Donor-Centered Planned Gift Marketing

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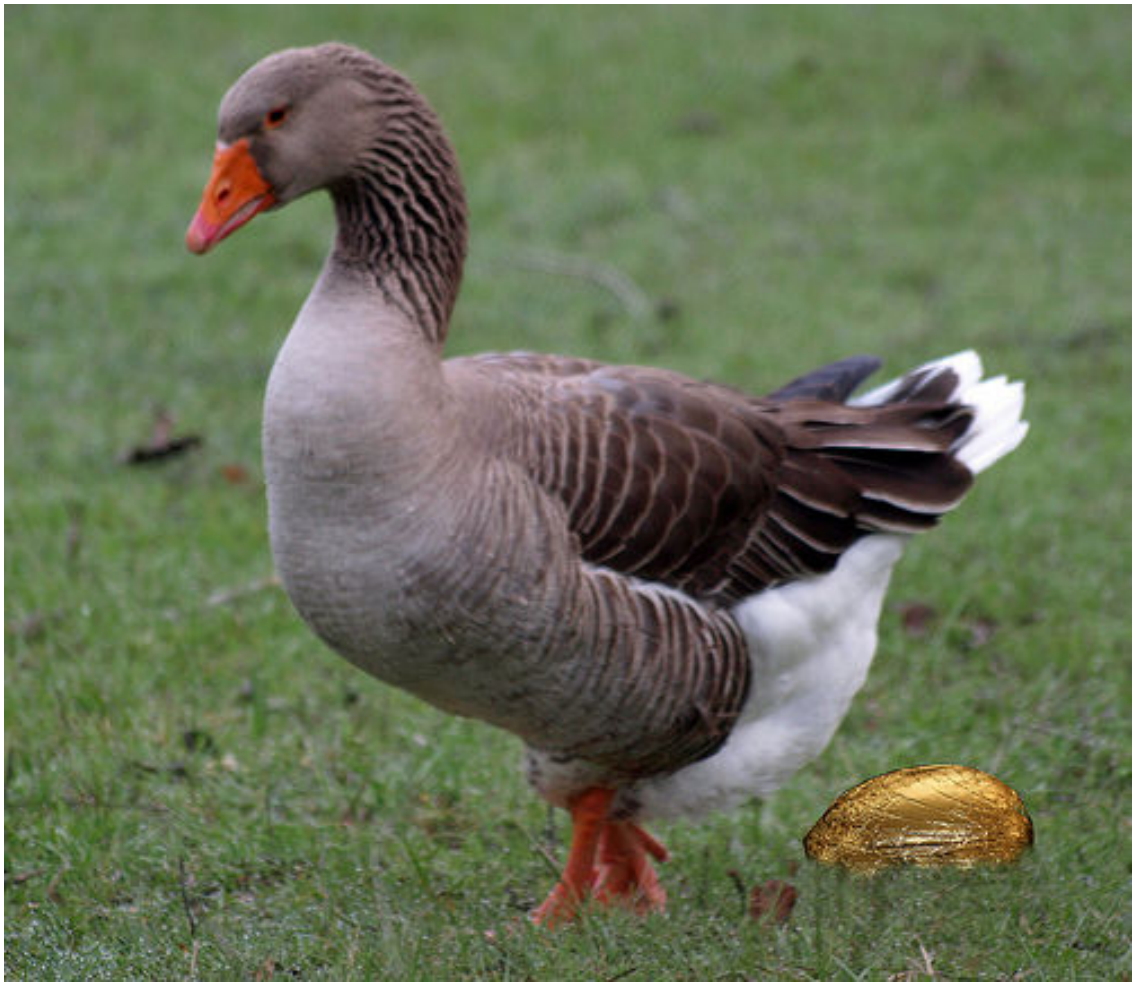
Aesop's Development Fable



