

Building Strong Relationships with Donors

Presenter: Kim Klein

Sponsored by:

Community Foundation

Sonoma County



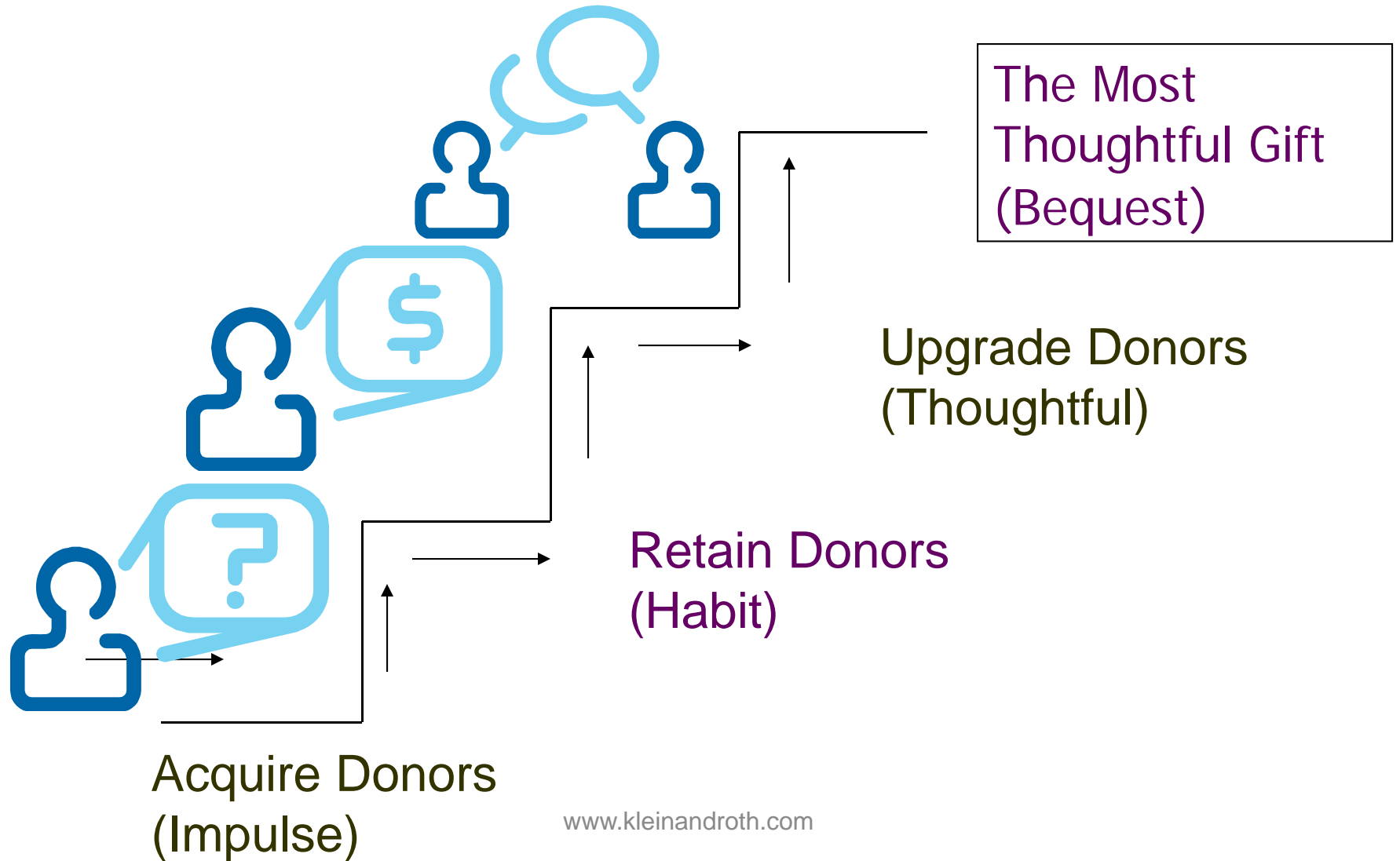
Kim Klein is the author of five books, including the classic, *Fundraising for Social Change*, now in its 6th edition. Her most recent book, *Reliable Fundraising in Unreliable Times*, won the McAdam Book Award in 2010. She lives in Berkeley, CA with her partner, two cats and dog.

