



# \* Fundraising

**101**



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the fundraising letter  
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# The Fundraising Letter

By Kim Klein

Many people have used the insights gained from years of research on direct mail to make their letters of inquiry to foundations more interesting; others have used what they learned in writing heartfelt letters to friends to create effective mass appeals. Being able to write a compelling fundraising letter is imperative to being a good development director, but it's not as simple as it seems. This article describes how to write a fundraising letter that could be sent to one person or to hundreds.

Writing a good letter is only part of using mail as a fundraising strategy; the outer envelope, the return envelope, and the list to which the letters are sent are also critical components. Moreover, there is no point in sending a letter unless you are also able to send a thank-you note and keep good records so that you can ask donors again. But the letter is central to any effort involving mail.

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## What the Letter is not

Keep in mind what a fundraising letter is not. A fundraising letter is not literature. It is not designed to belasting, or to be filed away, or to be read several times with new insights emerging from each reading. It is disposable, and it is part of a culture acclimated, for better or worse, to disposable goods of all kinds — from diapers and cameras to contact lenses. The function of the fundraising letter is to catch the reader's attention and hold it just long enough for them to make a decision about whether or not to give. It may take you two hours to write it, but it will take your reader five minutes at the very most to read it!

vacuuming or dusting while dinner cooks, your request will differ from a letter to a small business owner who receives the letter at work and reads it between phone calls or customers or while eating lunch at their desk. Both requests, however, have in common that the person does not have much time to figure out what you want and whether they want to give it to you.

## Who Are You Writing to?

Think about the kind of people you are writing to. Be as specific as possible. For example, if you are writing to someone who is coming home from work, picking up the mail, figuring out what to make for dinner, making sure the kids are doing their homework, perhaps

Factor in the mood of the country. People are worried about an enormous range of things over which they feel they have little or no control — another terrorist attack, losing their job, paying their bills, the rising costs of health care, global warming, and so on. How crucial or relevant is your message given what else is going on in people's lives and in the world?

Keep in mind also that, unlike program officers at foundations who are paid to read proposals and letters of inquiry, recipients of a fundraising letter read the letter on their own time, for free, as a volunteer.



**There is a saying  
in fundraising,  
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On top of all this, your letter arrives with anywhere from one to six other fundraising letters. What will make yours the one that is read and responded to positively?

## The Psychology of Letter-Reading

You can see that a fundraising letter has a very difficult job and little power to do it. Using letters to ask for money, whether on a mass scale or in one-to-one personal appeals, requires reflecting on the psychology of letter-reading.

Keep in mind the following three premises before you even begin to write:

1. When reading, watching TV or a movie, listening to a lecture, or even to a lesser extent listening to someone they care about, adults subconsciously go back and forth between two questions.

The first question is, "So what?" If this question is answered satisfactorily, they move on to the next question, which is, "Now what?" This seesaw is a strong screening device for filtering out trivia, boring details, and rhetoric.

To be sure, what is trivial or boring to one person may be profound or life saving to another, so the answers to these questions will vary somewhat from person to person. However, details about when your organization was founded or the permutations of your organizational structure may not pass the "So what?" test, and the myriad problems that led to your current budget deficit will only bring on a fit of "Now what?" questioning.

As you write your letter, imagine your reader asking at the end of each sentence, "So what? What does this have to do with me, my problems, or the people I care about?" If the sentence stands up under that scrutiny, then read the next sentence while asking, "Now what?" Does this sentence offer a solution, provide more information, create confidence in the group?


2. People have very short attention spans, particularly for the written word.

A person should be able to read every sentence in your letter in six to fifteen seconds. Each sentence must be informative or provocative enough to merit using the next six to fifteen seconds to read the next sentence.

3. More than anything else, people love to read about themselves. This is partly because of the first point — the so what-now what questions. "What does this have to do with me?" is an underlying question. But it also reflects a desire to be treated personally.

The reader of a fundraising letter wonders, "Do you know or care anything about me?" "Why do you think I would be interested in this?" "Will giving your group money make me happier or give me status, or relieve my guilt?" "Did you notice that I helped before?"

Therefore, the letter should refer to the reader at least twice as often and up to four times as often as it refers to the organization sending it. To do this requires drawing the reader into the cause by saying, "You may have read," "I'm sure you join me in feeling," "If you are like me, you care deeply about..." When writing to solicit another gift or a renewal from someone who is already a donor, use even more references to what they have done. "You helped us in the past."



the letter easy to read,  
with wide margins,  
font-size type, and space  
between paragraphs

Leading

Tracking

“Your gift of \$50 meant a great deal to us last year.” “I want you to know that we rely on people like you — you are the backbone of our organization.”

Of course, in the case of a form letter, the person receiving it knows it is not directed to him or her; but at a less conscious level, there is a belief that he or she is being addressed personally. It seems our subconscious cannot tell fact from fantasy and believes everything to be real. (That’s why dreams seem very real, and why affirmations work, and how you can make a child smarter or more graceful by telling her that she is that.)

Work with those three premises as you write your letter. Notice letters that you read and try to figure out why you take the time to read them. Notice also what parts of the letter you read, and why. As a consumer of individual fundraising letters, you are not so different from the people you will be writing to, so you already have some expertise about what makes a good appeal.

## The Format of the Letter

People generally read fundraising letters in a specific order: the opening paragraph (or only the opening sentence if the paragraph is too long), the closing paragraph, and the postscript. Up to 60% of readers will decide whether or not to give based on these three sentences and will not read the rest of the letter. The remaining 40% of people will skim the rest of the letter. Only a tiny handful of people will read the letter all the way through. Given this pattern of letter-reading, you should spend most of your writing time on the sentences that are most read. Write the rest of the letter to make sense if skimmed.

## The Opening Paragraph

Use the opening paragraph to tell a story, either about someone or some situation your group has helped, or something or some idea your organization has created or caused, or make the story about the writer or the reader of the letter. There is a saying in fundraising, “People buy with their heart first, and then their head.” The stories should be short and should end with something positive about your organization. Here are some examples:

### *Someone the organization worked with:*

Anthony made a really bad decision. On a dare, he stole a city official’s car. He was in a lot of trouble, but because he is only 17, the judge assigned him to the Second Chance Project. We are helping him use his ability to take risks to risk applying for scholarships to college and to dare to fulfill a childhood dream of being an engineer. The letter goes on to describe the project and its philosophy of using the elements that get young people in trouble to get and then keep them out of trouble — boldness, desire to perform well in front of a group, and imagination.

