

From Qualification to Solicitation: Outlining Your Major Donor Journey

AFP NNE CONFERENCE | OCTOBER 26, 2023



FUNDRAISING

TODAY'S PRESENTERS



KIRSTEN WALLEY

Senior Director
CCS Fundraising

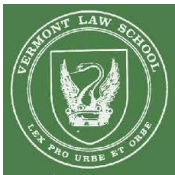


CHARLOTTE ENNEN

Assistant Vice President
CCS Fundraising

ABOUT CCS FUNDRAISING

SELECT NORTHERN NEW ENGLAND CLIENTS



NEW
HAMPTON
SCHOOL



76
YEARS

Founded in 1947, CCS has become the most widely recommended firm in the field of strategic fundraising consulting

500+
PROFESSIONAL
STAFF

CCS has the largest and most experienced staff of fundraising professionals among leading firms

18
OFFICES

Across the United State, Canada, Europe, and Australia.

10x
RETURN

Our client partners experience five to more than ten times return on their investment

8
CORE SERVICES

Our core services include campaigns, feasibility studies, assessments, research and data analytics, strategic planning, major gifts, and endowments

90%
REPEAT OR
REFERRALS

Ninety percent of our business comes from repeat business or referrals

AGENDA

The Philanthropic Landscape & Role of Major Gifts

Data-Driven Donor Insights

Leveraging Insights to Drive Major Donor Activity

ICEBREAKER QUESTION

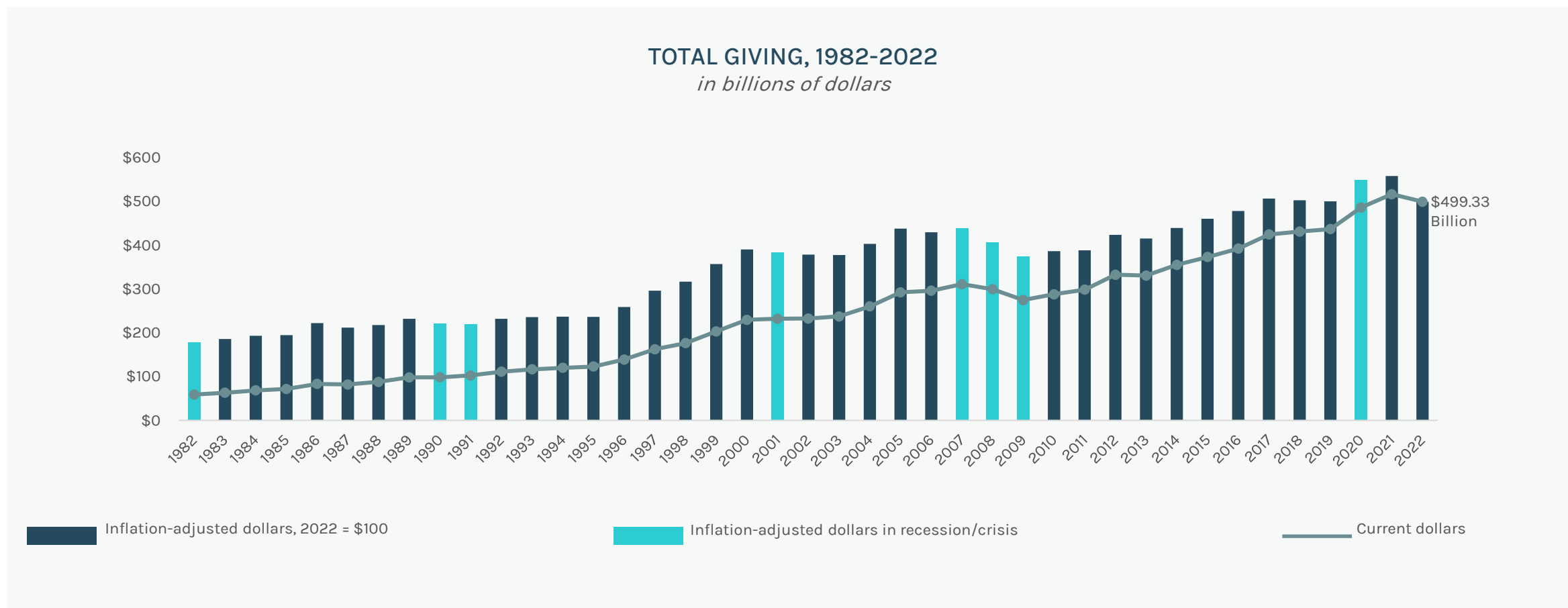
PLEASE SHARE WITH WHOMEVER IS SITTING NEXT TO YOU:

1. YOUR NAME
2. YOUR ORGANIZATION
3. MAJOR DONOR GIFT SIZE MINIMUM
4. ANY CURRENT CHALLENGES WITH A MAJOR DONOR AT YOUR ORGANIZATION

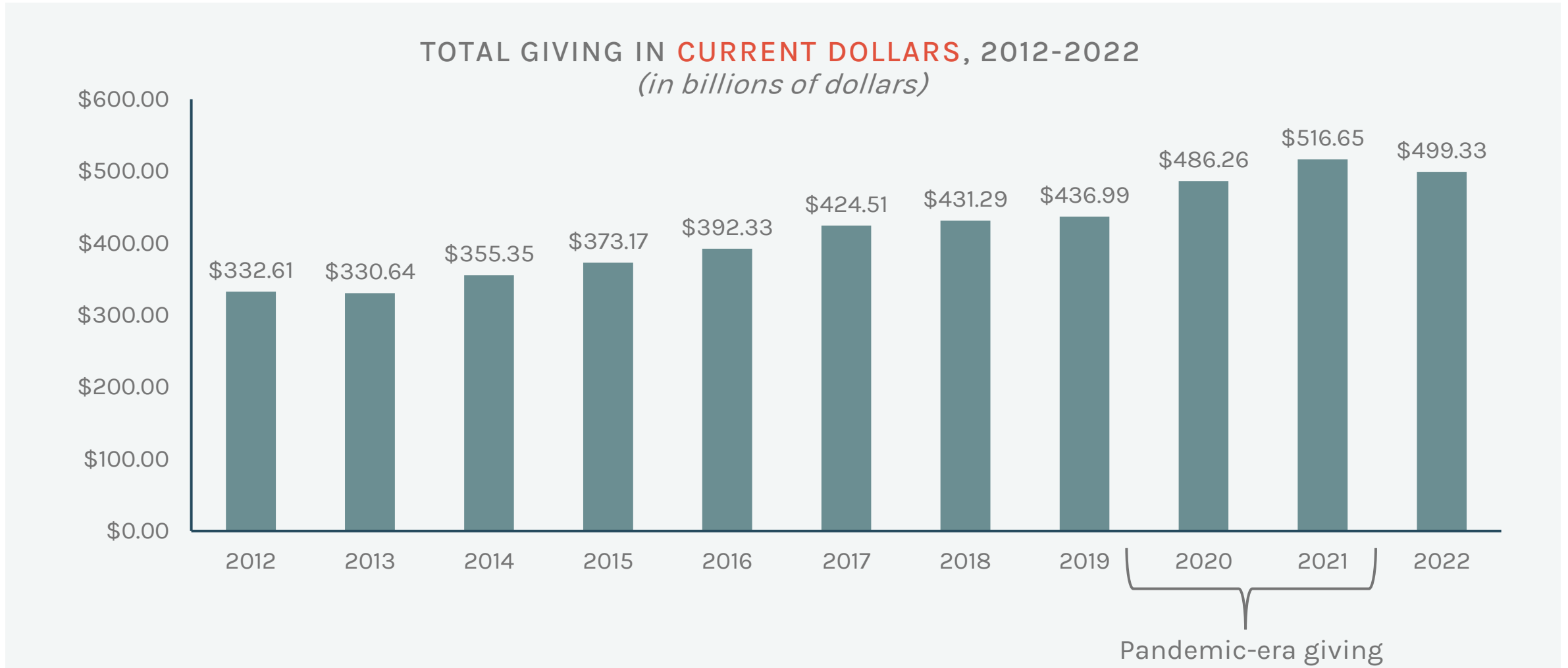
THE PHILANTHROPIC LANDSCAPE & ROLE OF MAJOR GIFTS

