

Wednesday 22 February 2023
@DMA_UK #dmaevents

/ Virtual: Fundraising Forum - Wealth Screening

Responsible Marketing

DMA
Data &
Marketing
Association **A**

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/ Welcome

Pete Meacham, Fundraising & Marketing Compliance Manager, Macmillan Cancer Support



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/ Wealth Screening

Liz Curry, Data & Information Governance Consultant, Liz Curry & Co

Jason Briggs, Co-Founder and Director, PyroTalks CIC



About Me

Pyro.Solutions

PyroTalks CIC



Halpin

- Prospect Research / Fundraising **12+ Years**
- Co-Founder of **PyroTalks CIC** & **Pyro.Solutions** (www.pyro.solutions)
- Committee Member of **CIOF Researchers in Fundraising**
- Consultant at **Halpin Partnership** & **BWF**
- Prev. The University of Sheffield, L4A, Cavendish Cancer Care

About Me

- **Managed wealth screening** with a number of nfps
- As part of **Pyro.Solutions**, have created a screening service called **Nova**
- Built with **Jonathan Jeffery** who is a senior **university academic, author & financial analyst** of **20+ years**
- **Experience of both sides of screening**



1. Setting the Scene
2. Wealth Screening
3. UK Providers
4. Summary

Setting the Scene

Major Gifts

- **Major Gifts** are **transformative, impactful** and **life changing** for everyone involved
- Donors often cite it as **one of the most important and rewarding experience of their lives**
- Many want to be matched with causes and often **don't have the time to investigate** - hence *Philanthropy Advisor* industry
- Generally, expect for charities to be **prepared**
- We are talking about **real lives** > *healthcare, environment, education, animal welfare etc.*



THE SUNDAY TIMES GIVING LIST 2022

		2022 wealth (£m)	Recent Donations (£m)	Giving index	Main beneficiaries
1	Sir Chris Hohn	2,600	347.4	13.36	Environment, children's health, gender equality
2	Alan Parker	2,800	251.0	8.97	Environment, child safeguarding, housing, women
3	Sir Paul Marshall	680	58.9	8.66	Disabled children, education, religious, Covid-19
4	Lord Edmiston	763	55.1	7.22	Christian
5	Sir Lewis Hamilton	300	20.0	6.68	Youth, education, employment
6	Henry Engelhardt	956	61.5	6.43	Wales, children, medical, education
7	Ian Wace	680	42.3	6.22	Children, young people, navy heritage, Covid-19
8	Mo Salah	41	2.5	6.03	Health
9	Sir Tom Hunter	700	40.3	5.76	Covid-19, social community, education, children
10	Sir Michael Moritz	4,000	185.2	4.63	Education, community, environment, medical research

Top 1%... *At Least!*

Rough figures:

Donate £10,000

- Typically need around **£500k - £1m** available
- Here we're looking for the **top 1%**

Donate £100,000

- Typically need about **£5m - £10m** available
- Here we're looking for **0.5% of the population**

Donate £1m

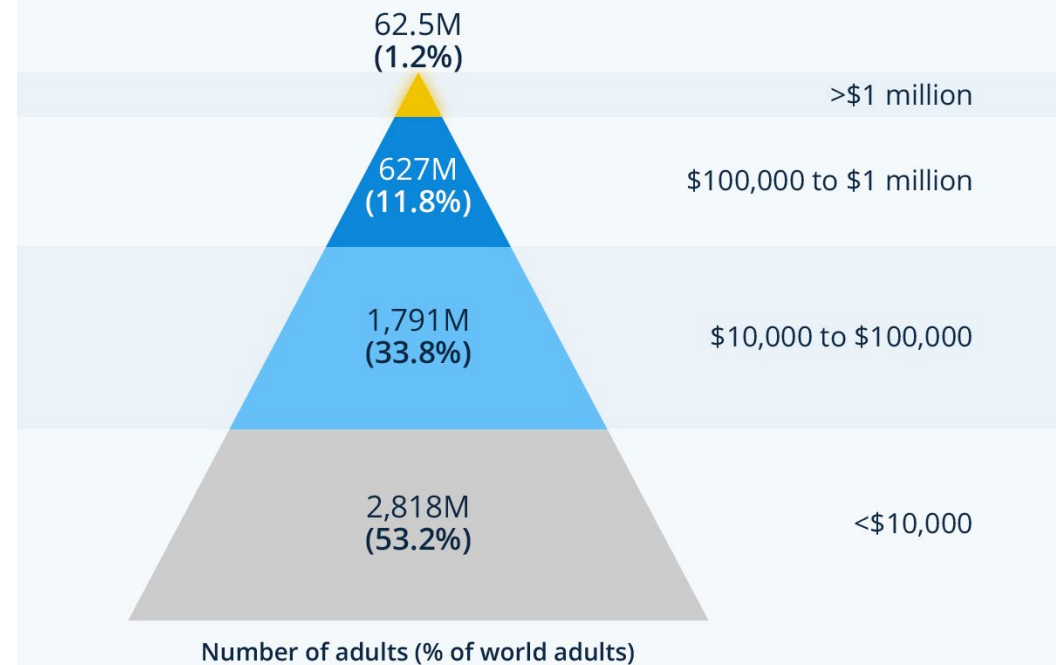
- Typically need **£50m - £100m**
- Here we're looking for **0.03% of the population**

%'s will vary depending on the country.

Not easy to find!

