

2021 Annual Survey

Consumer Impact and Perceptions of Charitable Donations to Healthcare Foundations





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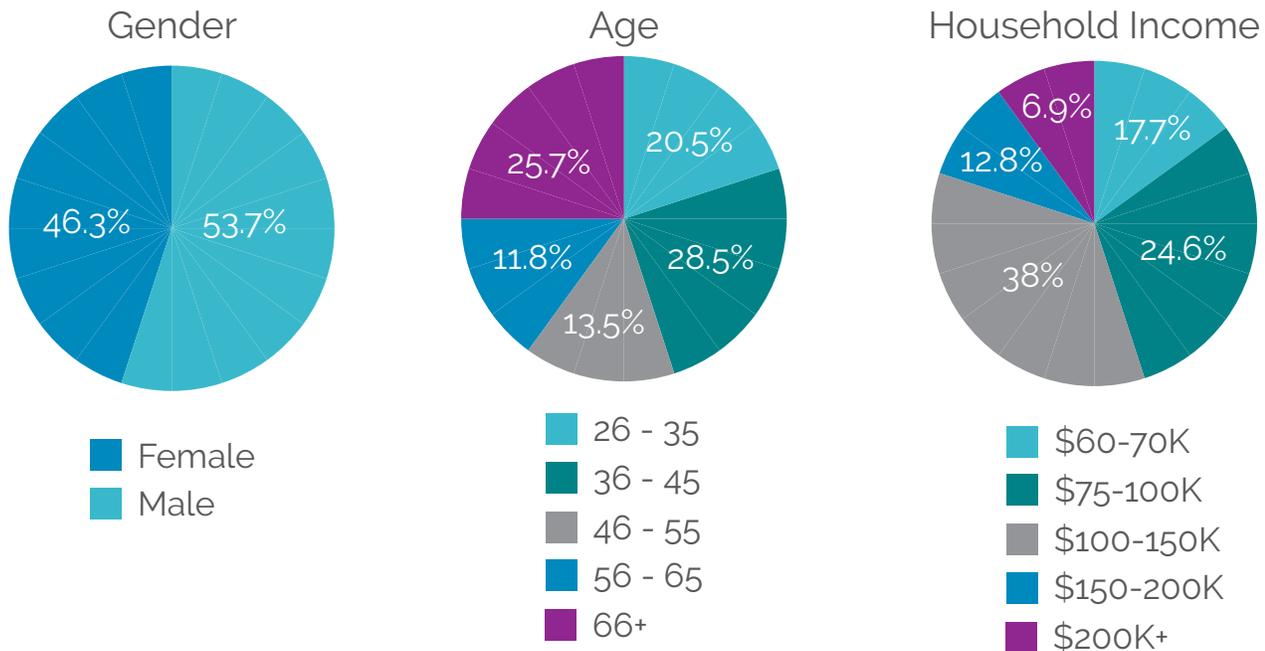
Periodically, Brightway Data conducts an annual survey to gather various data points on how consumers recently admitted to a hospital perceive the hospital or health system foundation. Our second annual survey explores consumer perceptions of the hospital foundation as it relates to the care experience, overall brand awareness, appropriate donation amounts and communication channels. Additionally, this most recent survey shows the impact that COVID-19 had on the philanthropic community because the first annual survey was conducted prior to the pandemic.

Methodology

In mid-2021, Brightway Data surveyed 1,000 consumers who have been admitted to a hospital at least once within the past 12 months to discover:

1. Frequency and appropriate amounts of charitable donations
2. Level of consumer education about the foundation
3. Generational differences of donation efforts
4. Income-related contribution behaviors

This survey was not focused on major gifting but solely on affinity to give. None of the respondents were pre-qualified on assets or net worth. To qualify for the survey, the respondents had to be U.S. citizens, over the age of 26 years old and have a minimum annual household income of \$60,000.



2021 Research Highlights

1. **The opportunity for mid-level donors has expanded:** \$100+ donations increased by 28.7% and monthly donations of \$500+ increased 71.7% since 2020
2. **Foundations should continue to educate about its needs and good work to improve awareness:** Being educated about the foundation while in a hospital setting grew 51.5%
3. **More consumers with lower incomes want to help:** Households with an annual income of \$100 to 150K show an increased level of interest this year showing a 48.3% increase
4. **Preferences for communications methods are evolving away from direct mail:** Contact via text messages increased by 45% across all generations

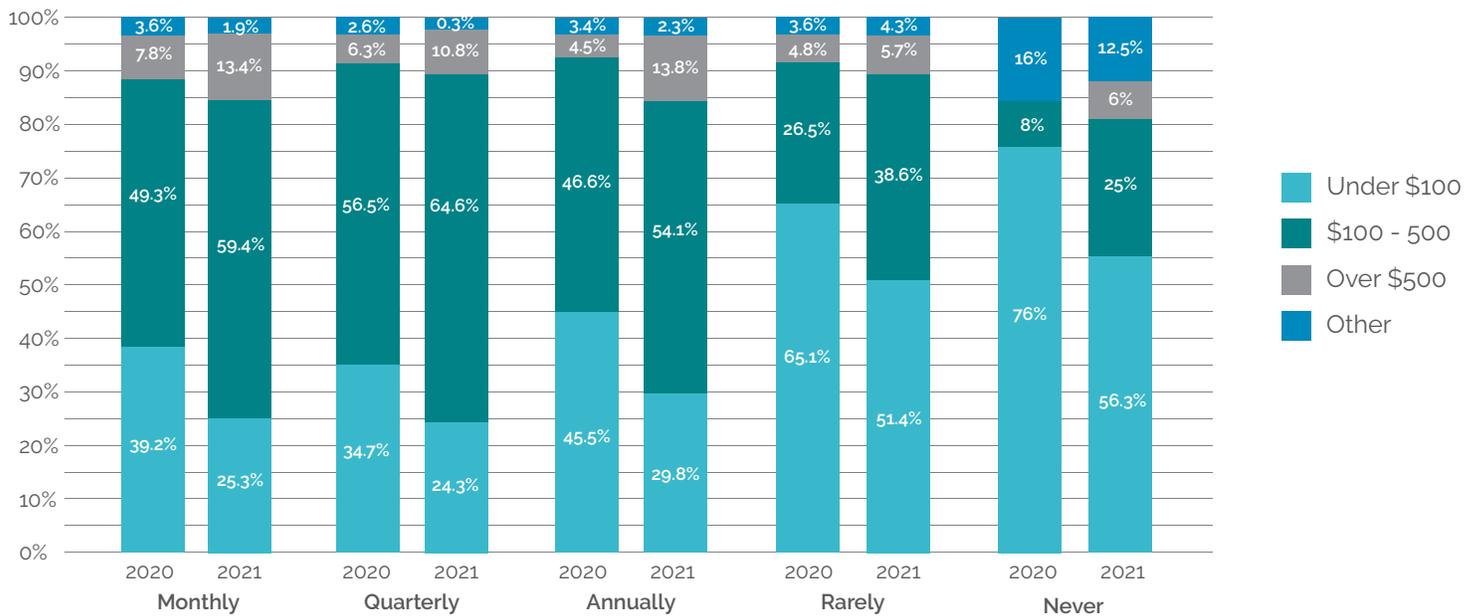
1. The opportunity for mid-level donors has expanded



The data from this survey shows that consumers would rather donate in smaller amounts more frequently versus contributing a large financial donation at the end of the year. The number of donations of more than \$100 increased by 28.7% from 2020. However, **monthly donations of more than \$500 increased by 71.7% from 2020**. COVID-19 was most likely a factor as an increased number of consumers donated to their local hospitals to help combat the pandemic.

