



**BAYOU COMMUNITY  
FOUNDATION**



**GREATER NEW ORLEANS  
FOUNDATION**

*For a vibrant region.*

# **BUILDING AN INDIVIDUAL DONOR PROGRAM**

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**Greater New Orleans Foundation**

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**Human Energy®**

# INTRODUCTIONS

## DISCOVERING OUR GIVING MOTIVATIONS

- 1- Find a partner-someone you don't know well.
- 2- Think of the last donation that you made to a nonprofit. What made you donate?
- 3- Discuss with your partner.
- 4- Find another pair.
- 5- Introduce yourselves around your new group of four and share your responses to the above question.



# Learning Objectives

Define the benefits of strategically developing a base of individual donors for your nonprofit

Develop an understanding about effective methods and best practices for raising money from individuals

Share knowledge and real-life experiences that others can use to increase their fundraising success

Provide practical tools to use in establishing and maintaining a successful individual donor program and begin laying the groundwork for that program

Explore how to maximize social media to connect and communicate with prospects and donors



# Individual Donor Fundraising: Background



# GIVING PIE

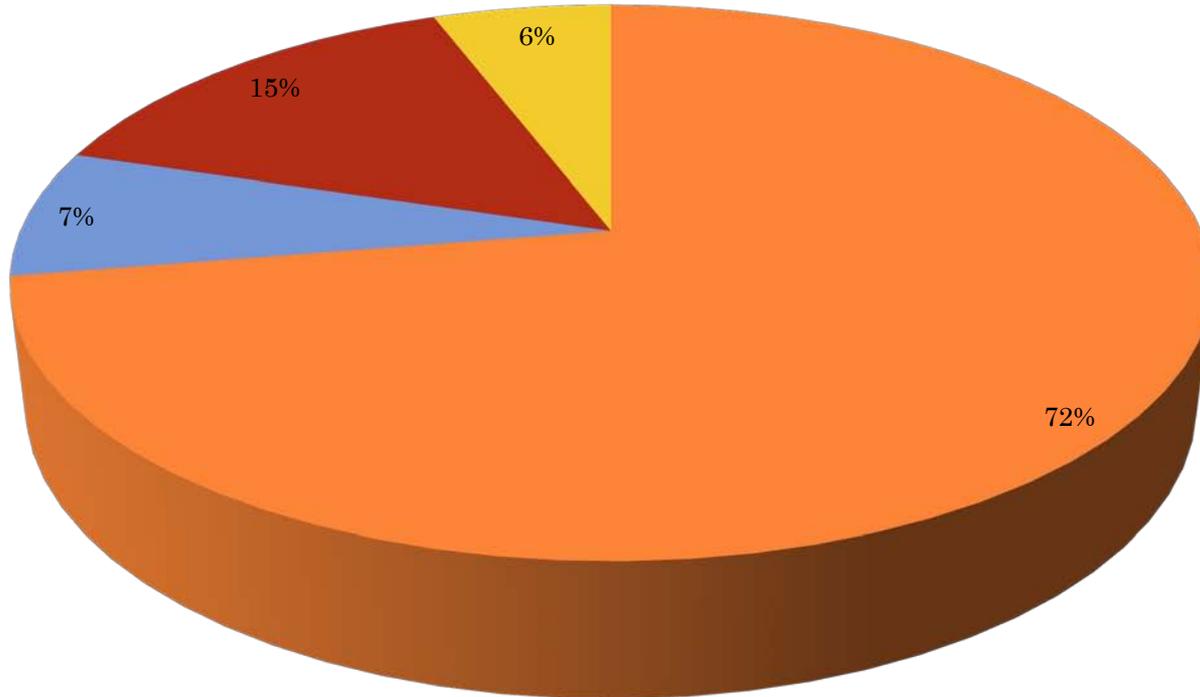
**2013 Contributions: \$335.17 billion (by source)**

■ Individual giving- \$228.93 billion (72%)

■ Bequests- \$23.41 billion (7%)

■ Foundations- \$45.74 billion (15%)

■ Corporations- \$18.15 billion (6%)



What are the pros and  
cons of raising money  
from individual donors?



