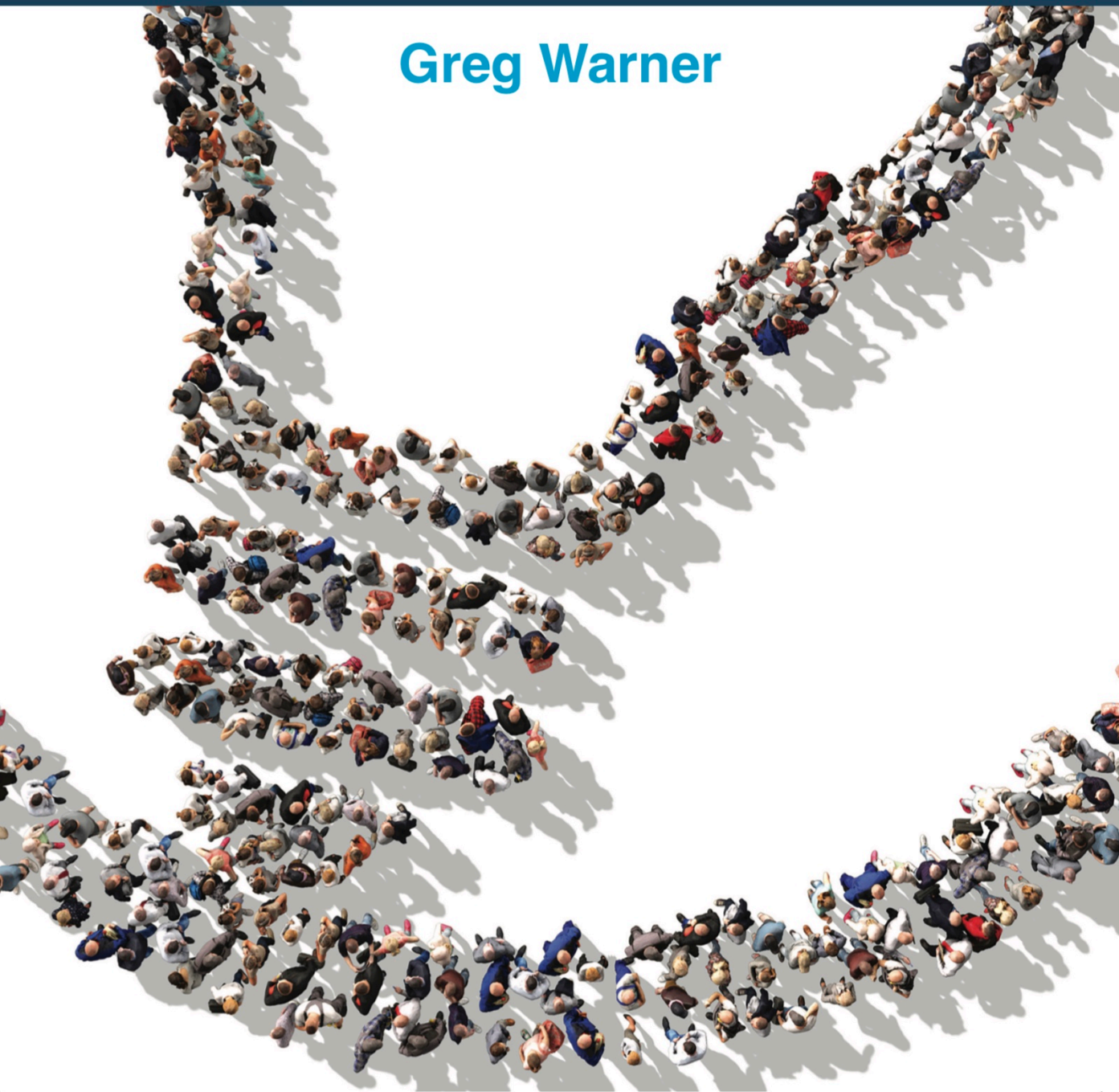




ENGAGEMENT FUNDRAISING

How to raise more money for less in the 21st century

Greg Warner



Praise

It's not hyperbole to say that *Engagement Fundraising* has changed the way I approach fundraising.

— **Tracy Malloy-Curtis, JD** Legacy Giving Director,
Mal Warwick Donordigital

I love *Engagement Fundraising* because Greg wrote it based on his own first-person donor experience. His entire body of work, because of that, truly puts the donor's wants and needs at the center of every philanthropic interaction. The impact of that is significant.

— **Andrew Olsen** Senior Vice President, Newport One

Greg takes an aggressive whack at conventional fundraising thought and practice in his convincing and practical book, *Engagement Fundraising*. He is one of the few fundraising practitioners I know who understands that fundraising is not about the money—it is about engaging the donor. In this easy-to-read book, he presents his market-tested ideas, strategies, and approaches to effective fundraising. Greg calls us all to cast aside the old way of doing things. Then he shows us a better way. This is a must read for anyone who wants to engage with donors more effectively.

—**Richard Perry** Founding Partner, Veritus Group

In *Engagement Fundraising*, Greg Warner passionately reveals the twenty-first century donor-centric strategy practiced by MarketSmart. His fresh, technology-driven approach is a powerful way forward for those interested in engaging people to inspire more philanthropic support.

— **Michael J. Rosen** President, ML Innovations;
Author, *Donor-Centered Planned Gift Marketing*

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Engagement Fundraising
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100 percent of net proceeds from the sale of this book will be donated to support the search for a cure for diabetes.

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Inscription

This is for the donors, volunteers, advocates, and members who want to change the world but need an organization bigger than them to get it done.

This is for the employees at nonprofits who work tirelessly for the donors, volunteers, advocates, and members.

And most of all, this is for the people who desperately depend on all of the above. People like my wife, Nessa, whom I love more than anything in the world. She needs a cure for her type 1 diabetes—the wretched disease that has encumbered her life since she was just nine years old.

This is for others like her: the sick, the poor, and the hungry. The wounded, underserved, and distressed. The defenseless, needy, and unfortunate.

This is for humanity and for generations to come.

Chapter 6

Don't Ask—Offer!

Most nonprofits focus too heavily on *asking* and don't *give* enough to their supporters. Low donor retention rates reflect this imbalance.

If offers are catalysts that stimulate engagement, interest, and consideration, why isn't more emphasis placed on them? Perhaps it's because the nonprofit's staff has a hard time recognizing why offers are needed and how they work to raise money. I've heard fundraisers admit that their concept of offers was based on retail offers like two for one, 40 percent off, and buy one get one free. How in the world could that apply to fundraising?