US CHARITABLE GIVING SINCE 1982

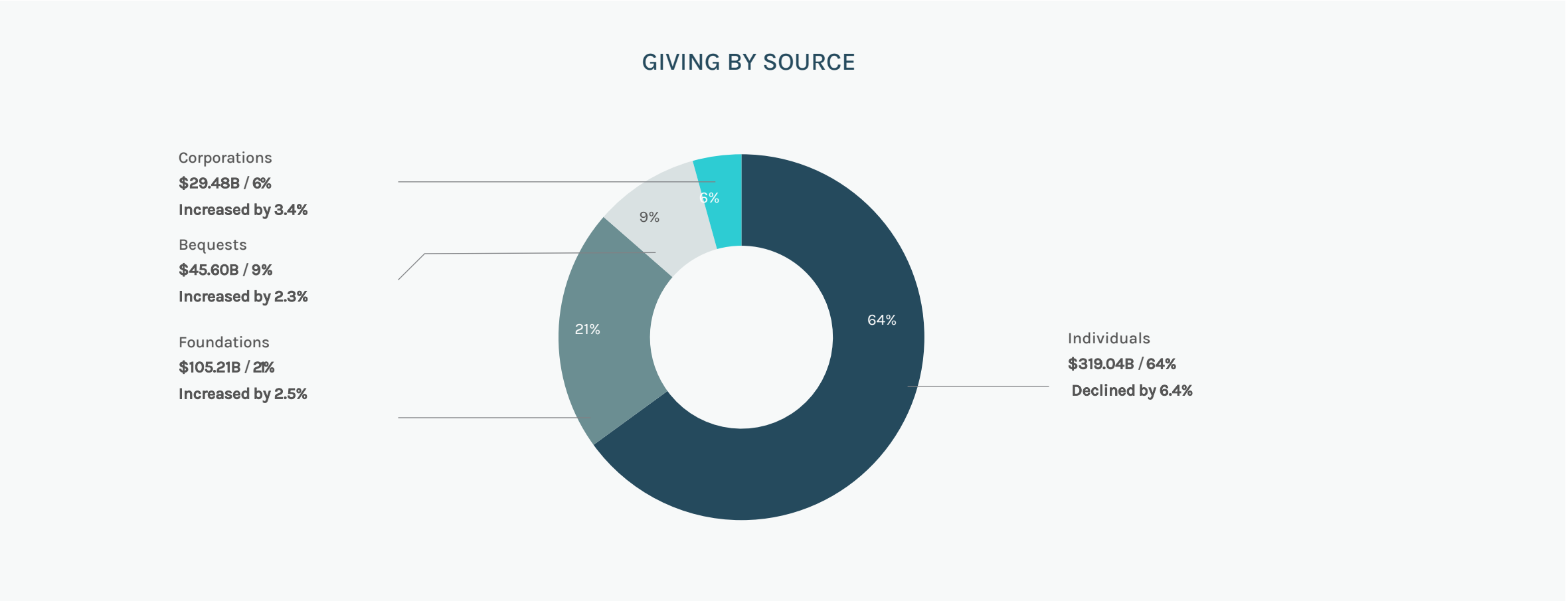
Giving USA estimates that charitable giving in the United States reached **\$499.33** billion in 2022.



Giving declined to \$499.33 billion in current dollars in 2022, a year influenced by the stock market and economic uncertainty

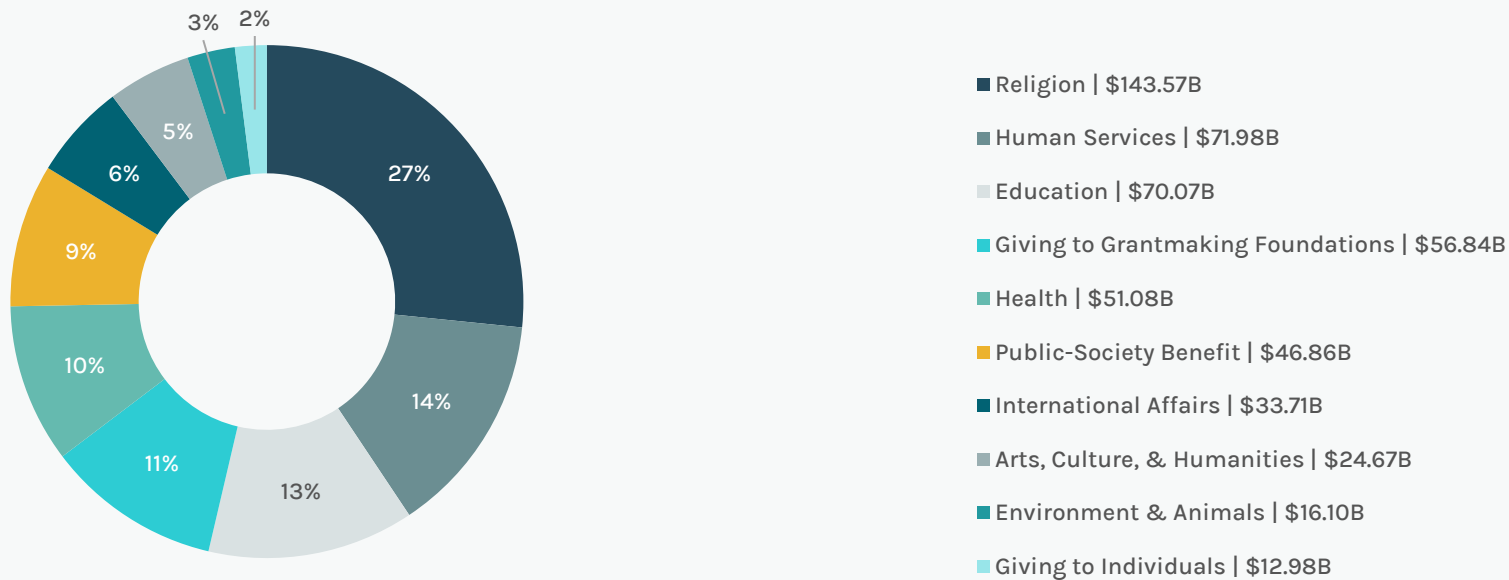


GIVING BY SOURCE



GIVING BY RECIPIENT TYPE

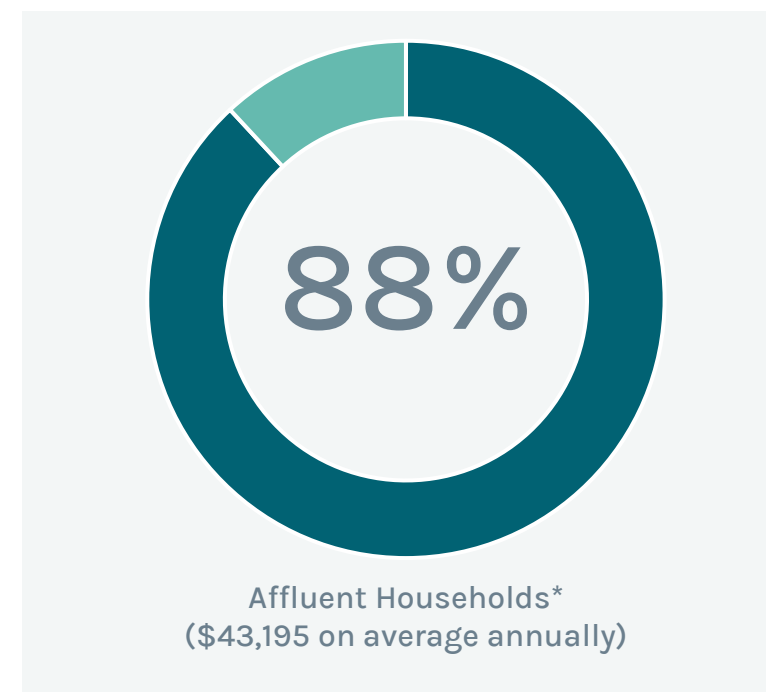
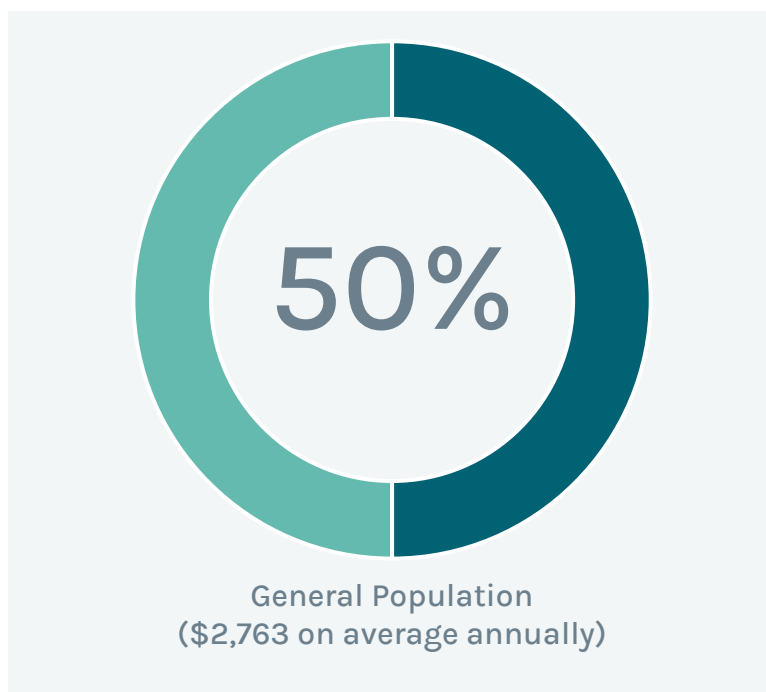
GIVING BY RECIPIENT TYPE