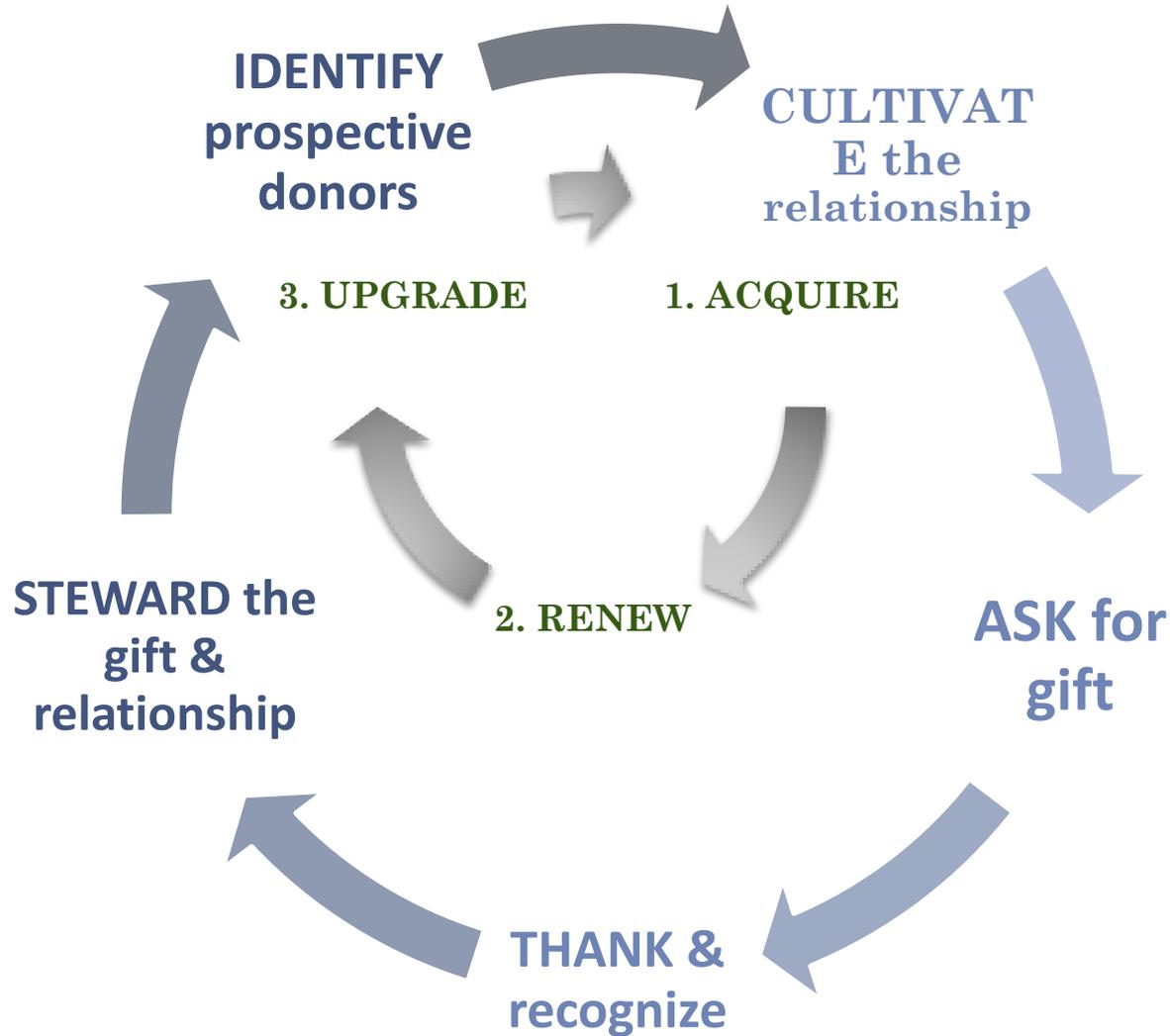
What things do you need to have in place before you begin raising money from individual donors?



# The Donor Bill of Rights



# DONOR DEVELOPMENT CYCLE



# Identifying Donor Prospects



A person may give money for many reasons. A person gives money to a specific organization because of the ABCs

Ability

Belief

Contact



## **\*\* Donor Profiles \*\***

**Do your donors/  
prospective donors fit the  
Ability-Belief-Contact  
description?**



What are some ways  
a nonprofit can  
identify Individual  
donor prospects?