Some fundraisers wonder why we need offers at all. I once heard a marketing coordinator at a nonprofit say, "I thought we're supposed to be asking and they're supposed to be giving." The irony is that nonprofits that give to their supporters inspire reciprocation in donations that far exceed the cost of the original gift. If you give, you get!

Creating Powerful Offers

Fundraising offers are powerful because an exchange of money only happens if some value is provided in return. Pure altruism doesn't exist in philanthropy. Even anonymous donors get value in the satisfaction of knowing their anonymous gifts are helping others.

Some fundraisers involved in direct marketing know the value of providing offers—but instead of delivering value aimed at major donors, they provide it to new and low-dollar donors. The most familiar example comes in the form of personalized address labels that cost pennies to produce but might yield an average donation of around \$100, a big return on investment.

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Remember, the reciprocation (the donation) generally far exceeds the cost of the original gift. Fundraisers who provide high-value offers for their high-value donors generate exponentially greater dollars at very low costs.

Sadly, many midlevel donors, legacy society members, and even major donors go long stretches without receiving offers. Even a thank you note can be considered an offer. A simple note provides donors the opportunity to reminisce about their own greatness for having done something good to improve the world.

Decades ago, Jerold Panas touched on the importance of gratitude and how it makes donors feel good in his classic 1984 fundraising book, *Mega Gifts*. Panas wrote about an experience he had with a zoo's board member named Mary G. Roebing. Mary once admonished the fundraising team (including Jerry), saying, "Now, Jerry, one thing you must remember. People like to be thanked, they want to know that what they have done is appreciated, really appreciated. When we get a gift that we think is special, let's find a way to thank the person at least seven times before we ever ask them again for another gift."⁸

Because she was a major donor, Mary knew what it felt like to be thanked, appreciated, and offered opportunities for more engagement. She also knew that the more she received from fundraisers, the more she became inspired to give again. She understood that donors like her want something in exchange for their cash even though they often won't admit it.

Still wondering how to know what your donor wants? Step into their shoes. Your offer should facilitate the decision-making process by showing prospective donors how they will benefit and what's in it for them. Help prospects think about how to have a meaningful life, how to deal with their digital inheritance, how to pass on their legacy (ethics, morals, lessons learned), how to tell their story. Tap into the emotions of your supporters.

⁸ Ibid., page 57.

Three Things to Do Before the Ask

Jerold Panas's story about the importance of gratitude compelled me to come up with a simple methodology to help fundraisers maintain a "giving" mindset. The "3-to-1 Major Gift Fundraising" tool helps fundraisers focus on offers. For every single donation you receive from a major supporter you should 1) thank them, 2) report on the results, and 3) provide an engagement offer before asking for another gift.

To put this idea into action, you simply write down the donor's name. Then, after you send your personalized, heartfelt letter of gratitude, you can put a "check" in the box beside the words "thank you."

Next, find a way to report to your donor what happened with their gift. What was the impact? Be honest. Be transparent. Be real. Personalize it as much as possible. Once you've done that, put a "check" in the box next to the words "report on results."

Last, reach out to offer your donor a meaningful engagement experience. Perhaps you could email her a chance to view a video of your program staff doing great things as a result of her support, or you might send her a note written by someone she helped. Once you have provided that engagement offer, you can put a "check" in the box next to the words "engagement offer." After all three check boxes have been marked, you can consider asking for another gift. I bet you'll get it.

Would you like some of these pads? My staff ships them to fundraisers all over the world for free. Simply order them online at www.imarketsmart.com/321.



1 Thank You + 1 Report on Results + 1 Engagement Offer = Ask for Next Gift

Trust me on this. Focus less on their money. You'll reach your goals faster and at lower cost if you focus more on giving them offers to help them satisfy their needs and desires.

Make Your Offers Opaque

People generally avoid thinking about giving away their money while they're alive. To most, decreasing what's been earned and saved as a result of decades of perseverance and hard work is unnatural. Giving money away isn't easy.

Andrew Carnegie once said, "I resolved to stop accumulating and begin the infinitely more serious and difficult task of wise distribution." Carnegie was born in 1835. But it wasn't until 1889 that he began to devote himself to efforts to give his money away. He was 54. It was then that he wrote the now famous article in the June issue of the *North American Review* titled the "Gospel of Wealth" in which he proclaimed that the rich should use their wealth to benefit society. Carnegie said before his retirement, "I couldn't imagine what I could ever do with so much money."

Unfortunately, many people today aren't of the same mindset. Many wealthy people have financial advisors who mostly recommend monetary growth and preservation tactics. They see their role as one that helps their clients keep and grow their money, not give it away.

There's another reason people try to avoid discussing legacy giving: thoughts and conversations about making bequests conjure up images of their own death.

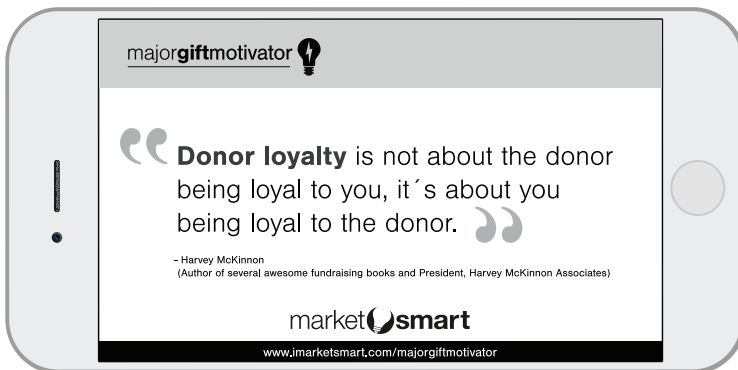
The best way to overcome these obstacles is to make your offers opaque so supporters only see and consider what's right in front of them.

Without opaque offers, fundraising can be like diving into shallow water. It might seem like a good idea until you bang your head on the bottom. By then it's too late. Your offers will have sounded like asks. People will feel pressured, shamed, and embarrassed.

Don't be fooled by thought leaders who profess that the number-one reason why people don't give is because they weren't asked. It's not about asking, it's about facilitating, and facilitating only involves asking when the time is right. Pressing your supporters to give early in the process will backfire without first delivering opaque offers for engagement.

