

INTERNATIONAL  
**FUNDRAISING**  
CONFERENCE **SAN FRANCISCO, CA**  
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# Mega Donors: Find Them- Cultivate Them – Keep Them

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**#AFPFC**  
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## 6 Essentials

1. Leadership
2. Case for Support
3. Access to \$\$\$
4. Adequate internal resources
5. A great plan
6. Culture of philanthropy



- Fundraising is both an art and a science
- Spend 90% of effort on top 10% of prospects
- People give to people; giving is both personal and emotional
- Remember: it's the donor's money
- Building trust takes time & effort
- Learn to "dance" with prospect
- Fundraising staff are the catalyst, not a main ingredient



## A culture of philanthropy

- All staff understand their role
- Everyone can tell the story (the case)
  - Ambassadors
- Not apologetic about fundraising
- President/Director involved in fundraising
- Board sets an example
- Highest ethical standards
- Understand need to invest in fundraising
- Donor-centered



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## Why Do People Give?

- They believe in the cause or idea
- They are involved as volunteers and see the needs and outcomes
- Their religion, the need to do good or be a part of something larger than themselves
- They see others give
- Because they are asked
- They are thanked properly
- Their gift's impact has been demonstrated



## Growth Cycle: Annual to Major to Mega Donor

- Annual gift
  - Consistent support
  - Involvement
  - Increased support
  - Increased involvement
  - Project gift
- The beginning  
Key indicator  
Learning about organization  
Confirms as prospect  
Confirms major donor potential  
Solidifies relationship  
See results



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## 2016 Mega Charitable Gifts



- \$500,000,000 Knight
- \$500,000,000 Berrgruen
- \$400,000,000 Knight
- \$400,000,000 Marcus
- \$360,000,000 Bloomberg
- \$300,000,000 Bloomberg
- \$275,000,000 Cohen
- \$250,000,000 Parker
- \$200,000,000 Ellison
- \$200,000,000 Munger
- \$185,000,000 Weil
- \$107,200,000 Sandberg
- \$100,000,000 Allen
- \$100,000,000 Frost
- \$100,000,000 Geffen
- \$100,000,000 Hastings
- \$100,000,000 King
- \$100,000,000 Zuckerman



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## But would this be OK?

- \$10,000,000
- \$5,000,000
- \$1,000,000
- \$500,000





## Growth Cycle: Major To Mega Gift Donor

- Multi year project
  - See impact
  - Feel part of organization
- Deeper involvement
  - Leadership engaged
  - Multiple players
- Investment gift
  - Organization as vehicle to realize personal dreams
  - Leverage, catalyst
- Stewardship
  - An ambassador to others



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## Relationship Giving

- People give to people
  - Confidence
  - Trust
  - Stewardship
- Right person, amount, project, and time
  - Project is worthy and management is good
  - Organization keeps promises
  - Gifts are honored, well-managed, and appreciated



## Fundraising Tactics

- Transactional
  - Annual Events
  - Sponsorship
  - Annual Direct Response
    - Electronic:*
    - Mail*
    - Telephone*
    - Web*
    - TV/Radio*
    - Canvass*
- Relational
  - Major Gifts
  - Mega Gifts



## Results

- **Transactional**

- Operating funds
- Short term projects
- Lack of donor engagement
- Impersonal
- Quid pro quo

- **Relational**

- Project specific
- Operational
- Capital
- Endowment
- Long term commitments
- Deep engagement
- Personal



## It's the "we" of the relationship

### **Institution as a prospect**

- Offers commitment to project (\$)
- Asks for commitment of prospect investment and leverage
- Offers engagement
- Offers life transforming opportunities
- Can experience outcome changes at new levels

### **MMG Prospect**

- Looking to bring investment potential
- Brings leverage potential
- Feels investment has been catalytic
- Can have deep engagement with hand on throttle of outcomes
- Can have life changing experience



## Donor Characteristics

### • **Transactional Prospect**

- Dislikes involvement
- Gives to be social
- Unwilling to commit long term
- Wants to write check and be done
- Instant gratification
- Will not solicit others