# Cultivating Your Donor Prospects



# Principles for Cultivation

Focus on the individual

Be authentic

Whenever possible, personalize it

Keep careful records

Be realistic about your time and resources

Spend the most time on the people with the most giving potential

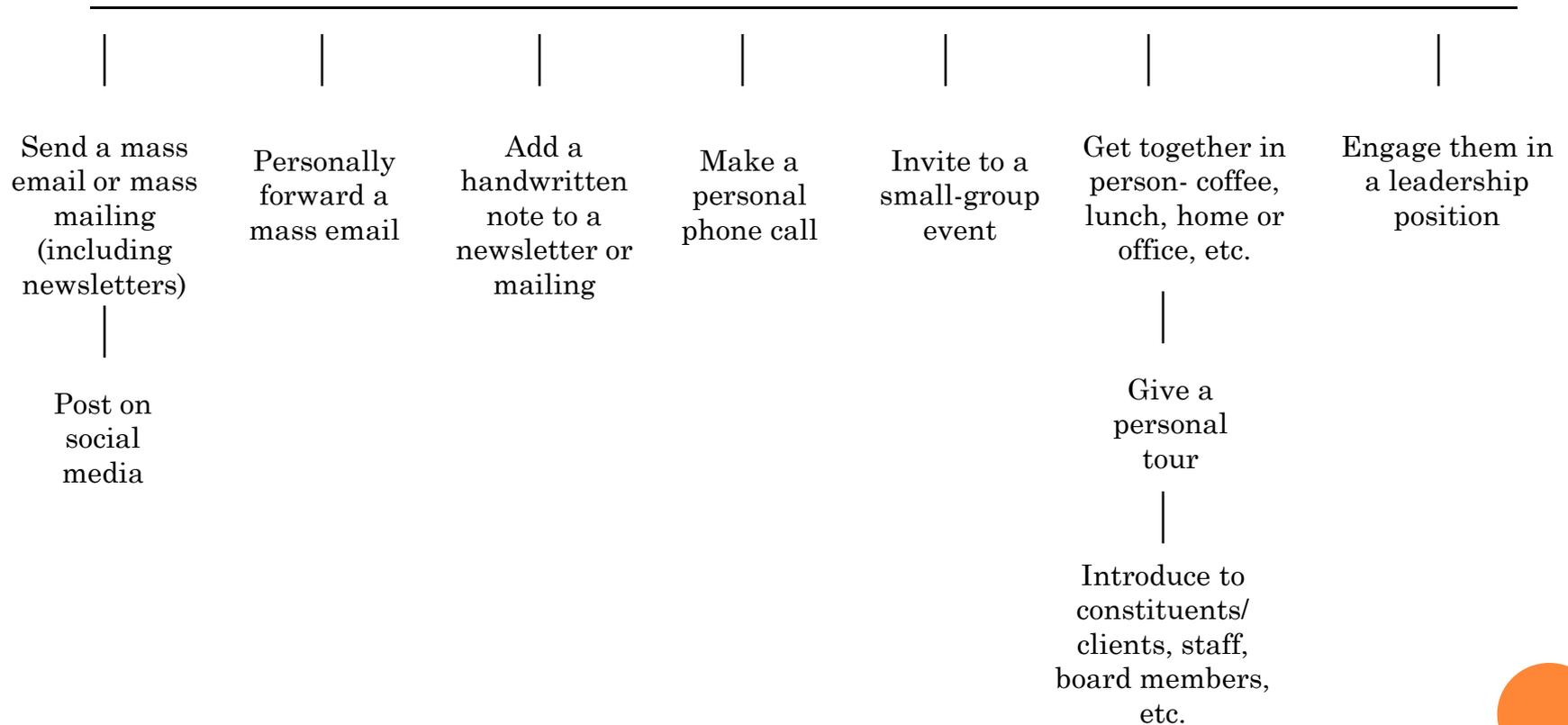


What are some simple things  
(15 minutes or less) that you  
can do to cultivate relationships  
with prospective individual  
donors?

What are some more complex  
or time consuming cultivation  
activities that you can do?



# Cultivation Activities: Least to Most Intensive



How can board members help to cultivate relationships with donors and prospects?



## **\*\* Donor Profiles \*\***

**How have you cultivated relationships with these donors or prospects?**

**What cultivation activities might you add?**



# Making The Ask



The elephant in the room:

Asking for money  
is *scary!*



# Some Ways to Ask People to Give

## **In a Letter**

(malwarwick.com, Kim Klein's *Fundraising for Social Change*)

## **Over the Phone**

(*Fundraising for Social Change*)

## **By Email**

(Fundraising123.org)

## **Through Social Media**

(Nonprofit Technology Network [nten.org], NetSquared [meetup.com/net2no])