Wondering what an opaque offer looks like? Software companies like mine are famous for providing opaque offers mostly at the awareness and interest stages of the customer journey. They include free reports, webinars, apps, widgets, and more to get potential customers into the funnel and move themselves forward in the decision-making process. We recognize that we can't ask a potential buyer to make a major decision right away. So we take it slow. We deliver opaque offers that satisfy needs further away from the final outcome we hope to achieve.

One such offer is the MajorGiftMotivator series we mentioned earlier. We know that fundraisers combat rejection daily. They need motivation to keep going. So we created an automated system that sends fundraisers (who opt in, of course) a single, powerful motivational quote once a week, every Tuesday morning. The quotes are from leaders in the field, tailored for major gift fundraisers. You can sign up for them at www.imarketsmart.com/majorgiftmotivator.



An example of one of our weekly major gift motivational quotes.

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This offer helps fundraisers help themselves. It provides value and it makes them feel good. It also aligns perfectly with the target audience we hope to attract and builds goodwill among a solid list of high-value potential customers. Later, when the time is right, we might ask them to buy from us, but not at the beginning of the process. First, we provide opaque offers so they'll stay focused solely on satisfying their own needs.

It works in major and legacy gift fundraising, too. Just like our potential customers, potential donors need to first clearly see the value, reward, or benefit of leaning in. The early offers must be opaque and solely align with value they'd appreciate based on where they are in the consideration process.

Talking to donors too soon about making a major gift or bequest will typically cause them to avoid the subjects. Remember, reducing one's net worth is usually perceived as a losing proposition, and planning a bequest often reminds people of their impending doom. These are not impulse decisions. Like marketing high-value software or services, you have to employ a long-term engagement strategy that recognizes where people are along the consideration continuum and provides value to make people feel good every step of the way.

Opaque offers wrap donor engagements in positivity to help them take small steps forward. They cloak the issue of giving for everyone's benefit. For instance, we've found that major and legacy prospects appreciate opaque offers that help them involve themselves with information about how they can become philanthropic, make an impact, or live on in the minds of others after their lifetimes. These offers are not about giving or making a bequest. They don't remind people about reducing their net worth or their own demise. Instead, they're the sugar that helps the medicine go down.

You and I both know that giving, like medicine, can make people feel good. Without sweet, opaque offers preceding an ask, however, solicitations seem blatant and unpleasant to a donor—like medicine that leaves a bitter aftertaste.

More opacity is needed at the early stages of the consideration process. Alternatively, when donor desire is burning and they're ready to take action, the offers can be much less opaque. At that point the asks can be more blatant and straightforward.

One successful productized offer we provide our clients that works well at every stage of the consideration process is a legacy journal workbook, *The Memoir Maker*. You can develop an offer like this yourself to provide value for your donors. Here's how it works:

- You reach out to your supporters offering to help them think about their autobiography, and what they want to pass on to their family and friends.
- The help comes in the form of a personalized and branded workbook they can use to ask themselves questions about their life story and how they want to be remembered.
- The workbook also encourages your supporters to think about and list which causes are important to them and why.
- There is no ask.
- The workbook can be mailed to them or downloaded as a PDF online.

This offer works for a wide range of supporters including midlevel, major, or legacy cohorts. It develops awareness and interest in your organization while building trust and a desire to reciprocate. It also helps to facilitate engagement while encouraging donors to tell you about themselves, their needs, and their desires.

Another offer is the *Tell Your Story Campaign*. It's an opportunity for donors to tell how their life narrative and mission entwines with the mission of the organization. For example, a donor to the Ocean Conservancy might write

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about his fun memories of going to the beach and fishing with his grandfather since he taught him to care about the creatures of the ocean, and he wants to help preserve those creatures' habitat. That's a story he'd like to share and doing so helps entwine him with your mission even more. Once he's finished typing he can even upload a photo of his grandfather. Of course, we ask permission to post the stories or use them on social media. Then, others read them and the stories trigger similar feelings as they, too, entwine their positive emotions forever with the Ocean Conservancy and its mission. In the end, the donors' relationships with the brand become expanded as their sense of community is invigorated.

Need an offer for donors with a burning desire to take action? One of our clients was involved in a capital campaign with a goal of funding a \$26 million construction project. They wanted to rebuild a hall on campus that was first constructed back in 1964 when the college had only biology, chemistry, and physics majors and just 750 students. Now they have more than 1,800 students and 10 science and engineering majors. The new building includes a 60,000-square-foot renovation as well as a 40,000-square-foot addition, making it a perfect opportunity for donors to gain notoriety by naming rooms, halls, and even the entire building.

We suggested they offer donors who are ready an online interactive tool that includes architectural drawings. The tool helps donors visualize their names on parts of the new building. If they want to learn more, they can fill out a form to talk to a Gift Officer about the offer right away.

Valuable offers like these have the potential to reach wider audiences. They can sometimes be more powerful than direct asks, especially if you remember that value is in the eye of the beholder. Step into their shoes and make sure the right offers reach the right donors at the right times.

Stop offering prospects things they don't want. For instance, stop offering them a chance to be in your legacy society unless the membership provides real benefits. Stop offering estate planning financial calculators that hardly anyone understands (except lawyers and CPAs). Also, for goodness' sake,

stop offering a cup of coffee so you can update them on what's going on.

Instead, craft offers aligned with your supporters' needs and entwine them with your mission. Help them find meaning in their lives and feel good. Facilitate the decision-making process by showing them how they'll benefit and what's in it for them. Support their desire to tap into their own emotions. Connect their life narrative to the problem and the solution. Give to them first with a focus on where they are in the consideration process, their needs and desires—not their money—and your donors will want to become your partner.

Soon enough, their major gifts and legacy gifts will require your assistance and facilitation. The amounts involved and the legal and tax considerations will necessitate your involvement and expertise. Once your offers engage supporters enough and make them ready to act, you'll get to roll up your sleeves and do what you do best: meet one-to-one with them to enhance the relationship, facilitate giving, and make the donor feel good!

Provide Offers That Deliver Value in Line with Needs

You don't "grow out of" diabetes. My wife continues to face the struggles of the disease every day, and we continue to volunteer and donate. We're on the radar of charities that fight the disease, which means we receive their communications, direct mail, and offers. Sometimes they inspire us, sometimes they don't.

Here's one that failed. We received an ask right before the holidays. It was a letter asking for a donation, and it used the law of reciprocity by giving us free Thanksgiving recipes. The letter came from an organization that we cared about deeply and in which we were already interested. In fact, a few years ago I told their Director of Planned Gifts that I included them in our estate plan by beneficiary designation in my life insurance policy.

