



Best Practices for an "American Friends Of" Program

Research Methodology

Research Question

What are best practices to attract, involve and maintain relationships with American donors for non-American organizations?

To investigate this question, we conducted the following research:



Past ABA proprietary research:

- Fundraising in the U.S. for Non-US Organizations
- Redefining the Donor Value Proposition



Interviews with 5 organizations Interviews with 2 donors -----



Secondary research to gather general information on AFOs and additional contextual data

Our interviews covered the following topics:

- History and goals of "American Friends of" programs
- What success looks like for these programs
- Benefits for American donors
- Maintaining the relationship with oversea donors
- Staff composition and capabilities
- Relationship with the home organization
- Tactical elements for fundraising
- Donors' interests and reasons to donate
- Donors' experiences and preferences

Research Participants (Organizations)



American Friends of Covent Garden London, UK - New York, NY



American Friends of the Louvre Paris, France – New York, NY and Los Angeles, CA



American Friends Paris Opera & Ballet Paris, France - New York, NY



Friends of the Uffizi Gallery Florence, Italy - Palm Beach, FL



Patrons of the Arts in the Vatican Museums Vatican City - various US cities

Lessons Learned

- 1. The first step in building an AFO program is to identify what makes you and unique and appealing to U.S. donors
- 2. AFOs are most successful when they fundraise for a specific project or to fulfill a tangible need (as opposed to fundraising for general operating funds)
- 3. While being welcoming to everyone, most programs focus on high-end donors, particularly when they start, as this has the highest return, can be managed by a small team, and avoids complexity
- 4. High-end donors want to feel 'part of the family' and building a strong personal relationship is critical often their contributions will increase over time as they become more connected to the organization
- 5. Benefits are also important and the most important one is special access, often achieved through trips either within the US or back to the home organization
- 6. AFO's also have more 'traditional' membership programs with benefits focused on lower-level giving, although they typically invest less resources in these programs

Lessons Learned

- 7. Historically, the focus of AFOs has been New York, and to a lesser extent Los Angeles, but increasingly they are realising that the market is very 'crowded' and that there are opportunities in other areas with wealth (e.g., Texas, Florida)
- 8. The right in-U.S. organization is the key to success, including a strong Chairman, Executive Director, staff and tax/legal skills
- 9. The most successful AFOs have a very close relationship with the home organization and the CEO of the home organization is very involved in the AFO program
- 10. AFOs need to be constantly renewed and re-energised, in particular by evolving and adding new Board members and geographies
- 11. Partnerships present a real opportunity in setting up an AFO program not directly as a source of funds, but as a way to build the donor network, have access to facilities for events within the US, etc.
- 12. With the exception of one-time large gifts, the organizations we talk to typically raise \$2-3m per year from their AFO programs. We think that this is a reasonable target for a new major cultural institution after 2-3 years of operation.

1. Identify What Makes You Unique and Appealing



The US fundraising environment is extremely competitive – the AFO program is not competing solely with peer artistic and cultural institutions, but also with the other charities that potential donors can be interested into. For this reason, identifying what makes you unique and appealing to US donors is the first step to build a successful campaign.

Some example from our interviews:



Heritage: The Friends of the Uffizi Gallery relies greatly on the concept of Italianess - it not only attracts nostalgic expats, but it also seduce those Americans that love the country and want to feel closer to it even when not there.



Values: Shared values are often what draws donors in in the first place. This is particularly true when the recipient of donation is a religious institution, such as the Vatican Museums. To that, the Patrons of the Arts in the Vatican Museum (PAVM) adds the fact that the Vatican is unique, as the museums do not receive any public funding for restorations.



Common ground: The Musée d'Orsay has established strong relationships with Americans who own Impressionist art and want to be associated with the "home" of Impressionism.



Strengthen relationship with the US: American Friends of Covent Garden underlines how the program was born to foster the relationship with the US by bringing The Royal Ballet to American cities and by welcoming Americans in London.

