



**RAISING
MONEY
WITHOUT
GOING CRAZY**

The Basics of Non-Profit Fundraising

JOE GARECHT

Raising Money Without Going Crazy: The Basics of Non-Profit Fundraising

By Joe Garecht

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About the Author

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Joe is also the author of *How to Hold Great Fundraising Events: A Step-by-Step Guide*, which is available from The Fundraising Authority, and *The Non-Profit Fundraising Formula*, which is available from Amazon.

For more great information on how to raise more money for your school, church, or other non-profit organization, visit Joe on the web at TheFundraisingAuthority.com

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Introduction

Your non-profit's mission matters. The work that you do matters. Otherwise, you wouldn't be working there. You, your team, and your non-profit are all working together to make the world (or your corner of it) a better place.

You cannot carry out your mission without the necessary funds. It's that simple. You need money to operate, to pay your staff, to open your doors. Without money, you won't be able to do any good for those you serve. Without money, your non-profit cannot exist.

It follows, then, that fundraising isn't evil — if it allows you to carry out your mission, it is an objective good. Fundraising for an organization that is doing good work isn't a “necessary evil,” it is a privilege. It doesn't always seem that way, I know. It's hard work. It takes lots of time. As often as not, it can be frustrating and tiring. But it matters. The work you do fundraising directly and unequivocally leads to good. If your mission matters, your fundraising matters.

I have found, in well over a decade of fundraising, that if people are properly introduced to your organization – and properly cultivated – they will want to financially support your non-profit. Far from running and hiding, your prospects and supporters will *want* to make a financial investment in your organization's work and success. Then, they will want to introduce you to other people who want to do the same.

The job of your non-profit is to build new fundraising networks that will properly introduce your organization to new donors, and to build a scalable system for cultivating those donors and moving them to making a significant gift. It's hard work... harder than it sounds. But it doesn't have to drive you crazy. It can be done. And *you* can do it.

In this book, I have taken the best of the strategies and tactics we have presented on TheFundraisingAuthority.com and put them into a useable guide to fundraising. Inside, you'll learn both basic strategies and advanced ideas for all of the major non-profit fundraising concepts and tactics. I have successfully used these ideas and strategies to help hundreds of organizations raise dramatically more money, and I hope they enable you to do the same.

Chapter 1: The Fundraising Mindset

Whether you are new to non-profit fundraising, or a seasoned development pro, every uber-successful fundraiser I have seen in my career possesses what I call “The Fundraising Mindset.” This mindset is a collection of beliefs about the importance of mission, revenue and fundraising which is so positive and compelling that donors, board members, volunteers and other staff members can’t help but find it contagious. In this chapter, we present the key concepts of The Fundraising Mindset.

Neglecting Your Fundraising = Neglecting Your Mission

I can’t tell you how many non-profit executive directors and board members I talk with that say things like:

“We really need to raise more money, but we just don’t have the time or people to do it.”

Or

“Our organization needs to hire a development director to grow, but we just can’t afford it.”

When I ask these non-profit leaders *why* they need to raise more money, their answer universally boils down to the fact that they want to serve more people with higher quality services, and need money to do it.

My answer to them is always the same: If you need more money to serve more people, how can you *not* invest in your fundraising program?

Simply put, fundraising is a question of priorities.

When a non-profit tells me that they have an annual budget of \$700,000, and want to raise more, but can’t afford a consultant or development director to help them, they’re not telling the truth. They *have* the money; they are just spending it on other priorities.

Likewise, when an organization tells me that they really need to spend more time cultivating donors, but just don’t have the time or people to do it, and in the next breath tell me that they have 10 people on staff working on programs... then it is clear that they *do* have enough people to cultivate their donors properly, they are just prioritizing something else.

Non-profits are in business to serve people through their program offerings... so it’s no surprise that so many boards and executive directors prioritize programs over fundraising. What those leaders – and most non-profit leaders, frankly – don’t understand is that *prioritizing fundraising is one of the best ways to prioritize programs.*

Think of it this way – you help people, right? And you want to help more people, don't you? And the way to do that, you know, is to raise more money that you can spend on programs. So why balk at spending an extra 10% on your fundraising program, or dedicating an extra part-time staff member to the development team, if it is going to result in 20% more fundraising, and thus 20% more people served?

It's time for us, as the non-profit community, to get out of the poverty mindset. This is an abundant world, and there is money enough for your non-profit to grow and succeed in carrying out its mission. It's going to take time, money, and energy to increase your fundraising. That's the price we pay to do more good. But guess what? *It's worth it.*

When you neglect your organization's fundraising, you neglect your organization's mission.

Thinking Big in Fundraising

If there's one thing I don't like, it's thinking small. Far too many people spend their time and energy thinking small. That's true in the wider world, and it's true in fundraising.

There are a lot of fundraisers in the world – some professional, some volunteer. Some work on staff, some consult, some are on boards, some do it as a favor to a friend. People come at fundraising from all different angles... but there's one thing that 99% of fundraisers have in common — most of us think small-scale.

If there's one area where there's really no excuse for thinking small, it's fundraising. As fundraisers, we fight for and fund important, often earth-shattering causes. (If you're not working on causes that matter..... well, why not?)

No matter how small your cause or organization seems, chances are it's important... much more important than you give it credit for.

Your organization may be providing meals to the homeless in one small corner of one small city — but to those you feed, you're doing the most important work in the world.

You may be raising money to battle one disease out of thousands – but to those who are afflicted by that disease, your fundraising is the only hope they have of finding a cure and staying alive.

So why do we think small about the work that we do?

If the work that you are funding is important... if it matters, if it makes a difference... then the time has come to stop thinking small. Your board may be thinking small. The executive director (or development director, or program staff) may be thinking small. Your volunteers and event hosts may be thinking small. But it's time for *you* to start thinking big.

What does thinking big look like? It might be launching a new program, a new fundraising campaign, a new event. It might be reaching out to new funding streams, dipping into a new donor universe, or hiring a new development officer even though you've never had one on staff before.

Thinking big looks different in every organization, but no matter what cause you are fundraising for, big thinkers always share one trait in common: they're willing to step outside the confinement of past strategies to cast a new and bold vision for their causes and organizations... one that will literally change the way the game is played.

Isn't it time you started thinking big?

The Penny-Pinching, Nit-Picking, Small-Thinking Non-Profit

Several years ago, I had the chance to work with a non-profit organization on the West Coast of the United States... let's call it "Organization X." It was a great charity, and did good work in the world. But, like most non-profits, it struggled with fundraising.

The board chair came to me and said, "Joe, I just don't understand it. We've got a good development staff, we've attended great training seminars and the board isn't afraid to ask for money. But we're still just making enough to get by. How do we get to the point where I stop waking up in the middle of the night worried what will happen if we don't raise enough each month to pay the bills?"

So, I investigated.

I reviewed the strategic and development plans for the organization. I interviewed staff, volunteers, board members and donors. I sat in on fundraising asks, reviewed online and offline fundraising letters, and dug into the donor database. At the end of the process, I sat down with the organization's board of directors to deliver the bad news.

"The problem with your organization isn't your mission, or your development plan, or even your people. It's your culture. What you have here is a *penny-pinching, nit-picking, small-thinking non-profit*." After the words came out of my mouth, I was worried that they would kick me out of the board room. But they didn't.

Instead, they heard me out.

I explained to the board that the culture at the organization was so risk-averse and boxed-in that the charity would never be able to become a prevailing non-profit. Instead, the organization had condemned itself to an existence of constant financial turmoil and forever living check to check and event to event.

First, the non-profit had a culture of penny-pinching. Instead of looking for ways to dramatically increase revenue, the organization was constantly looking for ways to cut costs. If someone came up with a new fundraising idea, they were made to do everything possible to do it for free or very, very cheaply. When decisions about direct mail packages, donor communications or events came up, the staff invariably chose whatever option was cheapest.

Because of this, instead of making the choices that had the highest return on investment (ROI) or netted the most revenue, the non-profit chose the low cost option.

Second, the staff was constantly nit-picking everything. Colors for this year's gala invitations? Four week decision process. Staff member wants to change the wording on the organization's thank you notes? Send it through a board committee and then require a vote of the entire board at its next quarterly meeting. Development Director decides to have her staff call through lapsed donors earlier this year than last? Ask the Executive Director, who recommends that they solicit feedback at the next staff meeting, and also that they check with the head of the board's development committee.

Everything was a hassle. Everything took way too much time. As a result, nothing new ever got done. They did the same old tried and true tactics every year, because changing them took too much time and energy.

Third, the non-profit constantly thought small. Every year's development plan called for miniscule growth in various forms of revenue. This year's annual campaign? Let's raise an additional 1.5%. Online fundraising? How about .02% growth each month? (Seriously).

The culture of thinking small, in fact, was so pervasive that this was an organization that *feared* big visions and big dreams. When a person with a connection to a minor local celebrity offered to set up a meeting to see if the celeb would be willing to headline that year's fundraising event, the Executive Director said not to bother, because, "he'll never do it."

When I suggested asking the owner of the largest hotel in town, who had constantly supported the organization for the past 15+ years, for a donation of \$10,000 towards the annual campaign, the organization demurred, saying, "We don't get gifts of that size here."

Does this sound like your non-profit?

Can you see any of these traits in your non-profit? Have you been penny-pinching, instead of looking at ROI? Do you nit-pick ideas and tactics until they are dead in the water, or waste energy debating and deciding things that don't really matter? Are you guilty of thinking small about your mission, programs, or fundraising?

Each of these three things usually starts small, but grows like a cancer inside of your organization. No non-profit starts out saying they want to focus on the small stuff, instead of the big vision, or makes plans to forgo larger donations that require harder personal asks and instead go after small donations by holding dozens of time-consuming small events.

No non-profit plans for it, but many are stuck here. The first step to getting back on track is to realize when you are working for a *penny-pinching (and/or) nit-picking (and/or) small-thinking non-profit*. When you do realize it, gather your senior staff, resolve to change course, and develop a detailed plan for doing so.

Organization X, the non-profit I told you about at the beginning of this article, did just that. The board, to its credit, saw the culture problem I described, and resolved to change it for the good of the organization. Together, we developed a plan to test new and bold ideas, streamline the decision-making and approvals processes, and instill a culture of thinking big. And it's working. They're raising more money than ever with less effort. They are well on their way to becoming a prevailing non-profit.

Fundraising and the Power of Confidence

Preeminent 18th century British author Samuel Johnson once said, "Self-confidence is the first requisite to great undertakings."

This is true in politics... it's true in sales... it's true in military leadership... and it's certainly true in fundraising.

Building up a reserve of confidence in your organization, in your donors, and in your own fundraising abilities is crucial to long-term success in non-profit development.

Why Confidence Matters

Confidence matters because, as fundraisers, we are constantly communicating with donors, volunteers, and supporters. We are in the public eye, and often serve as the key point of contact for major givers, foundations, and other supporters. For many people, we are the face of our organizations.

When people we are cultivating sense that we are less than confident in our conversation, in our manner, or in our ask, they often assume that the reason we are nervous or self-conscious is because we don't fully believe in what we're doing. They may think that we're not telling the whole story, that we're holding back some key piece of information. Likewise, the prospect or donor may feel like we're not sure about our organization, and that the reason we seem nervous

is because we're making a big ask and not really sure that the non-profit we work for is worthy or capable of using such a gift.

In short, our outward lack of confidence causes our donors and prospects to pause.

What Confidence Really Means

There's a saying that in times of great struggle, both heroes and cowards feel fear. The only difference is what they do with that fear.

As development professionals and volunteer fundraisers, we all occasionally feel fear. There's not a fundraiser alive who has never sweated before a big meeting, or procrastinated before making a big call. There's not a development pro around who hasn't felt nervous about making a big ask. What separates those who are successful in this profession with those who burn out is what they do with that fear.

Being confident doesn't mean never feeling fear. What confidence really means is having enough experience and practice to get through the fear, to turn that nervous energy into outward excitement and joy about the mission of our organization.

What Types of Confidence Do You Need?

As fundraisers, we each need to develop confidence in several different areas, to provide the reserves we need to get through the fear. As you develop confidence in each area, the amount and duration of self-consciousness that you feel before calls and asks will steadily diminish.

Confidence in Your Organization

First and foremost, develop confidence in your organization. Learn more about what your non-profit does. Spend time on the front line to see the results of your efforts. Know, deep down in your very being, that your organization's mission matters.

Confidence in Your Donors / Prospects

Spend enough time out of the office to learn that generally, people are good at heart. The people that you meet with are interested in sharing their time and resources with good causes. They may not always end up supporting your cause, but 9 times out of 10 it's not because they don't care, it's just because your mission doesn't line up with their charitable interests as much as another organization does.

Confidence in Your Own Fundraising Abilities

This one is the toughest to master, but is also the most valuable to your career in development. Learn all you can, and understand that you know how to fundraise and know how to close big gifts and grants. When coupled with confidence in your organization and in your donors / prospects, this is a powerful confidence to possess.

How to Learn Confidence

I know what you're thinking... ok, great Joe, thanks... but how the heck do I learn how to have confidence in my own abilities? The answer isn't easy, but it is simple: education and practice.

First, you have to keep educating yourself. Read all you can about your organization, similar organizations, and trends in your non-profit area. Study fundraising. Read fundraising books. Go to seminars, join fundraising organizations. The best fundraisers constantly educate themselves.

Second, practice. Even though you may be nervous and unsure of yourself, get out there and cultivate donors. Make calls. Make ASKS. It'll be scary at first, but keep plugging away. Use the tactics you learn on this site, in your reading, and at the seminars you attend. Trust the methods. Before you know it, if you keep overcoming the fear, you'll develop a strong and sustained self-confidence that will become your single biggest asset in non-profit development.

Mission + Energy = Raising More Money

As fundraisers, we often focus on planning and tactics: what five things are we going to do to raise \$200,000 this year? How are we going to shift our direct mail strategy to find more mid-level donors? What's our social media fundraising plan?

Tactics are important. Strategy is important. We can't ignore them: that's why much of our article archive is dedicated to writing your plan, tweaking your strategy, and implementing tactics that work.

Yet, anyone who has been a successful fundraiser also knows that there are intangibles that matter as much as, if not more than, tactics and overall strategy. Two of the most important of these intangibles are mission and energy.

Your Mission Matters: Keep it Front and Center

Chances are that at the heart of your non-profit, church, school, or foundation lies an important mission. After all, whether it was 5 days or 50 years ago, some person or group of people founded your organization because they saw a need, and your group has been working ever since to solve that need and make a difference.

Guess what? Your donors (and prospective donors) will care about that mission. If they don't, then it's your job to show them why that mission is so important. Your mission matters.

The best way to stay a viable, growing organization is to have donors who deeply care about and are committed to your non-profit. The best way to find donors like that is by staying mission-focused.

Sure, if you need to raise money now – right now – for urgent operational or program needs, you may need to ask your board and other supporters to approach their “have to give” list... you know, their friends and business associates who will feel like they “have to give,” just because they were asked by someone they like, trust, or are beholden to.

But... if you want to grow a truly great and truly sustainable non-profit, you'll also need to spend lots of time connecting with donors and prospects, getting them interested and passionate about your mission, and helping them understand why your mission matters. Once that happens – once they make that connection – a wonderful thing happens: *your* mission becomes *their* mission. They'll be a supporter for as long as you continue communicating with them.

Organizations Need Energy Too

The second big intangible that we often forget is energy. As fundraisers, we know just how much energy it takes to get on the phone, again and again... to do the meetings... write the letters... make the presentations.

Like people, organizations have an energy level. They can be tired, weak, and disengaged, shuffling from “have to do” to “can't wait till *this* event is over.” Or, they can be vibrant, alive, and motivated, bounding from “this is a great opportunity” to “I can't wait to make this presentation.” Most non-profits I know are somewhere in between... they have enough energy to keep going, but not enough to make the type of impact they really could make, if they had more energy.

Where does your non-profit fall on the energy scale? Where do *you* fall? How does this effect your fundraising? Are you thinking big?

Donors like to give to people, and charities, that are motivated and energetic. Organizations that seem like they are growing, learning, engaging new people and meeting new challenges. The higher your organizational energy level, the better your fundraising will go. The most successful development professionals I know are also the most positive, most energized, most alive.

Here's your task, if you choose to accept it: Keep your fundraising focused on your mission. Keep your organization's energy high. Keep learning, keep growing, keep telling people why *your* mission matters.

Fundraising Isn't Evil

O.k. – let's dispel these myths once and for all:

- Fundraising isn't evil.
- Fundraising isn't bad.
- People who fundraise aren't slimy, smarmy, or shady.
- Organizations that fundraise aren't only concerned with a quick buck (usually).

Why is it necessary to dispel these myths? Because many people have become cynical about fundraising. Many people see fundraising campaign ads on TV, get direct mail letters at their homes and workplaces, get asked to buy tickets to events, and to participate in walk-a-thons, and they get jaded and cynical.

You're reading this book because you are raising money, or thinking about raising money, for a cause that's near to your heart. You may be a little shy about fundraising, though, because you may be worried that fundraising is somehow unseemly... that people who fundraise need to take advantage of others, or "con" people into giving. Nothing could be further from the truth. (Assuming, of course, that we are talking about reputable fundraisers raising money for a reputable cause). So, what's the truth about fundraising?

Without Fundraising, We'd All Die

Alright – maybe that's taking it too far. But the truth is, fundraising enables hundreds of thousands of organizations around the world to serve – literally – billions of people. Fundraising lets homeless shelters stay open, funds cancer research, keeps schools, churches, hospitals and jobs programs afloat, and makes life better for billions of people on this Earth.

Think about the group you are fundraising for. What is their mission? Why do they exist? Why do they need the money? (If you can't answer these questions – ask the charity. If these answers don't inspire you, you're working for the wrong group). Isn't that mission worth pursuing? What would happen if that charity went out of business today, never to return?

If your mission matters, then how can you not raise money to support it? Non-profits can only exist through fundraising. Every donation, whether \$10 or \$10 million, keeps charities working, and doing, and helping. Far from being evil, fundraising for the right organization can be serving the greater good – and in many cases, it is *not* fundraising that would be the evil, because it would prevent your fellow humans from being served.

Fundraising Matters – And So Do Fundraisers

The next time you feel awkward about fundraising, or the next time someone gives you a cynical comment about fundraising for your organization, remember – fundraising is the lifeblood of your group. Without fundraising, you wouldn't be able to carry out your mission. Without fundraisers, there would be no fundraising. Fundraising matters – and if you're raising money for an organization that does good work... so do you.

How Anyone Can be a Superstar Fundraiser

Fundraiser. Rainmaker. Event Chair... For most people, those words conjure up a certain amount of mystique, awe, and fear. Everyone has certain issue they care about, and certain groups they are involved with. Most of those groups and issues are always looking for more money to carry out their mission.

If you're like most people, you wish you could help your favorite non-profit, church, or school raise more money and do more good work... you wish you could be the superstar fundraiser or rainmaker, or the top-flight event chair, who brings in the resources that the non-profit you love needs. But, if you're like most people, you're also a little bit scared of fundraising... how does it work? Will people say yes? Why would they say yes to me? How do I ask someone for money?

The Antidote to Fear: Knowledge and Practice

Fear in the face of fundraising is understandable. Most people don't like talking about money, and with fundraising, well... there's no way around it. Anytime you do something for the first time, it's a little awkward, and a little unsettling. It's the same way with fundraising. The first time you make a fundraising call, or send out a letter, or try to sell tickets to an event, it seems a little weird – perhaps, even a little frightening. That's ok! Everyone else felt that way too... all those people at the charity you are working with who are fundraising superstars? They felt the exact same way during their own first calls.

What's the difference between you and them? What takes someone from feeling awkward about fundraising to being completely comfortable making fundraising calls and asks? The answer is: knowledge and practice.

People have been fundraising for a long time. Over that time, people have learned what works, and what doesn't. Fundraising professionals have tested methods, strategies, and tactics, and seen what helps organizations raise money – and what just wastes time and resources. Likewise, experienced fundraisers have made hundreds, if not thousands, of asks. They know what succeeds in getting a donation, and what just turns the other person off. When you start out fundraising... you don't need to reinvent the wheel!

Instead, study the basics of fundraising: how to make an ask, how to hold an event, how to find prospects and build a fundraising network. Study what works, and what doesn't, and learn from those who have been there before. That's why I started the Fundraising Authority... because I want you to be successful in your fundraising efforts, and I know the best way to make sure that you are is to arm you with the knowledge that I have learned in over a decade of professional fundraising... and with resources and tools gleaned from the best fundraising minds in the world.

Don't Forget the Practice!

Once you read through the information in this book, and understand the process of fundraising, the next step is to practice... to run through the material in your head, then out loud... and then to practice fundraising with other people. Ultimately, you'll need to actually get out there and do some real fundraising: make some asks, write some letters, hold some events. The best way to learn fundraising is by doing it.

Yes, you will feel a little unsure and awkward in the beginning, no matter how well-prepared you are. But armed with the knowledge you gain from this site (and other sources), it won't be long before you will be fundraising like a real pro.

You CAN Do It!

I know that you can do this – that you can become a better fundraiser, learn best practices, and raise more money for your non-profit organization, church, or school. How do I know? Because I have seen countless others who were frightened by the mere prospect of fundraising – unwilling to send even one e-mail asking for money – become money-raising superstars simply by studying the basics, practicing, and getting out there and giving it a shot. You can too – just keep reading this site, and keep practicing, and one day soon, you'll be one of your organization's own fundraising superstars.

