How to Create a Major Gifts Program & Find Major Donors

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Using your GoToWebinar Control Panel
Data-Driven Fundraising: Using Data to Find Major Donors

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presented by

DONOR SEARCH

Ryan Woroniecki, VP of Strategic Partnerships
DonorSearch was founded in 2007 with one goal: to provide nonprofits with the nation’s largest philanthropic database and best wealth information to identify your best donors.

The current vision is to make high quality prospect research affordable for every nonprofit and make it available proactively to improve the operational efficiency of fundraising.

About DonorSearch

Ryan Woroniecki
VP of Strategic Partnerships
DonorSearch
The Giving USA – Annual Report

- Longest Running Annual Report!
- Begun in 1956 by the American Association of Fundraising Counsel, now The Giving Institute
- Researched and written by the Indiana University Lilly Family School of Philanthropy

The annual report examines the rates of change for giving in the previous two years, by:

- Source and recipient type
- Trends in total giving
- Economic trends and giving
- Trends in giving by source
- Trends in giving by recipient type
- Trends in volunteering
- Trends in number of nonprofit organizations
Individuals contribute the largest amount to charitable giving.

Where do gifts come from?
Markers of Philanthropy

How do you know them when you see them?

Who are in the top 20% for your nonprofit?
Donor Identification Process: Collect Names

- Look for individuals, foundations, businesses, etc.
- Work your connections – board, donors, volunteers, employees, grateful patients
- Look at other organizations – donors give to multiple organizations, especially those with similar missions.
- People in your service area
- Those with healthcare interest
How Do You First Identify Major Gift Prospects?

Prospect research - Maximize the potential of a major donor by collating and managing a variety of information which fundraisers can use to make the relationship with a major donor as rewarding as possible!

- Start with donors and current supporters
- Identify any Internal Relationships and Capacity
- Segment donors & Prioritize
- Use Screening – pinpoint capacity, uncover relationships, identify competitive philanthropy
Five Markers of Philanthropy – DonorSearch Study

$5 Billion
in Giving

2 Million
Individuals

400
Organizations
Five Markers of Philanthropy

1. Giving to Your Organization
R+F+M = RFM or 82+43+65=190

Common measure of loyalty

Easy to calculate

Can be weighted to suit your organization
Five Markers of Philanthropy

Giving to Other Organizations
Previous Giving to Other Organizations

<table>
<thead>
<tr>
<th>Largest Gift</th>
<th>% of Donors</th>
<th>% of Giving</th>
<th>Predictive Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benchmark</td>
<td>100%</td>
<td>100%</td>
<td>1.00</td>
</tr>
<tr>
<td>$100,000+</td>
<td>0.7%</td>
<td>24.1%</td>
<td>32.67</td>
</tr>
<tr>
<td>$50,000 - $100,000</td>
<td>0.5%</td>
<td>13.5%</td>
<td>25.02</td>
</tr>
<tr>
<td>$25,000 - $50,000</td>
<td>0.6%</td>
<td>6.5%</td>
<td>11.79</td>
</tr>
<tr>
<td>$10,000 - $25,000</td>
<td>0.7%</td>
<td>7.0%</td>
<td>10.73</td>
</tr>
<tr>
<td>$5,000 - $10,000</td>
<td>1.1%</td>
<td>5.4%</td>
<td>4.98</td>
</tr>
</tbody>
</table>
Five Markers of Philanthropy

Foundation Trustee
Position as Foundation Trustee or Board Member

- Information is easy to find
- Understand the importance of philanthropy
Five Markers of Philanthropy

4

Political Giving
**Political Giving**

- Single gift of $250 puts your donor in the top 6% of the U.S. population
- Single gift of $1,000 puts your donor in the top $1/10$th of 1%
- Virtually every FEC donor with lifetime political giving of $15,000 has made a 4-, 5-, 6-, or 7-figure charitable gift somewhere

