

Year-end campaigning to generate new donations.



A guide for charities to understand donor decision-making and design their year-end fundraising strategies.

About NPcatalyst

Our mission is to enhance the philanthropic culture of communities by providing solutions, resources, and connections to both non-profit organizations and each community's corporate, philanthropic and social leaders.

NPcatalyst is a LLC, located in Reno, Nevada, which provides philanthropic solutions to both non-profits and businesses. Its clients are primarily located in Nevada, California, Arizona, and Texas.

The experience of NPcatalyst's two partners:

- ✓ Roughly 21 years in non-profit management, mostly in fund and board development. Has raised over \$30,000,000 through annual, major, capital, and special event campaigns. 16 years in Reno.
- ✓ Over 20 years of entrepreneurial corporate leadership experience. Most of experience in Orange County, California

**“the holidays are a time to be thankful
for what you have, and give to those
who need it.”**

Year-end giving statistics

- ✓ More than 174 million adult Americans plan to give money to charity between Thanksgiving and year-end.
- ✓ Between 35 percent to 42 percent of online giving happens in November and December.
- ✓ About 40 percent of online gifts are made in December.
- ✓ Giving in December brings in about 1/3 of the fundraising dollars.
- ✓ More than 20% of all giving for the entire year occurs in the last 48 hours of the calendar year.
- ✓ Online giving happens largely between 9 a.m. and 5 p.m. on weekdays.
- ✓ Online giving (by dollars) on December 31 is concentrated between 10 a.m. and 6 p.m. in each time zone.
- ✓ Donors are projected to give through a variety of channels this holiday season.

Generational Giving

- ✓ Online giving brings in wealthier, higher-dollar and younger donors.
- ✓ Seventy-four percent of adults plan to make a charitable contribution this holiday season.
- ✓ Holiday giving is particularly effective with harder-to-reach Generations X and Y.

More statistics

The average total amount holiday givers plan to donate is \$281, while high-dollar donors' average projected donations total \$952.

Number of organizations

- ✓ 22% will contribute to just one organization
- ✓ 55% will spread their contributions across two to three organizations
- ✓ 23% percent will give to four or more nonprofit groups.

Two-thirds plan to donate the same amount as last year, and 12% plan to increase their contributions this holiday season.

Types of organizations

Year-end giving support spans a variety of charitable sectors, but the biggest recipients of holiday donations are:

Human and social service organizations	50%
Faith-based organizations	45%
Disease and health services	29%
Animal welfare organizations	25%
Disaster and international relief	19%
Education-related organizations	15%

Reasons for giving

Donors say appeals that put a face to the donation (either human or animal) and remind them to help those who are less fortunate at this time of year, are most persuasive. A few thoughts to consider...

- ✓ Holiday giving is emotional.
- ✓ Donors are thankful for what they have and give to those who need it.
- ✓ Donors tend to give more when the online experience is intimate and emotionally coherent.

Stats to consider about major donors...

- ✓ One-third of donors with \$100,000 or more in annual income, indicate all or most of their charitable giving for this year has not been planned ahead of time.
- ✓ 42 percent of households with over \$100,000 in income, said receiving a tax deduction was a significant influence on their giving.

Let's switch gears for a moment to consider what donors are possibly thinking and from what angles they're approaching their year-end giving decisions.

Donor Preferences

- ✓ Respond to public, promotional, emotional appeals
- ✓ Easy access to make a contribution
- ✓ Make donation amount of their choice
- ✓ Not be the only donor
- ✓ Know how the money will be used
- ✓ Support a well-regarded and/or well-managed organization
- ✓ Proper acknowledgement

Analyze current year giving

Charitable giving, whether you are a company owner, a foundation trustee, or an individual donor deserves the same reflection at year's end. Why? Because giving is driven by some sort of goal, it is intentional and an expression of values.

Donors, businesses and foundations should reflect on their giving over the past year and review the gifts they made and why. Businesses and foundations in particular need to review and evaluate the success of their giving as a way to redirect their strategies and improve their giving impact in communities. Why? Because companies and foundations have a responsibility to invest their charitable gifts or grants in a manner that strategically impacts people and communities.

Donor's giving is also driven by some goal or reason and using an asset that they worked hard for or saved for. This sounds hard, but giving is a way of investing assets and you want to be able to measure successes so that in the long run you find ways to improve giving as a way for improving lives.

Five tips for a donor's year-end giving

Here are five tips to help donors make the most of their year-end giving:

1. Calculate your income.
2. Review your stocks.
3. Consider a life-income gift.
4. Do your giving early.
5. Talk to your advisor.

