



**2023 RNL NATIONAL
DONOR ENGAGEMENT
WORKSHOP** July 26-27

WELCOME



Accelerating your Donor Pipeline through Sustainable Fundraising

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Uncertain Outlook

8 in 10



University Presidents agreed with the statement “I am confident my institution will be financially stable over the next 10 years.”



65% of CBOs are confident in 10-year outlook



19% lack confidence in stability

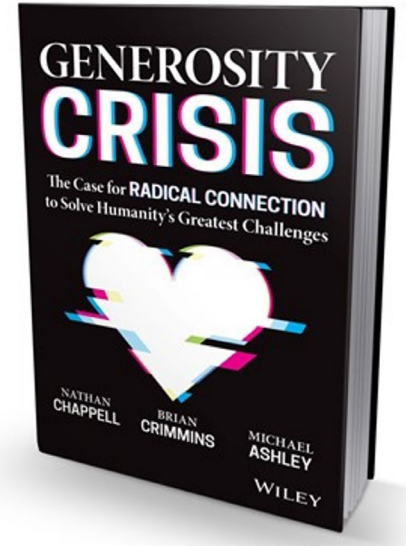


36% of all CBOs expect their financial condition to worsen over next year.

2023 Survey of College and University Business Officers; Inside Higher Ed

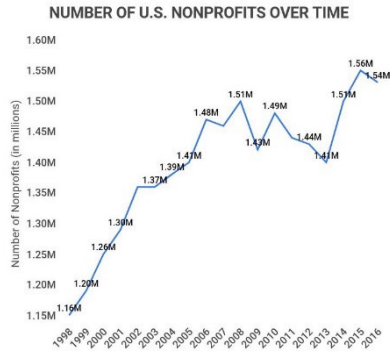
The scary truth for fundraisers . . .

- 81% of higher education institutions have not returned to their 2019 alumni donor counts. (CASE VSE data)
- 20 million households have stopped giving to formal charities. (Lily School and IRS Data)
- Non-Profits have ballooned, and donors are now “giving” in less tracked ways.

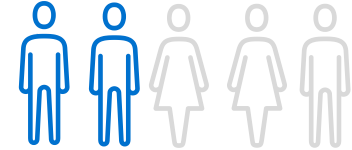
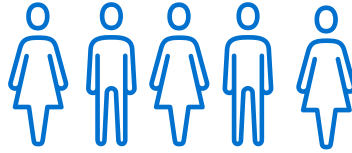


The Fundraising Landscape

A CROWDED FIELD



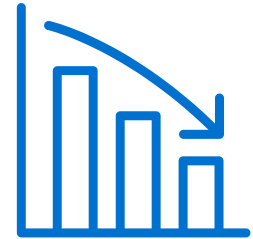
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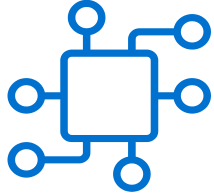
**FEWER GIVING
TO NONPROFITS**

=

**A GREAT
DONOR
CRASH**

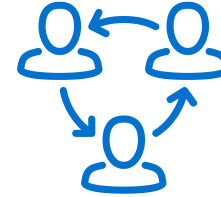


Pillars of Sustainability – Areas of Today's Focus



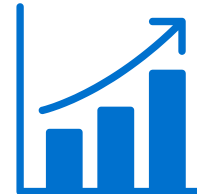
Focus on building a healthy major gift pipeline

Aggressive cultivation of millennial and gen z prospect/donor populations



Accelerate major giving with modern marketing practices

Commit to the process to achieve long term success



Reimagining the Business Model of Fundraising

Transition Donors to Investors in Your Mission

- Positioning advancement as an influencer earlier in strategic planning process
- Utilize principles of venture philanthropy to generate excitement in long-term impact
- Build predictive revenue streams that align with institutional priorities and global financial trends