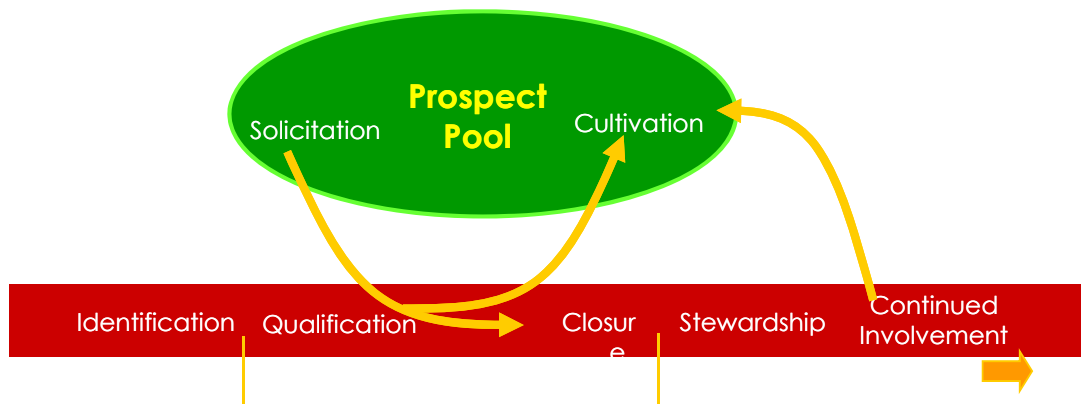
### • **Relational Prospect**

- Wants deep involvement
- Gives to make change
- Wants to see change over time
- Wants to invest
- Understands complexities of change
- See value and will invite others

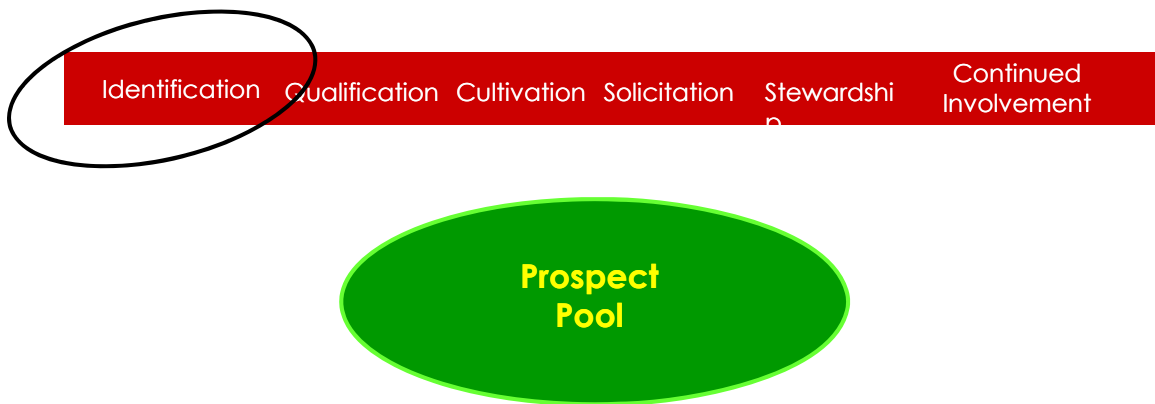


## Major/Mega Gift Fundraising The "Gift Cycle"

Critical Function: Solicitation + Closure = Gift



## Major/Mega Gift Fundraising The "Gift Cycle"





## Who Are Your Best Major Gift Prospects?

- From your current consistent donors
- Your Trustees and other high level volunteer
- Current major donors
- Previous donors
- Women
- Families



## Sources for Major Gift Prospect Lists

- Current Donors
  - Those who have been giving for 5 or more years
  - Those who have been upgrading their investments
- Referrals from Board, staff, existing donors
- Lapsed Donors
- The news
- Outside Lists
  - Other not-for-profits
  - Trade, professional, civic organizations
  - Commercial lists



## What do “Megs” Want?

- Access
- Outcomes
- Collaboration not competition
- Leverage not limits
- Catalytic not contentment



## Mega Profile

- Engager
- Leverager
- Relational
- Life changed
- Entrepreneurial
- Mobilizer
- Caller to action