The Global Wealth Pyramid

An overview of global wealth distribution in 2021



Source: Credit Suisse 2022 Global Wealth Report



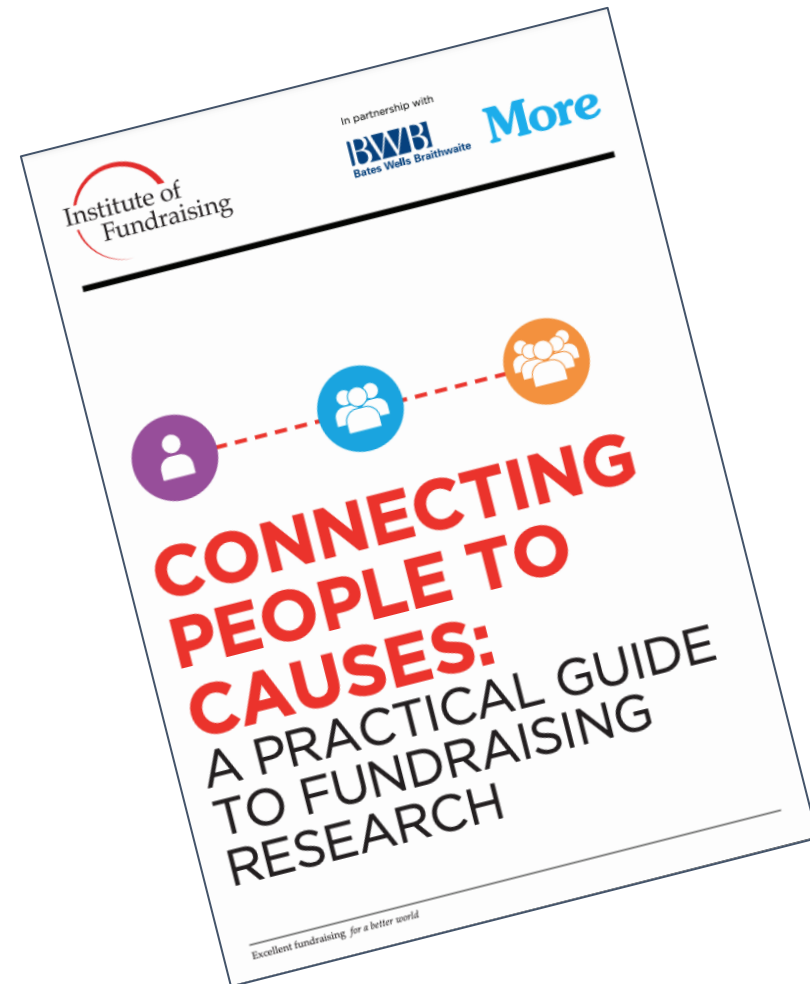
Prospect Researchers

This is why we have **prospect researchers**, to **qualify giving potential** (wealth) and **affinity** (connection) of individuals, looking for HNWI's

This helps nfps to focus their often very limited resources

Research is **now common practice**:

- Prospect Research UK Group has 1,000 members
- APRA in the US has over 6,000 members
- Almost every established charity has a prospect researcher
- Average UK team size is growing, 2-3+
- US teams can often be as big as 11 or even 80!
- Recruitment demand has never been higher



What Do Researchers Do?

- Learn wealth composition
- Learn key job titles, positions & sectors
- Learn how to analyse companies
- Learn how to value assets, like property, art & business ownership
- Use Rich Lists, Giving Lists, top business lists etc.
- *Always public information*

To increase likelihood of finding senior names in a database they use **segmentation**, 'internal screening'?:

- Affluent postcodes
- 'Look at me gifts', single £250+
- Key Job titles



**PROSPECT
RESEARCH**

Main Challenge

This all takes time:

- Most researchers have **multiple responsibilities**
- At best, one researcher can get through **c500 names** per year

**But our causes need the help
now!**



Wealth Screening

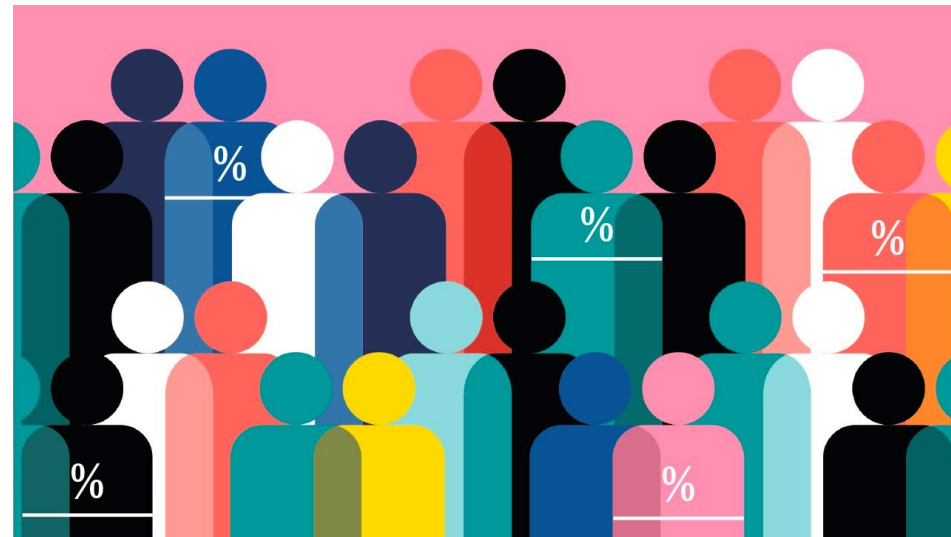
What is Wealth Screening?