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The outside of the envelope referred to the recipes included inside. That sparked our curiosity. It wasn't a particularly personalized or emotional offer but it was timely. We were happy to receive the communication, so we opened the letter.

It was a great offer except for one thing. The recipes included ingredients she couldn't eat—sugar! Sadly, the diabetes charity sent my diabetic wife and me recipes to make foods she shouldn't eat. My wife looked at me with tears welling up in her eyes. I looked to see why, then grabbed the envelope and threw it in the trash.

Hard to believe, but it's a true story. Their offer delivered no value because it was entirely misaligned with our needs and downright offensive. Although it might have been a good offer for families that don't include diabetics, for us the offer made no sense. I applaud those fundraisers for their employment of opaqueness. But in this case, they dove into shallow water and hit their heads.

Of course, we still want to support organizations funding research for a cure for diabetes, but not necessarily by giving to that organization. That day they left us feeling alienated and annoyed.

To make sure this doesn't happen to you, consider that offers are “boxes” of value that you give to your prospects. What's inside the box should be different yet meaningful in the right way for every donor. No one wants to receive an empty box—or even worse, a box filled with items that are inappropriate and make the person on the other end feel worse than they did before.

Think about your offers before you send them. Don't piss people off. There are real people receiving your letters, emails, and phone calls who are eager to support your efforts. You owe it to them to be considerate and thoughtful. Give them value in line with their needs.

Focus on Your List

Imagine you live in Miami, Florida, and in November you receive a beautiful, very clever postcard from your local hardware store advertising 50 percent off snow shovels. You visit the store soon after and learn that the marketing department for the chain of stores (located in Chicago) mixed up the lists, sending the wrong offers to the wrong people. The offer was supposed to be sent to people living in Massachusetts where it's cold and snowy. The creative was great, but the list was wrong.

Too often marketers and fundraisers spend way too much time on the creative aspects of direct marketing. Yet the creative is the least important aspect of any approach. I recommend you only spend about 5 percent of your time and money on that component of your direct marketing plan. In fact, an ugly design with the right offer sent to the right audience will beat a beautiful, witty, creative package sent to the wrong list every time. If your list is bad and your offer doesn't resonate and provide value, it won't matter how creative and pretty you designed your outreach and how good the timing is.

First and foremost, what makes offers work best is a *qualified list*. It's the most essential component for the success of any direct marketing plan. You should spend about 60 percent of your effort making sure you have a great list. Collect verbatims and digital body language over time so you can segment your audience properly according to their capacity, their needs, where they reside along the consideration continuum, and so on. Doing so makes the list hyper-qualified.

After the list is pulled and segmented, a *quality offer* is next in importance. Spend at least 20 percent of your time and energy developing offers that draw people in to engage, are highly relevant (thanks to your segmentation), and provide tremendous value in the form of good feelings and relevant benefits.



Where you should focus your efforts when creating direct marketing communications.

Match Offers to Donors

Richard Perry, founding partner of Veritus Group, said on his blog:

In major gifts, the successful MGO (Major Gift Officer) needs to identify the interests and passions of the donor, then present a program to that donor that matches those interests and passions. Done correctly, these activities eventually cause an economic transaction.⁹

I couldn't agree more. You have to find out why they care, what programs they care about, who they might like to commemorate, and so on. If you match the donor's needs and interests with an offer that delivers value, you'll engage her in a way that will be more likely to lead to a gift.

The one thing I would add is that MGOs should leverage technology to identify those interests and passions faster and more cost-effectively. They can also consider leveraging technology to match the donor's interests and passions with their programs.

For example, imagine you work for a museum. A previous donor who responded to a survey recently recounted the fact that her mother took her to the museum as a child and they shared many wonderful afternoons looking at the exhibits. Her mother passed away last spring. The donor also mentioned that

⁹ Richard Perry and Jeff Schreifels, "Tips on Selling Anything in Major Gift Fundraising," Veritus Group, last modified February 17, 2014, accessed December 2, 2017, <https://veritusgroup.com/tips-on-selling-anything-in-major-gift-fundraising/>.

her mother appreciated the fact that the museum held a program for mothers and daughters every Mother's day. In the survey, the donor also said she had jewelry she'd consider giving away. Yes, we've asked this in surveys, and yes, people respond!

Wouldn't it make sense to offer her an opportunity to honor her mother through a commemorative gift that uses the jewelry (which might have been her mother's jewelry) or some other asset to fund an endowment that would keep the Mother's Day program running for all time? That donor doesn't want return address labels. She wants to find meaning in her life. She wants to honor her mother's life, and she wants to make other people's lives better.

Develop these kinds of offers, match them to the right people, and donors will engage.

Align Offers with the Consideration Continuum

Now, before I go on, remember the 80/20 rule (the Pareto principle). If we're smart as we develop our offers, we're focusing on generating major gifts, encouraging legacy gifts, and moving mid-level donors up. We're also recognizing that donors build relationships with nonprofits the same way they build them with people: slowly!

It takes a long time. People don't suddenly become best friends overnight. It happens through many lightweight engagement experiences instigated by offers that provide value, such as:

“Would you like some company?”

“I'll walk your dog while you're away.”

“Want to go see that movie with me?”

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Of course, later, if the relationship grows, the offers might become more permanent:

“Would you be my child’s godmother?”

It’s the same with the relationships people build with nonprofits. That’s why you probably won’t want to ask for money during the first encounter with a major donor. Now more than ever, your fundraising strategies need to exhibit patience and your engagement offers must align with every stage of the relationship. They must provide value to your supporters based on where they are in the consideration continuum and sync with the outcome you hope to realize from the engagement.

So before you develop an offer, consider:

- What is the outcome I hope to achieve?
- What do I know about the donor or the segment of donors I’m targeting?
- Where are they in the consideration continuum?
- What are their wants, needs, and desires?
- What can I do for them that will provide value based on what I know and what they want?
- And, finally, how does my offer align with all of the above? Will it help support a donor’s decision making or facilitate a gift?

Effective Engagement Fundraising offers often provide intangible benefits. They might:

- Make people feel better about themselves.

- Give people the opportunity to learn something new.
- Enable people to get in touch with their personal life mission.
- Allow people a chance to improve themselves.
- Provide them an opportunity to give back.
- Deliver insight into the effectiveness of your programs.

