

## **Chapter V**

# **CAMPAIGNING AND COMMUNICATION METHODS**

## **Promoting a 1% philosophy in Slovakia**

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# Promoting a 1% philosophy in Slovakia

by Jana Kadlecová

In Slovakia efforts to communicate a “1% philosophy” among the tax-paying population started in autumn 2001. This broad campaign has aimed to convey the idea that individual taxpayers can be responsible for deciding directly on the use of a part of their paid tax. Another important goal of this communication programme has been to increase both the taxpayers’ and NGOs’ understanding of how to use the new 1% mechanism. The communication programme, “1% for better life” is now in its third year of operation. As in the first two years, the approach chosen is based on experience, changes in the law, the general atmosphere and reductions to the campaign budget.

## Attitudes to NGOs in Slovakia

Although public opinion polls on the public’s attitude to and views about NGOs’ activities are not undertaken on a regular basis (and no specific research was done before the 1% mechanism was adopted), the results of several polls show there is a positive attitude towards NGOs and their activities. Table 1 shows the results of a survey in 2001.

**Table 1: “Do you trust the following institutions?”<sup>1</sup> (in %)**

Institution	Trust	Distrust	I don’t know
Church	58	38	5
President of the Slovak Republic	55	39	7
Your local government (mayor and members of city council)	51	40	9
<b>Non-governmental organisations (foundations, civic associations)</b>	<b>41</b>	<b>36</b>	<b>23</b>
Police	31	65	4
Trade unions	30	47	23
Judiciary	28	63	9
Government	25	70	5
National Council of the Sovak Republic	24	70	6

**Note:** Responses “I definitely (dis)trust” and “I rather (dis)trust” have been merged together.

As table 2 shows, people primarily associate NGOs with helping people, health problems and the disabled, dependent people, children and the elderly, and socially underprivileged people. People’s perception of NGOs as providers of developmental or non-traditional activities, such as supporting education, culture and arts, gifted students, study trips abroad, athletic and recreational activities, protecting the environment, or promoting human rights’ education is less common.

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<sup>1</sup> *Citizens’ participation and local government in Slovakia*, March 2001, FOCUS, Centre for Social and Market Analysis.

**Table 2: NGOs in Slovakia according their usefulness<sup>2</sup>**

Type of NGOs	Value on scale of 1 to 5 (*)
NGOs assisting hospitals, health care and social welfare institutes (children's homes or nursing homes)	1.49
NGOs assisting needy people (elderly and abandoned people, families with many children, homeless people)	1.51
NGOs assisting schools and education	1.87
NGOs active in environmental protection	1.92
NGOs promoting community development	2.05
NGOs promoting drug prevention and treatment	2.11
NGOs advancing culture and arts	2.27
NGOs assisting refugees and disaster-stricken countries	2.34
NGOs promoting human rights' education and protection	2.42
NGOs supporting sports and recreation	2.67
NGOs supporting democracy	2.76

\* mean value of answers whereby the scale was 1(useful) to 5 (not useful)

Source: Centre for Social Analysis, February 1997

In addition, the activities of NGOs in the run up to the parliamentary elections of 1998 and 2002 were positively regarded by the public.

### **Creating a public awareness programme**

The First Slovak Non-Profit Service Centre (1.SNSC) raised the question of communication issues linked to the 1% mechanism in 2001.<sup>3</sup> At that time, the 1% mechanism's technical content was under preparation and discussions were going on within the NGO sector about the criteria for beneficiaries. It was clear that the mechanism would be adopted in some form and 1.SNSC's ambition went beyond simply assisting in the shaping of the 1% system and securing its adoption. Ensuring that the new percentage element in tax legislation would be implemented successfully was seen as an important follow up in which a communication strategy and campaign would play a key role.

In Slovakia several NGOs already had experience of campaigning either by collecting money for some purpose e.g. children (Children of Slovakia Foundation) or cancer (League against Cancer), or informing the public about general issues such as anti-racism (People against Racism) or gender issue (Initiative Fifth Woman). None of them declared an interest in managing a general, broad-based 1% campaign, but they were willing to share their experience. Their reasons were limited capacity and in some cases a desire to use the new 1% mechanism to fund-raise for their own activities. The government showed no sign of thinking about any information activities. In fact, when the 1% campaign started, government officials advised the public to contact the campaign organisers or to visit the special website on the 1% mechanism that was one of the communication tools in the campaign.

