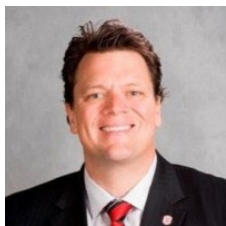2023 RNL NATIONAL DONOR ENGAGEMENT WORKSHOP July 26-27

WELCOME

Smart Identification and Qualification of Major and Planned Gift Prospects

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Smart Identification and Qualification of Major and Planned Gift Prospects

- Donor Engagement Pipeline

- Metrics in Identification and Qualification Major and Planned Gift Prospects.

- Leveraging Technology for Smart Identification and Qualification

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2023 RNL NATIONAL DONOR ENGAGEMENT WORKSHOP July 26-27

Building out our donor engagement and major gifts pipeline

What do we mean when we say "pipeline"

Traditional Campaign Pyramid

GIFT RANGE	# GIFTS REQ.	# PROSPECTS REQ.	SUBTOTAL	CUMULATIVE TOTAL	CUMULATIVE %
25000000	1	5	25000000	25000000	25%
15000000	1	5	15000000	40000000	40%
10000000	2	10	20000000	60000000	60%
7500000	2	10	15000000	75000000	75%
5000000	3	15	15000000	90000000	90%
2500000	4	20	10000000	100000000	100%
2000000	6	30	12000000	112000000	112%
1000000	8	40	8000000	120000000	120%
500000	10	50	5000000	125000000	125%
250000	12	60	3000000	128000000	128%
Total:	49	245		128000000	

What do we mean when we say "pipeline"

Prospect Pipeline Ratio

11:8:5:3:1

This pipeline operates on the assumption that for every donor:

- eleven prospects must be identified

  - eight qualified

  - five cultivated

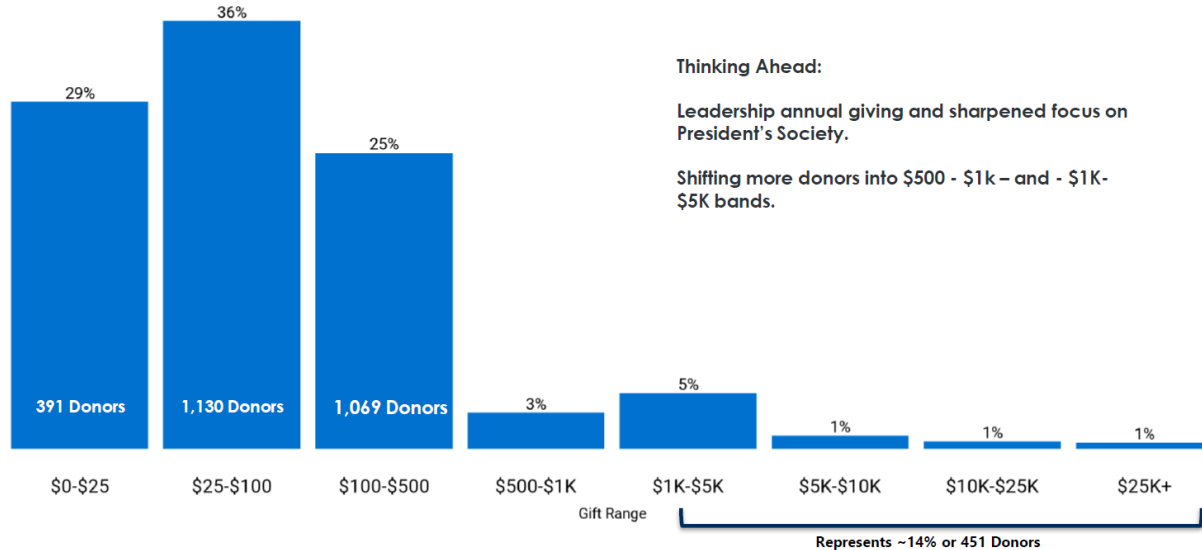 - three solicited

What do we mean when we say "pipeline"