## **At an Event**

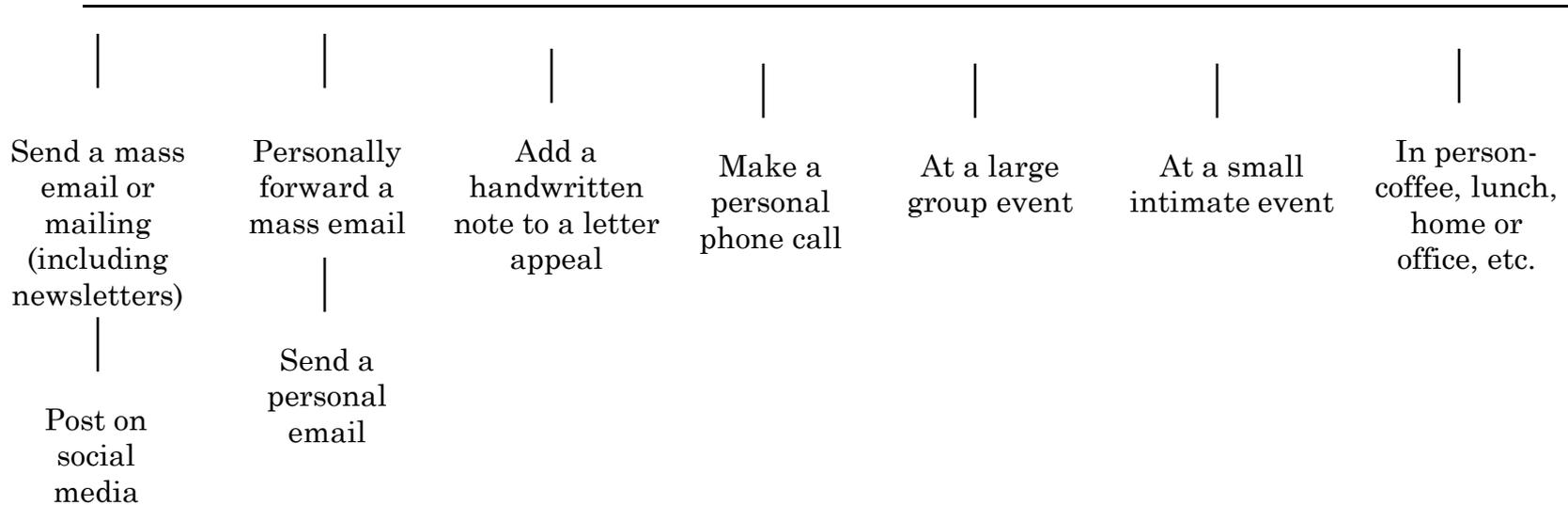
(Terry Axelrod's *The Point of Entry Handbook*)

## **In Person**

(*Fundraising for Social Change*)

