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87% of Major Fundraising Events Held by JDRF and the ADA Promise a Cure

Conclusions:

- The ADA and JDRF generate a significant portion of their annual revenue from “franchise” fundraising events, which include nationally organized galas, walks, and rides that are held by local chapters across the United States.
- 88% of donors say raising money for cure research is the most important reason they participate in fundraising events. Event messaging reflects donors’ desire to support a cure, but the organizations’ actual use of funds does not.
- Despite the overwhelming use of a cure message at major fundraising events, only a minority of the proceeds are actually used for cure research at JDRF and the ADA.

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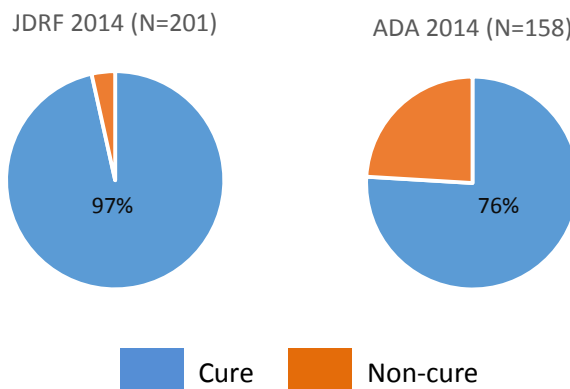
87% of Major Fundraising Events Held by JDRF and the ADA Promise a Cure

This report analyzes the messaging used to promote major fundraising events at the ADA and JDRF, the two largest charitable funders of type 1 diabetes research. Both organizations depend on donor contributions to generate over \$400MM in combined annual revenue. Major fundraising events are crucial because they generate two-thirds of donor contributions to JDRF and one-third of donor contributions to the ADA.

For our analysis we reviewed the marketing materials used to promote each of 359 “franchise” events that the ADA and JDRF will host in the U.S. in 2014. These nationally coordinated events include galas, walks, and rides held at over 100 of the organizations’ chapters across the United States. Examples include JDRF’s *Walk to Cure Diabetes* (recently renamed *JDRF One Walk*), the ADA’s *Step Out Walk to Stop Diabetes*, and JDRF’s *Promise Galas*.

Consistent with previous report findings, an overwhelming majority of these events solicit donations and encourage participation with the promise of a cure. However, T1D cure research receives only a small portion of JDRF’s budget (15%), and even less at the ADA (2%).

“Franchise” fundraising events with cure message as % of total



Promise of a cure is key in fundraising messaging

The great majority of franchise events either explicitly or implicitly promise that proceeds will be spent on a cure. Examples of events with explicit cure messaging use the word “cure” in the title, such as *Walk to Cure Diabetes*, *Crossroads to a Cure*, or *Ride to Cure Diabetes*. Event titles that implicitly suggest a cure include *Promise Gala* or *Stop Diabetes*. **In both cases, the promise of a cure is a major selling point for the event**, and participants come away with the impression that their contribution will further cure research.

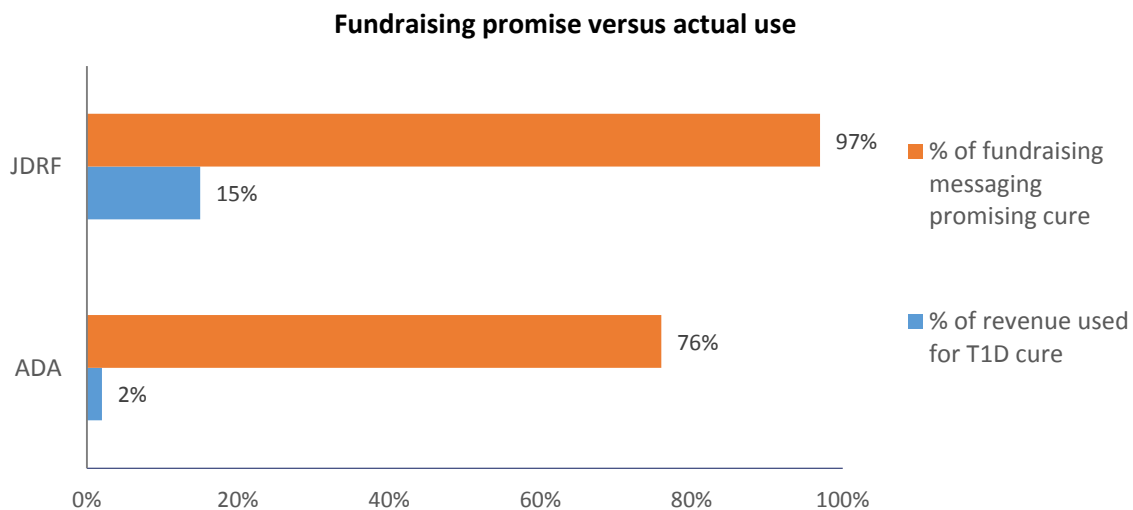
In July 2014, JDRF announced that they would be rebranding their largest franchise fundraising event, *JDRF Walk to Cure Diabetes*, under the new name *JDRF One Walk*. Even though they are moving away from using the word “cure” in the event title, the event still uses implicit cure messaging. New event marketing materials use implicit messaging when they state that people walk “because they believe in a world where T1D no longer exists— a world where Type One has become Type None.” Curing T1D is the only viable way to make “a world where T1D no longer exists.”

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Spending is not aligned with fundraising messaging or donor priorities

It is not surprising that the ADA and JDRF use cure messaging at nearly all “franchise” fundraising events. Advancing a cure is a resounding priority for donors. 88% of donors say that raising money for a cure is the primary reason they participate in T1D fundraising activities. This finding from the JDCA’s June 2014 survey is consistent with all other JDCA surveys conducted over the past 3 years.

Promoting a cure is a highly compelling marketing message, but it does not translate into actual funding for cure research. In fiscal year 2013, the ADA and JDRF used the promise of a cure to secure \$369MM in combined donations to special events. But in that same year, JDRF spent only 15% of their annual budget on type 1 cure research, while the ADA spent a paltry 2% of their budget on type 1 cure research.



Conclusion

Over time donors will become more aware of the discrepancy between the cure messaging used at fundraising events and how event proceeds are actually used. Many will ask what they can do to promote greater spending on T1D cure research while others might decide to take their money elsewhere, or choose not to participate in fundraising events until more money is spent on cure research.

Those who want change can start by asking questions to walk team leaders and chapter representatives. For example:

- *How will the money I raise be used? How much will go towards cure research, overhead, advocacy, etc.?*
- *If I want my money to be used for something specific (most of us prioritize a cure), is there a way that I can ensure the money I raise is used for that? If not, why not?*

The more questions and calls for change that nonprofit leadership receives, the more they will recognize the importance of transparent communication with donors and feel compelled to align organizational spending with donor priorities. Additionally, donors can stipulate how their money should be used by including a stipulation letter (available at the JDCA’s website) with their donation.

Insistent donors give JDRF and the ADA more reason to follow through on the cure promise they use at major fundraising events. If these nonprofits direct a greater share of event proceeds to near-term cure research, it would increase transparency and give donors confidence to come back to walks, rides, and galas knowing that the money they raise will actually be used to advance a type 1 cure.



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