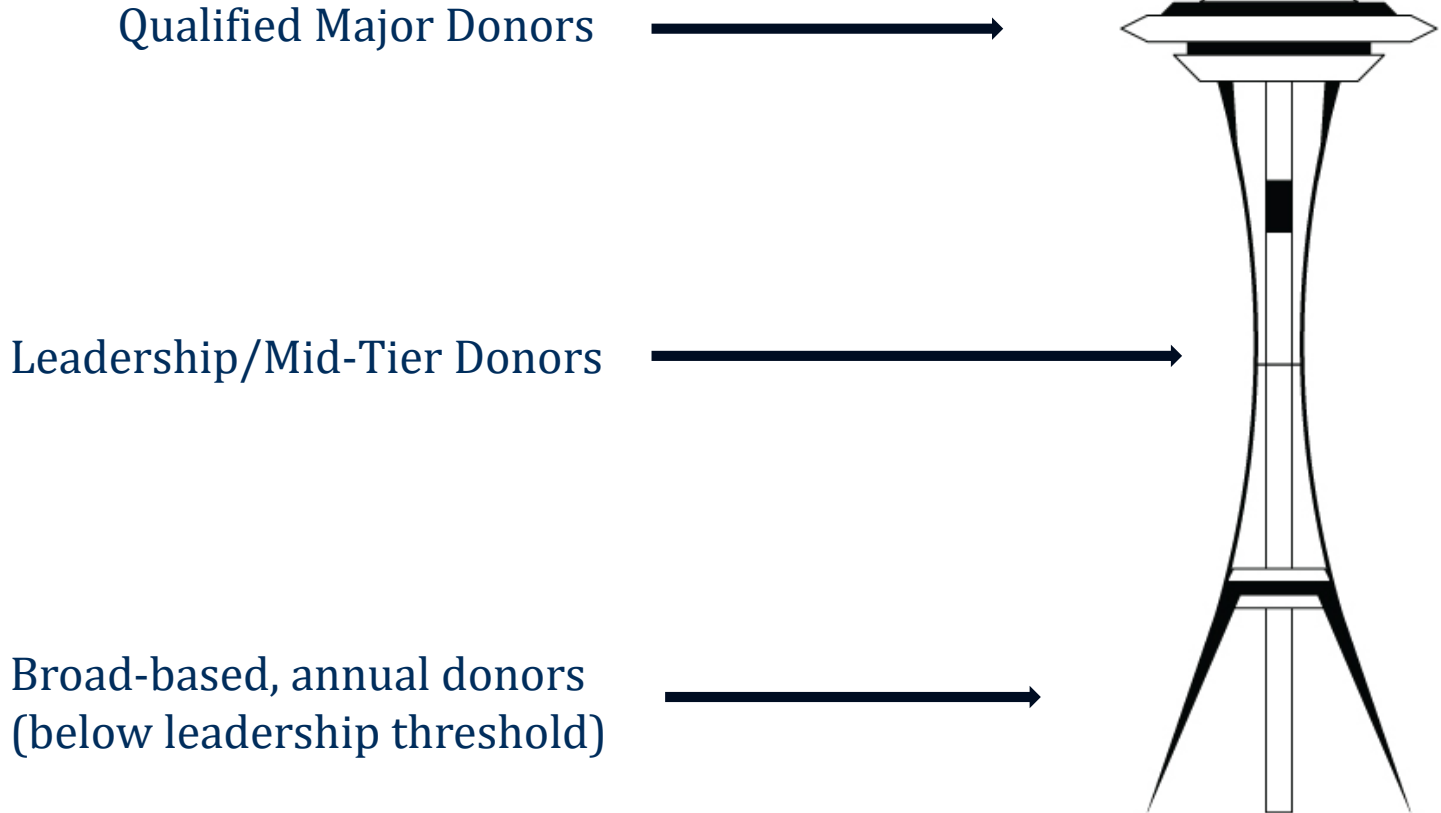


1



Building a Healthy Pipeline for Major Gifts

Space Needle of Giving



Big Gifts Do Not Grow on Trees

- More than half of principal givers have relationships of 11-40 years with the institution.
- Only 21% had been engaged less than 3 years.
- On average, it took 19.6 months from initial discussion to principal gift booking.
 - *Average new gift officer turnover rate = ~16 months. (RNL surveys)*

CASE Study of Principal Gifts to U.S. Colleges & Universities



Where do the big gifts come from?

Activity prior to the first \$25,000+ gift

**11.9
years**

time lapsed
from first gift

**7.3
years**

average years
giving

**13.8
gifts**

average number
of gifts

Source: RNL analysis of 3,044 major givers

Aggregation of marginal gains

- **Annual giving is a massive contributor** to the major gifts pipeline.
- Outreach builds a donor profile, updates key information, and **makes giving a lifestyle.**
- **Alumni participation is the most correlated variable** to endowment per student.