MOST INDIVIDUALS GIVE

The total amount of individual giving continues to grow, but the number of donors has been declining since the Great Recession.

When studying the organizations that partner with CCS, we found the top 10% of all donors contributed 92% of total funds raised over a 10-year period. This reinforces the importance of a strong major giving program, as most of an organization's revenue will come from a small group of highly engaged donors.

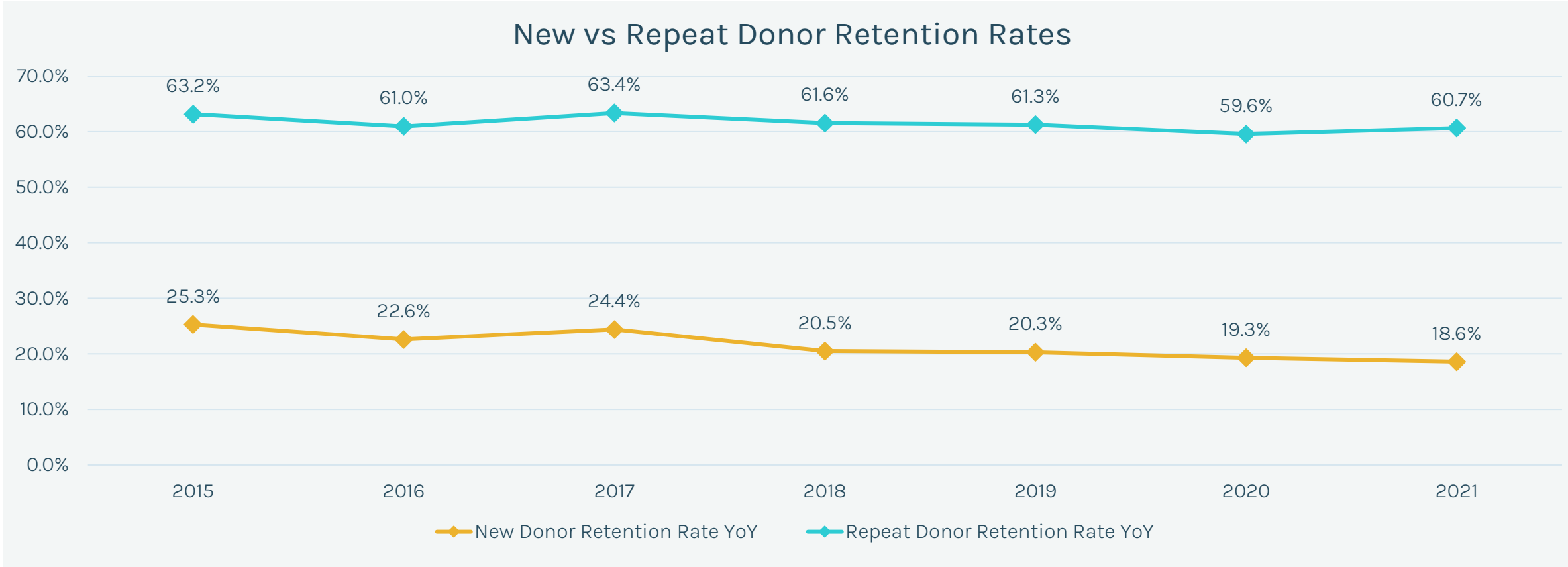


*"Affluent" is defined as having an annual household income of more than \$200,000 and/or a net worth of more than \$1 million, excluding primary residences.

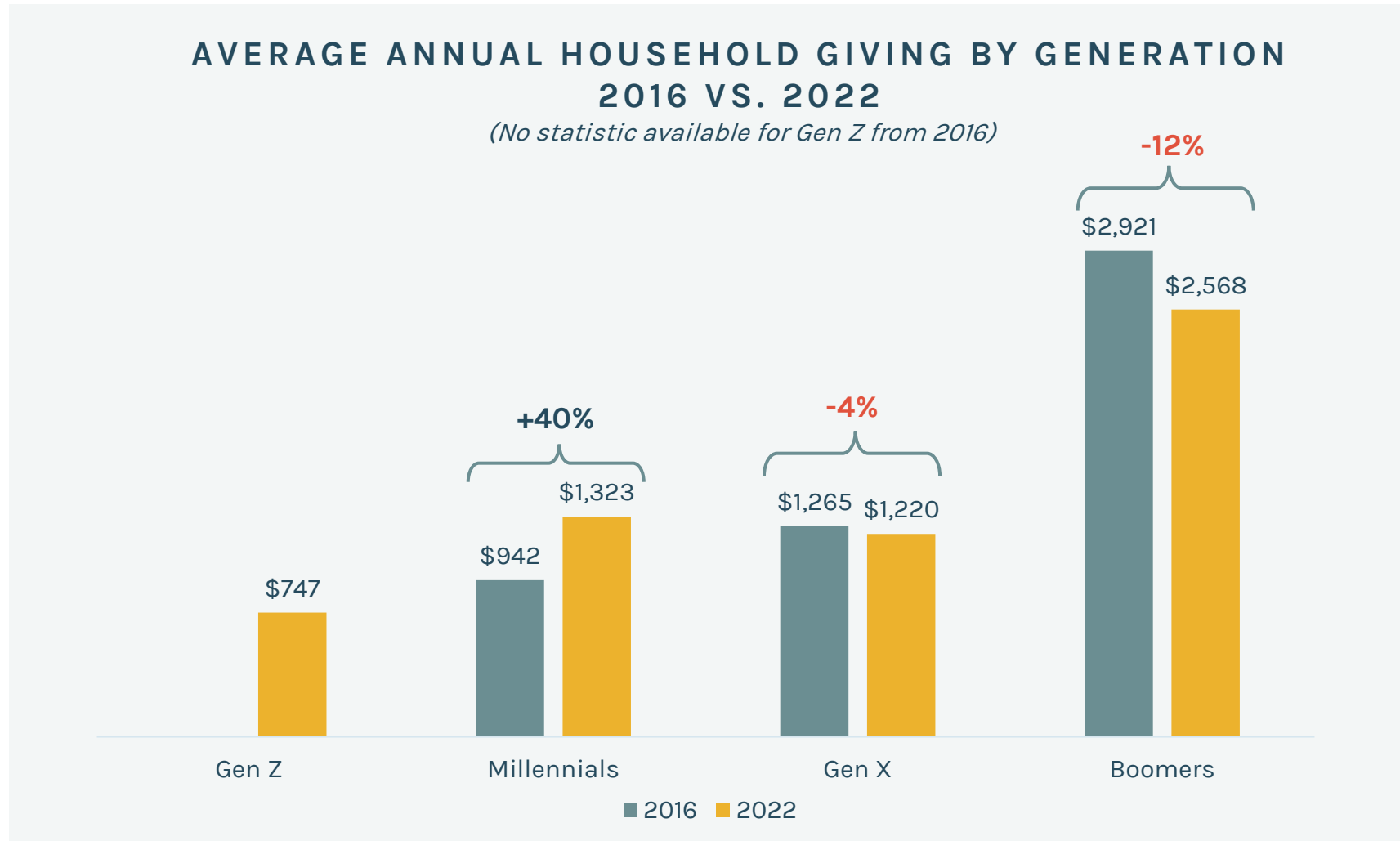
DONOR RETENTION

Donor retention continues to be cited as a top fundraising challenge experienced by nonprofits each year in CCS’s Philanthropic Pulse Survey.

