



To Affinity and Beyond

Building a Caring, Engaged Community with Fundraising Intelligence



Quick Intro



T. Clay Buck, CFRE

Lead Fundraising Coach iWave
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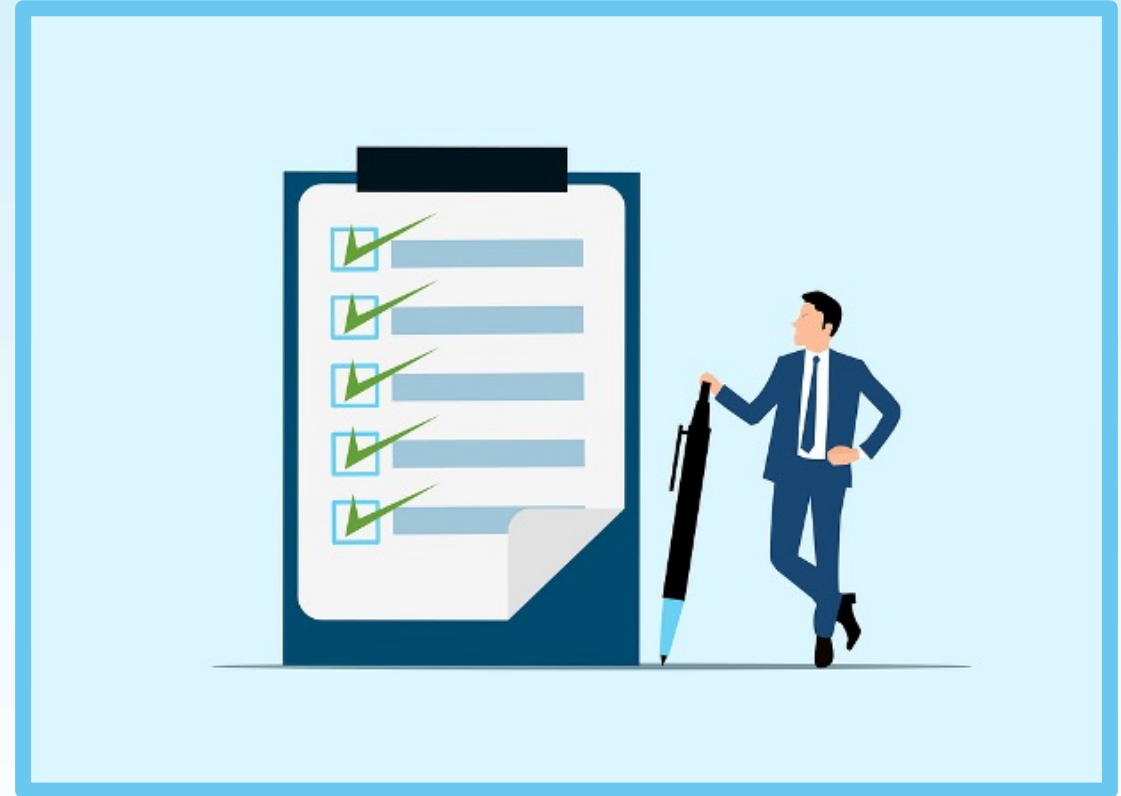
Mary Côté

iWave's Vice
President of Product

What We're Talking About Today . . .



- I. The State of the Sector
- II. What's Working
- III. What's Not Working
- IV. What Can We Do?
- V. Donor Identity and Fundraising Intelligence