7%



Average alumni participation, 2022

*RNL estimate from
CASE and US News data.*

2



Cultivating the Next Generation of Major Donors

Annual Giving by Generation



	2016	2022	Inc/Dec	%
Gen Z		\$747		
Millennials	\$942	\$1,323	\$381	+40%
Gen X	\$1,265	\$1,220	(\$45)	-4%
Boomers	\$2,921	\$2,568	(\$288)	-12%

Impact of Wealth Transfer

The “Great Wealth Transfer” has created an upward trend and opportunity, but we see a bit of a head fake with large transformational or mega gifts.

\$73 Trillion

TO NEXT GENERATIONS

6%

WILL FLOW TO CHARITY (HISTORIC ESTIMATE)

10,000

BABY BOOMERS RETIRING PER DAY

However

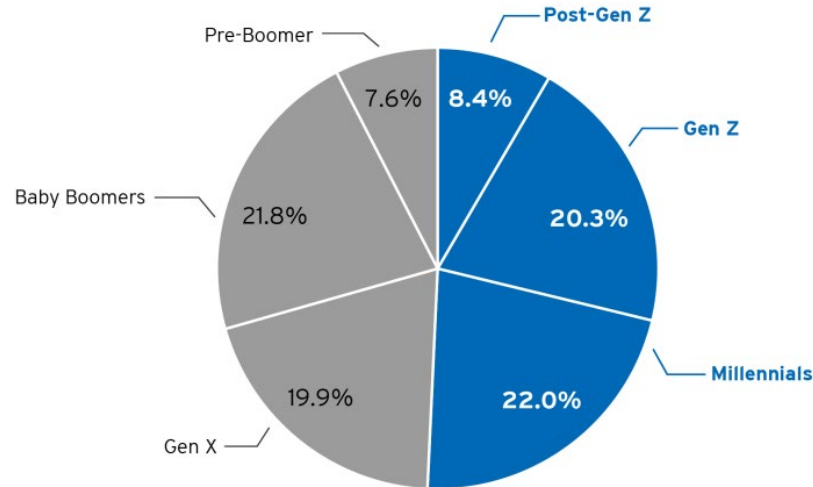
While GenX and Millennials coming into wealth are philanthropic, they choose **FEWER CHARITIES** and are more skeptical; many institutions are not actively cultivating and are therefore, **MISSING OUT** on future major and planned gifts.



Generational Breakdown of Population

FIGURE 2

Share of US population by generation



Does your donor pool reflect the current U.S. population?

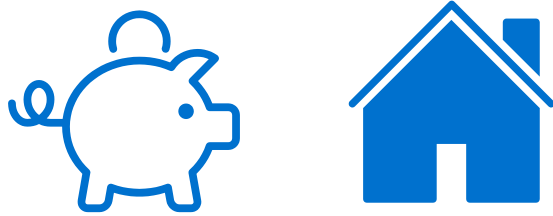
Numbers pertain to July 1, 2019

Note: Birth years are as follows: Post Gen Z (2013+), Gen Z (1997-2012), Millennials (1981-1996), Gen X (1965-1980), Boomers (1946-1964), Pre-Boomer (1945 and earlier).

Source: William H. Frey analysis of Census Bureau population estimates released June 25, 2020.

B Metropolitan Policy Program
at BROOKINGS

Financial Power of Millennial/Gen Z



Millennial average net worth doubled during the pandemic.

Most is in real estate, making up one third of wealth

Sources: Bank of America Study on Philanthropy

\$33 Trillion

Purchasing power of Gen Z

81%

Gave to a charity in 2021

55%

Say issues matter more than the organization.

Don't Underestimate Capacity

39%



Made gifts of \$500
or more annually

1/3 of all survey respondents made gifts of \$1,000 or more in 2021.

90% increase in median gift with institutions that increased the ask amount between 2018 and 2021.

Young donor giving stats

>80%

*of young alumni
give to some cause
each year*

*Schuler/RNL National Young Alumni
Survey and Bank of America data*

<8%

*give to their
alma mater
each year*

CASE VSE Data

Impact is the Most Important Motivator



1 in 10



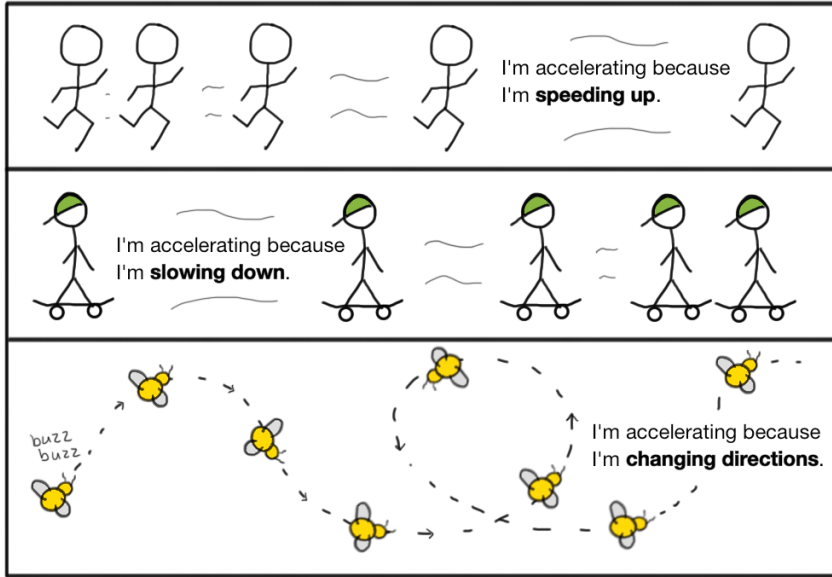
Young alumni believe their gift will make an impact at their alma mater

3



Accelerating the Pipeline with Modern Marketing

Accelerating Growth



Utilizing the foundation of annual giving to drive gift conversations

Tapping into the power of omnichannel marketing

Adjusting strategies to today's donors

Casting the right net for your leadership pipeline

The evolution of qualification

How It Started



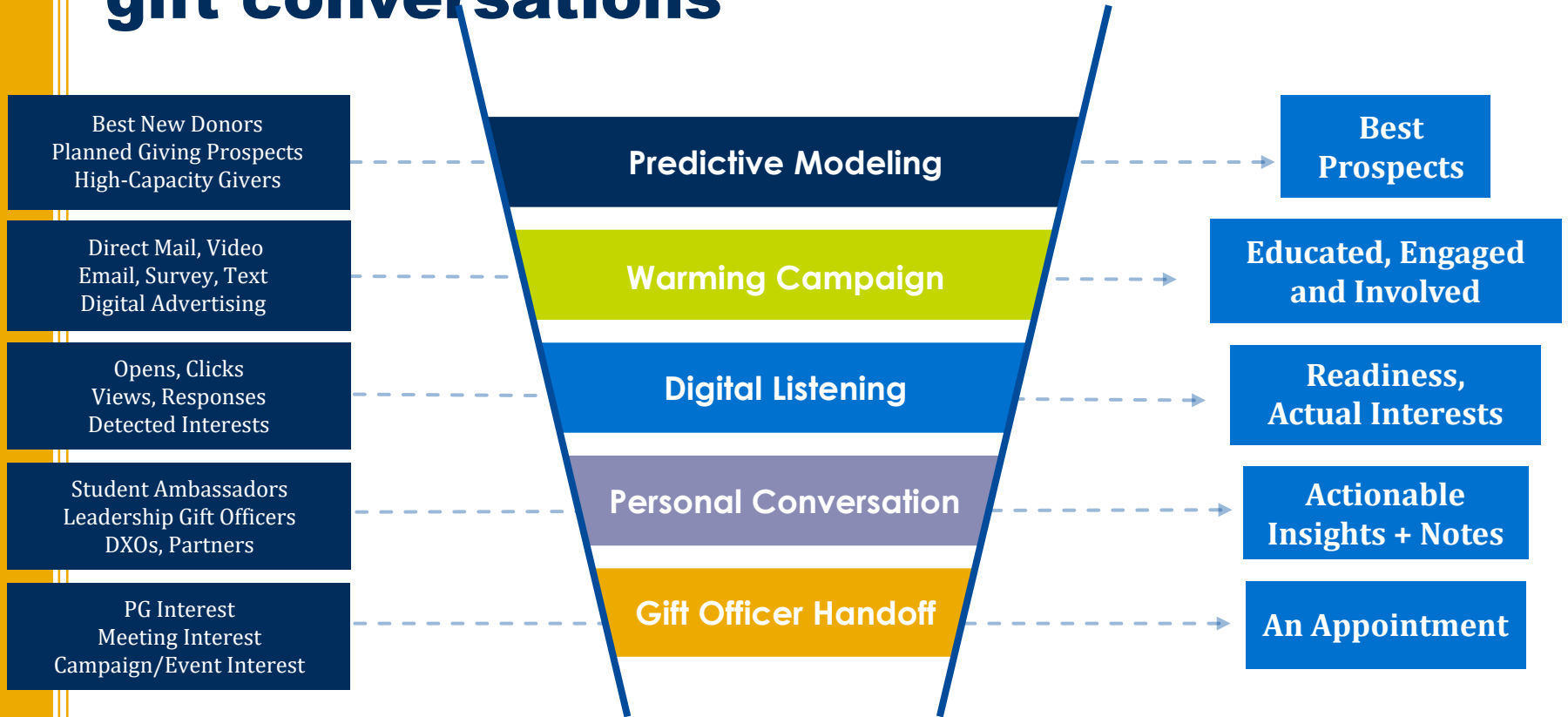
- × Big prospect lists
- × Our old friend Google
- × Stressed prospect research
- × Call, and call and call
- × Fill in those appointments before you fly...

How It's Going



- ✓ Predictive modeling
- ✓ Personalized outreach at scale
- ✓ Donor “warming” campaigns
- ✓ Digital listening
- ✓ Low friction 1:1 engagement opportunities

Leveraging broad based marketing to drive gift conversations



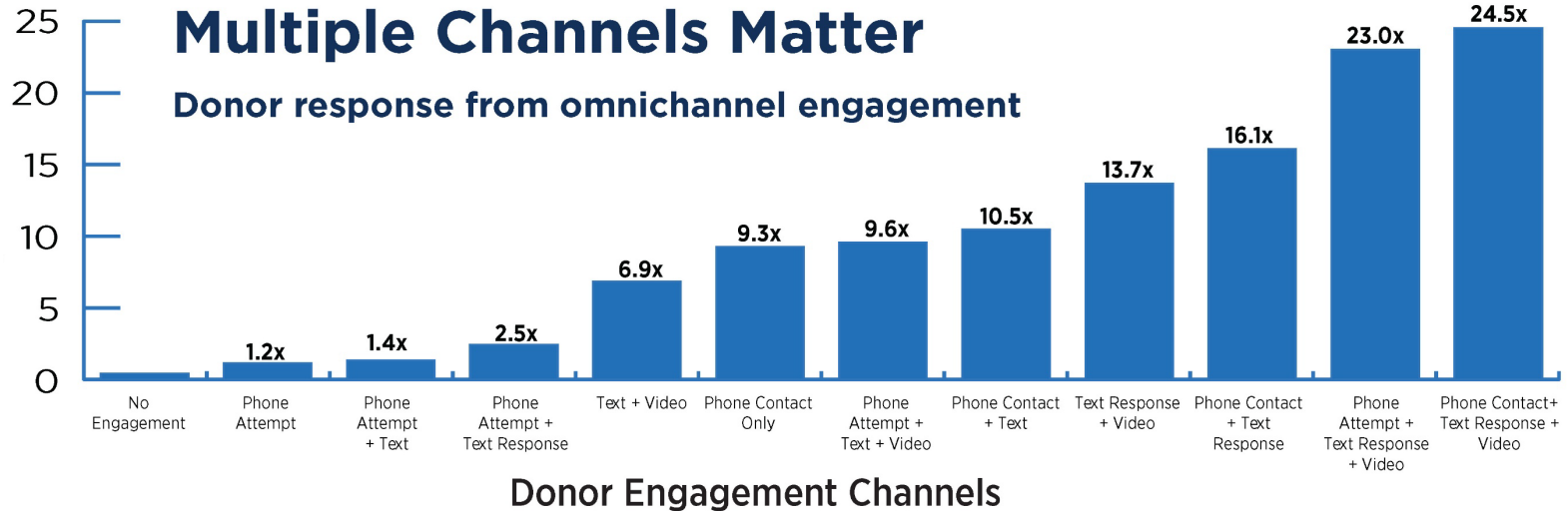
Priming the Pump

Omnichannel *noun* : The use of multiple, coordinated and personalized channels to engage supporters.



Requires data flow, tech, creativity, experimentation and silo-busting

Omnichannel coordination make a difference



RNL Analysis of 506,050 constituents during 2022, with engagement completed in the RNL Engage platform and integrated technologies across phone call attempts, completed calls, texting and response, along with views of video messaging.

Pipeline Building: The Power of Mid-Tier Giving

Average activity **before** a leadership gift:

Leadership Level	Avg Years Elapsed	Avg Giving Years	Avg Gifts
\$1,000	7.1	3.5	8.0
\$5,000	9.5	4.9	10.6
\$10,000	10.6	5.6	11.8

Review of 45,371 leadership donors and their giving behavior; 10 institutions.

Adjusting Strategies for New Types of Donors

LYBUNTS:

Mostly loyal donors.



LYBUNTS:

Now many first time giving day, crowdfunding, senior gift, challenge, ambassador and loyal donors.

You'll need to share the impact, and "why" even with LYBUNTs.



#CougsGive – April 12

Help WSU celebrate the impact of philanthropy. Save the date for April 12th when the Cougar family comes together for #CougsGive!



Playing the Acquisition Game

Baylor University



YOUR
SIC 'EM SOCKS
ARE WAITING

GIVE NOW >>

HATS
ARE HERE!



SOCKS
ARE BACK!

#GivingTuesday
AT THE UNIVERSITY OF CINCINNATI AND UC HEALTH

DEADLINE



EXTENDED

We're extending our limited-edition Bearcat ornament offer for 12 hours only!

STAND
TOGETHER
ON WVU
DAY OF
GIVING
3.22.23



WIN \$1,000 FOR THE AREA OF WVU YOU LOVE!

1. Cut out your very own WVU bowtie
2. Take a photo or video wearing your bowtie
3. Share on social using #WVUDayofGiving and tag your favorite unit

From March 16 to March 22 the best photo, video or GIF will be awarded \$1,000 for their tagged unit.

DAY OF GIVING
MARCH 22, 2023
dayofgiving.wvu.edu



univadmissions

the Pie-to-the-Face event at Rebels Give was success! 🥰 Happy #RebelRedFriday!
UNLV #DiscoverUNLV #RebelsGive #pie

12 days ago

4



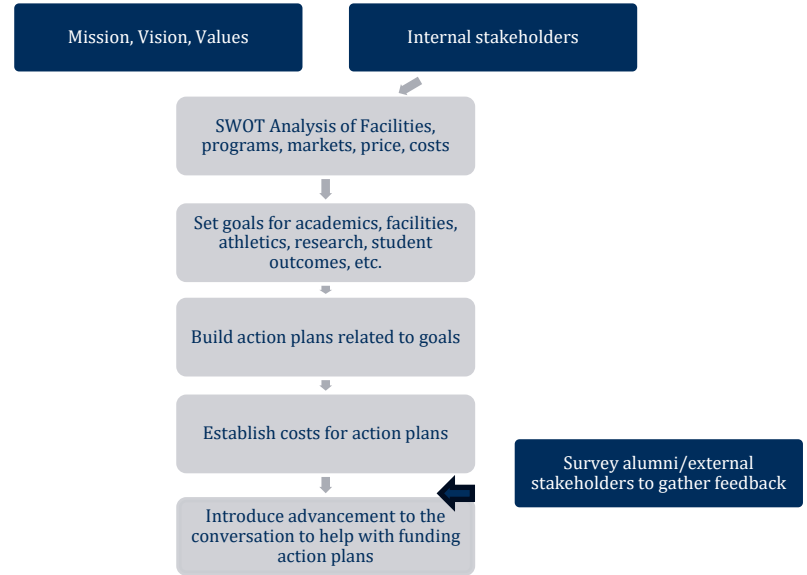
Turning Your Donors Into Investors in Your Mission

Strategic Planning Process

Basic Overview



Typical Higher Ed Process



Outcomes

- Short-term focus on high-end donors who can achieve immediate goals
- Neglect of donors who are not aligned with the plan
- Missing opportunities to even out long-term revenue through diversified planning process



Truly strategic **revenue** planning is a continuous and data-informed process that:

- Aligns revenue streams around core priorities;
- Incorporates market feedback, financial trends, and campus needs into priority development;
- Diversifies funding sources and accommodates fluctuating market trends;
- Sets goals that are achievable given the financial environment, staffing, resources available;
- Creates transparency and reports on impact and growth

...to foster long-term financial sustainability and broaden community engagement.

