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*Fundraising for **Academic Leaders** Webinar Series:*  
**The Changing World of Philanthropy**  
*November 21, 2019*



**Moderator**

# Pearl Hoeglund

*Sr. Program Manager,  
Sanford Institute of Philanthropy*



# fund•raise

YOU'VE GOT A CAUSE.  
LEARN HOW TO **FUND IT.**

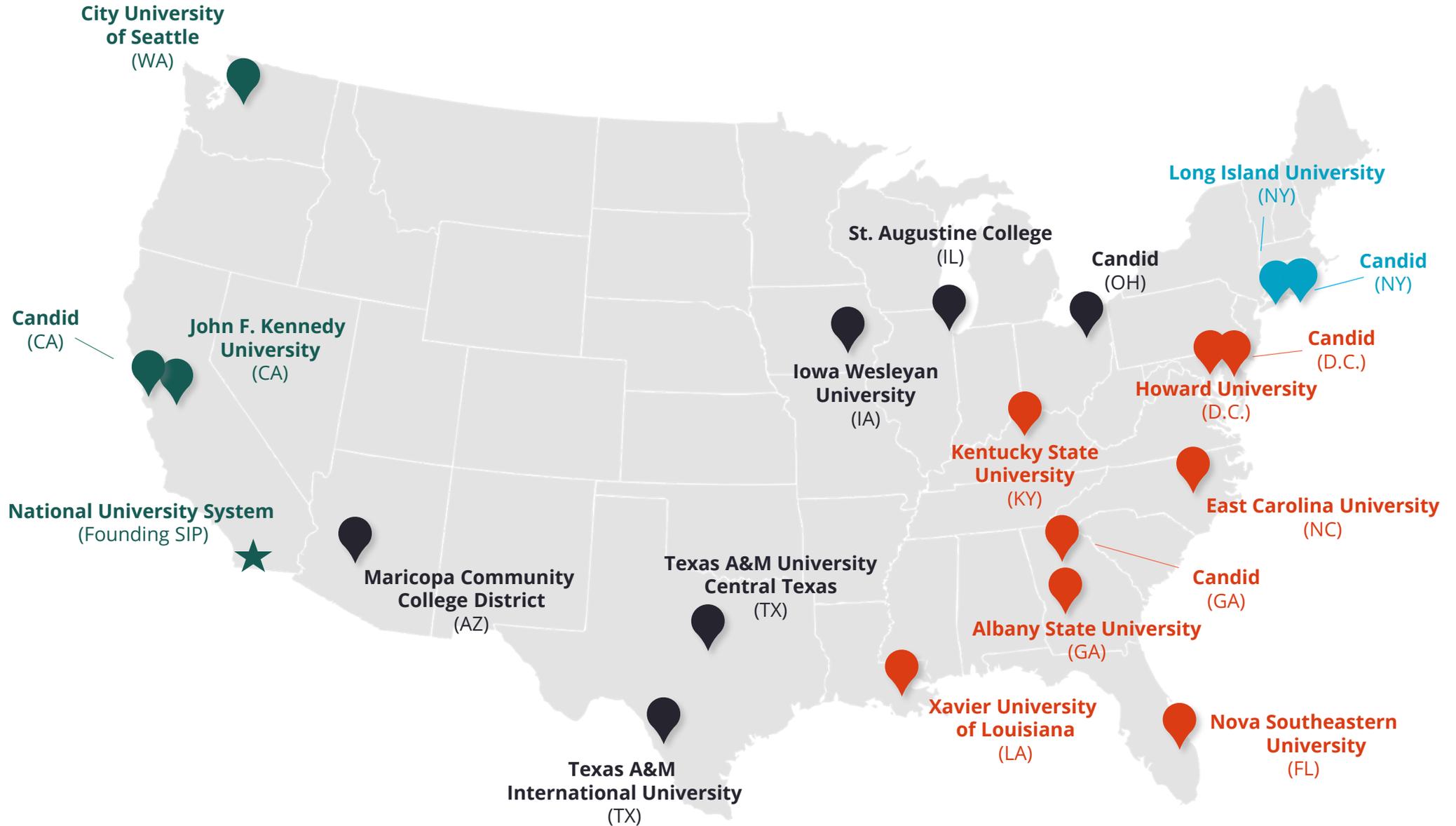
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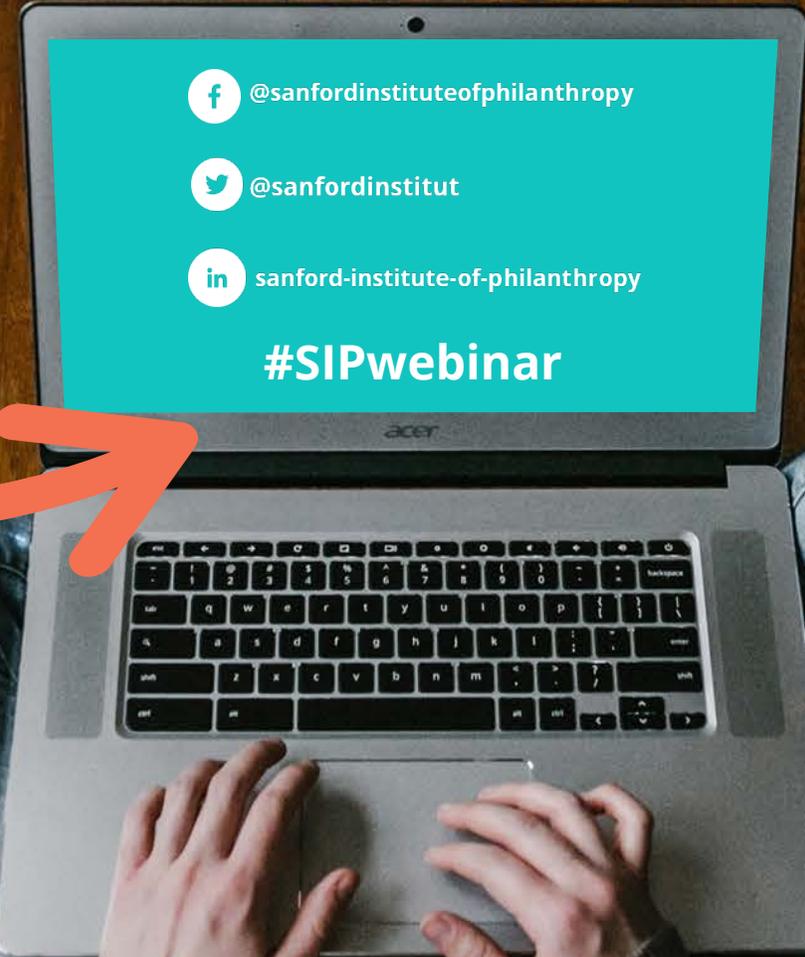
# OUR AFFILIATE PARTNERS