Givers Give

- 70% of adults give away money
- Most give to multiple organizations
- Donors give when they feel appreciated and when they feel their gift will make a difference.
- Individuals make up 85% of of all money given privately:
2010: \$250 billion



The Purpose of Fundraising is to Build Relationships



A Few Reminders

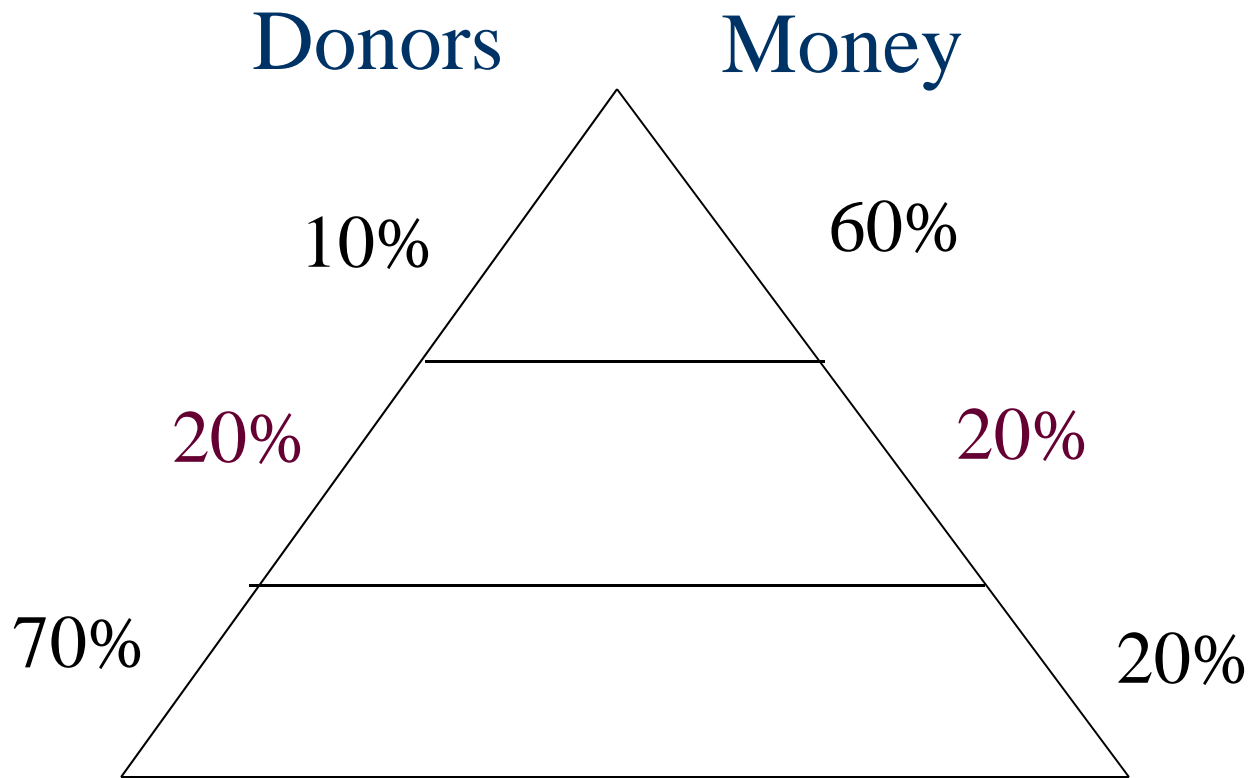


- **The people most likely to give you a donation have given once**
- **People who give away money have many places to give: 160,000 nonprofits in CA alone**
- **A systematic disciplined retention plan is essential for growing your donor income**

Minimum Requirements

- **Send a thank you note within 72 hours**
- **Record the donation in a database**
- **Personalize whenever possible**
- **Send the donor information 3 times a year: newsletter, Annual Report, special appeals, e-newsletter**
- **Maintain a Facebook page**
- **Keep your website up to date**

