

## Introduction

Over the years I have worked with many non-profit organizations just like yours that were passionate about their cause. That passion led to an amazing amount of energy and activity. However, this swell of consistent activity typically did not revolve around fundraising.

And it shouldn't.

The founders, directors, developers, and board members of these groups were passionate about the cause - not about fundraising. They looked to make a difference, not squeeze a dollar out of every living soul they could get their hands on.

Yet, at some point, and usually on an ongoing basis, they realize that effectively moving the "cause" forward takes money. Now I know you are saying--

"You are stating the obvious here".

And I am.

## The Passion to Panic Cycle

That is why I am constantly amazed when I see the pattern outlined below. You may be familiar with it... but not too familiar I hope!

Passionate Focus on Mission Statement  
Begin to Effect Real Change  
Run Out of Money  
Panic!

## Begrudgingly Focus on Fundraising Secure Funds for Expenses – Plus Some Passionate Focus on Mission Statement

I call it the “Passion to Panic Cycle”. And far too many worthy causes are actively engaging in it on a regular basis -- some as frequently as monthly (dare I say even weekly?).

What creates the cycle? And, more importantly, how do you break it?

There are many causes and an equal number of solutions. For now, let's just look at two core challenges non-profits face financially and then get into 8 Simple Strategies you can use to move further away from the “Panic” end of the Cycle and keep closer to the “Passion” side of things.

### Two Core Causes that Create the Cycle

First, a lack of formal training in fundraising.

Second, less than productive effort – aka poor net returns.

Let's look at both of these...

### A Training Challenge

First of all, it's not their fault. There is just not enough formal fundraising training to go around. Most development directors or executive directors have come up through the ranks of the school-of-hard-knocks or are hired because of their exceptional background in corporate finance and/or marketing.

But the dynamics of non-profit fundraising are subtly, if not drastically, different than what they teach in Marketing 101 for corporate America. Thus, far too many people come to positions where they are required to find funds to finance a cause but, really, they lack a foundation of knowledge to see them through. This lack of basic know-how perpetuates the “Cycle”.

The remedy is clear, but not all together simple: Training.

The last 10 years have shown a significant increase in the quantity of training and I believe the coming 10 years will show a large jump in the quality of training. Organizations and individuals frustrated with this shortage are developing, producing, and creating organized and effective systems for fundraising.

These formal and consistent models will have a drastic impact on organizations such as yours.

Earn More Fundraising Systems is, in fact, a product of this frustration. It is true - I have the “Do A Good Turn Daily” bug as bad as any executive director I know. Fundraising has become my passion... my “do good” vent if you will.

## Poor Net Returns

The second cause of the Cycle, the focus of our discussion today, is poor net returns.

You and I both know that not every letter, phone campaign, special event, or pledge program produces solid net revenues. In fact, many have amazing returns, but the cost to get those returns consumes the gross leaving pittance for the net.

So the objective is to maximize the net returns on every single one of your fundraising efforts. The energy has to be put forth anyway, why not get the most out of it that you can?

(A Side Note on Acquisition)

The question that frequently comes up here is this: “What about acquisition efforts? How much should that cost us?”

That is a whole book in-and-of-itself. For now, let me just tell you that it can be a money making proposition. But that takes a bit of extra effort, an exceptional eye for the right list and an excellent copywriter with a proven hand at prospecting letters that work hand-in-glove with their telemarketing scripts.

But like I said, that is another topic for another day.

For now, let me turn your attention to maximizing your current donor efforts.

Creating Synergy

In my mind, the magic of capturing the most dollar for your fundraising dime lies in creating a synergistic effect. It

is not just about doing one good thing right and consistently. Yes, that will help... in fact for some organizations the gap between effective and reality is so wide it makes drastic improvements!

But for most of my clients, the “magic” of lifting their net returns to a level most of us would consider superior, lies in doing a number of things – doing them well – and doing them consistently.

