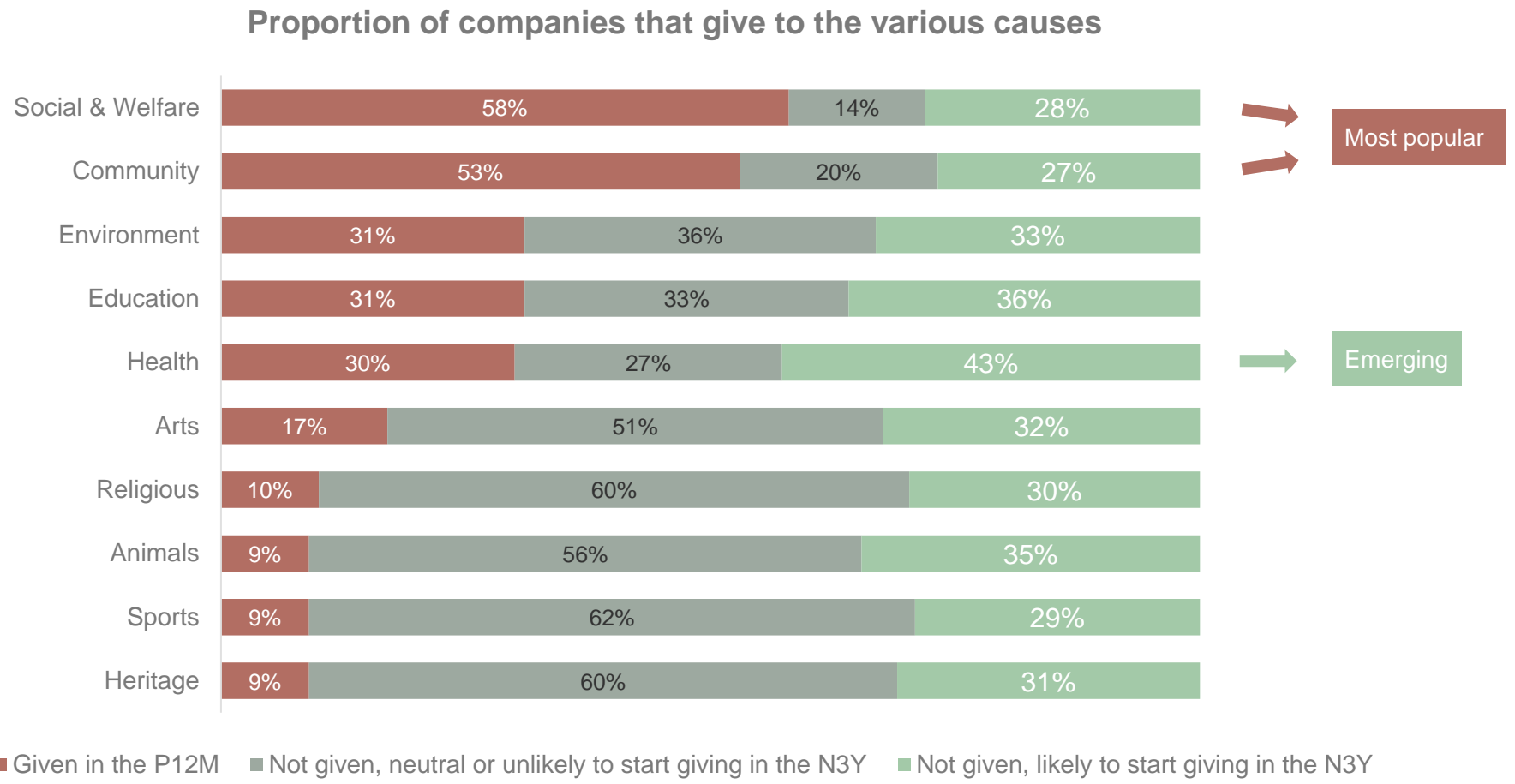
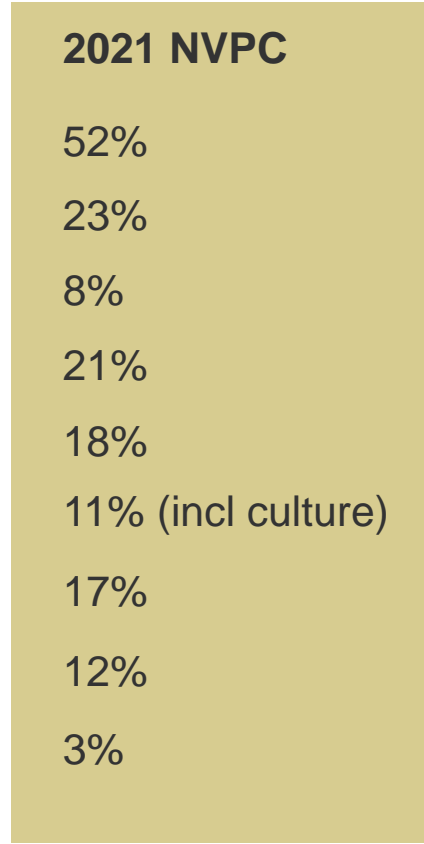


Given the high cost of advertising spaces and technology, the median value of donations for these giving types are highest. In addition, most companies that give in these giving types are likely to increase their giving in future.