Aligning Revenue Streams

Funding Long-term Sustainability



Market Assessment



Academic Planning



Strategic Enrollment
Planning



Fundraising
Opportunities

Changing the Narrative



Investing in the Mission

- Align funding opportunities with bigger financial picture
- Build stewardship that showcases the impact of investment to financial sustainability and growth
- Engage a generation of donors that requires transparency

Aligning Revenue and Changing Value Proposition: Example

\$1,000



Yields Millions in
Future Tuition
Revenue for
Institution



Market Assessment: Demand for nursing graduates



Academic Planning: Grow undergraduate and graduate nursing programs



Challenge: Growth is limited by clinical space/capacity on campus

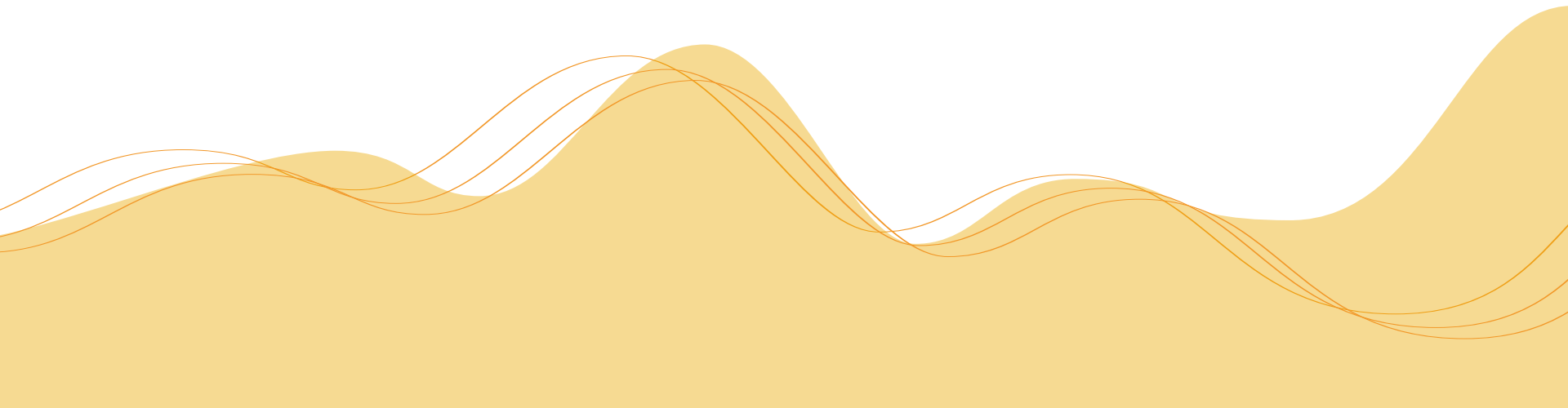


Investment Opportunity: Gifts support today's students and long-term sustainability of the program while impacting broader healthcare needs of community.

5



Committing to the Long Game



Pipeline development is a team sport

Personal 1:1 engagement through many conduits



Student
Ambassadors



Leadership
Gift Officers



Board
Members



Volunteers



Partners

Building a strong foundation for growth



Direction and goals dictated by data and analytics



Plans guided by a strategic and long-term vision



Culture of investment



Commitment to the process and the mission

Key takeaways

- Young donors/prospects need to **feel a connection** to the fundraising opportunity. Targeted micro-campaigns are effective.
- Modern marketing strategies yield better donor engagement.
- Don't set the bar too low. Young prospects/donors will give **higher amounts**, especially if we quantify the collective impact.
- Tools that allow for personalization, real-time engagement, improve donor/volunteer experience, and create staff efficiencies are worth it.
- **Diversification of your outreach, cultivation, fundraising, and revenue streams is imperative.**
- **Leadership must commit to the long-term, big picture to secure financial sustainability.**
- We have an opportunity **reimagine the business model of advancement** to improve value proposition for donors.



Thank You!

Connect with us on LinkedIn!

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