'...process by which an organisation uses the personal data it has obtained to identify high profile and wealthy individuals on its database.'

IDPE

Key Features

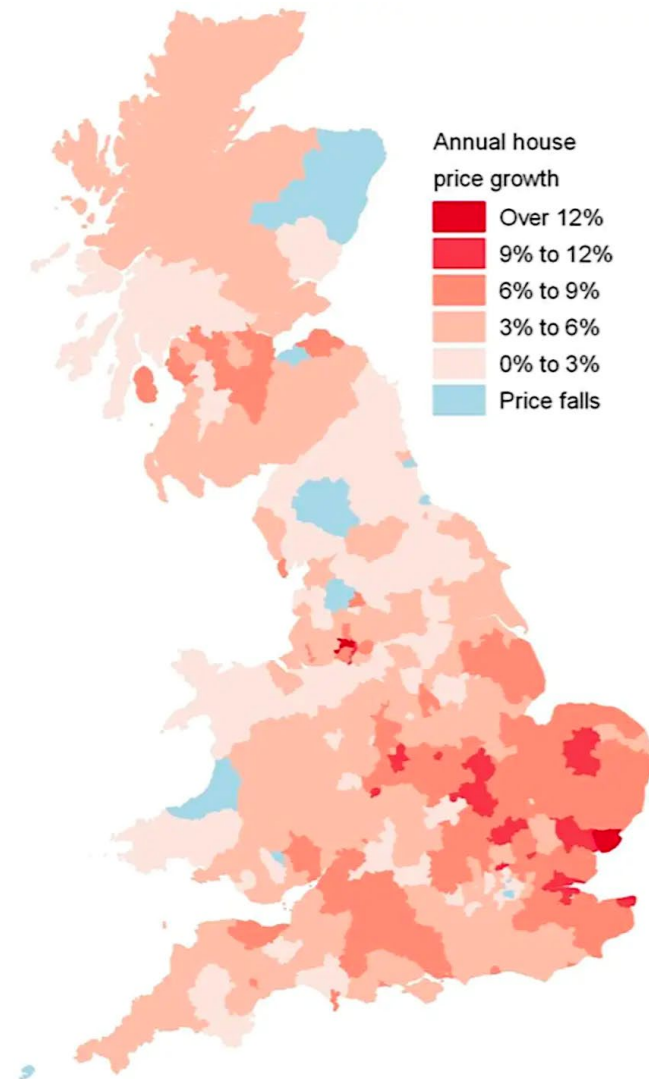
- Speed
- Automated (which is what allows it to be faster)
- Larger files - 100k records
- Decades any other way
- *'Rapid research?'*



Screening Approach

1. **'Traditional Style' Researched Lists** - matches your names against a privately created list of affluent / influential names gathering through more traditional research
2. **Analytics** - scans your data looking for identifiers / likelihoods of being a prospect, like affluent postcodes, business position, company name, charitable connections
3. **Mixture of both**

Looking at what screening focuses on, there is no fundamental difference to everyday prospect research methods



Sources Used

Important to note that all these sources are based on **publicly available** information.

Examples

- 'Public Registers: Companies House, the Electoral Commission (Political Donations), the Electoral Roll (Open Register), the FCA (Financial Services Register), the Law Society, the Land Registry.
- Trade & Industry References, Professional directories, Charities Commission.
- UK Reference Volumes: Who's Who, Debrett's People of Today, Debrett's Peerage, City of London Livery Company information, Trustfunding.org.uk.
- Reliable print and broadcast media; newspapers (The Telegraph, The Times and Sunday Times, City AM), magazines, rich lists.
- Internet; general google searches, company websites, online-only articles, social media, justgiving.com, linkedin.com' (PFG)



Sectors

We are just one of many sectors and professionals:

- **Property**
- **Luxury Goods** - yachts, art, jewellery etc
- **Banks & Insurance**
- **Investment Funds**
- **General Sales**
- **Education**



Process Overview

Step 1	Review Legal Position	Principally DPIA, Privacy Policy, policy availability
Step 2	Confidentiality & Service Agreements	Ensuring a declaration has been received and that you're comfortable with terms / or ask them to sign your own
Step 3	Segmentation	Process of mapping and identifying the data you will use
Step 4	Export & Send Data*	Often are very specific formats unique to each provider, via secure file transfer / Some need more data than others
Step 5	Overview / Top Level Report*	'Try before you buy' - essential to learn if they can find what you're looking for / often complementary / good feasibility studies by themselves + buy in
Step 6	Pay*	Pay by result tag Pay by record volume
Step 7	Results	Most providers will meet you with their results
Step 8	Deletion	Service fully closes once they confirm deletion

Typical Results

Results usually come back in a Excel file, with 'tags' like:

- 1. Net Worth / Gift Capacity**
 - a. a level at which a person is expected to be able to donate to
- 2. Affinity Score**
 - a. how strong a connection they may to a cause
- 3. Match Levels**
 - a. Household
 - b. Individual (exact name match, often more accurate)
- 4. Biographical Information**
 - a. Such as organisation information, donation history



All help nfps to prioritise

Tags: Net Worth / Gift Capacity

Net Worths / Gift Capacity based on established research



Gift Capacity Research	Donation vs. Wealth %	Source
'The ranking, which divided the total donations of billionaires by their net worth found the average billionaire gave 3.76 percent of their net worth to charity. However, many donated less than the 2.2% that the average non-billionaire donates. '	2.2 to 3.75	Forbes
'We estimate the average percent of income donated to charity ranges from 1.44% to 2.01% across income groups'	1.44 to 2.01	Econo Fact
'88.3% of households making between \$2 and \$5 million donate and give, on average, 3.44% of their income. Compare that to households making \$10 million or more each year, 95% of whom donate and who give an average of \$2.6 million (approximately 8.6% of their income)'	3.44 to 8.6	Econo Fact

Tags: Affinity?