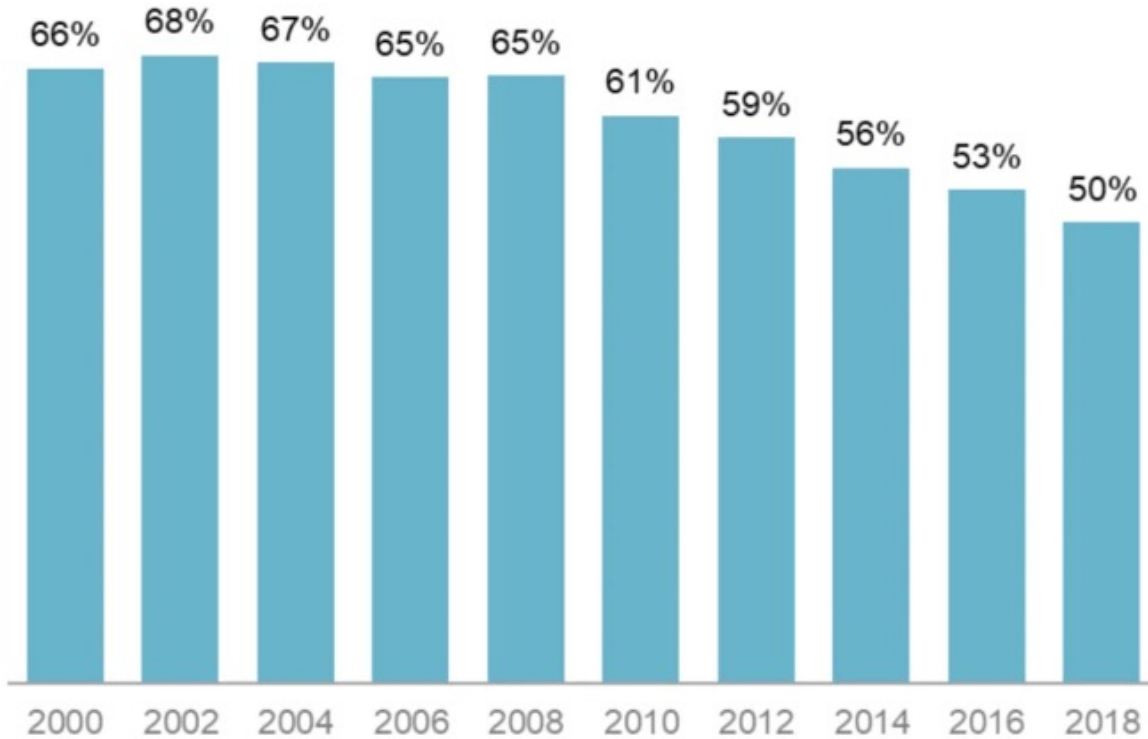




The State of the Sector

Fewer Households Giving to Charity

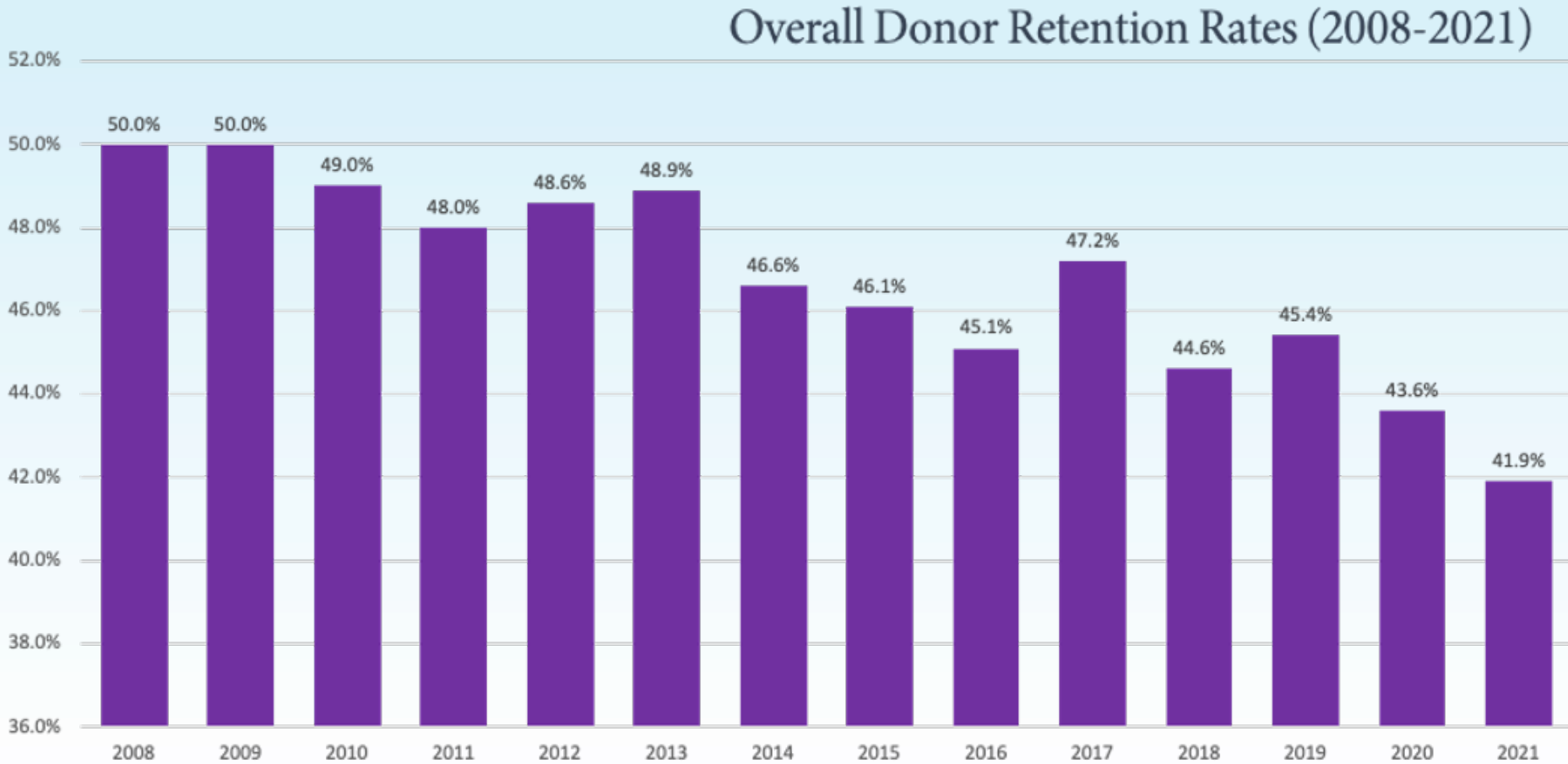
Percent of U.S. Households Giving to Charity (2000-2018)



Source: "The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving," IUPUI Lilly Family School of Philanthropy, July 2021, p. 14.



Donor Retention – Fundraising Effectiveness Project



Source: Fundraising Effectiveness Project/TCBFundraising

Mapping the Global Generosity Ecosystem

Giving Tuesday 2022



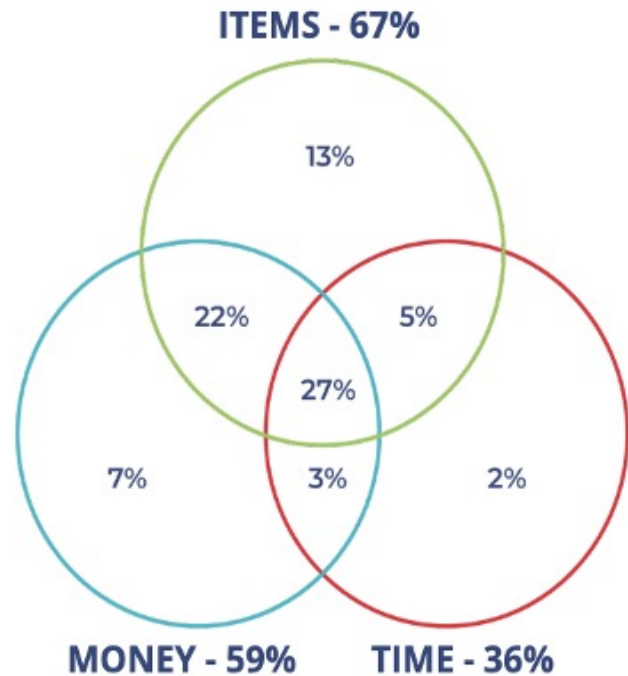
What Happened in Global Generosity?