2. AFOs Most Successful When They Fundraise For a Specific Project

Converting the organization's needs into a project portfolio boosts donor engagement and satisfies multiple requirements – it makes the donors feel heard, it helps building loyalty over multi-year projects and, if the projects are opened to non-members, it attracts new donors. As to do so, AFOs should engage in conversations with the donors as to understand their preferences and diversify the portfolio to appeal to different sensibilities. Best practice is to offer 2-3 projects that remain consistent over time and to include projects beyond performances that are more 'permanent' and lasting in nature.



A variety of projects: a donor's interest in less attractive projects was satisfied when the American Friends Paris Opera & Ballet proposed them to fund the construction of a rehab medical facility for the Opera's dancers.



Donors' requests and passions: besides selected restorations, American Friends of the Louvre's donors can ask to donate for a specific project of their liking. For example, a donor recently funded the restoration of The Louvre's pastels collection. Similarly, a donor who is passionate about nature, art and music recently funded the restoration of the Amphitheater of the Boboli Gardens in Florece, through the Friends of the Uffizi.



Choosing according to budget and preference: each year, the Vatican Museums share a "wishbook" with the works of art they would like to be restored (in order of importance), from which their American Patrons can choose from.

3. Most Programmes Focus on High-End Donors



AFOs may attract a wide range of donors, especially if it is a renowned institution worldwide. Most programs focus on the high-end donor while making it easy for people to give at a lower level. Particularly early-on, this allows AFOs to focus their efforts on the area with the highest return with a limited staff.

Below \$ 10.000

Low-end donors are usually not among the main targets of AFO programs. However, wealthy people are not the only ones who care about art and culture.

Giving the possibility of memberships or one-off small donations might not have a significant financial impact, but it could in terms of reputation.

For example, The American Friends of the Louvre offers the possibility to donate small sums directly from their website.

\$ Tens and Hundreds of Thousands

Depending on the structure of the organization and the benefits that can be offered, AFO usually propose multiple levels of memberships or projects to support.

Every organization is very different when thinking about donation amounts. According to the strategy, what an organization may consider a modest contribution, another might perceive as a substantial gift.

4. High-End Donors Want To Build a Strong Personal Relationship

Best practices

- Establish a personal relation and make them feel "part of the family"
- Make them feel special and their donation highly valuable (no matter the amount)
- ✓ Show them where the need is and which changes their money are going to bring
- Keep them updated about the evolution of the projects and be thorough in your correspondence (e.g., phases of a restoration they financed)
- ✓ Invite them to special or exclusive events

Risks

- Take their help for granted
- Make them feel like you are only interested in their money
- Think that their love for the artform is enough for them to donate
- Ignore their preferences
- Think you can connect with them only at your home organization (i.e., not having events in the US)

5. The Most Important Benefit is Special Access



Even though the donors we interviewed give more value to the sense of belonging, they also highlighted the importance of tangible benefits. In fact, they keep the relationship lively and relevant, especially when they can be enjoyed in the donors' homeland. Benefits are particularly appreciated only when they bring value and knowledge.



Special Access

Dedicated experiences – otherwise not accessible – are the most appealing. These can include: backstage tours, meetings with artists and management, visits on closing days.

The AFO the Louvre and the Friends of the Uffizi also collaborate with their own donors, who host dinners and visits to their private collections



Learning and Trips

Cultural trips to the main organization's location are highly successful. To offer a similar learning experience at home, AFO associations organize visits to partner museums and theatres, as well as talks and meetings with esteemed guests



Event:

Elite events such as galas and dinners may not be as relevant as other benefits, but help in creating a sense of community and in networking