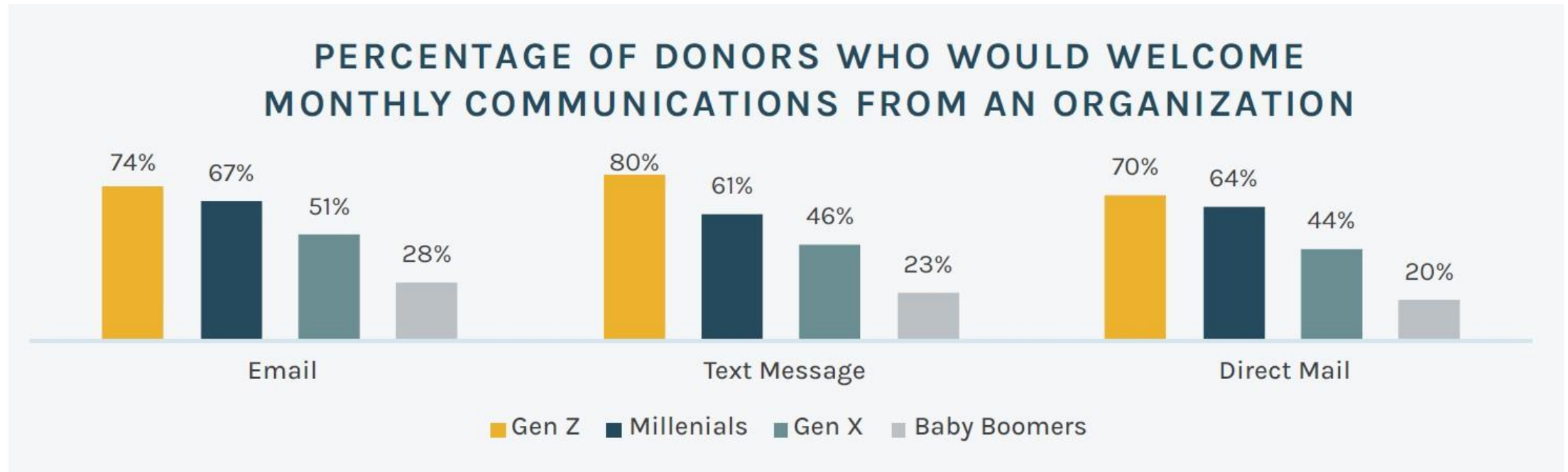
The average donor retention rate for nonprofits hovers around 45 percent. New donor retention rates are lower than the national average for all donors and repeat donor retention rates are dramatically higher.



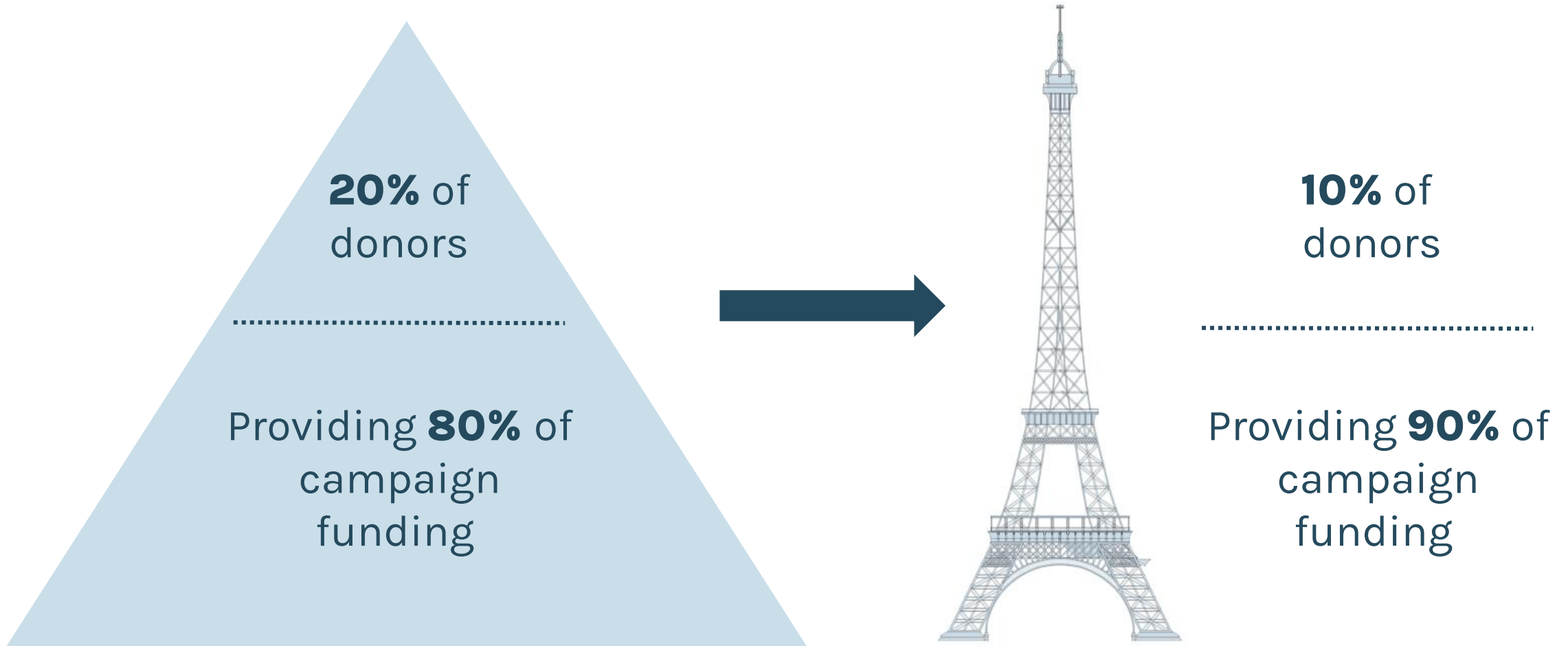
Giving from younger generations is rising as the Great Wealth Transfer of ~\$84 trillion is underway



Strategically engaging the next generation of donors is critical



“DONORS DOWN, DOLLARS UP”



LET'S DISCUSS

How do you believe these trends, notably "dollars up / donors down," will influence your major gifts fundraising program?

What is your reaction to these trends? Are they aligned with your fundraising experiences?