TOP TAKE AWAYS

- **Almost everybody gave, and gave across all types** - 85% of people surveyed globally gave; non-monetary giving was 2x more common than monetary giving. Globally, only 5% of people who gave, gave money only.
- **Giving happened broadly across all recipient groups** - In the USA, giving to non-registered entities was over 2x more common than giving to registered entities; with most people giving to multiple types of recipients. Only 2.5% of people who gave, only gave money to nonprofits.
- **Volunteering for nonprofits has followed its own unique two-year trend** vs giving of money - increasing 7.4% in 2021 after a severe drop in 2020, remaining far below pre-COVID-19 levels in the USA.

Mapping the Global Generosity Ecosystem

Giving Tuesday 2022



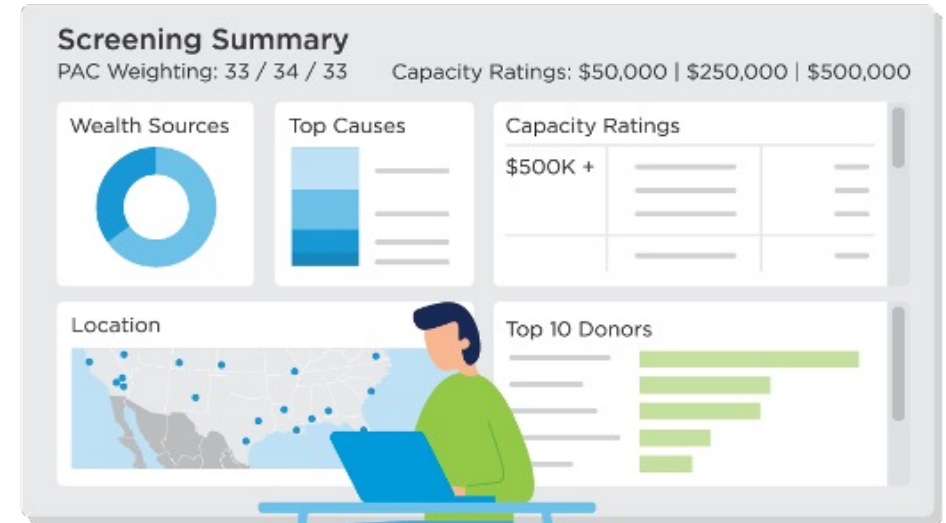
% of Americans who have donated by giving type

ENGAGEMENT OPPORTUNITIES

- **ENGAGE PEOPLE ACROSS ALL TYPES OF GIVING AND NON-GIVING BEHAVIORS.**
A spirit of generosity begets giving, including giving dollars.
- **ENGAGE GIVERS BASED ON CAUSE, NOT BASED ON RELATIONSHIP TO YOUR ORGANIZATION.**
Donors give to causes through a variety of means and structures.