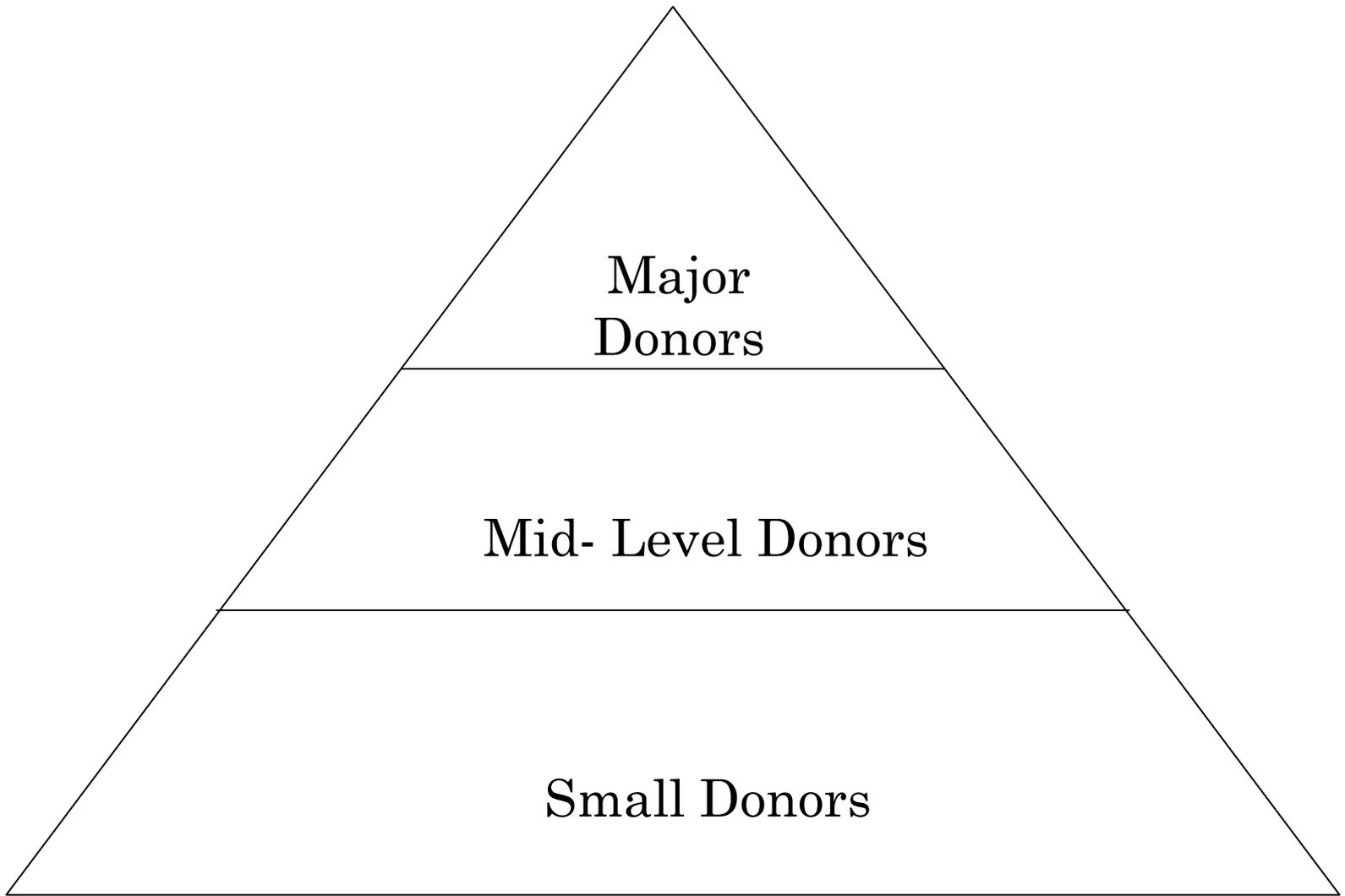


# Ways to Ask: Least to Most Personal



# Major Donors



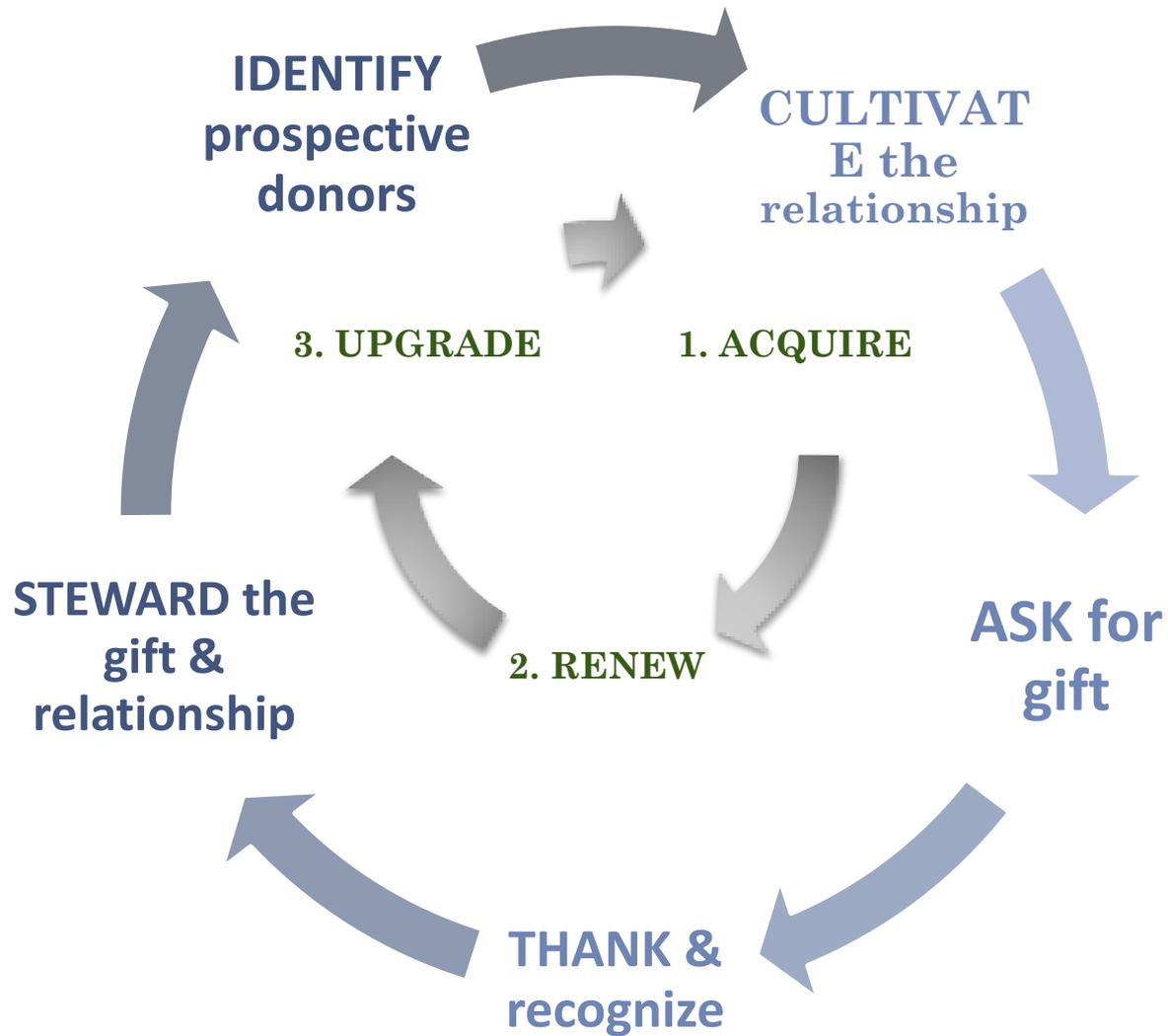


Major  
Donors

Mid- Level Donors

Small Donors





What do you  
believe your  
organization  
considers a  
major gift?