The beautiful thing about these 8 Simple Strategies is that they should cost you very little money to implement (actually no extra money for 5 of the strategies). And you are likely already doing the effort required to put them into action... it is probably just a matter of fine-tuning your systems.

You will also notice that on almost any given fundraising campaign 2 or more of the Strategies can be utilized. Adding this to your existing efforts will help create the magic element of synergy that takes your net returns up and over the top.

Depending on the nature and structure of your organization, it may be that one or two of the 8 Strategies will not be applicable. That's O.K. The ones that do work for you will more than pay for themselves.

## 8 Simple Strategies

The 8 Simple Strategies for Increasing Your Net are:

- 1.Coordinate Your Media and Your Money
- 2.Chase Your Mail with Your Phones

3. Write Like Your Grandma
4. Ask Frequently and Consistently
5. The Magic “Thank You” Note
6. Capture the Heart With An Open House
7. Copy the Check
8. Publish A Monthly (or Bi-Weekly) e-Zine

## 1. Coordinate Your Media and Your Money

To clearly put our minds around the power of this Strategy we need to go back to basic laws of why people give to non-profit organizations. There are many reasons, but a prime motivator is passion.

People become passionate about the causes and issues that you are fighting for. The problem is, few... very few... people have the time, know-how and energy to get in the trenches and really make a difference.

That is where you and groups like you come in. By giving their hard-earned dollar to you, they firmly believe that they are helping to effect some positive changes of one kind or another.

You become their change agent for that cause, that mission, that issue, that ideal.

But people tend to get easily distracted. Yes, your mission is important to them or they wouldn't be one of your supporters. But it is not their life, like it is yours. They have children to love, jobs to attend to, personal struggles to overcome, movies to return, dogs to feed... and on and on the list goes.

The fact is, you are not on their mind 24/7.

And you don't have to be.

You only have to be on their mind when the next appeal hits their mailbox or telephone.

For you math lovers, here is a little secret formula for net success:

$$(\text{Effective Appeal} + \text{Current Donor}) \times \text{Donor's Current Passion Level} = \text{Average Gift}$$

The multiplying factor here is obviously the donor's current passion level.

If you happen to catch a donor in the middle of a personal or family crisis... say a death in the family... forget it. You will lose that battle for attention and passion. The effect will be little - if any - gifts returned to your cause.

But it doesn't have to be that drastic. Really, it could be just something as simple as too much time has lapsed since they last heard from you. Time slipped by, other issues presented themselves and became priority, and you are set aside for the time being.

It happens to all of us with a dozen different things in our lives.

That is where coordinating your media efforts with your money making efforts can drastically boost your returns. In many cases it is simply a matter of getting your PR people in the same room with your development people... or if you are both... talk to yourself.

Here are a couple examples of what I mean by using the media to your net advantage:

Press Release – Depending on the size of your organization and the pull you have with the media this can be a national, state, or local release.

In some cases you will have a mailing, phone campaign or special event that is or can be highly geographically localized.

Regardless of your geographical out-reach, issuing a press release a week or less prior to the drop date will bring the purpose and passion of your cause to the forefront of your donor's mind.

Ideally, the message of the press release and the issue surrounding the appeal would be in harmony with each other. But it does not necessarily have to be. Simply having the donor exposed to you prior to receiving an appeal, regardless of the issue, will have a significant impact on their desires to give and to give generously.

TV & Radio Spots – If you are already planning or have budgeted to do a radio/TV spot why not coordinate it around your next fundraising campaign?

Again the results will be that people have fresh thoughts about your organization and the worthy cause you are working toward.

Associated Cover Story – At times a cover story will pop up that is related to your issue or cause.

You can take advantage of this by always having an effective appeal ready to send out at a moment's notice. Typically, the quickest way to address this is with a phone campaign targeted to the area where the story was run, assuming you have donors in that area.