KEY TAKEAWAYS



Robust, resilient
philanthropic landscape
driven by individual
donors



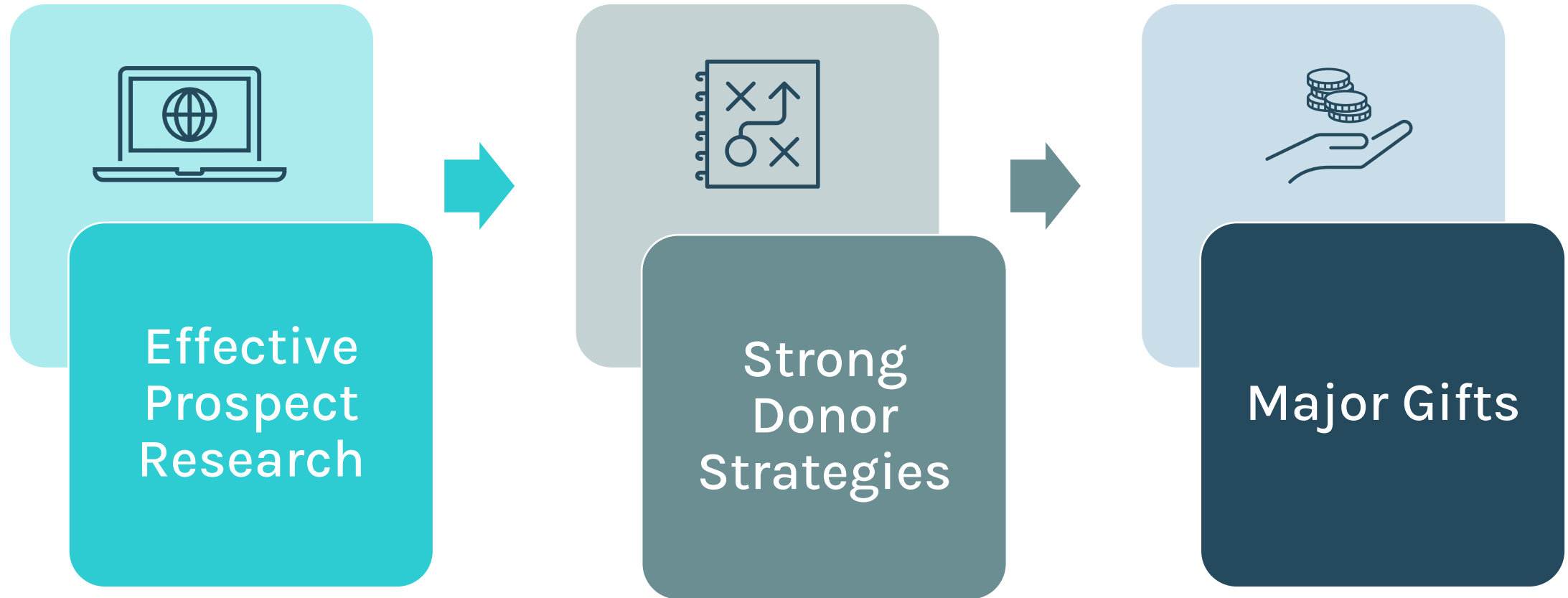
Fundraising success will
be disproportionately
influenced by a small
cohort of high-capacity
individuals

DATA-DRIVEN DONOR INSIGHTS

ADD HERE

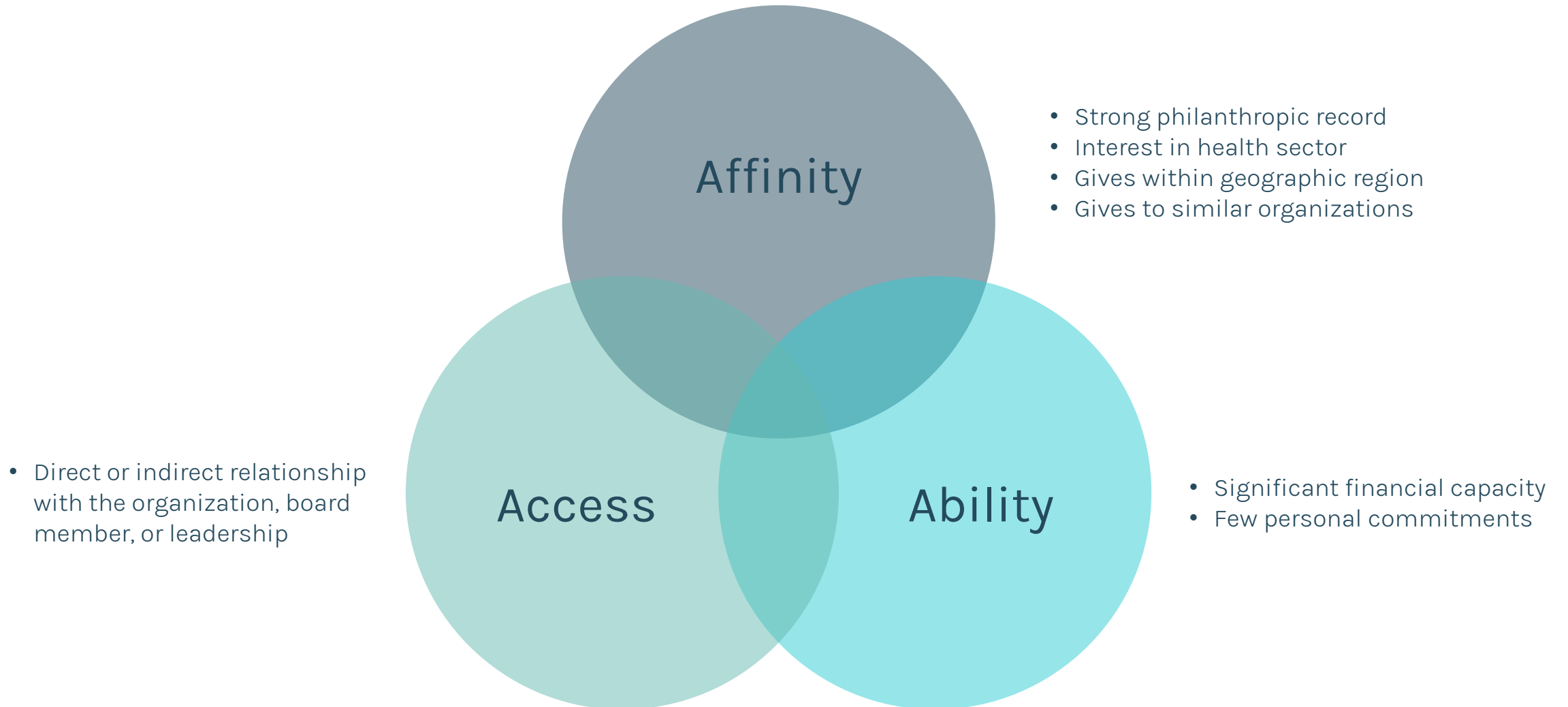
WHY DATA-DRIVEN INSIGHTS?

Successful fundraisers have long used prospect research and data-driven insights to inform strategies around a prospect's giving trajectory.

