



I AM THE DEVELOPMENT DEPARTMENT

RAISING MONEY WITH A SMALL STAFF


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MAM 2019 Fall Conference & Annual Meeting

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INTRODUCTIONS

- Your name
 - Your organization and role
 - Your biggest fundraising challenge or question
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The background features a light gray gradient with several realistic water droplets of various sizes scattered in the corners. The droplets have highlights and shadows, giving them a three-dimensional appearance.

HOW *NOT* TO RAISE MONEY


(FIVE GREAT FUNDRAISING MYTHS)



FIVE GREAT FUNDRAISING MYTHS

1. The Myth of the Angel Donor
2. The Myth of the Six-Figure Event
3. The Myth of the Psychic Donor
4. The Myth of Small Donors
5. The Myth of Donor Fatigue

**Caveat: all of these things can and do happen in real life, but they're unlikely.*






1. THE MYTH OF THE ANGEL DONOR

The Myth: One big donor, possibly a celebrity, will write you a giant check.

The Reality: The best donor prospects are people you and your board already know; they're probably already donors.



2. THE MYTH OF THE SIX-FIGURE EVENT

The Myth: A big, ticketed event will raise a lot of money for operations, and will bring in new donors.

The Reality: Elaborate events have high overhead, monopolize staff time, mostly reach people who are already in your network, and often detract from your other fundraising efforts.

Ladder of Effectiveness

1. Personal: face-to-face
 1. Team of two
 2. One person
2. Personal letter (on personal stationery)
 1. With telephone follow-up
 2. Without telephone follow-up
3. Personal telephone
 1. With letter followup
 2. Without letter follow-up
4. Personalized letter/Internet
5. Telephone soliciation/phonathon
6. Impersonal letter/direct mail/Internet
7. Impersonal telephone/telemarketing
8. Fundraising benefit/special event
9. Door-to-door
10. Media/advertising/Internet



Source: *The Center on Philanthropy at Indiana University*

3. THE MYTH OF THE PSYCHIC DONOR

The Myth: If we communicate our needs well enough, people will donate money without being individually asked.

The Reality: Even if your donors know your needs, if you're not making a direct ask, you're missing out on donations.



