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Donation Boxes in Museums

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AIM Quick Guides

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Judy Niner, Helen Shone and Faye Clews
Development Partners
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Donation Boxes in Museums

Research into the psychology of giving indicates that people are less likely to put money into 'a black hole'. They want to see where their money is going.

Clear is better

On-site donations can play an important role in a museum's overall fundraising strategy for two principal reasons. First, the very presence of a donation box reinforces the charitable nature of the museum. Secondly, the income itself (with Gift Aid) can be significant, whether unrestricted or allocated to a specific project.

There are definitely some dos and don'ts to understand if you want to get the best results. Donation boxes are an investment (cash boxes cost around £800 each) but, managed well, can return that investment over and over again.

This short paper, prepared for AIM by Development Partners (DP), reflects on the results of a survey of AIM members in summer 2014, along with other people's research and DP's experience of working with museums, large and small, across the UK. It was updated in summer 2019 to include advice on contactless 'boxes' and response from members to the original paper. By giving practical advice on the use of donations boxes, we hope it will help you get the most out of this form of fundraising.

We'd like to thank the 90 respondents to the original AIM survey and those who have contributed and/or agreed to be quoted within this paper.

Box design

Whether you are installing donation boxes for the first time or reviewing existing arrangements, the first consideration is the type and design of a donation box.

Many respondents to our survey raised this issue, questioning whether a box tailored to the theme of the museum, such as a whisky barrel in a distillery museum, would result in more donations than a clear, Perspex box, or whether child-friendly, interactive boxes are more successful.

The answer is clear: Professionally presented, transparent, Perspex boxes on plinths are the best way to secure the greatest donation amounts.

This is for a number of reasons:

- Research into the psychology of giving indicates that people are less likely to put money into 'a black hole'. They want to see where their money is going.

- Research shows that visitors' donations are greatly affected by the perceived donation behaviour of previous visitors. Therefore, it is important that previous donations can be seen clearly, as this encourages giving. This is discussed in more detail in the section below.
- Interactive donation boxes, specifically those aimed at children, can result in a large number of donations. However, these are usually in the form of small change. As these coins are nearly always provided by accompanying adults, those adults may be less likely to make an additional, more valuable donation because they feel they have already given. Also, this sort of device can trivialise the serious business of asking for charitable support of your organisation. If you've already got a whizzy interactive donation device that you don't want to lose because it's a popular exhibit, move it away from the key donation box areas and remove any signage relating to donations. This then becomes a paid-for interactive exhibit, rather than part of your fundraising communication.

Cash donation boxes should be heavy enough to be secure, but possible to move. This enables you to change the location of the box if you have a temporary exhibition, or if you wish to experiment with the location to increase donations. Small, desk-top donation boxes generally look insecure and should be avoided. They will only encourage small coin donations.

Sheffield Museums Trust (SMT) and London Transport Museum (LTM) provide good evidence to support these points. Prior to 2014, both organisations increased the number of boxes they had available on their premises.

For SMT (a non-charging organisation) this brought about a 2000% increase in donations received through boxes in a decade; LTM (which charges for entry) quadrupled its donation amounts in a year.

Both organisations used the same basic design for the majority of their boxes: simple Perspex cubes on plain plinths. The boxes are placed at entrances and exits, and, at LTM, outside the cloakrooms.

In addition to these static boxes, both organisations personalise other boxes to support current campaigns or exhibitions.

For example, at SMT, objects relevant to a particular appeal have been placed within a donation box to attract attention - a lucky knocking cat proved popular for an oriental exhibition.

LTM also updates the artwork on its boxes as its messages change. Dedicated donation boxes are used to encourage support for particular projects. For example, to encourage donations to restore a B-type bus, an appropriately presented box was placed next to the bus to attract adults interested in the project. These project-based donation boxes can be especially useful in paid-for attractions as they may be more attractive to visitors than general donation requests.



Positioning

A donation box should be emptied regularly, but never entirely.

It was generally agreed by our survey respondents that donation boxes should be located at entrances and/or exits, in plain view of all visitors, and where footfall is concentrated. People are greatly influenced by the donation patterns of others, so donation boxes should not be discreet, but obvious and clearly marked for all to see. They must be in a well-lit area.