### *Where the writer is part of the story:*

When I was a child, I went to the library every day after school. When I needed a job, I wrote my resume on the library’s computer. When I needed to do research for my job, I did it at the library. Whenever I went, I found dozens of other people who were also using the library. All kinds of people from all walks of life. So, when city budget cuts meant cutting hours at the library, I said no. Hundreds of people joined me, and the library stayed open. This letter invites people to continue this important work by joining Friends of the Library and is signed by a prominent community member.

### *Where the reader of the letter is part of the story:*

As a resident of Rio Del Vista, you were probably as shocked as I was to learn of the toxic waste dump proposed for Del Vista Lake last year. Working together, we were able to save the lake, but now the dump is proposed for Del Vista Canyon. We've got another fight on our hands. The letter goes on to explain how and why this town must gear up and fight this dump battle again.

## The Closing Paragraph

The last paragraph of the letter tells people what to do. It is specific and straightforward:

Send your gift of \$25, \$50, \$75 or whatever you can afford. Use the enclosed envelope — and do it today.

Or,

Don't delay in responding. Your gift will be put right to work. We need it as soon as you can get it to us. Thanks.

### *The P.S.*

The postscript ties people back into the letter by telling another story or offering an additional incentive for acting immediately.

### *A story:*

P.S. An independent study showed that the quality of our schools has improved because of Community Concern.

It also showed we have a long way to go. For the sake of the children, please make your donation today.

### *Incentives:*

We have a donor who will give \$1 for every dollar we are able to raise between now and October 1.

Or,

We will send you two free tickets to our auction on November 7 if we hear from you by October 15.

## The Rest of the Letter

The rest of the letter is used to tell more stories, provide back-up statistics, describe philosophy, and stress the need for money. The letter needs to be two to three pages long so that readers get the sense that you have enough to say, and that all of the information they might want is in the letter. This length also gives you room to make the letter easy to read, with wide margins, decent size type, and space between paragraphs.

The tiny percent of response that we can expect from a direct mail appeal — 1 to 2% — shows how little power the appeal has. However, appeals do educate the public, raise consciousness, and plant the seed that your organization deserves to be supported. By using mail carefully, you will not only gain new donors, you will also build a network of people who have heard of your organization and might support its work.



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# 10 The 10 Most Important Things You Can Know About Fundraising



Many times at the end of a training or a speech about fundraising techniques and principles, I am asked, “What are the most important things to remember?” Usually the person asking is either a volunteer with little time to help with fundraising, a person new to fundraising and overwhelmed by the number of details she or he has to keep in mind, or a staff person who is not responsible for fundraising but wants to help. Over the years, I have thought about what I consider the ten most important things to know about fundraising. The items are not presented in order of importance, although #1 is probably the most important; nor are they in order of difficulty. If there is any order, it is the order in which I understood these things and integrated them into my own fundraising work. Undoubtedly, other skilled fundraisers would have slightly different lists, but this list has served me well for many years. I hope you find it useful.

## 1. If You Want Money, You Have to Ask For It

While there are some people (may their kind increase) who will simply send an organization money or offer money without being asked, there are not enough of them to build a donor base around. Most people will not think to give you money unless you make your needs known. This is not because they are cheap or self-centered; it is because most people have no idea how much it costs to run a nonprofit, or how nonprofits get money. If you don't ask them, they will simply assume you are getting the money somewhere. They have no reason to think your group needs money unless you tell them, the same way they have no reason to know if you are hungry, or unhappy, or needing advice.

Millard Fuller, who founded Habitat for Humanity, says, “I have tried raising money by asking for it, and by not asking for it. I always got more by asking for it.”

## 2. Thank Before You Bank

Once you receive money, you must thank the person who gave it to you. I have found that disciplining myself not to deposit checks until I have written the thank-you notes has forced me to make thank-you notes a priority. I am not rigid about this rule because if I get behind in my thank-you notes, and then don't deposit the checks for a while, the donors may wonder whether we really needed the money.

Thank-you notes do not need to be fancy and should not be long. If at all possible, they should include a personal note, even if it is from someone who doesn't know the donor. You can add something as simple as, “Hope to meet you sometime,” or “Check out our website,” or “Happy holidays,” or even, “Thanks again — your gift really helps.” Many organizations have created note cards for staff and volunteers to use when writing thank yous. The front of the card has the logo of the group, on the top half of the inside is a relevant meaningful quote from a famous person, and the bottom half of the inside is used for the

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thank-you message. It is a small space, so you really can't say much. Many databases will print out a thank-you note after you enter the information about the donor — saving valuable time. These are best if accompanied by a personal note at the bottom. Late thank yous are better than no thank you at all, but photocopied form thank yous are almost the same as no thank you. The long and the short of thank yous is: if you don't have time to thank donors, you don't have time to have donors.

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## 3. Donors Are Not ATMS

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A survey of donors who gave away more than \$5,000 a year asked, "What is your relationship with your favorite group?" Several gave similar answers, even though they did not know each other and did not give to the same. The tenmost important things you can know about fundraising All the answers were on this theme: "I would love to be considered a friend, but I am more of an ATM. They come to me when they need money, they tell me how much, I give it to them, and the next time I hear from them is when they need more."

This is a terrible indictment of much of what passes as fundraising. When I have described this common situation in trainings, people have often asked, "How can we make sure our donors don't feel this way?" The answer is very simple, "Make sure you don't feel that way about your donors."

All groups have a few "high maintenance" donors, and may be forgiven for wishing them to go on a long trip to a place without phones or e-mail. But the majority of donors require practically no attention. They have the resilience of cacti — the slightest care makes them bloom. Thank-you notes, easy-to-understand newsletters, and occa-

sional respectful requests for extra gifts will keep people giving year in and year out.

Think of your donors as ambassadors for your group. Design your materials so that donors will be proud to give your newsletter to a friend or recommend your group when their service club or professional association is looking for an interesting speaker, or forward your e-mails to several of their colleagues.

By treating your donors as whole people who have a number of gifts to offer your group, including their financial support, you will have more financial support from existing donors, more fun fundraising, more donors, and the peace of mind of knowing that you are not treating anyone as an object.

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## 4. Most Money Comes From People and Most Of Those People Are Not Rich

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There are three sources of funding for all the nonprofits in the United States: earned income (such as products and fees for service), government (public sector), and the private sector, which includes foundations, corporations and individuals. For the nearly 60 years that records about who gives money away have been kept, at least 80% of this money has been shown to be given by individuals. In 2002, total giving by the private sector was almost \$241 billion, and 84.2 percent of that (\$202 billion) was given away by individuals! These people are all people — there is no significant difference in giving patterns by age, race, or gender. Income is not nearly the variable that one would think: middle-class, working-class and poor people are generous givers and account for a high percentage of the money given away. In fact, a study by Arthur Blocks of the Maxwell School of Citizenship and Public Affairs at Syracuse University showed that 19% of families

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living on welfare give away an average of \$72 a year! Too often, people think they can't raise money because they don't know any wealthy philanthropists. It is a great comfort to find that the people we know, whoever they are, are adequate to the task. Seven out of ten adults give away money. Focus your work on these givers, and help teach young people to become givers.