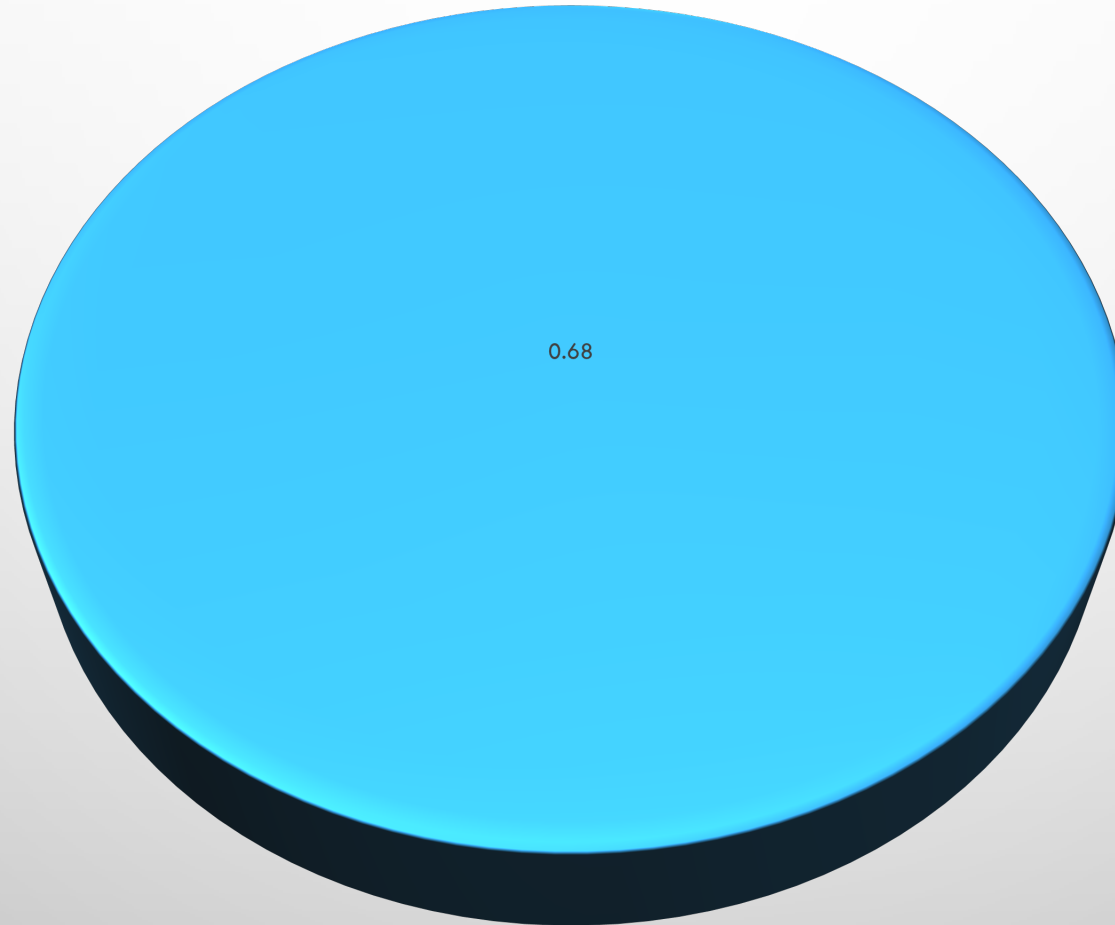
4. THE MYTH OF SMALL DONORS

The Myth: Most charitable giving comes from foundations and businesses.

The Reality: Living individuals make up the vast majority of charitable giving in the US.



Sources of Charitable Giving
(Source: Giving USA 2019 Report)



5. THE MYTH OF DONOR FATIGUE

The Myth: Our donors will get annoyed and stop giving to us if we ask too often.

The Reality: Okay, actually... this one's kind of true. But we often underestimate our donors' tolerance for being asked. What works for you?


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HOW TO RAISE MONEY

(Easy things you can start doing today)



HOW TO RAISE MONEY

1. Identify donor prospects
 2. Start a donor cultivation/retention program
 3. Consider donor segmentation
 4. Have a donation follow-up plan
 5. Explore online and recurring giving options
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1. IDENTIFYING DONOR PROSPECTS

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- There are two types of prospects: External and Internal
 - External prospects are those who are not current donors
 - Internal Prospects are those who are currently giving, but who may have the potential to give at a higher level

IDENTIFYING EXTERNAL PROSPECTS

The AAA of Prospecting:

- **Affinity** (interest in Your Organization's mission or work)
- **Association** (you or someone from your organization must be able to reach the person)
- **Ability** (They must have the resources to make a gift of some sort)

IDENTIFYING EXTERNAL PROSPECTS

Where do External prospects come from?

- They may self-identify (Not Common)
- Board connections
- Staff Connections
- Other Donors
- Like Organizations (Don't be ashamed to collect annual reports)

IDENTIFYING EXTERNAL PROSPECTS

Where do External prospects come from?

- Prospect evaluation software does exist, but is very expensive, and the information is rarely actionable for small organizations



IDENTIFYING INTERNAL PROSPECTS

Look through your records.

- Which donors have been giving the longest?
- Which donors have been increasing their giving?
- Which of your donors give more to other like organizations?
- Which volunteers are also donors? Which aren't?

Also consider distributing giving level lists to your board.



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2. DONOR RETENTION/CULTIVATION

(IT'S ACTUALLY A LOT EASIER THAN IT SOUNDS)



DONOR RETENTION/CULTIVATION


What do donors want?





DONOR RETENTION/CULTIVATION

Cultivation ideas:

- Members-only newsletter
 - One-on-one meetings (when possible)
 - Small events
- 



TENTION/CULTIVATI



Victoria Mansion Members' Event

Daylight Tours, Sunday, October 23, 2016



DONOR RETENTION/CULTIVATION

Cultivation ideas:

- Members-only newsletter
- One-on-one meetings (when possible)
- Small events

What works for you?