Proportion of companies that currently give in-kind giving types and will likely increase their giving in the N3Ys, and median value of their donation

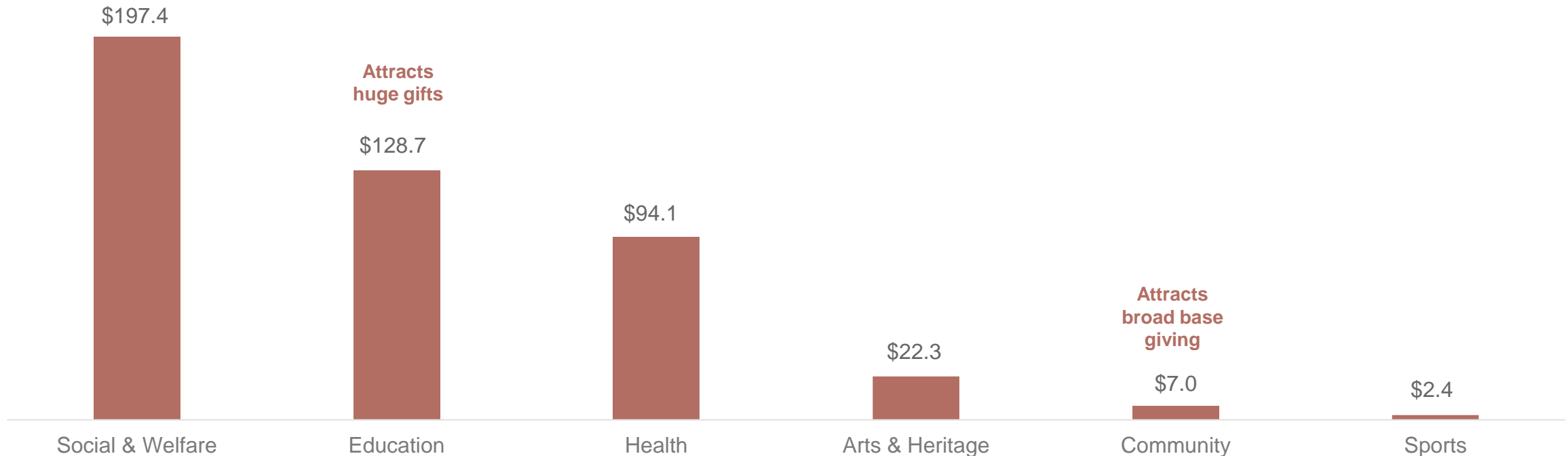


In terms of proportion of companies that support a cause, social & welfare and community are the most commonly supported causes. However, perhaps due to the pandemic, more companies are likely to start giving to the health cause in the next few years.



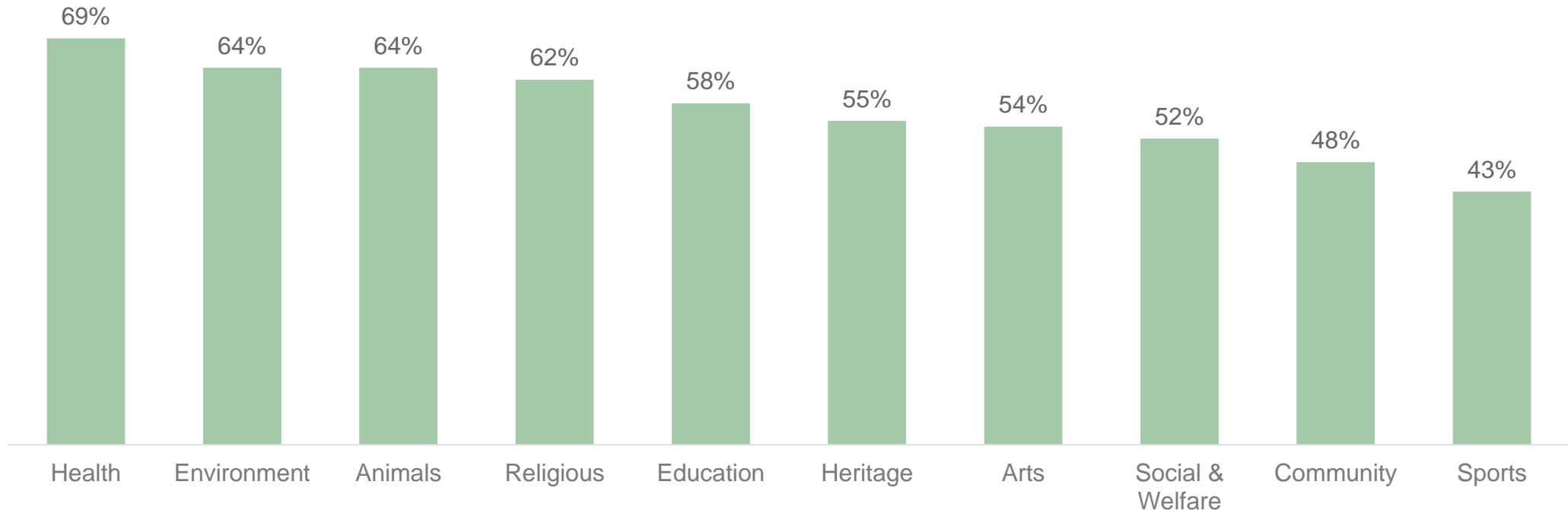
In terms of amount of corporate donations going to the various causes, social & welfare, education and health receives the highest amount of donations.

Amount raised from corporate donors by industry (SGD millions)



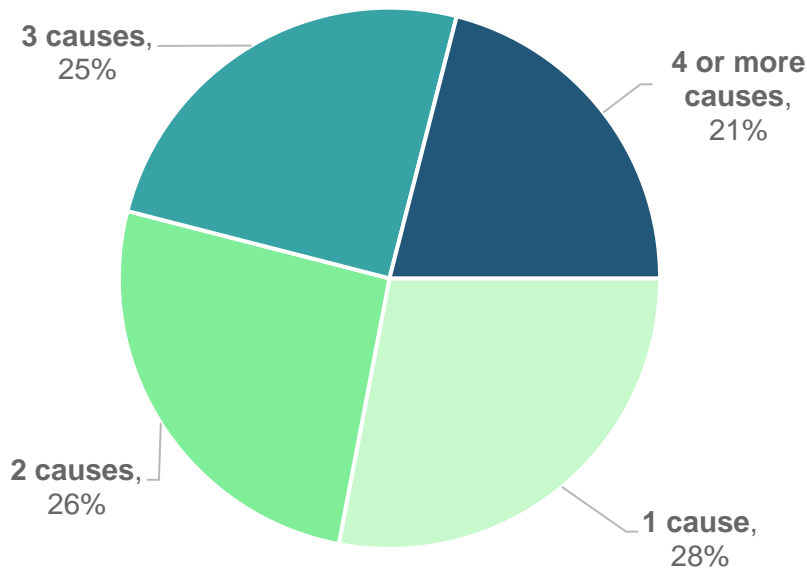
Amongst companies who already give to the health cause, a good majority expect to increase their giving to this cause in the next 3 years. Amongst companies who already give to the arts, however, just over half expect to increase their giving to the arts cause.