In general, Perspex-topped boxes should be positioned against a plain, dark background. This makes the content stand out. Beware putting them amongst other clutter or messages – the donation box needs to be the centre of attention if it is to generate a positive response. They should face principal visitor routes, not be presented sideways-on or backing onto the main direction of travel.

As discussed above, boxes can also be positioned near exhibits/objects that help to illustrate a particular appeal. At Cogges Manor Farm, a box positioned near three goats soon achieved the funding needed to buy the animals! One respondent to the survey highlighted how a donation box placed at the end of a free guided-tour outperformed other boxes three times over. If your organisation offers such a visit enhancement, it is vital to ensure that guides (whether paid or volunteer) ask visitors to make a donation.

Management

Once you have decided on the style and position of your donation boxes, attention should turn to the systems required to manage the donations and, in particular, to the amount and value of money visible in boxes at the beginning of each day. A donation box should be emptied regularly, but never entirely – the money visible in the box can have an encouraging effect on donors and has a significant impact on the amount you receive. In field experiments carried out by Professors Martin and Randal (2008), comparisons between empty boxes and those containing a float showed that boxes without a float received up to 50% less in donations than those with a float.

The composition of the float also has an effect on donation behaviour. In the same experiment, Martin and Randal showed how donation amounts are affected by how generous other people are perceived to have been. Comparing three boxes with differing numbers of coins, and small and large currency notes, the box with a large number of coins led to the highest propensity to donate, but generated smaller donations per visitor. By contrast, the box with the largest notes resulted in the fewest donations, but the average donation per visitor was the highest. In general, people donate what they see has been donated by previous visitors, so ensure that the contents of your box reflect the donations you would like to receive and that you consider to be most appropriate for your audience.

Every time each donation box is emptied (never less than weekly) the amount received should be recorded. Not only will this allow you to measure the results, and try changes to position and messaging, but you may also be able to claim under the Gift Aid Small Donations Scheme (see below) on up to £8,000 of these donations raising an extra £2,000 for your museum.

Communications

As soon as people arrive at your site, they should be made aware that you are run by a charity. There is much confusion amongst the public about how museums and heritage sites are funded - a clear, simple message communicating your form of governance prepares people to spend in the shop and café, as well as to donate.

The communications on and around each donation box will have a direct impact on results, and an indirect impact on your wider fundraising success. An important role of the donation box is to reinforce the fact that your museum is a charity.

We recommend experimenting with the text and format of your donation box messages, finding out what works best. Don't be coy! Make it clear that you are asking for donations.

Here is an example:

Banbury Museum: When it transferred from local authority to trust; free admission.

a) Box positioned within temporary exhibition space.

Your donation today will enable us to bring the next new exhibition to Banbury. Thank you.

Banbury Museum is a charity. Please use a gift aid envelope if you are a UK tax payer and make your donation worth 25% more to the Museum.

B) Box positioned at entrance to Museum

Banbury Museum is free for all to visit and relies on the support of those who enjoy and treasure its galleries, collections and activities.

Please make a donation today. Thank you

Banbury Museum is a charity. Please use a gift aid envelope if you are a UK tax payer and make your donation worth 25% more to the Museum.

It is useful, but not essential, for donations to be in Gift Aid envelopes. It's more important not to put people off giving by making them think they've got to fill in a form.

Never forget to say 'thank you'.

Never forget to say 'thank you'..

Suggested donations

Evidence from survey respondents shows that the inclusion of a suggested donation amount can increase total donation amounts: In one of SMT's sites including a donation amount increased donations threefold. However, this is really only appropriate for free-admission museums.

Setting the suggested donation level can be difficult. Too low a price can devalue the museum visit, whilst too high a level may put people off donating at all. Be prepared to try different amounts, thinking about the make-up of your audience. For example, tourists may be prepared to donate more than locals - so you could try increasing the suggested donation level in high season. It could well be worth the small cost increase in printing new signage.

Setting the suggested donation level can be difficult..

Amongst the respondents to our survey, only 27% suggested a donation level. This amount varied between £2 and £5. The Ashmolean suggested a donation of £5 (special exhibitions are subject to charge but the main museum is free admission); the British Museum £5. We are not aware of the results of tests to increase these amounts to figures closer to an equivalent charged-admission ticket price, such as at The Met in New York, where the suggested donation (2014) is US\$25 and the average given is US\$11 per visitor.