Chapter 2: Finding Prospects for Your Organization

Prospects are the lifeblood of every development office and every fundraising effort. Every organization needs to constantly fill their fundraising funnel with new prospects... people who may be willing to give to the organization, if they are properly cultivated.

Over time, many of these prospects will weed themselves out by deciding to focus on other organizations or causes or to find other uses for their money. For that reason, you will need to fill your funnel with far more prospects than you ultimately need, so that people and companies can naturally weed themselves out while you still are able to raise enough money to fund your mission. In this chapter, we take a look at the best strategies for finding new prospects for your non-profit.

How to Build Your Prospect List

If you're raising money for any type of non-profit, either as a board member, event host, or volunteer, your first task is to build a strong prospect list. A prospect list is a map of your donor universe. It answers the question, "who might want to give to this non-profit?"

Essential Principles: Closeness and Affinity

It is important to remember the most important principle in building your prospect list: the closer you are to people, the more likely they are to give to an organization simply because you ask them. If you ask your spouse to give, they probably will. If you ask your extended family to give, they will most likely donate. Your friends and colleagues? There's a good chance, less than with your family. That random neighbor you say "hi" to once a month? It's possible, but not likely. And of course, with random cold calling, it is very unlikely that someone will give, though it is possible.

The second essential principle (though less important than closeness) is affinity: who would likely feel moved by the mission of this organization? Who has an affinity for this type of charity? The more a person feels an affinity with the mission of a certain group, the more likely he or she is to give.

For example, if you know your boss has a soft spot for dogs, she might be a good target for your SPCA fundraising efforts. Likewise, if your friend volunteers with a homeless shelter, he might be interested in donating to a jobs program for unemployed single mothers.

Who Do You Know?

Using the first principle above, closeness, ask yourself: who do I know? What is my donor universe? It's time to start building a list.

Start with your friends and family – your holiday card list. Add in your rolodex / contact list from work, including your colleagues, clients, and vendors. Then, list your personal vendors... your lawyer, account, doctor, your kid's pediatrician. Then, write down all of your neighborhood contacts, the parents you know from your children's school, and people from your church or synagogue, and folks from the organizations, clubs, and hobbies you are involved with. Don't forget to add classmates that you stay in touch with and businesses that you frequent. Then add in the names of the groups you belong to – you've already listed the people you know in those groups, but sometimes, the group itself is a good prospect. Finally, list any people you "kind of know" but who you know have an affinity for the cause you are raising funds with.

There you have it – your fundraising prospect list... your own personal donor universe. This list will grow and change over time, but the list you build using the steps above will provide a great foundation for your fundraising efforts.

It's an Abundant World

Remember, the world is an incredibly abundant place, with lots of people who might want to give money, who have lots of different reasons why they might want to give, and who can give at all different levels and through all kinds of fundraising asks. Don't limit yourself by only writing down who you "think" will give... list everyone you know, your entire network. You can never be sure who will want to give and who won't

A Note about Awkwardness

When I tell people to start their fundraising lists with their own friends and family, they often say they feel weird and awkward including their friends, colleagues, and family in their fundraising efforts. I tell them that while they might feel awkward, chances are their contacts won't.

You see, if you ask your Uncle Al for a \$50 donation, there's a good chance he'll make it. If he doesn't, there's a good chance he will say, "I can't right now," then will forget the whole thing. It is unlikely... very unlikely... that he will feel awkward about the whole thing. Of course, if Uncle Al just lost his job, don't call him, because then he might feel awkward. Similarly, don't call Uncle Al six times in two weeks raising money for four different charities... that's just overkill.

Your mission matters – raising money for your group's mission is important and necessary to carry out your mission, and your own personal contacts are the best way to start your fundraising efforts.

The Top 8 Ways to Increase Your Organization's Prospect List

Like great sales organizations, great development operations need a constant stream of prospects... individuals, companies, and foundations that are, or are likely to be, interested enough in your mission to donate funds to your non-profit.

Creating and growing a prospect list is one of the key responsibilities of your fundraising team. Here are eight ways to keep that list growing and working for your school, church, or charity:

1. Write it Down

Too many non-profits keep prospect lists “in their heads.” They never write them down. This inevitably leads to people falling off the list as they are forgotten. Put your list on paper, or into a spreadsheet, or on a donor database system, and it will grow much, much faster.

2. Involve Your Board

When was the last time you sat down with each of your board members – individually – to ask them who was on their radar screen and who should be on yours? Your board likely has a great network... now is the time to start using it!

3. Ask Your Donors

When was the last time you called your donors (or met them, or e-mailed them) to thank them for their support, and asked them who else you should be calling? Your donors support you and feel like part of your team. Ask them to help you expand that team by introducing your organization to their friends and contacts.

4. Hold Non-Ask Events

One-on-one meetings can be intimidating for new prospects. Your organization should be holding a series of non-ask events throughout the year, and asking your friends and supporters to invite their contacts to come, have breakfast or lunch, and hear about your organization. Non-ask events are just that: non-ask... the fundraising asks will come later in the relationship.

5. Start Affinity Groups

Do you have a “Young Friends of...” group? How about a “Lawyers for...” or “Accountants for...” group? Affinity groups, comprised of people who share a similar age, location, or occupation, can be a great way to get new people involved in your non-profit fundraising efforts.

6. Cultivate Sneezers in Likely Bases of Support

Do you have a clear group of people who should be supporting your organization? Alumni of your school, survivors of a disease you are working to eradicate, members of your fraternal organization? Instead of targeting everyone in that group, target the “sneezers,” those people who have influence in the group and who, if they support you, will likely help bring others into the mix as well.

7. Public Relations Funnel

If you’re engaged in public relations efforts, don’t just put press stories out there and move on to the next. Be engaged, and create a funnel based on those PR efforts. When you place a story, shop it around... have your staff send it to people who might be interested, even if they haven’t been in contact with your group before.

8. Volunteers

Do you have people who volunteer with your organization? If so, they’re a great source, not only for future development efforts, but also a great source for new prospects. Treat them like you do your donors... and ask them to help you meet new people from their own rolodexes. They are already part of your team; ask them to help grow that team. If your organization doesn’t have volunteer opportunities, create them... people often want to get involved with their time and talent before they get involved with their treasure.

The Best Place to Find New Donor Prospects for Your Non-Profit

Almost every non-profit organization wants to find new prospects to keep their donor funnel full. Without new prospects coming into the pipeline, there won’t be anybody to cultivate, you won’t be able to make any asks, and ultimately, your events, direct mail, and fundraising campaigns will fail.

Simply put, your organization needs to be constantly finding new prospects and putting them into your cultivation system. But where can you find a steady stream of new prospects year in, year out, which are at least open to hearing about your mission?

The single best place to find new donor prospects is inside your current donors’ rolodexes.

Think In Terms of “Two Asks”

While we development professionals spend a lot of time talking about making asks, we’re generally only talking about the “first ask,” which is asking for money. We meet new prospects,

cultivate them, and then, when the time is right, ask them to support our organizations with monetary gifts.

Far too often, we don't ever get to the "second ask," which is just as important as the first one: "Who else do you know who might be interested in learning more about our organization?" This second ask will form the major portion of your strategy for finding a never-ending supply of new prospects.

Of course, you don't want to make both asks at once... cultivate your donors, and then ask them to make a monetary gift. Then steward them, and keep getting them more involved. Later, as part of your stewardship process, you should ask them to open up their own rolodex to help you find new donors for your non-profit.

Think Like a Salesperson

Doing fundraising is different from being a salesman in many ways... but there are a number of ways in which development professionals can learn from our counterparts in the sales world. One such concept we can learn from salespeople is the idea of a "referral."

Good salespeople are constantly asking their current customers and others in their network for referrals... introductions to people that might also want to buy the product or service the salesman is selling. You'd be surprised at just how often current customers will refer new customers to their salesperson. In fact, in many businesses (such as real estate and insurance), referrals can make up a majority of a salesperson's new business each year.

Of course, when great salespeople ask for referrals, they aren't asking just for a name. They want their current client *to introduce them* to their friends and colleagues by way of a meeting, a call, or at least an e-mail. This type of introduction reinforces to the new prospects that the salesperson is trustworthy and has a great product that might be helpful.

When Was the Last Time You Asked for Referrals?

When was the last time you talked with your current donors to ask them to open up their own rolodexes and introduce you to their friends, neighbors, clients, vendors, and colleagues? And no, asking for "new names" in the middle of a board meeting or event host committee meeting doesn't count. What I mean is... how many of your board members and donors have you sat with, one-on-one, as part of a cultivation meeting, and directly asked, "Can you introduce me to two or three of your colleagues who might also be interested in learning more about our work?"

If you're not doing that, it is highly likely that you are having trouble keeping your prospect pipeline full. I always advise every non-profit I work with to make the "second ask" (or the "referral ask") a standard part of the cultivation / stewardship process for donors and friends.

So, to summarize, the best sources of new donor prospects for your non-profit are your current donors, supporters, volunteers, friends and board members. Cultivate them right, then ask for referrals, and watch your prospect list skyrocket!

How to Build Fundraising Networks

While most non-profits, schools, and churches utilize some form a fundraising network, few know that they do, and even fewer know how to deliberately build a fundraising network from scratch. Strong and sustainable fundraising networks are one of the biggest keys to becoming a super-successful fundraising organization.

What is a fundraising network?

A fundraising network is a group of people who have committed to raise money on behalf of an organization or charity. Some common examples are finance committees, development committees, or young professional's fundraising groups. Many organizations have multiple... or even dozens of... fundraising networks working for them, all of which combine to form one gigantic network that raises a lot of money on behalf of a charity.

Why are fundraising networks important?

Fundraising networks are important because they allow you to multiply your fundraising efforts. Instead of asking just one person for just one donation, by building a fundraising network you can ask one person to fundraise on your behalf, thus turning one ask into several, or even into hundreds, depending on the skill of your network members.

How do I set up a fundraising network or networks?

At their most basic, a fundraising network is simply a committee of people who agree to raise money for you. You build your first network by calling your contacts, just like you would if you were calling to ask for money, but instead of asking for a donation, you ask them to join your group / network.

Before making calls and forming your committee, there are three key questions you need to answer. First, how much will you ask each person to raise? Second, what type of committee is this? Is this a general finance or development committee, open to everyone who agrees to raise money on our behalf? Or is this a specialized group, such as Seniors Supporting the SPCA, Real Estate Developers for the United Way, or the Young Professionals Committee of the Catholic Charities Campaign?

Who should be on my fundraising committees?

Remember – the purpose of a fundraising network is to raise money. You’ll want to ask people who you suspect have relatively large contact networks (“big rolodexes”), and who are willing to introduce those contacts and open up those rolodexes to your non-profit organization. As you make your calls and invite your prospects to join, make it clear that this is a fundraising committee, and that each person will be asked to take a leadership role in the non-profit’s fundraising efforts.

What should I offer members of my network?

While people who agree to serve as part of your fundraising network will generally do so because they either believe strongly in the organization or want to support you personally (or both), it is often a good idea to offer a “benefits package” to your committee members, just to let them know how important their work is. Such benefits can include tickets to events, special lapel pins, regular seminars or meetings with community leaders, a special e-mail newsletter, recognition in your organizations annual report, etc.

What can my fundraising networks do for me?

The answer is... a lot! The members of your fundraising networks can raise money, hold events (both ask and non-ask “get to know us” events), send out fundraising letters, sell tickets to your organization’s large events, find new members for your network, generate publicity and buzz, and lots more.

In short, building good, relationship-driven fundraising networks is a key task for any charitable organization, school, church, or other group that is looking to raise money to support its activities

How Many Prospects Do You Need?

One of the questions I am most often asked by frontline fundraisers is, “How many prospects do I need to ask in order to receive a major gift?” Most of the people who are asking that question are doing so because they are launching a new fundraising effort, and are trying to figure out how many people they will need in the pipeline in order to meet their overall fundraising goals. The answer to the question is: “it depends on what you mean by *prospect*.”

Prospect Assumes Ability

Before getting into the details of different types of prospects, it is important to note that a person is not a prospect unless they have the financial ability to make the level of gift you are seeking. Calling someone a prospect assumes that they have the ability to give at the level you are discussing. When designing your fundraising charts and plans, don’t count individuals,

companies, or foundations as true prospects for a certain gift until you are reasonably sure they have the ability to give at that level.

Prospect = Current Donors and Volunteers

If you are approaching current donors and volunteers and asking them to make a major gift to a new initiative, then a good rule of thumb would be that you need 3 prospects for every gift. For some organizations this number may be as few as 2 or as many as 5 – it depends on how closely you have been cultivating your current donors and supporters. Generally, however, you can expect to receive a “yes” from 1 out of 3 donors and close supporters.

Prospect = People We Communicate With

If, on the other hand, you are approaching people that your organization has been talking with, folks who have come on tours, are on your mailing list, or whom you have been developing a relationship with, but who haven’t yet committed significant time or money to your cause, then the rule of thumb would be that you need 5 prospects for every gift. Again, this will vary for every organization and could be as low as 3 or 4 or as high as 10, but generally, you will receive 1 gift or every 5 people you approach.

Prospect = Friends of Friends

Many organizations launching a capital or endowment fundraising campaign will put together a committee and ask the committee (and/or their board) to reach out to their own networks to establish relationships and make asks. While your success with this method will depend, in large part, on the networks and skills of your board / committee, as a general guide, assume that you will need 8 such “friend of friend” asks to receive 1 gift. Thus, if you have a committee with 10 people on it and each person makes 8 asks (80 asks total), you would expect to receive around 10 commitments. (*For more on this type of fundraising, read Building Fundraising Networks*)

Prospect = People We Haven’t Met

Finally, many organizations round out their major fundraising efforts with “cold calls.” These cold calls really aren’t “cold,” in the sense of for-profit sales, because you are generally not trying to get someone to say yes on the phone during your first call. Instead, you are (or should be) taking a list of people, companies, and foundations who have the ability to give and who have demonstrated a desire to support causes such as yours, and trying to set up meetings to introduce them to your cause, vet them, and (hopefully) set up a 2nd (or 3rd) meeting to make an ask.

For these types of asks, you would need approximately 10 prospects to receive 1 gift. As always, this will vary by organization, and could be lower (if you vet the prospects well and only call

those with a high likelihood to have an affinity for your cause) or higher (if you do less research on your prospects) but 10 to 1 seems to be a good rule of thumb.

The Best Strategy: Touch ‘Em All

When planning major fundraising campaigns, the best strategy is to develop a plan that touches all of these groups, and divides the work, fundraising goals, and resources according to the above guidelines. Using these guidelines, for example, you will know that if you need to receive 20 major gifts at a certain level, but only have 45 current donors who can give at this level, you can only expect to receive 15 gifts (45 prospects at a 3 prospect : 1 gift ratio) from this group.

You will then need to figure out how many people you communicate with have the ability to give at this level (5:1 ratio), how many friends of friends you can contact (8:1 ratio) and how many cold, but qualified leads you can contact (10:1 ratio).

It takes time, but figuring out your prospect base and your expected gift ratios now will help you better plan your campaign, and make sure that if you do need to get more people into the pipeline, you are aware of that need well before you launch your effort.

Chapter 3: Cultivating and Engaging Donors

Once you have engaged a new prospect by introducing him or her to your organization, you move into the cultivation phase. Cultivation is all about building relationships with prospects by engaging them and making them feel like part of your team. Cultivation takes time, but is ultimately what turns prospects into donors.

In this chapter, we review the steps and strategies your non-profit needs to take to properly engage and cultivate your prospects prior to making an ask.

The Five Steps of Donor Engagement

Prevailing non-profit organizations need to build deep and sustainable relationships with their prospects. In order to reap maximum benefit from those in your fundraising universe, it is important to understand how to walk your fundraising prospects and donors through the 5 steps of donor engagement:

1. Getting to Know You

The first step of donor engagement is getting to know the donor, and letting them get to know you. This step often takes the shape of a non-ask event, an introductory meeting set up by a friend of the organization, or a tour of your facility. It is a chance for the donor to hear about your mission, your work, and your successes.

At this point, some prospects will opt out of further engagement, because they are not interested in your organization, or because they are more interested in another organization, and want to spend their time and resources there, or because they are not ready to commit to supporting a non-profit.

For those that do show some interest, the next step is...

2. Getting Involved

The next step of donor engagement is inviting your prospects, who have already gotten to know your charity, to get involved. This might be by making a donation, but my preference is to get prospects involved, at this step, by asking them for either their time (as volunteers), or for their advice and ideas. Most prospects that you call after an introductory meeting or tour will expect you to ask them for money, and will be pleasantly surprised to hear you ask for their advice on building a stronger organization, or for their help working the registration table at your next event.

Let the donor lead... and let them decide how they would like to get involved. My favorite question to ask at this point is, “How would you see yourself getting more involved with our work?”

At this point, some prospects will opt out of further engagement, because they don't have the time or resources to help, or because they are just not interested.

For those that do get involved, the next step is...

3. Financial Support

At this point, it is time to ask for a small gift to your organization. Ideally, you held an introductory meeting or invited your prospect to a tour or other non-ask event. You got them involved as a volunteer or advisor (and utilized them... meaning that if you asked for their advice, you followed up with them and asked other questions, several times over the course of a few months). Now, it is time to ask them for a small gift, either as part of an event, a fundraising campaign, or annual appeal.

At this point, some prospects will opt out of further engagement, because they don't want to make a financial gift to your organization, or because they would rather give their money to other organizations (or, for an extremely small subset, because they don't give to charity).

For those that do make a gift, the next step is...

4. Access to their Network

Once someone does make a gift to your non-profit, keep them engaged and volunteers and advisors. Stay in touch with them, and continue to answer any questions that they have. Then, ask them to help you by introducing your organization to more people that might be interested in supporting you. Ask the donor to open up their own rolodex and personal network to help you find additional support.

This process can take any of a number of paths: the donor could hold a small non-ask event to introduce you to his or her friends. The donor could send out a letter or e-mail for you, or could invite colleagues to take a tour of your facility. Similarly, the donor could invite their friends and family to your annual fundraising event. For particularly well-connected donors, this step might entail joining your board of directors or development committee.

At this point, some prospects will opt out of further engagement, because they want to support you, but don't want to get so involved as to introduce you to their contacts. Other prospects will be uncomfortable with the prospect of making such introductions.

For those that do make introductions, the next step is...

5. A Major Gift

If someone has gotten to know your organization, had made a gift, and has introduced you to their network of friends and colleagues, *and if that person has significant enough personal (or business) wealth*, now is the time to make a major ask.

The ask might be a large multi-year annual gift, an endowment gift, or as part of a capital campaign. No matter the type of ask, by now you should know enough about the donor to craft an ask that appeals to their own personal likes and dislikes, and you should have enough of a relationship to feel comfortable making this call.

Some prospects will opt out of a major gift, others will give. In either case, continue the process by constantly cultivating these donors, seeking access to their networks, and keeping them informed of your fundraising and organizational activities.

8 Great Ways to Stay in Touch with Your Donors

Donor cultivation is part art, part science. At its most basic, donor cultivation (and prospect cultivation, for that matter), centers on communication: staying in touch with your donors and prospects to build a relationship of trust and mutual interest.

Big gifts, small gifts, recurring gifts, bequests... they rarely just “happen.” Most are the result of an ongoing process of cultivation and dialogue. Here, in no particular order, are eight great ways for your non-profit to stay in touch with your donors through the course of the year. For best results, mix and match based on your non-profit’s unique needs and goals.

1. E-Mail Newsletters

E-mail newsletters are cheap, fast, and non-intrusive, making them one of the best ways to stay in touch with your donor base and prospect pool. How often should you send them? At a minimum, quarterly. Once per week is probably the most you can send before they start to wear thin on the recipients.

2. Snail Mail Newsletters, Letters, and Magazines

These are more expensive than e-mail newsletters, but often seem more “real” to your donors. If you are a small non-profit, start by sending update letters to your list twice annually. As you grow, you can add newsletters, and eventually even a magazine to your repertoire.

3. Your Website

Think of your organization's website as a constantly updated and evolving brochure for your non-profit. Keep it updated and engaging, so that donors will want to check it frequently to see how you are using their gifts for maximum impact.

4. Social Media

Twitter, Facebook, LinkedIn, and other social networking sites can provide a vital space for two-way dialogue with your donors. Get online and get active in the social media spaces where your donors and target prospects congregate.

5. Cultivation Events

Non-ask events (where you don't ask for money directly) can be a great way to build your reputation and get new people involved in your efforts. Put together a great host committee and task them with getting "new blood" through the door to hear about your efforts. You can also use these events to keep your current donors engaged and connected with your organization.

6. Public Relations / PR

You may not think of PR as a strategy for communicating with your donors and prospects, but it is. Donors love to open up the paper and unexpectedly find a story about a non-profit they have been supporting. You can also use press clips as a way to validate your work to donors and prospects.

7. Phone Calls

Have you called your donors just to say "thanks?" This strategy doesn't work for all demographics, but for many donors, receiving a call from a board member or staff person, who gives them a quick update and says, "it's all thanks to you... thank you for your support!" is a real motivator. Can your organization run a "thank-a-thon" to make these calls once per year?

8. In-Person Visits

Once the exclusive purview of large universities and hospitals, in-person visits to major (and even mid-level donors) are now successfully employed by many diverse non-profit organizations. This is the most personal and intimate of all cultivation methods, and requires a well-trained staff.

What methods are you using to cultivate your donors and prospects? All, none, or a mix of the above? Are there any methods you are successfully using that we haven't listed here?

