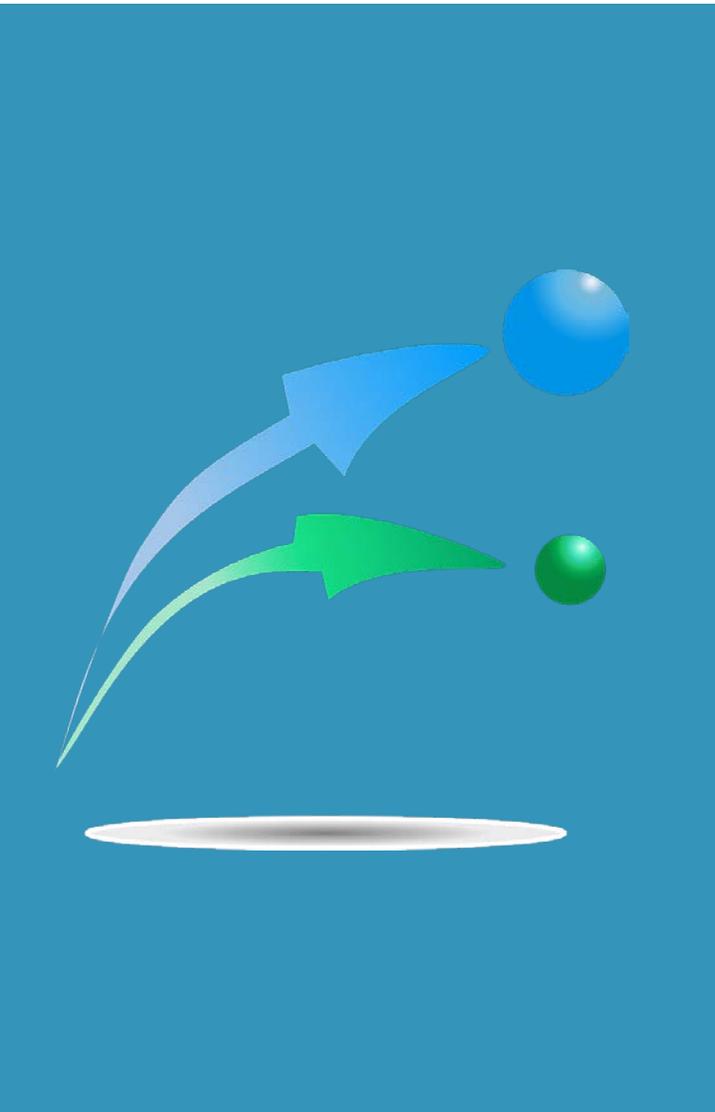




Ten Things Your Organization Must Have for Successful Annual Fundraising

Kim Carpenter Drake

Senior Consultant, Center for Nonprofit Management



An Important Prerequisite to the Top Ten...

Keep track of trends in the marketplace and the issues that impact your donors.

What are the **trends** that we need to watch?





- Growth in Personal Perceived Wealth
- Consumer Decision Making
- The Digital Divide
- Tax Changes
- Donor Advised Funds
- Companies Need Branding

Bright Future for Individual Giving

The Marts and Lundy forecast, which is based on research by Indiana University's Lilly Family School of Philanthropy, pointed to three indicators for giving:

- growth in the S&P 500 stock-market index,
- in the country's gross domestic product, and
- in personal income.



Partners, Not Donors

Today's donors want more control over their giving and to understand the impact they are making philanthropically.



They want to be a partner, and the organizations to which they give must seek to leverage their philanthropic gifts through whatever means necessary, such as through collaboration with other organizations.

The Philanthropy Outlook 2017 & 2018

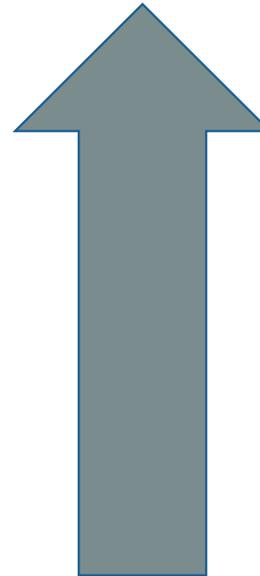
PRESENTED BY Marts & Lundy RESEARCHED AND WRITTEN BY Indiana University Lilly Family School of Philanthropy



From Network
for Good

How October 2017 compared to October 2016

Comparing the same month year-over-year is an easy way to spot trends. Comparing different times of year can be misleading due to seasonal changes. In October 2017, donors gave 15.3% more than in October 2016 and made 21.9% more individual donations.