## 5. People Have The Right to Say No

One of the biggest mistakes I made early on as a fundraising trainer was not balancing my emphasis on the need to ask for money with the reality that people are going to say no. No one is obligated to support your group — no matter what you have done for them, no matter how wealthy they are, no matter how much they give to other groups, how close a friend they are of the director, or any other circumstance that makes it seem they would be a likely giver.

While it is possible to guilt-trip, trick, or manipulate someone into giving once, that will not work as a repeat strategy. People avoid people who make them feel bad, and they are attracted to people who make them feel good. When you can make someone feel all right about saying no, you keep the door open to a future yes, or to that person referring someone else to your group.

People say no for all kinds of reasons: they don't have extra money right now; they just gave to another group; they don't give at the door, over the phone, by mail; a serious crisis in their family is consuming all their emotional energy; they are in a bad mood. Rarely does their refusal have anything to do with you or your group. Sometimes people say no because they have other priorities, or they don't understand what your group does. Sometimes we hear no when the person is just saying, "I need more time to decide," or "I need more information," or "I have misunderstood something you said."

So, first be clear that the person is saying no, and not something else like, "Not now," or "I don't like special events." Once you are certain that the person has said no, accept it. Go on to your next prospect. If appropriate, write the person a letter and thank them for the attention they gave to your request. Then let it go. If you don't hear no several times a week, you are not asking enough people.

## 6. To Be Good At Fundraising, Cultivate Three Traits

A good fundraiser requires three character traits as much as any set of skills. These traits are first, a belief in the cause for which you are raising money and the ability to maintain that belief during defeats, tedious tasks, and financial insecurity; second, the ability to have high hopes and low expectations, allowing you to be often pleased but rarely disappointed; and third, faith in the basic goodness of people.

While fundraising is certainly a profession, people who will raise money for any kind of group are rarely effective. Fundraising is a means to an end, a way to promote a cause, a very necessary skill in achieving goals and fulfilling missions.

## 7. Fundraising Should Not Be Confused With Fund Chasing, Fund Squeezing, Or Fund Hoarding

Too often, organizations get confused about what fundraising is and is not.

If you hear that a foundation is now funding XYZ idea, and your organization has never done work in that area nor have you ever wished to do work in that area, the fact that you are well qualified to do such work is immaterial. To apply for a grant just because the money is available and not because the work will promote your mission is called fund chasing. Many groups chase money all over and, in doing so, move very far away from their mission.

Similarly, if your organization seems to be running into a deficit situation, cutting items out of the budget may be necessary but should not be confused with fundraising. When deficits loom, the fund squeezing question is, "How can we cut back on spending?"; the fundraising question is "Where can we get even more money?"

Finally, putting money aside for a rainy day, or taking money people have given you for annual operating and program work and being able to put some of it into a savings account is a good idea. Where savings becomes hoarding, however, is when no occasion seems important enough to warrant using the savings.

I know a number of groups that have cut whole staff positions and program areas rather than let money sitting in their savings be used to keep them going until more money could be raised. I know groups that overstate what they pay people, what price they pay for equipment, what they spend on rent, all to get bigger grants from foundations or larger gifts from individuals, and then put that extra into savings — savings that they have no plan for.

A group that saves money needs to have a rationale: Why are you saving this money? Under what circumstances would you spend it? Without some plan in mind, the group simply hoards money.

Fund chasing, fund squeezing, and fund hoarding need to be replaced with an ethic that directs the group to seek the money it needs, spend it wisely, and set some aside for cash-flow emergencies or future work.

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## 8 Fundraising Is An Exchange — People Pay You To Do Work They Cannot Do Alone

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Hank Rosso, founder of the Fund Raising School and my mentor for many years, spoke often about the need to eliminate the idea that fundraising was like begging.

Begging is when you ask for something you do not deserve. If you are doing good work, then you deserve to raise the money to do it. What you must do is figure out how to articulate what you are doing so that the person hearing it, if they share your values, will want to exchange their money for your work. They will pay you to do work they cannot do alone.

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## 9 People's Anxieties About Fundraising Stem From Their Anxieties About Money

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Anxiety about money is learned, and it can be unlearned. If you are ever around children, you know that they have no trouble asking for anything, especially money. In fact, if you say no to a child's request for money, they will simply ask again, or rephrase their request ("I'll only spend it on books"), or offer an alternative ("How about if I do the dishes, then will you give me the money?").

Everything we think and feel about money we have been taught. None of it is natural; none of it is genetic. In fact, in many countries around the world, people talk easily about money. They discuss what they earn, how much they paid for things, and it is not considered rude to ask others about salaries and costs.

We have been taught not to talk about money or to ask for it, except under very limited circumstances. Many of us are taught that money is a private affair. Having too little or too much can be a source of shame and embarrassment, yet money is also a source of status and power. Most people would like to have more money, yet most will also admit that money doesn't buy happiness.

As adults, we have the right — in fact, the obligation — to examine the ideas we were taught as children to ensure that they are accurate and that they promote values we want to live by as adults. Most of us have changed our thinking about sex and sexuality, about race, about age, illness and disability, about religion, about marriage, about how children should be raised, what foods are healthy, and much more.

We have done this as we have learned more, as we have experienced more, or, as we have thought about what we value and what we do not. We need to take the time to do the same work with our attitudes toward money. We can choose attitudes that make sense and that promote our health and well-being.

Our attitudes toward fundraising are a subset of our larger attitudes toward money. The most important change we can make in our attitudes toward fundraising is to remember that success in fundraising is defined by how many people you ask rather than how much money you raise. This is because some people are going to say no, which has got to be all right with you. The more people you ask, the more yes answers you will eventually get.

Finally, if you are anxious about asking for money or would rather not ask, this is normal. But ask yourself if what you believe in is bigger than what you are anxious about. Keep focused on your commitment to the cause and that will propel you past your doubts, fears, and anxieties.

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## 10 There Are Four Steps To Fundraising — Plan, Plan, Plan, And Work Your Plan

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Though humorous, this formula that I learned from a community organizer underscores the fact that fundraisings three parts planning for one part doing. I learned this later in my career, after having gone off half-cocked into many fundraising campaigns and programs. I meant to plan, I planned to make a plan, I just never got around to planning.