Cash donation box results

There are many variables when it comes to measuring and comparing the results of donation box fundraising. In response to the question 'what is your average donation per visitor' survey results from AIM members in 2014 ranged from less than 1p to £2, with the majority claiming 50p or less.

Organisations that experimented with the position and communications around their donation boxes and measured performance were more likely to be reaping higher returns than those who were passive.

After following the advice in this paper, the Fry Art Gallery saw their average per visitor double from 13.84p to 27.11p.



Gift Aid and Gift Aid Small Donations Scheme (GASDS)

All museums and heritage organisations with charitable status should be aware of the importance of claiming Gift Aid on donations, as doing so can increase the amount you receive by 25%. Ideally, people giving to cash donation boxes should be asked to complete a Gift Aid form/envelope, but often this is not possible or is seen by potential donors as a hassle. Don't insist on Gift Aid details if this might stop people making a spur-of-the-moment gift, but if you do offer envelopes, remember to include a GDPR privacy notice reference (eg: referring to your website) and communications consent tick-box on the envelope.

In 2013 HMRC introduced the Gift Aid Small Donation Scheme ('GASDS'), which allows charities to claim a Gift Aid top-up payment on small cash donations without needing Gift Aid consent from the donor. This was updated in 2017. Charities can now use the GASDS scheme for all cash donations under £30 each, up to a total of £8,000. At its maximum this can result in an additional £2,000 income.

Full details of the scheme are available on the HMRC website. The scheme is subject to a few key conditions:

- Your organisation must have been registered as a charity for tax purposes for at least the previous 2 complete tax years. You must also have made a successful Gift Aid claim in at least 2 of the previous 4 tax years
- Donations must be made in cash or through contactless payment and should not exceed £30 per donor.
- GASDS claims must be matched by claims you have made in the Gift Aid scheme in the same year in a ratio of 1 to 10. Therefore, if you claim Gift Aid on eligible donations of £100 in a year, you can only claim on up to £1,000 in the GASDS. As such, it is in your interest to ensure that you continue to collect Gift Aid declarations as frequently as possible, as this has a direct effect on the maximum GASDS you can claim.
- Benefits cannot be given to the donor in return for the donation.

Volunteer/staff engagement

A number of the larger organisations that responded to the survey highlighted the importance of staff and volunteers encouraging visitors to make a donation. This can have a significant impact on donation levels. They should be able to talk passionately and knowledgeably to visitors about the organisation and why donations are needed. This message should be consistent with communications on and around the donations boxes. In order to communicate well, staff and volunteers need to understand the underlying economics of the organisation.



Contactless giving boxes



Several museums have embraced the change and installed freestanding contactless donation units

In an increasingly cashless society the market for contactless donations solutions is a growing one. Several museums have embraced the change and installed freestanding contactless donation units, whilst most (and charities more widely) are still reluctant to adopt the new technology (Goodbox Labs, 2019): Obvious barriers are the cost of the hardware and the current lack of data available on their effectiveness. Research from both Institute of Fundraising (2018) and Barclays (2019) emphasize the continued value of cash in charitable giving.

Are contactless donation units worth the investment?

Freestanding units are purpose-built for large open spaces with heavy footfall. Prices range from around £785+VAT to £2,800+VAT for the initial purchase of both the contactless hardware and the bespoke branded unit (price variation comes down to the technology offered by the providers). Ongoing costs will depend on the service you sign up to with the provider - this might mean a monthly charge or in some cases just a transaction fee (which covers the gateway processing, connectivity, terminal management, and technical support). The provider will set up the merchant account for you and manage the gift processing. A single or multiple donation amount is configured into the hardware so the donor can choose from a range of amounts. Gift Aid cannot be claimed as part of this donation process, but you can claim this later under the Gift Aid Small Donations Scheme.

GoodBox recently reported that their purpose-built freestanding units, used in the museum sector, saw an average annual return on investment of 1,384%, so for every £1,000 the box raised £13,840. They do also emphasize that this is an average figure and that success was very much dependent on the fundraising strategy that supported the units. A survey conducted by Nationwide Current Accounts revealed that those who make digital donations give an average of £5.47 compared with £2.34 for those who use cash (Third Sector, 2017).