Number of donors
+ 20.7%
Number of donations
+ 21.9%
Amount donated
+ 15.3%
Number of nonprofits
+ 1.1%



Tax Law Changes

- If Congress and President Trump approve a major tax cut, that could further spur wealthy donors to give before the end of the year, because their tax deductions would be less valuable after the cuts are implemented. Many nonprofits — [particularly donor-advised funds](#) — saw a spike in giving at the end of 2016 as Mr. Trump talked about tax reform as a major part of his agenda.
- The House tax reform bill would nearly double the standard deduction from \$6,300 to \$12,000/individual filer and from \$12,600 to \$24,000/couple. Single filers with at least one qualifying child could claim a standard deduction of \$18,000. Experts predict that after this change is implemented only five percent of taxpayers will itemize their deductions, meaning that [95 percent of taxpayers would receive no tax incentive](#) for donating to the work of charitable nonprofits.

Corporations Need to Show They Care

Firms Learn That as They Help Charities, They Also Help Their Brands

- in corporate philanthropy, [we see] ... a desire by companies to show customers and employees that they are not just interested in profits, but that they care about the state of the world
- [helping charities] ... may also mean as much to employees as to consumers. "It's getting to be a very competitive market out there, and people will pick a job, and maybe not the highest paid offer, if they feel like they're part of something bigger than themselves,"

The New York Times

A Top Ten
List of Ways
to Enhance
Your
Fundraising.

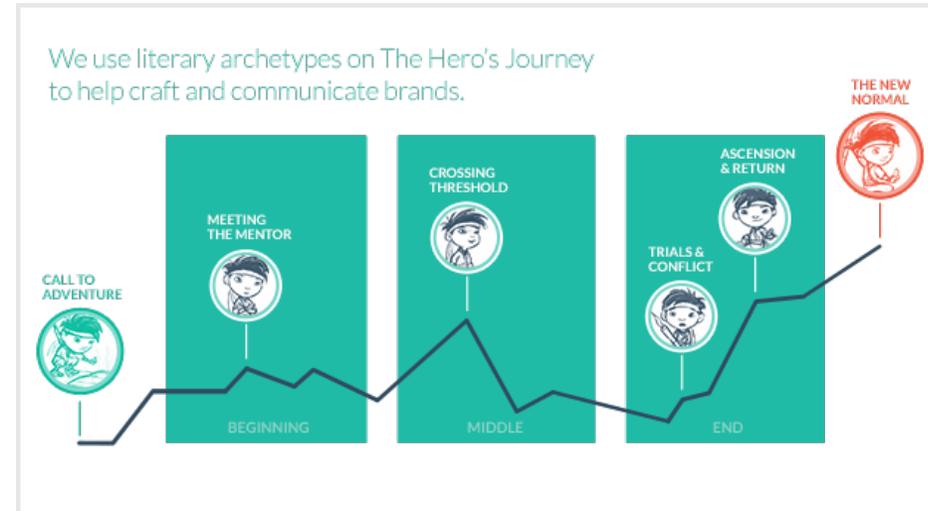
TOP TEN *list*

So, what does this
mean for our
fundraising efforts?

TOP TEN list

#1

- You must be a **solution** to a **problem...** and people need to believe in them both.
- Don't end the story with a crisis, be the hero.



Make Giving Personal

Research consistently demonstrates that donors give because of the values they share with recipient organizations and [the mutual desire to solve a specific problem](#).

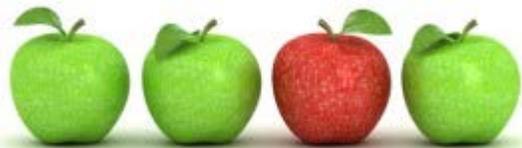
According to the 2016 Donor Loyalty Study, released by the *Association of Fundraising Professionals* (AFP), surveyed donors were most likely to give because they were “passionate about the cause.”