What does your donor pyramid look like?
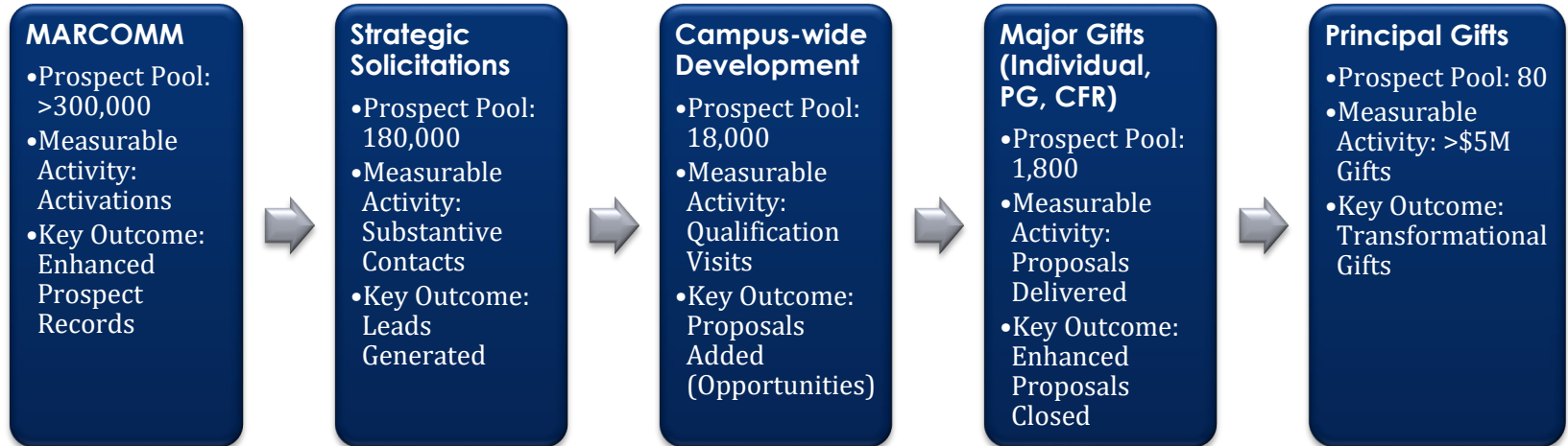
What do we mean when we say "pipeline"

The Missing Mid-Level Donors

Distribution of FY21 Gifts across Gift Ranges

Thinking Ahead:

Leadership annual giving and sharpened focus on President's Society.

Shifting more donors into $500 - $1k – and - $1K-$5K bands.

Gift Range	Percentage	Donors
$0-$25	29%	391 Donors
$25-$100	36%	1,130 Donors
$100-$500	25%	1,069 Donors
$500-$1K	3%	
$1K-$5K	5%	
$5K-$10K	1%	
$10K-$25K	1%	
$25K+	1%	

Represents ~14% or 451 Donors

RNL 360 Sample Analysis

What do we mean when we say "pipeline"

Kansas State University "Fundraising Spectrum"

MARCOMM
- Prospect Pool: >300,000
- Measurable Activity: Activations
- Key Outcome: Enhanced Prospect Records

→

Strategic Solicitations
- Prospect Pool: 180,000
- Measurable Activity: Substantive Contacts
- Key Outcome: Leads Generated

→

Campus-wide Development
- Prospect Pool: 18,000
- Measurable Activity: Qualification Visits
- Key Outcome: Proposals Added (Opportunities)

→

Major Gifts (Individual, PG, CFR)
- Prospect Pool: 1,800
- Measurable Activity: Proposals Delivered
- Key Outcome: Enhanced Proposals Closed

→

Principal Gifts
- Prospect Pool: 80
- Measurable Activity: >$5M Gifts
- Key Outcome: Transformational Gifts

What do we mean when we say "pipeline"

Vanderbilt Owen Graduate School of Management

Vanderbilt Rating Bands

- Under $25K – Annual Gifts/General Gifts

- $25K-$100K – Leadership Annual Giving

- $100K-$250K – Major Gifts

- $250K-$500K – Major Gifts

- $500K-$1M – Major Gifts

- $1M+ - Major Gifts/Transformative ($5M+)

What do we mean when we say "pipeline"

Vanderbilt Owen Graduate School of Management

Number of Owen prospects in each band

- Under $25K – 25 prospects

- $25K-$100K – 928 prospects

- $100K-$250K – 305 prospects

- $250K-$500K – 107 prospects

- $500K-$1M – 62 prospects

- $1M+ - 99 prospects

- Unrated – 8,797 prospects

RNL Donor Pipeline

- Grow giving for a lifetime

Build your base

engage
cultivate
solicit
steward

- RNL Omnichannel Engagement
- RNL Engage (Campus Team, National Team, or SaaS)

Build leadership giving

solicit leadership gifts
increase mid-level pipeline
generate major gift leads

- RNL Leadership Giving

Build major & planned giving

warm
qualify
secure

- Major Giving Pipeline Builder
- Planned Giving Pipeline Builder

What do we mean when we say "pipeline"

Pipelines are about...