For instance, an offer to make a donation online (designed for people at the action stage of the consideration process) might help someone feel they're making the world a better place. It might give them a warm fuzzy feeling, or, perhaps, help them fulfill a religious obligation.

Alternatively, an offer to watch and share a video about children in an impoverished foreign country getting tons of bottles of clean drinking water might help them feel good about supporting your programs in particular. Or if that offer was aimed at people in the awareness stage, it might be tweaked to inform them of the need that exists—one that your organization solves.

And finally, an offer to download a report about how one can get a tax break and a steady income stream for life while also helping support a charity will give a supporter a chance to improve their current state. That offer should probably be aimed at people who are already aware of your mission and need to either build interest or desire before taking action.

Make Your Offers Novel

Humans love novelty. That's why car manufacturers continuously update their models, Apple releases updated product enhancements every few months, and McDonald's brings back the McRib sandwich whenever pork prices drop deep enough to ensure profitability.

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Providing novelty in the offers you deliver to your supporters can also be exceptionally effective. Novelty can draw forth their engagement and help people move themselves through the consideration process. People are naturally drawn to opportunities to acquire new information or become involved in fresh, new experiences because it makes them feel good.

Proof of why we are drawn to novelty was provided in 2006 by researchers at University College London. They found that novel information and experiences trigger the release of dopamine—the feel-good chemicals—making us feel like there might be a reward waiting just around the corner. Their research suggests that we apparently anticipate positivity in association with novel offers.

They also found that novelty improves memory. By combining novel, new information with familiar information during learning sessions, their subjects' memories of the familiar were boosted by 19 percent. In other words, providing your supporters with new information or new ways of engaging with familiar concepts may help them retain an understanding of your organization's mission, need, and how they can make an impact.

You might be thinking that all this talk about novelty contradicts the research I mentioned previously on repetition. “Don't we want repetition, not novelty?” you might ask.

The key point is that repetition can breed familiarity and trust in your organization, but you will eventually hit a point of diminishing returns. People will get sick of hearing the same message over and over again. With novelty, we're talking about bringing something new into the mix of your offers for engagement. Offers for engagement require novelty to attract attention and to ensure that people become less worn out by your repetitive messages.

The bottom line is that if you want people to engage with you more and remember what your organization can do on behalf of donors like them who want to make an impact, make sure your offers are novel.

Ask for Engagement

Depending on your strategic objectives, you'll want to employ offers that range from "soft" to "hard." Hard offers ask supporters to take action or make a commitment right now, while soft offers ask supporters to respond or engage in ways that do not require much significant or careful consideration.

Offer "do's":

- Make sure the offer aligns with your mission.
- Design it to add value to your supporter's life.
- Be clear, simple, and specific.
- Tell them what you want them to do.
- State or imply how they will benefit.
- Use the word "you."
- Make it urgent so the reader takes action now.
- Include a call to action.
- Make it easy and convenient.
- For hard offers especially, portray the problem as big but solvable.

You might not be able to accomplish all of these do's in one effort, but you don't have to. The list includes things you should consider as you develop your offers.

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And here are some “do nots” you’ll want to avoid:

- Avoid being overly creative or clever—hoping your supporters will figure out what you want them to think or do will be unsuccessful.
- At all costs, do not drive people into a brick wall by leaving out a way for them to take action.
- Don’t ever be so dramatic that the solution seems unattainable.

Engagement Fundraising is not transactional. It’s not about taking someone from the starting line to the finish line in one episode. It’s about giving people a low hurdle to overcome in order to get involved. Good Engagement Fundraising offers work because expectations are lowered, making them fair and safe. There’s no pressure on the supporter to give money or take some other action. All that’s offered is value. You give and they get. Best of all for them, they don’t have to give anything in return.

Your offers don’t necessarily have to cost much either. They just need to provide a reason for people to engage with your mission in a way that provides value for them because of the relevance to their needs and desires.

Aim to involve people with your offers. It’s not about asking for money; not right now. In many cases, asks should be made by Gift Officers anyway. Believe it or not, if you’ve delivered outstanding offers that’ve been properly aligned with the donors’ needs as they traveled through the consideration process over time, your donors might self-solicit and give on their own. That’s a good thing because the cost of donor visits is only going to increase.

Here are some examples of solid Engagement Fundraising offers we’ve used on behalf of our clients at MarketSmart. There are many more. But this will help you get the idea so you can come up with offers on your own.

Is Your Offer Worth Sending?

- Is it fun?
- Is it novel?
- Is it fair?
- Is it honest?
- Are you being transparent?
- Is it shareable?
- Will it evoke emotion?
- Will it make them feel good (release dopamine and/or oxytocin)?
- Will it provide a sense of community (connection with others)?
- Will it help educate or inform?
- Will it help them feel like the hero in their own life story (provide feelings of autobiographical heroism)?
- Will it give them a sense that they can live forever in the minds of others (provide feelings of symbolic immortality)?
- Will it enable them to give back or pay it forward to others?
- Will it give them notoriety and/or praise?
- Will it enable them to right wrongs they want to change in society?
- Will it give them a feeling that they're being religious or that they may be able to satisfy their religious dictates?

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- Sign up for notifications about new blog posts and you'll learn _____.
- Take the survey so you can tell us what you think.
- Volunteer and you could make great new networking contacts (or meet new people, develop new skills, teach your skills to others, feel needed and valued, give back, improve the lives of others, or simply make a difference).
- Share this and your friends will appreciate that you did!
- Give conveniently using your donor-advised fund.
- Make your donations go further when you give to our Challenge Campaign in which a matching grant from a generous major sponsor doubles your gift.
- Tell your story about how and why you share our mission using our new widget and then you can share it (on Facebook or other social media) with your friends.
- Create your autobiography using our fun workbook so you can pass on your views, ethics, values, and story to future generations.
- Create your ethical will using our fun workbook to share your life lessons with your family and friends.
- Learn how to create a will and prepare your estate plan using our free workbook (or by requesting our kit, joining our webinar, attending our seminar, etc.) so you can provide for your loved ones and the charities you believe in.

- Check out our webinars (videos, infographics, bulletins, and/or any other ways to show “what you did with their money”) so you can see the impact your donations make.
- Try out our helpful app (widget, game, calculator, locator map, and/or any other ways to help improve your supporters’ lives).
- You’re invited to attend our science and research event so you can learn how our researchers are using your donations to search for a cure.
- Get a special VIP tour of the facility so you can see firsthand how your donations have built a foundation for successful impact.
- Subscribe to our e-newsletters (advocacy alerts, financial reports, updates, and other news) so you can stay up-to-date.