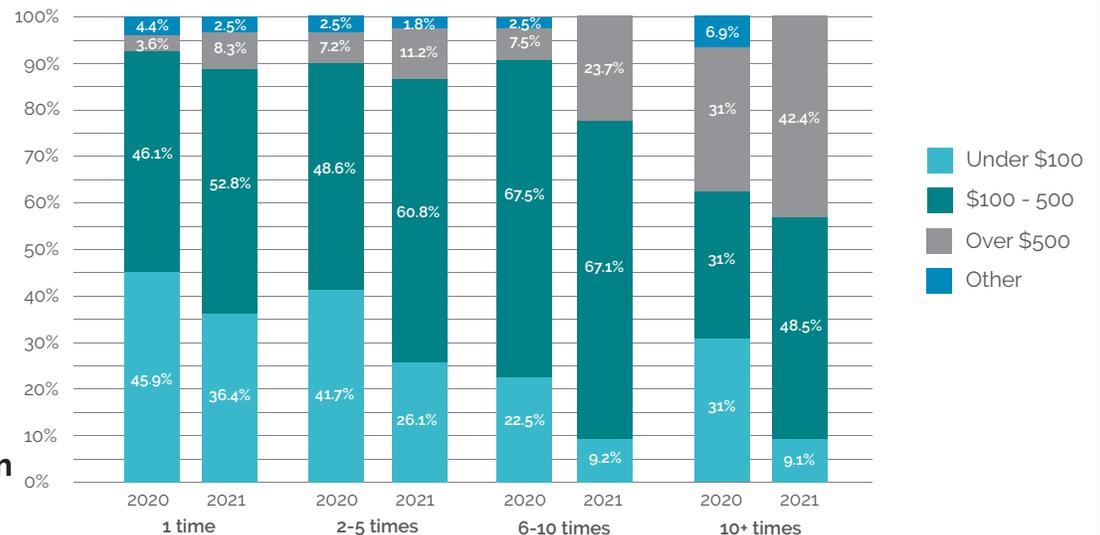
Having more frequent donors further proves affinity to the organization and provides the benefit of a long-term, ongoing donation relationship. In the 2020 survey, the sweet spot was for donations between \$100 and \$500. This year, donations of \$100 to \$500 increased by 29.3% while donations of \$500 increased by 113.7%.

Donation amount + frequency



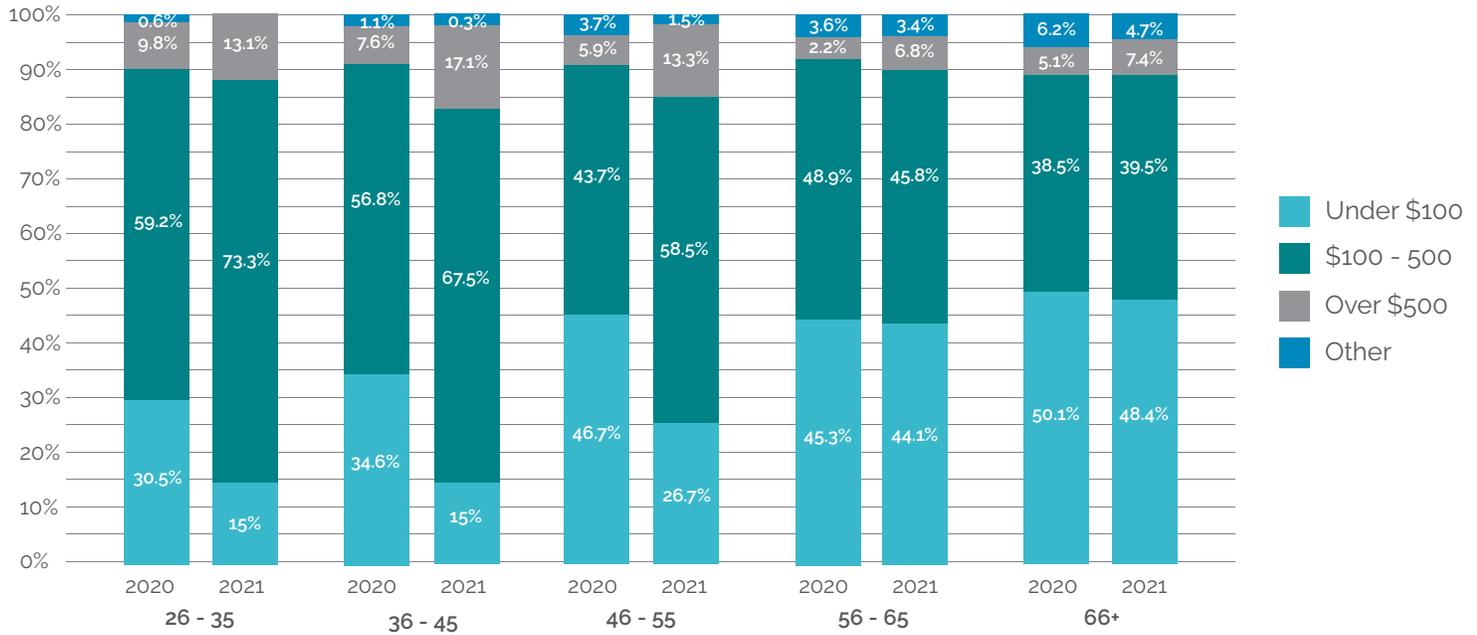
The data from this survey found that the frequency of hospital visits affects the donation amount. The number of large donations of over \$100 increased as the number of visits increased. **For 6 or more visits, donations of over \$500 increased 32.6% from 2020.**

Donation amount + number of visits



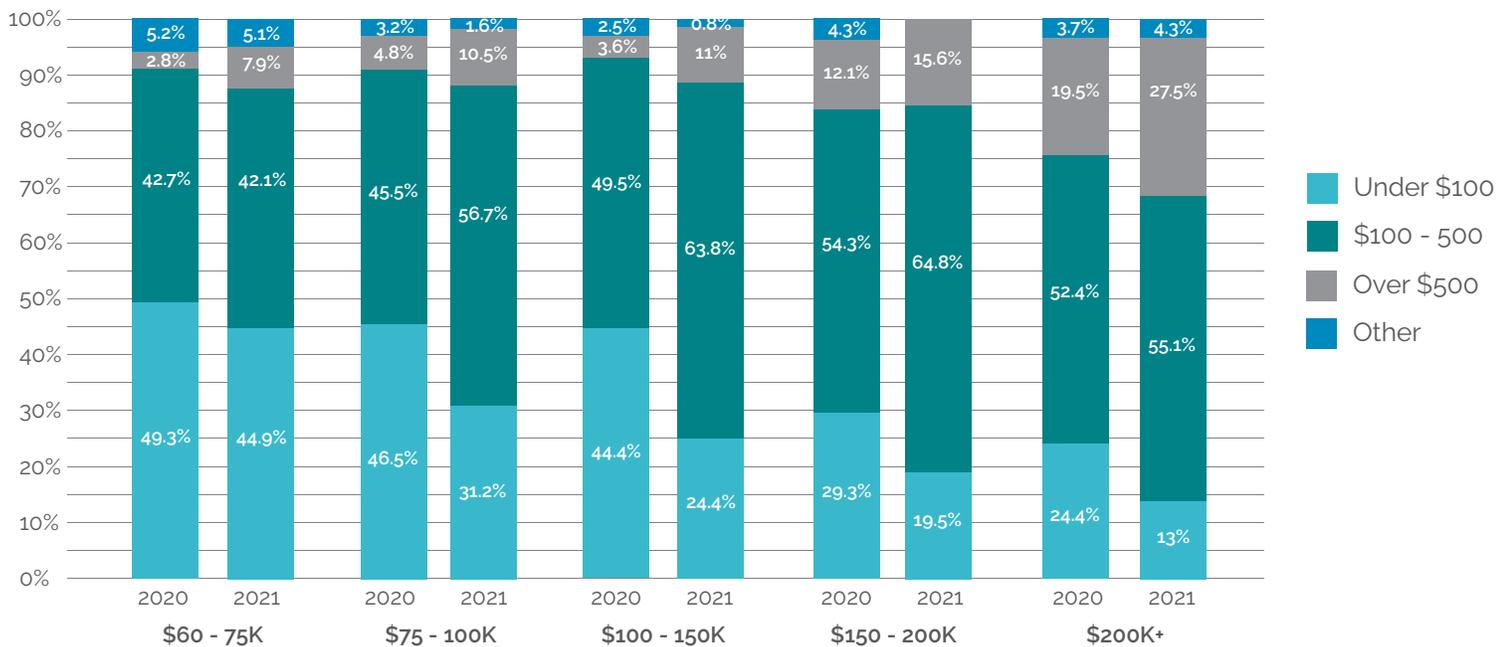
There are some generational differences tied to donation amounts. Younger generations want to be more involved with their community health and would donate. Number of donations over \$100 increased across **all generations but those younger than 45 years of age saw an increase of 28.2% since 2020.**

Donation amount + age



When looking at the annual household income tied to donation amounts, it is not surprising that as the income levels rose, so did the contribution amount. However, in 2021, **annual household incomes of less than \$100K saw an increase of 142% for donations over \$500.** Household incomes of more than \$150K saw a 17.8% increase in donations of more than \$100.