So who is using them and are they successful? The Natural History Museum installed six units in June 2017. They have experimented with different locations across the museum and different configured donation amounts. Since they were introduced NHM has seen an increase of 64% in their donation revenue without negatively impacting their cash donations, which still represent an important income stream.

The North York Moors Historical Railway Trust (NYMHRT) invested in a customised contactless donation point in early 2018. The integrated model sits in an outdoor display on a wall in the railway station, and allows visitors to tap and donate the amount they choose (£5 - £30). NYMHRT do not charge an admission price for their stations (they only charge for train tickets).

They saw this as another avenue to enable donors to support, and they continue to provide small cash donation boxes nearby in the shop and customer services area. It took just over six weeks to pay off the price of the contactless device.

Tyne & Wear Archives & Museums Service (TWAM) invested in contactless donation technology at two of their museums in June 2018, and have gone on to install further devices at seven more sites this year. They took a creative approach and decided to retrofit their existing Perspex cash donation units with a contactless device at the front. Their boxes have raised over £16,000 in 12 months from contactless giving, more than recouping the investment. During an evaluation exercise they compared donations made by cash and at the tills for the same 2-month period in 2017 (before introducing contactless) and 2018 to determine whether contactless donations were cannibalizing other forms of donation. Results showed that donations made by cash and at the tills did not decrease with the introduction of contactless giving: The new technology was attracting a new market of donors. TWAM point out that cash giving still provides significantly more income than contactless donations.

Other considerations to bear in mind:

It does not have to be 'either/or'. Providers are now producing hybrid options that enable both cash and contactless donations. Some museums are retrofitting their existing cash boxes with contactless technology as seen with TWAM.

Connectivity is something to consider - your contactless device will need an internet connection, although with improved technology it is now possible to capture donations with transaction completed when connectivity is re-established.

If you want to try before you buy, you could consider hiring a contactless device. Unfortunately this is not available for freestanding units, but a small countertop contactless device can be hired for less than £20/week.

Whilst there is still a role for cash in charitable giving and in particular through donation boxes, digital payment solutions offer a convenient alternative and the return on investment is compelling, just as it is with cash donation boxes. Opportunities to donate via text and QR codes are also growing but still mainly confined to larger organisations. The charity sector is estimated to be operating 5-10 years behind the commercial sector when it comes to embracing digital transformation (Charity Times, 2019)



Move interactive / decorative donation boxes away from entrances / exits and remove any fundraising messages / wording.

One final point

Most donations secured through donation boxes will be 'unrestricted' - meaning that you can use the funds as you see fit for any legitimate charitable expenditure. However, if you link a donation box to a particular appeal, these funds become 'restricted' and must be spent on the project described in the ask.

Conclusions

- Investment in donation boxes pays off.
- Consider whether investment in a contactless donation unit (or a combination of cash and contactless) will work for your organisation. Speak to the providers, they have a vested interest in making sure you choose the right solution.
- Choose a sturdy box which can be moved.
- Make sure that donations can be seen - a simple, professional, Perspex-topped box is best for cash donations.
- Empty boxes regularly but always start with a visible float that reflects the donations you want to attract.
- Position boxes in prominent positions, such as entrances/exits, facing the visitor traffic.
- Don't position a box in a cluttered, visually noisy position - let it be the centre of attention.
- Consider allocating a box to a specific appeal.
- Move interactive/decorative donation boxes away from entrances/exits and remove any fundraising messages/wording. Consider these paid-for interactives rather than donation boxes.
- Get your message right. Ask for donations but also make sure you explain the need and the purpose. Make sure messages, written and spoken, are consistent, emphasising that the organisation is a charity.
- If your museum is free-admission, consider suggesting an appropriate donation level.
- Experiment with placement, messages and suggested donation amounts. Record results and be prepared to make changes.
- Make it easy for people to Gift Aid, but don't force them. You may lose spur of the moment donations if you complicate the giving process.
- Use the Gift Aid logo.
- Train staff and volunteers to ask for donations. Make sure they understand the need and purpose for the donations so that they feel comfortable talking about it to visitors.
- Make sure you use the Gift Aid Small Donations Scheme
- Always say thank you.

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