I have learned (usually the hard way) that an hour of planning can save five hours of work, leaving much more time both to plan and to work. Planning also avoids that awful feeling of "How can I ever get everything done," and that sense of impending doom. It moves us out of crisis mentality and means that we are going to be a lot easier for our co-workers to get along with.

There are a lot of articles and books on planning — I recommend reading some of them. However, the easiest way I have found to plan something is to start by defining the end result you want and when you want it to happen, then work backwards from that point to the present. For example, if you want your organization to have 100 new members by the end of next year and you are going to use house parties as your primary acquisition strategy, you will need to schedule five to seven house parties that will recruit 10 to 15 members per party.

To set up one house party will require asking three people to host it (only one will accept), which will require identifying 15 or 20 possible hosts to carry out the number of house parties you want to have. The hosts will want to see materials and know what help they will have from you.

The materials will have to be ready before the first phone call is made to the first potential host, and the first phone call needs to occur at least two months before the first party. So, the materials need to be produced in the next two weeks, hosts identified in a similar timeframe, calls made over a period of two or three months, and so on.

When you are tempted to skip planning, or to postpone planning until you "have some time," or to fly by the seat of your pants, just remember the Buddhist saying, "We have so little time, we must proceed very slowly."

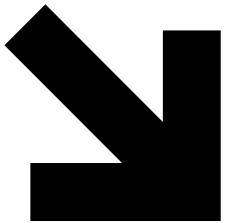


# \*Some Interesting Facts about the Canadian Nonprofit Sector

Compiled by: Kim Klein March, 2008

## Sources of information:

- + Imagine Canada ([imaginecanada.ca](http://imaginecanada.ca))
- + National Survey of Nonprofit and Voluntary Organizations ([imaginecanada.ca](http://imaginecanada.ca))
- + Center for Civil Society Studies, Johns Hopkins University (<http://jhu.edu/ccss>)
- + Association of Fundraising Professionals ([www.afpnet.org](http://www.afpnet.org))



The following information is not meant to be a complete view of the Canadian nonprofit sector, but simply to capture some of the most interesting and less well known facts from my reading of a number of sources of information. Further, all “facts” about nonprofits must be understood in the context in which they are gathered. For example, in studying giving by individuals, some studies look at tax returns which means that not all individuals are studied, but only those who file tax returns. Others look at what nonprofits say they raised from individuals, but not all nonprofits are surveyed. Other studies rely on phone surveys which mean that the results depend on the memory (and honesty) of the person talking to the surveyor. Various adjustments are made to take all these variables into account, but data on nonprofits will vary a great deal study to study and one set of data will sometimes contradict another.

The criteria I used in putting these facts together was simple: several reports mentioned the same information, and the information was easy to understand and did not require a great deal of contextualizing. For those wanting a more complete picture, I suggest exploring the websites listed above, and their links. Keep in mind that much charitable giving is in cash and never reported, and that some giving which is charitable in nature (handing money to a homeless person, buying dinner for an unemployed neighbor and her family) is not counted in what is officially given to charity. It is virtually impossible to know the extent of charitable giving in any country, and what we can know with reasonable certainty is less than what is true.



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## Size of Sector

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*If the nonprofit sector around the world were a single industry, it would be the world's fifth largest industry, employing 4.5% of all people.*

Of the 39 countries that have so far been studied:

- **Canada has the largest nonprofit workforce in the world, with 12% of Canadians working for nonprofits (compared to 10% in the USA).**
- **Canada has the second largest nonprofit sector, with the Netherlands being the largest, , and Belgium, Ireland and the USA coming in third, fourth and fifth respectively (all of these are relative to population size.)**
- **The nonprofit sector in Canada is 7% of the Gross Domestic Product (GDP).**
- **There are 161,000 nonprofits in Canada; 56% are registered charities.**
- **The top 1% of these nonprofits, or 1600 organizations, have revenues of \$10 million or more and bring in 59% of all revenue.**
- **42% of organizations, or about 67,500 organizations, have budgets under \$30,000 and raise just 1% of all revenue.**
- **28% of all nonprofits, 43% of all revenue, 40% of all volunteers, and 47% of all employees are in Ontario**
- **29% of all nonprofits are in Quebec**
- **New Brunswick has the highest proportion of registered charities (68%).**

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## Canadians as Givers

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*Almost 8 out of 10 Canadians (78%) give money to nonprofits*

- **In 2003, this totaled about \$8 billion**
- **Nine out of ten Canadians give money or stuff**
- **Somewhere between 35%-49% of this money goes to religion and religious organizations account for 19% of all nonprofits.**
- **Giving varies a great deal by province, with 87% of people in Nova Scotia giving money (the highest) and 74% of people in Quebec giving money (the lowest).**
- **The provinces with the highest giving are Labrador and Newfoundland, and the lowest is Quebec.**

These givers are all kinds of people, from all walks of life and all income brackets. All over the world, studies confirm what Pamela Weipking, University of Amsterdam, notes in "Voluntas: International Journal of Voluntary and Nonprofit Organizations" "We find evidence in favor of a giving standard: ...lower income

groups donate a higher proportion of their income." Gerald Auten, Bowling Green University and Gabriel Rudney, Yale University add, "The popular reputation of the wealthy for generosity is actually due to the exceptional generosity of a minority rather than widespread generosity among the wealthy."

# 8 Ways to Raise \$2,500 in 10 Days

(or more) (or less, sometimes)

BY KIM KLEIN & STEPHANIE ROTH

Everywhere we turn we see good organizations cutting back, laying off staff, or closing altogether. These are weird and hard times, and we need long-term solutions. But sometimes we just need cash. This article focuses on the immediate. It does not suggest that you change your board structure or write to your Congressperson or think strategically — even though we are in favor of all those things. The purpose of the article is to help you buy some time so you can make all the changes in your organization that we have recommended in our other articles!

## 1. *Make a list of all the people you know who are supportive of the work you do and admire you for being willing to work for low or no pay to change the world.*

Write them a letter explaining that you have set a goal of raising \$2,500 in ten days and hope that each of them will consider a gift of \$100, \$500, \$50, \$25, or whatever they can afford. Include a simple reply card and a stamped return envelope to make it as easy as possible for them to give. At about Day Seven, call all the people who have not responded. Remember that 50 percent of the people you ask will not give, and 50 percent of the people who do give will give less than you many people as the number of gifts you need to reach your goal. If you are thinking that you have already asked every- oneyou know, here's what to do: ask the people who have helped you who they know, and ask if you can use their name in contacting them. Make sure you really have asked everyone: your neighbors, your colleagues at work, your chiropractor, your optometrist.... Be sure that you know that the person you are asking cares, at least a little, about your cause, so that you don't wind up in an argument.