How to Build Brand Loyalty for Your Non-Profit

Businesses talk all the time about building “brand loyalty,” that fantastic appreciation of your company that makes customers choose your products and services despite knowing that other options exist. Brand loyalty keeps people buying Milky Ways instead of Snickers Bars (or vice versa) and Saturday afternoon tinkers choosing Craftsman tools over their DeWalt counterparts.

With the proliferation of non-profits around the world, many charitable organizations are starting to think about brand loyalty too. With a dozen organizations focusing on homelessness in your city, how can your non-profit ensure that donors who are interested in the plight of the homeless continue to give to your charity, and not switch to another organization?

The same question is being asked in all types of non-profits, focused on all types of different missions. How can you build a brand for your organization that keeps donors giving year after year, even though they are getting solicitations from dozens (or hundreds) of charitable organizations?

Wait... Isn't it Wrong for Non-Profits to Care about Brand Loyalty?

This is a question that many organizations ask when we start to talk about brand loyalty. Isn't it wrong (by which they mean “icky” and “corporate”) to care about brand loyalty? If someone is giving money to support the homeless, should you really care if they stop giving to your shelter and start giving to another one?

The answer to that question lies in whether or not you think your organization is doing the best possible work in your given mission field. Is your cancer hospital the best option for cancer-sufferers in your area? If so, then yes, you should want people to give to you, because you want them to have the best possible care.

If you're not the best cancer hospital in your area, are you asking for donations to help you carry out a plan to *make* you the best such hospital? Yes? Then you should definitely want to compete for donations. If you aren't the best, and have no plans to be the best, then maybe you *shouldn't* care whether people donate to your organization or not. In fact, maybe you should *encourage* them to donate elsewhere.

I'm not advocating all-out war with other non-profits in your chosen field. I'm not suggesting that you run nasty negative ads against other organizations trying to do the same thing you are. What I *am* suggesting is that if your non-profit's mission matters, and if you are doing great work – the best possible work in your field, then yes – you should be building brand loyalty,

because it matters where donors give. You want them to give to *you*, so that they can have the greatest possible impact.

Can Non-Profits Really Build Brand Loyalty for Donors?

The next question we have to address is whether or not non-profits can really build brand loyalty for donors. We know it's possible for for-profit businesses to build brand loyalty, but is it possible for non-profits? In a word... yes.

The best way to prove this is through real-life examples. For instance, there are thousands of charities in the US that sell desserts to raise money each year, but can anyone really compete with the loyal following of Girl Scout Cookies? Similarly, many (if not most) organizations try to raise money around the Christmas holidays, but when you think of Christmas fundraising, doesn't your mind naturally turn towards the Salvation Army and their ubiquitous bell-ringers collecting change in giant red kettles?

Non-profits can and do build brand loyalty each and every day. They do it on the international scale (e.g. Heifer International and Habitat for Humanity), the national scale (e.g. American Cancer Society, Nature Conservancy of Canada and Australian Diabetes Council), and the state and local scale (e.g. Sydney Opera House, Trinity College Dublin, The Philadelphia Children's Alliance).

The question for your organization is: how can you build strong brand loyalty with *your* donors?

Brand Loyalty Fundamentals

There are several lessons that businesses have learned when it comes to building brands that can be equally effective for non-profit organizations:

Use Consistent Imagery

Smart businesses know that consistent imagery makes consumers feel more comfortable with purchasing from the company by promoting the ideas of stability and uniqueness. The same applies for donors looking at non-profit organizations to support.

Use a professionally-designed logo for your organization. Choose standard colors and a standard typeface that will be used across all of your communications. Have one or two leaders of your organization that become recognized personalities for donors – people that they see featured in pictures on your website and in your newsletter and meet in person at your events. Keep a consistent look and feel for your non-profit.

Build Emotional Connections

Donors want to get involved with a cause bigger than themselves. They are seeking to make real connections with an organization making a big difference in the world. If a non-profit makes an emotional connection with them, they will stay loyal to that organization.

How can a non-profit make an emotional connection with a donor? Tell lots of stories about the good work that you are doing (and that your donors are funding). Give donors an opportunity to meet and hear from clients who are being helped by your non-profit. Make sure your supporters have chances to volunteer on the front lines and participate in your work.

Deliver a Quality Product

People don't stay loyal to companies that produce terrible products or deliver awful services. The same is true for non-profits that provide sub-par services or get embroiled in scandals.

Is your non-profit producing real positive change in the world? If not, your donors will find out and eventually they will stop giving. If you say you are trying to end hunger in Madagascar, but you're feeding less people this year than you did last year, even though you raise more money... your donors will find out, and they will start to question the quality of your organization.

Likewise, a private school that raises money to stay in business but has a chronically high dropout rate coupled with chronically low test scores will find that their supporters start to move on to other schools turning out a higher quality product. Outcomes matter to donors. They should matter to you.

Transparency Matters

People want to know what is going on at your organization. Donors want to be sure that they are making a wise investment. Transparent non-profits generate brand loyalty by providing donors with enough information to prove that the donors' limited resources were well spent and that your supporters are making a positive difference in the world by supporting your organization.

Ideas for Increasing Brand Loyalty

Now that we've talked about the general principles underlying strong brand loyalty for your non-profit organization, let's look at four specific strategies you can use for increasing brand loyalty among your donors, volunteers, supporters and friends:

Offer Facility Tours

This is one of my favorite methods for increasing brand loyalty at a non-profit organization, and is a strategy I have used very successfully in the past. Offering tours of your central office and/or your service facilities is a fantastic way to build donor loyalty.

Companies realized this a long time ago – In the mid-19th century, some of the world’s biggest brands (such as Heinz Ketchup) started offering a novel weekend entertainment to the masses: factory tours. During these tours, the businesses focused on the superior ingredients and craftsmanship that went into their products. This, in turn, led people who went on the tours to not only remain loyal to the product, but also to recommend the product to their friends and family back home.

Your non-profit can do the same. Offer a facility tour. Give people the chance to meet your staff and see where your work is done. Answer their questions. Show them where the “sausage is made.” Emphasize the quality of your work and your positive outcomes.

Doing so will allow donors to remember the experience when writing checks to your organization... They will remember the look and feel of your office and the great interactions they had with your staff. Donors will give more and do so more regularly.

Have Unique Traditions

What, if any, unique traditions does your non-profit have? Do you run a certain fun event every year or send out candies to your donors during the holidays? Do you have an open house on your founder’s birthday every year or hold a fun family scavenger hunt that your donors’ children look forward to?

Unique and memorable traditions build brand loyalty for your non-profit by setting you apart from other organizations and making your donors feel like they are part of an exclusive club. Donors who know about your traditions will feel like they are “on your team,” and will be loath to leave your team to join another.

For example, if one of your donors’ sons looks forward to your annual summer carnival, and you give donors special tickets and benefits at the event, it will be very hard for that donor to stop giving to your charity. In fact, you’ll have a very vocal advocate right in the donor’s own home – her son!

Be Accessible

Nothing builds brand loyalty for a non-profit like a personal relationship between a donor and a member of your organization’s staff. This is particularly true for your non-profit’s leadership.

Can your major donors call your Executive Director or CEO and have a 20 minute chat on the phone? How accessible is your board chairman or treasurer? Are your major gift officers in constant contact with their portfolio of donors? Accessibility shows your donors that you care about their needs, appreciate their support, and are worthy of their trust.

Give Leadership Opportunities

I always suggest that non-profit organizations offer leadership opportunities to their most active and valued donors and volunteers. These leadership opportunities can be as substantial as board seats and development committee roles and as minimal as positions on a quarterly advisory council or small event host committee.

Offering named leadership opportunities to your donors makes them feel like part of your team. It shows them that you value them, and that you care about their opinions. A leadership role can take a simple donor and turn him or her into a true evangelist for your organization.

The 4 Keys to Building Relationships with Major Donors

Fundraising is all about relationships. Whether you're talking about an online donor who makes a \$25 gift to your organization, a married couple that donates \$100 each year to your annual campaign, or a major philanthropist who gives \$1 million to your next capital campaign – in some way, you have built a relationship with each of them, which motivated them to give.

Relationships are important for donors of all shapes and sizes, but for none more so than major donors. Because they are going to be making a major investment into your organization, major donor prospects want to feel that they have a strong relationship with your non-profit prior to making a financial commitment. Today, let's talk about the four keys to building a strong and sustainable relationship with your major donor prospects:

1. Get Their Attention

Major donors usually have lots of people vying for their attention, including business and personal contacts as well as other non-profit organizations seeking support. In order to begin a relationship with a new potential large giver, your organization needs to get their attention so that you can get on the donor's radar screen.

The best way to get the attention of a major donor prospect is by having someone who knows them introduce your non-profit. If a board member, donor, staff member or volunteer at your organization knows the prospect and is willing to make the introduction and vouch for your non-profit, it can kick-start the relationship in a way that few other tactics can.

Other ways to get the attention of a major donor prospect are by getting that person to come to an event (fundraising or non-ask), connecting with employees at the prospect's business for volunteer opportunities, releasing a major report or holding a note-worthy seminar or hosting an important speaker, launching a campaign in a program area that matches the prospect's interests... the possibilities are (nearly) endless, but no matter what you choose to do, you have to get the donor's attention before he or she will be able to focus on your non-profit.

2. Build the Relationship

Once you get the donor's attention, don't just jump straight to the ask! You need to cultivate the prospect and build the relationship between him/her and your organization. There really aren't any ways to effectively circumvent this step.

Get the prospect to attend events. Ask the prospect for advice and suggestions. Involve the donor in volunteer work and on committees. Make the major donor feel like part of your team.

3. Explain the Investment

Prior to making an ask of a new major donor, explain the investment you are asking them to make. My choice of words here is intentional... many major donors feel that their charitable giving is really an "investment" in a better community. They want to invest in non-profits that are going to deliver the best outcomes for the largest number of people in the donor's chosen giving areas.

Through your cultivation process, you should know what program areas are most important to the major donor prospect. Explain to him or her exactly what your plans for the future are, what you are hoping to raise, and why you need the money. What outcomes are you predicting? How many people will you serve? What is the return on this major charitable investment?

4. Emotion Still Trumps

No matter how great an investment your non-profit may seem, major donors still give primarily to organizations they feel an emotional connection with. Thus, the best way to raise major gifts is to present your organization as both an emotionally compelling, mission-driven organization as well as a wise investment. An emotional connection still trumps, all else being equal.

Tell the donor stories. Get him or her to come out to your program sites. Make the prospect feel an emotional connection to your work. If you can do that, you are well on your way to developing the prospect as a long-term supporter of your cause.

Don't Let Your Donors Forget About You

People are busy. They've got jobs, kids, social events, church activities, favorite TV shows and more often than not, a list of charities that they care about. It's easy for your non-profit to get lost in that mix.

As non-profit directors, board members, staff and volunteers, you eat, sleep, and breathe your mission and the work of your non-profit every day. It's easy to think that your donors do the same... that they read your website every day, anxiously await your next e-mail, and think about your non-profit in the shower. I hate to break it to you, but this isn't the case. Your donors are busy, and your non-profit is just one of the many things on their minds.

That's why it is so vitally important to keep your organization "top of mind," for your donors by constantly reinforcing your relationship with them and the importance of your mission. Here are five ways to make sure your donors don't forget about your non-profit:

1. Communicate With Your Donors at Least Once Per Month

How often do you communicate with your donors? If it's not at least once per month, chances are that you're not developing as strong a relationship with them as you could. Like all relationships, donor relationships are built on communication.

Use a mix of communication methods to talk with your donors each and every month... newsletters, mailings, e-mails, phone calls, free events... and you'll find that your donor relationships will deepen and grow far more quickly.

2. Make Your Communications All About *Them*

Your donors like to hear about the good work that you do, but no one wants to get a constant stream of "we do this... we do that..." e-mails and letters. Instead, spend some time talking *about* your donors, instead of talking *at* them.

Talk about the good work you have accomplished *because of their support*. Profile a donor or two, and tell their story. Reach out to your donors with two-way communications that seek their advice, ideas, and questions. Poll your donors. Hold group conference calls for them. Offer volunteer opportunities and more... in short, let them interact and engage with your non-profit.

3. Go Over the Top in Thanking Your Donors at Least Once Per Year

I like to advise non-profits that I am working with to go "over the top" in thanking their donors at least once per year. This doesn't mean breaking the bank... what it does mean is doing

something unexpected to thank your supporters... something that is memorable enough that it will help keep your organization top of mind for the rest of the year.

Some things you could do include holding a free “thank you” event, making sure that each donor receives a personalized thank you call from a board member once per year, partnering with the local zoo to send out free tickets for your donors and their families, sending flowers to your larger donors on their birthdays, etc. Pick one big way to say thank you to your donors this year, and do it!

4. Offer Non-Reciprocated Value

Another great way to make sure donors are always thinking about your organization is to offer them some non-reciprocated value. This is something that you offer to your donors for free, without asking for a donation or other consideration. In order to be memorable, it needs to be something that holds real value for them.

The additional value you offer can be personalized, such as when you come across two donors who might find value in working together in their businesses, and offer to set up and attend a lunch meeting to introduce them, or the value can be systemized, such as holding a free seminar for donors each year where you invite a well-known author to speak and sign books.

Most non-profits only offer reciprocated value to their donors – thank you notes when they make a donation, event tickets when they pay for them, pre-printed labels in a direct mail package that they are hoping the donor will pay for. Imagine how much more mindshare your non-profit will earn by offering even bigger things to your donors without asking for anything in return.

5. Give Everyone a Small Taste of Leadership

One final way to make sure that your donors place a priority on your non-profit among all of the other important things they have to do is to give as many donors as possible a small taste of leadership at your organization. When people are given a leadership role, no matter how small, they immediately elevate their relationship with your non-profit above many of the other non-leadership roles they are playing in life.

How can you offer leadership roles to hundreds or thousands of donors at a time? Set up a scalable system. National political campaigns are extremely good at doing this. They set up programs where donors are asked to be local leaders – block captains, members of a leadership team in their town, “Gold Star” partners of the campaign... in return for (a) a donation and (b) a commitment to carry out a few small tasks on behalf of the campaign.

Non-profits can do this too. You could set up a “Leadership Club” and ask everyone who has given over \$100 to your organization to join it. As members, you will send them a regular

newsletter, and ask that they invite at least 3 people per year to your annual family barbeque event. The possibilities for this type of activity are endless.

10 Ways to Supersize Your Donor Cultivation Efforts

We've all heard the old maxim, "it's easier to raise money from a donor you already have than from a donor you haven't met yet." The meaning of this saying is true, and clear: your best donors are your current donors. They're likely to give to you again and again, so long as you continue to cultivate them.

No matter what school, church, or charity you are fundraising for, you should have a plan in place for cultivating current donors in addition to your work with prospects. The goal of your cultivation system is twofold: first, to encourage your current donors to keep giving, and second, to encourage them to increase their gifts as time goes on, as well as to open up their own fundraising networks on your behalf.

Today, we present ten ways that any organization can supersize their own donor cultivation efforts:

1. Have a Plan – Does your non-profit have a written donor cultivation plan with timelines and concrete goals? If not, you should. Your donor cultivation plan may be its own document, or could be a part of your overall fundraising plan.

2. Find the Right Database – A good donor database is crucial in successful donor cultivation. Yours should be able to track donor contacts (or "touches") as well as allow you to set reminders for future action.

3. Stay in Touch – The best way to make donors feel like a real part of your team is by staying in touch with them on a regular basis. Remember, most communications should not be asks – keep your donors updated and excited about your organization so that when the time comes to make an ask, they are ready to give.

4. Use All Mediums – Unless your donor tells you otherwise, stay in touch with him or her through all available mediums: online and off, phone calls, events, emails, printed newsletters, annual appeals, social networking, and more.

5. But Don't Overdo It! – Most donors dislike being bombarded by the charities they support, so make sure you're not overdoing it with the newsletters and updates.

6. Have a Clearly Defined Path for Each Class of Donor – Your goal in working with donors should be to move them along a clearly defined path of asks, drawing them ever closer to your organization as they make larger and larger gifts. Stratify your donors by likely donation sizes

(something as simple as Low, Mid, and High might work) and have a cultivation plan for each level of donor.

7. Start Donor Groups – Donor groups work for all levels of donors, and make your supporters feel like part of the team. Start some this year!

8. Tie in Volunteer Opportunities – One of the best ways to cultivate donors and connect them to your mission is by giving them opportunities to work alongside your staff in a volunteer capacity. Even if your non-profit doesn't have "natural" volunteer opportunities because of the work you do, there's always a way to get volunteers involved, even if it's only with an envelope stuffing party for your next big event.

9. Answer Questions – The closer a donor feels to your organization, the more comfortable they are going to feel calling (or e-mailing) your staff with questions and suggestions. If at all possible, have a staff member answer every single question and suggestion from donors, even if it is only to say, "I don't know the answer, but I'll look into it for you."

10. Be Donor-Centered – Remember, without your donors, your non-profit wouldn't exist. Treat your donors like the integral part of your organization that they are, and they will stay loyal to you and your mission.

Fundraising & Public Relations: What's the Connection?

As development professionals, volunteers, and board members, we spend a lot of time searching for new prospects... trying to find new individuals, companies and foundations who might respond to our message, who we can cultivate, and who, over time, might make a significant gift to help us continue our work.

Prospecting can be time-consuming, and can often be disheartening, if we have trouble finding and cultivating new leads. Wouldn't it be great if new donors sought *you* out? If you came into the office and had messages waiting from major funders who wanted to learn more about your organization, and about what your funding needs are?

Similarly, wouldn't it be nice to have some real, hard, solid "social proof" to take with you as you approached new prospects... something to show them just how important your work is?

All that can and does happen every day for nonprofits, both large and small, thanks to smart public relations efforts.

What Is "Public Relations"?

Simply put, “public relations,” or “PR,” encompasses all the activities your organization does to get press coverage for your work. Press releases and press conferences, letters to the editor, calls into talk radio and interviews with journalists... getting coverage of your non-profit and getting your message out through the press is the essence of good PR.

How Can Good PR Help Me Raise Money?

Smart non-profits have started to realize that a strong PR effort, and good press coverage, can lead to increased fundraising. There are several ways good PR can help you raise more money:

1. New Prospects That Find You:

When you get good coverage, people learn more about your work and want to get involved. When you get *really* good coverage, you start to get calls from prospects wanting to learn more, volunteer, and donate. Good press coverage is a great way to find new prospects.

2. Raising General Awareness:

Good PR raises awareness in the community about your non-profit and the work you do. If you run a small non-profit, you know how hard it is to approach new prospects. It’s unlikely they know your organization’s name or what type of work you do. After a couple of good press stories about your non-profit, people start to know your name, and may even remember your mission, which makes it much easier to start cultivating them.

3. “Social Proof”:

Press coverage provides good social proof that what you are doing matters, and that your organization is a leader in your field. Approaching a new prospect with clips of newspaper articles about your non-profit, or a short video from the local news with an interview of your Executive Director, can go a long way toward overcoming objections and moving a prospect towards a gift.

Keep it Mission-Focused and Stay on Message

As you seek out and receive press coverage, remember to keep the stories you are generating mission-focused, and do your best to stay on message. It’s nice getting press coverage of any (non-scandalous) kind, but it’s best, for fundraising purposes, if you can generate great stories about your work, and your mission.

Great PR Rarely Just Happens

Almost any organization can “luck into” a local press story every so often. But to get maximum coverage over a sustained period, it takes good planning and hard work. Great PR rarely just happens. It takes lots of calls, press releases, and follow-up to generate good coverage.

Where Should I Start?

So, where should you start in your PR efforts? If you are a larger organization that can afford a professional public relations company (generally, they charge in the range of \$1,000 – \$5,000 per month on retainer, depending on their size, your geographic location, and the scope of work), shop around and talk to a few to see what they can do for you.

If you are a smaller organization or otherwise can't afford a firm, that's ok, much of the work can be done in house. Start by compiling a contact list for all of the press outlets and reporters in your area, including TV, radio, newspapers, magazines, and online outlets. Then, start pitching stories, sending out press releases, and holding press events.

As you do so, remember the number one rule of getting press coverage: the press wants to cover you, but they only want to cover you if you have real *news* to cover. So generate newsworthy items, and get that press coverage rolling in.

Chapter 4: Making Great Asks

Once you have cultivated your prospects and built strong relationships with them, it is time to make an ask. This is one of the most important, but also the most intimidating parts of fundraising. In this chapter, we look at how to make successful fundraising asks, without fear or anxiety.

What Exactly is a Fundraising Ask?

O.k.... I know this is the scary part for many people. Making fundraising asks is like speaking on stage. It feels unnatural, awkward, and a little bit scary. But with knowledge and practice anyone can be comfortable making asks.

Not Every Ask is for Money

The first thing to remember about making an ask is that not every fundraising ask is for money. As you peruse your list of fundraising contacts, you will likely see some people on that list who are ready to be asked for a donation. You will also likely see lots of people who know nothing about your group, and who will need to be educated about the organization you are fundraising for before they give.

For these people, the best ask might be an ask to come to an informational event, or to look over a newsletter, or to come to a seminar. These “non-ask asks” are still asks... instead of asking someone for money, you are asking them for time and effort. Asking someone to come to an event or listen to a speaker is often a really great way to get a prospect’s feet wet with your non-profit, and can lead to bigger and more numerous financial rewards down the road.

What Makes a Good Ask?

A good ask is an actual question inviting a person or company to take a specific concrete step on behalf of your organization. Let’s break that down:

First, an ask has to be an actual question... meaning that it starts with words like, “Will you...” or “Would you be willing...” When you talk to someone but don’t actually ask a yes or no question, it’s not really an ask. Saying things like, “I hope at some point you will consider...” or “I’d really like it if you would...” is not an effective way to make a fundraising ask.