Donor Pyramid

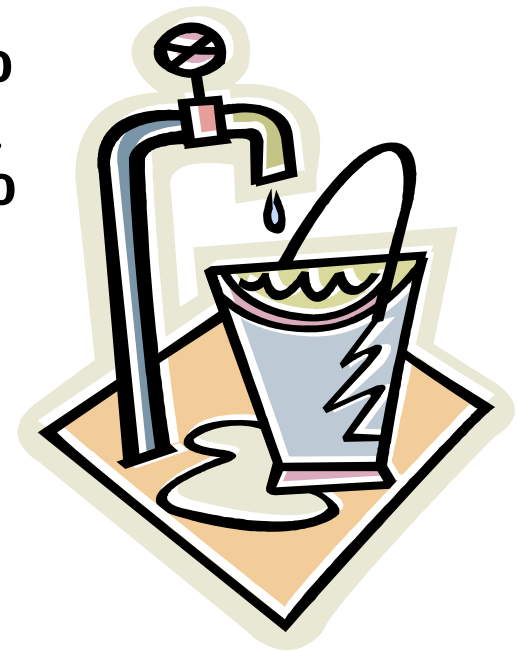


Stop the Leaky Bucket Method

Strong acquisition rate: 1%

Strong conversion rate: 40%

Strong retention rate: 70%

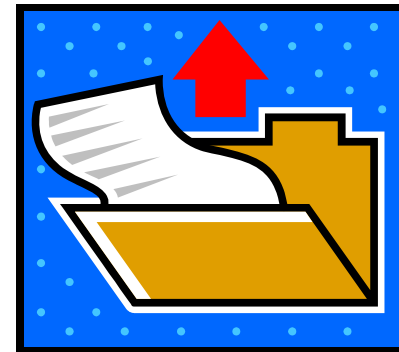


Donor Trajectory



“This is one of the organizations I support”

“I like this organization a lot”



“This is one of my top three giving priorities”





Building Trust with Donors

Creating an atmosphere where
donors want to give more



Thank you Notes

Sent promptly

Personalized

Content changes every two months

Remember:

**The thank you note is the one thing
donors will read—don't waste that
opportunity**

Don't always ask

Surveys

Phone to thank the donor

Ask for volunteers

Seek new board members

Get advice

Focus groups

Thank you events, such as tours of your facility



Monthly Donor Programs

For frequent donors



Sustainer Circle

Guardians of Liberty (ACLU)

Humane Hero (Humane Society of the USA)

Hope Builders (Habitat for Humanity)

Elements of Monthly Donor Programs

- **Must be able to accept credit cards and direct debit**
- **Must be on your website**
- **Donors should be profiled every so often in your newsletter**
- **Should have 1-2 rewards for joining: card, special event, special report, mug**

Language for Monthly Donor Appeal

- “These monthly gifts are invaluable to help keep us our commitment to not turn anyone away who needs our help,”
- “to expanded grassroots mobilization,”
- “To working with other nonprofits to address the root cause of”
- “To being a reliable presence in a very uncertain world”

Specific Appeals

Donors can be asked for money four times a year, as long as:

- You thank them for what they have already done**
- Each appeal educates donors about an aspect of your program**
- Use language like “extra”, “stretch”, “in addition” etc.**

Example:



HAIRBALL ALERT:

*We need much better digs
than we have right now.*

Goal: \$17,000

*Give already! I hate to be
kept waiting.*

Humane Society Campaign

Example

Letter, with photo:

This is a photo of me being able to use the Community Center for the first time. We have one more ramp to go, and want to put it in before winter.

Can you help?

Mary Sandoval,
Community Member



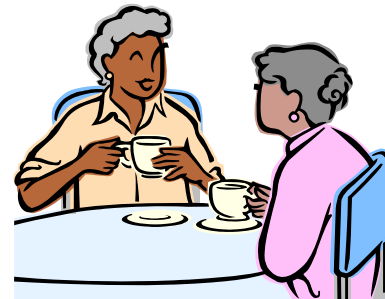
On a scale of 1-10, rate your comfort asking individuals for money in person

- 1. No experience at all**
- 2. Not comfortable at all**
- 3. I can do it, but don't love it**
- 4. I like some aspects of it, and do it regularly**
- 5. This is the most enjoyable part of my work**

Approach Donors of \$250+ More Personally

Ask them to double their gift or ask for a more substantial increase

Use a combination of letter/e-mail, phone call and face to face meeting



Respond to a Challenge

Find a donor or foundation to offer a challenge gift: \$1 for \$1 for every new and upgraded gift.

“If you go from \$50 to \$100, you will help us raise an extra \$50.”



Follow up calls are key

Donors have a lot going on in their lives, and they put down your letter or they delete your e-mail.

Forgetting about your organization is not “no.”
NO is short for “Not now.”



Preparing for the Phone Call

Have ready:

- Opening sentence*
- Message for VM*
- Most exciting thing about the project*
- Where are you toward the goal?*
- How much do you want?*



- **Stop and THINK:**
- **Who is this donor?**
- **What are you interrupting?**
- **Are you prepared to hear yes? No?**
- **Questions?**

Some people you will want to meet:

For upgrade requests which would take the donor over \$1,000, it is best to meet in person, if possible.



Prepare for the Meeting



Have ready:

- ✓ *Stories*
- ✓ *Statistics, including comparisons*
- ✓ *Philosophical reasons why this is important*
- ✓ *Responses to common objections and questions*
- ✓ *Budget and fundraising success so far*

Keep in mind:

- *The donor/s agreed to see you*
- *They already like your organization*
- *Appreciate what they have done already, and reassure them it is enough*
- *Invite them to stretch and do more*

Prepare for Objections:

“That’s a good question”

“I have had that same feeling”

“What would you advise us to do differently?”



“Would you be willing to give when...?”