6. AFOs Also Create Traditional Membership Tiers for Lower Giving

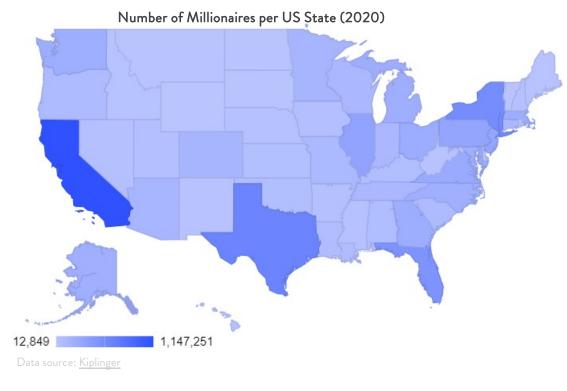
In addition to high-end donors, AFOs also offer lower range traditional memberships to which, however, they do not invest as much resources. Typically, AFOs offer between 3 and 5 membership levels which range from about \$800 up to \$25.000, with higher memberships doubling the gift of the preceding ones. Such memberships can be used to fund the everyday activity of the organization and they include in-location benefits that are similar to the domestic membership programs.

Vatican	Louvre	D'Orsay	Uffizi	Covent Garden	Paris Opera
Standard Clergy \$250 Individual \$600 Family \$1,200	Patron -\$1,000or more (2 plp)	Sponsor -\$1,000	Lippi - \$500	Friend - \$800	Friend - \$1,000 or above
Restorer Individual \$1,200 Family \$2,400	Patron's Circle -\$5,000 or more (2 plp)	Patron -\$2,500	Raffaello -\$1.000	Supporter - \$1,700	Supporter - \$2,500 or above
	Chariman's Circle - \$10,000 (2 plp)	Benefactor -\$5,000	Botticelli - \$5.000	Benefactor - \$ 3,650	Patron - \$5,000 or above
	International Council - \$25,000 (2 plp)	International Collector - \$10,000	Michelangelo - \$10.000	Patron - \$ 8,000	
		Chariman's Circle -\$20,000	Leonardo- \$25.000		

*The full description of AFOs' memberships is available in the Appendix section.

7. Historically, The Focus of AFOs Has Been New York

While numerous factors come into play when selecting the ideal launch point of your fundraising activity, such as where potential donors might live and how crowded the market is ultimately the key differentiator lies in the chairman's and board's network.

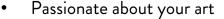


- New York and Los Angeles are often the starting point of many charities (and AFO programs) because of the amount of wealthy people living there.
- However, this also creates an overcrowded environment, where donors receive dozens of invites to donate.
- Once the organization has become acquainted with the fundraising environment in the US, it can consider other locations (e.g., Texas, Florida, San Francisco, Chicago).
- This is reflected in the fact that after New York and California, the States with the largest registered charities are Texas, Florida, Pennsylvania, Illinois and Ohio.

8. The Right in-US Organization is The Key To Success

The most important people at the AFO are Chairman and the Executive Director. The former has the power and the position to attract new donors, the latter keeps the organization efficient.

Chairman





- Has a wide social network and is willing to leverage it
- American or has been living in the US for a long time
- Knows how philanthropy works in the US and how benefactors behave
- Charismatic leader
- Can devote real time to the endevour



The board members are the primary method to identify and cultivate new donors. A new AFO should start with 3 board members and evolve during the following years to welcome new members. Once the AFO reaches a maturity level, the board will be impacted by the strategy and the activity of the program.



- American or has been living in the US for a long time
- Knows how philanthropy works in the US and how benefactors behave
- Dedicate to their role (preferably full-time)

- Highly knowledgeable about fundraising practices and styles in the US
- Energetic.

Staff



AFOs organizations usually have a limited paid staff, most of the times just one person, the ED (and up to 7 in more complex organizations). In fact, often AFOs hire contractors that help the organization to be compliant with fundraising and administrative laws. However, it is advisable that a staff or board member is knowledgeable about those matters as they can be invaluable in supporting the Executive Director and providing guidance.

American Friends of the

9. Have a Very Close Relationship With The Home Organization...



For an AFO program and home organization to remain strategically aligned in fundraising goals and direction, there must be a strong relationship between the staff of both entities. Communication is strongly advised to occur on a frequent cadence, even as much as daily.