Second, an ask invites a person to take a concrete step. That step need not be writing a check, it could be to come to an event, pass out fliers, whatever. It just needs to be a concrete step. Asking someone to, “think about your role with our charity” is not a concrete ask.

Lastly, an ask should be specific... that means, you should ask for a specific amount, or attendance at a specific event, or volunteer hours for a specific project, etc. Asking, “Would you contribute \$500 to our school?” Is at least twenty times more effective than asking your prospect, “Would you make a contribution to our school?” Likewise, asking your friend, “Will you come to an event sometime?” is not nearly as effective as asking, “Will you come to the Chili Cook-Off on January 21st?”

When people are asked for a specific amount, or to take a specific action, they are much more likely to give, and are much more likely to give at a higher level.

How to Ask Anyone for Anything

Asking someone for a donation, or to come to an event, on behalf of your school, church, or non-profit need not be a harrowing affair. Making an ask can even be (gulp!) a pleasant and enjoyable experience. The three important areas to consider in making an ask are: relationships, planning, and process. More on all three below.

Relationships Matter!

The most important thing you can do, as someone who is fundraising, is to build deeper relationships between your prospect and the organization you are fundraising on behalf of. Sure, bringing in a \$100 check is nice, but building a strong relationship that results in 100 volunteer hours, \$1,000 in donations, and several new contacts, all over three or four years, would be much more valuable.

Because relationships matter, don't rush your fundraising asks (unless your charity is in dire straits). Harvey Mackay famously wrote a business networking book called, “Dig Your Well before You're Thirsty.” That's good advice in non-profit fundraising as well. Raising money is hard enough... it's doubly hard when your first contact with someone is an ask for money.

A better strategy is to, as often as possible, make your first a non-monetary ask. Build relationships with your prospects – ask them to come to a free event, read your case for support, sign-up for your newsletter, volunteer at your office. Get them involved (or at least have one introductory conversation about your charity that is not based on seeking a donation), then ask them to give. Build relationships that last, whenever possible.

Planning the Ask

Before you make any ask, whether it is for money or for time, for tickets to an event, or to attend a free seminar, be sure you're ready:

1. Decide Who You Are Asking: Who are you asking? Is it an individual? A company? An organization? What person in the company would be best to ask? Should you make the ask to your friend... or to his wife? Etc.

2. Decide What You Are Asking For: Are you asking for money? How much? Are you asking someone to come to an event or to volunteer? When? In what capacity?

3. Understand That There Will Be “No’s”: And that’s ok! Fundraising is like baseball... even the best, most experienced practitioners receive lots of “no’s.” Don’t let them get you down. They’re part of the game.

4. But Expect a Yes: Attitude matters in fundraising. If you go into a fundraising ask assuming you will get a no, you probably will. Remember, your organization’s mission matters! Go into every fundraising ask expecting a yes, and asking for a yes.

5. Show People How They Can Make a Concrete Difference or Reach a Concrete Goal: People like to know that their donation is doing something specific and concrete. If at all possible, ask them to contribute to help do something specific, even if it is only to help you reach your own personal fundraising goal. For example, “Would you contribute \$50 to pay for 25 meals for the homeless?” or “I’m trying to raise \$1,000 for the Boy Scouts. Will you donate \$100 to help me reach that goal?”

The Process: Anatomy of an Ask

Great, you say: I’ve built relationships, I’ve planned out my ask. But Joe, tell me... how do I actually make an ask? The best way to make an ask (any ask, whether for money, time, volunteer hours, or anything else) is by following these simple steps:

1. Get the pleasantries out of the way. Talk about the kids, the family, work, the last time you saw the other person. Get the small talk out of the way first.

2. Make a transition. Once the small talk is out of the way, make a transition so that people know the topic has changed to something far more serious. Good transitions include, “Listen... I want to talk about something important,” “I’ve got a serious question for you,” or, “Jane, I need your help.”

3. Make the connection. Once you’ve moved into more serious conversation through your transition, remind the prospect of the connection that you personally have with the organization, and that they have with the organization (if they have one). For instance, “Jim, as you know, I’ve been on the board of the Farmer’s Assistance Fund for three years now...” or, “Colleen, you’ve been to three events at the Rising Sun School now, and have volunteered at our annual community day...”

4. Make them cry. Ok, that's a little overboard. But you want to make sure that the person you are talking to understands the impact of your mission. Remind them what your charity does, and why it is important. Good examples are, "Samuel, every day, hundreds of people are diagnosed with XYZ disease, and each year 2,500 will die because they can't afford the medication they need to treat their affliction" or "Janet, I'm heartbroken when I look into the faces of these former child soldiers. I see such pain, and I can't believe we don't have the resources to help every single one."

5. Make them understand why you need what you are asking for. This is the background for your specific ask. Why are you asking them to come to an event? ("We're trying to raise our public profile...") Why are you asking them to give \$500? ("We want to serve more hungry families" or "We want to provide more scholarships to needy children").

6. Make the ask. Remember to make it a question, and to ask for something concrete and specific.

That may seem like a complicated formula, but once you practice it a few times, you'll see that is actually quite natural, and makes for a pleasant experience. Using this formula, your ask may sound like this:

Hi Ruth, how are you? How are the kids? (Pleasantries)

Listen, I've got something important to ask you. (Make the Transition)

As you know, I've been on the board of the free clinic for almost a year now, and it's something that is very near and dear to my heart. (Make the Connection)

Every time I visit the clinic, I see meet the nicest families, who seem just like mine, only they can't afford even basic medical care for their children. I see kids who have to be admitted because their families couldn't afford antibiotics for a simple infection. It's very sad! (Make Them Cry)

Ruth, right now, we can only serve about 50% of the families who need our help. Our goal is to be able to serve every single family and child that needs medical care at the clinic. We need to raise another \$100,000 to make that dream a reality. (Tell Them Why)

Would you be willing to contribute \$250 to help us reach that goal? (Make the Ask)

Don't be afraid, as part of your planning process, to write out a script for yourself so that you'll feel more comfortable once you're on the phone with your contact. And remember, always profusely thank everyone who responds to your ask, and be sure to thank those who say no for their time and consideration.

7 Tips for Making the Most Out of Your Fundraising Asks

Making an ask is the penultimate act of a development professional. It's the final step of what is often a long process, complete with identifying and cultivating prospects, doing research, getting people involved, and planning the final approach.

Asks are the fundraiser's stock in trade, yet they can also cause anxiety, because in many cases so much is riding on each ask. As development professionals, we know that our organization's ability to carry out its mission is directly tied to our ability to ask for... and receive... financial support for donors.

Today, we present 7 tips for making the most out of your fundraising asks:

1. Know Your Prospect

First and foremost, before making any ask (and particularly a major ask), know your prospect. What is his or her background? How were they introduced to your organization? What other organizations do they support? What is their general financial situation?

Research your prospects well, and elicit information as part of the cultivation process. The better you know your prospect, the better your chances are of moving them towards a gift.

2. Connect Your Ask with Your Prospect's Interests

As you research your prospect, try to figure out what his or her key interests are, and how you might align those interests with the needs of your organization. Donors generally have a couple of key charitable interests, and it is up to you to try to connect your donor's interests with your non-profit's mission and needs.

For example, if you are fundraising for a homeless shelter, and your prospect's key interest is in helping lift children out of poverty, you may be able to craft a gift proposal that allows the donor to fund the nutritional and medical needs of the children at your shelter. Similarly, if you are working with a prospect who is interested in clean energy and you are fundraising for a church, the prospect may be interested in helping you lower your energy bills by funding solar panels on the roof.

Be creative, but as you seek ways to align donor's interests, be sure you are filling your organization's actual needs, and not just creating new work for your non-profit.

3. Know What You are Asking For

Before you make an ask, know what you are asking for. This may seem obvious, but I have seen many development pros go into asks not really sure of what they were hoping to accomplish, other than trying to score a major gift.

If you need for a \$100,000 general operating gift, and the donor has that potential, then ask for it. If you want funding for your school's drama program, and the donor seems interested in the arts, ask for \$25,000 to fund your efforts. Know how much you are asking for, and how it will be used.

4. Have a Fall Back Plan

What if the donor says no? What if they say, "not right now, but maybe next year?" Is that a loss? Not necessarily. With a good fall back plan, you can turn that no into an "eventual yes." Go into your ask knowing what you will say if the donor says no. Find a way to keep the donor engaged or get him or her even more involved (perhaps as a volunteer or advisor) so that the next time you ask... the answer will be "yes!"

5. Practice

I've been doing fundraising asks for more than a decade, yet I still practice before going in to see a prospective donor. Practicing (not memorizing... practicing) helps you feel more confident in your approach... and as we all know, confidence matters. Because each donor is different, each ask is different. Spend 5 minutes rehearsing in the car before you go in. It will make a big difference.

6. Keep it High Energy

When making an ask, keep your conversation high energy. Don't be a downer, sitting meekly in your prospect's office, fiddling your thumbs. Be excited about your mission. Talk passionately about what a difference this gift will make. Tell stories, elicit tears, be a forceful advocate for your non-profit organization.

7. Cast a Big Vision

Donors like to get invested in causes bigger than themselves... we all do. Make sure you show your prospects the big picture of what your school, church, or charity is trying to do. Cast a big... huge... amazing vision about what you are trying to accomplish and why. Quantify your results, project what you can do with this gift, and make your prospect see what a life-changing experience it will be being involved with your organization.

Chapter 5: How to Hold Profitable Fundraising Events

Events are one of the most popular forms of fundraising for modern non-profits. Yet, if not planned and executed correctly, they can be expensive and time consuming. In this chapter, we offer steps and strategies for holding successful and profitable fundraising events.

The 10 Steps to a Successful Fundraising Event

Fundraising events are a popular form of fundraising. While they can be great money makers for an organization, they can also be time consuming and expensive. The success of events depends on careful planning. (Yes, you should have a written event plan for every event you hold!)

To help you ensure that your fundraising event is a winner, here are ten major components that you must incorporate into your event plan:

1. Purpose:

Before doing anything else, you must decide what the purpose of your event is. Is this truly a fundraising event? Or does it have other goals? Perhaps your organization may be hoping to raise money at the event, but the main function of the event is to gain publicity, or reach out to a new network. Many charitable events have more than one goal. Figuring out the details for your event will depend on knowing what goals you are trying to achieve.

2. Fundraising Goal:

In conjunction with the event host committee, organization staff, and key fundraisers, you must decide what amount of money you plan to raise at the event. If this is truly a fundraising event, then everything in the event plan will be geared to raising this specific amount of money. The amount you choose should be what you hope to net, that is, the amount you plan to raise after expenses are deducted.

3. Budget:

Every fundraising event plan should contain a complete budget listing all of the expenses that will be required to hold the event. Your budget should include staff, invitations, space rental, catering, entertainment, transportation, security, utilities, and anything else that will be required to make the event a success. Your budget should take into account your fundraising goal, ensuring that you raise that amount above and beyond all expenses. Be sure to leave a little extra room in your budget for unforeseen costs.

4. Leadership:

As part of your fundraising efforts, your event will most likely have a “host committee” and one or more “host committee chairpersons.” These people are responsible for contributing substantial amounts to the event and encouraging others to do the same. The host committee is generally composed of wealthy donors, business leaders, or local celebrities. The host committee and chairpersons are not responsible for actually running the event, but are integral to ensuring that you reach your fundraising goals.

5. Target Audience:

Who is the target audience for your event? Is this a general fundraiser where everyone will be invited? Or is this event geared towards a specific group like business people, parents, or young professionals? In short, you must decide whom you will invite to your event.

6. Set – Up:

Your event staff should plan the event set-up well in advance. The set-up includes all of the particulars of the actual event: Where will it be? Will food be served? Will there be entertainment? What kind of dress will be required? What is the itinerary for the event?

7. Marketing:

Just like a new product, your event needs to be aggressively marketed to your target audience. You need to convince your supporters that your organization and event are worthy of their time and money. Draw up an entire marketing plan for the event. Possible methods of “getting the word out” include: using your non-profit’s fundraising network, mailed invitations, direct mail, phone banks, word of mouth and the event host committee.

8. Sales:

Once you market your event, there must be a procedure in place for making the actual ticket sales, or accepting donations for the event. You must decide whether there will be different contribution levels for the event (such as a flat ticket charge, an extra charge to be invited to a V.I.P. reception in addition to the event, etc.). You must decide who will sell the tickets, how they will be shipped or delivered, and who will be responsible for organizing the incoming information.

9. Practice:

While you probably won’t need a full run-through of your event, it is essential that everyone who is working the event know, ahead of time, what their responsibilities are, where they should be during the event, and how the event is going to “flow.” If you are having a large or unusual

event, the key event staff may want to have a practice run to make sure that your operation is running smoothly.

10. Thank – You:

One of the most oft heard complaints from contributors to charitable fundraising events is, “They never even said ‘thank-you.’” Ditto for your event volunteers. Make sure that the organization takes the time to send thank-you notes to everyone who is involved in your event, including contributors, volunteers, staff and vendors. Keep your donors happy... you’re probably going to be asking them for another donation sometime down the road.

Easy Ways to Raise More Money at Your Next Fundraising Event

Your non-profit is holding a fundraising event. It takes time. It costs money. You need to raise as much as you can to support your organization’s mission. What’s a non-profit to do?

Focus on the 20% that matters.

We’ve all heard of the 80/20 principle – the idea that 20% of your efforts result in 80% of your successes, and vice-versa. This rule holds up for fundraising, and for fundraising events. If you want to raise more at your next event, you need to focus on the 20% of your event fundraising tactics that will result in 80% of your revenues. Today, I want to talk a little about the simplest of all strategies: focusing your time and energy on what matters most for your event.

Event Focus #1: Sponsorships

When your organization is planning its revenue streams for your fundraising events, where do you focus most of your energy? If you are spending most of your time trying to figure out how to sell more tickets or how to find more silent auction items, you’re missing the largest prospective source of revenue for your event: sponsorships.

Smart non-profits raise 60-80% of their event revenue from sponsorships, and fill-in the rest with ticket sales and add-ons, like auctions and raffles. Sponsors provide more bang for your buck, and more possibilities for your limited fundraising time.

I’d rather find one \$10,000 sponsor and have to give away 100 \$50 tickets to fill the room than sell those tickets at the expense of finding sponsors. Start your efforts to find sponsors as early as possible, and worry about filling the room after all of your sponsorships have been sold.

Event Focus #2: Event Committee

Your event committee (sometimes called your “host committee”) is a prime example of the 80-20 rule.

Every host committee I have ever been involved with has resulted in 20% of the committee raising 80% of the money for the committee as a whole. If you have 20 people on your committee, chances are that around 4-5 of the members are the ones who are really driving the fundraising by selling sponsorships and tickets.

If you are running the same event year in, year out, capitalize on this fact by constantly (but subtly) dropping the lowest-producing 10% from your committee (perhaps by putting them on a “volunteer committee” that doesn’t do much of anything but also doesn’t take up much time for your staff) and constantly adding top new prospects to the event committee.

Do this year after year, and before you know it, you’ll have a committee full of doers, and be raising far more for your event than you previously thought possible.

3 Secret Strategies for Supercharging Your Fundraising Events

Fundraising events are a staple of non-profit development plans, and for good reason: they work. Donors like events, and besides a capital campaign, no other development tactic generates as much buzz for an organization as a well-planned event.

But... (and it’s a big but)... events are time (and often cash) intensive. Planning, staging, and following-up on a fundraising event will drain valuable staff and financial resources from your organization. Events work, but you need to make sure that every time you hold an event, you are maximizing your revenue as much as possible to leverage the resources you are expending to hold the event.

In order to help you supercharge your fundraising event revenue, we present three “secret” strategies for raising more money at events... strategies that are already in place at the top event-fundraising non-profits around the world:

Strategy #1: Use the Phone

Yes, you should send out event invitations. Yes, you should send out sponsorship letters to prospective sponsors for the event. Yes you should use PR, your e-mail newsletter, and every other method at your disposal to raise money for your fundraising event. But, the most powerful weapon in your arsenal is... the phone.

Many non-profits that would never think of trying to run a \$500,000 major giving fundraising campaign without making calls and doing face-to-face meetings will none the less try to raise the

same amount for an event simply by sending out letters and invitations and doing a nice event sponsorship package that gets mailed out to donors.

Don't make this mistake... treat your event like you would a capital campaign. Start with your prospective sponsors, and after you send out a letter, do calls and one-on-one meetings. Then move to your prospective event guests – target people who could buy whole tables and/or sell 5 or 10 tickets to the event and give them a call or go see them at their office.

Pick up the phone and use it to generate revenue for your next fundraising event.

Strategy #2: Find Supporters Who Will “Own” the Event

Most non-profits know the importance of putting together a host committee for fundraising events, but very few put together event committees that really move the revenue dial. Instead, many organizations end up with a committee that spends all of its time discussing the menu and the floral arrangements, and then at event time asks for a discount on the ticket price for host committee members.

Without fail, the organizations that hold the biggest fundraising events (in terms of net revenue, not attendees) put together host committees comprised of supporters (a) who understand that this is a fundraising event, and the job of the committee is to raise money, and (b) who “own” the event, taking personal responsibility for meeting the event fundraising goals by working hard to sell sponsorships and tickets.

If your organization isn't putting together host committees like this, now is the time to start. This year, for your next event, try to start adding committee members who will own the event, and make it clear to the entire committee that meeting the event's fundraising goal is priority #1.

Strategy #3: Do One Remarkable Thing at Each Function

The success of an annual non-profit fundraising event grows over time. If attendees enjoy themselves at your event this year, you can be sure that they come to the event next year and will talk about it with their friends and colleagues, some of whom will likely attend as well. As the years go by, your event gets bigger and bigger, and in turn, you are able to raise more revenue with each succeeding year.

A great way to accelerate this process is to make sure your organization does at least one really remarkable, water-cooler-gossip-worthy thing at each event. This could be as simple as having a local celebrity attend as a surprise guest, or as complicated as renting out the next-door pub for an after-party at your annual young professionals event.

Whatever it is that you decide to do, doing something really remarkable will get people talking about your event – and in turn, will make more people want to come to your event next year.

How Host Committees Can Boost Your Fundraising Event Revenue

As important as great headliners, nice venues and strong ticket sales are to events, the number one mistake that non-profits make when planning a fundraising event is the failure to form a strong event committee (sometimes called the “host committee”). Event committees can make or break an event.

What Does an Event Committee Do?

First, understand that when I talk about an event committee, I am not necessarily talking about a committee that does the actual work of planning, setting up, breaking down, and working the event. You may decide to have a committee like that, or to make the people that handle the logistics part of your overall event committee, but that is not what I mean when I say that a great event committee can make or break an event.

What I am talking about, instead, is a committee whose primary responsibility is to raise money for the event by selling sponsorships and tickets (as well as doing things like finding items to sell if this is a silent auction event, etc.). The event committee is a *fundraising* committee, and putting the right one in place is extremely important.

Why is an Event Committee Important?

Let’s face it, events are hard work. If you want to raise a ton of money at your next event, you’re going to need help, even if you have a large staff or dedicated group of volunteers. You’re going to need people who feel like they are part of your team, who commit to helping you raise money for the event, and who get their friends, neighbors, colleagues, vendors, clients, and associates involved in your event.

Your event committee is at the center of an event *fundraising network*... the members of the committee should be expected to open up their own networks and Rolodexes to the non-profit for the purposes of the event.

Who Should Be On Your Event Committee?

Anyone who supports your mission, is willing to fundraise, and has a good-sized network that they are willing to open up to your organization. Ideally, your event committee will include a chairperson who is super-supportive of your organization and who has a massive network, as well as 5-25 (or more) of your donors and supporters who are ready to raise money for the event.

How Do You Get People to Join Your Event Committee?

You ask! Seriously, in order to get people on your committee, you'll need to treat this like any other fundraising ask... look at your donor list to see who might be a good candidate. Call or meet with each of these people to tell them about the event, why the event is important, and what is expected of event committee members. Then ask them to join.

What Should Your Event Committee Do?

Fundraise! Make sure that everyone on your event committee knows that their primary goal is to fundraise for the event. Sure, you want their advice on the event itself, and welcome their good ideas, but you also need help raising money.

Be sure to tell your committee what the ultimate fundraising goal is for your event, and how you expect that goal to be met. For example, you may say that the goal for your fundraising barbeque is to raise \$5,000 for your organization. Of that, you expect \$1,500 to come from sponsorships, \$1,500 to come from ticket sales for the event, and \$2,000 to come from the silent auction at the event.

Once you tell your committee what your goal is, be sure to give them the tools that they need to reach that goal. They should have all of the collateral materials, tickets, event invitations, sample scripts, and everything they need to help you raise money.

You should also track the work of the committee, whenever possible. Ask who they are approaching, track how many tickets each member sells, etc. I also suggest you hold regular meetings of the whole committee to talk strategy, check on progress, and offer thanks, praise, and advice. If your committee is a particularly large one, you can also consider breaking the committee down into smaller sub-committees, with each holding its own meetings and focusing on different areas of the event.

How Should You Recognize Your Event Committee?

It's very important to recognize the hard work of your event committee, and to let them know just how crucial their role is in your event's overall success. In addition to your written and spoken words of thanks, you can consider doing things like putting their names on the event invitations, thanking them as part of the event program, offering them special lapel pins or a number of free tickets for the event, etc.