“How shall we leave this today?”

PRACTICE PRACTICE PRACTICE

The CLOSE: Ask, wait for answer, be thankful



Thoughtful Givers

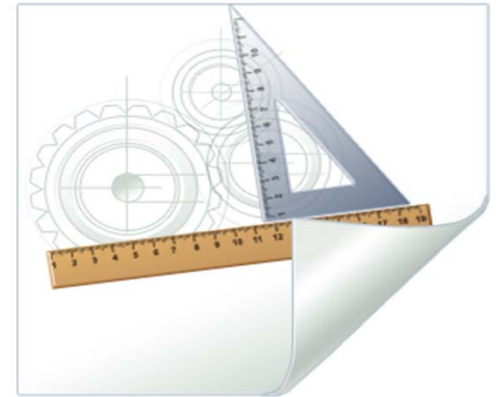
- ✓ If a donor agrees to give more, your organization agrees to give him or her more attention
- ✓ You will need to be thoughtful in return:
 - Personal notes on letters
 - Occasional phone call
 - Requests for advice or time



A Donor is NOT an



Plan ahead



Ways to maintain these relationships:

- ✓ Give board members a portfolio of donors
- ✓ Keep very good records on what the donor likes and doesn't, what she or he is most interested in, who is the best contact
- ✓ Ask donors to help you find donors
- ✓ Don't promise on the front end what you can't deliver on the back end

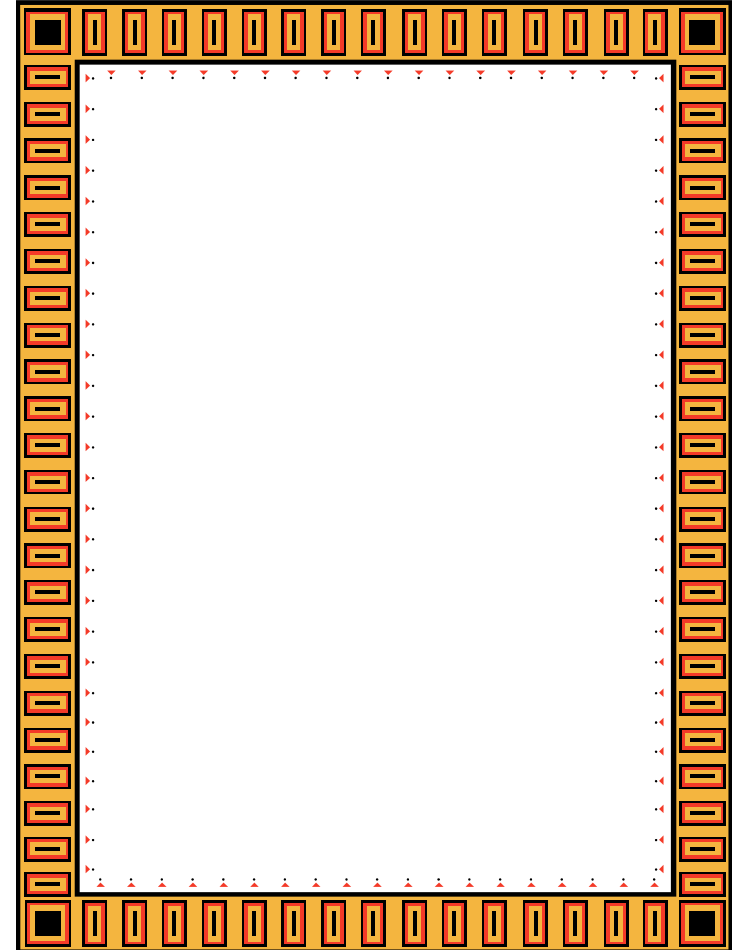
Seek out Ways to Boost Public Confidence in Your Organization

Donors have been trained to be obsessed with how you spend money.

- **Post your budget and your financials on your website.**
- **Provide a narrative explanation of numbers**
- **Have an e-mail address people can write to if they have questions (and be sure someone answers these inquiries)**
- **Make sure your board members can answer financial and program questions**

Our Strengths and Challenges

- ✓ **CASE**
- ✓ **RELATIONSHIPS**
- ✓ **STRATEGIES**
- ✓ **DIVERSITY**
 - **sources**
 - **people**



Helpful Resources from Kim Klein

Magazine and e-newsletter

Grassroots Fundraising Journal

www.grassrootsfundraising.org

Books by Kim Klein

Reliable Fundraising in Unreliable Times

Fundraising for Social Change

Other recommended books:

Working Across Generations by Robby Rodriquez, Frances Kunreuther and Helen Kim

Accidental Fundraiser by Stephanie Roth and Mimi Ho

Order from www.josseybass.com or your local bookstore