Rise of Data-Driven Fundraising

iWave Clients Completed
50% MORE WEALTH SCREENS
in 2022



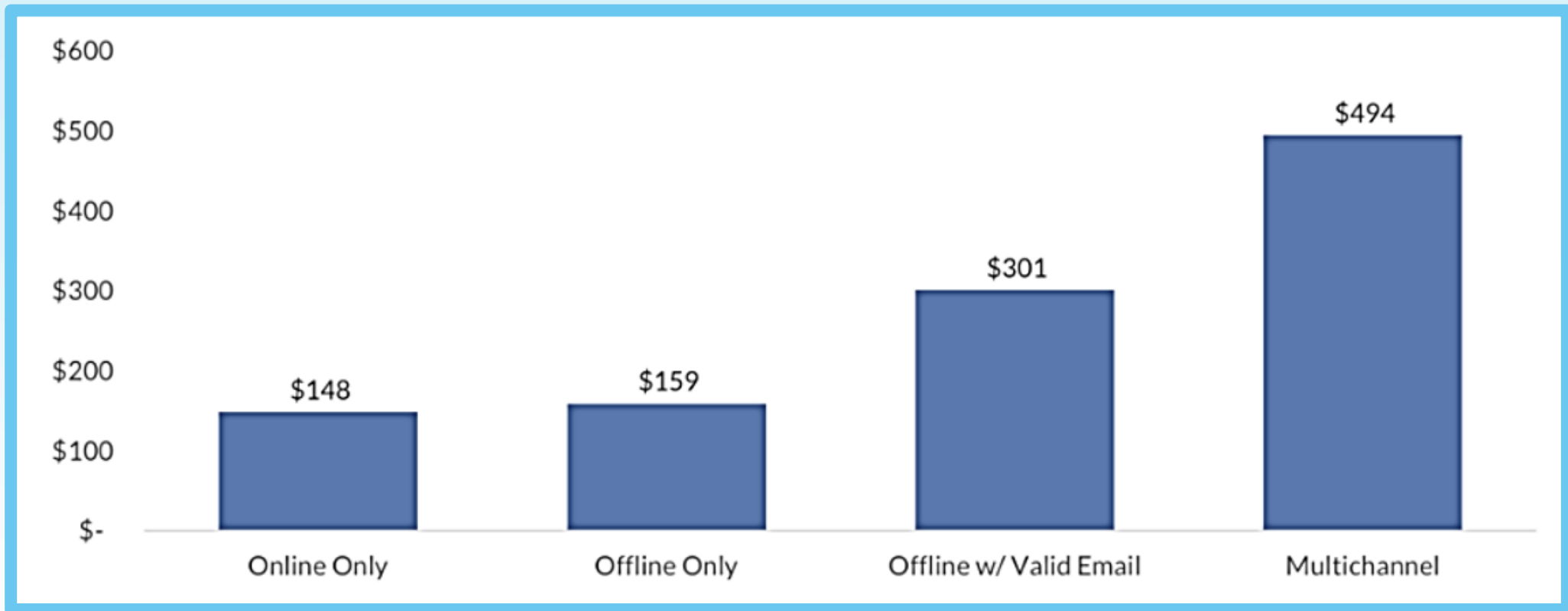


What's Working?

What's Working in Engaging Donors?



In short . . . Everything.



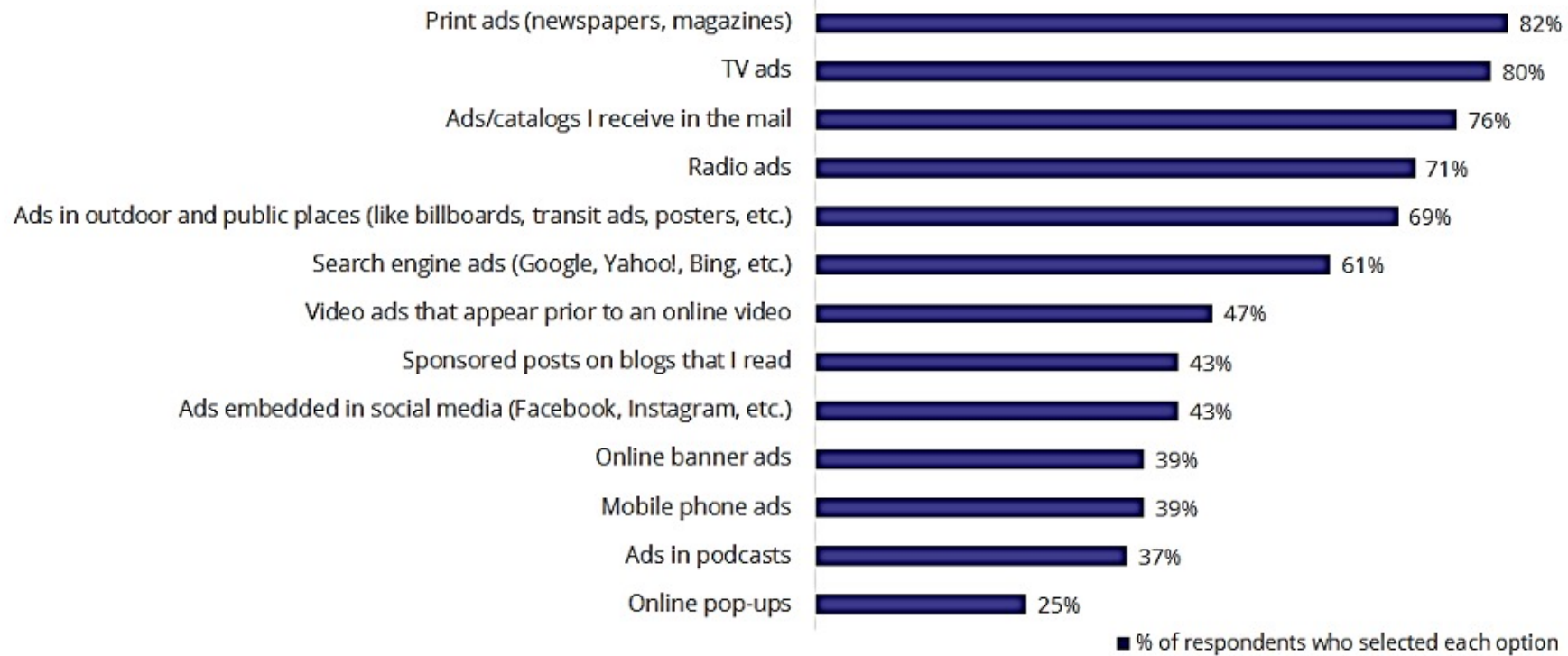
Source: Brady Josephson, www.nextafter.com/blog/advanced-guide-to-integrated-fundraising/

What's Working in Engaging Donors?

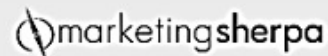
In short . . . Everything.



Q. In general which type of advertising channels do you trust more when you want to make a purchase decision?



N = 1,200



Source: MarketingSherpa

What's Working in Engaging Donors?



In short . . . Everything.

ONLINE GIVING TRENDS

HIGHLIGHTS

9%

Online Giving
Growth YOY

42%

Three-Year Increase
in Online Giving

12%

Percent of Total
Fundraising From
Online Sources

28%

Percentage of Online
Contributions from
a Mobile Device

Source: Blackbaud Institute 2021 Charitable Giving Report



What's Not Working?

From Giving Tuesday Again . . .



People feel good when giving (77% report using their heart when giving), and that leads to more giving! It is the norm for people to give multiple times, in multiple ways, to multiple entities and recipients.

We found evidence that the **declines we see are specific to where we're looking**, and **are due more to how we're engaging people than anything about generosity itself**. Specifically, we believe that we are seeing declines in monetary donors to nonprofits because:

- 1. We're engaging small donors less (and when we engage them more, donations go up)**
- 2. We're engaging donors on our terms** (e.g. the relationship to our organization), and less on their terms (e.g. their relationship to their cause). Donors are promiscuous - they give in many ways, and to many recipients.
Relationships to causes are motivating and strong; relationships to organizations are weaker and less compelling.