- Numbers of records, ratio.

- Strategies and tactics employed to move a record through the pipeline.

- Who is responsible stage by stage for moving a record through the pipeline.

- KPIs needed to be met for moving a record through the pipeline.

When and why do you move the prospect to the next stage?

2

2023 RNL NATIONAL DONOR ENGAGEMENT WORKSHOP July 26-27

Metrics in Identification and Qualification Major and Planned Gift Prospects

Smart Qualification of Major Gift Prospects

Smart Metrics through Smart Engagement

Go beyond what is in your CRM...

- Demographics
- Giving History
- Wealth Screening
- Contact Reports

...and *listen* to what your prospects are telling you.

- Donor Behavior
- Wealth Indicators
- Philanthropic Alignment
- Relationship Strength
- Engagement Level
- Demographic Factors
- Relationship Networks
- Communication Style

Smart Qualification of Major Gift Prospects

CASE Alumni Engagement Metrics

- **Philanthropic:** This category measures alumni giving, including both annual giving and major gifts.

- **Volunteer:** This category measures alumni volunteerism, including both on-campus and off-campus activities.

- **Experiential:** This category measures alumni participation in alumni events, reunions, and other experiential activities.

- **Communication:** This category measures alumni engagement with the institution's communications, including email, social media, and the alumni magazine.
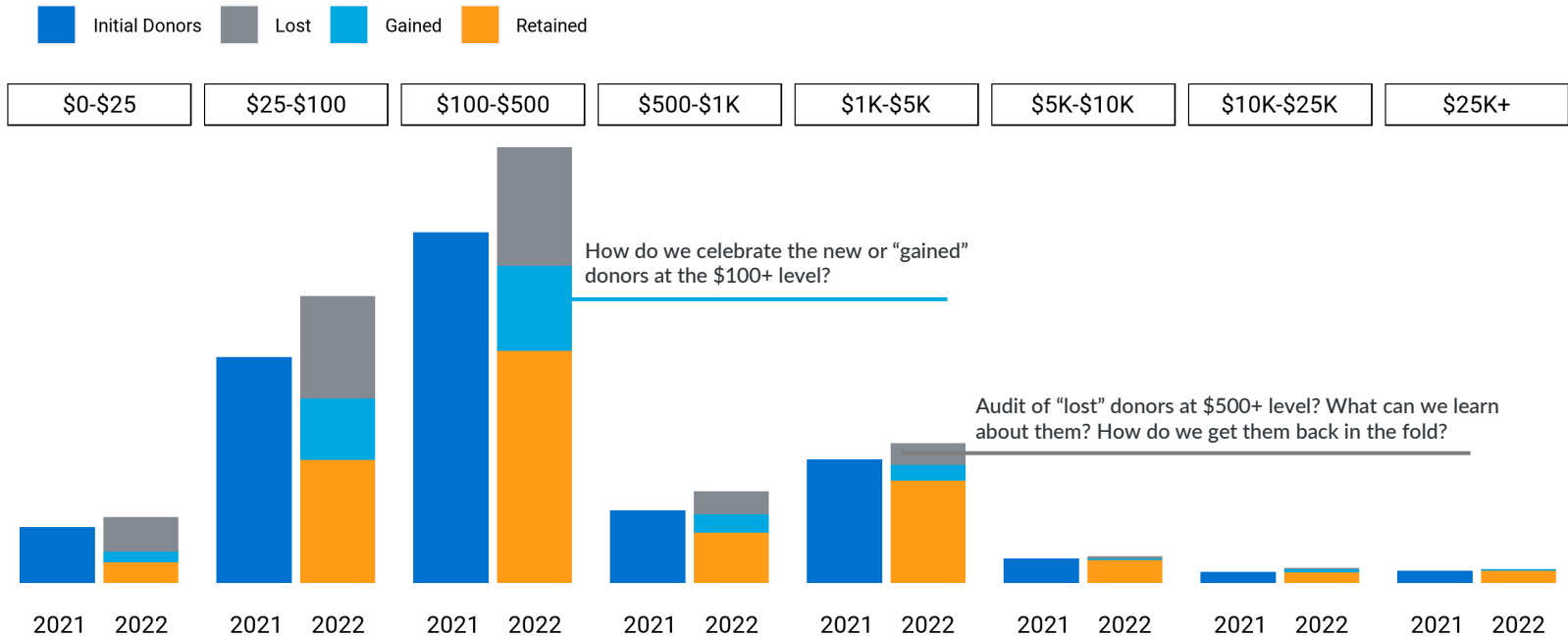
Smart Qualification of Major Gift Prospects