3. DONOR SEGMENTATION

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Donor segmentation is a way of dividing your donor list into smaller subcategories based on donor attributes so you can tailor communication.

Common factors for segmentation include program interest, tenure as a donor, age, gender, geography, etc.

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4. DONOR RECOGNITION

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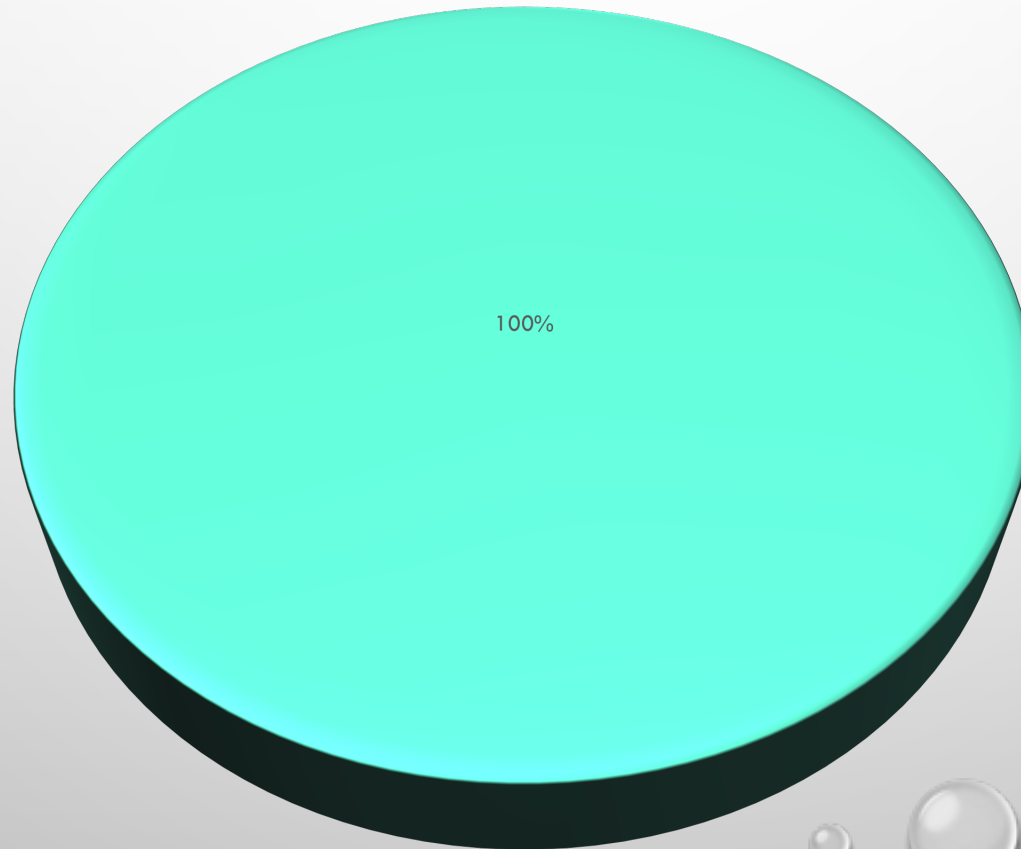
- Every donation should receive a thank you note
- Every note should have a handwritten signature, and if possible a personal note. (If you don't know the person, even a handwritten "Thanks!" works.)
- Consider a phone thank you, at least for donors at a certain giving level. (This is a great task for willing board members.)
- If you have a willing executive director or board/development committee chair, one-on-one meetings with major donors are great.
- Don't worry about thank-you gifts. Most donors don't care about them, and some may even be turned off by the expense.

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5. ONLINE AND RECURRING GIVING

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Donor Giving Method Preference
(Source: nonprofitsource.com)



5. ONLINE AND RECURRING GIVING

- As of 2017, 45% of donors are enrolled in a monthly giving program.
- Donors who participate in monthly giving give an average of 42% more annually than those who don't.

5. ONLINE AND RECURRING GIVING

Easy to set up online giving resources:

- PayPal
- FirstGiving
- Network for Good/DonateNow
- Fundly

QUESTIONS? DISCUSSION?

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