## 2. *Send an e-mail to everyone in your e-mail address book (as in #1, taking out people who don't agree with the cause you are working for) in which you refer people to the website of the organization.*

Ask your friends to go to the site and make a pledge. Be sure the site has a "Donate Now" icon that either takes people to a secure area to make a credit card donation or allows them to download a form and send it in. Your e-mail should be very brief but stress the urgency of your request.

## 3. *Host a house party. Invite your friends to a barbecue at your house and tell them it is a fundraiser for your cause.* Either make a presentation at the party asking for money or set an amount you want everyone to pay as they arrive. Be sure to let people know in the invitation that even if they can't come they can send money.

The three secrets to a successful house party are:

- Invite at least three times as many people as the number you want to come
- Make follow-up calls a few days before the party to encourage people to come
- Be sure you make it clear how people are to give their money. If they are to pay as they come in, then some- one needs to stand by the door and collect money. If they are going to hear a presentation and a pitch, then someone needs to hand out envelopes for people to put their checks in and then pick up the envelopes.

**4.** *Host a virtual house party. Send an e-mail to your friends and include pictures of your house and yard.* Tell them you really wish you had time to invite them over, but the urgency of the work precludes this. Talk about the work briefly and ask for money. This is particularly effective for people who have a lot of friends who live far away and wouldn't be able to come anyway.

**5.** *Do a phantom event.* These can be done virtually or with real mail. Invite people not to come to something. The classic is a tea party, where people are invited to a tea party, and a tea bag is enclosed in the invitation, which reads, "Come to a tea party. Have it whenever you want and invite whoever you want. Use this teabag. Before sitting down with your friend, write us a check and put it in the enclosed envelope." Phantom events are fun if you can describe an event that people really don't want to go to. "You will not have to get dressed up or find parking. You will not have to balance a plate of raw vegetables and dip and a drink while trying to shake hands with people you don't know." The appeal is designed like an invitation, so few words are used. A phantom event works when the people receiving it are familiar with the organization and don't need a long explanation about what the work is. Again, include a reply device and a return envelope. The reply device should continue the fun: "I won't be there. I am so looking forward to that! Here's my gift. Thanks for letting me stay home."

**6.** *Organize a yard or garage sale with your neighbors.* If you have neighbors who admire your organization, they may be willing to donate all the proceeds to it. If not, then offer to do all the work in exchange for a percentage of the proceeds. Be sure to advertise the yard sale in your community newspaper and put up a lot of signs. If you have some high-ticket items, like exercise equipment, antiques, or furniture, you may be able to make your \$2,500 on this event. If not, to reach the goal think about selling some stuff through an on-line auction service such as E-Bay.

**7.** *Call all donors who have not given in the last eight months and ask them for an extra gift, or in the case of those who have not given in the last fourteen*

*months, ask them to renew their commitment to your organization.* Tell them you are calling because you need to raise \$2,500 in the next ten days and need their help. Usually 5 to 15 percent of the calls made will result in gifts. (The rest of the calls will end with answering machines, disconnected numbers, or people who decline to give.) On this one, remember ahead of time that people who are otherwise very nice often feel free to be rude on the phone. Some people will say, "I am going to report you because I have signed up for the 'Do Not Call' list." Explain that nonprofits are exempt from this law, but that you will make sure to note in their donor record that they should not be called in the future. Do not argue and do not stay on the line any longer than you need to.

**8.** *Identify a few friends or colleagues who have high incomes or inherited wealth and ask them one-by-one, personally, for gifts of \$250-\$1,000.* These might be people you went to college with, significant others of people in your group, or even people in much larger nonprofits. (It is not unusual for the executive director of a multimillion-dollar agency to make over \$100,000, and it is not unusual for a development director at a university or large hospital or museum to make \$90,000 or more.) The universal lament of grassroots activists, "I don't know anyone with money," becomes a mantra that keeps you from realizing that you probably do know people sympathetic to your cause who earn more money than you.

For more details on any of these strategies, see the Journal's detailed index of previous articles at [www.grass-rootsfundraising.org](http://www.grass-rootsfundraising.org).

Having a goal and a short time to reach it is part of what makes these strategies work. As you think about using these strategies, be more inclined to lower the goal than to extend the time. Volunteers will also be more likely to help you in a short time frame than a longer one. You will be more focused if you know the goal must be reached quickly. To be sure, not all these suggestions will raise \$2,500 in ten days. Sometimes it is worth adding a couple of weeks onto the preparation time to increase the income. The ten days also do not include follow-up, which is essential. Thank-you notes, data entry, and reports on how well each strategy worked are key to getting out of the kind of bind that would make you read an article on how to raise \$2,500 in ten days.

# 11 More Money In The Mailbox: Tips for Improving Your Mailings

BY ANDY ROBINSON

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For years, the response rate for direct mail fundraising has been gradually declining, due in part to increasing volume: more and more organizations sending more and more mail. If you're not raising as much as you want through the mailbox, consider the following ideas. **WARNING:** These strategies require more time — from the staff, board, and/or volunteers. However, the time invested should more than pay for itself in higher returns and larger gifts.

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## ▼ PERSONALIZE, PERSONALIZE, PERSONALIZE

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### 1. Mail-merge letters to your top donors and prospects.

Rather than sending “Dear friend” letters, mail-merge them so that each begins with the donor’s name, address, and salutation. This is basic technology; if you have a word processing program and a database, you can learn to do this. It will take an hour or two to print the letters your- self — rather than sending them to a commercial printer — depending on the speed of your equipment.

If it feels too daunting to attempt this approach with your entire list, identify your top 200 to 500 donors and prospects and use this personalized approach with them.

### 2. Add hand-written notes.

Scrawling personal notes in the margins is a time-tested way to improve your results, especially if the writer knows the donor. Novels or lyric poetry are not required; a simple “Thanks for your support” or “Thanks for considering a gift” should do the trick. The content of the note is less important than the fact that someone took the time to write a personal greeting.

This is a great strategy for involving board, staff, and volunteers. Pass around the mail-merged letters and ask anyone who knows the recipient to add a note. The most effective letters are covered with personal hand-written messages from multiple friends and acquaintances.

### 3. Use Post-Its.

For even better returns, write your personal notes on brightly-colored Post-its (the adhesive sticky notes) and affix them to the letter. These really stand out.

### 4. Hand-address the envelopes.

This is the only guaranteed way to get your mail opened. (Have you ever thrown away a hand-addressed envelope without opening it?) Again, you may be unable to do this for everyone, so “segment the list” and give your best candidates a little extra attention.