Proportion of companies that currently give to the cause and will likely increase their giving in the N3Ys



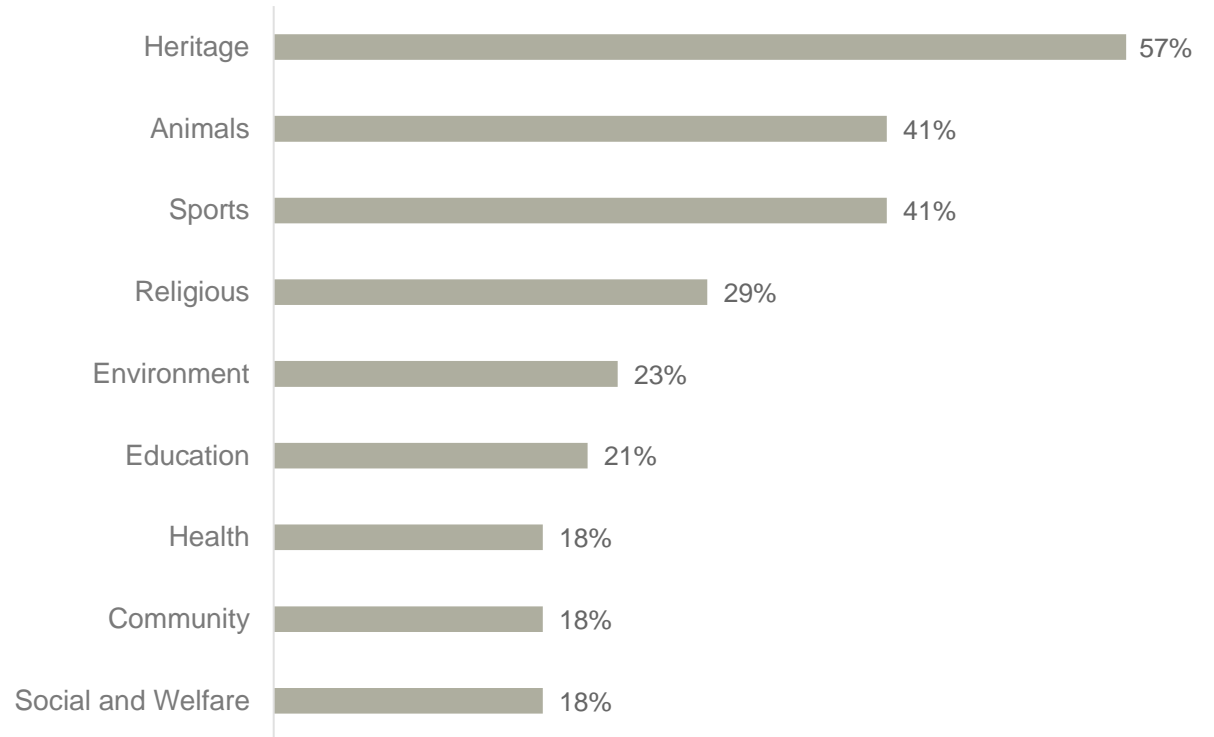
Majority of the companies support multiple causes. Arts donors tend to also give to heritage, animals and sports.

No. of causes companies support



Out of the n=131 companies who only gave to 1 cause, 9 of them are Arts givers.

Proportion of Art donors within each cause



Across all company types, the top motivator for corporate giving is to improve the company's corporate branding and reputation.

Top 3 motivators for MNCs

- 1. Corporate brand building and reputation – 70%**
2. Organisation has clear and transparent fund management processes – 65%
3. CEO/senior management's interests / passions – 65%

