

The Basics of Relationship Fundraising

Sample Training Workbook



Overview

Learning Objectives

- To introduce the basics of relationship fundraising
- To develop skills in engaging people in mutually beneficial long-term relationships
- To create a practical and focused fundraising strategy

Outcomes

At the end of this session, participants will be able to:

- Understand the relationship-based fundraising approach
- Articulate how focus on building engaged relationships increases fundraising results
- Create a relationship-based fundraising program using the tools and techniques shared

Agenda

- Overview
- Definitions and frameworks
- Four stages to building relationships
 - Awareness
 - Action
 - Engagement
 - Commitment
- Sample fundraising plan and other resources

Definitions & Frameworks

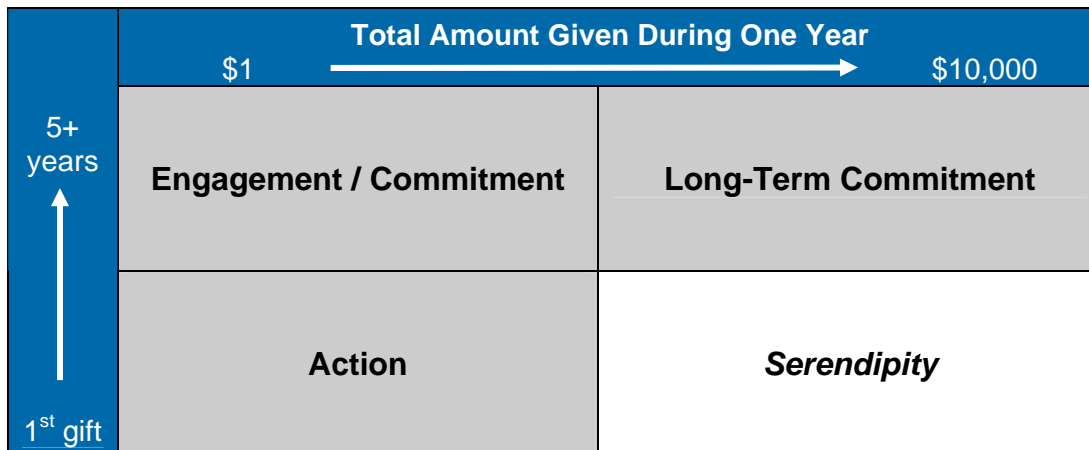
Constituent-Centered

- Aligning all aspects of an organization around an understanding of the core constituent to create loyal, engaged, long-term relationships
- Seeing the world through the eyes of their constituents
- A constituent-centered fundraising program focuses on developing relationships that move constituents from *awareness*, to *action*, to *engagement*, to long-term *commitment*

Donors as Investors (in your mission or their own goals)

- Donors often have their own philanthropic goals, such as a type of impact or legacy they hope to make in the community
- Being constituent-centered shifts the focus of fundraising from donors filling the organization's needs to fulfilling donors' philanthropic goals
- By developing deeply engaged relationships, the organization becomes the donor's partner in fulfilling these goals

Relationship Building (Constituent-Centered) Fundraising Process



Awareness

- Deliberate strategies are used to build awareness and attract new supporters
- Other strategies work to build and deepen relationships with donors

Step One Worksheet: Marketing Matrix

Constituency Segment	Profile	Needs / Interests (relative to your cause)	Desired Behavior	Position, Message & Brand	Product / Service	Outreach / Promotion / Public Relations

How to Use the Marketing Matrix

- **Constituency Segment:** what is a one or two word descriptor for this segment? (i.e. easement neighbors)
- **Profile:** what are the key demographic and psychographic characteristics of this segment?
- **Their Needs and Interests:** what does this segment want and/or need in relation to your organization?
- **Desired Behavior:** what action do you want them to take on your organization's behalf (donate money, but what else?)?
- **Position, Brand, Message:** what *is* your organization to this segment and what messages will connect with them? For example:
 - Protector of the landscape (or a particular vista or geographic feature)
 - Provider of recreational opportunities
 - The only place to spot a burrowing owl
- **Product/Service:** which of your organization's products, services, or programs are likely to be most attractive to this segment?
- **Outreach/Promotion/PR:** what tactics and strategies are most likely to promote elicit the desired behavior from this segment?

Discussion Question

Think about a group (segment) with whom you'd like to build awareness of your organization - what are some tools, techniques, and strategies that would build awareness with them?

Step Two: Enticing Action

Key Concepts

- Offer ways individuals can take action (give their first gift)
- The opportunity to take action (the “ask”) fits what you know about your audience
- Always ask!
- Capture contact information (including email)

Worksheet Questions

Answer these questions for each core constituency segment:

- Given what is known about this group, why are they likely to give?

- When are they likely to give?

- How much are they likely to give?