Look Inward

- **Examples from RNL360:**
  – Lifetime Giving
  – Maximum Consistency
  – Comparison to Peers in Decade/Era
  – Giving Pattern Since Acquisition
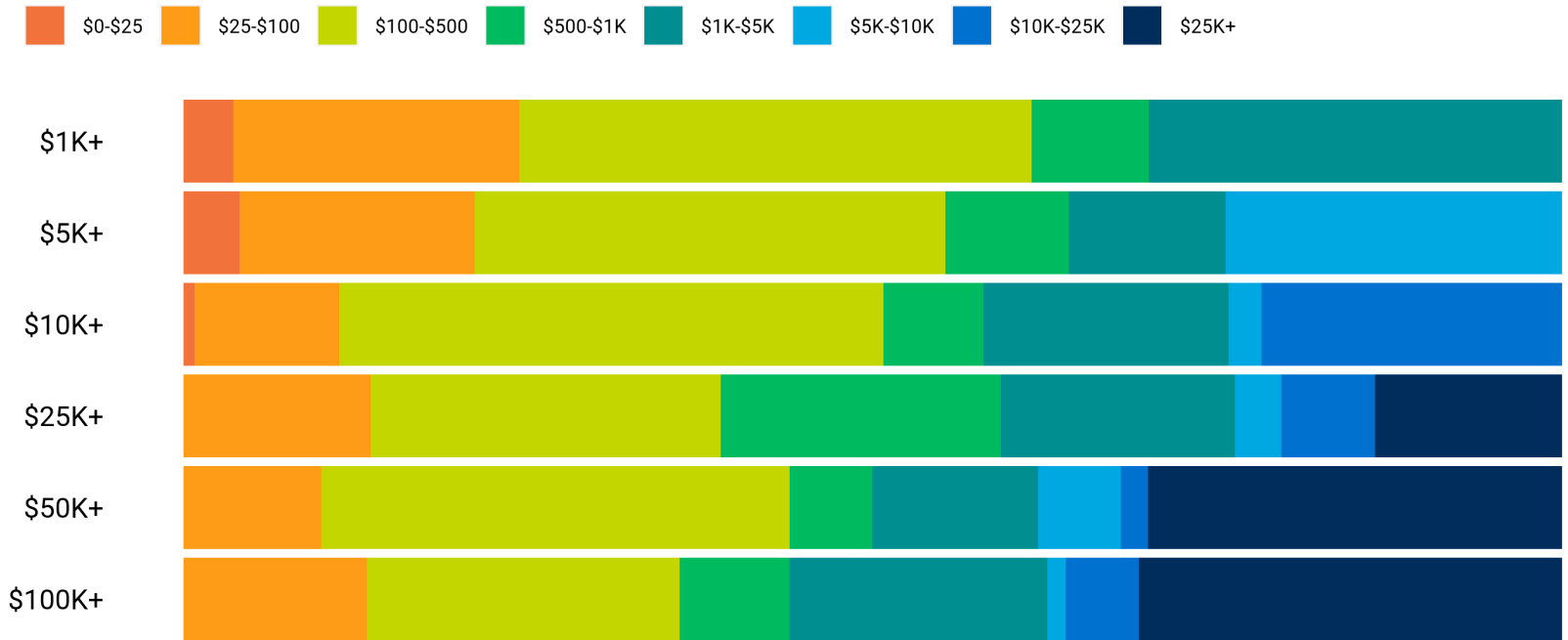 – Annual Giving and Style (Multiple Gifts?)