Donors should make informed giving decisions

Appropriately stated by [Charity Navigator](#), "Smart givers generally don't give reactively in a knee-jerk fashion. They don't respond to the first organization that appeals for help. They take the time to identify which causes are most important to their families and they are specific about the change they want to affect."

In January 2011, NPcatalyst launched a program called [HealthCheck](#), which analyzes charities in five distinct areas of non-profit management and effectiveness. The five areas are:

- ✓ Institutional Data
- ✓ Governance
- ✓ Human Resources
- ✓ Public Information
- ✓ Finance & Fund Development

**Click here to
review the 300+
charities screened
and analyzed
through
HealthCheck.**

Primary types of potential donors

New prospects; recruited through...

- ✓ social media connection
- ✓ special event attendee
- ✓ friends or contacts of volunteers and donors
- ✓ traditional media – television, radio, paper
- ✓ research of local charities, HealthCheck, NPcatalyst connections

LYBUNTs and SYBUNTs; targeted through...

- ✓ A followup from an annual giving solicitation
- ✓ A review of top past contributors...certain giving levels
- ✓ Based on past donation date or regular date given...primarily concentrating on November and December gifts

Annual donors; targeted through...

- ✓ A followup to Fall annual appeal – it's a simple reminder
- ✓ Based on past donor donation dates
- ✓ Current donors – not a solicitation, but an invitation to send to others

Prospective major donors; targeted through

- ✓ Cultivation process – ask for nominal contributions
- ✓ Understanding of particular prospects who prefer urgency-related requests
- ✓ Board members who haven't given

Styles of donation requests

There are several forms of giving. And, since year-end giving is an urgency-driven initiative, the role of electronics plays a key part in generating and transmitting contributions. Below are the various channels used to solicit funds.

- ✓ Snail Mail
- ✓ E-mail
- ✓ Social media
 - ✓ Facebook
 - ✓ Twitter
 - ✓ LinkedIn
 - ✓ YouTube
 - ✓ Blogs
- ✓ Mobile Giving
- ✓ Phone calls

Types of requests made by charities

Specific needs

- ✓ Funds contributed are restricted
- ✓ Goals and beneficiaries are identified

Challenges

- ✓ Donors announcing challenges to others to meet specific financial goals
- ✓ Can be restricted or unrestricted
- ✓ A way to promote the donor
- ✓ A way to incentivize the organization through a little urgency

Matching gifts


- ✓ Remind the donors of qualifying companies to request matching funds.

General funding

- ✓ Focus is on overall and programmatic needs as opposed to specific initiatives;
- ✓ An easy and cost-prohibitive way to point directly to the "Donate Now" button – if the prospective donor prefers private convenience.

When determining the types of requests and approaches, charities might consider bouncing them off two important questions –

- 1) How does this fit in your annual development plan?
- 2) Will this hurt or help your relationship-building efforts?



**Let's look at a few year-end giving
campaign approaches we've seen.**

Approach #1

1. Plan — August

Identify your year-end campaign messages and schedule, looking at both online and offline. Find out dates of direct-mail distributions, special events, and social media campaigns and messaging.

2. Cultivate — September

Build an e-mail roster of individuals committed to your mission early enough to gain loyalty in time for year-end programs. Launch a cultivation campaign that reminds constituents of the value of your cause and their connection to your mission.

3. Lock down — October

Focus on finalizing your production/editorial schedules; approving and proofing copy and design elements and campaign details; confirming giving-program availability; discussing your internal calendar; and reach out to board members.

4. Kick-off — November

Kick off the campaign — direct mail, e-mails and cultivation pieces with donation asks.

5. Ask — November to December

6. Analyze — January

Approach #2

1. Focus on the top 15 – 30 donors who haven't made a gift yet this year.
2. Identify your top 150 donors (after those above) and visit them.
3. Deploy a matching challenge.
4. Find a way to fit an extra direct mail appeal into your year-end fundraising calendar.
5. Call your donors.
6. Make clean-up calls during the final week of the year.
7. Invest in acquisition!
8. Be intentional about integration.
9. Engage your board.
10. Invest in Search Engine marketing.
11. Develop a special Year-End e-mail series.
12. Don't forget your volunteers, gift-in-kind donors and event attendees.
13. Include a special year-end cover letter in your 4th Quarter newsletter.
14. Create a special ask for monthly donors.
15. Remind donors about corporate matching gift programs.
16. Don't neglect stewardship.
17. Prepare to capitalize on your acquisition efforts.
18. Stay open through the holidays.