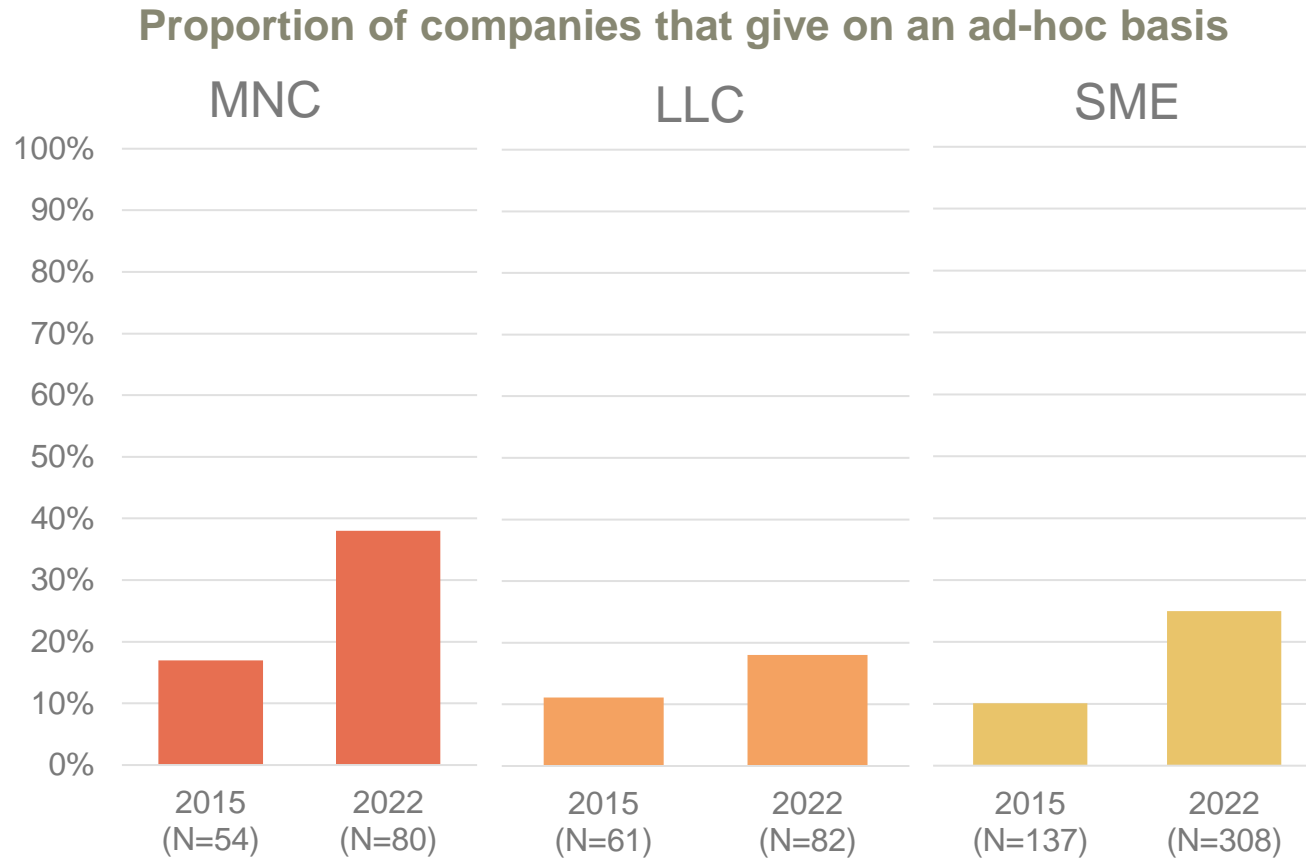
Top 3 motivators for LLCs

- 1. Corporate brand building and reputation – 79%**
2. Alignment with company's CSR focus area – 77%
3. Improve company's standing and relationship with the Government – 73%

Top 3 motivators for SMEs

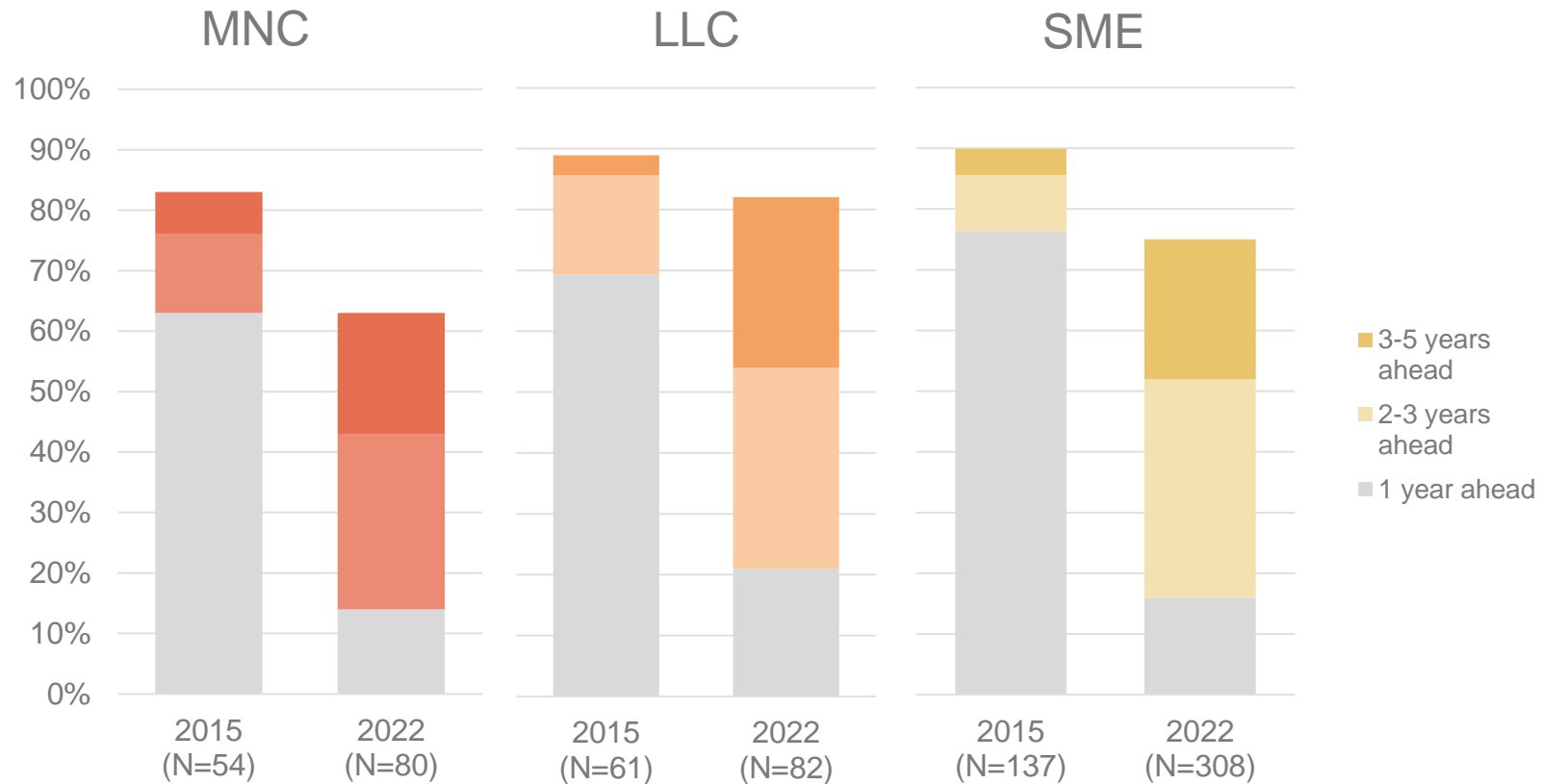
- 1. Corporate brand building and reputation – 69%**
2. Alignment with company's business objectives / values – 68%
3. Access networking opportunities for my company's business – 67%

Corporate giving can be ad-hoc or planned. Compared to 2015, more companies engage in ad-hoc giving in 2022 across all company types. This could be due to the adverse impact of COVID-19 on businesses, which results in the lack of desire to pre-commit to any form of giving.



For companies that plan their giving, more companies take longer (i.e. 2-5 years) to plan for their giving. This could be due to companies wanting to make more strategic impact with their giving.