Affinity modelling / cause connection

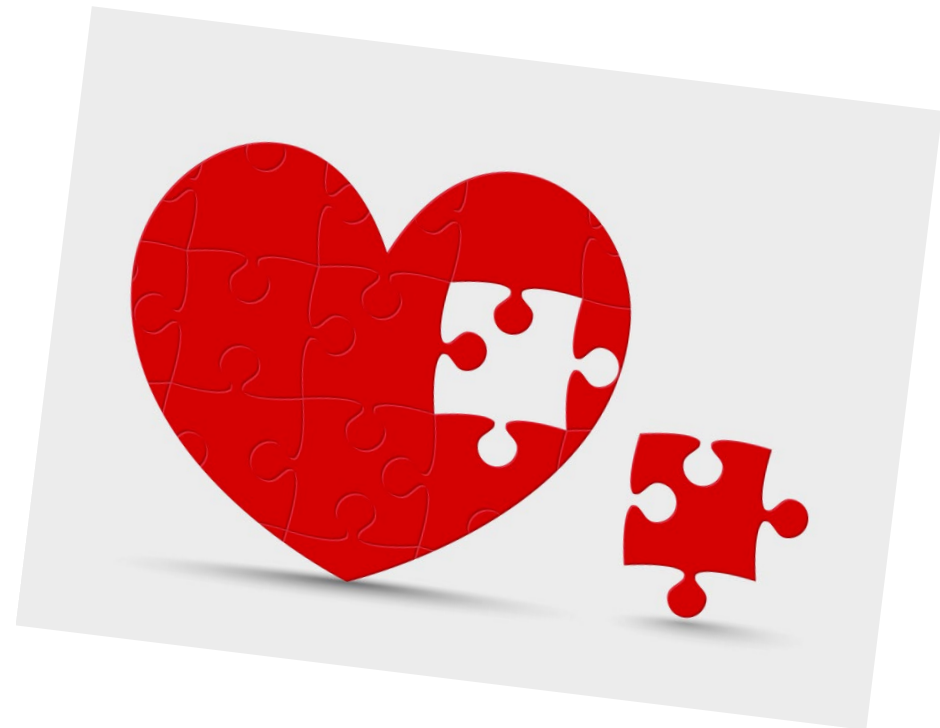
In my experience, not so essential for major gifts *from a data identification point of view*

Why? Major gifts behave very differently:

1. **Peer to peer / senior approach (CEO/VP)** - may not respond to direct mail ask but be receptive to a peer approach
2. **Often strategic entrepreneurial investment type background** - may not be interested in smaller / monthly gifts but be interested in a £100k strategic donation
3. **Portfolio philanthropy** - give to multiple causes
4. **Why do we give?** - deep connection not always needed, many give simply *'because they were asked'*

Location

- If looking for affinity, esp. if not a national / international cause, **location** is a strong factor



7 Key Benefits

1. **Saves time / resource** - vs. researcher
2. **High ROI*** - Any significant major gift pays for itself many times over
3. **Feasibility** - test ability to raise specific funds
4. **Added insights*** - sometimes even if you have a researcher, they don't have all the expertise
5. **'Know Your Donor'*** - Charity Commission, due diligence
6. **Other teams** - legacy, corporate, trust & foundations
7. **Major Donations** - main aim



Tips

Legal / Say Why?*	Check terms and data handling of providers / Check own policy is up to date, comprehensive, and available / Explain why ? Helps people understand needs / advantages / strategic benefits for nfps
Segmentation*	Segmenting correctly is essential. Focus on higher likelihoods > key job titles, donated 'look at me gifts', affluent postcodes, age 35/45+, Do consider mixing recent donors & previous donors
Overview / Top Level Report*	Leave out some of your very senior top prospects for the Overview / Top Level Report, this way you know the names surfaced are new prospects. Though keep those you know less on as new info can be found
Buy In / Feasibility*	Securing 'buy in' / budget? Agreeing a Top Level Reports as a first step can help . Receiving them can be used to galvanise support as it 'proves' what you'd expect
Verify	If capacity, go over the results to sound check them - researcher or fundraiser can do this
Create Task Group*	Across teams, leadership, research, database, legal - promotes shared management + helps keeps pace
Preparation	Ensure you have scheduled time in advance to receive and act on the results, as well as a fundraiser has capacity to receive new prospects
Data Acquisition*	Rare but check services do not acquire your results, adding them to their own master database
Deletion	Ensure there is notification that the data is deleted
Track Record*	Sending to Third Party, check reputation, speak to previous customers / check list of completions

Providers

UK Providers

x4 Main Providers

- 1. Prospecting for Gold**
- 2. Factory**
- 3. Wealth X**
- 4. Nova**

Note: Review and read about each supplier directly, check compatibility and practice, this is just an overview

Prospecting for Gold

'The Wealth Intelligence Database contains information on over 240,000 UK-based millionaires and influential people'

- All names can donate £5k or above
- Also includes £1m+ pound property list
- Principally provides to not for profit sector
- Provides Overview / Top Level Report, with 'Wealth Tag' & 'Snapshot Profile'
- Pay by result tag
- Traditional style list

www.prospectingforgold.co.uk



PROSPECTING FOR GOLD LTD
Wealth Intelligence Services™

Factory

'We have devised an all-new bespoke approach which no longer relies on matching your dataset against a finite number of potentially wealthy individuals. Instead, we make use of a wide variety of tools and methods to prioritise your entire donor dataset, identifying which of your prospects not only have sufficient wealth to give at a major donor level, but who also show strong motivations to give or demonstrate a deep connection to your cause.'