Major donors have  
**ABILITY, BELIEF** and  
**CONTACT** in the  
greatest capacity.



# The Major Donor Development Cycle

■ prospect identification

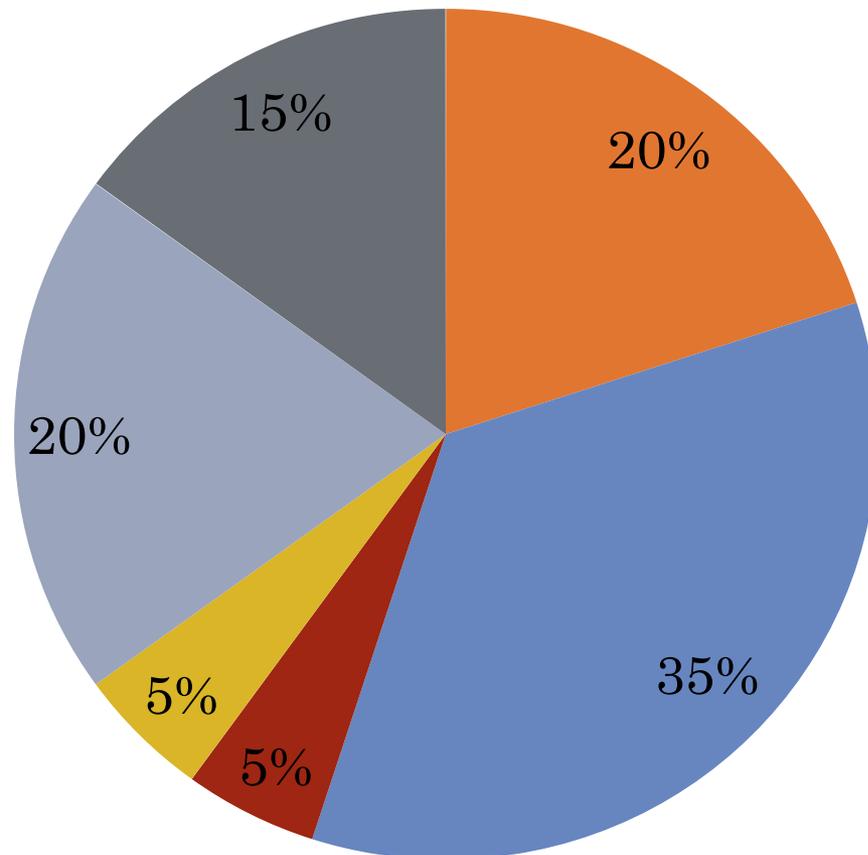
■ cultivation

■ ask

■ follow up

■ thank

■ involve



# The importance of Research

Research will help you to better know and interact with your donors and prospects.

Research will help you to become more confident.



# Good Things to Know About a Donor or Prospect

Employment and educational history

Family and social ties

Volunteering, board service and charitable giving

Issues of interest

Things he/ she has in common with you or with someone else at your organization



# Deciding how much to ask for:

Your financial need

The person's giving history (if any)

How much the person has given to other organizations

The person's financial situation  
(sometimes the least important factor)



# Research Resources

Google/Newspapers

Nonprofit/Corporate Annual Reports

Political Contributions  
([newsmeat.com](http://newsmeat.com))

Social Media  
(LinkedIn, Facebook, Twitter)

Ask the person directly!



# Principles of Making a Major Donor Ask:

Do it in person

Know what you're asking for,  
and ask for it

Once the ball is in the donor's court,  
keep it there



# Simple Sample Ask:

“Thank you for your commitment to [organization]. To help continue this important work, would you consider making a generous gift of \$10,000?”



How can board members be involved in asking donors and prospects to give?



# DONORS MAKE BETTER ASKERS AND AMBASSADORS

- Can speak as a donor-personal testimony
- Enhances credibility
- Sends a strong message of belief in the mission and organization
- Can speak from the donor perspective
- Friends give to friends



## **\*\* Donor Profiles \*\***

**Is there anyone you have profiled  
who you would ask to give now?**

**How would you make the ask?**



# Donor Stewardship



# Stewardship = Amazingly Great Customer Service

Group A: Think about a time when you received excellent customer service? What made it excellent?

Group B: Think about a time when you received bad customer service? What made it bad?



# The Importance of Saying “THANK YOU”

93% of individuals surveyed said they would “definitely or probably give again” the next time they were asked by a charity that thanked them promptly and in a personal way and followed up later with a meaningful report on the program the donor funded.

Under these circumstances, 64% would give a larger gift and 74% would continue to give indefinitely.