Smart Qualification of Major Gift Prospects

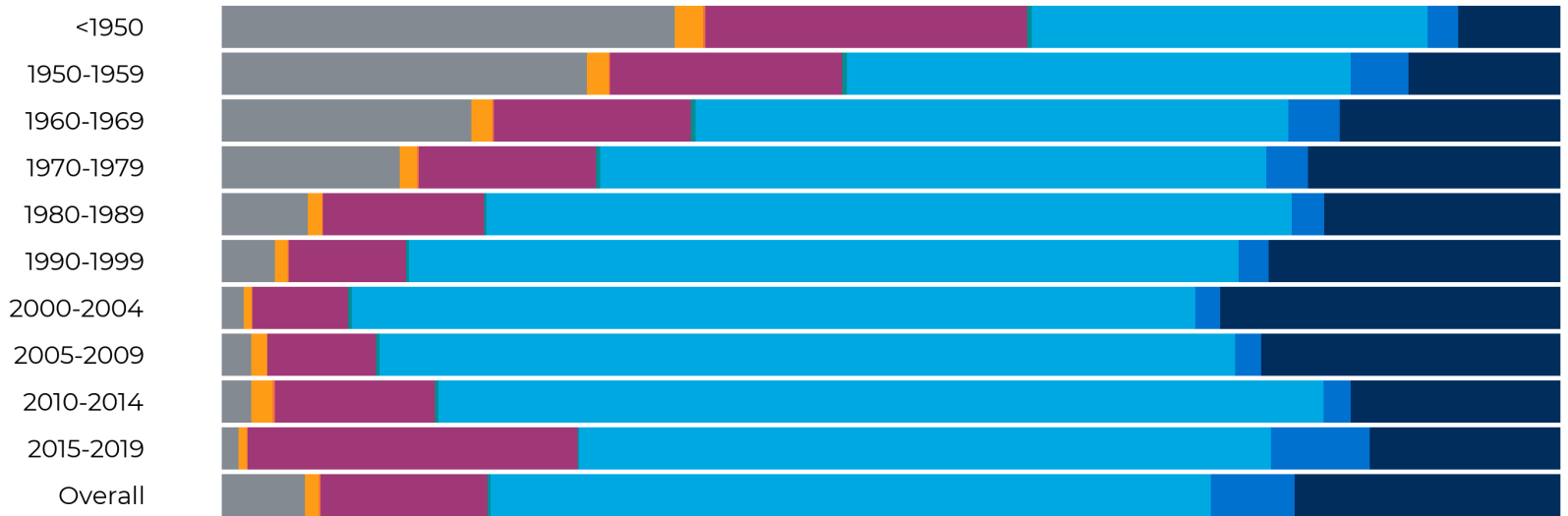## *RNL360 - FY22 Donor Retention by Gift Range in FY21*

How do we celebrate the new or "gained" donors at the $100+ level?

Audit of "lost" donors at $500+ level? What can we learn about them? How do we get them back in the fold?

Smart Qualification of Major Gift Prospects

RNL360 - First Gift Amount by Major Donor Level

Legend: $0-$25 | $25-$100 | $100-$500 | $500-$1K | $1K-$5K | $5K-$10K | $10K-$25K | $25K+

Categories: $1K+, $5K+, $10K+, $25K+, $50K+, $100K+

Smart Qualification of Major Gift Prospects

RNL360 - First Gift Amount by Major Donor Level

Legend:
- No Contact Info
- Only Phone
- Only Email
- Only Mail
- Email & Phone
- Mail & Phone
- Mail & Email
- All Channels