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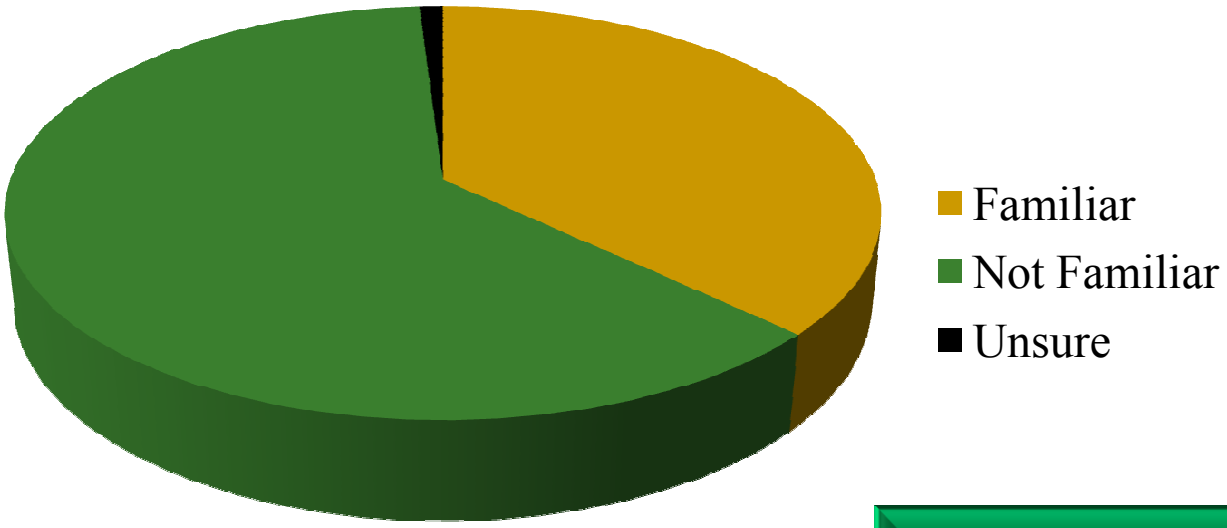
Objectives

- Demonstrate that traditional marketing does not work
- Define a new approach: *donor-centered*
- Review useful tips for each of the five stages of successful planned gift marketing

Traditional Marketing Is Not Working

- Only 37% of people over 30 have a familiarity with the term “planned giving.” (Stelter)



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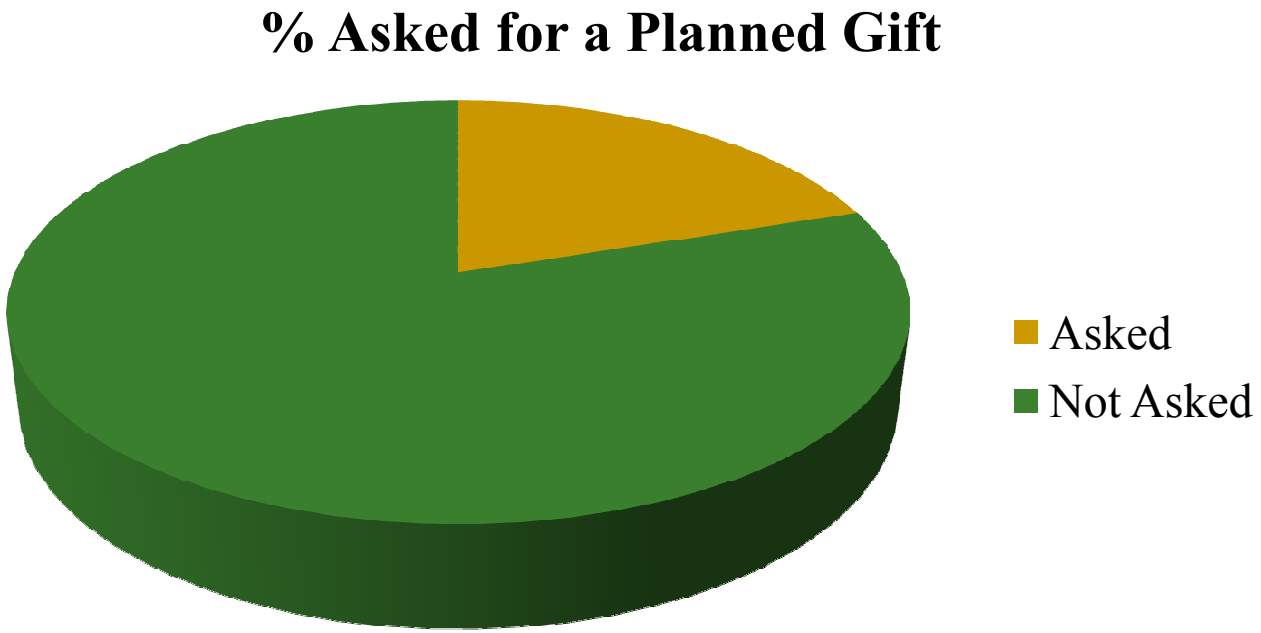
Traditional Marketing Is Not Working