<table>
<thead>
<tr>
<th></th>
<th>% of Donors</th>
<th>% of Giving</th>
<th>Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Giving &gt; $2.5K</td>
<td>3.8%</td>
<td>54.6%</td>
<td>14.37</td>
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<tr>
<td>All Giving &gt; $1K</td>
<td>11.0%</td>
<td>70.7%</td>
<td>32.67</td>
</tr>
<tr>
<td>All Giving &gt; $500</td>
<td>14.4%</td>
<td>74.3%</td>
<td>25.02</td>
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</tbody>
</table>
Five Markers of Philanthropy

Value of Real Estate
## Value of Real Estate

<table>
<thead>
<tr>
<th>Real Estate Value</th>
<th>% of Donors</th>
<th>% of Giving</th>
<th>Predictive Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2+ million</td>
<td>1.4%</td>
<td>25.0%</td>
<td>17.6</td>
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<tr>
<td>$1-2 million</td>
<td>3.2%</td>
<td>13.2%</td>
<td>4.2</td>
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<tr>
<td>$750K - $1 million</td>
<td>2.5%</td>
<td>5.7%</td>
<td>2.3</td>
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<tr>
<td>$500K - $750K</td>
<td>5.4%</td>
<td>6.8%</td>
<td>1.3</td>
</tr>
<tr>
<td>$250K - $500K</td>
<td>12.8%</td>
<td>8.6%</td>
<td>0.7</td>
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<td>$125K - $250K</td>
<td>10.9%</td>
<td>4.8%</td>
<td>0.4</td>
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<tr>
<td>$125K</td>
<td>8.4%</td>
<td>3.5%</td>
<td>0.4</td>
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Donor Identification Process: Test Your Judgements

- The data is just a starting point – you have to validate it.
- Triangulation is helpful, but the ultimate test is in the field.
- Fieldwork can be an opportunity to collect more data.
  - Things you can see – homes, cars, furnishings, diplomas, photos
  - Things people will tell you – relationships, businesses, family
How Big is Major?
Fundraising Cycle

Step 1: Identification
Step 2: Cultivation
Step 3: Solicitation
Step 4: Stewardship
Fundraising Cycle

Step 1: Identification

Step 2: Cultivation

Step 3: Solicitation

Step 4: Stewardship
Identification

A – Access
B – Belief
C - Capacity
AFFINITY (Access and Belief)

Scale of 1-5

- Board and Large Donors
- Volunteers, Donors, Clients
- Community Members
Capacity

5  =  $25,000 +
4  =  $10,000 - $24,999
3  =  $5,000 - $9,999
2  =  $1,000 - $4,999
1= Under $1,000
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<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Suspects</th>
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<th>Good Prospects</th>
<th></th>
<th>Best Prospects</th>
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<th>Community Members</th>
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</tbody>
</table>

**Affinity (Access and Belief)**

**Capacity**
Identify Top 20 Prospective Donors
Fundraising Cycle

Step 1: Identification

Step 2: Cultivation

Step 3: Solicitation

Step 4: Stewardship
WHAT DO YOU THINK?
### Cultivation Plan

<table>
<thead>
<tr>
<th>Month</th>
<th>Activity</th>
<th>Responsible Party</th>
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</thead>
<tbody>
<tr>
<td>January</td>
<td>Tour</td>
<td>Development Director</td>
</tr>
<tr>
<td>February</td>
<td>Coffee</td>
<td>ED &amp; Board Member</td>
</tr>
<tr>
<td>March</td>
<td>Newsletter</td>
<td>Development Director</td>
</tr>
<tr>
<td>April</td>
<td>Event Invite</td>
<td>Development Director</td>
</tr>
<tr>
<td>May</td>
<td>Gala Table</td>
<td>ED &amp; Board Member</td>
</tr>
<tr>
<td>September</td>
<td>Coffee</td>
<td>ED &amp; Board Member</td>
</tr>
<tr>
<td>December</td>
<td>Holiday Card</td>
<td>Executive Director</td>
</tr>
</tbody>
</table>
Fundraising Cycle

Step 1: Identification

Step 2: Cultivation

Step 3: Solicitation

Step 4: Stewardship
The Critical Conversation
We would like to ask you to consider a gift in the range of $___________ to support our ________ (programs or services).
Thank you!
OK MONDAY
LET'S DO THIS!
Major Gifts Challenge

5 Hours per Week!

amyeisenstein.com/challenge
Questions?

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