Approach #3

Smart fundraisers want to be all over their online fundraising strategies. Use these tactics from Gail Perry to zoom past your year-end goals:

1. Use multiple asks this month and multiple formats.
2. Start now.
3. Vary your messaging.
4. Promote philanthropic gift-giving.
5. Focus on tax deductibility on Dec. 30 and 31.
6. Be sure your website is up to date and snappy.
7. Make it easy to give.
8. Create an extra large "donate now" button.
9. Make your donate page seamless and easy to whiz through.
10. Test your own online donation process.

Approach #4

1. Identify the 10-15 major donors who have yet to give in 2012.
2. Identify 50-100 donors and make face-to-face calls on them to ask them for their year-end gifts.
3. Don't let reluctant volunteers hold you back.
4. Warm up your donors before the ask.
5. Don't forget to add to your prospect list. Use a visual and emotional hook in your appeal letter.
6. Make your appeal letter attractive and easy to read.
7. Make your solicitation obvious and easy to find.
8. Follow up the appeal letter with a phone call.
9. Plan one or two e-mail follow-ups the very last two days of December.

Online giving resource, GiftingWishes, can be used in each of the various approaches to tap into new potential donor bases and generate new funding. GiftingWishes was designed as either THE online giving resource for a charity or an additional source of income (as opposed to replacing the existing online giving tool).



Charities interested in generating new funds can create a free account by clicking [here](#). GiftingWishes applies an 8-10% fee on each transaction, which covers merchant processing, promotional, and website management fees.

GiftinWishes offer to non-profits

During the months of November and December 2012, each non-profit organization registered with [GiftinWishes](#) is receiving a specially-designed year-end giving campaign. The campaigns are designed to increase participation and support. During the final two months of the year, each campaign will feature:

- ✓ Regular social media messaging promotions – blogs, Facebook, Twitter, LinkedIn
- ✓ Special promotion as a “preferred charity” through an electronic bulletin, distributed to a list comprised of over 1,000 business and philanthropic leaders
- ✓ Special attention through local television, print and radio media streams

Organizations which are currently not registered with GiftinWishes, will receive these benefits shortly after creating official accounts on the [GiftinWishes website](#).

Role of participating non-profits

The [GiftinWishes](#)-designed campaigns offer no guarantee for funding success. Inherent in each campaign strategy is the quest to spread outstanding awareness, recruit new supporters, and generate significant funding. It’s not required, nor suggested, that the campaigns replace existing year-end giving initiatives conducted by the charities. However, the organizations participating in the GiftinWishes campaigns are heavily encouraged to leverage these campaigns to increase exposure and, quite honestly, generate new funding. This includes sharing and re-tweeting social media messaging, promoting any stories featured in local media, and informing constituents.

Year-end Giving Campaign Details

Designed and managed by: [GiftinWishes](#), [YourVolunteers](#), and [NPCatalyst](#)

When: November through December, 2012

Registration Cost: FREE

Campaign Fee: 10% of transactions to cover merchant processing, website, and promotions costs

How to Register: [Click here](#) for the simple registration process

Non-profit organizations interested in learning more about the [GiftinWishes](#) year-end giving campaigns should visit www.GiftinWishes.com or send an [email](#) today.

A developed year-end giving strategy can result in increased...

Revenue

- ✓ Can be a little or a lot
- ✓ Each non-profit is different – varying sizes, varying needs, varying degrees of public presence, varying depths of constituencies
- ✓ Roughly 40% of all giving comes in during month of December

Exposure

- ✓ Can be a lot of exposure
- ✓ Local media can play a key role. In most communities, local newspapers, radio stations, and tv networks actively seek 'feel good' and 'community inspiring' stories
- ✓ Social media creates increasing linkages, particularly through Facebook and Twitter
- ✓ Email marketing is a great tool to engage your existing database of constituents

New supporters

- ✓ In the form of new donors and volunteers, a public PR campaign can lure in new batch of supporters
- ✓ Recruits people who were unfamiliar with the organization
- ✓ Gives your development team a great source of new leads to prospect...and they're not cold calls!

Resources offered to charities

NPcatalyst

- ✓ Works with non-profit organizations to analyze past giving practices and develop fundraising gameplans.
- ✓ Works with donors to develop giving strategies.

HealthCheck

- ✓ Analyzes charities in five distinct areas of operations. Results in a “best practices” guide for improvement. Typically benefits the organization through refreshed marketing and fundraising success.
- ✓ Provides donors with donor-based research information, enabling them to make wise (strategic) donation decisions.

GiftingWishes

- ✓ Provides non-profit organizations with an effective and innovative online giving tool. It’s free to create an account; a small percentage is applied to transactions.
- ✓ Gives donors a safe, secure, and trustworthy website to make their online donations.
- ✓ Designing year-end giving campaigns for each charity using GiftingWishes to help raise funds.

Contact us to help you orchestrate an effective year-end giving campaign!



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