<sup>2</sup> M. Butora, K. Kostalova, P. Demes, Z. Butorova: *Third Sector, Volunteering, and NGOs in Slovakia* (1995 – spring 1996).

<sup>3</sup> 1.SNSC was preparing legislative drafts for the mechanism and managing the meetings with NGOs and state representatives on this issue.

Experience from Hungary showed that 1% designations were made by taxpayers both at the local as well as the national level. There was also a need for legal experts and other specialists as part of any campaign effort. The natural outcome was to create a consortium of two organisations – 1.SNSC (experts' base) and the Forum Information Centre (having a network of service centres in the regions). From the start both organisations made it clear they had no interest in being 1% beneficiaries themselves.

In co-operation with Jana Kadlecová – an independent person with experience of NGOs and media communications, the first outline communication programme was developed. The experience from Hungary described in the publication *1% Forint votes for civil society organisations*<sup>4</sup> had been translated into Slovak (prepared by SPACE in 2000) and was used in the preparation of the communication strategy. At the same time, it was agreed that if help was needed, the Hungarian organisation, the Nonprofit Information and Training Centre (NIOK) could provide information about the Hungarian experience to the campaign's organisers.

### ***"1% for better life"* – the first year of the public awareness programme (2002)**

The programme designed by 1.SNSC and Forum IC had two main goals:

- to inform the public about the option to allocate 1% of paid tax to NGOs
- to assist in the implementation of the 1% mechanism and maximise its use

and had two separate parts:

- education and services
- a media campaign.

In other words, it consisted of a public campaign through the media but also involved "personal" contact with taxpayers and NGOs in the regions through a network of 14 regional consultants.<sup>5</sup> At the same time a package of services to NGOs, taxpayers and employers was prepared (training, consultations, manuals etc.).

The programme components were divided according to the main target groups:

- NGOs
- taxpayers
- employers.

### **Communication with the public**

Within the programme, information on *the option to decide to allocate 1% of paid tax* was spread by:

- billboards

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<sup>4</sup> Research Project on Nonprofit organisations, 2000 (main authors Ágnes Vajda and Éva Kúti)

<sup>5</sup> This was made up of people who worked for Forum IC and SAIA branch offices (the Slovak Academic Information Agency, an organisation that has a network of 8 service centres in the regions).

- TV spots
- radio spots
- advertisements in newspapers
- banners.

Information about *the 1% mechanism* was disseminated through:

- the media – national and regional for the general public, plus company in-house magazines and specialised economic and legal journals
- regional consultants
- special publications – e.g. guides for NGOs and taxpayers
- direct mailing
- the internet (a special web page was devoted the 1% issue – [www.rozhodni.sk](http://www.rozhodni.sk)).

An advertising agency, Istropolitana D'Arcy was used to develop the *option to decide*. The whole creative part (name of the programme, logo, slogan, spots, advertisements, banners) was done thanks their voluntary involvement. The advertising agency also helped in providing contacts to some media representatives. At the same time 1.SNSC reached an agreement with the Association of Private Radio and TV Stations that their association members would broadcast the campaign's spots free-of-charge. Those media that were not members of this association, were contacted directly by 1.SNSC. Other related costs connected with the production of spots etc. were covered by a grant from Open Society Foundation.

### **Campaign management**

The PR and media 1% campaign were covered by a coordinator who was responsible for PR, liaising with the advertising agency and media partners, communicating with the media and for co-ordinating or preparing all materials for the 1% programme. A part-time assistant was also hired to undertake administrative work.

### **Factors in the media campaign**

Although the same communication tools were used in the 1% campaign as would be for any other issue or product, there were some specific factors that the campaign managers needed to bear in mind:

- the variety of the NGO sector – to show that there is not just one category of NGOs, but different NGO forms often influenced by the type of activity they are performing
- the general lack of knowledge of tax issues among members of the public
- the need to explain the differences between charity and 1%
- the involvement of many actors that could affect trust in the 1% system and the collected money (e.g. notaries, attitude of staff at tax offices etc.) and to recognise that it may not be possible to eliminate mistrust completely.

In the first year campaign efforts were also affected by limited time – the percentage mechanism that started operating from 1 January, 2002 was only passed by the Slovak Parliament in December 2001.

Regarding the preparation of spots, no creative ideas were taken from other countries. The key emphasis was put on the “decision” of the taxpayers. Therefore the main headline or slogan was: “*Decide by yourselves who need your tax*” and web page devoted to the 1% issues was called “*rozhodni*” (decide).