An Important Note about Event Committees

No matter how great your event committee is, never rely on them 100%. Once, I watched as a non-profit (against my advice) relied entirely on its event committee to fundraise for an

event. The staff handled the event hall, catering, and invitation printing, but the event committee, led by the event chair, was supposedly handling all of the sponsorship and ticket sales. Three weeks before the event, the Executive Director of the organization finally realized his mistake, when he found out that only \$1,500 in sponsorships had been sold (against a \$10,000 sponsorship goal). Thankfully, the staff took over ticket sales, and by working the phones and holding a coordinated series of meetings with large corporate donors, the team was able to sell out the event and beat the ticket sales goal, which partially made up for the sponsorship debacle.

You want (and need) to put together a phenomenal event committee for your next affair. You want them to set big goals and raise a lot of money. But your staff should also be working on the event by contacting your donors and selling sponsorships, as well as tracking the progress of the committee.

Landing an Amazing Headliner for Your Next Fundraising Event

In this section, I want to turn our attention to event headliners, and specifically, how to convince an A-level local or national celebrity to appear at your event.

Almost every non-profit runs a major fundraising event each year, and most of those that do wish they could land a key local, regional, or national celebrity, politician, businessperson or sports figure to speak at or be honored at their marquee fundraiser. Most of these non-profits spend lots of time dreaming about who they would like to have, and then settle for someone else because they have no idea how to reach a celebrity.

If you'd like to have an amazing headliner at your next event, follow these four simple steps:

1. Figure out whom to approach.

Before reaching out to anyone, figure out who you want to approach. My suggestion would be to start with a very broad list, then narrow it down to a final group of 3-5 celebrities. When making your list, keep two key criteria in mind:

First, the celebrities on your list will need to appeal to your audience. If you're running an event primarily attended by senior citizens, don't invite the latest teen idol. Similarly, while a talking head from CNBC will appeal to an audience of financial industry professionals and stock brokers, that same guest will be far less appealing to a 20-something crowd.

Second, the celebrities on your list should be a stretch for your organization, but not in the realm of impossible. For example, if you are a new organization that doesn't have any track record of celebrity guests, focus on a local headliner that seems just out of reach... the local news anchor,

the mayor of your town, or a local professional athlete. If, on the other hand, you've been doing this for a while, you can start to look at regional and national headliners.

2. Figure out at least 3 different ways to reach that person.

Unless you have an amazing connection to one of your target celebrities, it is highly unlikely that you'll be able to convince them to appear through just one contact or letter. A more prudent approach is to try to figure out at least three different ways to reach celebrity you are working on.

For example, to convince a popular state governor to appear as the honoree at a non-profit fundraising event I once managed, we found a board member with a connection to the lieutenant governor, we developed a relationship with the gov's local staff director, we had a friend of the organization who knew a big donor to the governor make a call, and we went through "official" scheduling channels. All four channels were working at the same time...

3. Craft an appealing pitch.

Know your targets, and craft an appealing pitch that will work for them. Does the celebrity have an affinity for your cause? Does one of their family members? Does your celebrity have any reason to want to be in front of the group of people you will have in your audience (for example, a local politician may want to be in front of potential donors close to an election, and a local real estate developer may want to be in front of wealthy empty-nesters who may want to purchase a new luxury nest in the city).

Try to figure out what about your organization and your event will be most appealing to the celebrities you are targeting. As with any ask, be sure to keep it mission-centered and emotional, including stories of those you will help through the event revenue.

4. Hit them from every angle.

This is the most important step, and the one that seems most intimidating to non-profits. Once you have your targets and you've crafted a pitch, it's time to hit your targeted headliners from every angle.

You have to actually pick up the phone and call those people you have connections with who also know the celebrity, and ask them to commit to help. Don't just send a letter to the headliner. Get on the phone, make calls, hold meetings, and work every angle that you can.

In the example I presented above about getting the governor to an event, it took working all four channels to succeed. Another time, we worked every angle without success... until our deputy finance director sent the target celebrity (who was also a well-known food aficionado) a delivery

of one of our city's culinary delicacies (she sent enough for the celebrity and his whole office). It worked, and he appeared at an event that raised over \$250,000.

Getting Your Headliner to Help Raise Money

If you convince a celebrity to headline your event, either as a performer, speaker, or honoree, the next step is to see if you can get the celebrity to help you raise money for your event. The best way to do this is to ask if there is anyone the person would like you to invite, and also to send the headliner a stack of invitations they can use. If the person is being "honored" at the event, ask them who you should contact at purchasing tables close to the "honoree table."

A Word on Headliner Pay to Play

One final word on celebrity headliners... occasionally, you'll come across headliners who require a fee for their attendance or performance at your event. I have never used such celebrities, but there is nothing intrinsically wrong with this... the celebrity's stock in trade is their talent and popularity, and they can't be expected to always give it away for free.

That being said, if you build a relationship with the celebrity, or forge a real emotional connection with them through your mission and your approaches, it's highly likely that they will be willing to perform or appear gratis, simply to support the event. Only pay for celebrity headliners when you can't find one who will come for free, and when you are absolutely sure that the headliner's attendance will dramatically increase your fundraising revenue from that particular event.

Case Study: How to Double the Revenue from Your Next Fundraising Event

I recently worked with a non-profit organization on a major fundraising event where we were able to double the amount of fundraising revenue for this year's event over last year's, and I wanted to share the lessons learned with you in this article.

The organization in question holds one major fundraising event each year that provides a significant portion of their revenue for the coming year. Thus, doubling the amount raised was/is a game changer for them. Here's how they did it, and how your school, church or charity can do it too:

1. Plan Far in Advance

The organization had traditionally run on a "fly by the seat of your pants" planning mode... once people starting realizing that the annual event was only four or five months away, they would fly into panic mode and get things cranking.

We decided to create a fundraising plan for this event almost one year out from the actual event. This changed two things from how it was normally done at this non-profit. First, we created a plan just for the event, which they had never done before. An event fundraising plan is *crucial* for any size event, but particularly one where you are trying to raise money from hundreds of sponsors and attendees.

Second, we not only created a plan, but created it almost 12 months before the actual event. This gave us plenty of time to implement the plan that we had come up with.

2. Build and Capitalize on Relationships

Planning that far in advance allowed us to see one key concern with being able to dramatically increase event revenue: the organization simply didn't have enough large and mid-sized donors to provide sponsorships for the event.

We realized early on that we would not be able to double revenue simply by selling more tickets... we would have to sell literally thousands more, and that wasn't a remote possibility. Instead, we focused on sponsorships... the event had historically raised a significant sum from event sponsors, and we decided that this was the area to focus on. The only problem was that basically every individual and company in the organization's orbit who could give at that level for the event was already doing so.

Our solution? Build more relationships. The Director of Development was tasked with reaching out to lapsed donors as well as new prospects who were within our reach, and spend the first six months of our twelve month plan building relationships (without making asks).

3. Start Fundraising Early

The next key ingredient of our plan was to start our fundraising early. We decided to begin solicitations a full six months before the event. We started by sending out renewal letters to the previous year's sponsors, and following up with a phone call. This plan worked far better than we even hoped, with over 90% of the previous year's sponsors renewing (many at a higher level than the year before, due to our cultivation efforts) within 60 days of sending out that solicitation, which meant we still had four months to work on new donors, confident in the fact that we had already matched the previous year's fundraising revenue.

The staff then focused on reaching out to the new prospects that the Director of Development had spent the past six months cultivating, as well as working with board members and other supporters to reach into their own networks.

4. Ask. Ask. Ask. (You've got to ask!)

Doubling your event revenue is a bold goal. We told everyone early in the process that in order to succeed, we were going to have to make asks... and lots of them. We knew we were going to have to approach everyone possible about sponsoring the event, and that's just what we did.

We didn't make "soft asks," telling people about the event and our need for support, and hoping they would volunteer a donation. Instead, we pegged everyone for a donation level and went out and made an explicit ask... "Would you be willing to sponsor the event at the \$50,000 level this year? No? How about \$25,000?" Actually making asks is key, and something far too many event organizers shy away from.

5. Keep Your Number Front and Center

The final thing we did that the organization had never done before was keep a running tally of pledges for the event, and publish that number internally and to our board as often as possible. Keeping your number front and center can be something as simple as sending out a regular email to your staff, board, and event host committee that says, "We've raised \$10,000 towards our \$35,000 goal. Please keep plugging away!"

Keeping our number front and center kept everyone honest, and didn't let our board or staff off the hook by letting them think that "someone else" was responsible for the event goal. Everyone could see what progress we were or weren't making, and would know what we needed them to do: make asks!

At the end of the day, we were successful in doubling our fundraising event revenue. This year's event raised just over \$500,000 which represented a 100% increase over the previous year's \$250,000 revenue. Along the way, we learned valuable lessons which will inform the organization's fundraising strategy for many, many years.

Chapter 6: How to Raise Money through Direct Mail

Direct mail is a time-tested strategy for raising small and mid-level donations to support non-profit organization. In this chapter, we discuss the differences between housefile and prospecting mail, how to design fundraising letters that work, and a simple 5 step strategy for writing profitable direct mail.

Effective Fundraising by Mail

To many organizations, fundraising through the mail seems like the end-all, be-all tactic. It's a way to raise money without having to ask in person (or over the phone), it seems cheap (how much is a stamp these days?), and it's a rinse and repeat formula, that can be utilized week after week, or month after month.

The reality is that real, effective fundraising through direct mail is hard (but rewarding) work. Direct mail is one of my favorite fundraising methods, and it should be a part of your arsenal. But know this: much of direct mail fundraising is a science. Development professionals have been raising money through the mail for the past half century, and they know what works, and what doesn't... so be sure to read up and learn the science of fundraising mail. Remember, direct mail is actually pretty expensive (all of those envelopes and stamps add up), so make sure that you are investing wisely.

Housefile vs. Prospecting Mail

One important concept that you need to learn before you start writing letters is the difference between housefile and prospecting mail. Housefile mail is mail sent to your own organization's list of past donors. These donors have already contributed to your group, so they are likely to give again. Remember, the first rule in direct mail fundraising is this: Past behavior is the best predictor of future behavior. Meaning... If someone gives to your organization, they are likely to give again. If they don't give, they are unlikely to do so in the future.

Prospecting mail is mail sent to a list of people and companies who have not previously given to your school, church, or charity. This list of "prospects" might be one that you borrowed from a fellow non-profit, that you purchased from a list broker, or that you compiled on your own.

The Money is in the List

While housefile mailings will often be very profitable, and will see returns in the 5-15% range (meaning that with a good housefile list and a well-written letter, you can often expect to see 5-15% of the people who receive the letter sending back in donations), with prospecting letters, your goal is simply to break even (meaning that you make back in donations as much money as

you spent in sending out the mailing). Response rates for well-written prospecting letters, even to good lists, often hover in the .5-1.5% range.

Why then, would anyone want to do prospecting mail, if the goal is only to break even? It's because they know the second rule of direct mail fundraising: the money is in the list. Organizations send out prospecting mail because it gives them a list of people who want to give to their charity. The people who give to the initial prospecting letter become donors who are added to the housefile list. They will get mail from the organization (housefile letters) again and again... and will generally continue to give. The money is in the follow-up. The money is in the list.

Writing Great Fundraising Letters

What is the secret of writing great fundraising letters that have good response rates? Really, there are two:

The first is – be compelling and emotional. Remember – your organization, and your mission, matters! Why does your organization matter? Figure it out, then tell people... tell people stories that tug on the heart strings, that make them cry. In fundraising letters, people don't want to hear a list of boring statistics and facts. Sure, one or two surprising or super-compelling facts might make all the difference. But a lost of twelve percentages with footnotes supporting them? Not compelling.

Instead, tell stories, use charts, make people cry. Think: if I had 30 seconds to tell someone about my non-profit, and the success of our group depended on that one person writing a check on the spot... what would I say? Then write that pitch as your first draft.

The second secret is: write in such a way that your compelling content gets read. People are busy. Even if they aren't really busy, most people think they are. Very few people think they have the time to read through your fundraising letter. Most people will skim your letter to see if it is worth reading. Where do they look to make their decisions? The first sentence, the pictures and charts (with their captions), the headlines and bolded or underlined words, and the P.S. That's it... just 20-30 second of skimming.

How do you capitalize on this tendency? First, give them lots to skim. Use section headlines, a great opening sentence and P.S., pictures and pull-quotes, and bolded/underlined words. Then, make sure that all of this "skim-able" content works together to tell the entire story of your letter. Ask yourself: if someone only skimmed my letter, using the items listed above, would they know what I am saying? Would they "get" the whole story?

Staying in Touch

O.K., so you've sent out ("dropped," in direct mail parlance) some great prospecting letters, and have started to build a good housefile list. Now what?

The key to keeping a housefile list fresh is to stay in touch with your donors. You can send out housefile fundraising letters, to be sure... but don't overdo it. 3-4 housefile letters a year is probably all that your list can support (or accept). Keep them interested, and in the loop, by sending out occasional "non-fundraising" pieces... newsletters, postcards, e-updates, and of course, thank you notes each time they give. Stay in touch, and make your supporters truly feel like part of your team.

5 Steps for Writing Profitable Fundraising Letters

Sitting down to write a direct mail fundraising letter can be a daunting task, particularly for someone who only does it once or twice per year. It can seem like your whole fundraising goal is riding on every word you write, and the self-inflicted pressure often builds up into a form of writer's block.

Fear not! Writing a profitable fundraising appeal is not an insurmountable task, and with time and practice, you may even find that you enjoy the chance to take the phone off the hook, close your e-mail client, and spend a few hours writing about your non-profit and the people you serve.

Here are the 5 steps I use when I sit down to write a non-profit fundraising letter:

Step #1: Figure Out Your Goal

Before you put pen to paper, it's important that you determine *why* you are writing this fundraising letter. You may be saying to yourself, "What a silly step! The answer is: to raise money!" That's true, but you need to dig deeper.

How much money do you need to raise? What will the money be used for? In what increments will your donors likely be able to donate? What will you be able to do with each of those increments?

For example, your organization may be building a hospital in an impoverished nation. You need \$50,000 from this particular appeal, which will pay for the next three months of construction, during which time you will be putting on the roof. Your donors are likely to give in \$50, \$100, and \$250 increments. \$50 will buy 25 roof tiles. \$100 will buy 50 roof tiles, or one square yard of roof. \$250 pays for an entire day's labor at your worksite.

This information is important, because it will form the basis of your letter's message and fundraising ask.

Step #2: Determine How Meeting this Goal Connects with Your Mission

Everything you do in a non-profit, and every letter you write, should be mission-focused. Your organization's purpose for existing is to make a difference. The goals you are laying out should further that mission and help make that difference.

For this fundraising letter, you need to figure out how meeting this particular goal connects with your organization's overall mission.

In our hospital-building example, your organization may be dedicated to improving the health and lifespan of people living in poverty worldwide. You may determine that building this particular hospital will provide access to medical care for 50 square miles, home to 25,000 people who previously had no access to emergency or ongoing medical providers.

This information is important, because it will provide a connection between this project and your long-term supporters, as well as help convert new donors into longer-term friends.

Step #3: Find Some Proof

Now that you know how much you want to raise, what that money will be used for, and how that work connects with your mission, it's time to find some proof that what you say is true. Many donors like facts and figures, and I always try to include at least a few quantifiable facts into my fundraising letters, to show donors that we've done the research and have the knowledge to succeed in accomplishing our goals.

What facts and figures (proof) do you have for your claims? For our example charity that is trying to build a hospital, we've already listed some important facts: the charity's mission is helping impoverished families get access to medical care, and they showed that completing this hospital will provide medical services to 25,000 people. Perhaps they could also show how many illnesses go untreated in proximity to this unfinished hospital, and provide an estimate of how life expectancy changes when access to medical care is introduced for the first time.

Step #4: Gather Stories

Once you have your facts and figures together, it's time to gather emotionally compelling stories. These stories should be true (even if you change names to protect anonymity), and will provide the lion's share of the content for your fundraising appeal. People want to hear about people. Donors don't want to give to nameless entities or vague goals – they want to see what real and tangible impact their dollars will have. The best way for them to see that impact is with compelling stories.

The stories you choose can take many different forms. You may have stories about people you have already helped, or you could include stories about the people you want to help (or both). In our hospital example, you could have stories about sick children who were healed at other hospitals you built, or stories about an ill grandmother you want to help, but can't until the hospital is built.

You could use stories about donors and how their lives have changed since they donated to your project, or stories about your own personal experience with your mission. Be creative, and gather a number of stories for possible inclusion in your appeal.

Step #5 Write Your Letter

Now you're ready to write your letter. First, read the writing tips in *Effective Fundraising by Mail*. Then, get prepared. I always turn off my phone, click off my e-mail, close the door, and try to avoid distractions. Let the information you gathered in the first four steps be your guide. If you get stuck, take a break, then come back and read through the stories again. Enjoy the process, and the profit will follow.

4 Tips for Designing Fundraising Mail that Works

Direct mail fundraising is part art, part science. Whether you are engaging in prospecting mailings (to people who have never given to your organization before) or housefile mailings (to past donors), your direct mail should be designed so it grabs the readers' attention and convinces them to give.

In our class, *How to Raise More Money through Direct Mail Fundraising*, we spend a lot of time talking about the changes you can make to your fundraising mail that will make the biggest impact for your overall revenue. Here are 4 key tips for designing fundraising direct mail that raises more money in a shorter amount of time:

#1 – Design for Both Scanners and Readers

As far as fundraising direct mail is concerned, there are three types of recipients:

- The 10 Second Club – The vast majority of readers fall into this category. These are the folks that look at your piece and walk it to the trash can – they have your piece in their hands for approximately 10 seconds.

- The Skimmers – A far smaller number of readers are skimmers – people who look through your mail piece on the way to trash can, reading headlines and looking at pictures. They will generally have your piece in their hands for 20-30 seconds. These people are usually somewhat

interested in your mission, and thus more likely to donate, or are just people who like to skim everything before they throw it out so as to not miss anything.

- The Readers – Few and far between, these people actually take the time to read your mail piece. They generally will look through your piece for 1-2 minutes, reading the headlines and drilling down into the text. These people are either very interested in your particular issue or non-profit, or tend to be older, retired folks who enjoy receiving and reading direct mail.

It doesn't seem fair, does it? You've spent all that time designing your mail piece and figuring out whom to mail it to, and most of those people just throw it out! Not to fear... direct mail works. The key is to design your direct mail with the knowledge that most people will hold it in their hands for 30 seconds or less... the key is to use tried and true methods to make your mail more successful and memorable – to design fundraising direct mail *that works*.

As you design your non-profit's fundraising mail, you're not as concerned with the "immediately throw out" crowd, because it is unlikely that these people will give money. That being said, we do want to design our fundraising mail to be compelling for both scanners and readers... this means including lots of white space, lots of bolded and italicized text, and lots of bullet points and pull quotes, as well as great text content (for deep readers). Design for scanners and readers, not just readers.

#2 – Remember what People Read First

Your average reader looking at a direct mail piece will read the first line, the bolded and italicized words, any headlines, captions on pictures, and the P.S. – What does this mean for you?

It means that you should design your direct mail piece so that a person who reads the text this way can understand what you are saying and hear the call to action. Use the first line, bolded words, captions and your P.S. (and P.P.S., and P.P.P.S.) to tell your story and ask for money. Then, use the rest of the letter to fill in the gaps.

#3 – Ask for Specific Amounts

Have you ever received a fundraising direct mail letter that included words like this? *Please give your most generous contribution of \$50, \$100, \$250 or more today to help us!*

Did you ever wonder why so many non-profits use formulas like that for their asks? The answer is: because it works! People give more when they are asked to give a range of specific amounts. Those amounts can be determined either by what they have given in the past (for housefile folks), what they can most likely afford to give (for prospecting folks) or be based on

some general numbers. No matter what way you go about it, ask for a *range of specific* amounts. People give more when you tell them what amount you would like them to give.

#4 – Donors like Variety

When you are mailing to your housefile, keep it varied! You can reasonably, and with very little complaint from the folks on the list, mail to your housefile once per month (meaning that you send them one piece of direct mail once per month). If you do so, though, people will soon get tired of reading the same types of direct mail letters over and over again. The solution is to change it up – be creative, and send your housefile various types of fundraising direct mail.

This means you should be sending your list both ask and non-ask letters, newsletters, updates, annual and campaign appeals, invitations, etc. If you keep it varied, your donors and prospects won't get bored and won't feel bombarded by your organization.

Direct Mail or E-Mail: What's Best for Fundraising?

Walk into any large non-profit development office, and you'll likely find two camps. On the one side, there's the group that subscribes to the "tried and true" method of doing things... meetings are done in person, "mail" means snail mail, and new fundraising campaigns require a year of planning and committee meetings in order to launch.

On the other side, there's the "new and nimble" group... meetings for busy people can be done on the phone, "mail" means e-mail, Twitter, Facebook, or whatever way your target group communicates, and fundraising campaigns, well... with some around the clock work you can launch those in two months.

Of all the areas where the "new" vs. "traditional" debate rages, none is more pronounced than the argument over which type of communications and solicitations are more effective: direct mail or e-mail? Let's take a look at the arguments...

The Case for Direct Mail

First let's take a look at traditional direct mail. You know, the kind that arrives with a stamp and a reply card, is 2, 3, or 4 pages of information, emotions, and asks, and costs actual money to send out through the good old postal service.

Proponents of direct mail will point out... rightly so... that it works. There are large swaths of people that still respond to direct mail. There's something about receiving a good looking direct mail piece that makes an organization seem "real" and professional in a way that an e-mail never could. People still open their mail, and still glance through the letters they open... meaning that with some good copy, great pictures, and a keen layout, you just might get a good response.

We know, from thousands of case studies, that direct mail still works.

The Case for E-Mail

Next, let's take a look at e-mail for cultivation and solicitation. You know, the kind that arrives in your inbox with a subject line that is either boring ("Our Weekly Newsletter is Here!") or compelling ("Children are Starving – Thank You for Saving Jimmy!"). The kind that is sent through AWeber, Constant Contact, or your own internal list-server, and which costs nothing, other than time and a monthly e-mail marketing subscription to send.

Proponents of e-mail will point out... rightly so... that it works. There are large swaths of people that respond well to e-mail. Great looking e-mail newsletters and solicitations prove that a non-profit "gets it," that they can use the Internet and social networks to carry out their mission, without wasting money on stamps. E-mail is even more measurable than snail mail: organizations can know who opens their e-mails, how long they spend with them, even perform split testing to find out which campaign works best.

We know, from thousands of case studies, that e-mail fundraising works.

The Conclusion

Whenever I look at two competing fundraising activities, my first (and often last) question is, "What will work?" What I care about is: what will help us achieve our goal for this campaign?

As you can see from the above discussion, *both* e-mail and direct mail solicitations work. Direct mail cultivation and solicitations work better for "traditional" fundraising audiences: those that give to political, university, and arts related campaigns, as well as for senior citizens.

E-mail cultivation and solicitations work better for younger audiences, those that give to education, research, and technology focused endeavors, and those audiences that are more tech savvy.

The truth is, most organization contain donors and prospects that fall into both camps. Most non-profits are seeking (or should be seeking) both older and younger donors, those that are more tech-savvy and those that are less so, givers who fund research and technology projects and those that fund more "traditional" annual and capital campaigns.

In short... most organizations (if not all) should be utilizing a mix of both direct mail and e-mail for both cultivation and solicitations. While it is certainly hard to focus on both sides of the coin (particularly for smaller organizations), the truth is that the best performing fundraising operations use both in their yearly communications cycle. Perhaps you should too?

Chapter 7: Raising Money Online

The Internet has proven to be a powerful tool in the fundraising arsenal of the modern non-profit. In this chapter, we'll review all of the major online fundraising strategies, including websites, social media, e-mail and crowd-funding, and learn how to make each work for your organization.

Effective Fundraising on the Internet

Many organizations have the misguided notion that if they just make that “donate now!” button bigger, or if they just hit on the secret formula that no one will tell them, they can raise millions of dollars on the Internet and stop worrying about grants, events, and other traditional fundraising methods.

Bzzzzt! Wrong answer... Fundraising on the Internet should be a part of your fundraising mix, but for most non-profits, the web will never become your dominant form of fundraising. So... what are the best ways to use the Internet in your development efforts?

Complementing Your Activities

For most organizations, the primary development function of your website will be complement your other fundraising activities. Your website provides a great opportunity to offer lots of information to your donors, including reports, white papers, stats, and news. Likewise, every school, church, and charity should be using e-mail newsletters and blasts to keep their donors in the loop.

Your website also provides a landing pad where you can send people to make donations when they can't make donations on the spot. For example, when you are giving a speech or working the room at a Chamber of Commerce mixer, and someone says they want to help or make a donation, pull out your card and tell them they can go to your website to donate. Announce your web address from the podium during seminars, and invite people to go there to learn more or to donate.

The web can also compliment your non-Internet fundraising activities in more direct ways. For example, if you are holding an event, you can set up an event page to give information about the event, invite people to buy tickets online, do an early preview for your silent auction, and more. Many groups that hold walk-a-thons and other participatory fundraising events have had great success with setting up a separate page for each person who is raising money as part of the event that shows progress, with a special message from the participant, and which the participant can e-mail out to their friends as part of their fundraising pitch.

Building a List

One of the best ways to use the Internet to build your fundraising base and complement your development efforts is by building an e-mail update list. Successful online businesses have been doing this for a long time, but most non-profits have not latched on to this great strategy.

The basic concept is to set up a sign-up form on your website for your e-mail newsletter (much like the sign-up boxes you see on our website at The Fundraising Authority). Encourage people who come to your website to sign up for your newsletter to stay in the loop. Then, stay in touch with these folks by providing relevant and interesting news and tidbits on your work, mission, and vision.

As you build your e-mail list of supporters, you will be able to incorporate fundraising into your e-mail blasts. You can invite people to events and sell tickets, ask for donations, find event sponsors, and more.

Raising Money Directly Over the Internet

Of course, while you are likely to find that the best uses of the Internet in your fundraising operation are for complementing your other activities and building a list, you don't want to neglect direct fundraising through your website. Every school, church, and charity should have a "Donate Now!" button on their website, and be set up to accept one-time and recurring donations over the web.

Many non-profits have also found great success in running web-only campaigns, once their websites started to reach a significant number of visitors per day. Often, the best type of campaign to run via the Internet is one that asks for relatively small donations (\$10-\$100) and is for a specific purpose, like asking visitors to contribute \$10 to buy meals for a family for one day, or \$25 to send a child to school for a week, etc.

Market Your Site

Once you've set up your organization's website, don't forget to market it aggressively. Include your web address (URL) on all of your marketing materials, submit your site to the main search engines, optimize your site to be found by the search engines, and ask for links from complementary sites.

Internet Fundraising Best Practices

1. **Build Your List** – have sign-up forms on your website and encourage your visitors to sign up for your newsletter.

2. **Use the Web as a Complement to Your Other Activities** – Try to include your website as a complementary tactic for your other fundraising activities.
3. **Have a “Donate Now!” Button** – Accept credit card donations directly from your website.
4. **Market Your Website** – Spread the word. Without visitors to your site, you won’t receive any donations through the web.

There’s More to Online Fundraising than Just Your Website

I work with a lot of non-profits each year, and here’s how many of them could summarize their online fundraising efforts:

Step 1: Set up website.

Step 2: Ask web designer to put a big “donate now” button on the site.

Step 3: Pray that people click the button.

For many (perhaps most) non-profit organizations, their online fundraising begins and ends with their website. That may have worked back in 1999, when just having a website was a big deal for a charitable organization, but it doesn’t work today. There’s far more to online fundraising than just your website.

Website as Hub

Don’t get me wrong. Your website is an important part of your organization’s online solicitation efforts. In fact, your website should serve as the hub of your online fundraising – the place where you direct people to actually make their gift and enter their credit card details, as well as the place where they can go for more information.

Thus, your website should be well-designed. It should look professional. It should include a secure method for accepting donations, as well as a dedicated and customized page for each online fundraising campaign where you can direct supporters to make a donation.

But... if you leave it at that, you’ll have a really great website and good, functional fundraising pages, but that’s it. You’ll be at the mercy of the Internet, hoping people will stop by and donate. And for most non-profits – they won’t. Most people won’t know you’re running a fundraising campaign or need the money for a particular project. They won’t stop by, and they won’t give. That’s why your organization needs to *take control* and drive traffic to your fundraising pages.

Ways to Take Control

There are several methods that your non-profit can use to take control – ways that you can actively go out and direct traffic to your website while asking for donations. These methods include:

E-Mail – Sending out e-mail letters to your list and getting people and organizations that support you to send out e-mail to *their* lists is a powerful way to drive traffic and dollars to your site.

Social Media – Building buzz and sending out links on Twitter, Facebook, Google+, LinkedIn and other social networks is a good way to generate financial support – but be sure you are sending people back to your website to make a donation, and not just asking for “likes.”

Offline Buzz – You can use your in-person events, your offline newsletters, PR and other offline methods to talk about your fundraising campaign and drive people to your website to make a donation.

Each of these three primary ways to take control of your online fundraising efforts are important, and each deserves your organization’s attention.

Finding Evangelists

Another key – and often overlooked – strategy for driving people to your online fundraising hub to make a donation is by finding supporters who are willing to commit to building buzz for the campaign. These “evangelists” agree to spread the word about your fundraising campaign to their own networks (both online and offline) and make a pitch to their friends, family and colleagues to donate.

How do you find evangelists for your online fundraising efforts? Start by defining your online fundraising campaign – why are you raising money, what will it pay for, why do you need it now? Then create a goal for your evangelists – what are you asking each to do? (The goals you set could be monetary, such as raise \$100 each, or they could be based on activity, such as send out 10 tweets or ask 5 people at your office to donate). Provide your evangelists with lots of supporting materials and motivation, and track their progress.

Don’t make the mistake of thinking your online fundraising efforts begin and end with your non-profit’s website. Online fundraising involves so much more!

3 Quick Ways to Double Your Online Fundraising Revenue

Today, I want to present three quick and easy tactics you can immediately implement in your online activities that could easily double your online fundraising revenue over the coming year:

1. Give Something Away for Free

One of the best ways to find new prospects for your *online* fundraising funnel is to give something away for free on your website. Well, okay, not totally for free – instead, try giving something away in return for a person’s name and e-mail address.

You are collecting e-mail addresses on your website, aren’t you? Take a look at The Fundraising Authority website. See that big sign-up box for our newsletter on the top right corner? You have one of those, don’t you? If not, you should get one, and offer to give your users something of value, for free, in return for giving you their e-mail addresses and permission to add them to your e-newsletter list. This giveaway could be as simple as a special report or article delivered via e-mail, or as tangible as an invitation to your annual cultivation event or a free bumpers sticker highlighting your cause.

One of the primary purposes of your website should be to find new prospects to communicate with by collecting e-mail addresses from those who visit the site and support your mission.

2. Ask for (Just a Little) Action

What are you doing with your current e-mail contact list? Are you sending out newsletters? Making asks with e-fundraising letters? Inviting people to non-ask events?

All of those are great tactics, but here’s one that has worked wonders for many organizations: try asking your email subscribers and social media network to take just a little action on your behalf – something other than giving money or asking others to give money.

Asking for your e-contacts to take (just a little) action on behalf of your non-profit is a great way to move those who simply signed up for your newsletter to stay informed into contacts who feel like part of your team (a key step before you can ask for money).

The action you request from your e-mail and social media contacts should be something simple, like sending an e-mail to a legislator, signing an online petition, or re-tweeting your latest update. Make the task short and easy to do, and more people will follow through, which will mean more people will be ready for even more action (or an ask) next time around).

3. Create Social Media Leadership Roles

If you are active on social media sites like Twitter, Facebook, and Google+ (your non-profit [*is*](#) active in social media, right?) try creating social media leadership roles for your non-profit and fill these roles with volunteers and key supporters. The role of these leadership teams should be to spread the word about your non-profit online and continue to add friends and contacts to your network.

For example, you might have a Facebook Networking Team that agrees to like and share your posts with their friends on the site, or a Twitter Team that re-tweets your updates and drives their own networks to your website.

Once your teams are in place, give them some defined tasks to do on a regular basis, then follow-up to motivate them and track their progress. Having evangelists like this out on the web spreading the good news about your non-profit can dramatically increase the amount of online engagement received by your organization.

The Quick Guide to E-Mail Fundraising

Raising money online is nothing new. While many non-profits may not be doing it right, almost all organizations know that it is something they should be trying to do.

E-mail fundraising, on the other hand, is something that most non-profits are *not* doing. There are a number of good reasons for this... primarily, many development directors hear “e-mail fundraising” and think of those spammy sales letters and chain fundraising letters that you see from time to time. Thus, they stay away from e-mail fundraising, and in doing so, miss out on a big source of potential income for their schools, churches, and charities.

In this article, we’re going to talk about e-mail fundraising: what works, what doesn’t, and how to maximize your revenue through this type of solicitation. If your non-profit is looking for a great way to augment your current revenue, check out this advice and add e-mail fundraising to your arsenal....

What Not to Do: Spam

Let’s start with the things your non-profit should avoid when starting an e-mail fundraising campaign. First among those is spam. Spam is what has given fundraising e-mails a bad name, and likewise has caused many organizations to avoid dipping their toes into the e-mail development waters.

Simply put, spam is unsolicited e-mail. If you buy or compile a list of people who have no connection to your organization, have not previously donated to your group, and have not signed up to receive e-mails from you, then you are spamming.

Spam sometimes works in the short-run, but as a long-term fundraising strategy, it generally fails. Spam annoys people, turns them off, and often makes them angry... not a great way to get people to give to your organization.

Avoid spamming by sending fundraising e-mails only to your in-house list, one that comprises your donors, volunteers, supporters, and others who have given you permission to stay in touch with them.

What Not to Do: Cheese

The second major thing to avoid in e-mail fundraising solicitations is what I call “cheese.” That is, using cheesy, sales-type language that turns donors off and makes them think twice about giving to your non-profit.

The best way to engage donors over e-mail is also the best way to engage them in person: with compelling stories about your work, a short explanation of your mission and why you need the money, and a direct ask...

What Not to Do: Dance

Which brings us to the third and final thing you need to avoid when drafting your e-mail solicitations: dancing... as in, “dancing around the ask.” The only way to raise money over e-mail is to ask for it. Don’t try to hide the purpose of your e-mail. Be honest, get to the point, and ask for a donation.

Remember, putting a “donate now” button on your e-mail newsletters is important and can raise good money for your group, but that doesn’t qualify the newsletter as a fundraising e-mail. Every organization should, in addition to regular communications like newsletters and updates, be sending out at least one or two fundraising e-mails per year – e-mails whose sole purpose is to raise funds from your e-mail distribution list.

What Works: Building a List and Staying In Touch

Now that we’ve taken a look at what doesn’t work, the question is: what does work? The answer is simple: building a quality e-mail distribution list, and staying in regular touch with that group of people.

How to Build a List

As mentioned above, your goal should be to build an ever-growing e-mail distribution list comprised of people who have given you permission to communicate with them. This means you’ll need to start asking people for their e-mail addresses and keeping these addresses in a database.

Start with the people who have already given you permission to contact them: your donors and volunteers. How many of them have given you e-mail addresses? Get in touch with those that

haven't and ask for them. Tell these supporters the truth: that you are starting an e-newsletter, and want to stay in touch with them through e-mail.

You'll also want to make sure that you are collecting e-mail addresses wherever and whenever possible from folks who have indicated an interest in your organization. Make sure that your donor envelope asks for the person's e-mail address. Put a sign-up box on your website. Have e-newsletter sign-up forms at every event your organization holds.

When people sign up for your e-newsletter, send them an immediate thank you e-mail (this task can and should be automated) so that when they get their first regularly scheduled e-mail from you, they'll remember that they signed up for your list.

Your goal is to keep your list growing week by week, month by month.

How to Stay in Touch

Once you've started your list, then next trick is to stay in touch with your donors via e-mail. Most of these communications should not be fundraising solicitations. Most should be updates and newsletters, with a few solicitations sprinkled in.

The single best way to stay in touch with your donors via e-mail is through a regular e-mail newsletter. This type of communication allows you to stay in front of your donors in a non-threatening way on a regular basis, makes donors feel like part of your team, and brings them closer to your organization by providing stories, pictures, and updates on the work you do. Companies like AWeber and Constant Contact (I have successfully used both) provide a very affordable way to send out great looking newsletters to your list.

How Often?

Your goal should be to send out an e-mail newsletter at least every other month, but no more than monthly, unless your donor base has unique needs for more regular communications. These newsletters should be mission-based, providing updates, news, and stories, along with pictures of your non-profit in action.

Then, at least once per year (but no more than quarterly, unless you have a very unique situation), send out an e-mail fundraising letter to your list asking for donation. Your supporters will be used to getting e-mails from you, will be up to date on your work, thanks to your newsletters, and will likely be ready to support you by making an online donation through your e-mail fundraising letter.

Figuring Out Your Non-Profit's Social Media Strategy

Recently, I've had a number of conversations with non-profit Executive Directors and board members all asking me the same questions: How do we figure out a social media strategy for our organization? Should we be spending more time on Twitter or Facebook? Do we even need a website, most of our supporters have friended us on our Facebook fan page? Shouldn't we be everywhere?

My first response to these breathless inquires is always the same: relax! Keep doing what you are doing... raising money, running programs, and recruiting volunteers. Next, I tell them that rather than running all over the place online, pulling their hair out because they're not quite sure what they should be focusing on, it's time to create a simple and well thought-out strategy for social media engagement for their organization.

Here are the tips that they (and you) need to ensure you have a strong online presence for your non-profit:

Home Base & Outposts

The most important thing you need to successfully operate online is a "home base." A home base is a website or blog that *your organization controls*, to which you can make changes whenever you like. Thus, if your non-profit has its own website, that is your home base.

No matter how many of your supporters and volunteers are connected to you on a social networking site, you can never, ever make that site your home base. Your Facebook Fan Page cannot be your home base – you don't control it. Sure you can add content, but what if you wanted to completely change the look and feel of the page? You can't... you are subject to Facebook's defined look, and to their standards and rules, which change from time to time. The same goes for Twitter, Google+, and LinkedIn. Your organization needs its own website.

This doesn't mean you shouldn't be on social networking sites. Instead, you should view these sites as "outposts" of your organization... your goal should be to connect with current and new supporters and friends on your outposts, then drive them back to your home base as often as possible. Thus, you may have a Facebook and Twitter presence, and be active on those sites, but you should also be encouraging your followers and friends on those sites to visit your website, which you update and interact on regularly.

The Purpose of Your Home Base

If you're active on your outpost sites, why do you need to drive people back to your home base? What is the purpose of your website that makes it so important?

Simply put, the main purpose of your website should be to collect permission – your site should be set up to encourage people to give you their e-mail address by signing up for your newsletter, or to receive a special report. You should be asking people to give you their e-mail address along with their permission for you to contact them via e-mail. This is an incredibly valuable thing, and will allow you to stay in touch with these folks and build a relationship with them (cultivate them).

Take a look at The Fundraising Authority website. We ask for permission all over the place – we have newsletter sign-up boxes on the top right sidebar of every page, we have a page in our navigation bar dedicated to our newsletter, and all of our posts have a bright blue box underneath them asking people to sign up for our newsletter and receive a free special report. Why do we do all of this? Because we want to build a relationship with our readers. You should do the same.

Use your social media pages to drive supporters to your website, both for the information that is on the site, as well as to sign-up for your newsletter. Then, stay in touch with the people that do. Cultivate them. Build a relationship with them.

How Many Outposts Do You Need?

Which brings us to the next question... how many social media outposts do you need? Do you need to be on every single social media site?

My answer is... you need to be where your target audience is. Have you thought about who you are trying to reach? If you're looking to engage young people, where are they online? If you want to connect with wealthy older professionals, where are they? You should be on the social networking sites that are frequented by your target audience.

Because so many people are on Facebook, I recommend that every non-profit have a Facebook presence. LinkedIn is frequented by professionals and business folks, Twitter has a large following, but definitely takes time and constant attention. Google+ has built some interesting networks, including strong tech and photography communities, just to name a few.

Take some time to figure out what your target audience is, and then research where they hang out online. Build some outposts, and optimize your website to collect e-mail addresses and permission.

How to Use Crowd Funding Sites to Raise More Money for Your Non-Profit

Of all the innovative advances in online fundraising over the past decade, one of the most impressive has to be the rise of crowd-funding websites.

Some of these sites, like Fundraise.com, CauseVox and Fundly were set up specifically to help non-profits raise money to support their causes. Others, like Kickstarter and indiegogo, aren't non-profit specific but have been used by charities to raise money to support their mission. Today, let's talk about crowd-funding websites for non-profits: what they are, and how your organization can use them to raise more money quickly and efficiently.

What Crowd-Funding Sites Are

While features differ from site to site, at their most basic crowd-funding sites are websites that allow your non-profit to set up an online fundraising campaign based around a fundraising page, and accept money directly from that page using the website's own credit card processor.

Many of these sites will also allow individuals to set up fundraising pages on behalf of charities they want to support, and others will allow your non-profit to set up a master page for your campaign and then allow your supporters to set up tangential pages that they can use to get their friends and colleagues to donate a portion of the goal of your master campaign.

Some of the sites (like Kickstarter) are geared more towards producing tangible products, and thus are best used by charities like arts organizations working to fund a play or art exhibition. Others (like CauseVox) are specifically for non-profits and thus can be used to support a wide-range of organizations.

Crowd-funding sites work best for funding specific projects or campaigns, and do not work well for general fundraising or things like annual giving. Some of the above listed sites work well for raising money through events, as do event-specific websites such as EventBrite.

What Crowd-Funding Sites Are *Not*

Many non-profits that find out about crowd-funding websites get very excited and make the mistake of thinking that these sites are magical cures for all of their revenue woes. Crowd-funding sites can be a huge help, but they are not a fundraising panacea.

For example, one of the great things about these websites is that once you get some traction on your campaign, other people from around the world may decide to donate solely based on the strength of your project. That being said, don't expect to slap up a fundraising campaign, go away for three weeks, then come back to find that you've raise \$1 million. It doesn't work that way. You'll need to get the word out first, get some traction from your own supporters, and then you may get some unexpected help.

The best way to see what crowd-funding sites are all about is to go visit a few of the sites listed above, poke around and kick the tires. Check out projects that are currently listed, and see what

types of projects are getting funded, and which aren't. Doing so will give you a good insight into whether or not your fundraising campaign has a good chance of being funded through that site.

Which Crowd-Funding Site will Work For You?

If you're interested in using a crowd-funding site for *your* next fundraising campaign, be sure to shop around. Each site offers different features, costs, and benefits. Here are some of the key things to watch out for:

1. Look and Feel

What do the fundraising pages look like? Are they appealing? Will they be appealing to your donors? How easily can you present your project given each site's constraints and customs? (For example, at KickStarter, a video is required for fundraising success. At Fundraise.com, you'll want compelling pictures, but won't need a video).

2. Ease of Use

How easy is it to set up a fundraising page? Do you need to know HTML or have other technical skills to make your page look great?