Independent Sector Survey on Trust

KEY FINDINGS (PART 1)

The third annual study of trust in nonprofits and philanthropy found that reported trust in philanthropy is holding steady, while trust in nonprofits has marginally trended down in 2022.

Looking beneath the topline numbers reveals potential insights and differences across the who, where, and why of people's trust in the sector.

The data also raises the question of whether underlying systemic issues may impact the public's perception of the nonprofit sector.

1

Trust in philanthropy held steady while trust in nonprofits saw a small downward trend during the COVID pandemic

Today 56% of Americans say they trust nonprofits, down a statistically significant 3-points from the 2020 benchmark study (59%). Philanthropy trust edged down from 36% to 34% during the same period, but this difference is not statistically significant.

2

Low trust across institutions, but nonprofits among most trusted

Trust in major American institutions is quite low – only nonprofits, small businesses, and local community members are trusted by a majority or near-majority of the public. Less than one-third say the same of government, large corporations, and the news media.



TRUST IN CIVIL SOCIETY:

Understanding the factors driving trust in nonprofits and philanthropy

And Because It Bears Repeating . . .



Overall Donor Retention Rates (2008-2021)





What Can We Do?

Giving & Engagement are Fundamentally Human

The research on identity and giving

In October 2020, [Dr Cassandra Chapman](#) wrote a thesis based on the answers of over 1800 people from 117 countries about their charitable giving.

The role of identities had a clear influence on charitable donors, showing three key factors:

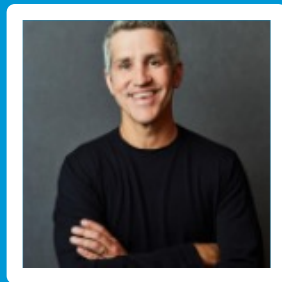
- Nearly half of donors said that giving was directly associated with their sense of 'self' - which groups they belonged to (social identity), as well as their beliefs and values (personal identity). Nearly 60% talked about the identities of the 'other' - i.e. the beneficiaries in terms of their importance, need or power.
- When explaining charity preferences, individual identity and beneficiary identity were both mentioned. In particular there was a strong sway towards wanting to help the most vulnerable - children, animals and the sick. Here, identities most commonly mentioned were based upon family, geography, religion, friendship groups, charity organisations and simply 'being human'
- Donors motives depend on the beneficiaries. Donors were more likely to self-motivate when donating to medical research or religious charities, using stories based on their own experiences. Meanwhile for social welfare, animal and international charities, donors were motivated by empathy for others.

<https://www.charitylink.net/blog/why-donor-identity-matters-for-charities-fundraisers>



Everybody has a story.

When we don't take the time to know someone's story – or worse, create our own version of it – we lose the chance to understand what they need, which is the first step to empathy.



Jon Acuff, Author and Speaker

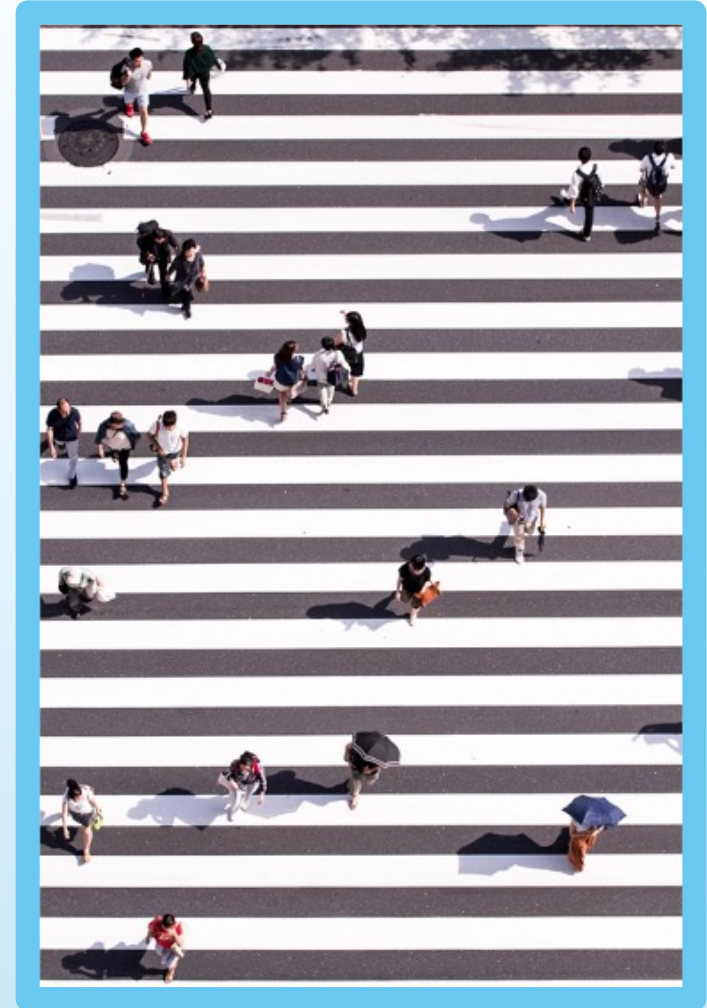
Soundtracks: The Surprising Solution to Overthinking

Identities

Through the lens of Philanthropic Psychology (Drs. Jen Shang & Adrian Sargeant), donors are motivated by the particular identity they're bringing to the relationship.

Types of donor motivation

- Situation-based (external environment motivated)
- Relationship-based (*motivated by relationship*)
- **Identity-based (motivated by who we are as a human being)**



Moral Identity



“a set of moral traits that may be amenable to a distinct mental image of what a moral person is likely to think, feel, and do.”