Step Two Worksheet: Customize the Ask

- List each outreach, promotion, and public relations technique
- Then, build an “opportunity to take action” into each technique (as appropriate)
- Follow your instinct and pick techniques you deem appropriate:
 - Sometimes, a direct ask (i.e. asking people to become members at an event)
 - Other times, a “soft” ask (i.e. including a donation envelop in a newsletter)

Segment: _____

Outreach / Promotion / PR Technique	Opportunity to Take Action

Discussion Question

What are the “opportunities to ask” you can build into your outreach strategies?

Step Three Worksheet: Customize Donor Communication

Donor group	Contacts / year	What they care about	What we need to know	Customized annual communication plan

Building a Customized Donor Communication Plan

- Consider your existing donors as a collection of groups with things in common (length of support, amount of support, reasons for giving, etc.)
- Outline which donors fall into which groups. This will be different for every organization. One example:
 - Internal Donors: current and past board and staff members
 - New Members: first time members within their first 3 years of membership
 - Core Members: members between 3 – 6 consecutive years of membership
 - Long-time Members: members of 6+ consecutive years
 - Major Donors: those who have given between \$1,000 and \$9,999 (cumulative) within the past five years
 - “Special” Donors: supporters who have given \$10,000+ within the past 5 years
 - LYBUNT’s (last year, but not this year)
- For each group, answer:
 - Number of contacts/year (every call, newsletter, mailing, invitation is a contact)
 - What do they care about
 - What do we need to know
- For each group, build your annual communication plan with those answers in mind
- Remember, communication is two way; more than just pushing out information

Discussion Question

Which fundraising tools, techniques, and strategies help engage current donors (i.e. speak to their particular interests, invite feedback, create 2-way communication)?

In what ways are certain means of contacting donors more appropriate for certain kinds of donors?

Step Four Worksheet: Annual Donor Stewardship Plan

- Note the supporter’s philanthropic goal and progress your organization can document towards their goal
- Set a goal for the relationship for the coming year (to upgrade their support, deepen the relationship, secure a capital gift, etc.)
- What are the imperatives – *those 2 or 3 things you must do* – to meet that goal?
- Who’s responsible for meeting the goal?

Supporter/Strength of Relationship (1-5)	<i>Their</i> philanthropic goal	Documented progress	Our relationship goal	Imperatives	Responsible

Sample Fundraising Plan

Source	Goal	Ask	Lead	Commitment
Grants - \$110,000				
Foundation Grant #1	\$50,000			
Foundation Grant #2	\$25,000			
Foundation Grant #3	\$35,000			
Special Events (Net) - \$50,000				
Event #1	\$7,000			
Event #2	\$41,500			
Event #3	\$1,500			
Members - \$75,000				
Individual Members (1000 x 35, 250 x 60, 50 x 250)	\$62,500			
Business Members (25 x 500)	\$12,500			
Corporate Gifts				
Partner Gifts (4 x 10,000)	\$40,000			
Individual Donors - \$98,991				
Current Board Donations (12 x 500)	\$6,000			
Past Board Donations (5 x 500)	\$2,500			
Board Contacts (50 x 150)	\$7,500			
Staff/Volunteer Gifts (50 x 60)	\$3,000			
Donation Box Gifts	\$10,241			
Annual Campaign Holiday Mailing (950 x 35) Good Neighbor Campaign (600 x 25) On-line Campaign (100 x 35)	\$51,750			
Major Donor Gifts (15 x 1200)	\$18,000			
Gift Shop/Bookstore Sales	\$13,000			
TOTAL	\$386,991			

Resource List

Websites

- <http://www.techsoup.org> – a good source of information on a variety of technology issues including fundraising databases, security, on-line giving, etc.
- <http://foundationcenter.org> – resource for researching private foundations
- <http://www.charitychannel.com> – on-line community of nonprofit professionals with many fundraising e-newsletters and articles
- http://www.afpnet.org/research_and_statistics - research and statistics area of the Association of Fundraising Professionals website
- <http://www.nccs.urban.org> – national clearinghouse of statistics on the nonprofit sector

Books

- *Fundraising Online: Using the Internet to Raise Serious Money for Your Nonprofit Organization* by Gary M. Grobman and Gary B. Grant
- *Donor Centered Fundraising* by Penelope Burk
- *Relationship Fundraising: A Donor Based Approach to the Business of Raising Money* by Ken Burnett
- *Beyond Fundraising: New Strategies for Nonprofit Innovation and Investment* by Kay Sprinkel Grace
- *Fundraising for the Long Haul* by Kim Klein

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Founded in 1996, Conservation Impact has worked on more than 765 projects with nearly 500 organizations nationwide and internationally. The company specializes in strategic planning and positioning, marketing, and organization analysis and development. We use an Integrated Strategy approach that looks at organizational identity, capacity, and constituents. We help our clients go to their next level of development.

The Conservation Impact staff bring significant expertise in nonprofit management, marketing, and conservation planning with degrees in biology, ecology, environmental conservation, nonprofit management, and public administration.

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For more information about the companies, our team, or our work, please call us at 303.223.4886 or visit us online at www.conservationimpact.com or www.nonprofitimpact.com.

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