

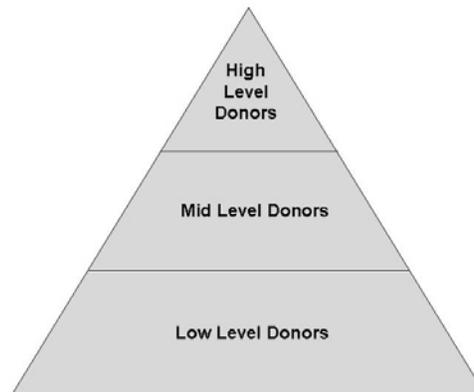


Goals and Strategies for Fundraising from Individual Donors

In general, individual donors will fall into one of three categories or levels:

- (1) Low level donors: these are individuals who give relatively small donations and might give once a year or only occasionally;
- (2) Mid level donors: these are individuals who give a moderate sum of money (perhaps \$500 to \$1,000) and give at least annually;
- (3) High level donors: while the amount of donation varies depending on your organization (i.e. what one organization considers a large gift will be different from what another organization considers large), these individuals give large gifts at least annually or give very large gifts, perhaps only once (major donors).

It would be a mistake to assume that only high level donors are important to an organization. In fact, it is important to have donors at all levels, particularly because an organization's income is typically structured like a pyramid:



The largest number of our individual donors will be low level donors, with decreasing numbers of donors as we increase the size of gifts. Each and every level of the pyramid is essential to our long-term sustainability, particularly when one considers that high level donors tend to be wealthy individuals who give to multiple causes and organizations – which means that we may only secure a one time gift from them. Lower level donors, however, tend to continue to give

to the same causes over time, meaning that this is a more sustainable base of funding support for our organizations.

Goals for Individual Donors:

Our fundraising and development goals for individual donors should be the same across all three levels of individual giving:

- (1) Increase the number of donors over time;
- (2) Maintain donors over time;
- (3) Increase the giving amount of as many of the donors as possible;
- (4) Move as many donors as possible up to the next level (Note that for many high level or major donors this means getting them to make another high level gift.)

Strategies:

It is essential that we develop, practice, and continually improve strategies to achieve these four goals across all three individual donor giving levels. Some effective strategies include the following.

- **Online appeals:** It has been proven that individuals consistently donate larger amounts of money when they give online via credit card as opposed to writing a check in response to a mail appeal.
- **House parties:** Hosted by a community leader, a current high level donor, or other influential person who has a good list of contacts, these can be simple or fancy events. The host makes crafts a guest list of his/her family, friends, colleagues, etc. and commits to making a personal donation, asking guests to join him/her in doing so. RSVP's and mail response cards allow for donations even if individuals can't attend the event.
- **Telephone:** Telephone solicitation is generally not an effective strategy for recruiting new donors or asking for repeat gifts, as so many donors are irritated by telephone solicitation. However, strategic use of telephone calls to specific donors to thank them for their gift is a very effective cultivation and stewardship activity. And, cultivation and stewardship are essential to maintain donors and increase the size and frequency of their giving. This can be particularly useful if a Board member or high level executive within the organization is the person to make the thank you call.
- **Face to face meetings:** Particularly for high level donors and for mid level donors you wish to move up to high level gifts, face to face meetings can be an effective strategy. Prospect research is important so you can identify which individuals might be "ripe" for a larger ask. It is also important to carefully plan who should request the meeting, who should attend the meeting, and how the ask should be framed.
- **Asking frequently and through a variety of mechanisms:** Providing a variety of opportunities for giving means that donors hear from us frequently and feel a greater connection to our mission and that our issue will be top of mind. It is also the way we can move a one time donor or annual giver to a more frequent donor.
- **Cultivation events to introduce new potential donors to your cause:** These are "get to know us" introductory events with no fundraising ask. The purpose is just to introduce potential

new donors (particularly perspective high level donors) to your cause and to your campaign. Attendees experience a “tour of your mission”, specifically with real person, passion stories that demonstrate the importance of the campaign and your work. Following the event, attendees receive a follow up phone call to thank them for attending and to assess whether they might have interest in getting to know more about you. If so, you continue to cultivate towards a giving ask; if not, you “bless and release” – thank them for their time and take them off your donor prospect list!

- Meet and greet’s, thank you events, and other stewardship activities: Special events do not have to be expensive to be effective. It is important, however, to make decisions ahead of time about whether an event is simply a thank you/cultivation and stewardship event or whether it is also a fundraising event. There is no right or wrong approach, but it should be clear to invitees what they are attending. It is often very effective to hold thank you/cultivation events separate from ask events as these events can go a long way towards cultivating donors, making them feel a greater connection with your mission, and engaging them as a *prelude* to a giving ask. It is important to consider which donors should be invited (i.e. whether mid level donors or high level donors or a handful of donors at a particular giving level who you believe are ripe for giving more), and who should lead the events.
- Electronic Funds Transfer (EFT): Setting up EFT can significantly increase both the donor’s frequency of giving as well as the gift amount. It is much easier for many individuals to electronically make a monthly gift of \$25 (totaling \$300 in a year) than a one time gift of \$300. And, while individuals could pledge \$25 a month and mail checks to us each month, it is more likely that we will collect monthly commitments via EFT rather than mailed monthly checks. EFT is somewhat “out of sight, out of mind”, meaning that donors don’t think about their monthly gift after pledging it, which works to our advantage.
- Leadership giving circles: Providing recognition for gifts that reach a certain size and/or frequency is a motivator for many donors. Having an opportunity to be part of a Leadership Giving Circle or a Gold Club, for example, can be an effective strategy for individual donors. In addition, it is a smart strategy to create Leadership Circles in which individuals pledge a certain level gift for several years – meaning you have these donors committed to you over a longer period of time.
- Involvement in advocacy activities and advocacy events: There is perhaps no better way to increase a donor’s commitment to your mission and to your organization than by exposing him/her to and involving him/her in your advocacy activities. Whether it is sending them an advocacy action alert, inviting them to an advocacy event, or urging them to join you in a day of action, individuals who take action with us feel more connected to our mission. This increases their commitment to us as donors *and* builds our advocacy power.
- Ask every advocate to be a donor and ask every donor to be an advocate, provide multiple ways and opportunities for individuals to do both, conduct good stewardship activities, and communicate with both donors and advocates frequently.