For example, the partial-birth abortion ban moving its way through congress was an ideal time for pro-life organizations to be in the mail and on the phone fundraising. The same is true for pro-family groups during the heat of the debate on gay marriage.

Be aware of forces that are working in your favor that you did not ask for nor orchestrate. Local and national organizations can benefit immensely from this type of preparation and awareness.

## 2. Chase Your Mail with Your Phones

I have found this to be perhaps the most lucrative and effective of all the Strategies. Yet, far too many organizations do not even consider it.

The power in this Strategy lies in the uniqueness of delivering a personal touch. I realize that it is not likely that you associate telemarketing with a “personal touch”. In fact most of us have come to regard the phone as an evil menace that should be forcefully removed from solicitor's hands, while simultaneously burning them at the stake.

But so typical of many good things, a few crooks have given this powerful personal touch tool a bad name. Telemarketing firms looking to save a buck by hiring young and totally inexperienced college kids to do their calls have not helped any either.

The truth is, a good caller ... trained in people skills, experienced in life and masterful at sales techniques ... can be deadly on the phones (figuratively speaking that is).

I will say that it is not easy to find a solid telemarketing firm that rises to this level of excellence. But they are out there. Some will specialize - or have departments that specialize - in your type of cause. Be patient, ask tough questions and listen carefully to your donor's feedback. The right firm may not be cheap, but believe me, they will be worth their weight in gold.

Here is how it works. It is a simple pattern.

- 1.Mail your fundraising appeal
- 2.Wait 10-15 days for returns to come in
- 3.After the waiting period, clear your list of those that have given

4.No later than 20 days after the mailing dropped, turn the phones on

5.Do a daily scrub of those that mail their donations in. On occasion, a caller will speak with someone who already mailed in their donation. An energetic, “We were calling to thank you for your gift!” goes a long way with donors.

Like I said, the results of using this pattern can be stunning. Consider these numbers from one of my clients (I'm giving you one of the more reasonable examples so you will believe me...):

Pieces mailed:	19,058
Net from mailing:	\$23,745
Additional net from calls:	\$30,443

This Strategy cannot be used with every direct mail piece, but it should be used with most of them... especially your annual membership drives and holiday season appeals.

Hint: This is also an excellent pattern to use when holding a special event. Mail the invitations out and then make a quick reminder call. Attendees will appreciate the service and you will appreciate the boost in your net returns. Using this Strategy I took an event that typically netted around \$95,000 for a client and turned it into a \$225,000 event.

### 3. Write Like Your Grandma

Don't laugh. I am serious.

When I was a boy, I used to love to read letters from my Grandma. She had a clear, easy to read hand. She knew about things that were important to me. She wrote like she talked to me... like I was sitting on the sofa in her living room enjoying a homemade cookie.

Those letters made me feel important, appreciated and loved.

That is exactly how you want all of your communications with donors to be – especially your fundraising appeals.

Remember your object is to capture their heart. When you have their heart, their donation will follow.

If you are currently using a direct mail firm and/or copywriter to write your letters, read their copy with this “Granny” criteria in mind. If it doesn't match-up, find a new copywriter or give your current firm some pointers until they get it.

A couple of key points:

Write conversationally and write to one person... not the crowd

Use indented paragraphs and broken right margins... never use block text or formatting

Use easy to read fonts... something in the serif-type face family. And if you are targeting seniors use 12pt or greater

Make it easy for them to find you. Include return envelopes, contact phone numbers, a website, and email address

Sign it in blue ink. Blue ink is softer and shows you care. It is worth the extra price

#### 4. Ask Frequently and Consistently

Let's go back and review the hectic schedule of our donors. They have very, very busy lives. Remember the old saying, "The squeaky wheel gets the grease"?

To be blunt, you need to squeak a little.

But not only do you need to squeak, you need to do it consistently and regularly. Donors should subconsciously come to know that something will be arriving from you – in the mail, on their email or over the phone - every month, 6 weeks, 2 weeks or whatever frequency you choose to set.