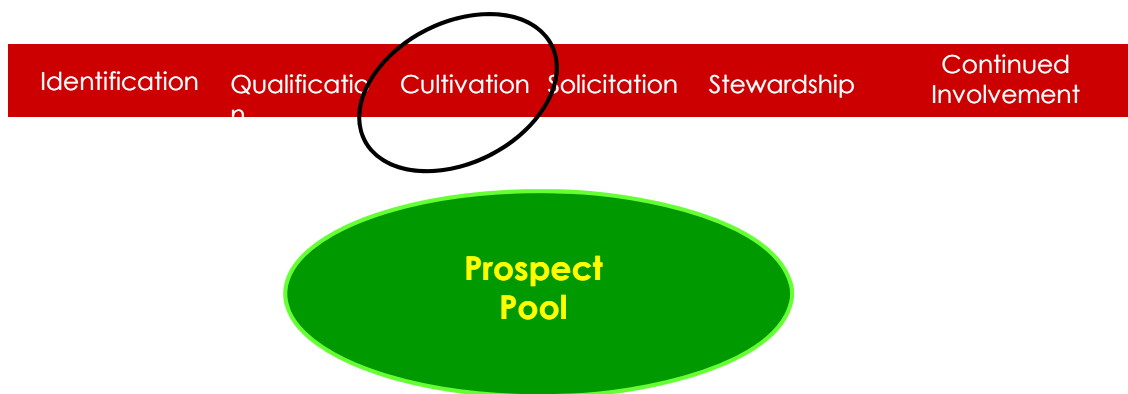
**Blake Mycoskie**



**DANA AND DAVID DORNSIFE**



## Major/Mega Gift Fundraising The "Gift Cycle"



## Long and Deep?

- Long is the perspective offered to these kinds of prospects
  - Requires purpose and intentionality
  - Requires patience
  - Requires planning
- Deep is the Level of engagement for these kinds of prospects
  - Requires non risk-aversion leadership
  - Requires best-in-class expertise
  - Requires more time from leadership



## Ways to Involve Major Gift Prospects

- Social gatherings
- Orientations
- Forward news information
- Special events
- Ask them for advice
- Ask them to volunteer
- Project tour
- Hold briefings; tell success stories
- Ask them to be on the Board or a committee (engage)
- Invite them to lecture
- Invite them to be on a panel
- Electronic updates
- Field trip





## Growing MMG Donors by Finding Emotion and Impact

- What difference will this gift make?
- Whose life (lives) will be altered by it?
- Why is this gift the vital one?
- How will this gift meet the donor's needs?
- Is it okay for the to delay?
- Can the prospect see the picture?  
If not, give him/her one.
- Can/will the prospect talk to a donor?

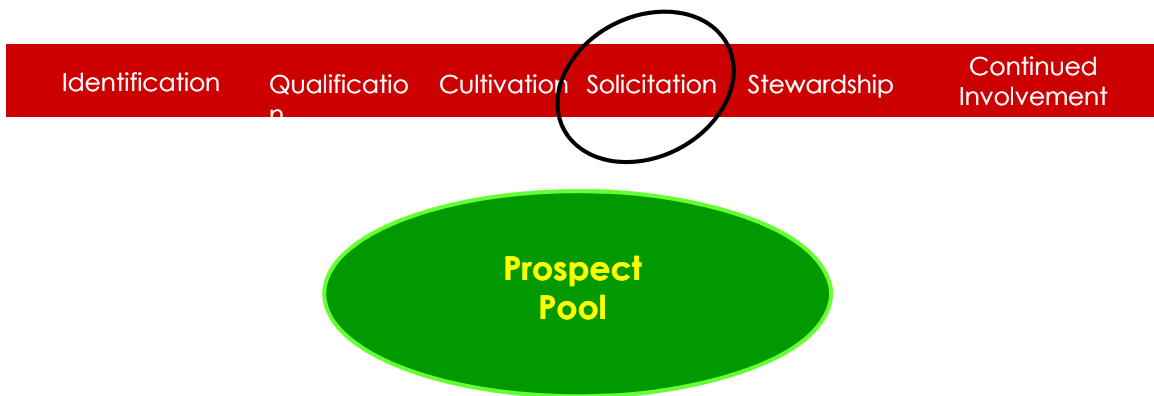


## Cultivation of Prospects

- Must be donor-centered
- Tailored to each individual prospect
- A blend of media communications
- A planned, regular sequence of activities
- Real continuity is important
- Quiet time is important
- Both background and foreground initiatives