Effective engagement offers are powerfully self-actuating. They help supporters intrinsically understand that they can make a difference. They help them feel they have a true philanthropic partnership between themselves and your organization because they feel personally valued, involved, and listened to.

Great offers show donors what your organization can help them accomplish if they empower themselves by investing in your organization so together you can make an impact. They reduce the need for uncomfortable asks because they help donors move themselves through the consideration continuum and even solicit themselves. When offers leverage technology to provide value in highly relevant ways that align with the consideration process, prospects self-qualify, self-educate, self-involve, and, finally, self-solicit.

Don't ask so much for money. Ask for engagement. Don't be a fundraiser, be a facilitator. Give offers and you'll get donations.

Automated Cultivation: More Than “Moves Management”

I’ve never really felt comfortable with the phrase “moves management.” If you’re unfamiliar with the term, it refers to a process Gift Officers or other fundraising professionals use for moving donors from cultivation to solicitation.

Moves management requires you to develop a strategy and implement a plan for every single donor or prospect on your list. The plan would consist of everything that you would do for, or with, a donor to get them to move through the consideration process and take action. Then the plan would be executed ensuring that the “moves” are made. Of course, the strategy could be readjusted and refined over time with newly formulated moves.

The good news is that the concept is donor-centric (it’s about the donor, not just their money). It places emphasis on taking notes to document the moves, which is a good practice for ensuring that the relationship-building process garners the attention and focus it deserves. Finally, it involves gathering information over time (progressive profiling) about a supporter’s biography, interests, passions, and giving histories.

What makes me uncomfortable about the phrase is that it seems to place a lot of weight on the Gift Officer “moving” a specific (usually small) set of donors to give within a certain time frame, rather than enabling supporters to move themselves.

Even the term’s originator, Dave Dunlop, shares my concern. In an interview with Jim Lord, author of the classic book on fundraising titled *The Raising of Money*, Dave said the term “can easily be misunderstood, so people start ‘making moves’ and making a game of moves, rather than really recognizing the process we’re a part of is inspiring people to do the things that we believe they would want to do anyway. Really helping them accomplish what is consistent with their values and interests.”¹⁰

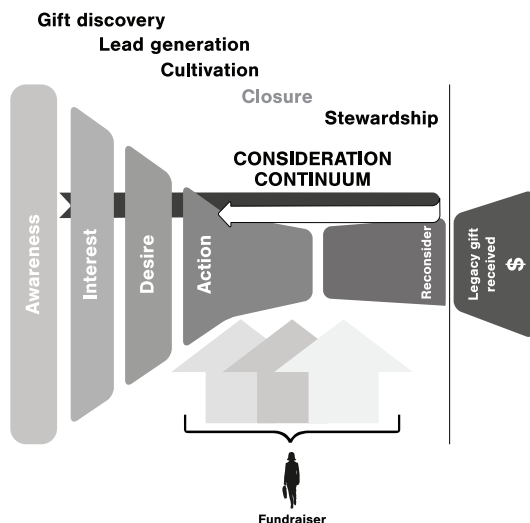
¹⁰Jim Lord, “So I Asked Dave Dunlop: Is “Moves Management” Misunderstood?” The Center for Leadership Philanthropy, last modified January 21, 2016, accessed December 2, 2017, <https://leadershipphilanthropy.com/so-i-asked-dave-dunlop-is-moves-management-misunderstood/>.

Cultivation is challenging work. It involves gathering massive amounts of information, keeping track of vast quantities of details, writing personal letters and emails, and so forth. Everyone in the business of raising money knows they need to do it, but hardly anyone can afford the time and effort required to do it exceptionally well.

Now the technology exists for attracting interest in major gifts among a larger audience using engagement offers instead of moves. That's why I think it's time to *do more than moves management*. Nonprofits should leverage technology to automate the tedious, time-consuming, inefficient, and expensive cultivation process for their Gift Officers. They'll spend more time with the most highly qualified prospects who want to have a deeper relationship and are ready to meet with a fundraiser skilled in facilitating the exchange of money for value.

Leveraging technology enables you to widen the funnel to create a feedback loop and engage with more major and legacy gift prospects than you ever could on your own. In Engagement Fundraising, the donor is more in control of the process than the fundraiser. With Engagement Fundraising, the donor gets to decide if, when, and where he'll engage.

Don't get me wrong: the old moves management approach works. It's just a clunkier version of what technology can do now for more people, effortlessly. The best approach is a blending of the two. If you let technology handle the moves and provide the offers that empower a donor to move herself through the process, then you can handle the moves necessary to facilitate the giving action once the donor is ready for a deeper relationship and face-to-face contact.



Gift Officers can be much more efficient and effective if they spend time with supporters who are ready for one-to-one engagement.

How MarketSmart Simplifies Cultivation

Engagement Fundraising using the MarketSmart dashboard captures all the data generated from prospects and blends them with an algorithm based on over 20 years of major donor behavior and psychology. This tracking technology assigns an engagement score to show you how engaged prospects are in relation to their likelihood of making a gift. The engagement scoring is based on each supporter's online and offline involvement with an organization's mission. It provides fundraisers with *actionable intelligence* about new donors, repeat donors, and legacy society members.

The system then automates customized, highly relevant drip emails that are personalized by the technology and sent on behalf of the nonprofit in a cadence that's right for each donor. They are usually text-only email "touches" that look like they came directly from a Gift Officer. They provide value. They offer supporters opportunities to engage further by clicking on links that are likely to interest them based on their verbatims, their digital body language, and where they reside along the consideration continuum.

By leveraging technology, engagement fundraisers automate the process of cultivation to save themselves time and money. Donors appreciate the process because it recognizes their desire to engage with your mission at times of their choosing. If they want to learn more at 3:00 A.M. in their pajamas, so be it.

The technology is not a requirement for reaping the benefits of Engagement Fundraising techniques. It just makes it easier, less costly, and more donor-centric. The only real requirement is a mind shift to a new way of thinking about charitable fundraising and technology. It's about leveraging new tools to treat donors fairly. It's about providing valuable offers. It's about engagement. And it's about doing all of that so your organization optimizes its staff to spend most of their time facilitating transactions with people who are ready—not on managing moves.