Get them in the habit of hearing from you. It will help them feel that you are stable, consistent and dependable.

How often should you contact a donor? The answer to this question, in some ways is subjective. The patent answer is not to let them go longer than 6 weeks before they have contact with you. But in reality you will have to test your donors.

You can do testing by sending stuff out every 3 weeks for a while. How did it perform? Poorly? Then you are likely pushing them too hard. Move it up. Over time you will find the "sweet spot" that consistently gives you the greatest net returns. This may be 8 weeks. It may be 3 weeks.

You'll know when you find it.

## 5. The Magic “Thank You” Note

This Strategy is my personal favorite. It is one that I discovered out of sheer desperation... and it has worked well ever since... at least for those courageous enough to use it.

First of all, if you are not issuing a “Thank You” card, letter, note or phone call with every single donation that comes in your door, you are making a huge mistake.

More times than I would care to count, I have had development directors or executive directors tell me they cannot afford to implement this Strategy, in terms of either time, manpower, resources, or all of the above.

This just tells me they have not fully captured a sense of the how powerful those two little magic words can be.

But, it also tells me they simply do not understand how to use their “Thank You” system.

“How should I be using my 'Thank You' system?”

Glad you asked.

It is simple: Ask for money every time you send a “Thank You” note.

Before you get all excited and tell me how much this will offend your donors, let me explain...

First of all, you don't ask them out right for money. That would be rude and obnoxious.

Secondly, the “Thank You” note finds your donors in their least resistant state. They are not expecting to be “sold” and therefore do not have their walls up. In fact they are open to ideas and suggestions because you have boosted their ego and self-worth by showing them that someone sincerely cares about them.

**\*\*Urgent Note\*\***

Remember our lesson about how Grandma wrote? One of the key elements in there is that she did truly care. You cannot fake bake your sincerity or it will come out in all your communications. If you and your organization don't already have a deep sense of appreciation for your donors, you will need to find it before you attempt to implement any of these Strategies. Sincerity should be found at the heart of your organization. Once there, it will be your most powerful resource for increasing your effectiveness and, consequently, your net returns.

Third, while they are feeling loved and appreciated they are more likely to be more willing to help than at any other time. You are at the forefront of their mind and, at the moment, they are liking you.

So here is how you handle the “Thank You” note:

- 1.Name - Address them by name. First name... they are your close friends and supporters. This is not a form letter.
- 2.Thank You - Express sincere appreciation.

3. Gift Amount - Include the amount that they gave. Just saying "Thanks for the generous gift" is like the newly weds who don't keep track of who gave them what for their wedding and send out a hundred little generic notes to everyone who signed their reception registry. When you get the note you know they totally forgot what you gave them, but it's sort of O.K... but it certainly doesn't make you feel special.

Far better and much more impacting to say: "Thank you for the kind gift of \$32.51 that you gave."

4. Results - Tell them what their gift did or will do. They need to know the impact they are having. Remember, they are expressing their personal beliefs and charity through your organization. They feel their money is buying changes that they don't have time to make. Reward that desire to make a difference by informing them that they did in fact effect change with their gift.

5. Tell a Friend - Include a return envelope and close your letter with an appeal something like this:

"We know you have already given us so much and really appreciate it. But there is still so much more we can do. Here is something you can do today without spending a dime. I have included a return envelope... will you share your passion for our cause with a close friend and pass this envelope on to them?"

6. Thank You – End by once again expressing appreciation. It can't be said too much.

Now I know what you are saying.

“Do this with every single donation we receive? Won't they get tired of it?”

The answer is maybe. But some of my clients have been doing this for years with the same positive results.

Here's what happens. The first time they get this letter, many of your donors will grab their own checkbook and put a check in the mail to you. Usually it will be less than their average gift, but for the cost of a \$.37 stamp and half of that in printing, what does an extra \$20 check do to your net revenues? It is substantial.

The next time they get the letter they will likely do the same thing or just ignore it... after all they gave extra last time.

By the third time, they will have thought of someone to give it to. If your message is sincere (and they feel it), and if their heart is with you, they will actually begin to look forward to this extra envelope. After all, it is a no-cost, low energy way to help you even more. Very emotionally rewarding.

The first time I personally used this Strategy was during a US Senate race. We desperately needed to increase our donations. The campaign manager and the candidate and the treasurer told me I was crazy and that we would offend people.

Somehow I convinced them to let me try it.

The gamble paid off. Over the course of the last 4 months of the campaign we netted over \$52,000 just on this simple “Thank You” Strategy.

Give it a try. I think you'll be pleasantly surprised.

## 6. Capture the Heart With An Open House

We have talked a lot about capturing a donor's heart. And for good reason. Passionate donors give greater average gifts more often. They become life-long donors.

A skillful marketing and development campaign can gain their love remotely, but little, if anything, compares to the experience of meeting with you face-to-face.

Standing in the headquarters of their favorite non-profit will have a profound effect on them. It becomes real. The names they see on letters and emails come alive. The passion you feel for the cause shines in your eyes... they see it... they feel it.

The visit will create a positive memory that will return to them every time they open your letter, get your call, or read your emails.

There are three different formats that can be used for an open house. All of them should be held at your headquarters, no matter how small or non-fancy you may think it is (in fact sometimes a humble office can actually increase the impact – it sends a message... the money is going to the cause, not the furniture). And remember to always capture their name, contact information and how they know of or are

affiliated with your organization. When they go home, send them off with a brochure, button, fridge magnet... something to remind them of their visit.

1. Formal Open House – this format has a beginning and ending time. Typically no longer than 40 minutes. It would include some punch and cookies – not hors d' oeuvres and definitely no alcohol... this is not a slosh-'em-up-and-squeeze-'em gathering. A short 5-10 min speech by the person in your organization that is most passionate about the work (note: this is not always the top dog CEO or Chairman of the Board... usually it is the executive director). And if you have it, this would also include a short (2-5 minute) video presentation on the work you do and the impact it has. End with some casual Q&A combined with mix & mingle time.

2. Informal, Come & Go Open House – There is still a start and end time, but it is much longer, say about 2 hours. Keep the cookies and punch but get rid of the formal speech. Also keep the video, but have it running in a loop on a TV toward the back of the office with a couple comfortable chairs sitting around.

3. Always Open - Open House – If you do not already have it, your website, brochure and other literature should include an open invitation to come and visit your office. In reality, few will take you up on it, but those that do, will talk about the visit to friends and family.

When a donor comes in, if possible, drop everything and make them king for a moment. Have a 2 minute speech prepared that tells a story of the impact you are having that you can share with them. Show them around the office. Ask about their kids. Find out the dog's name. Be their friend.

Don't worry, if the crowds begin to get big, you will have enough money to hire a "tour guide" so you can stay on the tasks at hand.

## 7. Copy the Check

Here is a little Strategy that I learned from a former finance director in Iowa. His major donor program produced unparalleled net results.

It is so simple... but totally brilliant.

The Strategy is geared more toward your larger donors, but if you have the staff and the right technologies, you can use it for your medium range donors as well. I would not recommend it for your high volume, standard average gift donors. The volume would be simply too much and may not give you the needed returns to make it worthwhile.

Here is what you do.

1.Copy – When a good sized check comes in copy it. I recommend that you scan it into the computer and index it for easy retrieval. This is especially helpful for donors that give healthy checks a couple times a year.

2.Year End Return – At the end of each year pull a list of checks you have copied.

3.Send It ... With a Note – Print out the check(s) copy. On the bottom of the printout hand write (in blue ink of course) a

little note that says, “Thank you for your support last year. I hope you can help the cause again this year.”

Then send it to them with a return envelope.

Again, you will be amazed at the response you get. Try it once and you'll never go back.

## 8. Publish A Monthly (or Bi-Weekly) e-Zine

Again, to state the obvious, you will need email addresses to produce an e-zine (also known as an online newsletter). If you don't have them, begin by asking for them on your reply device, during your telemarketing efforts, and having a space on your website where visitors can sign up.

The success of this Strategy is dependent on accepting online donations. If you don't already do so, get set up immediately. If for some reason you do not believe you have the funds to afford a merchant account and online gateway, you can set up a free PayPal account. ([www.paypal.com](http://www.paypal.com))

In fact, if you have a merchant account, you should know that PayPal has come far enough along and added enough extremely beneficial features that you may consider evaluating your current service against what they offer. You may find the features and benefits are better and the price lower. Reducing costs is another way to increase your net!

In publishing an e-zine you are creating a “drip system”. This is an excellent place to put those people who are on your mailing list, but never give money. It keeps them in the loop... and one day they may just give.

It is also a great place to collect extra funds from your donor base. If you haven't already, you will find that you have different types of donors. Some will only give through the mail. Others only over the phone. Still yet another group will only give online. Cater to them... and why not, it is practically free to do so.

Here are a few do's and don'ts for your e-zine:

Don't – Simply grab a few articles off the Internet and forward them... unless they highlight a very specific action your organization took or solidify a point you are trying to make.

Don't – Under no circumstances should you ever SPAM, ie send out unsolicited emails. It is illegal, unethical and just down-right irritating.

Do – Have 80% to 90% of your content cause driven focusing on the results of your efforts and the benefits you are providing to the populous you serve. 20% to 10% can be advertisements or appeals for money.

Do – Include a link or button inside your e-zine that goes directly to your donation page... even if in a given issue you are not asking directly for funds.

Do – Produce it regularly... some time, same day, same format. Consistency is key in capturing a busy audience.

Do – Keep it short and simple. 2-5 articles. Each article should be readable in 1-2 minutes and the whole issue, read end-to-end, should take less than 10 minutes.

Do – Include easy to find contact information and a way to unsubscribe... preferably toward the top of the letter. Most put it at the very bottom. You will gain confidence points by putting it at the very top of your e-zine.

Do – Send in plain text formatting. You are less likely to be picked up by SPAM filters, your e-zine will download faster and you will not get zapped by anti-virus software.

Hint: Create your e-zine in something like Notepad that has little formatting options. This will help you get creative on the layout and design and allow you to see what the end reader will likely see.

## Conclusion

So there they are – 8 Simple Strategies To Increase Your Net.

I hope you saw a common thread among the Strategies. It is this:

Increasing your net is more about building and strengthening the relationship you have with your donors than about fancy fundraising gimmicks or techniques.

So take a few minutes over the next 2 or 3 days. Sit back in your office and consider how, when, and how often you are reaching out to your donors and strengthening your relationship.

How frequently are you letting them feel the passion of your work?

How much do they know about the results of your efforts... the benefits of your labors?

How do they know they are making a difference?

When they can know, feel, taste, and touch the reality of your mission statement, you will find that your net returns automatically increase. Not just because you will be increasing your average gift, but because they will be giving more frequently and consistently. Additionally, you will find donors giving that have not given in a long, long time.

The consistent application of more than one of the 8 Strategies will create a powerful synergy in your fundraising and your organization.

It is this synergy that will gradually draw you out of the "Passion to Panic Cycle". As you move further away from Panic you will find new reservoirs of energy and creativity. Putting these new-found resources into your organization will be like breathing new life into your cause. It will allow you to more fully turn your focus onto really affecting change.

The positive results will be real, they will be measurable, and over time, they will be dramatic.

May God bless in you in your tireless pursuit of achieving a worthy cause.