Duration companies take to plan ahead for their giving

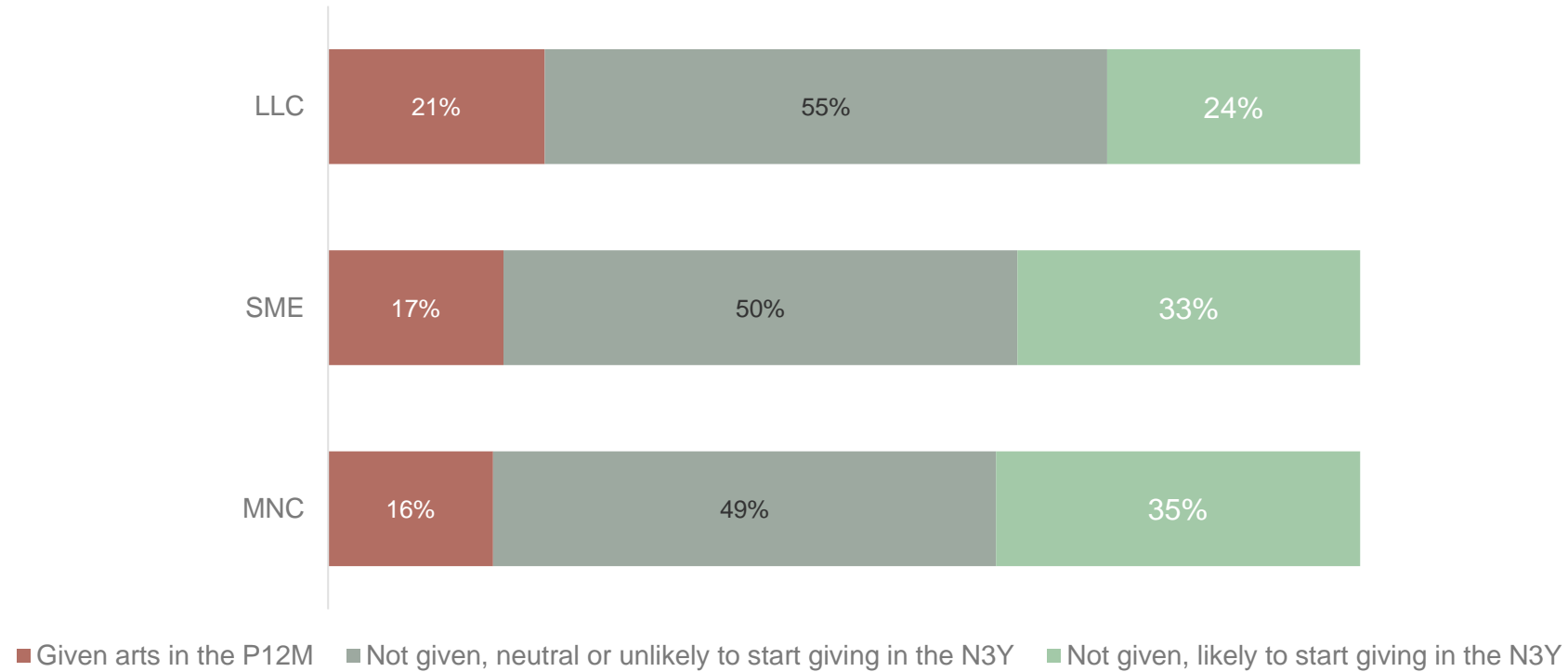


2 Corporate giving to the arts



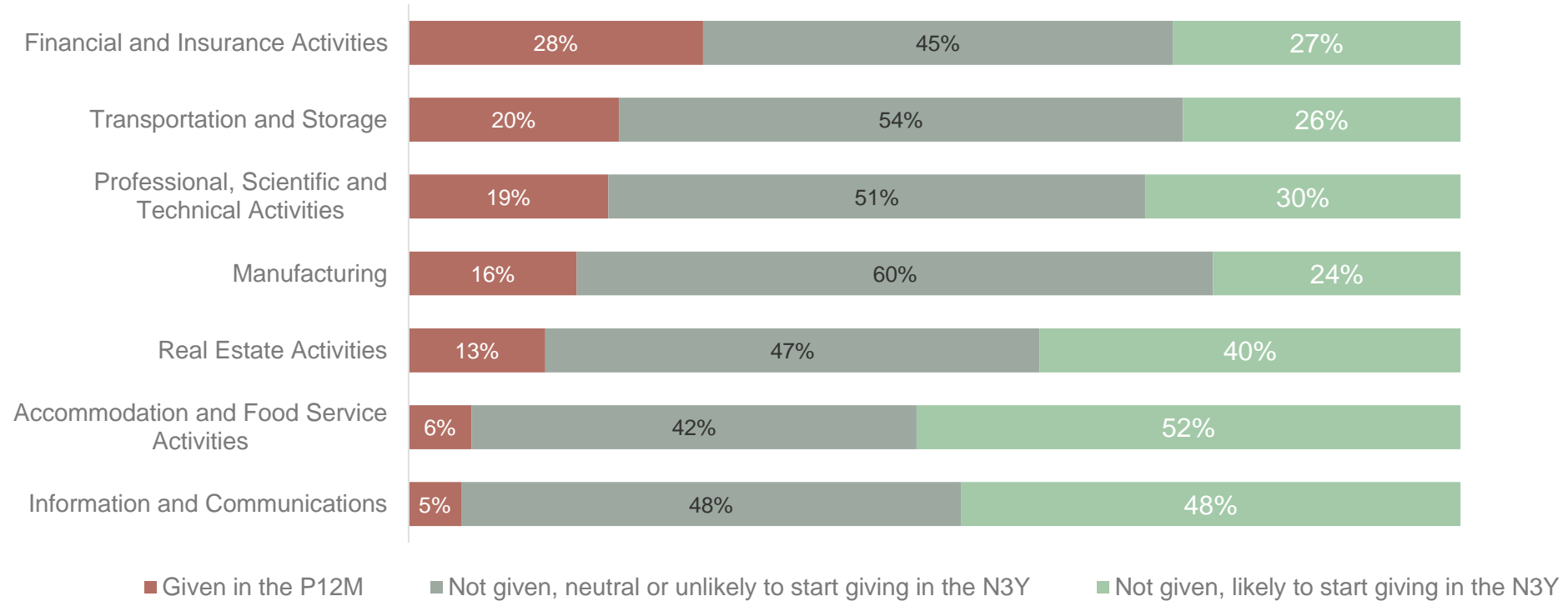
Minority of the companies across company types have given to the arts, but around a third of them are likely to start giving to the arts in future.