- Includes 1.3m affluent postcodes
- Focus on socio-geo economic factors / professional affiliations / donation history & cause connection / capacity
- Principally provides to not for profit sector
- Includes a Overview / Top level Report
- Pay by result tag?
- Mixture of both approaches, perhaps leaning more on the analytics side

www.factory.com

factory
knowledge for good

Wealth X

'Wealth-X Screening services and software match the records in your database against the verified individuals in the global Wealth-X database to ensure a significantly higher accuracy rate.'

- Focus on the UHNWI, HNWI
- UK records 55,000+
- Provider to banks, high value sales and not for profits
- Global; US, Europe, eg. Switzerland, France, Spain, Germany etc.
- Includes a Overview / Top level Report
- Pay by record volume
- More traditional style research list

www.wealthx.com



Nova

'Ownership & Leadership Intelligence.'

- Over 1 million senior leaders, top companies and charitable connections
- Uses new proprietary modelling created by leading university academic who's been teaching not for profits for over 5 years
- Principally provides to not for profit sector
- Includes a Overview / Top level Report
- Mixture of both approaches, research & analytics

www.pyro.solutions

Nova

by **Pyro.Solutions**

Summary

Becoming Data Led

All about becoming more **data led**.

It helps nfps to be more successful and change more lives.

A major gift study on 7 top institutions found:

- **“The top 20% of producers [fundraisers] worked with prospect development [researchers] twice as often as all other officers.”**

The more we get to know our relationships, the more effective we can be.



Further Support

There are two fantastic guides on responsible research practices, major donor expectations, and legal basis analysis support

- **Connection People to Causes - CIOF ([link](#))**
- **Good Asking Guide - CIOF ([link](#))**

Contact

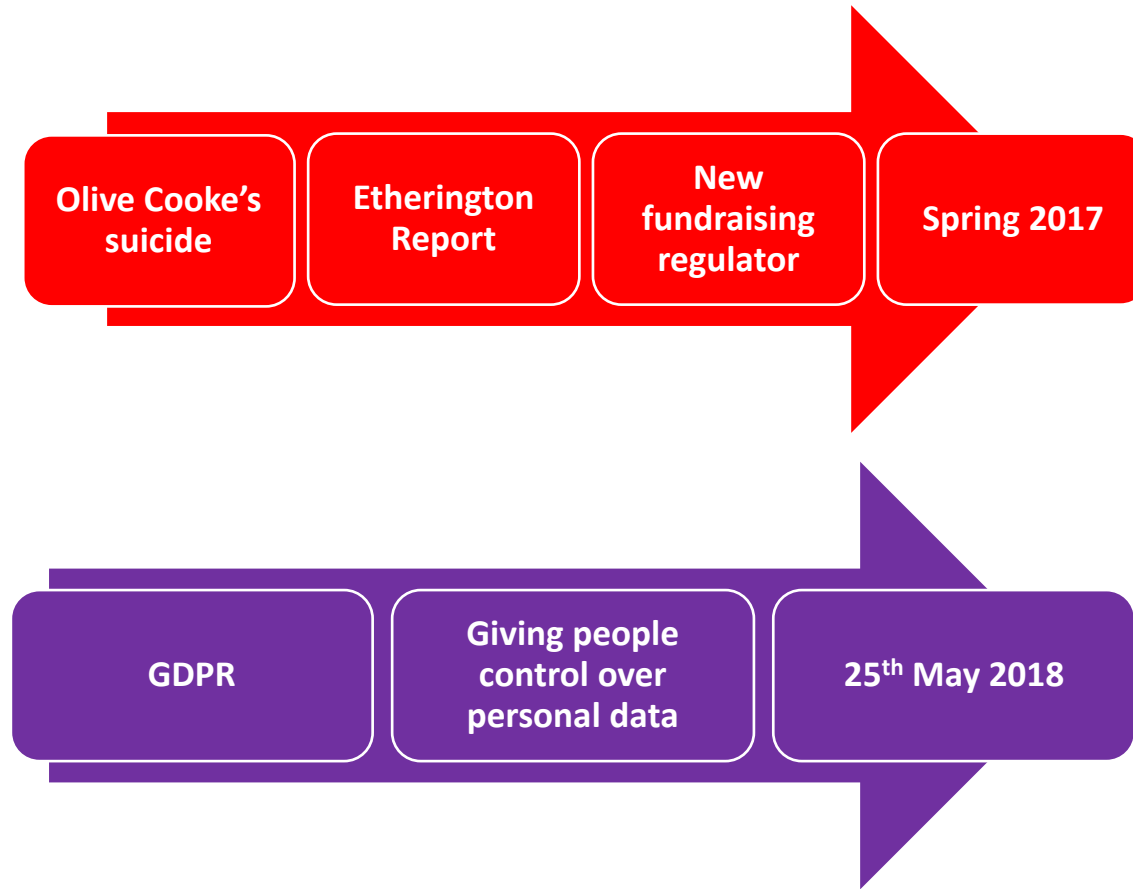
Happy to answer further questions & discuss Nova:
jason.briggs@pyrotalks.com

