Finding Major Donors through Membership

Identification, Cultivation, and Stewardship

Colleen Spivey
Major Gifts Officer

ISLAND INSTITUTE
Good News!

“You make a living by what you get. You make a life by what you give.”

- Winston Churchill

People like to give money to a good cause
Fundraising Facts

• 70% of Americans make donations
• The average family gives to 5-10 groups
• In 2017 Americans donated $410 billion
• 80% of these contributions come from people that make less than $60,000 a year.
Why fundraise from people?

$390 billion donated to US charities in 2016

- Individuals, 72%
- Foundations, 15%
- Corporations, 5%
- Bequests, 8%
Why fundraise from people?

• Prove to foundations that you have other income.
• Diversify your income—more stable when you have lots of donors.
• Invest other people in your work. If they give money, they’re more likely to want to volunteer, come to events, etc.
Why look for major donors

Return on Investment

• US national average cost to raise a dollar: 20 cents

<table>
<thead>
<tr>
<th>Fundraising Type</th>
<th>Cost to raise $1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Campaign/Major Gifts</td>
<td>5-10 cents</td>
</tr>
<tr>
<td>Grants</td>
<td>20 cents</td>
</tr>
<tr>
<td>Direct Mail Renewal</td>
<td>20 cents</td>
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<tr>
<td>Planned Giving</td>
<td>25 cents</td>
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<tr>
<td>Special Events</td>
<td>50 cents per $1 of gross proceeds</td>
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<tr>
<td>Direct Mail Acquisition</td>
<td>$1:$1</td>
</tr>
</tbody>
</table>

Sources: AFP, CASE, The Center on Philanthropy at Indiana University, AMMC, and James Greenfield’s book "Evaluating and Managing the Fund Development Process"
Donor Commitment Continuum

It’s all about building relationships

As donors move to the right on the Commitment Continuum, they must be engaged by a wider variety of people from the organization.
Five steps to donor fundraising

• Setting Goals and Sharing Your Vision
• Making a Prospecting List
• Setting up Meetings
• What Happens in a Meeting
• Thank!
Step One: Setting Goals and Sharing Your Vision

• Fundraising Goal: decide what you need and how much it will cost.
• Share your Vision for the community.
Which is better?

• Your donation will help sustain Maine’s island and coastal communities.

• The Island Institute works alongside Maine's island and coastal leaders to catalyze community sustainability in the state's 120 island and coastal communities and share what works among these diverse communities and beyond.
Step 2: Make a Prospecting List

- Friends of Friends
- Social Media Followers
- Loyal Donors
- Board and Volunteers
Who else?

Your best major donor prospects are those with LIA:

1. Linkage
2. Interest
3. Ability
Step 3: Setting up meetings

• Call!

“I’d love to meet to share with you more about the Island Institute’s plans, get your feedback and talk about your support. Do you have an hour to meet over coffee Friday at 2?”
Step 4: Meeting with a donor

• Get to know them
• Share your story and vision.
• Tell them the goal and ask.
• Thank them!
Step 5: Thanks and Follow Up

• Thank you note.
• Invite to the next event.
• Ask for referrals.
Stewardship

In the winter 2015 issue of Advancing Philanthropy, 53% of those donors who quit giving because of how the organization treated them cited one of the following reasons:

- Thought the charity did not need them – 5%
- No information on how gifts were used – 8%
- No memory of supporting – 9%
- Never thanked for giving – 13%
- Poor service or communication – 18%
Questions?
Practice your story

• Vision:
• Problem:
• Solution:
• What you need to get there: