



DEBUNKING THE MYTH OF BILL GATES: Finding Major Donors

Looking for “rich” people can waste time and resources. Instead, look under your nose.

BY VALERIE REUTHER

Forget Bill Gates, Ted Turner, Jane Fonda, and the laundry list of inaccessible rich folks. Major donors to your organization are right under your nose.

First, let’s take a minute to define “major donor.” A major donor is someone who gives a large gift to your organization. “Large” is defined by what is appropriate to your organization, given your budget size and the total dollars you raise from individuals. A major donor may be someone who gives \$100, \$1,000, \$10,000, or more.

Potential major donors are hiding in your donor base. Conventional fundraising wisdom has shown that a person may give 10 times the amount they normally give through the mail if they’re asked face to face. Gifts through the mail or from less intimate sources are impulse gifts. But when asked in person, the donor must give a major gift serious consideration. Thus, the gift becomes a thoughtful gift and is often much larger.

If you have a lot of donors in the \$50-\$250 range, you can prioritize who to visit by comparing their names to donors recognized in other organizations’ annual reports, play bills, and additional places where donors are listed by gift range. You will find donors who give you \$25 or \$50 but give other organizations thousands of dollars. Ask

other fundraising professionals to review your list and indicate potential major donors. And while you’re at it, ask your other donors, your board members, and organizational allies to review the list as well.

You have another pool of potential major donors—people who have not yet given to your organization, who we call



“prospects.” According to Kim Klein, author of *Fundraising for Social Change*, the three components to defining a prospect are:

1. Access. To have access to potential donors, you must know them personally or know someone who will make the introductions.

2. Belief. The prospect must believe in your organization’s work. Prospects needn’t know your work specifically but must generally support related causes.

3. Ability. The donor must have the ability to make a major gift. Don’t get hooked up here and look only for “rich” people. Remember that fully half of the \$114.4 billion given away by individuals in 1995 was given by households earning \$50,000 *or less*. House, cars, and vacations can be an indication of wealth, but they can also be an indication of debt. When you search for potential donors, you are looking for people who are known givers and who support your work.

You need all three—access, belief, and ability—to make a viable prospect. If you have only two of the three, some work is called for. For instance, you know Betty Long has an interest in your issue and gives to similar causes, but you don’t know Betty; you need an introduction. Does someone on your board know Betty? Another one of your donors? The “introduction” might entail organizing lunch for the three of you, writing or signing a letter, making a call on your behalf, or letting you use the person’s name with the prospect.



CREATIVE FUNDRAISING IDEAS

Raise Funds with Postcards

Did you know you can send a prospect a postcard 12 times a year for less than \$3? Not only are postcards inexpensive to create and mail, they don't need to be opened and they get super-fast response. By mailing the same postcard two weeks later, you get a 60% response on the second mailing, according to *How to Market with Postcards* (available for \$15 from MailShop USA, Suite 2708, 4679 W. Chester Pike, Newton Square, Pennsylvania 19073, 800-618-6050).

Ask for Support

When you want newcomers to join your fundraising efforts, don't ask them to become "members." You'll have much better luck asking them to become "supporters."

You'll also have a higher response if you ask donors to renew their support of your organization than if you ask them to fund one of your programs. In fact, asking for renewal is twice as effective as asking for program funding.

Source: William Dodd, writing in *DM News*, 19 W. 21st St., New York, NY 10010. Reported in *Communication Briefings*, 1101 King Street, Suite 110, Alexandria, Virginia 22314 (phone 703-548-3899; fax 703-684-2136).

Let Carnivals Take You to New Heights

Contract with carnivals to help raise funds for your organization in return for your sponsorship. You provide the advance publicity and the permits to operate, while the carnival brings all the rides and personnel to your town. A successful event can raise hundreds of thousands of dollars for your organization. For more information, contact the Outdoor Amusement Business Association (OABA), the largest trade association for the carnival industry, at 4600 West 77th Street, Minneapolis, Minnesota 55435 (800-517-OABA).

Two great sources for prospects are your board members and other major donors. Ask your board to list everyone they know who could give your group a gift at the low (or high!) end of your major gift range. Tell them in advance to suspend disbelief about the donors' potential giving level and to be objective. Maybe each board member feels comfortable asking people on their list for money. If not, they can make the introduction while someone else actually makes "the ask."

As you build your base of prospects, ask each of your current major donors for names of prospective

donors. "You've made an investment in our work. Can you suggest others who could make a similar gift?" Remember to ask for the name, address, phone number, the potential donor's interests, and for an introduction to the prospect. If you ask everyone for leads, your major donor base will double in no time.

Building and expanding your base of major donors is not rocket science, but it is a science. Start with your own donor base, look for people with commitment, be creative at building bridges, and ask your donors to recommend others. You are on your way! ■

Selected References

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Muehrcke, Jill, *Are You Sitting on a Gold Mine? Fundraising Self-Assessment Guide*.

Muehrcke, Jill, ed., *Fundraising and Resource Development, Leadership Series, Volumes I and II*.

Walker, Robert & Drew Bennett, "Major Gifts: Building an Effective Program," *Nonprofit World*, July-August 1988.

These resources are available through the Society for Nonprofit Organizations' Resource Center. For ordering information, see the Society's *Resource Center Catalog*, included in this issue, or contact the Society at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (800-424-7367).

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