Give us a



Tag us!



# TODAY'S PRESENTER:

**Kathy Drucquer Duff, CFRE**

*Founder*  
KDD Philanthropy



# OUTLINE



Learn to utilize **trends** to influence donor conversations



Gain a better understanding of what **motivates donors to give**



Understand the importance of **pre-approach**

# REFLECTION

“We make a *living* by what we *get*, but we make a *life* by what we *give*”

- Winston Churchill

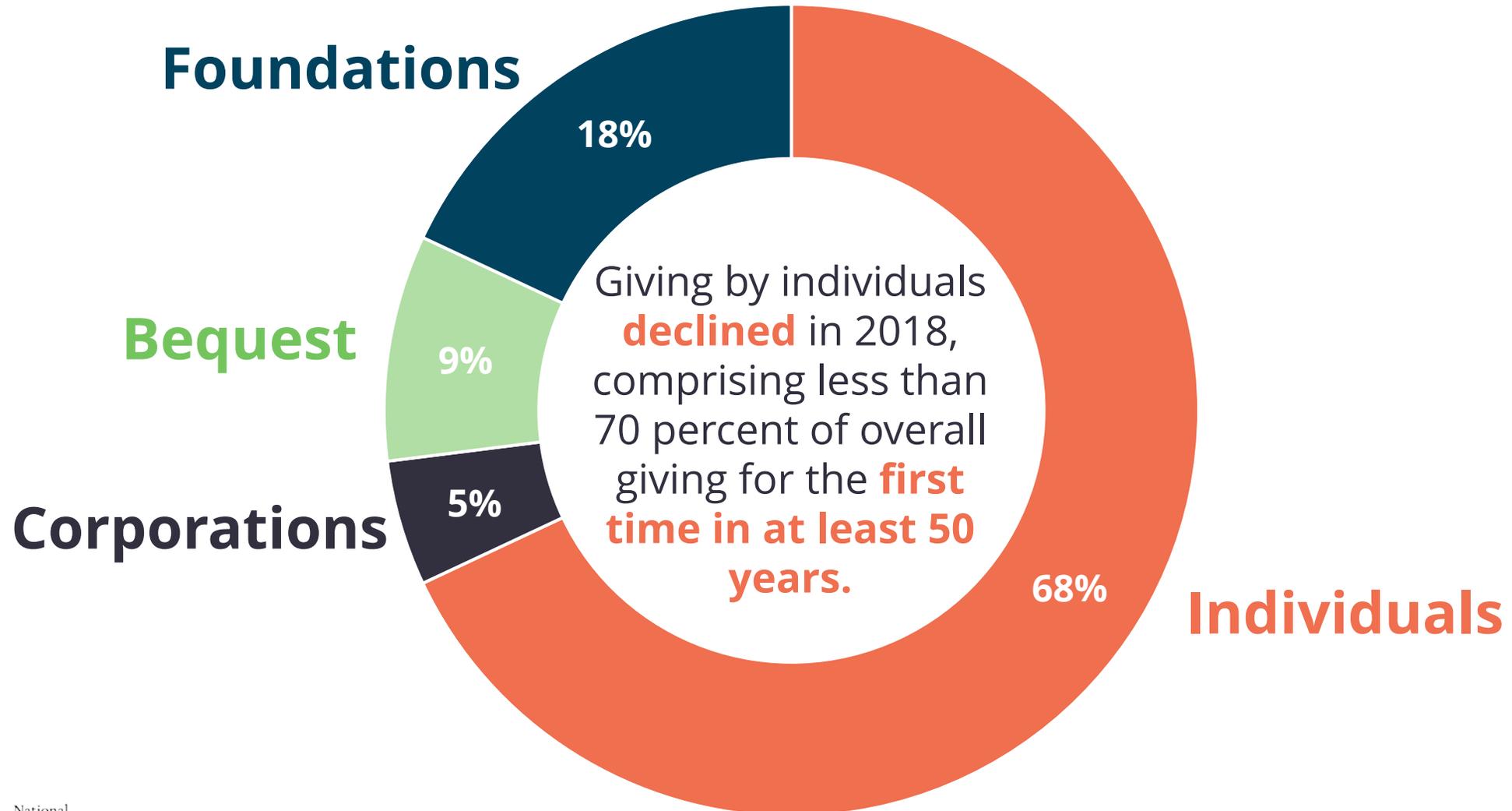
# Philanthropy Trends

- More people **give than vote** in the U.S.
  - *Participation IS important*
- Gifts of **\$100M** or more totaled **\$1.495B** *(estimated)*
- **Transformative**, far-reaching initiatives
- Philanthropic changes are being driven by **younger donors**

# Philanthropy Trends

- Large giving driven by **older donors**
- **Higher Education** drives mega gifts
- **Donors:** the wealthy and the not-wealthy

# Giving USA 2018: Contributions by Source



# Mega Donors



- Among *very wealthy* and *very generous* philanthropists, giving does *not* go directly to **existing** charitable organizations.
- Many of those who earned their fortunes through **entrepreneurism** will gravitate toward **entrepreneurial philanthropy**.

# Mega Donors



- **Big donors** are interested in funding **big ideas**.



*Big solutions to big problems*

- **Two-thirds** of all individual philanthropy in the U.S. comes from the **top 3% of U.S. households**.

# Legacy Donors



- Donors have a keen interest in their **own legacy**.
- Donors want to make a **lasting difference**.
- They will likely be more interested in funding your programs and initiatives that help **establish their legacy** than simply depositing their money into your organization's **investment pool**.

# Legacy Donors



- Some donors want to be assured of having a **long-term, definable** impact while others might be content having their name, or the name of a loved one, on a **Fund, Program** or **Building**.