### **What lessons were learned from the first year?**

After the first year of campaigning, the 1% campaign consortium commissioned a standard opinion poll that was carried out in July 2002. It showed that the public was relatively well informed about the 1% issue as such. In line with the experience in Hungary, around one third of the total potential sum was allocated. The taxpayers mostly supported local NGOs in the regions. The main areas of support were health care, education, and sporting activities. The tables below present the answers given to a series of questions.

**Table 3: Where is the organisation you supported geographically active? (N=196)**

<b>Geographical impact of the supported organisations</b>	<b>%</b>
In the region where I live	62.5
National	20.6
In different regions	5.3
In several regions	5.3
I don't know	3.5

**Table 4: In what area is the NGO you assigned your 1% to active? (N=196)**

<b>Area of NGO activities supported by respondents who assigned their 1%</b>	<b>%</b>
Health care	29.7
Education	18.9
Sporting activities for children, youth and the disabled	12.6
Social care	9.6
Culture	7.1
Activities of specific church institutions and religious associations	5.7
Environmental protection	4.1
Science	1.1
Other	7.6
I don't know	3.7

The same research indicated that of those of who used the 1% opportunity, the majority (13%) assigned their 1% of tax to the NGO whose services were used by a member of their family.

On the other hand, and as Table 5 shows, the research findings highlighted some areas that needed to be taken into account when preparing the second year's campaigning.

**Table 5: Why didn't you assign 1% of your paid tax? (N=292)**

Structure of Answers	%
I didn't know how to do it	21.5
The 1% assigning process was very difficult	20.0
I wanted to but I forgot	17.0
I don't trust NGOs	10.5
I don't know, I don't remember	10.0
I didn't know to what organisation I can assign this money	9.3
I don't consider it to be right to give somebody something	6.1
I don't trust tax office employees	5.4

### **Changes to the general public awareness programme and other elements influencing campaign in the second year (2003)**

On the basis of the first year's research results and an evaluation of the programme, it was agreed to make some changes to the programme, including the creative part of the media campaign:

- the number of regional consultants was reduced from 14 to 9. The consultants were involved just for the initial period when NGOs have to register as potential recipients (in the first year they were also active during period when taxpayers allocated their paid tax)
- the main source of information for the public became a toll-free "green" telephone line that operated during the time when taxpayers could allocate their tax (March-April 2003). This service provided information about how the 1% mechanism worked and gave information about potential NGO beneficiaries the campaign organisers had collected
- TV and radio spots were less emotional and more informative.

At the beginning of 2003 the government presented its tax reform proposals. Among other issues, one was the planned abolition of the 1% mechanism. The lengthy debate in the media regarding the tax reform and the proposed abolition of the 1% option caused uncertainty amongst the public. Broadcasting space available to the 1% campaign in the spring of 2003 was reduced because the government's campaign for Slovakia's referendum on EU membership. Overall the atmosphere among the general public was not very good. Due to government reforms, the costs for energy, water etc. were increased drastically.

It seemed that, in respect to the NGO sector, the whole of 2003 was about searching for funding rather than about presenting the work of NGOs.

## **The costs of the “1% for better life” campaign**

In 2002 total direct costs for media campaign were 1.7 million koruny (about 42,000 euros). Without the involvement of our partners – an advertising agency and billboard company – the true costs would have been 6.5 million koruny (over 160,000 euros). Had the media campaign been paid at standard market prices, the real sum would have been much higher. If discounts had not been given by newspapers, and media partners (TV channels, radios and internet) had not given the broadcasting time for free, the full costs would have been close to 15 million koruny (in the region of 375,000 euros). In addition, there were volunteers working on the media campaign. One third of I.SNSC’s director’s time and the full time of the campaign coordinator were not paid.

In 2003 the total direct costs for media campaign were 984,000 koruny (about 24,000 euros). Again in the second year, the various partners – media, the advertising agency, and volunteers – were involved on a free basis.

However, it is important to mention that it is not possible to compare these two campaigns according to costs. Different communication tools were used in each year, for example the billboards were only used in the first year; in the second year there was green telephone line. The length of the spots in the first and second years was different.

## **Assisting NGOs**

NGOs were one of the key target groups within the “1% for better life” public awareness programme. Special services (training, manuals) and consultancy were offered to NGOs on to the workings of the 1% mechanism. In the first year of the 1% programme, training on how to run campaigns was organised by SAIA, the Slovak Academic Information Agency.

Direct mailing was used to collect information about NGOs in both 2002 and 2003. Any NGO registered as a potential recipient of 1% could submit information about their activities, their mission and how they planned to use the 1% money, and this information was available on [www.rozhodni.sk](http://www.rozhodni.sk). In the second year, such information was also provided via the free green phone-line. The main aim of this step was to give an equal chance to all NGOs to publicise their activities via the campaign. In addition it helped those NGOs that had no money for their own promotional activities. Thanks to this project, the most up-to-date database on NGOs and their activities now exists in Slovakia.

According to the answers provided by approximately 700 NGOs that collected 1% money in 2003, the general public awareness campaign was seen as both useful and needed. Only 5 respondents mentioned that they did not need this type of general campaign. Regarding the question: “In which area did the general public awareness campaign help you?” the most common answer was “in spreading information about 1% as such”, followed by “people knew to whom they can allocate 1%” and after that “people knew how to allocate 1% of their tax”.

NGOs also specified the areas where they would welcome assistance. The most frequent response focused on information/consultancy on how to generate 1% funds. Secondly, NGOs wanted more information to be made available to taxpayers about the procedures involved in making the 1% allocation.

## Individual 1% campaigns by NGOs

Those NGOs in the best position for running 1% campaigns were those that had communicated with the public in the past and were known by the public. Also those organisations that were used to communicating with individuals had higher chances of generating income i.e. big membership organisations. Thanks to the established tradition of supporting churches, specific institutions linked to churches did well as 1% beneficiaries. Those NGOs that were viewed by the public as most in need were also in a better position to attract 1% funds.

Regarding communication, some organisations used traditional communication forms and prepared TV spots, placed advertisements in newspapers etc. Those that did not have money for such activities personally contacted people.

According to the answers provided by NGOs, the most common form of addressing taxpayers were personal meetings. If distance was a factor, then direct mailing and articles about NGOs in the media were the second most popular way of contacting the public.

A majority of those NGOs that responded to the questionnaire distributed by I.SNSC and Forum IC confirmed that they had generated radically more money than that invested in activities connected to raising 1% support. Just a very small percentage responded that they had obtained the exact or a lower amount of 1% support compared to their related costs.

**Table 6: Top 10 of 1% recipients in 2002 (first year of 1% allocations by taxpayers)**

Name of NGO	NGO's name in English (unofficial translation)	Koruny (SKK)	Euros (approx)
LIGA PROTI RAKOVINE, Bratislava	League against Cancer	3,631,760	90,800
Združenie na pomoc detskej onkológie, Bratislava	Association for help in Children's Oncology	2,516,847	63,000
Univerzita Komenského n.f., Bratislava	Comenius University, non-investment fund	1,115,219	28,000
Spoločnosť detskej onkológie Košice	Society of Children with Cancer	1,050,281	26,200
Nadácia Výskum rakoviny, Bratislava	Foundation for Cancer Research	925,936	23,100
Sloboda zvierat, Bratislava	Freedom of Animals	861,147	21,500
Univerzita n.o., Trenčín	University, nonprofit organisation	791,044	19,700
Spišská katolícka charita v Spišskej Novej Vsi	Spiš Catholic charity	627,566	15,600
Asociácia súkromných lekárov SR, Bratislava	Association of Private Physicians	606,535	15,100
NADÁCIA ZSNP, Žiar nad Hronom	ZSNP Foundation <sup>6</sup>	498,046	12,500

Source: Slovak Tax Headquarters, February 2003

<sup>6</sup> A corporate foundation that mostly supports activities in the regions in areas such as health care (almost 50 % of its support), education, sports and culture etc.

## Looking ahead

Based on the experience of the last two years and the results achieved, the “1% for better life” campaign organisers expect that in the future their role will “survive” in only two areas: the consultancy done by legal and financial experts and the activities associated with educating NGOs on how to communicate. In the future, the general public awareness programme may be shaped so there is:

- less involvement of the “1% for better life” campaign organisers in promoting a 1% philosophy as such and instead just providing information about possible future changes to the 1% mechanism
- a move away from a general media campaign to service provision e.g. consultation and training
- more focus on the concrete results of NGOs that received 1% money
- a shift from promoting general trust in the 1% allocation philosophy to a greater focus on trust in NGOs and their transparency.

In general we can say that responsibility for spreading information about the 1% option is already being steadily passed to NGOs themselves.