### 5. Use first-class stamps.

If you have a choice, buy big, fat, colorful ones. With a relatively small number of pieces — again, we are talking about your top 200 to 500 donors and prospects — the extra cost above the bulk mail rate is marginal.

Your returns will more than exceed the additional \$50 or \$100 you pay for postage.

### 6. Customize “the ask” to the donor’s giving history.

Have your local print shop create a variety of response cards that you can use with members and donors based on their past giving: \$25 and up, \$50 and up, \$100 and up, and so on. Always include an option marked “other,” in case they choose to give more or less than the check-off options.

As you collate the letters and stuff the envelopes, match the response cards to the donors. Don’t send a \$100 contributor a response card that begins with a \$25 check-off.

### 7. Include snapshots.

These photos can relate to your programs: childcare seminar, lobby day, guided hike, community meeting, and so on. They can also be personal: the executive director’s new baby or your board picnic. If you’re in the middle of a capital campaign, consider sending construction photographs that document the progress of the building. If you’re working to protect a special landscape, take a picture of it.

Whenever possible, use action photos. These are much more effective than shots of people sitting around a table talking to each other.

You can get inexpensive bulk photographs at Price Club or an equivalent place. It’s also possible to send photos electronically, but somehow this feels less personal than pulling a snapshot out of an envelope — an activity that many of us associate with family and friends.

## ▶ CREATE INCENTIVES TO BOOST GIVING

### 8. Identify challenge gifts.

If you’ve ever listened to public radio anywhere in the U.S., you know how this works: “The Jones family will match every dollar we raise for the next hour, up to a total of \$2,500. If you want to double the impact of your gift, please call now.” Many foundations and government agencies also give grants on a matching basis, and those grants can be matched by individual donors.

Challenges are perhaps the oldest trick in fundraising, because they motivate your regular donors to make additional gifts and provide an incentive for new folks to join. When I worked at Native Seeds/SEARCH, a regional conservation group in Tucson, we used challenge grants to begin and end a capital campaign for a new seed bank, library, and grow-out garden. One of our foundation supporters

gave \$20,000 on the condition that we raise an equal amount from our members. We promoted this challenge in our newsletter and sent two special mailings to the entire membership requesting gifts for the match. We also phoned selected donors. The result: \$52,000 in member contributions!

## 9. Reward top donors with more information.

Create an informal “insider” newsletter for major donors: what’s up in the office, emerging issues, and so on. This can be printed on a piece of letterhead or sent as an e-newsletter. If you use paper, personalize it with a note or Post-it from the executive director or board chair. The incentive: for a larger gift, donors receive a more intimate perspective on your issues, strategies, and challenges. Some groups send these quarterly, though two per year is probably sufficient.

### ↘ VARY THE FORMAT

## 10. Try sending the same appeal letter in both mail and e-mail formats.

If you collect e-mail addresses of your donors — and you should — e-mail the letter, too. You could send both formats simultaneously, or wait a week to follow the physical letter with e-mail.

This approach would allow for an interesting test. It would be easy to track the response rates from those who receive just the mailed letter versus those who received it via mail and e-mail.

## 11. Use photocopied news articles in your appeals.

In my experience, the most effective inserts are press clippings about your work. Even if these stories are not 100 percent accurate or entirely flattering — the perfect news article doesn’t exist — they add credibility to your organization. Journalists also tend to write more succinctly than the rest of us. As a donor, I am more inclined to read the newspaper article than the appeal letter itself, and I suspect that my behavior is not unusual.

When implemented together, each of these strategies is likely to improve your results. Taken together, they could really boost your returns. Try them in combination and watch what happens.

ANDY ROBINSON IS A CONSULTANT AND TRAINER BASED IN PLAINFIELD, VERMONT AND THE AUTHOR OF *BIG GIFTS FOR SMALL GROUPS: A BOARD MEMBER'S 1-HOUR GUIDE TO SECURING GIFTS OF \$500 TO \$5,000* (EMERSON AND CHURCH) AND *GRASSROOTS GRANTS, SECOND EDITION* (JOSSEY-BASS). HE THANKS MEGAN GRAHAM OF THE COLORADO ENVIRONMENTAL COALITION FOR HER HELP WITH THIS ARTICLE.



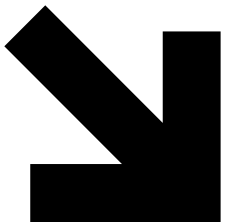
**Many foundations  
and government  
agencies also give  
grants on a  
matching basis,  
and those grants  
can be matched by  
individual donors.**

# \*Basic Principles Of Grassroots Fundraising

Presented By Kim Klein

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## About the Presenter:



Kim is the Chardon Press Series Editor at Jossey-Bass Publishers and the founder and publisher emerita of the **Grassroots Fundraising Journal**. She is also the author of a number of books including **Fundraising for Social Change** (now in its fifth edition). Widely in demand as a speaker, Kim has provided training and consultation in all 50 United States and 21 countries. Her new book, **Reliable Fundraising in Unreliable Times**, will be released in September 2009. She was the Resident Resource Person for the Institute in Community Development at Concordia University in Montreal in 2008.

She is a member of the Building Movement Project and lives in Berkeley, California.

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**Canada has  
the second largest  
nonprofit sector  
in the world,  
and the largest  
nonprofit workforce,  
employing  
12% of workers.**

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## **Facts About Canadians and Giving**


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- **80% of Canadians give away money. In 2003, this totalled \$8 billion. Canada has the second largest nonprofit sector in the world, and the largest nonprofit workforce, employing 12% of workers.**
- **Canada has 161,000 nonprofits. 42% of these organizations have budgets under \$30,000.**
- **28% of all nonprofits, 43% of all revenue, 40% of all volunteers, and 47% of all employees are in Ontario.**

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## **Keep in Mind:**

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- **Generally, people give more during recessions than during boom times**
  - **Most people give most of their money from their income, and most of those incomes are not currently affected by what is happening in the stock market.**
  - **If you do good work, and you ask people who agree with you to support you, some of them will. Ask enough people and you will have the money you need.**
- 

# Basic Principles

## 1. Fundraising is Mission Driven

*Not:* ➤ Donor Driven   ➤ Funder Driven   ➤ Cost Driven

*Two Rules For Success:*

- A) Ask your most faithful, most loyal people most often**
- B) Follow the principle of EXCHANGE: People pay you to do work they cannot do alone.**

### Making Your Case (Statement)

- **Mission** (*Why do you exist?*)
- **Goals** (*What do you do?*)
- **Objectives** (*How do you do it?*)
- **History** (*How long & how well?*)
- **Budget** (*How much? From where?*)
- **Structure** (*Who?*)