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/ Responsible Marketing and Legislation in Wealth Screening

Drivers for Change



Daily Mail FRIDAY, MAY 15, 2015 www.dailymail.co.uk 60p **STARTING TOMORROW**

FREE LEGO **NINE TOYS IN NINE DAYS!**

SATURDAY LEGO CITY SWAMP POLICE COPTER **SUNDAY JOKER BUMPER CAR** **PICK UP AT WHSMITH**

Terms apply © 2015 The LEGO Group. © Warner Bros. Entertainment 2015

Poppy seller, 92, jumps off bridge after being plagued for cash by charities

HOUNDED TO DEATH BY COLD CALLERS

BRITAIN'S longest-serving poppy seller jumped to her death after being hounded by dozens of charities begging for her money. Olive Cooke, 92, threw herself from the Clifton Suspension Bridge in Bristol last

By Ben Wilkinson
week after losing her faith in people.
The widow - who admitted she found it hard to say no - had been overwhelmed by receiving hundreds of letters and phone calls every month asking her for yet more donations.
Close friend Michael Farley said: 'She felt she had given so

much and she couldn't give any more.' Last night MPs called for reforms to stop charities preying on the vulnerable.
Great-grandmother Mrs Cooke, of Bristol, started selling poppies in 1938 when she was 16 after her father served in Gallipoli during the First World War.
And she vowed to continue after her first husband Leslie

Turn to Page 5



Painted lady: Prince With Annabeth Matthews yesterday

Nice tattoo meet you, Charles! **SEE PAGE 11**

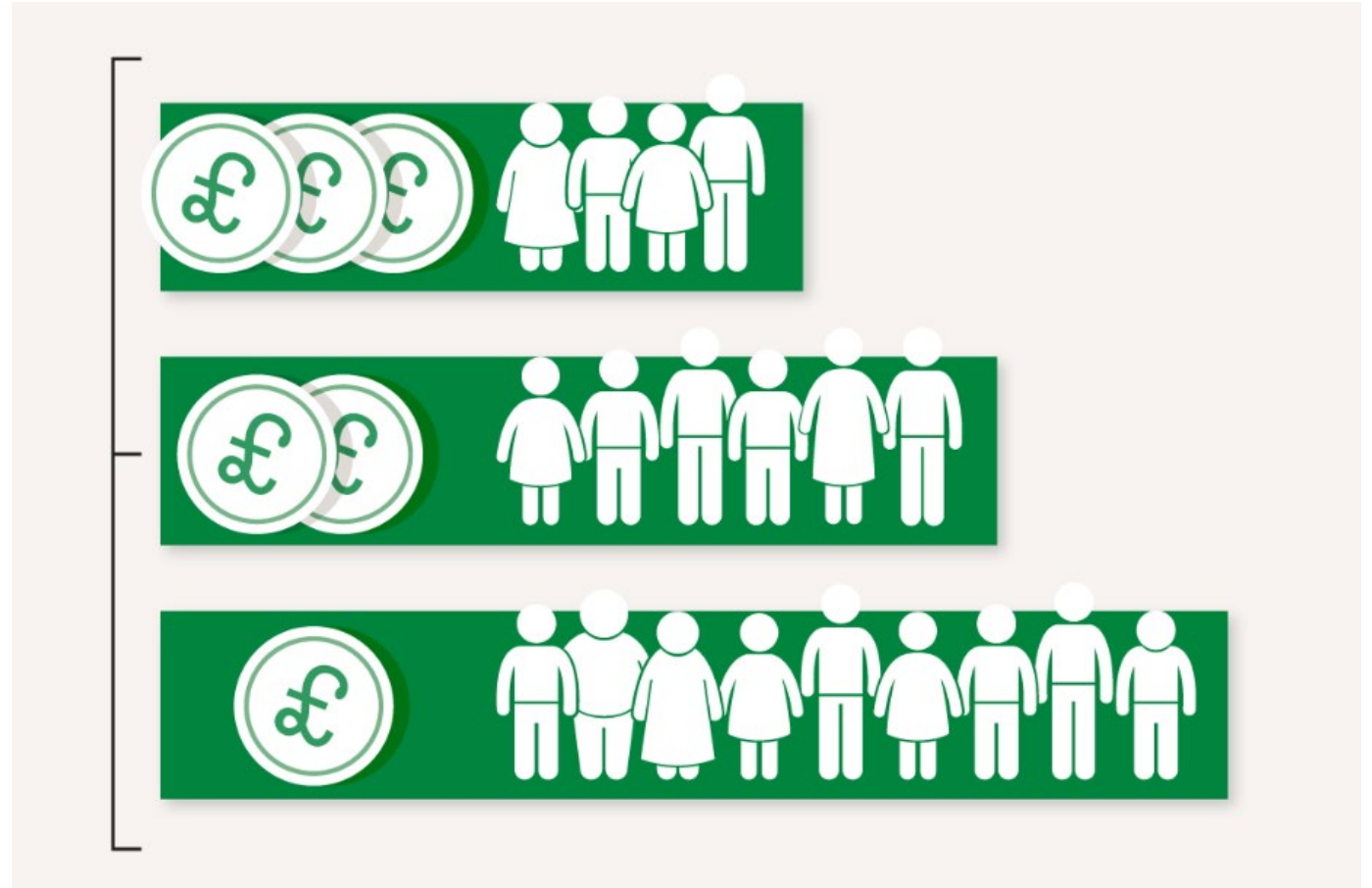
Enforcements

Between 2015 and 2017, the ICO fined 13 charities for breaking the law when handling donors' personal information.

