

DIVE INTO
DIFFERENT
THINKING

Formidable fundraising starts here

How To talk to your donors

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How to talk to your donors...it's all about the donor

Different ways to communicate and Engage, Solicit and Steward donor relationships

- Donor Development – Responder to Appeals / Regular Giving
- Major Donors – “Time to get personal”
- Bequestors – “The great white / grey hope”

First things First

Your donors **ARE NOT Your** Donors; The Majority;

- Give to between 6-12+ other charitable interests
- Make Major Donations to 4-6+ other causes in their lifetime
- Will select 2-4 other organisations to make a gift in their will

What you can control

- Your communication with them;
 - Personalisation
 - Frequency
 - Methodology
- How you thank and acknowledge their support
- How you steward and report back to them how their gifts make a difference
- Understand their motivation and how they want to be engaged
- Invest in building a real relationship

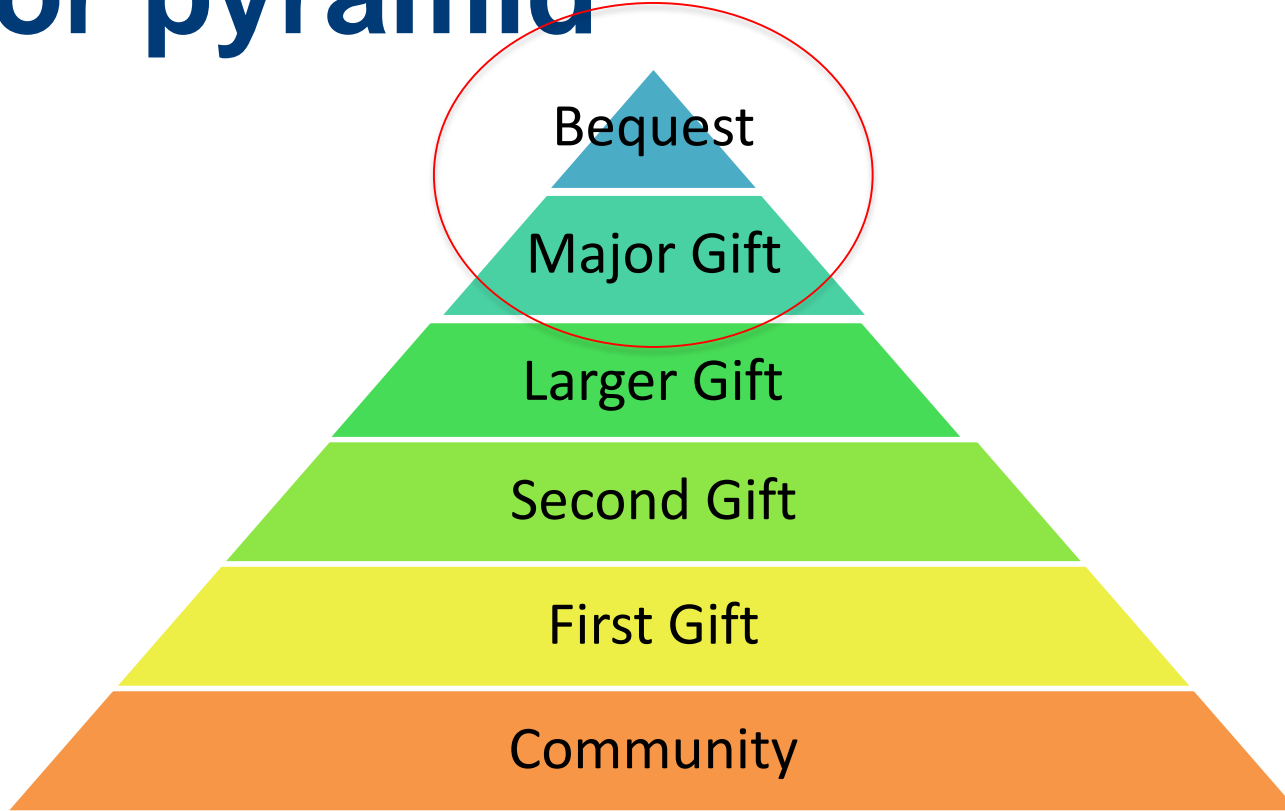
Total Development – “Different strokes for different folks”

Important to recognise that donors at different levels, want and expect different levels of communication.

(You can't operate in silos!)

“Total Development is the holistic approach which coordinates three different types of fundraising in Donor Development, Major Gifts and Bequests into a single strategy.”

Donor pyramid



What is the right method to talk to your donors

- Getting the balance right - “Mechanical (Remote) vs Personal”
- Majority of funds should come from Major Gifts and Bequest income
- Being able to realise this requires correct levels of investment into your fundraising team.
- *Most organisations have an overwhelming majority of resources dedicated to donor development activities, even though with the right investment, significantly more can be generated from Major Gifts and Bequests*
- But this requires a longer term view of Investment and ROI's as well as a clear funding strategic plan covering multiple years

Before you can talk with your donors - Do you have a clear “Narrative / Case” – *The “Add a zero” Hypothetical* –

- Scenario - A donor will walk through the door into your next board meeting and write a cheque out for your current annual fundraising income – WITH AN ADDITIONAL ZERO!
- CATCH – The Executive / Board must write down without conferring with other members the answer to the following two questions;
 - What are the 3-4 key funding objectives for the organisation?
 - What impact or outcomes will this achieve in transforming your organisation?
- *“Donors want to share in a journey to achieve outcomes and have an impact on your work and help you to achieve your organisational vision.”*
- *The answer should flow through all communications to your donors*