Donation amount + household income

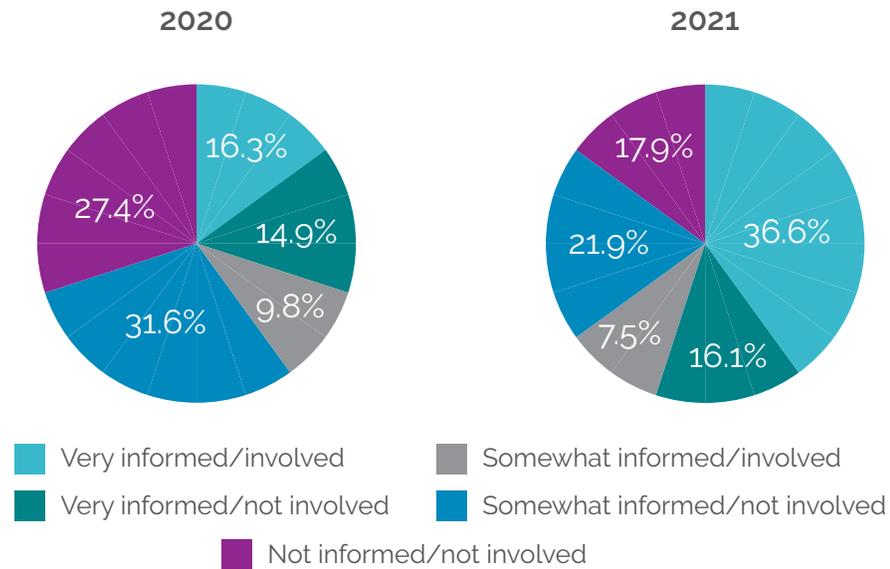


2. Foundations should
continue to educate about
its needs and good work to
improve awareness



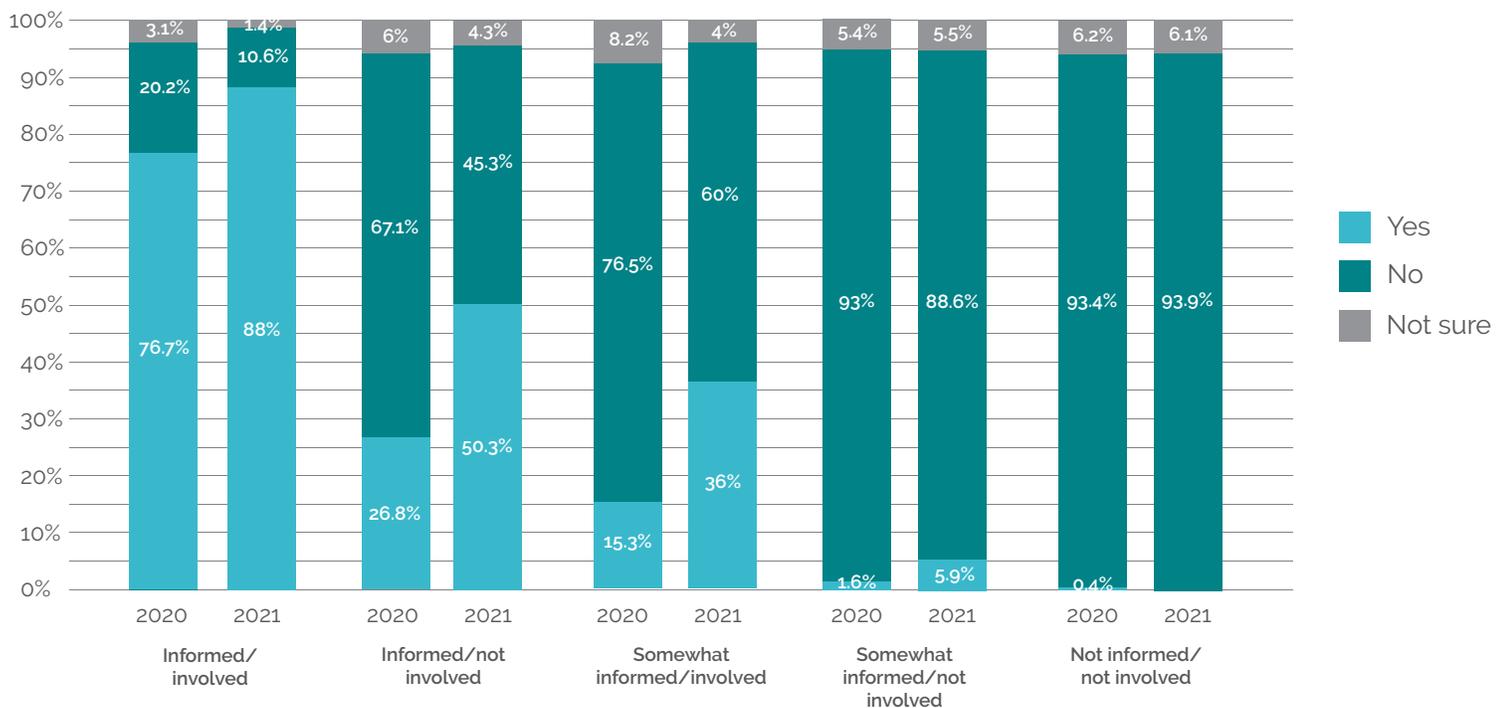
The 2021 survey uncovered that most consumers are not very informed nor are they involved with their local health system's foundation, but improvement has been shown since 2020. Awareness of the hospital foundation increase by 13.6% from 2020. However, **those that are very informed and involved increased by 124.5% and those not involved decreased by 20%.** COVID-19 was most certainly a factor in improving the awareness of health system foundation as consumers raced to donate to their local hospitals.

Perception of foundation



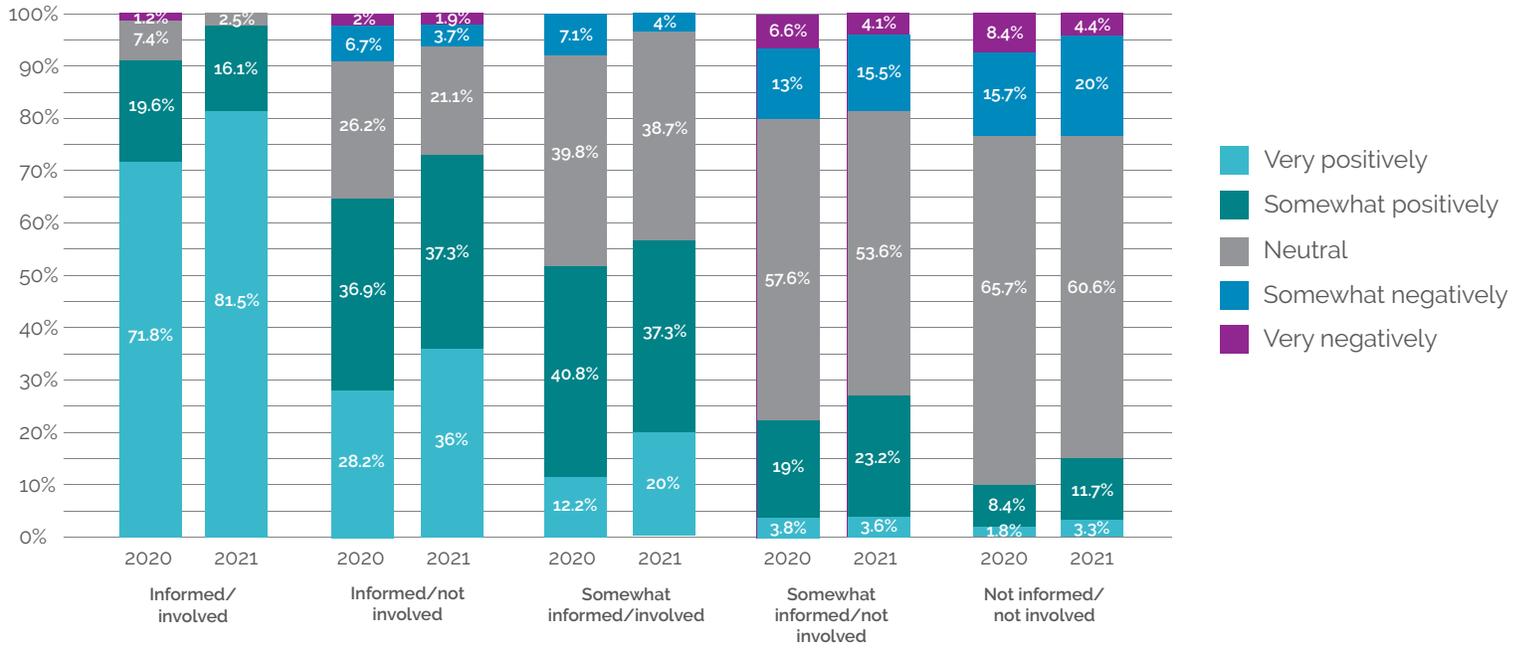
While patients are in the hospital care setting, education and awareness of the health system foundation improved since 2020. **Patients who were very or somewhat informed about the health system foundation improved by 49.6% since 2020.**

Foundation awareness during visit



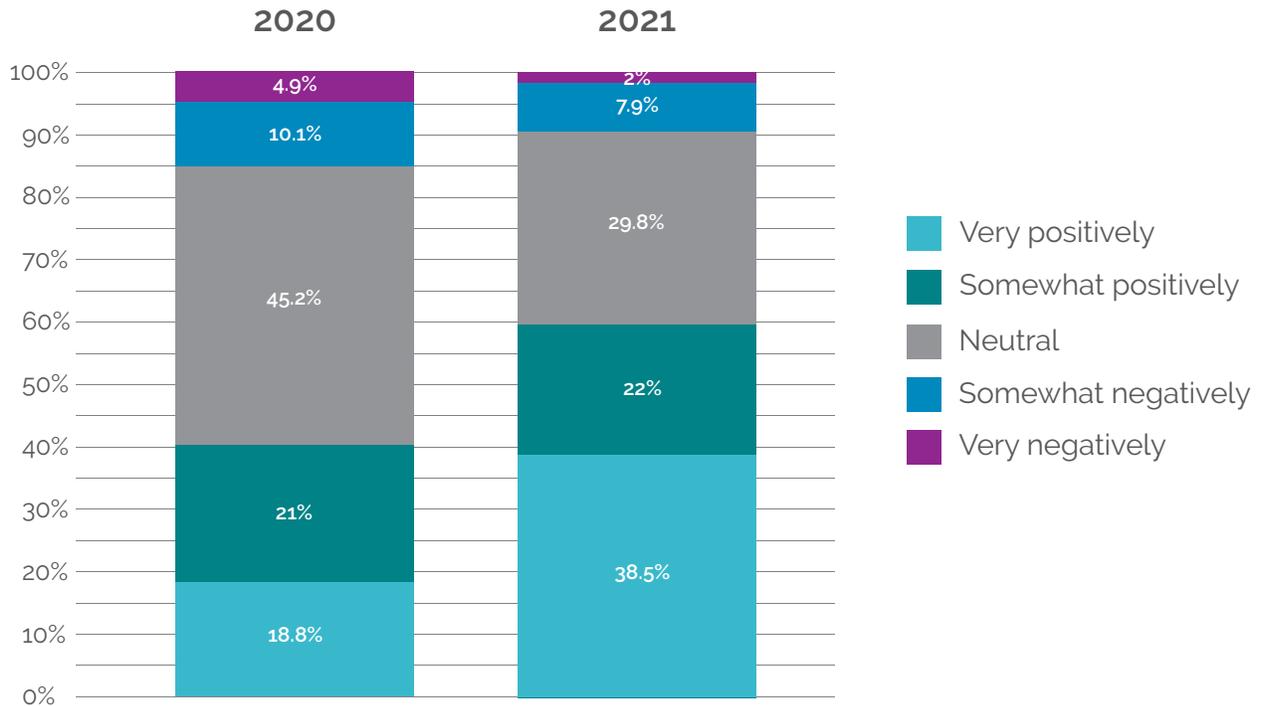
Additionally, the data shows that if a physician or a nurse spoke to the patient about the hospital's foundation during the hospital visit, it's still being viewed as a positive experience since it rose 11.3% in 2021. Those patients who viewed it as a negative experience saw a decrease of 13%.

Foundation awareness + impact on experience



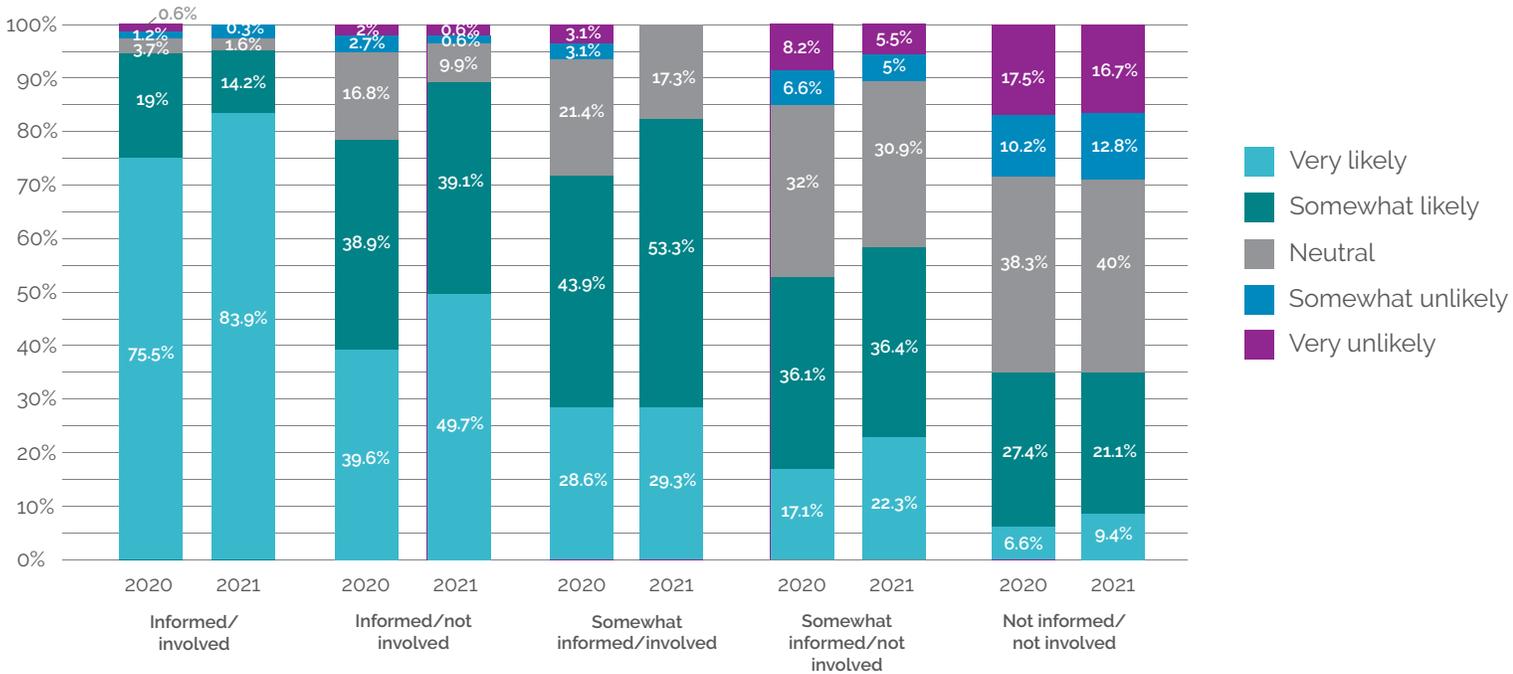
When looking at the respondents overall, education about the foundation grew as a positive experience, with **the top box score (very and somewhat positively) increasing by 51.5% from 2020 to 2021.**

