

## Museum of London – Micro-consultancies Income generation

### Statement of Findings: Lessons learned & future support needs March 2013

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#### 1. Introduction

This Statement of Findings summarises the lessons learned from the Museum of London Income generation micro-consultancies delivered by Hopkins Van Mil in the period January-March 2013. It should be read in conjunction with the Final reports produced for each museum at the end of the consultancy period.

The Museum of London's programme offered training and mentoring support to the following museums:

- Barking and Dagenham Heritage Services
- Bexley Heritage Trust
- Gunnersbury Park Museum
- Grant Museum of Zoology
- Estorick Collection
- British Dental Association Museum

All six museums had expressed an interest in strengthening their work in income generation, sponsorship and / or developing a vision. Each of them attended a training session on Individual giving and sponsorship and received 2 days of mentoring support, including other target interventions, such as tailored workshops with Friends, Trustees, and attendance of stakeholder meetings.

#### 2. Lessons learned

Hopkins Van Mil's work with the museums mentioned above has confirmed the main findings in NCVO's report (August 2012) *Income generation in London's non-national museums*, in particular:

- Most museums are reliant on one main source of income which makes up more than 50% of the total revenue
- Income from fundraising and donations is relatively small
- Corporate sponsorship is not common
- None of the museums receive significant income from copyright or licensing of their images
- There is limited time / resource available to facilitate income generation
- There is Low awareness of the potential of existing Friends / Members
- Museums are often chasing their tail rather than consciously prioritising income generation / fundraising opportunities
- There is an extremely low take up of online fundraising / income generation opportunities

In addition, the programme has revealed that,

- Agreement about the museum's vision and unique selling point is at the heart of all effective income generation. Staff and stakeholders need to feel inspired to advocate and fundraise on the museum's behalf using agreed messages which articulate the USP towards potential donors / funders
- Building on this, it is essential that museums agree a general fundraising message for display around the museum and in all communications, which provides an answer to the question 'Why do we need to fundraise?' Generic fundraising messages will be accompanied by tailored messages in support of specific fundraising campaigns.
- Most museums lack efficient and user friendly payment methods on and off-line, including direct debits for renewal of membership and subsequent allocation of budget codes

- On the other hand, all museums are aware of the opportunities offered by Gift Aid and the majority claimed Gift Aid in 2012-2013
- Prioritising work areas is essential. In a time of budget constraints and stretched resources museums must stop doing activities which are loss making and focus on areas of income generation with the highest cost-benefit ratio, starting with an analysis of the performance of current assets (i.e. retail, café, hiring arrangements)
- There is low awareness of the potential of Friends and Membership schemes. Some Friends' schemes are very autonomous and their support on paper doesn't always translate into practical action. Other membership groups lack a sense of direction and belonging. Museums are not in the position to sit back and wait. For income generation purposes (as well as marketing and audience development reasons) they need to build on the support of Friends to make new Friends and grow their supporter base. Museums need to exercise power and gain influence to ensure Friends / Members do what they need them to do.
- Donation boxes are often overlooked as a low cost investment to generate more income and get the message out that without additional funding the museum can not continue delivering the services it currently offers.
- Most museums lack consistent methods of tracking stakeholders and capturing data on individual donors; using a stakeholder map is a simple solution and should become common practice.
- Corporate sponsorship is perceived as a panacea. All museums have expectations of sponsorship but none are in the position to start developing corporate relationships as long as they haven't developed a base of individual supporters.

### 3. Future support needs

An evaluation of the programme demonstrated that most museums found the mentoring support provided very useful. As they are short of time to take on new challenges participants felt reassured being taken on a journey which put in place some of the building blocks for successful income generation in the future.

Some felt the programme was too short and that they would have benefitted from more mentoring visits:

*'Training was excellent as was visit and email support. I would have liked more visits.'*

*'The outcomes were only limited by time and resources. Very good as far as it went, however I really needed a bigger consultancy to look at all the income generation possibilities for this museum.'*

*'I only wish we had had more of you...'*

The museums told us that their future support needs range from:

*'Help in developing a fundraising strategy to feed into a new forward plan',*

to

*'Testing if 'a café in the museum and weddings in the state rooms would provide enough income to be worth sacrificing the gallery space.'*

Based on the lessons learned HVM recommends that it would be useful if targeted support was made available to help museums to:

- Capitalise on the opportunities offered by online retailing and fundraising (crowd sourcing)
- Develop a strategy for the exploitation of copyright and licensing of image rights

Hopkins Van Mil  
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