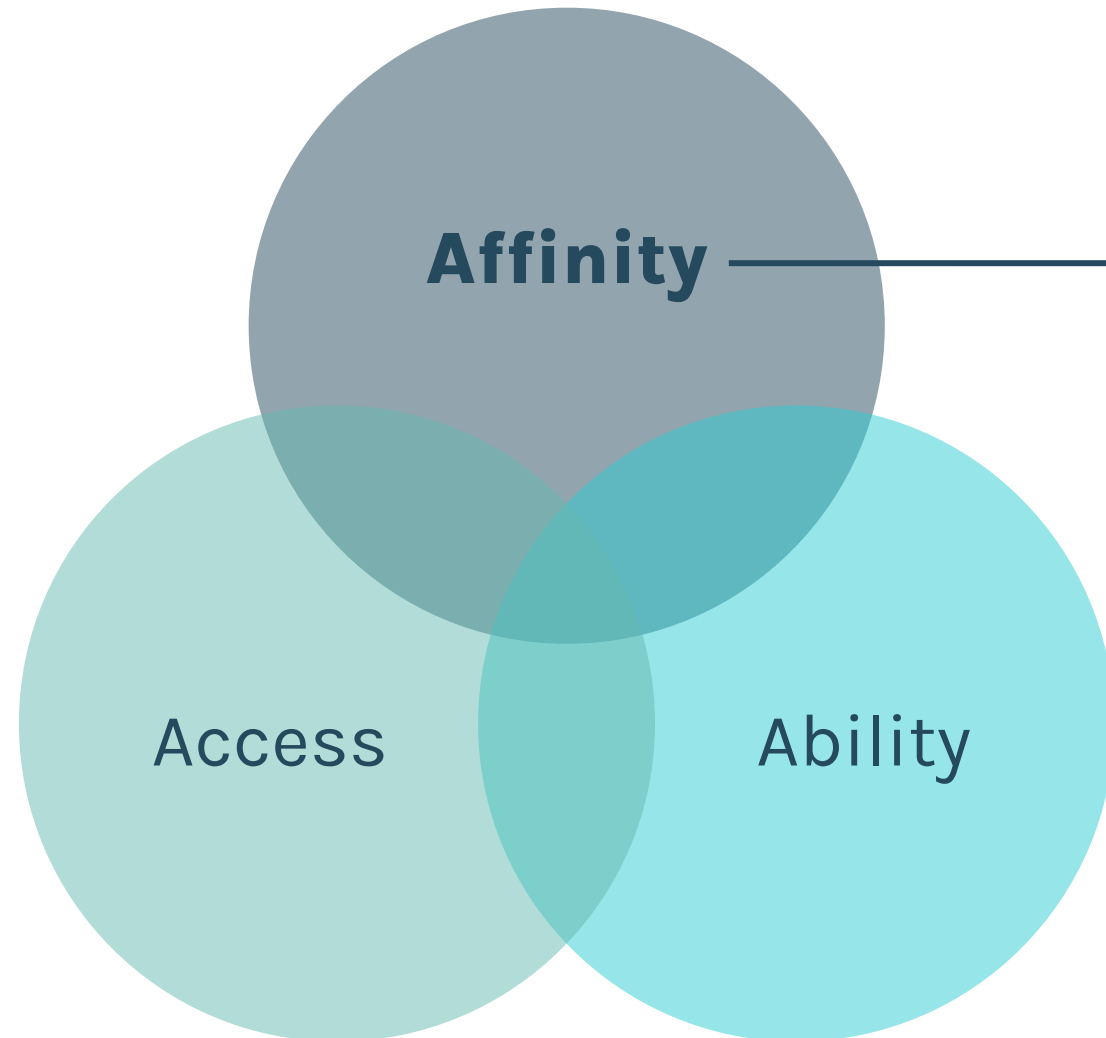


GUIDING PRINCIPLES FOR PROSPECTING

Prospecting is the process of identifying potential new donors for your school.



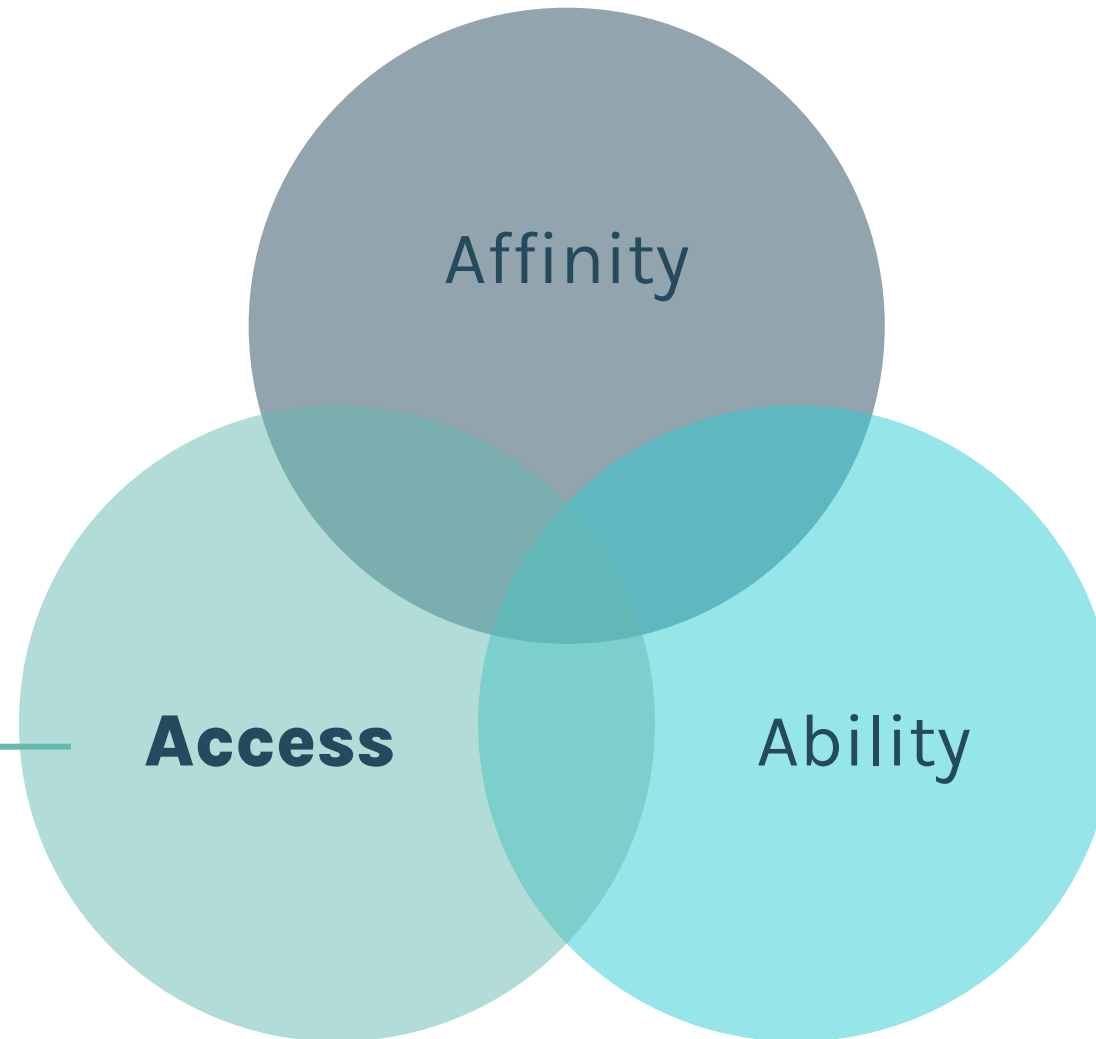
GUIDING PRINCIPLES FOR PROSPECTING



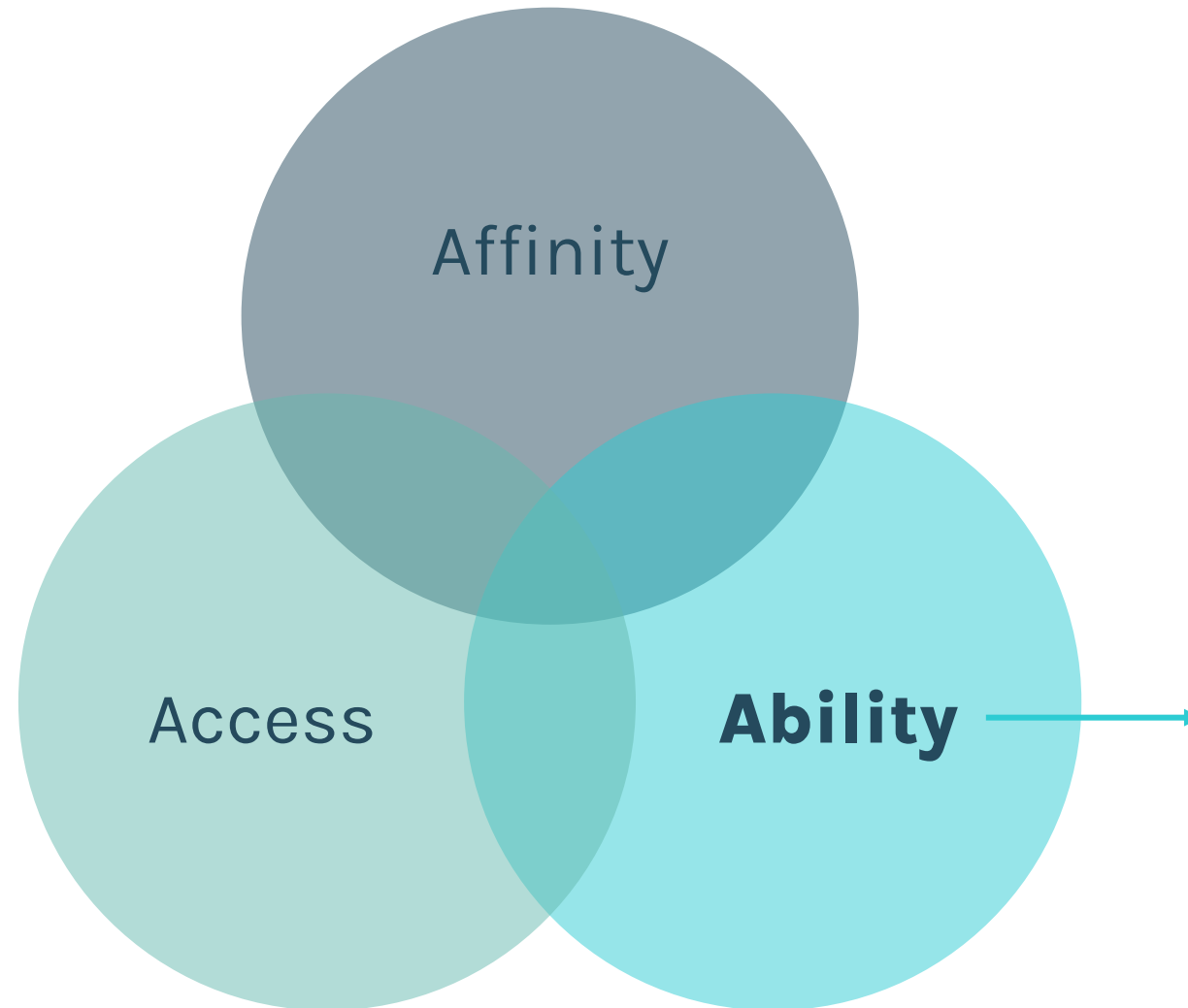
- Is the donor aligned with your organization's values?
- Does the donor support similar organizations?