Aquino, K., & Reed, I. I. (2002)

The self-importance of moral identity. *Journal of personality and social psychology*

The Most Commonly Cited Traits of a Moral Person

I think I am...

Kind

Caring

Compassionate

Fair

Friendly

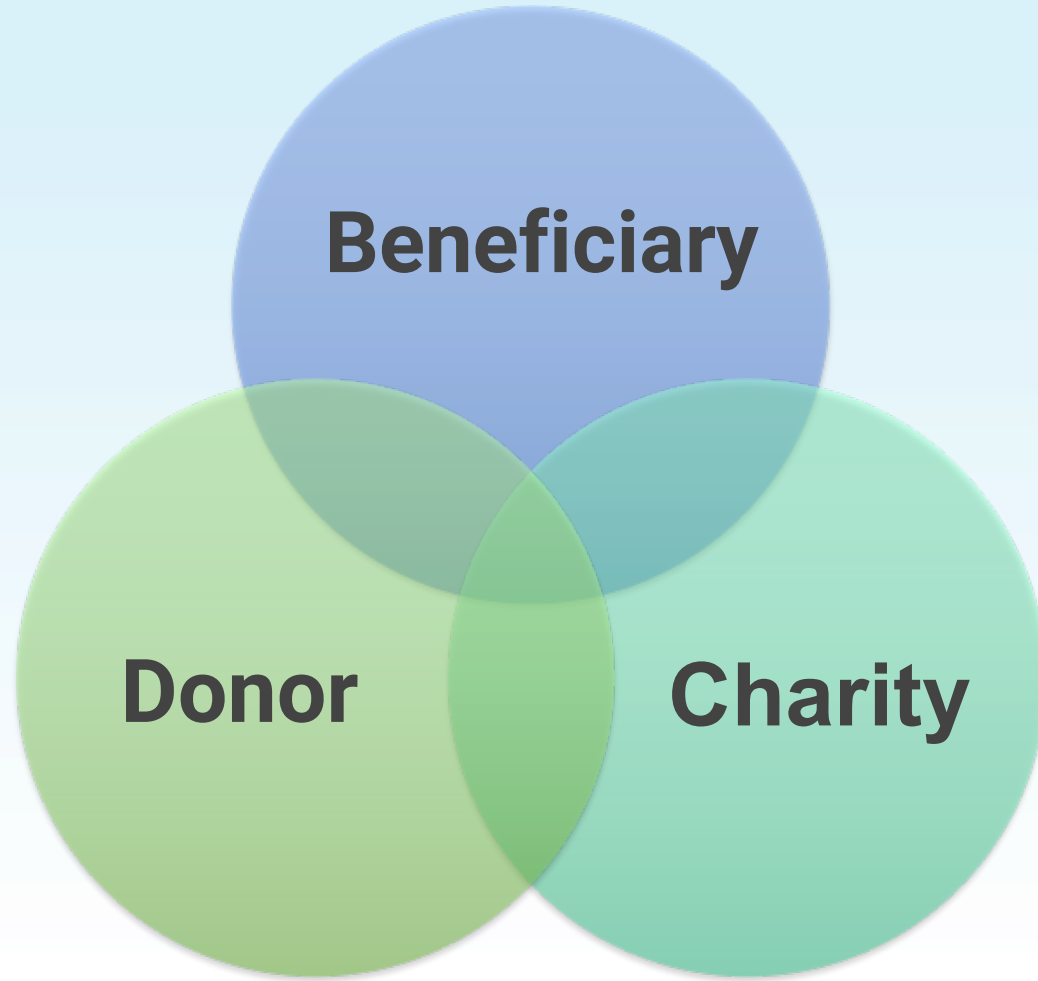
Hardworking

Trustworthy

Generous

Helpful

When Any One Thing is Centered, Something Else is Othered



Our best engagement of donors will factor their values and identities in concert with the values and mission of our organizations – to serve the beneficiaries.

No one part is greater than the other, but all function together to create community.



Donor Identity and Fundraising Intelligence

Fundraising Intelligence

“Business Intelligence for Nonprofits” (Helen Brown, The Helen Brown Group)

“Business intelligence is a broad term that encompasses data mining, process analysis, performance benchmarking, descriptive analytics, and so on. Business intelligence is meant to take in all the data generated by a business and present easy-to-digest performance measures and trends that will inform management decisions.” –Investopedia

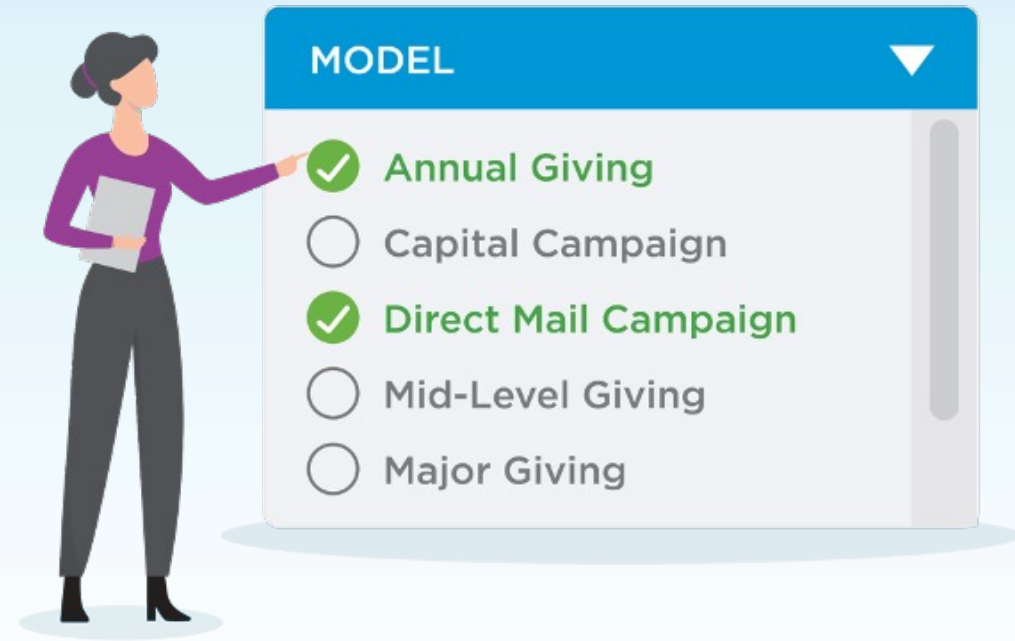
Fundraising intelligence, then, is using data to understand our donors, constituents and communities better, listen to their stories, and communicate with them in a way that is *meaningful to them*.

