

DONOR DEVELOPMENT

WHAT IS IT?

It is the continuous development of long term relationships with individuals who are motivated to support your cause. It is a relationship approach. Don't start at all if your Board/Management Committee does not support the concept. Like staff, your board will be concerned by change. They may be wary not because it's bad, but merely because it's different. As they start seeing results, as they may become impressed by the broadening of possibilities it brings, most will become as excited about it as the staff.

There are three stools of donor development:

- Budget fundraising - operating/project expenses
- Capital fundraising - bricks and mortar (usually one off)
- Planned giving - large in the United States and more commonly used by our churches.

THE DONOR PROFILE

When building a relationship with a prospective donor you need to know

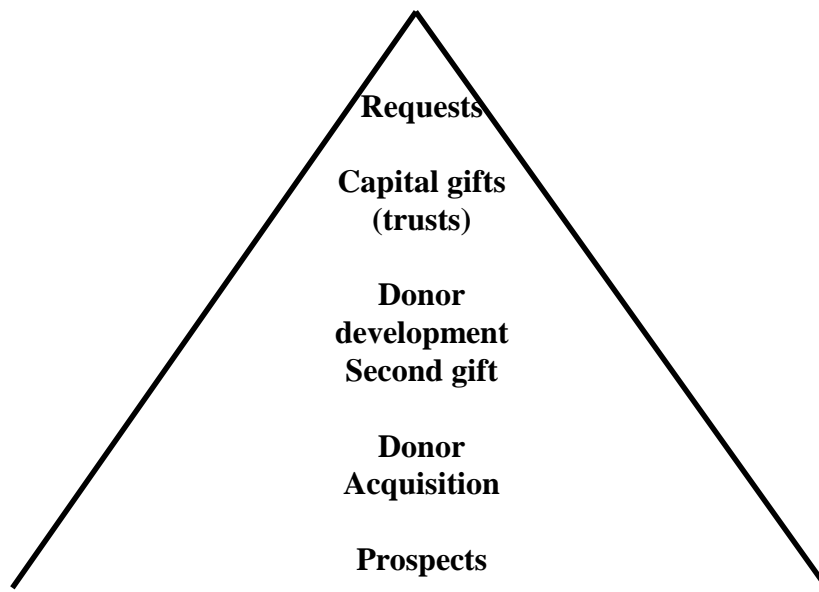
- What is **motivating** the person to give?
- Where is the **linkage** or **interest**?
- What is their **financial capacity**?
- What do you talk about - what are **their** interests?
- Finally ask them what **level of involvement** they would like.
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You can't "fundraise" before you "friendraise"

Get to know the person - build the relationship. Once you start the journey of donor development every contact with the public becomes an opportunity for the organisation.

ADVANTAGES OF DONOR DEVELOPMENT	DISADVANTAGES OF DONOR DEVELOPMENT
Interactive	Takes investment of time and resources
Long term benefits	Takes time to get results
Returns grow over time	Takes a range of skills
Can help with other objectives	

THE DONOR DEVELOPMENT PYRAMID



THE RULES FOR SOLICITATION AND STEWARDSHIP OF MAJOR GIFTS

1. Identification
2. Qualification
3. Development of strategy and timetable
4. Cultivation
5. Solicitation and negotiation
6. Acknowledgment
7. Follow up
8. Renewal

Stewardship is the guiding principle in philanthropic fund raising. It is defined as the philosophy and means by which an institution exercises ethical accountability in the use of contributed resources and the philosophy and means by which a donor exercises responsibility in the voluntary use of resources.

CATEGORIES OF DONORS

Planned gift, big gift, major gift, special gift
 Upgraded donor (was a repeat donor), repeat donor, donor
 Prospect, suspect

Donor development is a commitment the whole organisation needs to make and being positive is the key every step of the way.

MAJOR GIFT DEVELOPMENT

QUALITIES OF A PROSPECT	PROSPECTS LOOK FOR
Accessible	Evidence of good management
Aware	Evidence of reasonable planning
Capable	Evidence of prior support
Committed	Persuasive presentation
Concerned	Absence of pressure
Experienced	Invitation to share/join
Interested	
Involved	
Seeking fulfillment	

Prospects who are they?

Start with committee and staff - who do they know, what connections do they have? Prospects are usually names collected through the mail - everything you do leads to collecting people's names. Usually these prospects are names only but over time, and as the relationship builds you will draw them closer to the organisation.

Donor Acquisition

People who have donated once - you need to thank them and let them know what you have done with the money.

Donor Development second Gift

Ensure that you build on your relationship which may have until now been minor. Find out why they gave to your organisation and encourage them to continue giving to your organisation. From this point up the pyramid put energy into the relationship and ensure you support them, involve them, invite them to open days and functions and send them copies of your newsletters and other information.

LADDER OF EFFECTIVENESS

1. **Personal: face-to-face** (most effective)
 - a. Team of two
 - b. One person
2. **Personal letter (on personal stationery)**
 - a. With telephone follow up
 - b. Without telephone follow up
3. **Personal telephone call**
 - a. With letter follow up
 - b. Without letter follow up
4. Personalised letter
5. Impersonal letter (direct mail)
6. Impersonal telephone (phonathon/telemarketing)
7. Fund raising benefit (special event)
8. Door to door

9. Media (advertising) **(least effective)**

THE DEVELOPMENT PROCESS

Identify possibilities	develop and build lists, research
Convert into prospects	identify linkages, test list effectiveness
Convert initial giver into regular donor	build on interests, ask, record, acknowledge
Increase gift	research, involve, give recognition
Secure special gift \$1,000 +	tell about special needs, solicit personally, acknowledge
Secure big gift \$10,000+	validate s major prospect, provide personal reports,
Secure major gift \$100,000+	involvement in institutional planning, acknowledge, reward.

If you would like a list of our other community resources, or to be put on our mailing list, contact us at:



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Visit North Shore Community and Social Services Inc.
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