Overall impact on experience

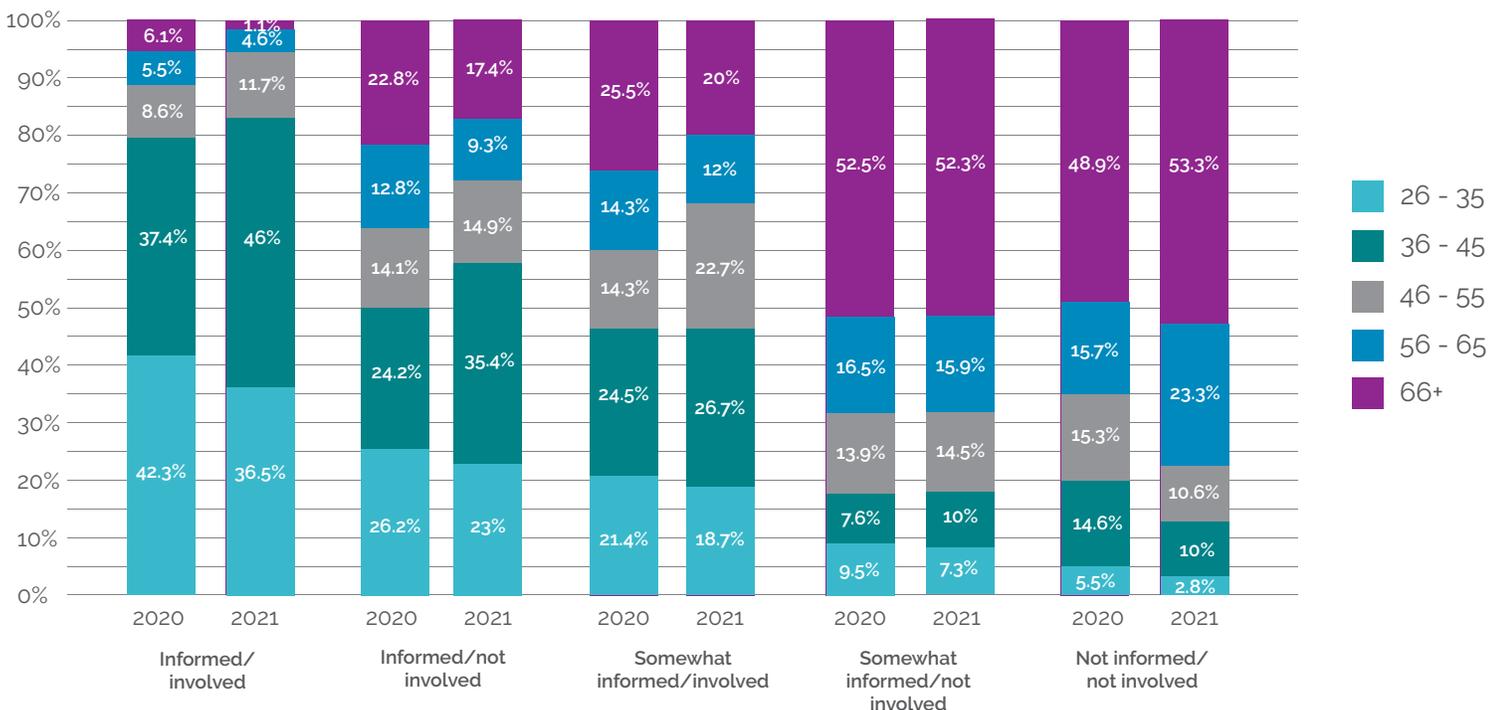


Consumers are more likely to donate for a positive care experience. Overall, a positive care experience influenced the likelihood to donate by 7.8% but the unlikelihood to donate decreased by 360%. Also, for those **participants who were not aware about the hospital foundation, the unlikelihood to donate dropped to 0% from 27.7% in 2020.**

Positive care experience + likelihood to donate

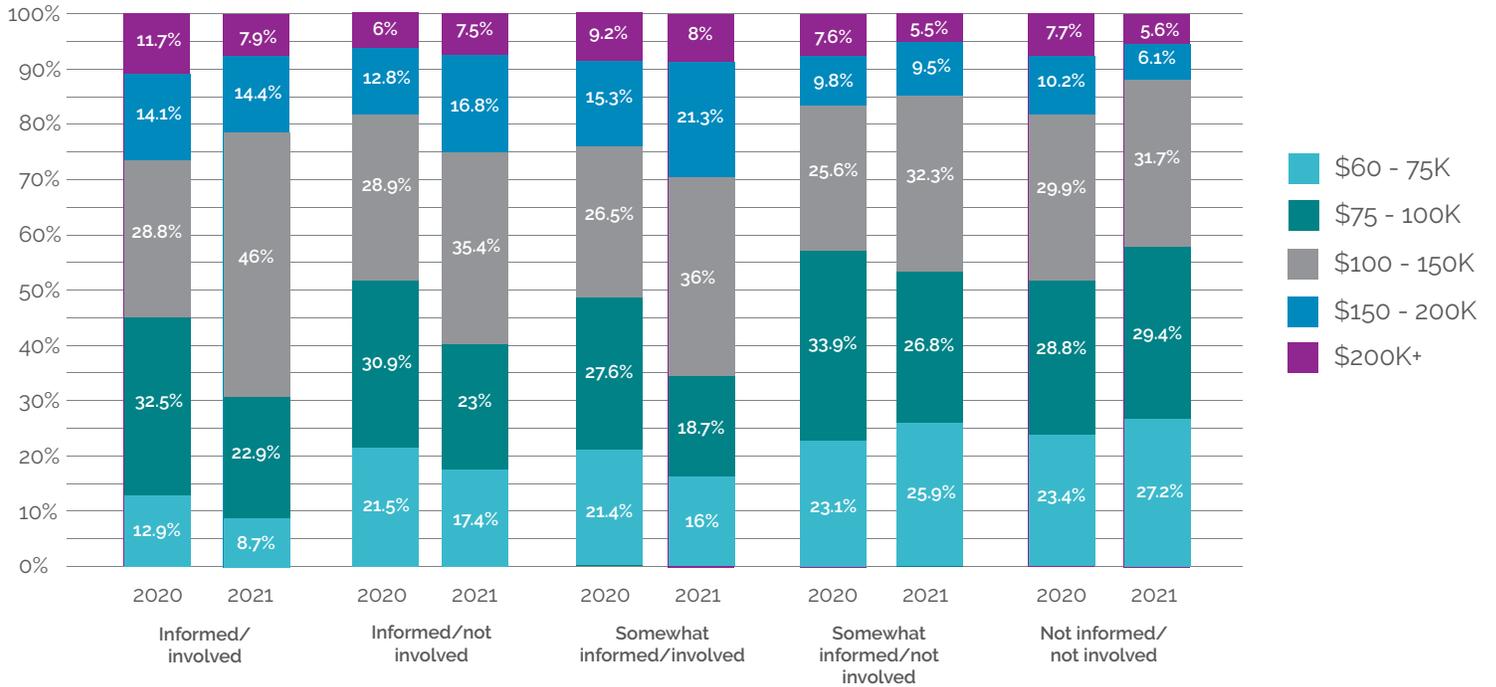


Our survey data shows that there is benefit in creating awareness for and educating all generation levels, not just the younger generations. It appears that older generations are not aware of their health system's foundation which is surprising since older generations are more likely to donate and admitted to a hospital. **Awareness decreased by 56.2% for participants over the age of 66.**



For household incomes of \$100 – 150K, awareness of the hospital foundation increased by 36.3% and involvement increased by 48.3%. However, for household incomes of more than \$150K, awareness and involvement only increased by 4% and 2.6%, respectively. **For household income of less than \$100K, awareness and involvement decreased by 27.9% and 42.4% respectively.**

Awareness + household income

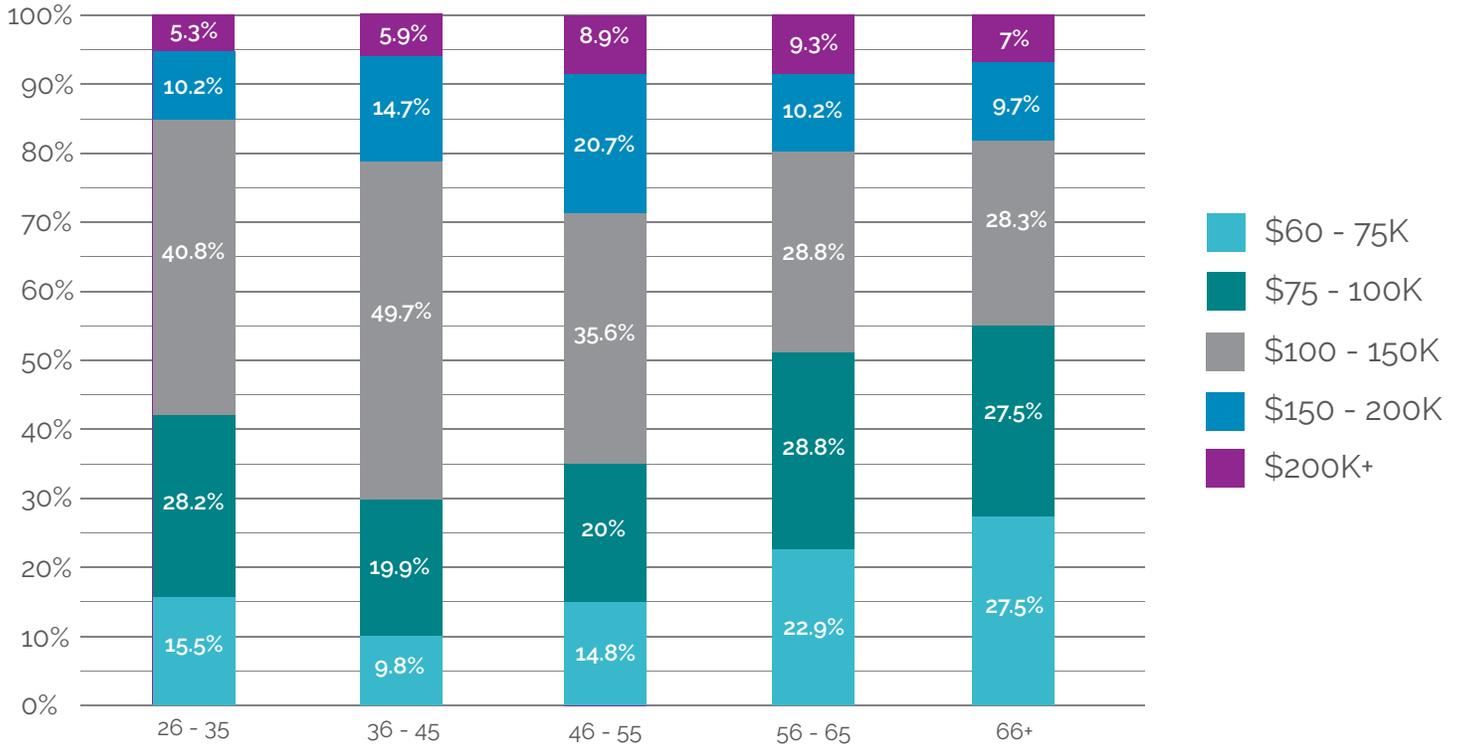


3. More consumers with lower incomes want to help



The year 2020 was truly a year that challenged household incomes of all sizes in some capacity. However, in this year's survey, one household income showed the most growth in charitable donations: those within \$100 – 150K. Most of our participants in the \$100 – 150K range are under 55 or 71.9%.

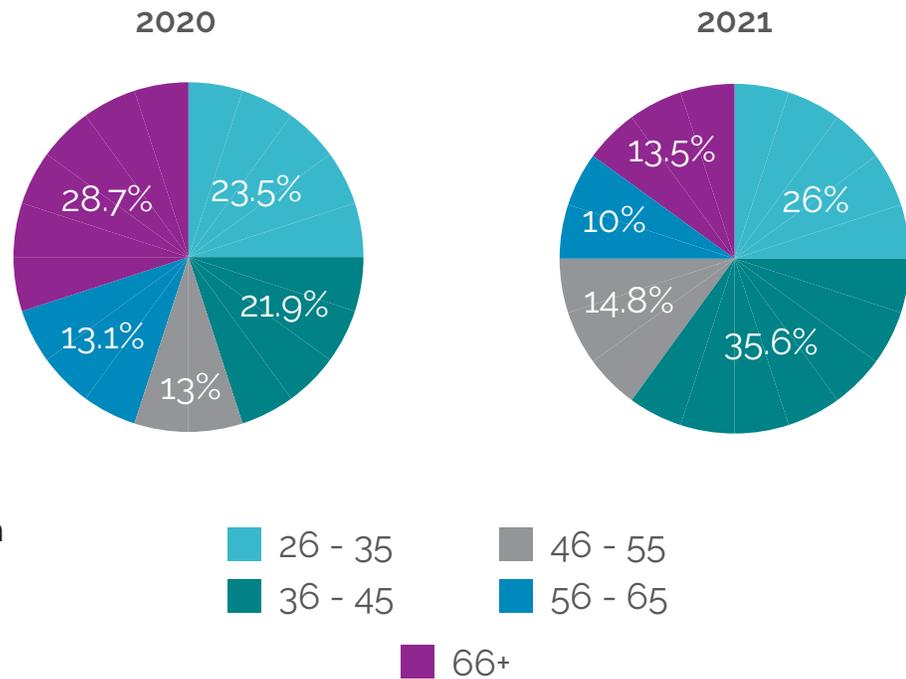
Age + income level



The charitable landscape has changed as we have crossed through generations. Older generations have a lifetime of donating, therefore are the most targeted. However, younger generations are eager for education on foundations and will research where their money will go when donating to a cause. Our data shows that younger generations are not targeted as much as older generations are even though the data shows that younger generations should be a prime target for outreach. These would be good Grateful Patient targets whereas older generations do not appear to be as receptive to this experience.

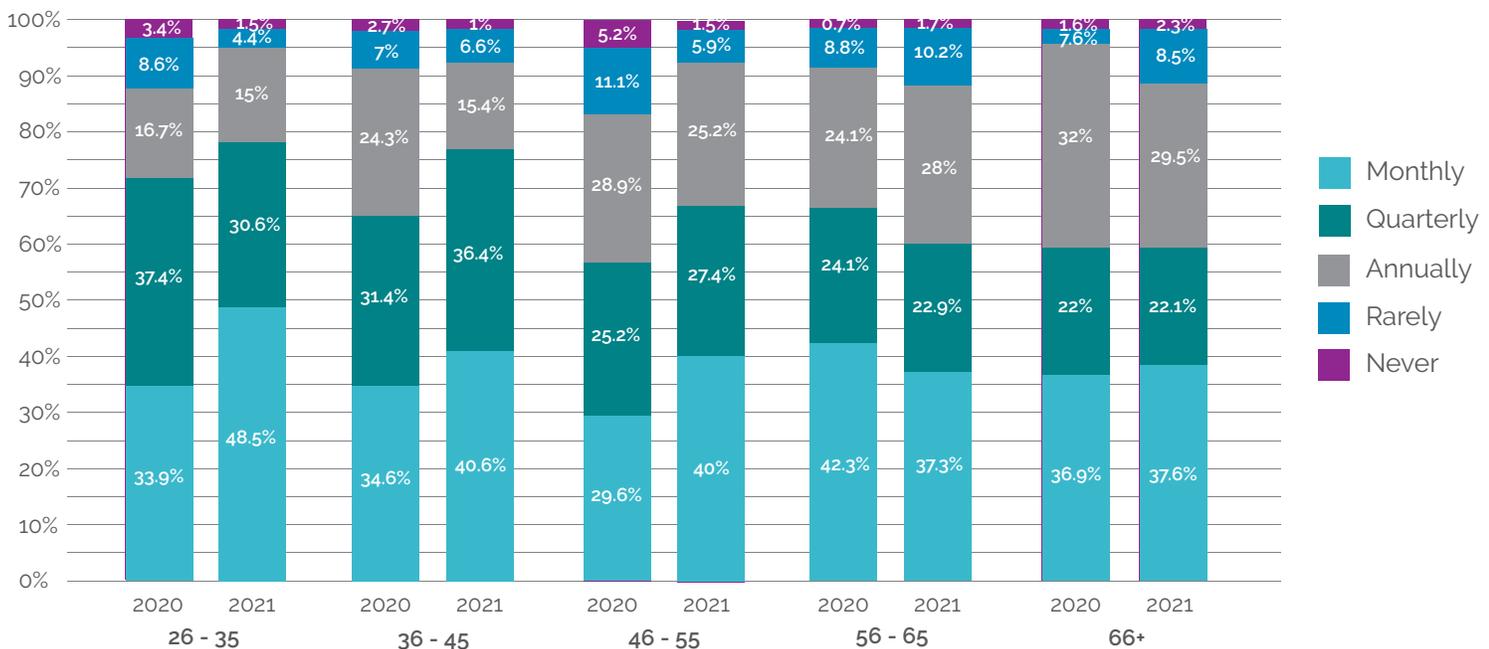
The likelihood to donate rose in the two younger generations by 35.7% in 2021. However, according to the data in chart 13, **awareness about and involvement in the foundation for the two younger generations only rose by 5.4% and 1.8%, respectively.** Improving awareness to the younger generations could be more fruitful since they are more likely to donate. Additionally, **the likelihood to donate for those that are over the age of 66, dropped significantly by 112.6% which corresponds to chart 14 that shows that their awareness of the hospital foundation dropped by 56.2%.**

Age + likelihood to donate



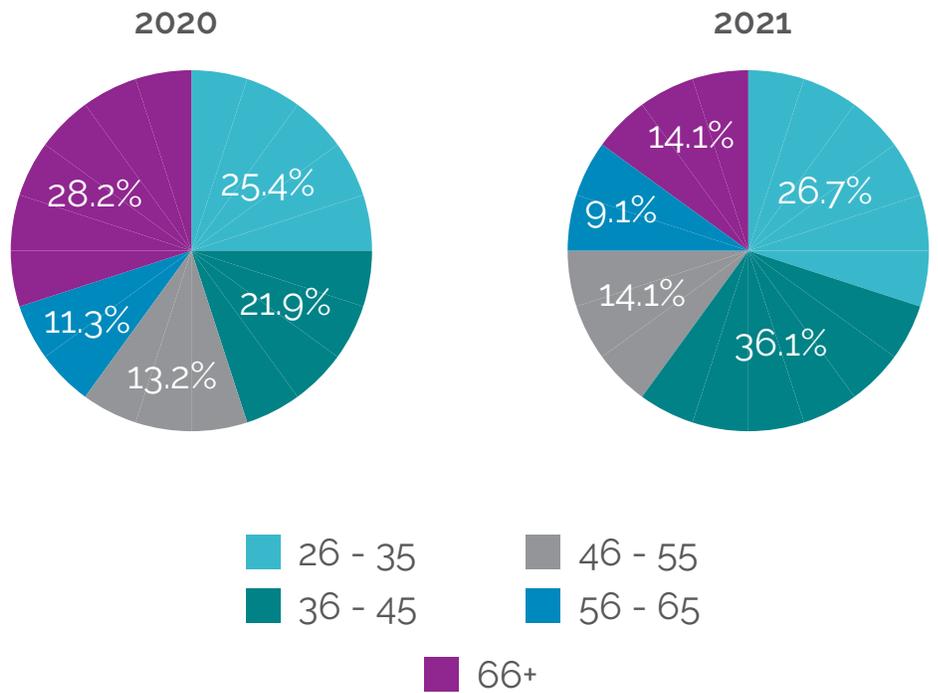
The frequency of donation by the under 55 years old age groups changed from 2020 to 2021 which is most likely a result of COVID-19 when non-major gift donations flooded hospitals. One example is that **those who would rarely or never donate decreased by 30%. Monthly donations increased for those under 55 years by 31.6%.** Additionally, younger generations are more likely to donate more frequently while older generations are more likely to donate in longer installments. This further shows that donors are more likely to donate for mid-level giving vs. annual giving.