*The key is to understand what **motivates** the individual.*

# Social Donors

*Donors are online.*

They:

- View your **website**
- Engage in **crowd funding**
- Give **online**
- Take surveys

*Survey Monkey anyone??*



***TIP:** Optimize your website for viewing on **mobile devices** such as smartphones and tablets.*

# Social Donors



*Donors are online.*

- Use more **videos** - they are **more effective** than **photos**.
- Use more **cute images** versus **sad**.

↪ *Cute is more effective.*

- Allow donors – *particularly younger donors* – to **design their own campaign** through crowd funding.

# Women Donors



- **63%** of donations on Giving Tuesday were **made by women**
- **3.5%** is the **average amount of wealth** that women donate
  - ↪ Men give **1.5%**
- **57% increase** in female-owned firms

# Women Donors



- **45%** of American **millionaires** are now women
- **2/3** of total American wealth will be controlled by women in **2030**
- Women are more likely to support **regional/community** issues

# Interdisciplinary Donors



- Institutions are building **Transformative Giving** departments to attract the largest gifts

**OR**

- Re-focusing their **Principle Giving** departments to strategically align with more collaborative opportunities in alignment with visionary donors

# Interdisciplinary Donors



- Most donors see our institutions as **one**.
- They want to see **their** vision as **our** vision.
- What is **your role** in interdisciplinary gifts?
  - *Instigator?*
  - *Facilitator?*
  - *Broker?*
  - *Educator?*
  - *Other?*

# *Philanthropy Today*



# Philanthropy Today



- Donors are trending towards supporting **fewer causes**
  - *64+ support twice as many causes as those <64 age*
- This has huge implications, as younger age groups are **not adding causes** as they age

# Philanthropy Today



- AFP's fundraising study shows only **45%** of donors who give to a charity one year **contribute** to the same charity in the **next year**.
- The trend is even worse for new donors to a charity — just **26% of new donors** give a second time to the same organization.

# STILL IMPORTANT TO BE AWARE

“There’s still a lot to unpack regarding 2018 fundraising trends. With the impact of the **economy, tax law** changes, and many variables beyond what was covered in this (AFP) survey, the use of **donor-advised funds** is also expanding exponentially, while the total number of people making philanthropic gifts continues to **decline.**”

- *Martha Schumacher, CFRE, ACFRE,  
MInstF (AD), board chair*

# Donor Advised Funds

# “DAF”



## DAF's are on the rise

- What is a **DAF**?



A personal **charitable savings account** established by a donor with the sole purpose of **supporting charities**

# Donor Advised Funds



## Why do donors open DAF's?

- The donor has a **windfall**
- The donor wants **professional investment** and **advisor services**
- The donor needs a **tax deduction** this year
- The donor likes the convenience of a **centralized philanthropic account**

# DAF Donor Profile



## Which donors open DAF's?

- Strong **prioritization** of giving
- High rate of **volunteerism**
- Desire to make an **impact today**
- **Long-term** thinking
- Make **larger** than average gifts
- Desire to **engage family members** in giving decisions

***How  
should we  
respond?***



# How should we respond?

- Make donors a vital **part of your story**.
  - *What has your institution been **able to accomplish together** in partnership with your donors?*
- Send out **different types of communications**, including updates on the impact that donor contributions and gifts have made.
  - *Not every communication should include an **ask for money**.*

# How should we respond?

- **Thank donors.**
  - *Donors give their money freely, and they should be thanked — **a lot** — for making the choice to contribute their money.*
  - ***Think about how retail is in this space.***
- Use **different methods** for reaching out to donors.
  - *Some donors may still want the **traditional letter**, while others may want to hear from you via **email, text or social media** (phone videos!)*

# How should we respond?

- Ask your donors **what they want**.
  - How do **they prefer** to be contacted?
  - What do **they think** of what you're doing?
  - What could you be **doing better**?
  - Use **online surveys** and other means and find out what your supporters are thinking

A group of four business professionals (three women and one man) are seated around a conference table in a meeting room. They are looking at documents and laptops, appearing to be in a collaborative discussion. The image has a light blue overlay.