- Only 22% of people over 30 have been asked for a planned gift. (Stelter)



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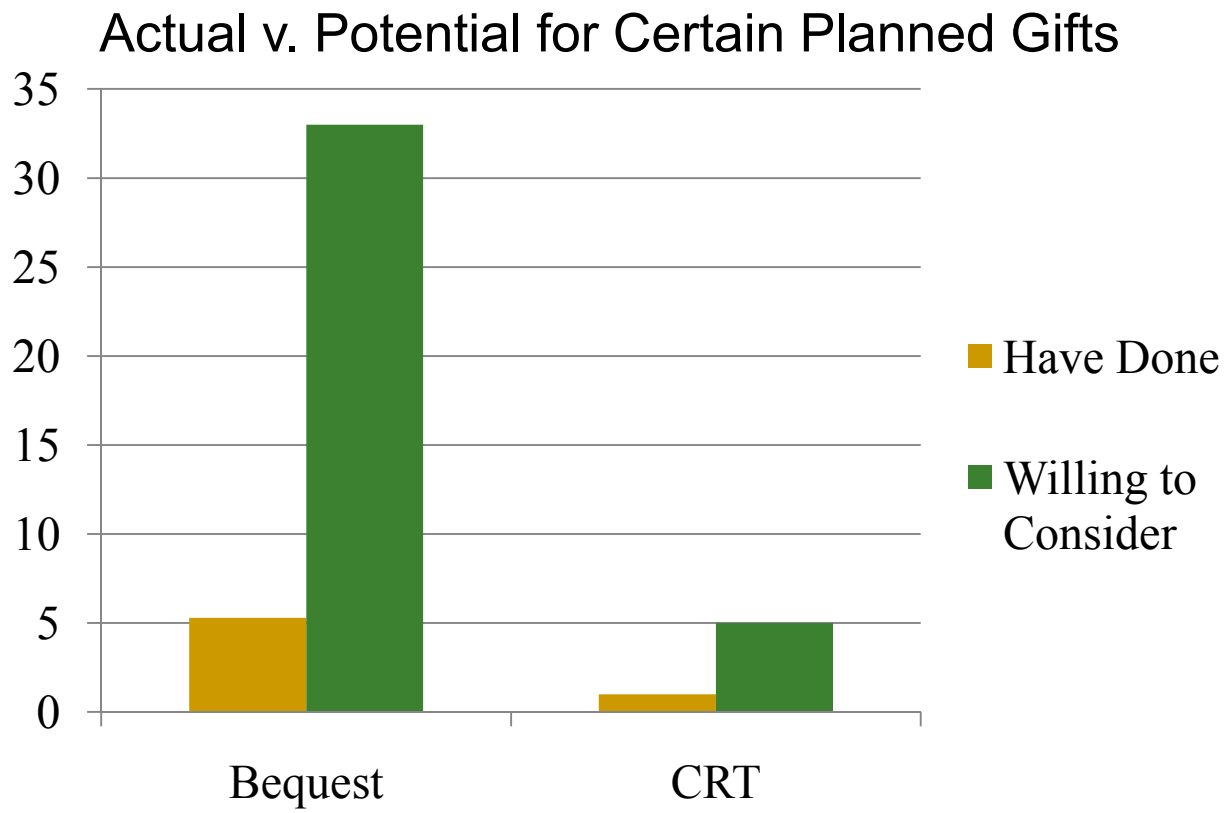