Keys to a Successful Relationship

- AFO programs thrive when staff are based in the US and are educated in the culture of US philanthropy
- Local staff are more effective at consistent cultivation than when abroad
- Avoid over-reliance on volunteers, especially regarding legal compliance and donor cultivation. AFO programs do not operate successfully on a hobbyist approach
- Ensure that staff are professional fundraisers with a deep understanding of the US culture of giving. What US donors want can be very different compared to your donor base at home. For example, Americans expect a direct ask which can be initially uncomfortable for non-US development teams
- Carefully nurture the relationship between the mother organization and the AFO staff
- AFO staff often feel isolated in the US and can lack essential information unless given frequent updates
- 501(c)(3)s and intermediaries are legally required to make independent fundraising decisions from the home organization; strong communication is necessary to ensure staff alignment and prevent mistrust
- In most successful organizations CEO of home organization plays an important role.
- The director of the Uffizi participates in most events organized by the AFO and personally decides which restorations to prioritize
- The director of the Louvre serves as President of AFL, collaborating closely with the AFL Chairman.
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... But the Balance Between Them Needs to Be Carefully Defined



One of the most fundamental questions when creating an AFO program regards the relationship with the home organization. Here are three successful models from our interviews:

Closely-aligned organization	Framework Agreement	Very independent organization
While the Friends of the Uffizi is an independent organization, it is very closely aligned with home organization.	AFO the Louvre adopted a framework agreement that defines the terms and degree of involvement of the home organization with the AFO.	The Royal Opera House and the Paris Opera & Ballet use a different approach with their AFO organizations. The AFOs are independent in their decisions and
The director of the Uffizi participates in most events organized by the AFO program and personally decides which restorations to prioritize.	The participation of the museum's director goes beyond their presence at important events. The director of The Louvre is also president of the AFO board.	management of the organization. However, they have a constant communication, and the home organization participates in the board meetings.

10. AFOs Need To Be Constantly Renewed and Re-Energized

AFO programs typically exhibit a burst of energy and creativity during their inception and continue to thrive for approximately five to seven years. However, AFOs may experience a decline in effectiveness along the way, often accompanied by board member fatigue.

BEST PRACTISES TO MINIMIZE THE RISK OF GETTING TIRED

- Chairman Rotation Rotation will ensure that they have the time and remain energized. AFO can consider an Emeritus position to keep former Chairman connected with the organization.
- Board Member Rotation Including new and younger board members or appointing a new Executive Director can serve as a strategic means to rejuvenate the program with fresh energy and ideas.
- New Projects The stronger the relationship is with the home organization the higher range of new projects can be offered to existing and new donors
- Events To revamp the emotional connection between the members of the board, consider organizing entertaining events exclusively for them.



11. Partnerships Present a Real Opportunity

Although board members have great capacity in cultivating donors, new donor relationships can also be obtained from partnerships with home organizations. These partnerships can also provide crucial resources when holding events in the US. There are two common partnership/collaboration types among AFO programs.



Joint Collaborations with US Arts Organizations

Peer support in the US can not only host the home organization when it visits the US but also serve as easy-to-access and interim membership perks in between US performances/exhibitions.

For example, Musée d'Orsay relies on curators from the home organization who also presented shows at MoMA. As a part of the membership package, American members were taken on special curator-led tours at MoMA in between Musée d'Orsay-specific events.



Out-of-Industry Relationships

Partnerships should be strategic as well as creative. Not only should AFO organizations seek after corporations with ties to the home country, but they should be broad-minded about non-arts partners whose assets can be tailored to various operational needs.

For example, AFO the Louvre collaborates strongly with LVHM and has organized events with Air France and Sotheby's.



12. AFOs Can Typically Raise \$2-3m Per Year Excluding One-time Gifts



According to the information shared in our interviewees, their AFO programs can raise about \$2 to 3 million per year. This excludes major one-off gifts which they can also generate.