Age + frequency of donation



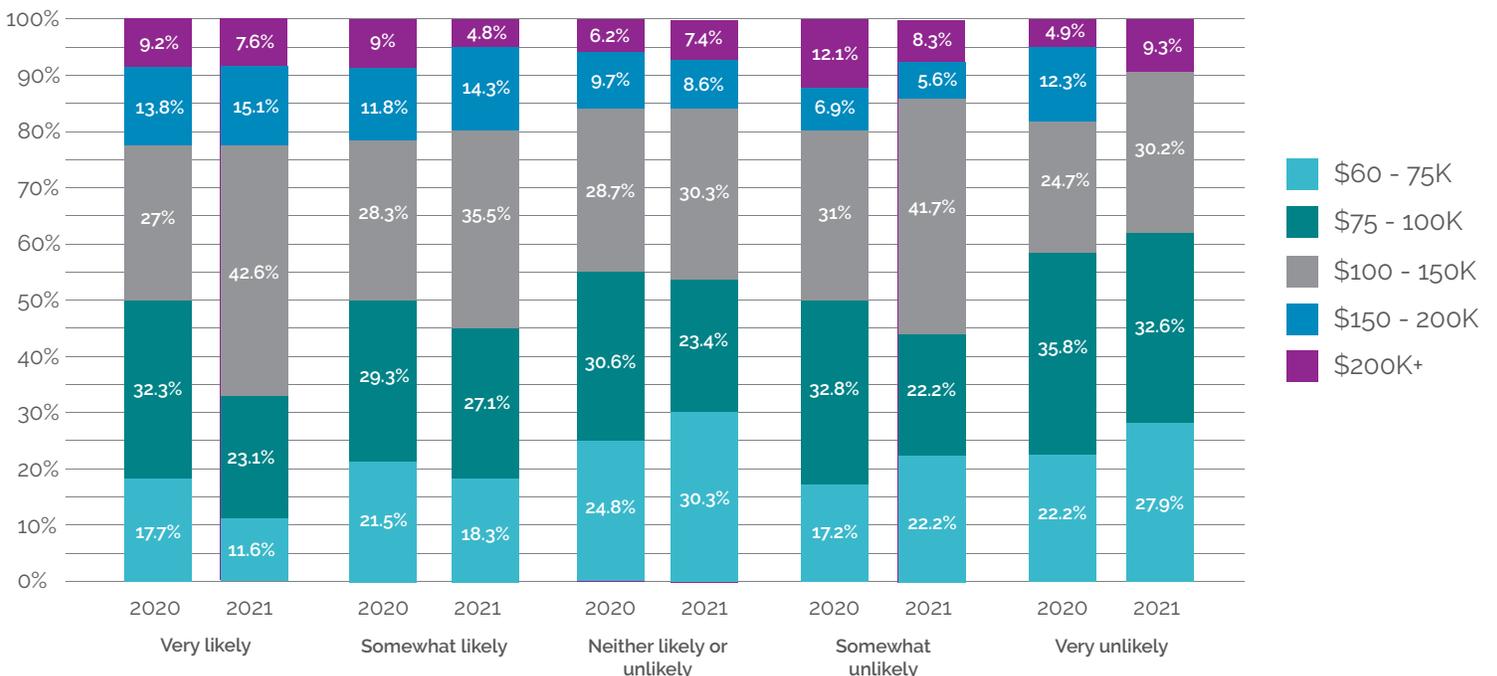
Age + past donation to a hospital

Another new data point shows that there was a **27% increase for donating to hospitals for those 55 years of age or younger**. The older generations (56+ years old), saw a decrease of 70.3% with **those over the age of 66 seeing a 100% decrease from 2020**. It is important to establish brand equity with older generations to compete against other well-known, non-profit organizations.



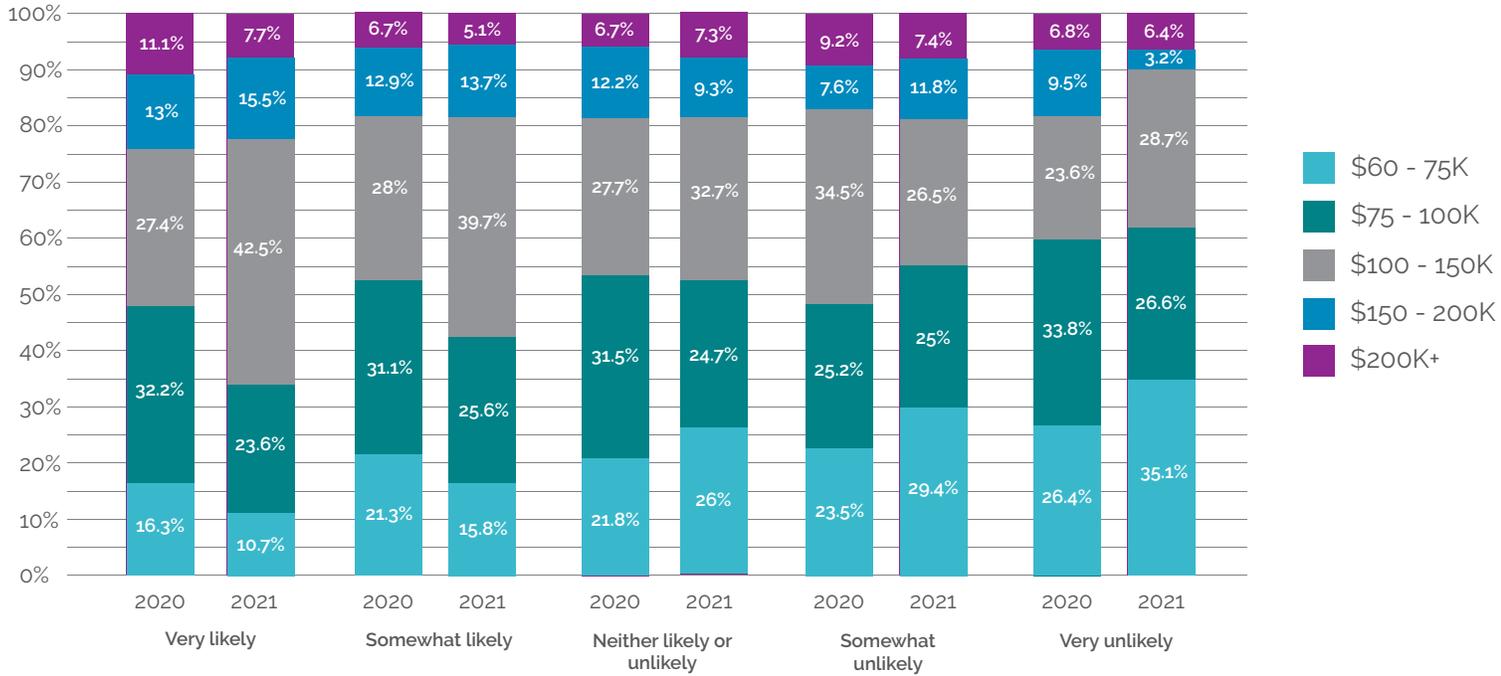
In 2021, households with an annual income of more than \$100K, saw a 21% increase in the likelihood to donate for a positive care experience. However, **households with an annual income of \$100 – 150K saw a 41.2% increase in likelihood to donate for a positive care experience while those households with an annual income of less than \$100K saw a 25.8% decrease in likelihood to donate**.