Donor Development – Appeals / Regular Giving

- A balance between asking and thanking / reporting back
- Language – Do the “We/Our” Test – “You and Yours”
- A ‘donor journey’ that is strategically planned out over 24 months – so appeals and reporting elements are clear and have natural logical sequence
- Basic segmentation important but must go beyond “text variables / asking strategies based on previous giving history”
- Program should place priority on retention and as much importance on reactivation as it does acquisition – Donor Care
- Stewardship should be a planned sequence of activities as much as appeals

Donor Development - Stewardship

- Thank you appeals – soft ask to celebrate previous wins and outline vision
- Newsletters – opportunity to recap previous appeals, preface upcoming needs and to educate donors about your fundraising activities;
 - Why do we mail so often?
 - Importance of Bequests – too late to say thank you
 - Impact of Regular Giving
- Donor Survey – Should be viewed as ‘qualitative not just quantitative’. It is an opportunity to understand what each donor thinks and what they are interested in.
- Provides you with lead generation to have more personal conversations and customise communications

Donor Development – The transition “High Value Donors”

High Value donor groups

- Add email, phone contacts to appeals.
- Personal notes, with comp slips, CEO signatory
- Invites to events
- Targeted survey activities
- Different branded communications – “own letterhead/ donor group”
- Stand-alone appeals –
 - Focus on 3-4 funding priorities,
 - Asking amounts in line with larger deliverables of appeals
 - What does \$2,000 do **not** 50 X \$40 donor ask
 - Begin to have personal contact which provides transition to Major Donor activity

Major Donors - Time to get personal

80/20 rule is fast being replaced by 95/5 rule. Your top 30-50 donors will make or break the success of a future Major Gifts effort.

What is a Major Gift?

- Donor over a specific dollar amount?
- Someone who is in your top 100 donors?

“A Major Gift is a significant contribution received relevant to the capacity of the donor, after being properly engaged and asked personally face to face for a specific amount. In many cases pledged over multiple years”.

Major Donors - Moves “Relationship” Management

- Engagement – Dating
- Solicitation – Will you Marry Me?
- Stewardship – Do you still love me?

Major Donors - Engagement

“Ask for money – get advice. Ask for Advice – get money”

- Engagement should centre around one on one conversations, getting feedback and opinions from your best donors about your organisation and its plans for the future. Key questions;
 - How they perceive your organisation?
 - Respect and confidence in the leadership?
 - Their motivation for supporting your organisation
 - How they rank your 3-4 key funding priorities?
 - How they would like to be involved in the future?
 - Hypothetical response to a future ask around specific program / project
 - Who else do they know that you should be talking to?

Major Gifts – Solicitation

- Not a question of “If” but “How much”
- Three previous opportunities to ‘opt out’.
- They have received sufficient information and briefing around specific need they are interested in supporting.
- Homework has been done on previous giving, not just to you but other organisations/causes to understand their true capacity
- You have right influencers involved along with leadership of the organisation to make the ask
- They are asked ‘face to face’ for a specific amount.

Major Gifts - Stewardship

You have stewardship protocols document in place that ensures everyone is aware of how you will thank and acknowledge gifts.

- A dedicated Major Gifts person will manage 80-120 individuals which will allow right level of personal contact to manage each relationship.
- Leadership and Board are aware of your top 20 donors, names and details so they can recognise them, wherever and whenever.
- Must ensure that a “grab the money and run” mentality does not exist.
- Investment into your best donors is worth it as they will be your biggest supporters next time and they have ‘friends’.

Bequests – The great “White / Grey” Hope

- The largest gifts ever given to charitable concerns
- For Many an extension of a lifetime of support for special causes
- Predominantly Given by women who outlive men
- The opportunity to endow important aspects of your work

Bequestors / Potential Bequestors

- Fastest Growing source of income in fundraising today
- Many studies have shown average age of database now over 70 for most of sector
- Must focus on 75+ in age group
- Many of bequestors will have a greater “institutional memory” of your organisation than any one within it.
- General information about bequests / solicitors office / advertisement / mailings – is ignoring the personal relationship required to achieve the best results.
- For Many this is the most significant gift they will ever make – this justifies personal contact and demonstration by organisation that it is valued, appreciated and respected.

Bequest - Building a respectful relationship

- Deserve more than just phone calls and letters – consider effort that goes into achieving a corporate sponsorship or trust grant for six figures.
- Must have personal contact - 50% of bequestors will change their will in the last 12-18 months of their lives. If you are not visible or relevant, you will be excluded.
- One bequest staff person – should manage a maximum of 180-240 individuals.
 - Spend 60% of their time visiting – “no cold calling or arriving unannounced”
 - Should have strategy to ensure 6-8 contact points each year
 - Visitations
 - Bequest Societies or functions / acknowledged for their decision
 - Phone calls, cards, personal notes, invitation to events

Bequestors communications

- Articulate 'vision' for organisation - the ten year plan
- Explain how funds are used. "Endowment vs recurrent"
- Understand their motivations, can tailor their planned gift
- Must have involvement from Leadership / Board
- Educate people as to importance of having a will and what it means to your organisation.
- Opportunity for you to build a 'future fund' and provide long-term financial security.
- Some organisations may be able to offer "in perpetuity" 'scholarship, position funding

If you want to succeed...

- You will make a commitment to be the best at donor stewardship activities – remember they are not just your donors – this is how you can be different / better
- You will invest more into Major Gifts and Bequest resources to build relationships
- You will make every effort to understand the specific interests of your donors and personalise and customise communications to be tailored to their interests and needs
- You will recognise every donor as a person not as a number
- You will place a higher priority on building real relationships with your donors above and beyond the \$ it may represent
- You will honour the values of a relationship; respect, involving them, giving back, valuing their interests, showing appreciation.