GUIDING PRINCIPLES FOR PROSPECTING

- Does the donor have an existing relationship with your organization or leadership? ←



GUIDING PRINCIPLES FOR PROSPECTING



- Does the donor have assets to consider a gift of this size?
- Has the donor made gifts of similar size before?

KEY WEALTH & PHILANTHROPIC INDICATORS

There are several factors that should be considered when understanding someone's ability to make a major gift.

1. Source of Wealth & Net Worth



```
graph TD; A[1. Source of Wealth & Net Worth] --> B[2. Professional Affiliation]; B --> C[3. Giving to Your Organization]; C --> D[4. Giving to Peer Organizations]; D --> E[5. Planning Study Responses (if applicable)];
```

2. Professional Affiliation

3. Giving to Your Organization

4. Giving to Peer Organizations

5. Planning Study Responses (if applicable)

PROSPECT RESEARCH RESOURCES

Prospect research illuminates critical pieces of information that will help fundraisers develop a focused philanthropic strategy.

FREE RESOURCES

- ☐ Google
- ☐ Corporate Bio
- ☐ Nonprofit Website (i.e., board member bio)
- ☐ Nonprofit Marketing Materials (i.e., annual report, donor lists)
- ☐ Guide Star (for Foundation 990s)

PAID RESOURCES

- ☐ Database (*WealthEngine*, *NOZA*, *WealthX*)
- ☐ News/Media Outlets (*The Chronicle of Philanthropy*, *Inside Philanthropy*)

REMINDER

Don't rely solely on wealth ratings!

HALLMARKS OF AN EXCELLENT PROSPECT PROFILE

A prospect research profile provides a snapshot of key data points that help inform a prospect's engagement strategy.

1.

Relationship to Your Organization

*Dates of Involvement,
Leadership Roles*

2.

Professional Information

*Current/Past Professional
Role*

3.

Giving History to Your Organization

*Lifetime Giving, Annual Gifts
(last 2-3 years),
Capital/Planned Gifts*

4.

Philanthropic Affiliations & Giving

*Recent/Notable Gifts to Peer
Organizations, Family
Foundation*

5.

Wealth Indicators

*Source of Wealth/Net Worth,
Real Estate, Stock Holdings*

6.

Biographical Information

Education, Family, Hobbies

TEMPLATE PROSPECT PROFILE

Insert Prospect Photo	<div>RESEARCH PROFILE CONFIDENTIAL</div> <div>PROSPECT NAME</div> <div>Spouse/Partner: Name</div> <div>Primary Address: Street, City, State, Zip</div> <div>Email/Phone: abc@gmail.com/617-100-1000</div> <div>History:</div> <div><ul style="list-style-type: none">How is your prospect connected to the organization? What is their potential affinity to the organization if not an established relationship?</div> <div>Giving History:</div> <div><ul style="list-style-type: none">Total Lifetime Commitments: \$Total Years Giving: #Largest Gift/Pledge: Amount on DateLast Gift: Amount on DateFirst Gift: Amount on Date</div> <div>Solicitor(s):</div> <div><ul style="list-style-type: none">Staff NameVolunteer Name (If applicable)</div>	Education	Degree(s) <ul style="list-style-type: none">Degree, Institution Name, YearDegree, Institution Name, Year	
	Biographical Information	Hometown: City, State	Philanthropic & Community Interests	Key Funding Areas <ul style="list-style-type: none">Major sectors supported by prospect (i.e., Advocacy, Arts and Culture, Higher Education, etc.)
		Family/Children: <ul style="list-style-type: none">Name, Connection to ProspectName, Connection to Prospect		Board Activity <ul style="list-style-type: none">Board Position, Organization, Dates
Professional Information	Important Life Events: <ul style="list-style-type: none">AwardsPublicationsInteresting findings during general research	Wealth	Recent Prominent Gifts <ul style="list-style-type: none">Amount to Organization in Year, (City, State)Amount to Organization in Year, (City, State)Amount to Organization in Year, (City, State)Amount to Organization in Year, (City, State)	
	Current Job: <ul style="list-style-type: none">Title, Company/Organization, Start Month/Year – Present		Est. Net Worth: \$	
	Previous Jobs: <ul style="list-style-type: none">Title, Company/Organization, Month/Year – Month/YearTitle, Company/Organization, Month/Year – Month/YearTitle, Company/Organization, Month/Year – Month/Year	Prospect Strategy	Est. 5-Year Gift Capacity Range: \$	
			Other Properties <ul style="list-style-type: none">Street, City, State, Zip (Real Estate Estimate)Street, City, State, Zip (Real Estate Estimate)	
			<ul style="list-style-type: none">Include in this section important observations from research that may influence strategy – what are the key considerations do you want to know before approaching this prospect?<i>For example, is there a strong affinity to the organization? What can we learn about their recent giving or board involvement? Does the organization have a potential connection via a volunteer?</i>	

REVIEWING PROSPECT PROFILES



James

- Active volunteer who participates in many programs
- Current graduate student at local university
- Monthly donor of \$10
- Parents have wealth capacity of \$100k - \$250k



Matthew

- Member of the Board, active participant of over 5 years
- Consistent giving of \$5,000 per year but no major (\$100k+) gift
- Lifetime giving of \$85,500
- Wealth capacity unknown
- Recently retired from 40+ year career as a VP, Finance



Jessica

- Recent first-time donor of \$250
- Friend of the Board Chair
- CEO of Fortune 500 company
- Wealth capacity of \$5M+
- Philanthropic history of \$1M+ giving to three local organizations and 1 international

WHAT DOES THE PROFILE TELL US?

Review the sample donor profile and answer the questions below:

**Source of Wealth &
Net Worth**

**Professional
Affiliation**

**Giving to Peer
Organizations**

**Giving to Your
Organization**

PROSPECT REVIEW

How would you
prioritize the sample
prospect profiles for a
major gift of \$1M+?

What are some
potential next steps?

LEVERAGING INSIGHTS TO
DRIVE MAJOR DONOR ACTIVITY

HOW DO WE DEFINE A MAJOR DONOR?

By dollar amount they give, which varies by organization

By impact they make, a gift of a size that truly makes a difference

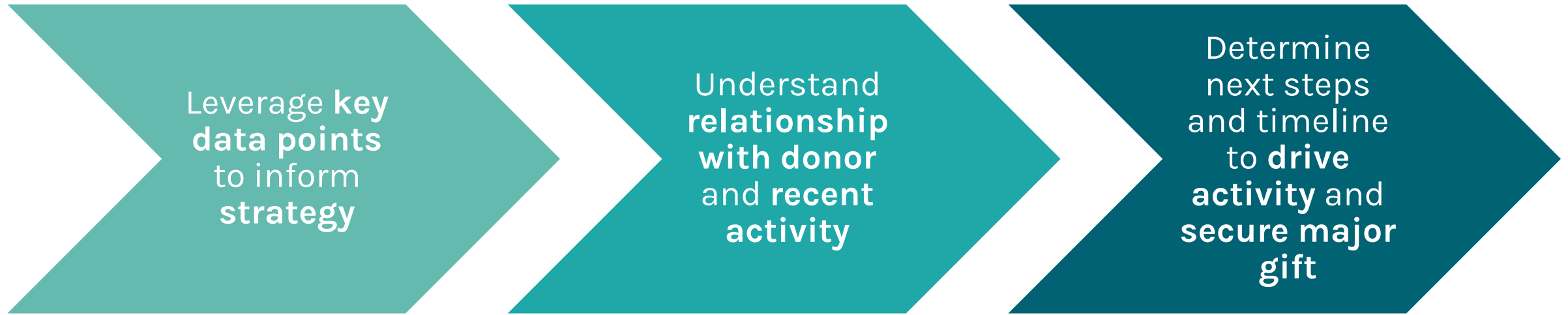
By who they are, from among your top prospects

By method of request, a strategically cultivated & personally-solicited gift

IN YOUR OPINION, WHAT MIGHT A DONOR
WANT TO KNOW OR FEEL BEFORE GIVING A
SUBSTANTIAL GIFT?