The Four Selves

The beauty of automated cultivation is that the potential donor is in control of choosing when and if to engage with your organization. Remember that donors don't want to be qualified by you. They prefer to qualify themselves. Similarly, they'd like to educate themselves, involve themselves, and solicit themselves. These are the “four selves” of Engagement Fundraising:

- Self-qualification
- Self-education
- Self-involvement
- Self-solicitation

Just as you and I prefer to opt in to receiving emails from a marketer, donors prefer to opt in to be in your portfolio. Engagement Fundraising recognizes this truth and ensures that portfolios of major and legacy donors include people that have *qualified themselves*.

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Of course, the Pareto principle applies here. Those who have been asked to opt in should first have the capacity to give, as well as some passion and interest in your organization's mission. The thing to remember is that Engagement Fundraising should always be permission-oriented. A donor should have the opportunity to decide whether they want to have a deeper relationship with you and your organization, when they'd like it to move forward, and at what pace.

Furthermore, openness and transparency also apply. Imagine the level of trust you'll engender if you turn your organization into a reality show. Imagine if your supporters could see and hear about your struggles as you help your donors maximize their impact. How grateful would they be for your efforts? How trusting would they be once they see how well you accomplish your mission on their behalf or how honest you are about your challenges and failures?

Could reality TV be part of your nonprofit's future? Perhaps that goes too far, but the fact remains that donors today want you to enable their self-education about the impact they can make and how your organization can help them do so. Are you allowing your supporters the chance to *educate themselves* about the things they care about most at times that are convenient for them?

Next is involvement. Are you providing your supporters with opportunities to immerse themselves more deeply in your mission? One of the best ways to generate major gifts is to invite high-capacity supporters to join your board or a committee. Why not ask them to become a non-board-related volunteer?

Volunteerism is the gateway drug leading to major giving and legacy gifts. Proof is offered by statistics from the 2016 U.S. Trust® Study of High Net Worth Philanthropy based on a survey of U.S. households with a net worth of \$1 million or more (excluding the value of their primary home) and/or an annual household income of \$200,000 or more:

- 42.2 percent of high-net-worth individuals want to learn more about how to identify the right volunteer opportunity for them. Are you helping them pick your organization?

- 49.7 percent of high-net-worth individuals volunteer. Therefore, your best prospects are probably already in your midst, right under your nose.
- 55.9 percent of high-net-worth individuals volunteer at two or more organizations. In other words, they're testing you and comparing you to your competition.
- 84.3 percent give to some, most, or all of the organizations for which they volunteer. They don't just give their time; they give their money, too.
- High-net-worth volunteers give 56 percent more dollars overall than nonvolunteers with similar net worths.¹¹

Although volunteerism is a highly effective way to involve high-capacity supporters more deeply in your cause, there are other, more arm's-length offers you can provide. For instance, why not deliver opportunities for them to take a tour, attend a webinar, watch a video, or have any other experience that will make them feel good? The question to ask yourself is, “Are you enabling *self-involvement*?”

Finally, I saved the best for last—*self-solicitation*. Engagement Fundraising helps create circumstances that lead your supporters to ask themselves to act, solve problems, and take stands. Oprah did that when she decided to build a school as she met with Nelson Mandela. John C. Harvard did that in 1638 when he made his deathbed bequest to create the first institution of higher education in the United States.

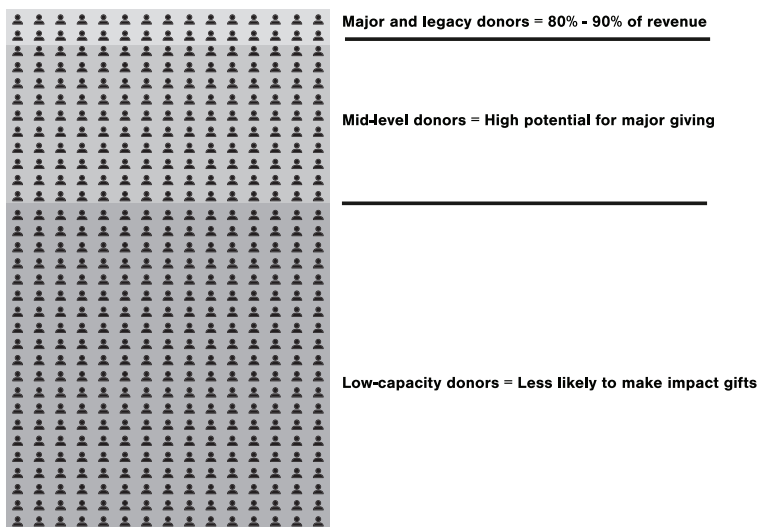
In the private sector we say, “People don't like to be sold, but they love to buy.” Similarly, people don't like to be targets of fundraising, but they love to give. Your efforts need to provide opportunities for self-actualization among your high-capacity supporters so they'll solicit themselves once they have belief and confidence in your mission and your ability to carry it out on their behalf.

¹¹ “The 2016 U.S. Trust® Study of High Net Worth Philanthropy: Charitable Practices and Preferences of Wealthy Households,” U.S. Trust®, last modified October 2016, accessed December 2, 2017, http://www.ustrust.com/publish/content/application/pdf/GWMOL/USTp_ARMCGDN7_oct_2017.pdf 2016.

The Digital Donor Concierge

If your organization has 10,000 active donors, it's very likely they'll be categorized as follows:

- A small number will generate 80–90 percent of the revenue.
- Midlevel donors will have a lot of potential for major giving.
- Low-capacity donors will be much less likely to make impact gifts.
- All of the above could make legacy gifts, but 80 percent of the dollars from those gifts will come from 20 percent of the legacy donors.



Breakdown of major, legacy, mid-level and low-capacity donors.

With that in mind, engagement fundraisers must challenge themselves to optimize how they spend their donors' dollars on performing stewardship functions, cultivation communications, and solicitation efforts. Should they call

every single donor after each donation no matter how large or small the gift? Should they send personalized, hand-written thank you letters? Should they visit every single donor and legacy society member? Yes, because donors deserve all of that. But it isn't realistic, right?

It's impossible to provide first-class service and high-quality communications to everyone. So, fundraisers are forced to screen their donor files for capacity, sort them to build portfolios, and write moves management plans. At least that *was* the case.

Enter technology. Donors deserve highly relevant, highly personalized, heart-felt communications, and now they can get it. Technology—more specifically *the digital donor concierge (a virtual steward)*—has now made it possible to provide more supporters with first-class, VIP, “red velvet rope” experiences.