# Community Forum:

***How are you addressing these changes at your institution?***

# CORE CONCEPT

- Donors **no longer need** a fundraiser or administrator to make a gift...so our job is to **demonstrate our value.**
- *We are no longer gatekeepers.*
- *We are **customer service agents.***

# The best philanthropic programs partner institutional strategic priorities with donor's values & interests.



**Donor community** is increasingly sophisticated.



They demand higher levels of **transparency, stewardship, management of funds**, etc.



Difference between **charity giving** (transactional) and **philanthropic partnership** (long-term).

# Donors give *through* organizations; not *to* organizations.



Higher level gifts are being shopped around and involve **less donor loyalty**.



Confidence level that this is the right **organization**, right **plan**, and right **leaders** to solve the problem is essential.



Donors want **impact/change**.



Milestones and **higher levels of accountability** to results are the new norm.

# *Fundraising is Evolving*



# Fundraising is Evolving



## Relationship-based & Engagement-focused Fundraising

1. Mission Centered
2. Belief Driven
3. Donor Engaged

# The Cause Selling Cycle



**Phase One**  
**Phase Two**  
**Phase Three**

# REFLECTION

"I've learned that people will forget *what you said*, people will forget *what you did*, but people will *never forget* how you *made them feel*."

- Maya Angelou

# Donor Cycle



*Another way to  
think about  
it...*

## The Six “I”s

1. Identify
2. Introduce
3. Interest
4. Involve
5. Invite
6. Invest

**CORE  
CONCEPT**

**PASSION!**

# Types of Gifts

**Annual Gifts**

**Major Gifts**

**Principal Gifts**

**Transformational  
Gifts**

**Planned/Legacy  
Gifts**

**Blended Asks**

# Identification

- Gathering and analyzing names of / information about potential prospects



# Qualification

- First substantial engagement between Development and Prospect that determines a prospect's capacity and propensity to give



# Cultivation

- A conversation or series of conversations and engagements that deepen the prospect's interest in specific initiatives



# Solicitation

- Asking the prospect to make a gift



# Stewardship

- Thoughtful continued engagement that stewards not only the gift itself but also the donor's commitment



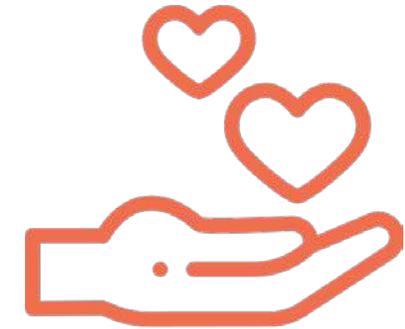
# Donors Must Have:



**Linkage to Your Cause**



**Interest, Inclination, & Propensity**



**Ability & Capacity**

# Raising Money Together

- **Personal** philanthropic commitment (stretch)
- Talking about your **institution affiliation**
- **Pride** in programs
- **Role modeling**

# Raising Money Together

- Asking/inviting to **“learn more” tours**
- **Salon** events
- **Signing** of invites, emails and letters
- **Peer** screenings
- **Volunteer recruitment**



Fundraising is a **team** sport.



# Questions?

**Please send them in the chat!**





# CONTACT

**Kathy Drucquer Duff, CFRE**



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**[linkedin.com/in/kathydrucquerduff/](https://www.linkedin.com/in/kathydrucquerduff/)**





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with Kathy Drucquer Duff, CFRE  
Founder, KDD Philanthropy

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## Mark your calendar!



## BUILDING PROGRAM CHAMPIONS

February 4, 2020

10:30 a.m. – noon PST / 1:30 – 3:00 p.m. EST



Often schools or units will look to create a **Board of Philanthropy Committee** when they want to expand their philanthropic efforts.

Learn about the champion model, discover the role of a **champion**, and learn how to convert champions to **influencers and donors**.



# DON'T MISS OUR NEXT WEBINAR!

When ***IT*** Hits the Fan: Everyone's Role in  
Crisis Communications

**December 18, 2019**

11:00am – 12:00pm PST

2:00pm – 3:00pm EST

**[Register Today!](#)**

**Thank you**

TAKE **YOUR CAUSE** AND  
**CREATE IMPACT.**

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