- Annual revenue from donations also depends on the maturity of the AFO. Low-maturity programs should expect to generate between \$100k-\$500k per year, medium-maturity programs between \$500k-\$800k and high-maturity programs between \$800k-\$3m
- Some high-maturity programs reach such amounts thanks to a few donors, others thanks to 50+ donors
- Most contributions happen in the fall, once the fiscal year ended and the new artistic season is launching
- Special gifts make the revenue higher, but AFO should not expect them to happen regularly.

The Amphitheater at Boboli Gardens will be restored thanks to a one-time gift of \$4,8m



Similarly, the Musée d'Orsay is undergoing a 10-year redevelopment thanks to an anonymous donation of €20m.



Thanks to a \$2.3m donation in 2021, the Louvre was able to create a second fellowship within the Departments of Near Eastern Antiquities and Islamic Art.





Transforming Arts Organizations Worldwide

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APPENDIX

- Memberships Young Memberships Donors' Experiences

Appendix: Memberships - American Friends of Covent Garden



Friend	Supporter	Benefactor	Patron
\$800	\$1.700	\$3.650	\$8.000
 Priority ticket requests Invitation to Season Preview presentation Recognition on website 	 Friend benefits plus: Booking ahead of Friend Priority booking to Galas Cocktail reception on first night of AFoCG-supported production 	 Supporter benefits plus: Booking ahead of Supporter Private backstage tour Priority bookings to events Special events in London and New York 	 Benefactor benefits plus: Highest priority advance bookings to performances and dress rehearsals Personal ticket service Possibility to purchase tickets for the Royal Box + dinner Meetings with artists and management Advance invitation to events in London and New York Recognition in Season Guide

Appendix: Memberships – American Friends of the Louvre



Membership	Gift	Admission	Events in France	Events abroad	Other
Patron	\$1.000 or more (2 ppl)	Free		Invitations to US events	Discounts to museum's shops and restaurants
Patron's Circle	\$5.000 or more (2 ppl)	Free	Invitations to events at the Louvre	Invitations to US events	Discounts to museum's shops and restaurants
Chairman's Circle	\$10.000 (2 ppl)	Free	Invitations to annual trip to France and to events at the Louvre	Invitations to US events	Discounts to museum's shops and restaurantsPersonal assistance
International Council	\$25.000 (2 ppl)	Free	Invitations to annual trip to France, to annual trip to the museum's partners and to events at the Louvre	Invitations to US events and to trip in the US	Discounts to museum's shops and restaurantsPersonal assistance

Appendix: Memberships - American Friends Paris Opera and Ballet



Friend	Supporter	Patron
\$1.000 or above	\$2.500 or above	\$5.000 or above
 Priority booking to best seats (2 tickets) Use of private Patrons salons Access to gala and events Opportunity to join trips Opportunity to join cultural events (conferences) in New York Recognition on AFPOB website 	 Friend benefits plus: High priority booking to premium seats (4 tickets) Special member tickets to AFPOB events Access to trips exclusive for AFPOB members 	 Supporter benefits plus: Prime priority ticket service Possibility to support specific projects Invitation to dress rehearsals (twice per year) Backstage tours (once per year, for 5 people) One complimentary ticket to AFPOB events per year Recognition on Paris Opera programs Preferential rates at top hotels

Appendix: Memberships - Friends of the Uffizi



Membership	Gift	Admission	Recognition	VIP Events	Private tours
Lippi	\$500	One admission	Annual report and online		
Raffaello	\$1.000	Annual, family	Annual report and online		
Botticelli	\$5.000	Annual, family		In Florence and abroad	Of the gallery, with an art historian
Michelangelo	\$10.000	Annual, family			Of the gallery and the Vasari corridor, with an art historian
Leonardo	\$25.000	Annual, family	On a restored artwork		Of artworks under restoration, at the gallery and at the repository (with an art historian)