- Be sure to incorporate elements in solicitation materials that speak to the [shared values](#) held by your organization and constituents.
- Consider how your organization can [get to know current and potential constituents](#) to create more meaningful and impactful relationships with supporters.



#2

- Know and share your **unique value proposition.**
- What makes you different?
- What would be missing if we were not part of the landscape of service?



Because we are here...
Without us...



#3

- Repeat yourself and be consistent.



#3

- Repeat yourself and be **consistent**, seriously.
- Design themes for your campaigns that work across platforms. Stick with the same message for the entire campaign.
- Repetition increases recognition. Recognition, increases response rate.

Advice from Penelope Burke...

- **Make fundraising appeals for a specific purpose.** This is especially important for prospective donors and supporters who have given only a few times, she says.
- **Show results of previous contributions in your appeals.** Potential donors want to know "exactly what the organization is intending to do with the money they raise" and what the organization's track record is with other supporters' money.



- **Thank donors.** When big donors make gifts, be sure to call them as soon as possible to express appreciation, Ms. Burk says. "It doesn't cost a thing, and it's about the best investment that a gift officer can ever make," she says.

TOP TEN *list*

#4

- Make your case with **strong images**, not just words.



TOP TEN list

#5

- Use these strong images to boost your digital (online) presence.





Connecting Digitally

Digital media has become a primary means in which people connect with one another and with organizations, such as through social media and websites. While most Americans are online, many nonprofits struggle to stay ahead of the tech curve.

- 80% of fundraising webpages have not been optimized for smartphone viewing
- Evidence suggests that larger organizations and those organizations that were strategic about enhancing digital fundraising were the most successful in generating increased online revenue in 2015
- A “donate now” button simply is no longer sufficient in capturing online donations



#6

- A **Good Database** is Crucial to Good Fundraising.
- Maintain information about donors and prospects – campaigns, not just gifts.
- Don't manage more data or more prospects than you can accurately maintain – focus your efforts.



#7

- Make **retention** a high priority. Why?

- Retention costs less than 20% of the cost of acquiring new donors
- Good relationships yield many other rewards over time.
 - Advocacy
 - Volunteerism
 - Recommending the organization to others
 - Response to emergency and special appeals
- Long-term donors are worth 150 – 200% more than their original gift.

By author and researcher Adrian Sargeant



#8

- An active and motivated board of directors
 - Every board member must make a meaningful gift every year
 - Every board member must participate in the fundraising process in some way
 - Every board member must demonstrate their support by advocating for your organization and recruiting other potential donors
 - Every board member must be educated and stay current on the needs and opportunities to engage the community

TOP TEN list

#9

- A **Strategic Plan** that establishes priorities and guides decisions

- This is the game plan shared between staff and board to ensure that everyone is rowing in the same direction
- It is the rallying cry for your supporters and is the basis for your value proposition and the power of your solutions to success



Your strategic plan is the basis of your fundraising appeals and articulates your theory of change – how does our success lead to better health outcomes for our community?

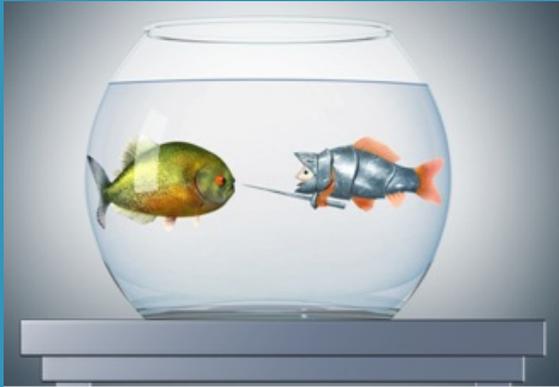


#10

- **Outcomes** that prove your value and demonstrate your impact.

- Not all donors care about statistics, but all donors care about their money being used successfully to solve or at least improve conditions around a problem. We are part of their strategy to accomplish their goals as much as they are part of ours.
- In this information age, more than 85% of donors report that they have “googled” an organization when solicited for funds to see if they were good at their work.

Recap...



- Keep up with trends.
- Understand your donors.
- Understand your organization and why it is important.
- Choose your battles based on facts, passion and capacity.
- Be prepared to prove the value that you provide to people in need.