*Source: Simone P. Joyaux, “Unraveling Development: Thank Your Donors. And Thank Them Again,” The Nonprofit Quarterly, November 3, 2009*

*Article references research from Penelope Burk's Donor Centered Fundraising*



# Principles for Stewardship:

Focus on the individual

Be authentic

Whenever possible, personalize it

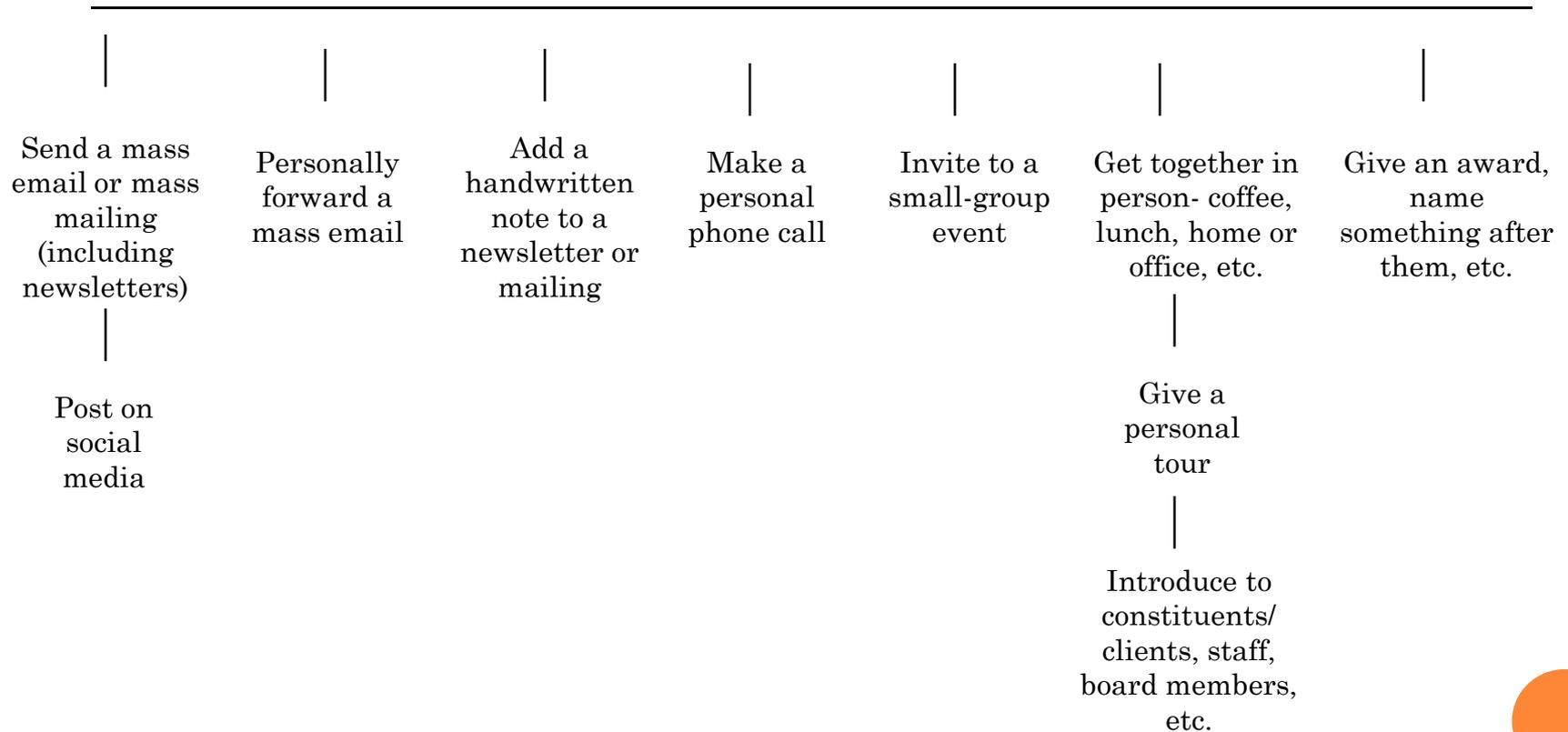
Keep careful records

Spend the most time on the people with the most giving potential

Be realistic about your time and resources



# Stewardship Activities: Least to Most Intensive



How can board members be involved in stewarding relationships with donors?



# Fundraising Campaigns

- ✓ Have a set timeline
- ✓ Have a specific fundraising goal
- ✓ Sometimes for a specific purpose



# Charles Sumner Ward (1905) Principles of The CAMPAIGN

- ▶ Concentration of Time
- ▶ Organization (the “force”)
- ▶ Sacrifice (time and effort)
- ▶ Education (leading up to the campaign/press)
- ▶ Pacesetting Gift (10%-30%)

## Types of Campaigns

- ▶ Annual Fund
- ▶ Capital Campaign
- ▶ Endowment Campaign



What are the benefits of asking during a campaign as opposed to asking at some other time?