Appendix: Memberships - Patrons of The Arts of The Vatican Museums

	CONTRACT
2	
_	PAVM
	Patrons of the Arts in the Vatican Museums

Standard	Restorer
Clergy \$250 Individual \$600 Family \$1.200	Individual \$1.200 Family \$2.400
 Special Patrons Welcome Letter and Packet Digital Membership Card Discounted pricing for the PAVM Insider's Course and in the gift shop Invitation to join Rome Chapter Trips (once every 3 years) Exclusive guided Patrons Group Tour of the Vatican Museums Email instructions to request Papal Audience tickets Communications Local Events 	 Standard benefits plus: Patrons' Pin & special Welcome Gift from the Chapter Exclusive Patrons Group Tour with guide and access to the restoration labs or the Vatican Gardens

^{*}only major benefits have been listed. For more info: check-out the AFO's website

^{**}different PAVM chapters present different membership levels

Appendix: Memberships – American Friends Musées d'Orsay et de l'Orangerie

Membership	Gift	Admission	Private tours	Events abroad	VIP Events
Sponsor	\$1.000	4 one-time VIP passes	Invitation (2ppl), once per quarter		
Patron	\$2.500	4 one-time VIP passes	Complimentary (4ppl), once per year + invitations to monthly tours and visits	Tours and visits in the US + international art fairs	
Benefactor	\$5.000	6 one-time VIP passes	Complimentary (4ppl), twice per year		VIP invitations to openings + priority registration Weekend in Paris gala
International Collector	\$10.000		Complimentary (6ppl), twice per year	Invitations to all events + priority registration to all AFMO trips	Invitations to in-museum events + priority registration Weekend in Paris gala
Chairman's Circle	\$20.000	Priority, before-hours, on closing days	Tailored (8ppl), per semester and per museum	Invitations to all events + priority registration to all AFMO trips	Invitation to all events + priority registration Weekend in Paris gala

^{*}only major benefits have been listed. For more info: check-out the AFO's website

Appendix: Young Memberships



	AFO Musées d'Orsay et de l'Orangerie	AFO L	ouvre	Patrons of the Arts of the Vatican Museum
Membership	Avant-Garde	Young Patrons Circle Member	Young Patrons Circle Benefactor	Junior Membership
Age	24-45 years old	21-40 years old	21-40 years old	Under 35 years old
Gift	Single \$400 Couple \$750	Single \$500 Couple \$850	\$1.000	\$250
Benefits	 Skip-the-line, before-hours admissions Weekends in France and Europe Three Avant-Garde events per year (Paris) Invitation to fundraising Gala event and private viewing event 	 Free admissions to the Louvre Free admissions to art fairs Invitations to events and visits in New York Discounts at the museum's shops and restaurants 	 Young Patrons Circle Member benefits, plus: Invitation to selected events of the Cercle de Mécènes in Paris Opportunity to organize tailored tour of the museum Recognition on donors list 	All Standard benefits

^{*}only major benefits have been listed. For more info: check-out the AFO's website

Appendix: Donors' Experiences

	DONOR 1	DONOR 2
What causes do you support?	Creative organizations (high quality or with attention for kids)	Creative organizations, universities (research on human healthcare) and animal healthcare
How much do you give?	Between \$10k and \$50k per year	Around \$500k per year
How long have you been donating?	4 years	1 year
Why do you donate?	To support undervalued art forms; for AFO to make art forms global;	To make a difference for the next generation; to spread knowledge;
What do you dislike?	Variations of treatment depending on how much you donate	N/A
Any issue you are experiencing?	 Determining how much to give to each organization per year Defining protocols (which will allow them to donate more) 	N/A
What do you expect from an AFO?	Many benefits and entertaining events in the US.	Make donating meaningful, not just optimizing the way they raise money

Further Reading: ABA Proprietary Research





Fundraising in the U.S. for Non-US Organizations



Fundraising in the U.S. for Non-US

Organizations

Redefining the Donor Value Proposition

Note: the above research is accessible to ABA members only.