3. Payment Processing

What payment methods can donors use to make donations to your organization? Do they take all major credit cards? How about e-checks? How long does it take for donations made on the site to reach your organization's bank account?

4. Fees

What is the total cost of using this fundraising platform? Is there a monthly fee? Set-up fees? Credit card processing fees? Fees for sending you a check or a statement?

5. Marketing and Social Networking Capabilities

What tools does the site provide to help you spread the word about your fundraiser? How easily is it to link and promote your fundraising page on social networking sites? Can your supporters set up their own pages to support your cause, and have the money funneled back to you and apply to your overall fundraising goals?

6. Traction

Does this site have traction? (In other words, are people using this site to make donations, and are non-profits successfully raising money through this platform?) You want to use a site that at least has a decent amount of traction and traffic. Ideally, people come to the site to browse for causes to support... that way, you may get donations from folks who you don't know, and who simply find you on the site.

Tips for Making the Most from Your Crowd-Fundraising Campaign

In order to maximize revenue from your crowd-funding campaign, be sure your non-profit does the following three things:

#1 – Create a Compelling Page

The best way to get new donors to support your cause through crowd-funding sites is by creating an emotional, compelling fundraising page. Use pictures and videos where possible, tell an amazing story, and explain to people exactly how much you need and what the money will be used for.

#2 – Start With Your Own Network

It's imperative to launch your online fundraising effort by reaching out to your own network. Tell everyone you know about your campaign – including your donors, supporters, staff, volunteers, board, etc. Ask them to e-mail out the campaign to everyone they know, and to ask their entire network to donate to the cause. You won't get donations from others on a crowd-funding site until you have a good amount of traction from your own network showing that you are serious.

#3 – Publicize the Effort

You also want to publicize your crowd-funding campaign as much as possible. Put it on the front page of your website. Link to it on your Facebook page, through Twitter, etc. Try to get your local media involved by suggesting story angles. Take every opportunity to spread the word and get people talking about your project.

How to Make Your Online Fundraising Efforts Go Viral

Viral marketing is the holy grail of online salesmanship. Having a product, game, or website go viral... that is, be passed on and promoted by word of mouth, personal e-mail forwards, and social media recommendations... is the quickest, cheapest way to spread the message about your product or service.

The benefits of viral marketing don't stop with online retailers, however. Non-profits of all sizes can and use the same tactics to make their fundraising campaigns spread like wildfire, being passed on from person to person and group to group.

If you'd like to see your fundraising campaign go viral, either online or off, be sure to follow these important tips:

1. Make Your Ask Bite-Sized

\$10,000 asks don't go viral. \$10 asks do. If you're trying to start a viral fundraising campaign, make your asks bite-sized and concrete: \$10 to buy a mosquito net and stave off malaria... \$27 to send 3 kids to school for a week... \$5 to feed one family for one day.

2. Find "Sneezers"

There's nothing a virus likes more than a good sneeze, spreading the germs far and wide. The same is true for your viral fundraising effort. Find supporters who are good sneezers... that is, who have a broad network and aren't shy about promoting your charity. Task these supporters with heading up your viral campaign and spreading the word about your efforts.

3. Boil Down Your Message

Viral marketing relies on good, succinct, easy to explain concepts. Make sure that everyone who is working on your fundraising campaign can quickly, accurately, and passionately describe the need. Instead of, "Our organization was founded in 1924 by three Philadelphia social workers for the purposes of collaborating with..." use, "We save kids from starving. \$12 will feed a child for a week. We have a child who needs your \$12 today!"

4. Make it Easy to Give

Be sure that you make it as easy as possible to give. If you're running a viral fundraising effort, set up a separate web page that allows people to give directly to the campaign easily and in the right chunks. For example, if you're raising \$25 donations to pay for vaccinations, this campaign-specific page should ask how many vaccinations the donor wants to sponsor... 10 for \$25, 20 for \$50, etc.

Chapter 8: Finding Grants for Your Non-Profit

What are grants? Where can you find them? How do you apply for grants for your organization? In this chapter, we answer these questions and more to help your non-profit write successful grant proposals and receive more foundation funding.

Demystifying Grants

Next to making personal fundraising asks, grant-writing is probably the tactic that scares new fundraisers the most. Grants seem mysterious and technical, and it often seems as if it takes some kind of magic mojo to find the right grant, write the perfect proposal, and get your project funded. I'm here to tell you that while there really isn't any mojo involved in the grant process, there is lots of hard work, and a good bit of frustration. That being said, most mid- and large-sized non-profits find that grants make up 15-25% of their total fundraising revenues.

If you're really new to fundraising, and aren't sure what grants and the grant writing process are, it's fairly simple... Grants are simply sums of money given by a "grant-maker," usually a non-profit, corporate, or family foundation. In order to be awarded the grant, the charity seeking the grant must go through an application process, which is sometimes short, but often long and laborious. The grant-maker then makes a decision and awards the grant.

Types of Grants

Grants take on an unlimited number of variations, types, and mutations. Some grants are one-time grants, others are multi-year. Some grant-makers fund capital projects, others fund growth initiatives, while still others only fund general operating expenses. Some grants are given on an ongoing, rolling basis, meaning that you can apply at any time during the year and decisions are made several times per year, while others only decide on proposals once per year, or even once every two or three years.

Types of Grant Applications

Just as the type of grant offered varies from grant-maker to grant-maker, so does the application process. Some foundations allow you to simply submit an application, which may range from 1 page to 10 pages or more. Other foundations may ask that you submit a "letter of intent" (LOI) or query letter that summarizes your request, and then, once that letter is submitted, you may or may not be invited to submit a complete grant application. Other foundations may even require a site visit as part of the process.

Follow the Program

No matter the type of grant or process for application, be sure to follow the directions of the grant-maker exactly. I often tell charities that writing grants is like applying for the Publisher's Clearinghouse Sweepstakes. There are lots of hoops to jump through... lots of things to place here, attachments, schedules, financials, signature pages, checklists, etc. Follow directions to the letter, if you want to have the best chance of having your grant funded.

Research is Key

Perhaps the most important step in raising money through grants comes before the grant proposal / application is even written. Before you apply for a grant, do some research, and be sure that you meet the foundation's criteria. Grant-makers have lots of different areas of specialization, and a single grant-maker may offer three, five, or a dozen different grant programs. Be sure that your charity and project meet the objectives of the foundation, or else all of your hard work will be for naught.

Most foundations list their criteria on their websites. Do some research to find out what the foundation's area of interest is, what programs they offer, when their deadlines are, and what their average grant size is. There's no point applying for a grant from an organization specializing in funding dog shelters in southeastern Kentucky if you are running a high school arts program in Maine. Likewise, if you're looking for \$200,000 to start a new homeless shelter, it will take lots of time and efforts to raise that money if you are applying to foundations with an average grant size of \$1,000!

Writing Grants: There is No Secret Formula

Once you've found a program that you think you qualify for, it's time to write the grant proposal. The truth is that there is no secret formula to writing successful grants. The only true do-or-die for grant writing is to follow the directions of the foundation offering the grant, and make sure you include all of the information they request.

Some other tips that will help you succeed are to be sure you write in good, crisp, readable language, to make sure you present your proposal in a business-like fashion, and to use emotion... foundation executives receive lots of proposals, so to make sure yours stands out, you'll need to tug on the heart strings a little bit (but not too much). Finally, if you have questions, go ahead and pick up the phone and call the foundation to ask. They won't bite, and often, calling will help you get a leg up by letting you tailor your proposal exactly to the objectives of the foundation, instead of what you think those objectives are.

The Guide to Raising Money from Foundations

For many small and medium-sized non-profits, foundation fundraising seems like the holy grail: there are thousands of charitable foundations with trillions of dollars to give in the United States alone. For many small charities, receiving one big check from one of these organizations would be enough to fund their activities for the next several years.

The truth about foundation fundraising, however, is sobering: very few foundations give mega-gifts to non-profits who are not already receiving mega-gifts from individual and corporate donors. Almost every successful non-profit receives the vast majority of its donations from individuals and corporations. So before you put all of your eggs into raising money through foundation grants, be sure to learn how to solicit individual and corporate prospects, make asks, and build fundraising networks.

That being said, foundations can and should be a significant part of your fundraising plan. These organizations can provide a significant boost to your bottom line, over and above your individual and corporate giving programs. For the average non-profit, your goal should be to raise 10-20% of your total fundraising revenue from foundations. In part one of this article, we will discuss what foundations are and how they operate. In part two, we will take a look at how to position your organization to receive more grants from foundations.

What is a Foundation?

What do we mean when we say “foundation?” For the purposes of this article, a foundation is a grant-making entity – it is an organized non-profit that exists for the purpose of giving out money, in the form of grants, to other non-profits, in order to bring about positive change according to its own mandate.

Notice the last part of that definition: “according to its own mandate.” Charitable foundations do not exist to simply hand out money willy-nilly. The vast majority of foundations were founded for a purpose and with a particular mission. There are some foundations that fund medical research organizations and others that fund homelessness programs. Still other foundations focus on education, or on poverty in Africa, or on helping non-profits in Pittsburgh.

In addition to a particular focus, most foundations have their own board of directors, a staff (some small, others large) and may or may not undertake their own fundraising to help fund their grants. (Most foundation money is given out in the form of grants).

Your Foundation Fundraising Plan

If you want to raise money from foundations, the first thing you will need to do is develop a plan. This plan should answer the following questions:

- Who will head up our grant program?
- How will we find foundations to approach?
- Who will write the grants?
- How much time and effort can we spare in approaching foundations?
- How likely is it that our mission will match the priorities of a grant-making foundation?

This information should be compiled into a short, written foundation plan that you can use to guide your grant-seeking efforts, or incorporated as part of your organization's overall fundraising plan.

How Foundations Operate

In order to answer many of these questions and write a successful foundation fundraising plan, it is important to understand how foundations operate. While there are numerous exceptions, for the most part, most foundations award grants as follows:

First, the foundation sets its grant priorities for the year. These priorities are generally based on the foundation's mission, but may vary slightly from year to year. Remember, some foundations are 10, 20, or even 100 years old. Their focus may change slightly (or majorly) from year to year.

Second, the foundation publishes its grant guidelines. These guidelines show what the organization's focus is this year, what non-profits need to send in to apply for a grant, what the grant deadlines are, and when decisions will be made. (Many foundations make decisions on a rolling basis, others allow applications one, two, or three times per year. Others, such as the Pew Charitable Trusts, work on multi-year grant cycles).

Third, after applications are submitted, the foundation staff reviews the applications, asks some of the applicants for more information or clarifications, and then the staff disqualifies the applications that do not meet the foundation's grant guidelines. The applications are then ranked or grouped and sent to a committee of the foundation's board of directors.

Fourth, the committee reviews the applications and decided what non-profits will receive grants this cycle. Those non-profits are notified that they are receiving a grant.

Lastly, the grants are funded and the grant recipients file any reports required by the foundation.

Now that we understand the basic mechanics of applying for grants, let's talk about how your organization can raise money (or raise *more* money) through foundation grants.

In essence, the solicitation process consists of two main phases: grant prospecting, and grant writing. Let's go through the 5 steps that are essential in each phase:

5 Steps for Successful Grant Prospecting

The grant prospecting phase consists of all of the time *before* you write a grant proposal to a foundation. It is during this phase that your organization figures out which foundations you will approach for grant funding. The five steps you should follow are:

1. Know Your Organization's Mission and Programs: This may sound simple, but it's important. Foundations have specific funding priorities. You'll need to know your organization's mission and programs inside out to determine if you fit within a foundation's grant guidelines.
2. Obtain or Create a Master List: Find or create a master list of grant-making organizations in your city, state, or country. There are guides available online (e.g. The Foundation Center), through local philanthropy organizations, or you might be able to obtain a list through another non-profit organization.
3. Review the Foundations' Guidelines to Find Matches: Ideally, the foundation guide you use will list each foundation and their funding priorities. If not, go online to the foundations' websites to see what their guidelines are. Decide if your organization qualifies. (Note that you will most likely *not* qualify for 95% or more of the grants listed in the master lists).
4. Create a Grant Schedule: Make a list of each grant that your organization qualifies for, along with the foundation's contact information, guidelines, grant ranges, and a copy of the grant application. Each grant will also have an application deadline or deadlines: make a master calendar of grant deadlines for the coming year.
5. Decide Which Grants to Apply For: If this is your charity's first year running a grant fundraising program, it is unlikely that you will be able apply for all of the grants for which you qualify. Take a look at each foundation's grant range (is the average grant \$1,000? \$10,000? \$100,000?), when the deadlines are, and how complex the application process is (is it a one page application? A ten page application four years of budgets and tax returns, plus ten letters of recommendation?) Do a strong cost/benefit analysis and decide which grants to apply for this year.

Be particularly careful not to bite off more grant applications that you can chew if you are a small non-profit with a limited staff.

5 Steps for Successful Grant Writing

Once you complete the grant prospecting phase, it's time to move into the grant writing phase. ("Grant writing" simply means preparing all of the materials you need to apply for the grant and writing the grant proposal that you will submit to the foundation). The five steps for successful grant writing are:

1. Know the Rules: Applying for some grants is like filling out the Publishers' Clearing House Sweepstakes form... you need two of these, four of these, place a sticker here, sign this but not that, and be sure to include your grant claim code in red ink on the back of the envelope, or else you don't qualify. For other grants, all you need is a one page application and a self addressed envelope. Know the rules for *your* grant before you begin.

2. Gather Your Materials First: I always advise grant-writers to gather their materials first. If the grant application requires two years worth of budgets and a written program description, gather those first, before you write the grant narratives. This way, you'll be able to make sure that what you're writing matches up with the materials you are providing.

3. Write in an Easy to Read Style: Ok, here's where I may get into trouble with old school grant-writers. Lots of grant-writers were taught, early in their careers, to write in "grant speak." By that I mean a very formal tone that reads almost like a legal contract or a scientific paper. I say: don't do it. Instead, write with the reader in mind. The grants officer who reads your grant at the foundation reads hundreds, if not thousands, of grants per cycle. Would *you* want to read formal, difficult text all day? Don't be flip or overly casual, but write your grant in a way that is easy to read and understand.

4. Edit! Nothing says, "I'm not serious enough to be funded," more than a \$100,000 grant application that has misspellings and poor grammar. No matter how large or small the grant you are seeking, make sure someone edits your grant application.

5. Be Patient: Grant writing is an exercise in delayed gratification. Often, you'll have to wait weeks or even months before hearing back from the foundation as to whether your grant was approved or not. Unless the foundation tells you otherwise, it is ok to check in with them after a few weeks to make sure they received your information and ask if there is anything else you can provide... but don't overdo it. The best way to bide your time until the approval or rejection letter arrives is to start writing your next grant.

Chapter 9: Board Fundraising

A non-profit's board of directors should serve as the leadership of the organization's fundraising efforts. The board members should not only make a gift to the organization each year, they should also be actively seeking new prospects, cultivating donors, and working with the development staff to boost fundraising revenue. In this chapter, we talk at length about how to supercharge your board giving campaigns as well as how to get more fundraising help from your board members.

Why Your Non-Profit Needs an Organized Board Giving Campaign

While almost every non-profit I have worked with has recognized the need for their board members to lead the overall fundraising effort by making a donation, I have been surprised at just how many schools, churches, and charities fail to implement an organized "board giving campaign."

Instead, these organizations mention that they would like board members to give... they may even include a line item in the budget for "board giving." But instead of relying on a well thought out board giving strategy, their plan is simply to wait around and hope. This is a huge mistake. Every non-profit, no matter how small or large, *needs* to hold an annual board giving campaign to encourage 100% of their board members to make a general fund donation to the cause.

If your organization is not yet running a campaign like this – or are holding a less effective "informal" board giving effort, here are three reasons why your non-profit needs to launch a formal board giving campaign this year:

1. More Board Members Will Give, and Those That Do Will Give More

Do you know why annual fundraising events raise so much money for so many organizations? Because they are formal channels for giving that are well planned and organized. Development teams sit down, decide how much they want an event to raise, develop a plan for sponsors, tickets, silent auctions, etc., set a firm deadline (the date of the event) and publicize both their goal and the results of their efforts. This is a highly organized and planned event that encourages people to give.

Likewise, a formal board giving campaign that is well planned and well organized will encourage your board members to give... and will encourage those who already give to give more. The board will have a concrete goal and a set deadline, along with a formal ask. All three will combine to create a powerful incentive for board members to write a (larger) check.

2. You Will Encourage 100% Participation

Make sure that part of your plan for your board giving campaign is 100% participation (i.e. that every board member gives at least something to the organization). This is important because many donors, most foundations, and almost every major philanthropist will want to know that your board is fully invested in your mission before they themselves make a donation. The best way to show this is to be able to announce that your non-profit has a 100% board giving rate.

A formal board giving campaign is the best way to encourage 100% board participation.

3. It Takes the Pressure Off...

A formal board giving campaign takes the pressure off of your development staff when it comes to board fundraising. The best board giving campaigns involve the chairman of the board of directors making the primary ask of the board (even if this is through a letter). The board knows the goal, and sees progress... Thus, instead of spending all year waiting around dropping hints to the board, a board campaign allows the development staff to work with the chairman to set and publicize a goal, and to encourage board members to meet that goal... ideally, one they all vote to approve at a board meeting, which creates buy-in.

Does your organization have an organized board giving campaign? If not, now is the time to start one.

How to Run a Successful Board Giving Campaign

Let's take a look at a successful and actionable formula for running a successful board giving effort. This is a formula that has been put into practice at hundreds of non-profit organizations, and is suitable for any non-profit launching (or re-organizing) its board giving activities.

Step #1 – Get Board Buy-In

The first step for running a successful board giving campaign is to get buy-in from your board of directors. This step is often overlooked by non-profit development staffs, but is crucial to running a smooth and successful effort. Simply put, your board must “own” the board giving campaign if it is to reach its overall goal, which should be ambitious.

The best way to get board buy in is for the chairman and executive committee of the board to present the concept of an organized board giving campaign at a regularly scheduled board meeting. This discussion should occur at least one board meeting prior to the meeting where you launch the effort. Your chairman can explain why your non-profit is holding an organized board giving campaign, why board leadership is so important, and float a financial goal for the

effort. The board should then be invited to discuss the campaign and the goal, and to vote to approve the plan.

It is imperative that your board chairman and/or executive committee take the lead in announcing the campaign – so important, in fact, that the success of your effort relies on it. Board giving campaign should be board-led. Very few board giving efforts are successful when the development director or other development staff are the ones announcing the campaign and doing the solicitations. The primary driver of the board giving campaign must be the chairman and other executive officers of the board.

Equally important is that your board vote on, and approve, an overall goal and timeline for the campaign. Board members must go on record stating their approval of the goal and the deadline by which it should be raised.

Step #2 – Officially Launch the Campaign

At the next board meeting (after the board votes to approve the campaign), your chairman should announce the official launch of the campaign, remind the board of the goal and the deadlines, and set a deadline for every board member to make a pledge. Board members should be invited to fill out a pledge form for their board gift and confidentially transmit it by mail, email, or fax back to the chairman of the board. Be sure to make provisions for board members who want to spread their gift payments out over time, or who want to pledge and pay through the United Way.

Step #3 – Letter from the Chairman

In the month following the official launch of the campaign, every board member should receive a letter from the chairman of the board, along with a blank pledge form, reminding them how important this campaign is to the overall mission of the charity, and reminding the board members to get their pledges back in as soon as possible.

Step #4 – Begin Regular Updates

After a significant number of pledges have been received, the organization should begin sending out monthly e-mail updates to the members of the board letting them know (a) how much has been pledged to date, (b) how much has been received to date, (c) what percentage of board members have made a pledge, and (d) what the average pledge amount is.

Give these numbers only in the aggregate. I have found that the strategy of “name and shame” doesn’t work well with board giving campaigns... that is, putting out a list of board members along with the size of their gift, and circulating it regularly, generally does not have the desired effect for board giving efforts.

Step #5 – Follow-Up Calls

Finally, as the deadline for pledges approaches, your board chairman should make follow-up calls to those members of the board who have not yet made their pledge, asking them to do so. Your goal should be 100% board participation in the board giving campaign, as well as successfully meeting the overall fundraising goal for the effort.

Remember... your board should take the lead in your fundraising efforts. Their participation in an organized board giving campaign will send a strong signal to others that this non-profit is well-run, stable, and poised to do great things.

How to Motivate Your Board to Raise More Money

This is a tricky subject, and a difficult one for many non-profits to address: How can you get your board to raise more money on your behalf?

I'm not talking about "show boards," those boards of directors that you asked people to be on just so you could attach their name to your cause (usually well known local people)... you knew what you were getting into there, and it wasn't having the board doing lots of work.

No, what I am talking about is the average non-profit board of directors: a group of people who have some financial means and a decent social network, but who aren't uber-wealthy, and who got onto the board for the right reason... because they believe in the mission of the organization.

How do you, as an Executive Director, Development Director, Board Chair, or Development Committee Chair, motivate this type of board to raise more money for the organization?

I've seen it done very successfully, and it always seems to come down to four key tactics:

#1 – Explaining the Role

First and foremost, board members need to understand that a critical part of their role, as a member of the board, is fundraising. This should be made clear to members as they join the board. If it has not been noted in the past, now is the time for the board chair to (gently) make it known that the organization will not survive without the fundraising efforts of the board.

#2 – Explaining the Need

Next, board members need to understand why your organization needs the money. Many organizations do a great job in explaining to board members that they need to raise money, but then never tell the board *why* you need the money. Nothing is as de-motivating to a fundraiser as knowing what the revenue goal is without knowing what it is being spent on.