Segment Your Audience Like A Pro

and expand your fundraising opportunities using a diversified approach




Fuel all fundraising strategies, not just major giving, using custom predictive modeling.

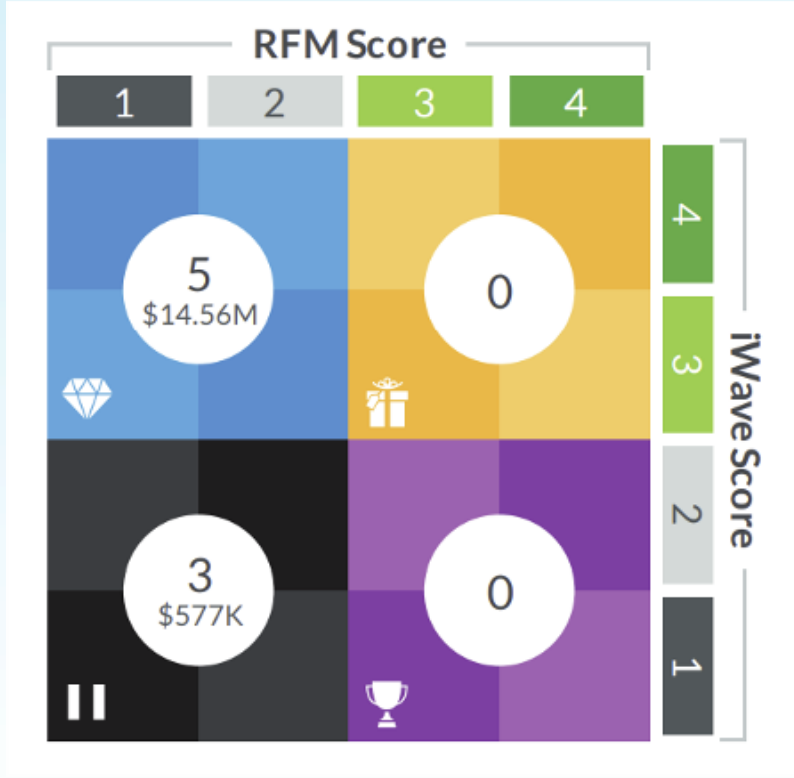


Don't Treat All Donors The Same



HIDDEN GEMS 

NOT NOW PROSPECTS 



DISTINGUISHED PHILANTHROPISTS 

YOUR CHAMPIONS 

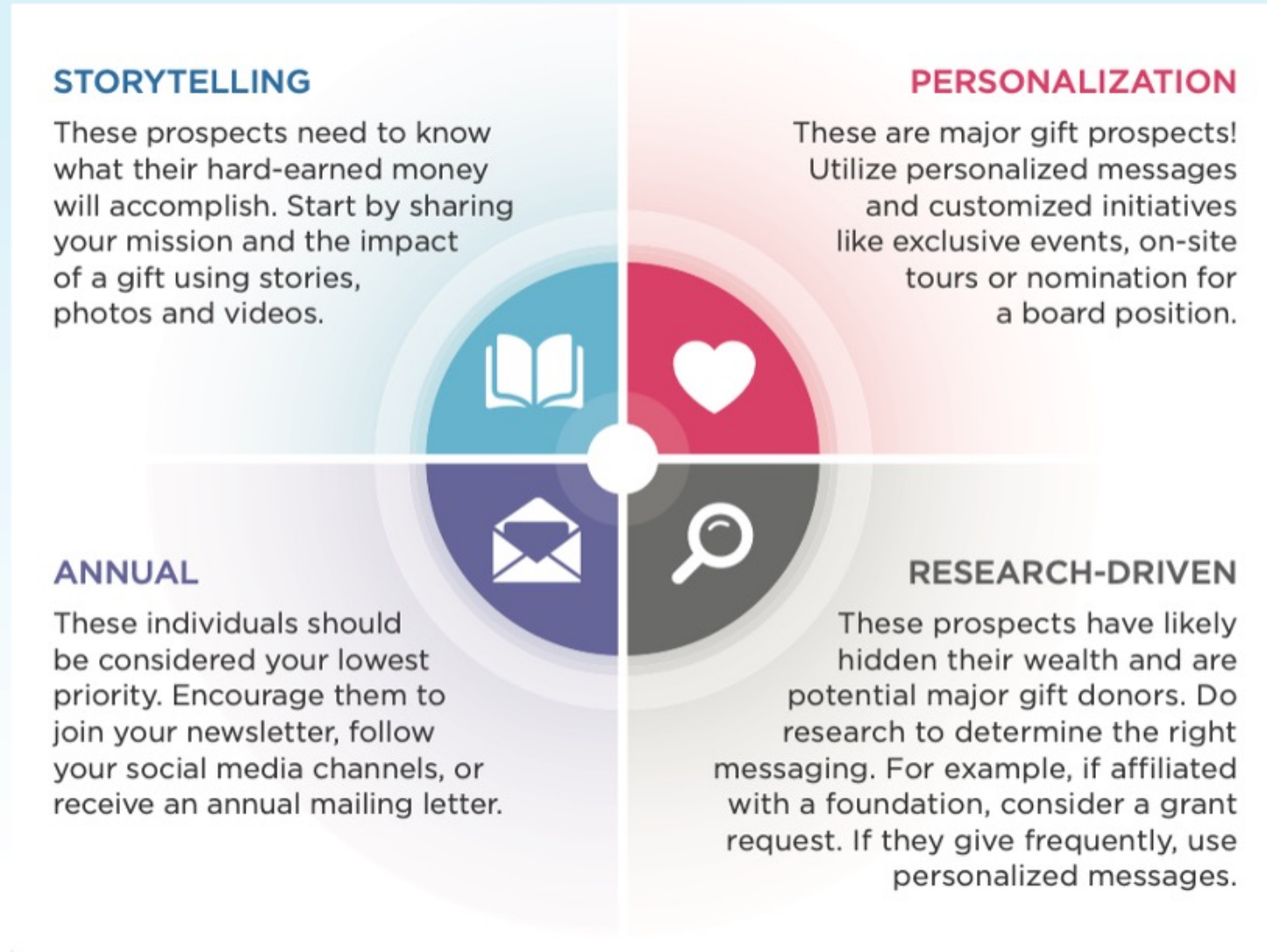
Get to know your donors

better than ever before

Get a **360° view** of donors and prospects with the industry's most comprehensive database of biographic, philanthropic, and wealth data points.



And this is where it *really* gets interesting . . .



Use Affinity to Personalize Outreach . . .



Propensity



Affinity



Capacity



What donors tell us

Donors tell us their story in two fundamental ways:

- **Their Gift (or lack thereof)**
 - Size/Amount
 - Frequency
- **Their Data**
 - Name/Household Information
 - Contact information



The image shows a tilted screenshot of a donation form. The form is divided into three main sections:

- Donation**: Includes a field for "Amount *" with the value "\$0.00" and a checkbox labeled "Show my support by making this a monthly donation".
- Contact Information**: Includes fields for "First Name *", "Last Name *", "Email *" (with the example "someone@website.com"), and "Phone".
- Billing Address**: Includes a dropdown menu for "Country *" (with "United States" selected) and a text field for "Address *".

The power of personalization



Personalized emails led to an average increase of ...

14%

in click-throughs

10%

in conversion rates

Source: CauseVox

Customized calls to action convert ...

202%

better

Source: Hubspot

Maria, will you make a gift of \$150 today to feed a hungry child?

Personalization

- **44% of donors are willing to give up to 10% more** in response to an “individualized experience”(Accenture)
- **50% increase in direct-mail results** using a 1:1 approach (DMA)
- Adding a name to your direct mail can **increase results by 135%** (MailShark)