Source: Russell James, PPP, Center on Philanthropy

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Definition of "Donor-Centered"

- "Donor-centered fundraising is an approach to raising money and interacting with donors that acknowledges what donors really need and puts those needs first."

--Penelope Burk

Donor-Centered Fundraising

Traditional Marketing Illustrated

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Donor-Centered Illustrated

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Five Steps for Successful Planned Gift Marketing

- Identify Prospects
- Educate
- Cultivate
- Ask
- Steward

Identify Prospects

- Everyone is a planned giving prospect!
- What is the most important factor that will determine if someone will make a bequest commitment to any nonprofit organization?
  - Absence of children (Russell James)
- What is one of the most important factors that will determine if someone will make a planned gift to a specific organization?
  - Loyalty

Simple Prospect Rating Chart

Generosity – Total Giving	$10,000 or more	**9**	**5**	**1**
	$5,000 - $9,999	**10**	**6**	**2**
	$1,000 - $4,999	**11**	**7**	**3**
	$1 - $999	**12**	**8**	**4**
		1 -24 gifts	25-49 gifts	50+ gifts
		Passion – Total Number of Gifts		

Source: Roger Ellison

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Educate Prospects

- Everyone is a prospect so make messaging ubiquitous.
- You can educate prospects for free.
- Keep the message simple and targeted.
- Deliver value to the recipient.

Cultivate Prospects

- How can you cultivate prospects?
  - Handwritten thank-you notes
  - Answer the phone
  - Invite to non-ask events
  - Write an article
  - Visit (go to them)
  - Visit (get them to come to you)
  - Helpful newsletters

Cultivate Prospects

- Keep communication personal.
- Written messages must be readable.
- Five steps to a good cultivation visit:
  - Introduce yourself
  - Offer appreciation
  - Describe what you do
  - Do a lot of listening and a little bit of talking
  - Repeat the appreciation as you depart

Ask

- “Get wild with planned giving: Think of it as fundraising.” (Phil Murphy)
- 88.7% of people think it is appropriate for a nonprofit to ask for a legacy gift. (Adrian Sargeant and Elaine Jay)

Ask

- Use direct mail.
  - Natural Resources Defense Council, two mailings involving a total of 50,000 pieces that generated $8.5 million in bequest commitments
  - For a sample of the NRDC mailing, visit: http://malwarwicknews.com/2010/01/sample-nrdc

Ask

- Use the telephone.
  - A university in Texas targeted 7,000 with a mail promotion of CGAs, following up leads with phone calls that resulted in $730,000.
  - An orchestra in the Pacific Northwest implemented a coordinated mail/phone campaign targeting 2,200 prospects in an effort that produced an estimated $2 million in bequest expectancies.

Ask

- Use face-to-face visits.
  - This is the most effective way to secure a gift.
  - Keep meetings friendly but professional.
  - Use the first meeting to cultivate and build trust.

Ask

- Reinforce for the donor how the gift will affect the organization.
- Stay focused on the donor's philanthropic intent rather than any economic or other benefits.
- Recognize that prospects will make gifts when the time is right for them.
- Follow up all communications to advance the conversation to the next step.
- Keep promises.