Take time to explain to your board what phenomenal programs you will be able to fund with the money they are helping you raise. Paint a picture of what the world will look like if you hit your fundraising goals... and what it will look like if you don't. Explain that as leaders of the non-profit, you're counting on them to help serve this need.

#3 – Making it Easy

The most successful non-profit board fundraising efforts are easy to understand. Set up easy to use fundraising systems for your board.

If you want them to ask for money one-on-one, show them how to do it, give them supporting materials, let them practice with your staff. Better yet, set up a system that makes it easy to ask for money in bite sized chunks: have them ask people to sponsor 1 child for \$100 or 5 children for \$500... or to sponsor meals at your homeless shelter for \$235 per day. Make it easy to "sell."

Other easy to understand systems you could use include selling event tickets and inviting people to free cultivation events.

#4 – Following Up

The fourth and final key to boosting your board fundraising efforts is to have your staff follow up constantly with the board. Not to hound, but to encourage and support. Regular calls, e-mails, and meetings to motivate your team and keep them apprised of the overall effort will go a long way to keeping people on task raising money for your charity.

You Can Beg Your Board for New Names, or You Can Earn Them

I can't tell you how many times I have heard this plaintive cry from executive directors, development directors, and even board members themselves:

"If only our board would give us more names! I know they know more people... we need them to get us in to see their contacts!"

I'm a believer that non-profit boards should be helping, if not leading, the fundraising charge for their organization. I am also a believer that boards can't do it all, and that organizations should primarily be building fundraising networks, holding non-ask events, and using similar tactics to build new prospect lists.

But let's assume that you're building networks and holding non-ask events, but one of the real weak spots in your fundraising really is the fact that your board members aren't opening up their own personal networks to you. They have great contacts, but they're not letting you get to them. What can you do?

Option #1: You Can Beg

This is probably what you're doing already. I'd say a good 50% of every non-profit I have ever come across asks its board members for new fundraising leads several times per year, and the vast majority of those organizations are constantly frustrated by the lack of board response. So they start begging, and pleading...

"We just need three names from each board member!"

"Please help us meet our annual campaign goal. Use the sheet we are passing around to write down the two people you are willing to contact about the campaign."

"Please forward your list of names for the event invitations no later than Friday. If you don't, the board chair will call you relentlessly until she has them in her hands!"

This type of pleading gets old, fast. Sure, it can work. It won't work *well*, but it can work. Your board members will probably throw you a couple of names here and there during these begging sessions, but it won't be the tidal wave you are hoping for, and that you secretly know they are capable of.

Don't you wish your board members came to you with new leads, instead of you having to beg them for contacts? This brings us to...

Option #2: You Can Earn Them

Your board members are, for the most part, normal, practical people. They are committed to your organization, but they are just as committed to the relationships they have with their friends, colleagues, family, and so on. To demonstrate the impact of these dual commitments on their willingness to put you in touch with their personal contacts, let's take a look at two hypothetical scenarios.

What Begging Looks Like (Scenario #1)

In the first scenario, you are begging your board members, for the fourth time this year, to hand over some names for your annual fundraising letter. You're telling them that if everyone just gave four names, and just one of those names ended up making a mid-sized gift, you'd reach your annual fundraising goal.

How do you think your board members feel about leveraging their personal relationships for you at this point? I'll tell you how they feel... Nervous. Protective. Wary. You're so desperate you're begging them, berating them to put you in touch people to receive a fundraising letter. Of

course they are nervous, they're worried you are going to do to their friends what you are doing to them – berating them, until they make a gift.

You have put your board in a terrible position, asking them to choose which relationship they value more, their relationship with your organization or their relationships with their closest friends and colleagues. Generally, this is a fight your non-profit will lose.

What Earning it Looks Like (Scenario #2)

Now, let's look at a second scenario. Your non-profit is holding a major event – for free – to announce a new initiative. The event is being attended by several Hollywood movie stars. As luck would have it, you were able to arrange for each board member to receive 5 free tickets to the event, right up front, with backstage passes for a meet and greet after the announcement, including pictures with the A list celebs. Would any of the board members like to participate, you ask?

How do you think your board members feel now? I'll tell you – they're excited. They're already thinking who they can invite to the event. There's one ticket for them, one for their spouse, and three extra for friends they want to impress. Darn! They have at least 10 people they would love to invite. Hands shoot up around the room... Board members want to know if there's any way they can get more than five tickets?

This scenario might be over the top, but it proves a point – your board members do have more contacts, and they cherish the relationships they have with those contacts (rightly so). If your organization does something to *earn* your way into that relationship, in a way that feels right, is compelling, and shows that you can be trusted with the gift of an introduction, then your board members will make that introduction and let you into their network.

Of course, most non-profits won't be able to bring in celebrity guests for their next free event, but I guarantee you that every non-profit can earn their way into their board's network *without* having to beg and plead, by holding great non-ask events, putting on seminars and shows, publishing unique reports and books, offering compelling “in the trenches” experiences and hands-on philanthropy, pioneering new methods, and probably several hundred other ways.

Chapter 10: Advanced Fundraising Topics

In the preceding chapters, we reviewed the most fundamental topics in non-profit fundraising, including how to find new prospects, cultivate donors, and make asks, as well as how to successfully implement the most common fundraising tactics such as events, direct mail and online fundraising.

In this chapter, we present several advanced fundraising strategies and tactics that will help your non-profit maximize its fundraising revenue, but which are best suited to organizations that already have the fundamentals in place.

Successful Endowment Fundraising

For many non-profits, raising money for an endowment is the ultimate dream. To have the resources and support to be able to raise an endowment above and beyond the organization's operating needs seems like a far-fetched yet very desirable goal.

The truth is that many non-profits who think they can't possibly raise an endowment actually could, if they were willing to put in the hard work, and wait for the reward, over a number of years. Mega-charities like large universities and hospitals, and some new organizations with major donor support, can simply run a two-year endowment campaign to raise an eight figure endowment fund. For smaller non-profits, it takes a much more thoughtful plan.

What is an Endowment?

Simply put, an endowment is a pool of funds raised by a non-profit organization which is then invested, and which provides returns or ongoing income to the non-profit, either for a designated purpose or for general operating support.

Should I Raise an Endowment?

When you think of endowment fundraising, you generally think of large non-profits raising hundred million dollar endowment funds. While those large institutions are often the most prolific endowment fundraisers, more modest sized non-profits can and should raise endowment dollars when they are able.

Small non-profits, those raising \$5 million per year or less, should generally focus on expanding their general and annual fundraising programs before thinking about an endowment program. Likewise, charities that don't yet have a planned giving program should plan one before launching an endowment campaign. Don't cannibalize your annual fundraising efforts trying to raise a major endowment.

That being said, mid-sized non-profits can use mid-sized endowments to increase their reach and let them reach that next level of charitable fundraising. I know of several \$5 million level non-profits that have successfully raised \$1 million + endowments, which provide them with \$25,000 – \$100,000 per year in additional general operating support.

It may not seem like much, but for many non-profits at this level, that extra \$100,000 per year means a new ongoing program, two new staff members, or other items that will take them to the next level.

The Technicalities

Endowments are HRE's: Highly Regulated Entities. Before starting one, check with an experienced non-profit attorney and your accountant. You'll want to be sure you raise, invest, and disburse your endowment funds in a way that complies with all applicable rules and regulations.

Why Donors Fund Endowments

Endowment fundraising is like other types of fundraising, in that it requires making asks... but it is unlike any other type of fundraising, in that what you are asking donors to do is to provide money now that will fund your good work forever. Donors like funding endowments with large gifts because they feel that it is a way to fund a cause they believe in on a regular and sustainable basis both now and long after they are gone.

When approaching donors for endowment gifts, remember this fact: if the donor supports your work, they likely want to make sure that you can keep carrying out your mission forever. Donors who give \$10,000 per year to your charity may be willing to give \$1 million to your endowment, if you cast a wide enough vision for them.

Putting Together a Leadership Team

If you are launching an endowment fundraising effort, the best way to start is by putting together an endowment leadership committee to head up your fundraising efforts. Find people who are committed to your organization, able to give a sizeable gift themselves, and willing to make asks to their colleagues and friends.

Tips for Successful Endowment Fundraising

Once your committee is together and you are out raising funds, remember these five tips:

1. Have a Strategic Plan for Your Non-Profit

Endowment donors are giving because they want your organization to be sustainable. Make sure you have a plan in place for the future... and share that plan with donors and prospects.

2. Have a Reasonable, but Visionary Goal

If you generally raised \$10 million per year, launching an endowment campaign to raise \$250 million over the next 3 years is unlikely to be successful. Likewise, if you raise \$10 million each year, launching an endowment campaign with a goal of \$15 million isn't likely to pique the interest of major donors, because it isn't a big enough goal. Set an endowment fundraising goal that is reasonable, but also reasonably big and game-changing for your non-profit.

3. Put Together a Professional-Looking Prospectus

As you approach donors, you'll want to have a professionally designed prospectus that explains your organization, why you are raising the endowment, what the endowment income will fund, and what level gifts you are seeking. Major donors want to see your plan and understand your effort, and you want them to see that you are serious and committed to the process.

4. Seek Leadership Gifts First

The best way to publically launch an endowment is with 25-50% of the goal already raised. If you're launching a \$10 million endowment campaign, approach your endowment leadership team, your organization's key donors, some supportive foundations, and other prospects to try to raise \$2-\$5 million in commitments before you publically roll-out your campaign.

5. Focus on Multi-Year Gifts

Remember, many people who couldn't write you a check for \$100,000 right now *could* write you a check for \$20,000 each year for the next five years. Focus your endowment fundraising on raising major multi-year gifts, and make it easy for your donors to give by offering yearly or monthly invoicing and automatic credit card payments for those that are interested in them.

How to Launch Planned Giving at Your Non-Profit

Planned giving... for many non-profits, particularly small and mid-sized organizations, it's something we say we want to get around to, but never do. Sure, if someone leaves us a gift in their will, we'll take it, but for many of us, we never quite get around to launching a planned giving campaign at our charity, even though we talk about it at board meetings and put it on annual "to-do" lists.

The reason so many non-profits keep putting off planned giving is because it *seems* like it's complicated. When we think of planned giving, so often we think of lawyers, accountants, legal

documents, research... all of the things that sound time consuming and expensive. The truth is, though, that setting up your first planned giving effort can be relatively smooth and painless (see: 4 Common Planned Giving Myths Busted). In this article, we're going to look at how small and mid-sized non-profits can go about setting up their first planned giving effort.

Defining Planned Giving

For the purposes of this article, “planned giving” is the act of making a commitment to give a charitable organization a major gift, over time or at death, as part of the donor’s overall financial and estate planning.

Planned giving vehicles can get quite exotic. Planned gifts can range from the relatively simple bequest made in a will, to gifts like charitable gift annuities and charitable remainder trusts that provide major gifts to a non-profit while at the same time returning income to the donor.

While you will eventually want to explore all of the options available to you, my recommendation if you are just starting out is to stick with launching a campaign to generate bequests – that is, supporters who agree to leave a portion of their estate to your non-profit. Then, once you have your planned giving campaign gaining momentum, you can investigate all of the other forms of planned giving available to your charity.

Why Planned Giving Matters

Before we go into the six steps you’ll need to take to launch your campaign, I wanted to talk briefly about why planned giving matters, particularly for small and mid-sized organizations. Simply put, every non-profit should be focused (in part) on finding benefactors to leave them planned gifts because there is no better way to plan for the future growth and strength of your organization.

Planned gifts can be game-changing for your organization. Even relatively smaller planned gifts can be used to sustain certain programs or facilities, add capacity, establish endowments, or launch major new initiatives. Plus, to my mind, planned gifts are an excellent return for relatively little cost or upfront investment. You can ask for planned gifts on a regular basis without it costing much money or time, and yet reap amazing windfalls for your organization. So if you haven’t yet launch planned giving, now is the time to start!

Step 1: Research

The first step in launching a planned giving effort for the first time is to do some amount of research. You’ll want to make sure you understand (at a basic level) how planned giving works, and what basic wills look like. If you’re going to be focused on bequests, you won’t need to do much more research than that. Of course, if you’re going to be using more complicated

instruments like charitable remainder trusts, you'll need to spend more time doing research. In either case, spending an hour or two with an attorney focused on estate law would also be worth your time, just to make sure you're headed in the right direction.

Links to several great resources for understanding planned giving are included at the end of this article.

Step 2: Write

Once you've gotten a basic understanding of planned gifts, you'll want to write up a short (1-2 pages would be fine) document explaining why people should remember your organization in their will, and briefly explaining just how easy it is to do so.

You should also provide a contact person at your organization who will handle calls relating to planned gifts.

Step 3: Publish

Next, I always suggest non-profits publish the information they developed in Step 2 in several places to make sure prospects and donors can find it easily. First, create a planned giving page on your website. Second, create a quick and easy planned giving brochure that you can hand out to prospective donors. Such a donor could be a more expensive full-color tri-fold brochure, or something as cheap and simple as a flyer run off on your in-house copy machine.

Step 4: Launch

You've done your research, written compelling copy, and published the information to make sure your donors can find it. Now, you're ready to launch your first ever planned giving campaign.

First, go to your board. (Preferably, the board chair should launch this type of campaign at a board meeting, by seeking 100% board participation). Ask your board members to take the lead by remembering your non-profit in their will.

Next, go to your key donors and supporters, and ask *them* to make a planned gift to your organization. This should be treated like any other fundraising ask – and for significant donors, should be done on the phone or in person.

Finally, depending on how often you make direct mail asks of your donor file, consider sending a mailing to your entire donor base asking them to consider remembering your organization in their will.

Step 5: Recognize

One great way to encourage participation in your planned giving efforts is to recognize your planned giving donors in a Legacy Club or other donor group comprised of everyone who has told you that they have written your non-profit into their will.

As you approach new planned giving prospects, showing them a list of people who have made planned gifts to your organization will help them feel as if they are making a wise investment. Likewise, a Legacy Club will allow you to stay in constant contact with your planned givers to ensure that they don't fall off of your radar and move their support to another organization.

Step 6: Include

Finally, be sure to include a small note on planned giving in almost everything your non-profit does. Planned giving information should be on your website, included in your newsletters, mentioned on your reply devices ("Check here to receive information on how to support our organization through a planned gift"). The more you remind your donors that you are seeking planned gifts, the more likely they will be to make them.

Getting the Crowd Involved with Participatory Fundraising

Participatory fundraising is the strategy of using dozens, hundreds, or thousands of people, participating in a single even or campaign, to raise money for an organization. Things like walk-a-thons, collecting change (Operation Rice Bowl), and restaurant weeks where a number of eateries all donate a percentage of profits to a charity are all examples of participatory fundraising.

Many schools, churches, and other non-profits focus on trying to raise a small number of large gifts, but forget that raising a large number of small gifts can also help them meet their fundraising goals. Participatory fundraising is definitely hard work, and is always an organizational challenge. But getting 200 people to raise \$50 each for your charity raises the same amount of money as getting one major donor to contribute \$10,000 to your group. How can your non-profit benefit from participatory fundraising?

1. Be Creative!

There is any number of ways to set up a participatory fundraising campaign for your organization. Some common examples include:

1. "A-Thons," like walk-a-thons, read-a-thons, dance-a-thons, and bike-a-thons.
2. Spare change collections

3. Mass events – where dozens of supporters all hold small events for you in their homes on the same night or weekend
4. Retail Fundraising – Where a chain of stores, or a number of independent stores, all collect money for you, or donate a percentage of sales to your non-profit

These are just a few examples... in reality, the opportunities are limited only by your imagination.

2. Set up a Program

Don't approach your participatory fundraising efforts willy-nilly. Set up a real program that you want people, or companies, to be involved with. Create a list of benefits that participants will receive and recognition/awards that you will offer, professionally designed marketing materials, and a small booklet that tells interested prospects how to participate (where the walk-a-thon will be, how to run their own small event, etc.) The best participatory fundraising efforts are run as professionally as possible.

3. Market Your Opportunity

Once you have set up your program, you will need to aggressively market your fundraising opportunity to possible participants. The first year you run your program, it may be hard to find people or companies to be involved. Each succeeding year, it will become easier and easier.

For example, I know of one organization that decided to hold a walk-a-thon. The first year, they got 12 people to participate, mostly board members and friends of the staff. The second year, they asked the first-year participants to become a "walk-a-thon committee," and nine of them agreed. That year, they had over 30 participants. Just five years later, the walk-a-thon had over 500 walkers. As you market your participatory fundraising event year after year, you will hopefully see similar growth.

The best ways to market your opportunity are by appealing to your current supporters, board, and staff, as well as past event participants, and to develop a prospect list of individuals and companies with whom your non-profit has a connection, and approach them and ask for their help for your mission.

Participatory fundraising events can be challenging to start and take lots of time to get rolling, but within a few years, many organizations have been able to make mass fundraising events an integral part of their fundraising plans.

How to Write a Successful Fundraising Plan

Many non-profits, particularly smaller charities and start-ups, operate without a fundraising plan. When someone has an idea for an event or a campaign, these organizations simply put together a host committee or volunteer group and go for it. They may send out a letter here and there, and do some donor meetings, and when the bank account seems to be low, they often go into “panic mode” and race around trying to find cash to keep the doors open.

This is definitely not the best way to run your development program. Even if your non-profit is flush with cash, running an un-organized and un-planned fundraising operation is a recipe for stress, headaches, and ultimately... financial ruin.

So, how do you avoid this fate? The best way is by having a written fundraising plan. No matter how small your church, school, or charity is, or how far along you are into your operations, your group needs a comprehensive, well-written fundraising plan. A written plan will allow you to focus your efforts, plan out your yearly fundraising calendar, and give you guidance on strategy and tactics when you are in the thick of events, mailings, and calls. In short, your fundraising plan will keep you sane in the insane day-to-day world of the development office.

Your Plan: Who and When

The first questions you need to answer are: who should write your plan, and when should they write it? I’ll answer the second question first... When should you write your plan? How about now! Seriously – if you are operating without a plan, it is worth your time to sit down for a week and write your plan. Ideally, you’ll write a plan every year, or will write a 2, 3 or 5 year plan and tweak it at the beginning of every year.

As for who should write your plan, if you’ve got a development staff (like a development director), they should write the plan, in consultation with your charity’s CEO or Executive Director (E.D.) as well as the board. If you don’t have a development staff, then it is probably best for the E.D. or head person to write the plan, again, in consultation with the non-profit’s board of directors. You can also seek help from a qualified development consultant, many of whom specialize in writing fundraising plans.

The Anatomy of a Fundraising Plan

O.k., you know you need to write a plan, you know who is going to write it, and that person has consulted with all of the appropriate stakeholders and is ready to write. What needs to be part of the plan?

1. The Goal

The best starting point for your plan is with the end point in mind: what is your overall fundraising goal? (Even better: what is your overall fundraising goal for this year, and for each of the next four years?). This number should not be drawn out of thin air. It should be based on the needs of the organization. How much money will your group need to raise in order to carry out the activities that you want to carry out?

2. The Mission / Your Message

If the goal answers the question, “How much money do you need?” then the mission answers the question, “Why do you need it?” What is your organization’s mission? What do you plan to do with the money you raise? What is your operating budget, and why is it the amount it is?

3. The Tactics

Once you know how much you need to raise and why you need to raise it, you need to figure out how you are going to raise the full amount. What tactics will you use to raise your goal amount this year? Next year? The year after? Go into detail here, and figure out a goal for each of the tactics that adds up to your total goal. (For example, if you need to raise \$5,000 you may say that you will raise \$3,000 through a major donor group and \$2,000 through an event). Some common tactics include:

1. Individual Giving – Asking major donors to make gifts to your organization.
2. Major Donor Groups – May include board giving, a finance or development committee, etc.
3. Events – Both large and small.
4. Direct Mail
5. Telemarketing
6. Online and E-Giving
7. Grants – Foundations, Corporate, Government
8. Corporate Giving Programs
9. United Way Fundraising
10. Minor Donor Groups – Yes, they do exist!
11. Participatory Fundraising – Like walk-a-thons and chili cook-offs
12. Annual Giving and Multi-Year Giving Campaign

When it comes to tactics, there are no shortage of ways to raise money, only a limited amount of staff and volunteer resources to implement your ideas. Try to include a good mix of fundraising tactics, and be willing to nix ideas that end up not working, and make up the lost revenue elsewhere.

4. The Timeline

Many organizations stumble here – they come up with a solid budget, have a great mission, and draw up a plan that includes a solid group of fundraising tactics, but fail to set timelines, and thus never seem to get things done.

Some development pros like plans that have only basic timelines: Hold an event in April, send out a mailing in September, run a board giving campaign in November. I actually prefer far more detailed timelines that list not only big picture goals, but also all of the small goals that go into making that big goal a reality (a management consultant might call this a “critical path.”) For example, instead of just listing that we’re having an event in April, I would also list when decisions on venue and entertainment need to be made, when sponsors will be solicited, when invitations will go out, etc.

Whichever type of timeline you include, include one... it will force you to think critically through your fundraising decisions, and provide invaluable guidance on your activities as the year progresses

Conclusion

I hope you enjoyed the strategies and tactics in this book and found them useful for your non-profit. I know that these strategies work, because I have used them many times to successful (and often dramatically) raise more money at non-profit organizations worldwide.

If you'd like more great tips and ideas on fundraising, or want personalized help with raising money at your organization, please be sure to visit me online at [The Fundraising Authority](#).

Here's to your fundraising success!