How Donors Give



Is as important as what they give . . .

- Frequency
- Urgency
- Amount
- Channel

“We can’t necessarily assume the past = future.

The donor journey is deeply personal – donor analysis needs to be, too.”

Noah Barnett, Virtuous

<https://pj.news.chass.ncsu.edu/2019/09/09/beyond-rfm-the-key-insights-every-nonprofit-should-know/>

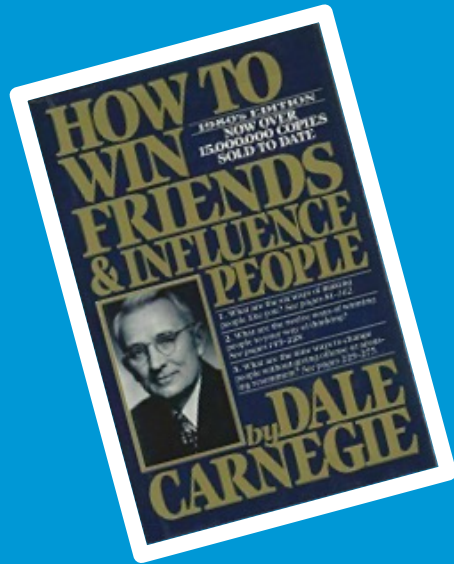
In Other Words . . .



When we're respecting the integrity of the data a donor provides and using it in our communications, we're telling them their favorite story – the story about themselves.

“

A person's name is, to that person,
the sweetest and most important
sound in any language.



Dale Carnegie

How To Win Friends and Influence People

Where Does The Donor's Story Fit In?



	Org-Focused Fundraising	Human-Focused Fundraising
Mindset	If we build it, they will support it.	By co-creating, we can achieve anything.
Strategy	Personal asks for major donors; mass messaging for everybody else.	Meaningful asks based on identity and values for all donors, at all levels.
Messaging	We are doing this awesome thing. Please help us do it.	You're needed for something big; to build this important and critical thing—together.
Offers	Please help us carry out our plans to pursue our bold vision for a brighter future we want to see.	These values are an important part of who you are. You can do something specific & meaningful.
Reporting	We did an amazing thing. Our vision came to life. Thank you for having helped us do it.	You're an important part of a team and a community that achieved something incredible. Thank you for being you.

 If you're a fundraising & nonprofit nerd, connect with me on LinkedIn (hit follow+ on my name)
 



Mike Duerksen, Build Good

www.buildgood.com

www.Linkedin.com/in/mikeduerksen



Please call me by my true names, so I can wake up and the door of my heart could be left open, the door of compassion.



Thich Nhat Hanh



Fundraise with Confidence

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