Proportion of companies that give to the Arts within each company type



There is no industry that is significantly more likely than all other industries to give to the arts.

Proportion of companies that give to the arts within each industry
(Industries of focus)



We assessed the relative importance of 14 factors, across 5 categories, in driving corporate giving to the arts industry.

Improving social outcomes

1. To connect diverse communities by coming together to enjoy and support the arts.
2. To encourage creative expression and create a more vibrant community.
3. To preserve our culture for future generations.
4. To improve the overall well-being of our community.

Supporting the local arts scene

5. To achieve long-term sustainable growth for the arts industry.
6. To support the arts industry as it is not fully-supported by the Government.
7. To support smaller arts organisations as they are not financially self-sustaining.
12. To position Singapore globally as a distinctive city for the arts.

Beneficial to my business

8. Alignment with my company's business objectives / values.
9. To attract and retain the best talent in my company.
10. Alignment with my company's CSR goals / focus area.
11. To improve my company's corporate branding, reputation and sales.

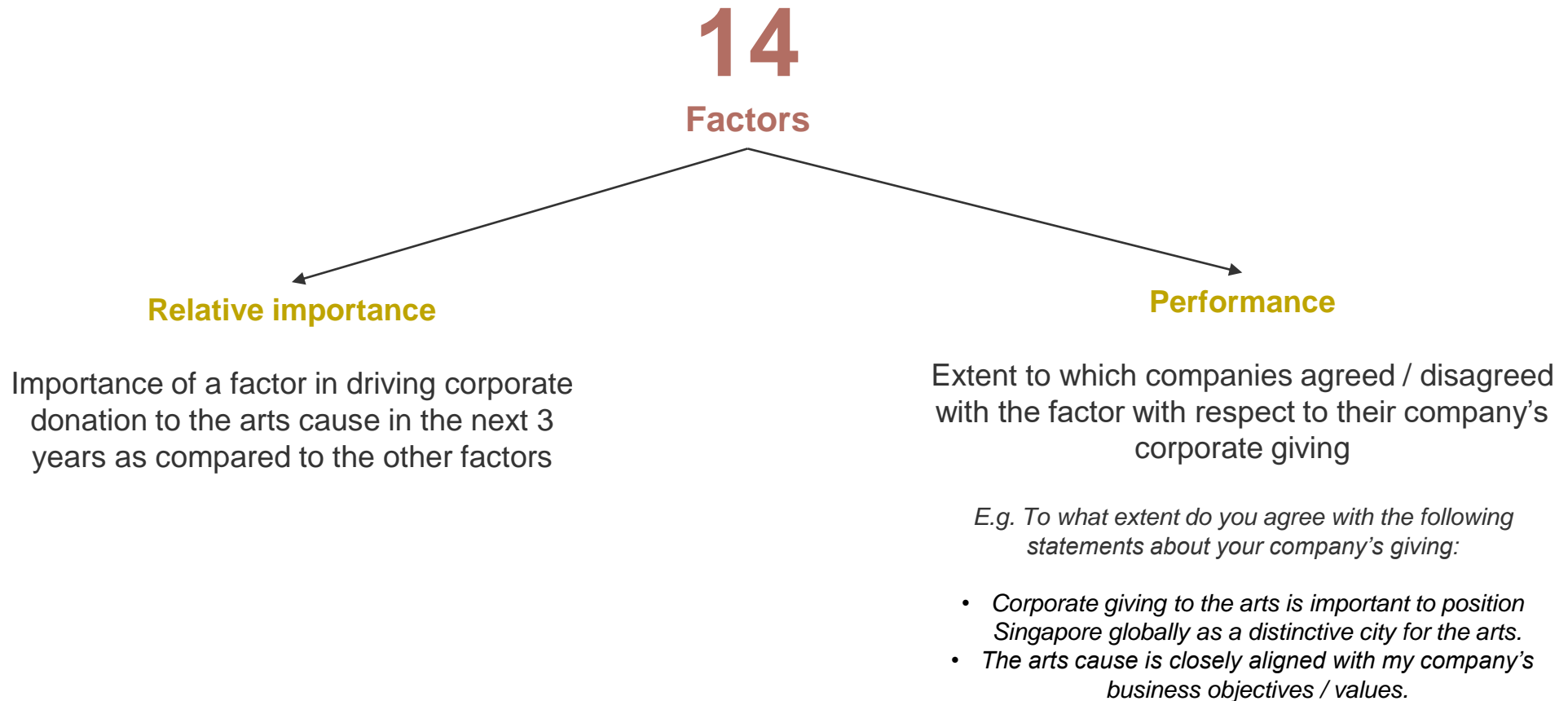
Industry norms

13. Knowing that other companies in my industry who give to the arts.

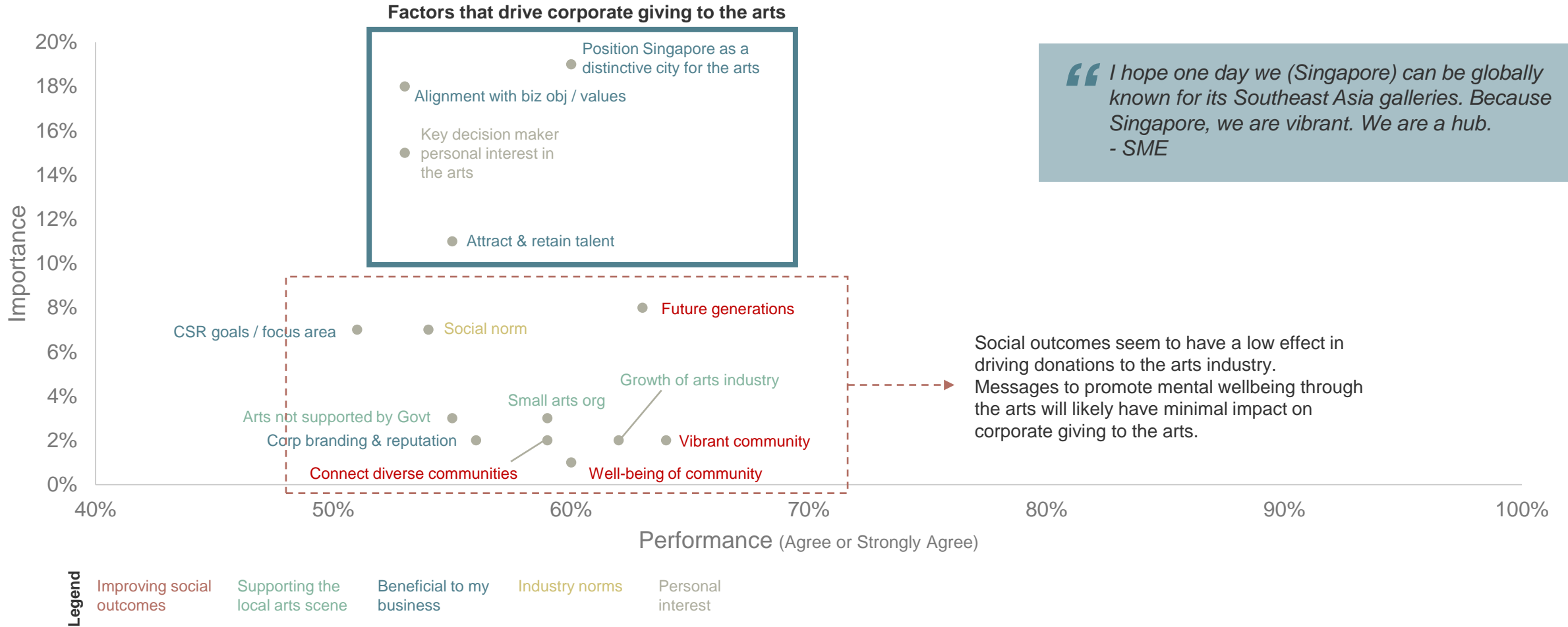
Personal interest

14. The key decision maker(s) for giving in my company care about the arts.

These factors were assessed for their (i) relative importance in driving likeliness to donate to the arts, and (ii) performance



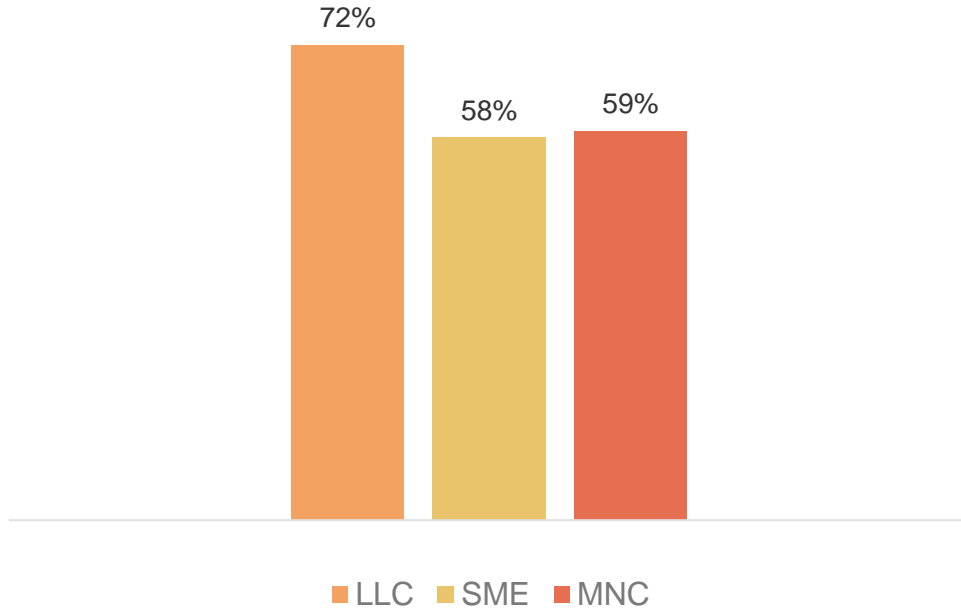
The most critical factors that drive corporate donations to the arts are arguably linked to the benefits that the company / decision maker can receive from the donation, rather than a more altruistic desire to support the arts industry.



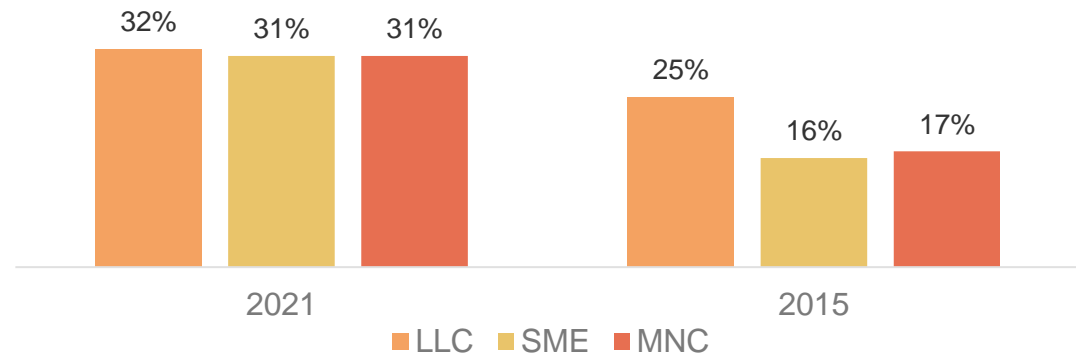
“ I hope one day we (Singapore) can be globally known for its Southeast Asia galleries. Because Singapore, we are vibrant. We are a hub. - SME

A large proportion of LLCs are motivated by \$1-\$1 matching schemes (i.e. CMF), significantly more than SMEs. While awareness level has risen across all company types, awareness of CMF amongst all company types including LLCs is still low.