Imagine a very wealthy supporter is in Australia. You're in the United States. A couple of days ago he was on your organization's website reading your blog stories about supporters like him who funded the construction of schools in Africa. Later, at about noon for him (around 8:00 P.M. on Sunday night for you), he gets an email seemingly from you. The email invites him to click on a link to view a live feed streaming video of children playing before their classes begin outside of the school built thanks to his gifts. He clicks on the link, watches the streaming video, and feels terrific. He replies to the automated email he thought you wrote. You're busy helping your kids with their homework and your smartphone buzzes letting you know you just received his message. You briefly skim it and it says:

“Thank you so much for sending me that link. I'd like to fund the construction of another school. Please let me know next steps.”

About an hour later as you're putting your kids to bed, you seemingly send him another email without lifting a finger. The message says:

“Terrific. Glad to hear it. Thank you so much. We appreciate you more

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than you can know. And so do the children. Please click here to see my calendar. Feel free to select a date and time to chat when it's convenient for you.”

A bit later as you settle in for a good night's sleep, you get another notification letting you know that he used your appointment-setting widget. He booked the time to talk to you so you can do what you do best: facilitate an exchange of money for value. Congratulations. Another school will be built soon.

Welcome to the future of Engagement Fundraising, the digital donor concierge.

MarketSmart is pioneering technology that makes it possible, through artificial intelligence and machine learning, for fundraisers to become exponentially more efficient and effective. Our clients are benefitting from its efficacy already, but we're just getting started. We aim to help fundraisers zero in on high-capacity supporters already teed up for conversations with you when they have a burning desire to give and are ready to take action.

The digital donor concierge won't replace fundraisers, but it will help them raise more money, faster, and at lower cost. It will help them migrate mid-level donors into major and legacy gift caseloads. It will help them steward major donors and legacy society members. It will do all of this and so much more. It will also give donors the experiences they deserve, and give you more time to live your life.

The digital donor concierge can help support your efforts to deliver offers that are effective and self-actuating. It can help support your efforts to treat supporters well, ensure they receive value or information, and make certain they intrinsically understand that they can make a difference.

Then, when they see the need, they will self-solicit. When they feel personally valued and listened to, they will pay for the privilege to make an impact. Once they understand what your organization can help them accomplish, they will step up, essentially *buying* empowerment to change the world.

Appendix

Glossary: A New Lexicon for 21st-Century Fundraising

I hope the following explanation of the terms I've used in this book are helpful. Some of them, like *Engagement Fundraising* and *digital donor concierge*, are my own. Some are used in other sectors and I've taken the liberty of using them to reinvent the fundraiser's vocabulary. I hope you'll embrace them as you move forward as a fundraiser dedicated to your cause—and dedicated to the engagement and delight of your donors.

Actionable Intelligence – Information that can help you focus your activities and costs on the people who will most likely make the greatest financial impact the soonest; verbatims and digital body language.

Digital Body Language – Online engagement behaviors of supporters such as email clicks, page views, time on site, frequency of visits, etc.; what supporters do as opposed to what they say.

Digital Donor Concierge – MarketSmart's pioneering technology that uses artificial intelligence and machine learning to provide a VIP experience to donors by delivering perfectly timed offers that are effective and self-actuating.

Donor Delight – Best-in-class customer service in the nonprofit sector; aka stewardship or donor relations.

Donor Journey – The consideration process of a donor that's viewed as a continuum from awareness to interest, desire, and action, repeat giving and finally legacy giving.

Engagement Fundraising – A donor-centric approach to fundraising that focuses on making offers of valuable content to engage supporters and make them feel good until they're ready to make a gift.

Feedback Loop – The two-way conversation created when a fundraiser delivers valuable content that causes a supporter to opt in and reciprocate in some way. As the supporter provides additional information, the fundraiser is able to listen and respond in ways that grow the relationship.

Four Selfs – The four behaviors that allow donors to navigate the fundraising process on their own: self-qualification, self-education, self-involvement, and self-solicitation.

Hard Offers – Offers that ask supporters to take action or make a commitment at the time of the offer. Offers that ask supporters to respond or engage in ways that do not require much significant or careful consideration.

Marketing Automation – Technology and software that uses actionable intelligence to automatically deliver highly relevant, personalized, and contextual online experiences that satisfy donor needs with the right information at the right time.

Progressive Profiling – Collecting actionable intelligence to monitor supporters and capture new information about them as they move through the donor journey.

Self-Solicitation – The act of moving oneself to the point of giving as opposed to being “moved” by a fundraiser.

Soft Offers – Offers that ask supporters to respond or engage in ways that do not require much significant or careful consideration.

Show Up and Throw Up Fundraisers – Annoying fundraisers that talk about their own agenda instead of listening and paying attention to the wants and needs of the donor.

Spray and Pray Fundraising – Aiming direct mail and spam at people who could care less.

Verbatims – The exact words used by your prospects and supporters to tell you why they care; what supporters say as opposed to what they do.

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THE TIME HAS COME.

This book is for you if you know your job is getting harder because donor expectations have changed, the old orthodoxies and conventions don't work anymore, and competition for the charitable dollar is growing. **Engagement Fundraising** was developed from the perspective of a donor who discovered firsthand that the impersonal, spray-and-pray approaches of his beloved charity were not only offensive but also wasteful and ineffective.

With **Engagement Fundraising**, you can be the fundraiser you want to be, helping wealthy and legacy-minded individuals find meaning in their lives through giving. The key is in leveraging smart strategies and powerful technologies to engage your supporters with highly relevant, captivating, respectful communications.

Try **Engagement Fundraising** and the results will speak for themselves.

“I'm impressed. Absolutely superb! I hope you sell a kazillion books!”

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“This book really helps bring fundraising into the 21st century by providing a clear, contemporary strategy and implementation plan. If you are considering whether or not to read it, you have two options here: (1) Buy it, apply it, and raise more money, or (2) Ignore it and keep your fingers crossed that your competition won't read it first. I recommend option 1!”

DR. RUSSELL JAMES, JD, PhD, CFP®

World-renowned charitable giving expert, professor, researcher, and speaker



Greg Warner is CEO and Founder of MarketSmart, a revolutionary marketing software and services firm that helps nonprofits raise more for less. In 2013 Greg coined the phrase “Engagement Fundraising” to encapsulate his breakthrough fundraising formula for achieving extraordinary results. Using their own innovative strategies and technologies, MarketSmart helps fundraisers around the world zero in on the donors most ready to support their organizations and institutions with major and legacy gifts.

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