## Message:

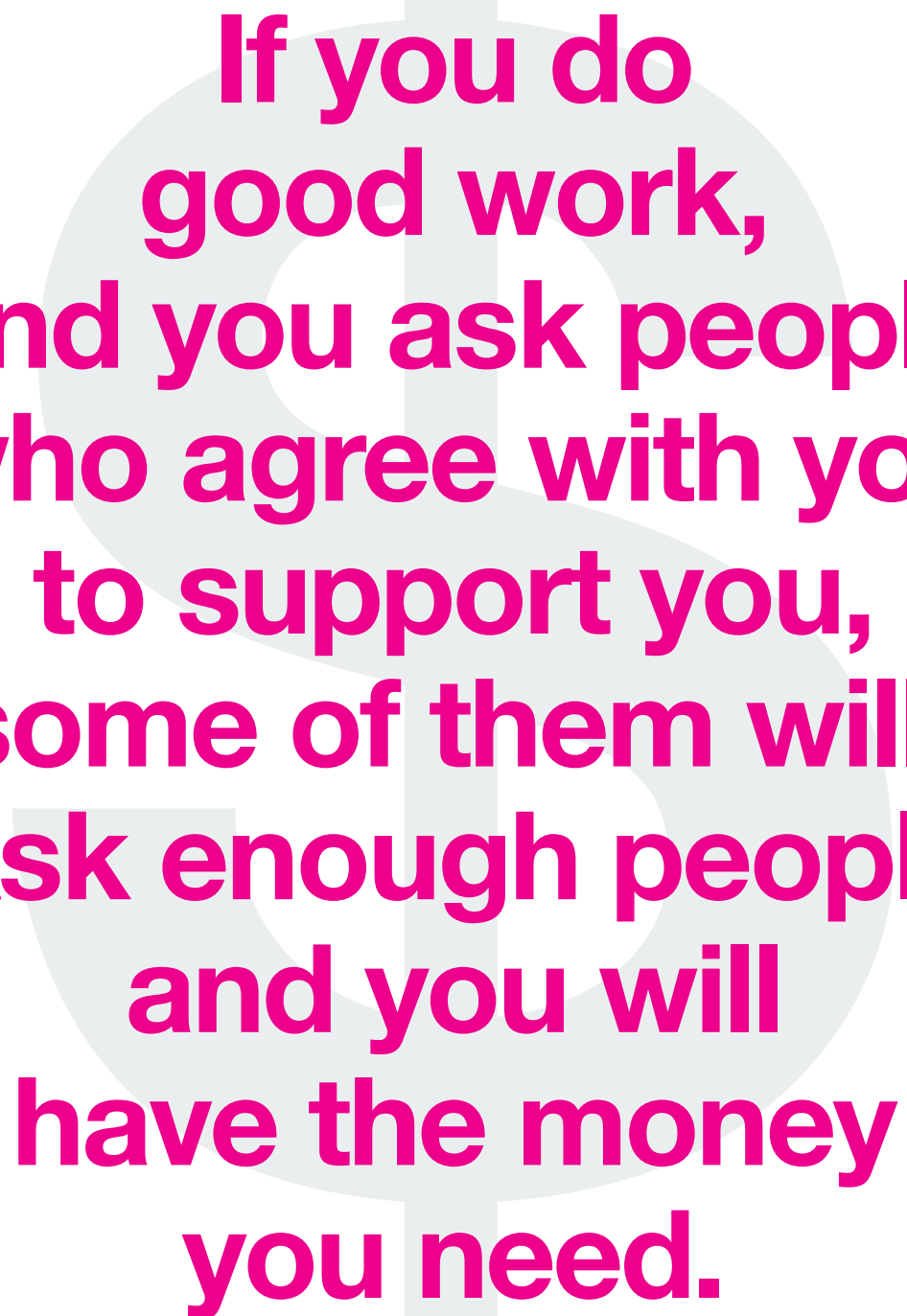

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- 1-2 short sentences, even a phrase
- Easy to remember
- Everyone leads with it
- Statement of belief

## Sample Message Statements

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- ***“We believe it is easier to build a child than to repair an adult”***  
(School for Disadvantaged Children)
  - ***“Violence is never an appropriate response to a domestic dispute”***  
(Domestic Violence Program)
  - ***“We believe in the power of art to change the world”***  
(Theater company)
  - ***“Change is possible if people know their rights and claim them.”***  
(Human Rights organization)
  - ***“Health care is a right and not a privilege.”***  
(Free Health Clinic)
- 

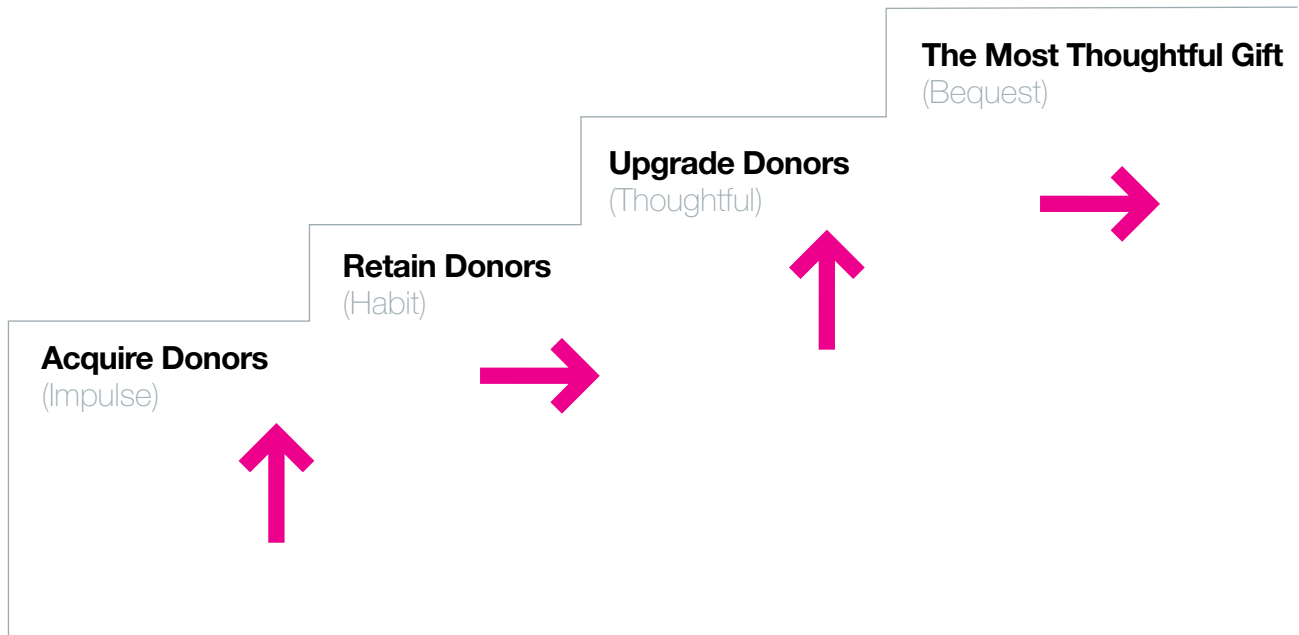


**If you do  
good work,  
and you ask people  
who agree with you  
to support you,  
some of them will.  
Ask enough people  
and you will  
have the money  
you need.**