## Major/Mega Gift Fundraising The "Gift Cycle"



## The Mega/Major Gift Scenario

- Creative thinking about opportunities for transformational investments
  - Large impact packaging
- Acquire or position existing expertise
- Engage area Experts (accelerators)
- Discuss early with trusted advisors (theirs)
- Prepare for preliminary discussion of “ideas”
- Make that person the catalytic stakeholder



## Preparation

- Pay attention to the interests and needs of the prospect, not the organization
- Do not imply or promise what you cannot deliver – be careful of this trap
- Be resourceful, creative, and flexible
- Be prepared to deliver on results & report back



## Persistence

- Follow through on every detail
- Read and re-read your Moves Management notes frequently
- Revise strategy as needed
- Keep volunteers and key players up-to-date



## Moves Management

- Planned steps with prospects
- Move from cultivation to solicitation to stewardship
- Based on strategy to realize goal
- Multiple players, one orchestra leader
- Requires coordination, discipline



## Ask Them

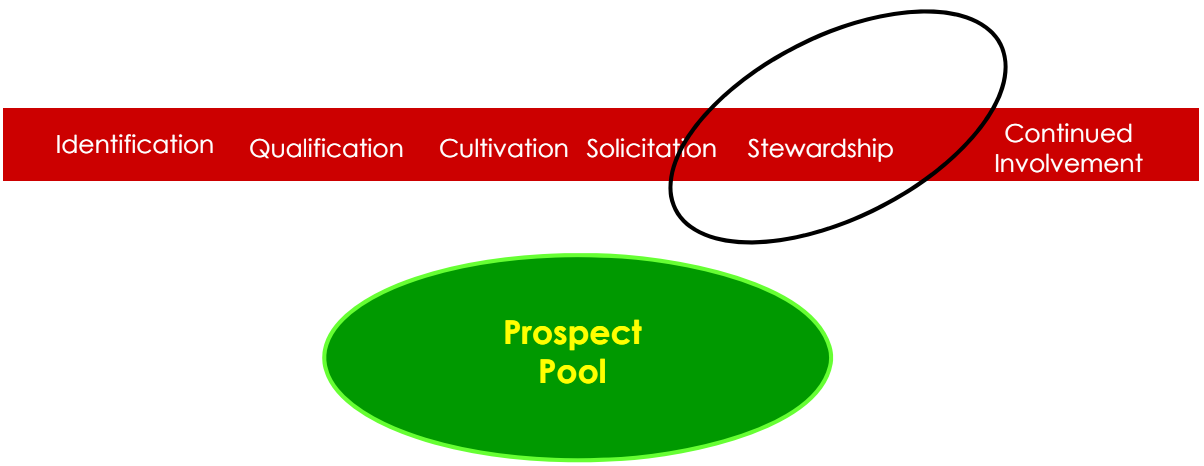
Most of the time if prepared

- They offer
- They decide
- They celebrate





## Major/Mega Gift Fundraising The "Gift Cycle"



## Thank Them

- Be specific on three meaningful outcomes
- Offer many sides to the thanks
- Offer others to thank
- Thank again



## Ways to Steward Major Gift Donors

- Personalized annual report
- Personalized tour exposures (vision trips)
- Send news & stories about their project (video)
- Ask to be on panel or lecture
- Write a feature story about them
- Have them host small event for other donors



## Simplicity of the task

- Identify & Qualify them
- Engage them
- Lead them
- Invite them
- Close them
- Cultivate them
- Retain them

# Taking Stock



## Key Question

What would your organization do if a  
\$10 million (or \$100 million) donor  
appeared in your office this afternoon?



## Are you ready?

- Are you prepared for success?
- Is your program worthy of such an investment?
- Have you held any discussions of senior management on the topic of transformational vision and attendant steps?



## Truisms

- If not discussed, the odds of your ever having such a benevolent investment show up are immensely diminished.
- Big gifts are attracted to big ideas.
- Tell your institution to make no small plans!





## Always Position for the Future

- Spend time on relationships
- Engage your prospects with the cause
- Concentrate on the emotional needs of your prospects
- Get on their side of the desk
- Stress OUTCOMES!! Not activities
- Accept their perspective and tell them how you (or others) came to the gift decision



## Major/mega gift culture starts at the top!

- Board
- President/Director
- Senior administration
- Senior program staff
- Chief philanthropy officer
- It is an attitude



## Remember...

- This has to be fun or the behavior will not be repeated
- Make your own largest Major Gift ever this year and see how good it feels!
- We give



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