Household income + likelihood to donate for a positive care experience



When asked about the likelihood to donate over the next three years, households with an annual income of more than \$100K saw a 25.3% increase in likelihood and a decrease of 8.6% unlikelihood to donate over the next 3 years. **Households with an annual income of \$100 – 150K saw a 48.4% increase in likelihood to donate.** However, **households with an annual income of less than \$100K saw a 33.3% decrease in the likelihood to donate over the next 3 years.**

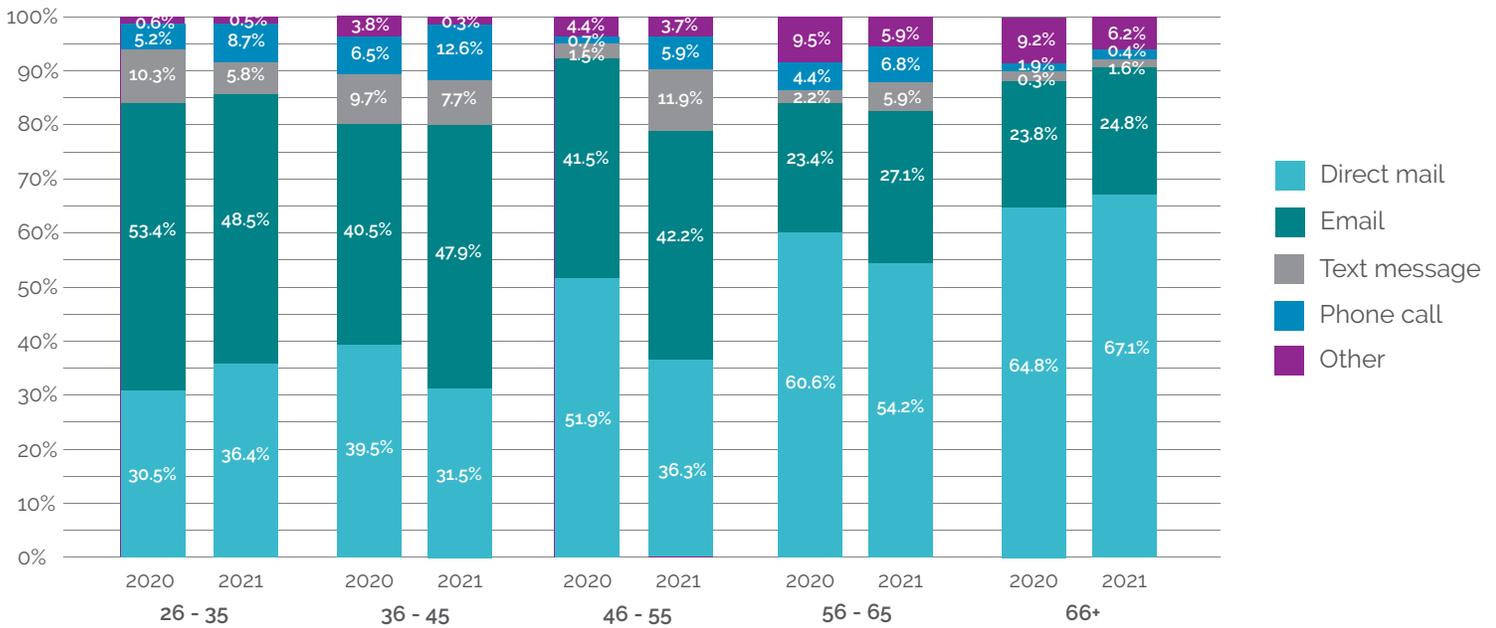
Household income + likelihood to donate over the next 3 years



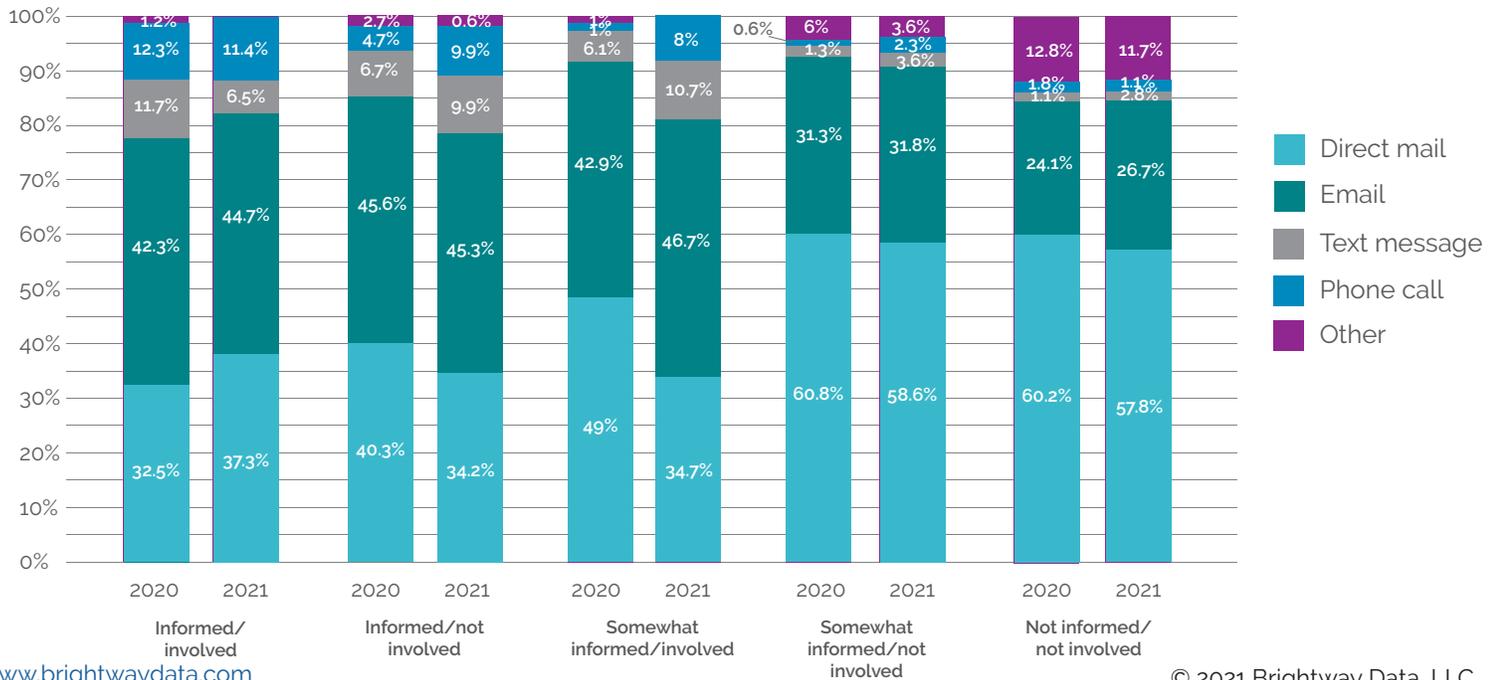
4. Preferences for communications methods are evolving away from direct mail



In the 2020 survey, direct mail was the preferred method of communication by older generations whereas email was the preferred method of younger generations. In 2021, the preferred methods of communications changed away from direct mail for most age groups (9.7%). Although, the survey showed shifts in the total respondents to a higher preference for phone calls, the percentage of shift is amplified by the lower number of patients interested in phone calls in both of our annual surveys. The preference for electronic outreach for hospital foundations is increasing. This shows that as companies became creative with outreach during the pandemic, consumers are fatigued with traditional outreach methods and may prefer a more personal touch.



In 2021, for those participants aware about their hospital foundation, the **preference for direct mail fell 10.8%**. For all groups, while **direct mail was the only channel to see a decrease (9.1%) since 2020**.



Conclusion

The ongoing pandemic has challenged most industries. However, it presented an opportunity for the healthcare philanthropy landscape. This pandemic has reinforced the need for widespread support of community-based hospitals and their foundations. The findings of this survey, once again, showed a groundswell of support from patients and donors that include mid-level donor opportunities that hospital foundations should prioritize.

Additionally, the data shows us that foundations should engage patients to share the foundation's mission and objectives in a consistent and routine manner emphasizing electronic outreach methods for lesser amounts more frequently. By engaging and educating these stakeholders within the community, a foundation can build ongoing, fruitful relationships that support and publicize the health system's mission which will improve overall community health.

Finally, it is important to intelligently segment patient census data on behavioral factors to show an economic way to approach all the different types of donors through preferred communication channels. The data shows that middle income households are the most active donors within their communities so attention should be given to those prospective donors.

About Brightway Data

Brightway Data empowers non-profit organizations with intelligent predictive philanthropy screening that identifies overlooked populations of donors that have a high propensity to donate based on behavioral indicators. Formed from the innovative analytic work of PARO Decision Support which is the leading provider of charity care predictive models and revenue cycle solutions for healthcare, serving over 1,200 hospitals and health systems nationwide. Brightway Data's Giving Score not only identifies new donor opportunities but also creates order in patient data. For more information, visit www.brightwaydata.com.