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## 2. The Purpose of Fundraising is to Build Relationships

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## 3. Choose Appropriate Strategies

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*What do you want back for the effort you make?*

- **Money**
- **Donors**
- **Volunteers**
- **Visibility**





## Ladder of Effectiveness

(Time In  Maximum Money Out)

*When you are just starting out:*

Strategy	Response Rate
↘ Personal Face to Face Ask	<b>50%</b>
↘ Personal Phone Call	<b>25%</b>
↘ Personal Letter	<b>10-15%</b>
↘ Phone-a-Thon	<b>5%</b>
↘ Direct Mail or on-line	<b>1%</b>
↘ Special Events	<b>Varies with event</b>

## 4. Diversity Creates Financial Health

Sources/Strategies

- ↘ Fees
- ↘ Major Donors
- ↘ Small Donors
- ↘ Local Businesses
- ↘ Online
- ↘ Events

 Fundraising Team

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## Sample Board Agreement

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*I, Betty Lou Board Member, will:*


- Give \$25 per month.
- Help raise \$2000 by hosting a house party at my house in May.  
GOAL: 20 new donors @ \$25-250 each
- Work on annual general meeting.

*Start with:*

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## A Disciplined Systematic Fundraising Program Elements:

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- A goal, which everyone knows and works toward
  - Uses strategies for specific reasons, which everyone knows and supports
  - Uses volunteers appropriately and as much as possible
  - Makes sure the organization never leaves money on the table.”
  - Strong “back office” support
- 
- 





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## Small Town Fundraising Requires a Broader Definition of “Donor”

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*A donor is traditionally someone who gives your organization money But a donor can also be someone who:*

- ✎ Gives time
- ✎ Says nice things about you
- ✎ Opens doors for you
- ✎ Expresses gratitude for the services you provide
- ✎ Invite all of these people to help you in whatever ways they can.
- ✎ Mobilize and organize all the positive feelings about your organization

*\* Invite all of these people to help you in whatever ways they can.  
Mobilize and organize all the positive feelings about your organization*

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## Basic Requirements for Keeping Donors

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- ✎ Send a thank you note within 48 hours of receiving a donation
- ✎ Record the donation in a database
- ✎ Send the donor some kind of information at least 2-3 times a year: newsletter, Annual Report, special appeals
- ✎ Keep your website up to date and interesting

*Some people want to give often and some only once a year*

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## **Frequency of giving**

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- **Some donors are willing to give several times a year. These donors need to be asked several times a year, and encouraged to join a monthly donor program.**
- **Some donors prefer to give once a year and prefer not to be asked frequently.**

*\* Keeping these two categories straight is very important*

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## **All Fundraising Requires a Solid Major Gifts Program**

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### *Size of gift*



*Donors who start out giving big gifts are given more attention than those who start out with smaller gifts, but the methods of welcoming them to the organization are similar.*

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## **Small Town Fundraising Requires Appropriate Asking**

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*Someone is ready to be asked for an increase in the size of their gift when:*

- **They have given consistently for three years, and/or**
  - **They have indicated interest in one or more of your programs, and/or**
  - **Someone in your organization knows them and thinks they would be willing to give more**
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## Importance of Upgrading

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*Organizations that Regularly Ask for Bigger Gifts also have higher retention rates*

- You need to ask your regular donors for increases in their giving at least every two-three years.
- Otherwise they may think you don't their money, or that your work is not expanding, and they will begin to give more to another organization.

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## Always Know Who You Should Be Asking Next

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*\* In your data base, take your top 25-50 donors and note for each one:*

*Next Step:*

*WHO IS RESPONSIBLE?  
MISSING INFORMATION:*

*Review these donors at least monthly*

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## Focus on Donors With Stable Incomes

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*Your Loyal Regular Donors ARE Create Your Most Predictable Income Stream*

- Donors who give in the \$100-\$1500 range are the most likely to keep giving
- Reach them through:
  - Phone calls
  - Thank yous
  - Open House at your office
  - Good work

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## Create Easy Ways to Say YES

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- Ask your under \$50 donors to consider giving \$1 a month more to make their total gift \$12 more a year.
- Ask lapsed donors to return to your organization with a gift of \$10.00
- If you don't have a pledge program already, create one.
- Create a wish list
- Be specific about where the money will go

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## The Future of Acquisition is On- Line

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### *Acquiring New Donors*

- Website needs to invite donations. Every piece of text needs to invite people to participate, and move people to the donation page.
- The “GIVE NOW” button needs to be prominent and it needs to be easy to make a gift on-line.
- Under GIVE NOW, have options: *Gift Cards, Monthly Giving, Corporate Partnerships, Gift Shop, Planned Giving, Each One Reach One, Save a \_\_\_\_, Wish List...*

## One Thing Will Never Change:

*Personal face to face Asking will always be the most successful strategy*

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## Seek out Ways to Boost Public Confidence in Your Organization

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*What will make people trust your organization?*

- **Post your budget and your financials on your website.**
- **Provide a narrative explanation of numbers**
- **Have an e-mail address people can write to if they have questions (and be sure someone answers these inquiries)**
- **Make sure your board mprogram questions**

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## Five Tips On Asking for Money

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- **Success is asking**
- **You have to be OK with NO**
- **What you believe in is more important than anything else**
- **You don't have to ask everyone**
- **Put yourself in the donor's shoes**

*FINALLY...*

- **Practice makes perfect**

*Start asking today.*

*Start with **YOURSELF***

*Move on to the next easiest person you can imagine*

*Move on to the next easiest person after that....*

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## Recommended Resources

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*Grassroots Fundraising Journal, a bi-monthly periodical available from:*  
**[www.grassrootsfundraising.org](http://www.grassrootsfundraising.org)**

### **Books:**

*Fundraising for Social Change by Kim Klein*  
*Accidental Fundraiser by Stephanie Roth and Mimi Ho*  
*Grassroots Grants by Andy Robinson*  
*Jossey Bass Publishers*

### **Websites:**

*ImagineCanada.ca*  
*CompassPoint.org*  
*Afpnet.org*

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