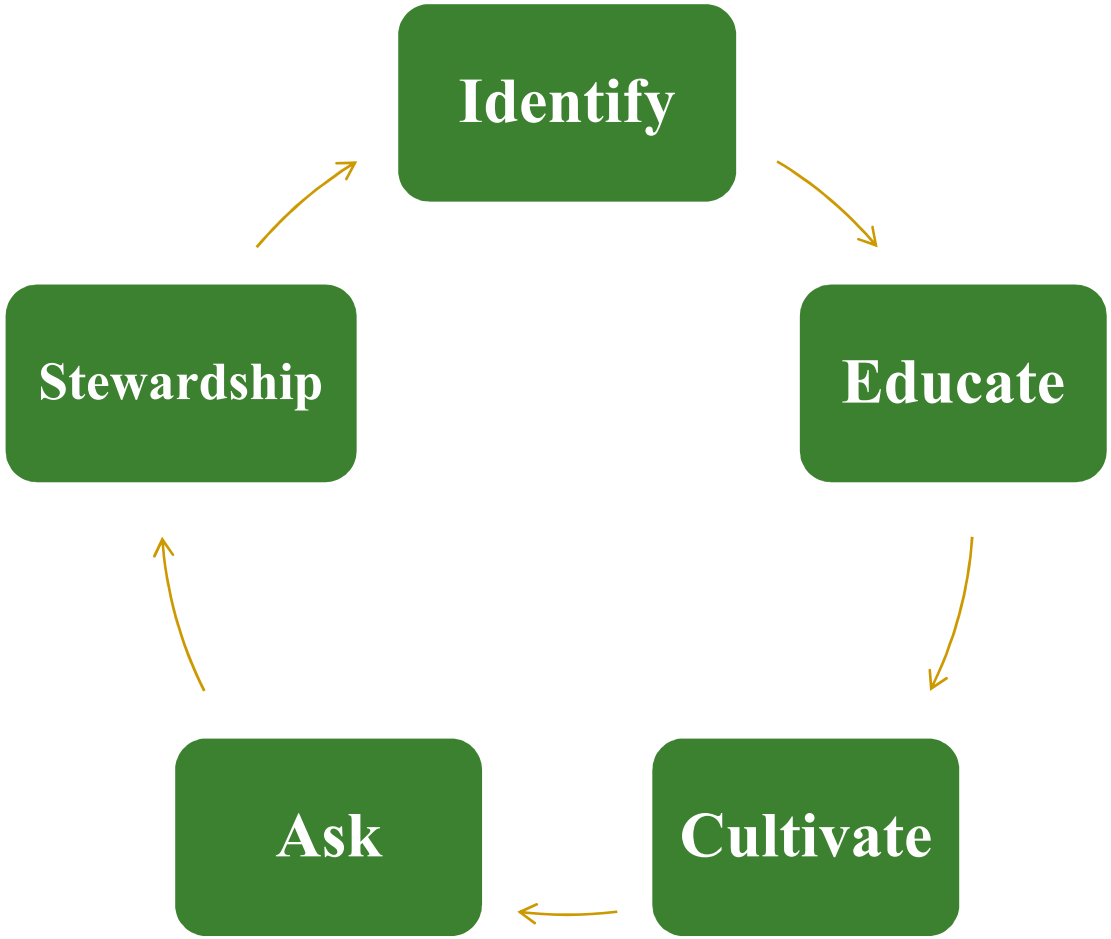
Stewardship

- Stewarding the relationship maintains the gift.
- Good stewardship can lead to another gift. For example, 75% of CGA donors may leave a bequest as well.
- Reinforce for the donor how the gift will affect the organization.

Stewardship

- A legacy society is an important part of stewardship. Be inclusive.
- The best ways to show appreciation are with a genuine word of thanks, information, keeping your promises, protecting the donor's interests.

The Marketing Cycle



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The Golden Rule a Good Idea?

- Golden Rule: "Do unto to others as you would have them do unto you."
- **FORGET IT!**
- Replace the Golden Rule with Tony Alessandra's Platinum Rule:

"Treat others the way they want to be treated."

Thank You!

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