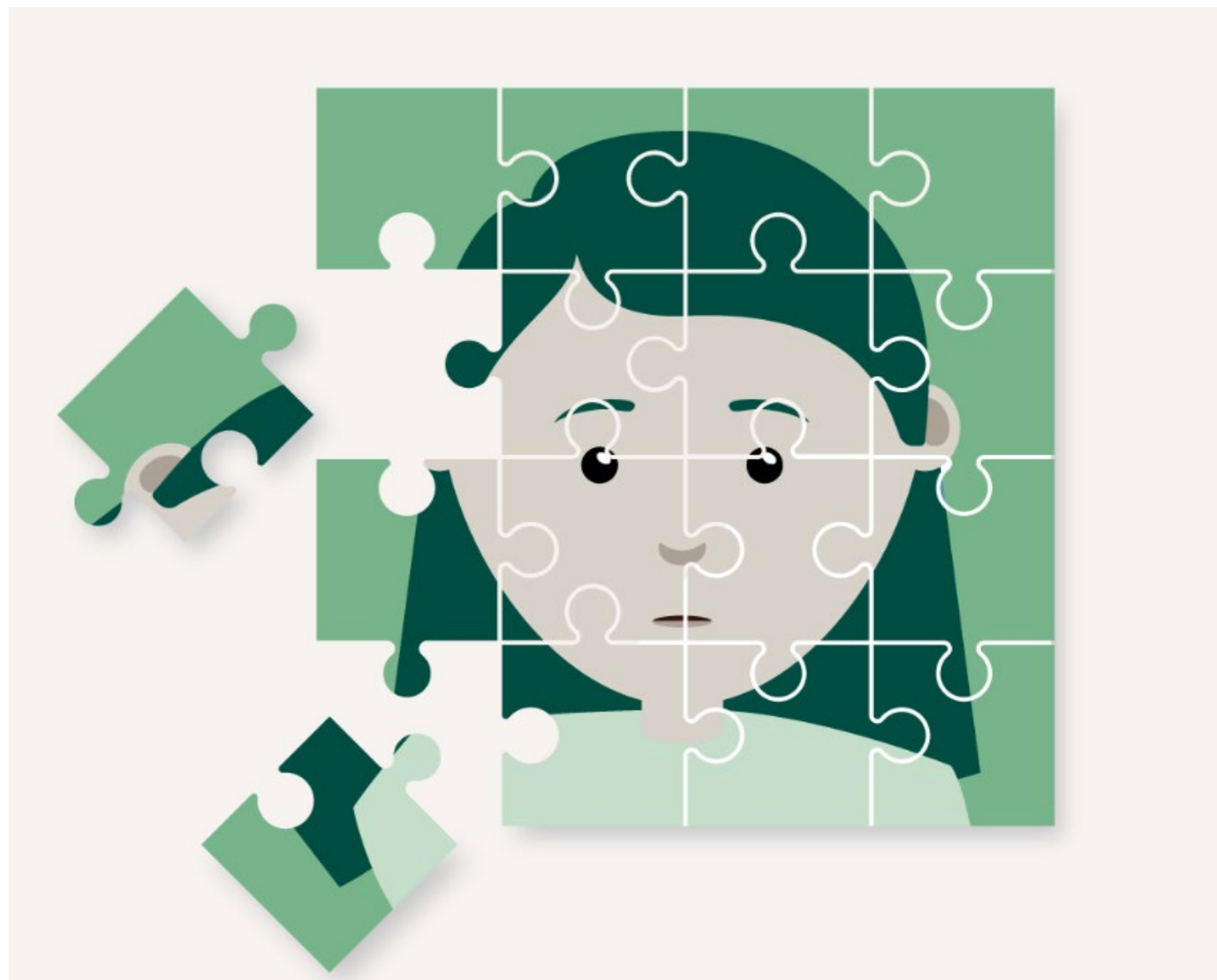
Two charities were fined in December 2016 and 11 in April 2017.



1. Ranking you based on your wealth



2. Finding
information
about you,
that you
didn't
provide



3. Sharing your data with other charities, no matter what the cause and with no record



Then Information Commissioner, Elizabeth Denham

“Millions of people will have been affected by these charities’ contravention of the law. They will be upset to learn the way their personal information has been analysed and shared by charities they trusted with their details and their donations.

“No charity wants to alienate their donors. And we acknowledge the role charities play in the fabric of British society. But charities must follow the law.”



So can I do wealth screening?