DEVELOPING DONOR STRATEGIES

Using the insights from your prospect research, begin to build a donor strategy that will position the donor to make a major gift.



ACCOUNTABILITY

Agree on who is “owning” each action item

Executive Director, Director of Development, Board Member, etc.

LEVERAGE DATA TO INFORM DONOR STRATEGY

Identify key data points to build an engagement strategy over a set timeframe.

- 1 Gift Target** | What gift amount are we asking for?
- 2 Solicitor(s)** | Who is making the ask?
- 3 Timing** | When will the ask take place?
- 4 Materials** | What materials are needed to be successful?

DRIVE PROSPECT ACTIVITY TO SECURE MAJOR GIFT

CULTIVATE

- Build **momentum** around the organization; **educate** about key programs and offerings
- Keep conversation engaging and **dialogue open**; be an active listener!

BRIEF

- Share **vision** for elevating your organization
- Educate on specific need or **funding priority**

SOLICIT

- Make a **specific gift request**
- **Articulate the impact** the gift will have on your organization and the community it serves

REMINDER:

Use the calendar and work backwards!

SCHEDULING THE MEETING

- **Be transparent:** donor should know the meeting will include a request for support
- **Be specific:** include 2-3 options for visit days/times; avoid open ended requests
- **Demonstrate patient persistence:** follow up as needed 1-2 weeks after initial request
- **Document activity:** Add all meeting requests to your CRM
- **Consider a partner:** Who are the right people to have around the table at the meeting?

SOLICITATION MEETING FLOW

1. Thank & Reflect



```
graph TD; A[1. Thank & Reflect] --> B[2. Present Materials]; B --> C[3. Make the Ask]; C --> D[4. Manage the Response]; D --> E[5. Close & Establish Next Steps];
```

The diagram illustrates a five-step solicitation meeting flow. Each step is represented by a colored rectangular box with rounded corners, arranged in a descending staircase pattern from top-left to bottom-right. The steps are: 1. Thank & Reflect (teal), 2. Present Materials (orange), 3. Make the Ask (dark grey), 4. Manage the Response (medium teal), and 5. Close & Establish Next Steps (dark teal). Downward-pointing arrows connect the bottom-right corner of one box to the top-right corner of the next box, indicating the sequence of the process.

2. Present Materials

3. Make the Ask

4. Manage the Response

5. Close & Establish Next Steps

CASE STUDY: THE SMITH FAMILY

Gift Target
What gift amount are we asking for?

- Family gift of \$5M

Solicitor(s)
Who is making the ask?

- Head of School & Current Board Chair

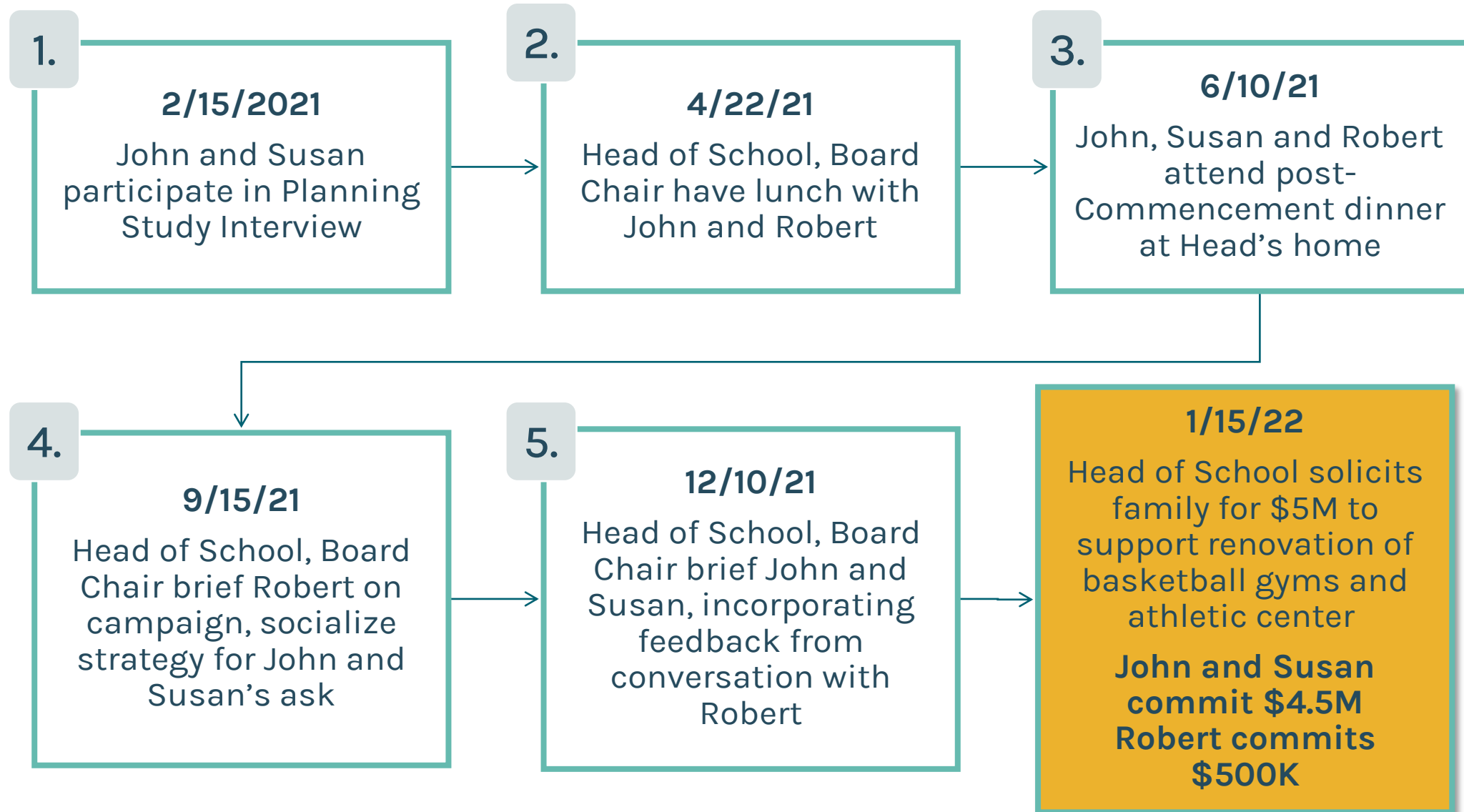
Timing
When will the ask take place?

- 2022-Q1

Materials
Materials needed to be successful?

- Proposal with Naming Opportunities

CASE STUDY: THE SMITH FAMILY



LET'S DISCUSS

What is your reaction to the Major Donor Journey and the Smith Family case study?

What kinds of events or stewardship opportunities exist at your organization that could be incorporated into the Major Donor Journey?

Would anyone like to share an example of a challenging major donor situation at their organization?

KEY TAKEAWAYS

5 TIPS FOR SUCCESSFUL MAJOR DONOR STRATEGY

1

Know **everything** you can about the donor (without letting that stand in the way of outreach)

2

Leverage the **calendar** – work backwards & align with **organization's activities**

3

Focus on what you can **control** and **move forward**

4

Keep **communications** ongoing and **dialogue** open

5

Keep prospect **top of mind** during pipeline meetings

QUESTIONS?