# Online Fundraising— Just Another Campaign



# CROWDFUNDING

- The practice of funding a project or venture by raising monetary contributions from a large number of people, typically via the internet.
- Online giving increased by more than 13% in 2013.
- Easy, Efficient, and Affordable.
- People give to people.
- It is a campaign! Remember those best practices... 

# START WITH A MEASURABLE GOAL

Your goal aligns your team and supporters with your crowdfunding campaign.  
You

Have to find a balance between what is within reach and what is an aspiration.  
If

you've fundraised online before, ask yourself a few questions to get a baseline of what is achievable.

- How much have we raised online in the past year?
- What is the average amount that we have raised in a campaign or event?
- What is the average donation amount online for us?
- How much do we need to raise to meet our fundraising goal?
  
- **If this is your first time with crowdfunding, you can ask yourself:**
- How much have we raised from individual donors in the past?
- What is the average donation amount for us?
- How many good email addresses do we have; Facebook fans; and Twitter followers
- How much do we need to raise to meet our fundraising goal?
- How much did similar crowdfunding campaigns raise?



# RESTORE FAT'S PIANO

- \$15,000
- 300 donors with an average of \$50 gift
- By February 15, 2015 (2 week campaign-starting at the beginning of the month)
- Restore Fat's Domino's piano damaged in Hurricane Katrina
- Add to the permanent collection at the Louisiana State Museum
- Increase visitors to the museum



# CROWDFUNDING: WHAT WORKS?

## DEVELOP A GROUP OF CHAMPIONS

- You can't launch a crowdfunding campaign by relying on the crowd. You'll need to cultivate champions who will support your campaign. Start with a list of 25 people that you know and would be willing to take action and put them in three buckets:
- **Promoters** - People that will share your campaign and updates via email, social media, etc. They'll amplify your reach. Think of them as your own publicity team.
- **Fundraisers** - People that will help solicit for donations via peer-to-peer fundraising.
- **Donors** – People that will contribute to your campaign.



# GETTING READY FOR AN ONLINE CAMPAIGN

- Build/Update Your Database
- Expand Your Social Media Network
- Recruit and Train Your Champions
- Develop your Editorial Calendar



# SOME FACEBOOK STATS

- **Active Times:** Mornings 8 am-9 am; Lunch 12 pm-1pm; End of Day: 4:30 pm-6 pm: Evening: 9;30 pm-11 pm.
- Weekends vs. Wednesdays
- Average person has 200 friends on Facebook
- Pictures and Videos increase the likelihood of engagement by 4 times
- A Facebook share is worth \$18 according to Razoo Crowdfunding platform



# STEWARDSHIP AFTER YOUR ONLINE CAMPAIGN

- ❖ Announce your success and the fun of the day through social media, website, and blogs: number of donors and money raised.
- ❖ Send thank you emails to donors one to two days after your campaign.
- ❖ Send handwritten thank you letters to the top donors.
- ❖ Add all your donors to your database – continue cultivation and stewardship throughout the year by including donors on your e-newsletter and inviting them to events and other activities.



**Establishing  
Individual Donor  
Campaign Goals  
and Organizing the  
Work**



| <b>Size of Gift</b> | <b>Number of Gifts Needed</b> | <b>Total</b>                | <b>Total Number of Prospects</b> |
|---------------------|-------------------------------|-----------------------------|----------------------------------|
| \$10,000.00         | 1                             | \$10,000.00                 | (1 x 4 = ) 4                     |
| \$5,000.00          | 2                             | \$10,000.00                 | (2 x 4 = ) 8                     |
| \$2,500.00          | 5                             | \$12,500.00                 | (5 x 4 = ) 20                    |
| \$1,000.00          | 10                            | \$10,000.00                 | (10 x 4 = ) 40                   |
| \$500.00            | 20                            | \$10,000.00                 | (20 x 4 = ) 80                   |
| <b>To raise</b>     | <b>38 donations totaling</b>  | <b>\$52,500.00 you need</b> | <b>152 prospects</b>             |



# Multi-Channel Fundraising: One campaign's example

- |  |                               |
|--|-------------------------------|
| Ask 25 major donor prospects in person   | (March 1-April 15)            |
| Send fundraising appeal letter to 200 donors   | (March 15)                    |
| Send a series of three fundraising emails to full 2,000 person email list  | (March 1, March 21, April 15) |
| Post donation information on social media once per week; post other information (not fundraising-related) twice per week | (March 1-April 15)            |
| Include donation information in newsletter to full 1,000-person mailing list   | (March 1)                     |
| Use fundraising information on website landing page  | (March 1-April 15)            |



# For your donor development calendar, think of how activities can build upon each other!



# **A few closing thoughts...**

Fundraising from individual donors is about relationships.

It's also about planning and numbers.

You'll see the most success when you get out from behind the desk.



What one thing will you do to build your relationship with each donor you have on a profile?

What one thing will you do in the next week to build your organization's individual giving program?





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