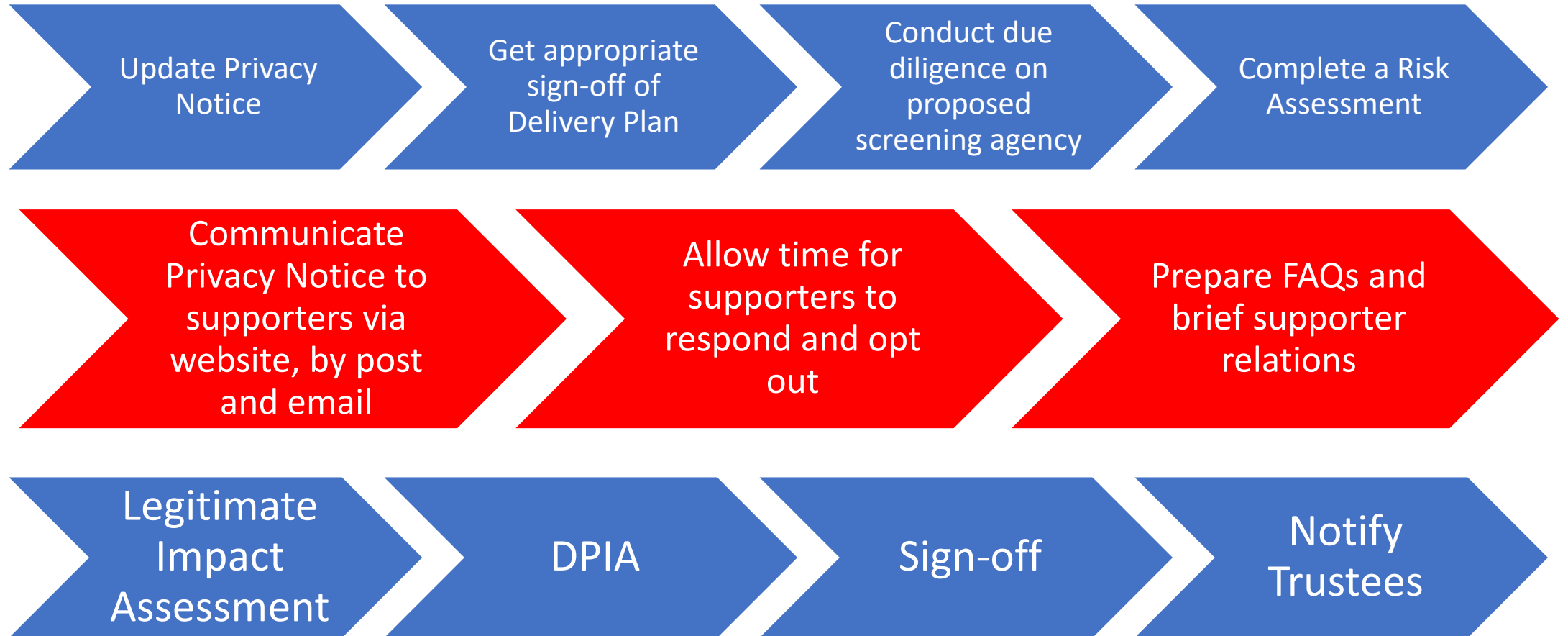
The ICO was explicit that wealth screening is an activity that raises privacy concerns as it involves data processing that individuals are not reasonably likely to expect, regardless of whether supporters are likely to increase their donations or leave a legacy

The answer is to ensure that your supporters are aware of what you are doing with their personal information

What to do before you start

- 1 Do you have a definition of wealth-screening, ie do you know what the processing will involve?
- 2 Have you proved wealth-screening is necessary?
- 3 Have you analysed if wealth-screening is an intrusive use of data?
- 4 Have you judged your supporter's reasonable expectations?
- 5 Have you balanced supporter's rights against the need to wealth screen?
- 6 Have you completed a DPIA?
- 7 Can you use Legitimate Interest as a legal basis for processing (using step 5 above)?
- 8 Have you completed an LIA?
- 9 Have you provided an updated privacy notice to supporters?
- 10 Have you ensured the screening company you're going to work with is compliant?

Suggested Process



Third Party Data, we must:

- Know how any list was compiled
- Know whether consent was recently obtained/updated
- Make sure that the third party can prove consent or has a legitimate interest statement
- Ask whether data has been screened against the Telephone Preference Service, Mailing Preference Service, NCOA, Mortascreening, etc. If not, you'll need to screen the data
- Ask if our organisation was specifically named when the data was collected
- See a sample of the data
- Record this process so we have proof that we've carried out extensive due diligence of our third party data suppliers

1ST PARTY DATA



2ND PARTY DATA



3RD PARTY DATA



/ Questions

Liz Curry, Data & Information Governance Consultant, Liz Curry & Co

Jason Briggs, Co-Founder and Director, PyroTalks CIC

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/ Legal Update

Jaemie Cameron, Director of Policy & Compliance, DMA



/ Update on the GDPR Code

- What is the Code?
 - Themes: LI, third party work, due diligence, profiling
 - Article 40 and PECR
- Why is this important?
 - Piece of mind and consistency for compliance
 - Impact on other DMA work: toolkits

/ DPDI Bill Update

- The data legislative portfolio
 - Multiple key texts still likely
 - Second reading on 5 September 2022 postponed
- DCMS
 - DSIT
 - Who's on top for data reforms

/ DPDI Bill Update

- Soft Opt-in
 - Extension to charities
- Cookies
 - Cookies that do not require consent in the Bill
 - DMA France and email pixels

/ DPDI Bill Update

- Legitimate Interests
 - Recital 47 and direct marketing
- International Data Transfers
 - Adequacy for the UK and the DPDI Bill

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/ Headaches, Highlights, and Horizons

Pete Meacham, Fundraising & Marketing Compliance Manager, Macmillan Cancer Support

If you have any questions you'd like answered or topics you want to see covered, please get in touch with us at

events@dma.org.uk