\$1-\$1 matching would encourage the company to give more
Agree or Strongly Agree



Awareness of CMF
Heard quite a lot or a great deal of

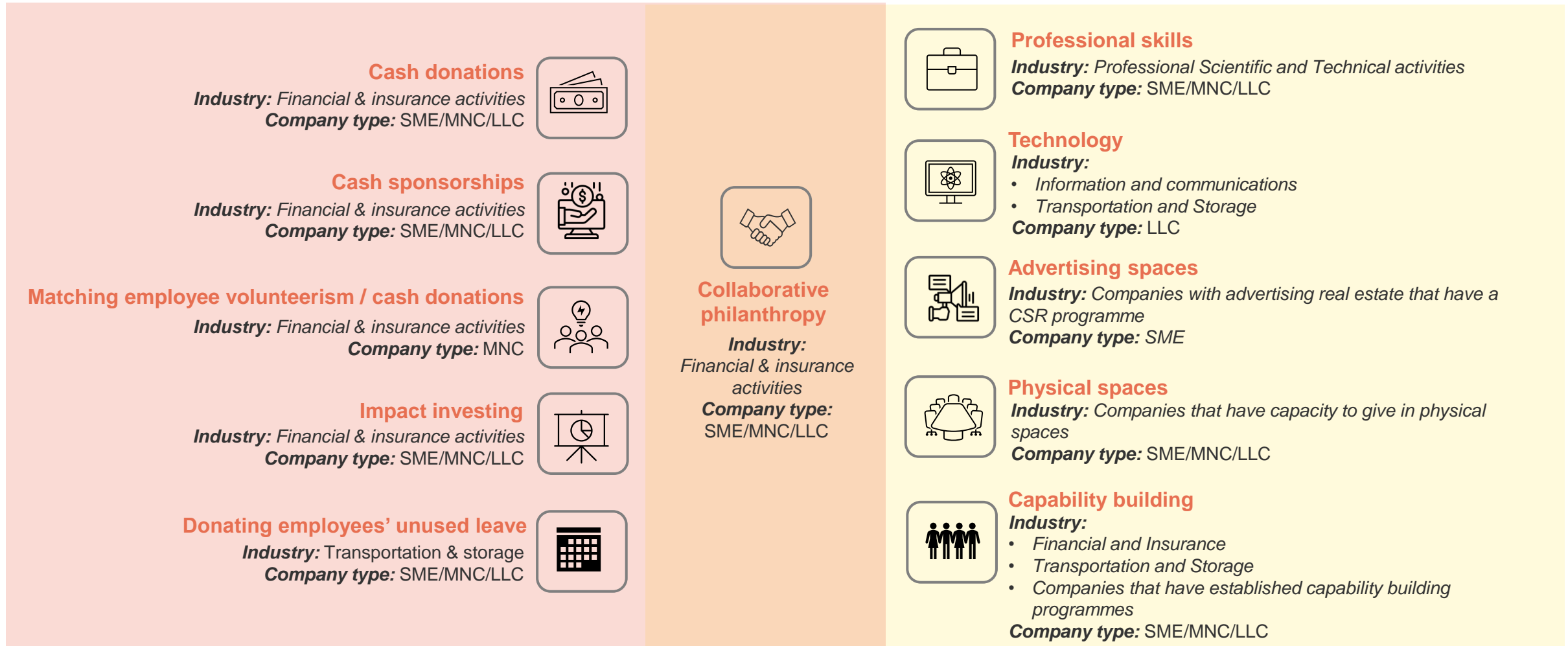


New questions for 2022 Study, thus no comparative data from 2015 study.

3
Ways of giving



Industries or company more likely to engage in the respective ways of giving



While providing private funding requires less effort by companies, corporate donors are concerned over how the funds will be used. Conversely, companies are more assured that their in-kind gift will go towards creating an impact on the beneficiary.

Private funding giving types

In-kind giving types

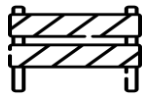
Motivators



- Most practical to helping the beneficiary.
- Beneficiary has the flexibility to deploy the funding to where they need it most.
- (Cash sponsorship) Boost to the company's brand to be associated with a beneficiary.

- Confident that the donation will create an impact on the beneficiary, if the company has the right expertise / product that meets the beneficiary's needs.
- (Spaces) Boosts the company's brand to be associated with a beneficiary.

Barriers



- Concern that the funding will not be used efficiently and effectively.
- Concern over mis-management of funding.

- Requires more effort by the company to plan and execute the giving.
- For giving types that involve the company's own manpower / technology there could be opportunity costs incurred.
- Beneficiaries tend to only ask for cash donations; hence companies do not know what the beneficiary's in-kind needs are.

¹ Q027: For those giving types that your company had engaged in, why did your company choose to give this type of giving?

² Q028: Of the following giving types that your company has not engaged in, which does your company have the capacity to give in?

³ Q029: Why does your company not want to give this form of giving, despite having the capacity to do so?

4
Opportunities & ideas



Ideas for how arts organisations can better target companies

Based on the giving type required

Target the industry(ies) (and company type) that is/are more likely to engage in that giving.

Select companies in these industries and company types:

- Whose key decision maker care about the arts
- Where the giving can help the company better meet their business objectives (e.g. increase profits)
- Where there is alignment with the company's corporate values (e.g. innovation, creativity)

Prospecting potential donors *via LinkedIn Business Solutions*

- 1** Search for relevant decision makers using key words:
 - “philanthropy”
 - “corporate social responsibility”
 - “sustainability”
- 2** Add in filters based on industry(ies) that is/are more likely to engage in required giving types.
- 3** Screen through profiles and reach out to them individually with a call to action and present pitch.

Ideas for how arts organisations can pitch to companies



Highlight benefits that the company will receive (either directly or indirectly) when they give to the arts organisation or arts industry in Singapore e.g. increase in sales, talent attraction (both overseas and locally), talent retention, boost in creativity / innovation.



Emphasise how the giving will help the arts organisation **better position Singapore globally as a distinctive city for the arts**, where relevant.



For private funding giving types, highlight how funds are **efficiently and effectively used to drive significant impact**.



For in-kind giving types, highlight how the giving could **increase employee engagement**, which could result in **talent retention and attraction**.

Thank you!

Camelia.soh@kantar.com



**NAC Corporate Giving Research
2022
Full Report**