Categories: <1950, 1950-1959, 1960-1969, 1970-1979, 1980-1989, 1990-1999, 2000-2004, 2005-2009, 2010-2014, 2015-2019, Overall
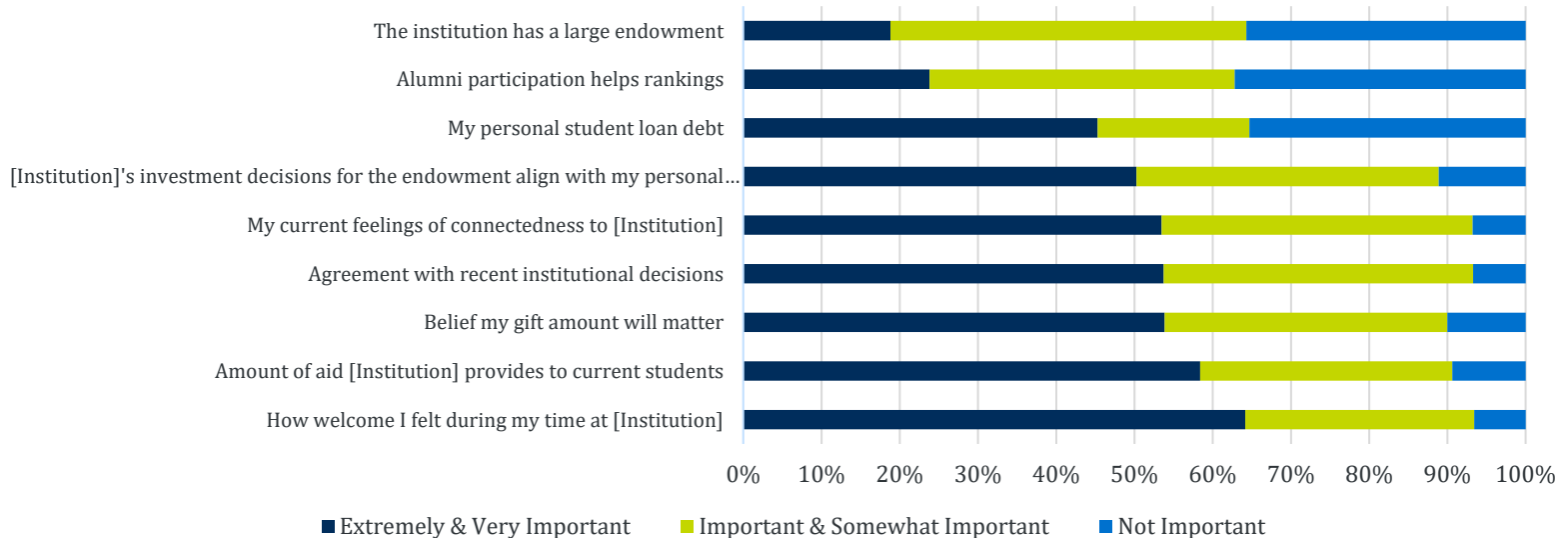
Smart Qualification of Major Gift Prospects

Market Research and Persona Building

Smart Qualification of Major Gift Prospects
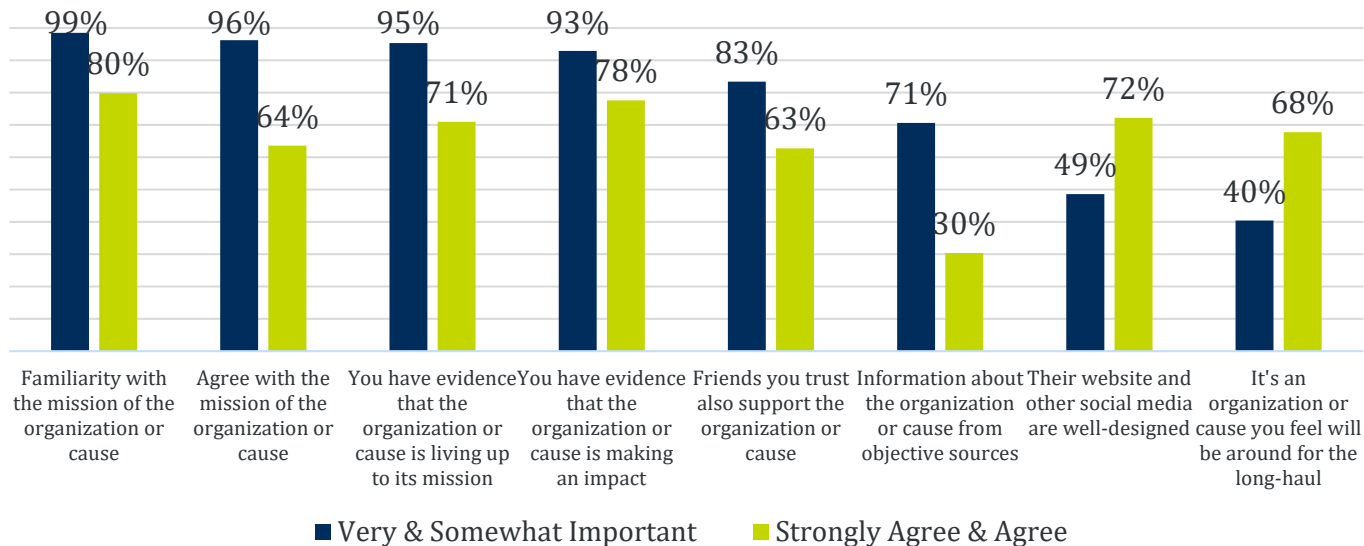
Market Research - Factors in Giving

Please indicate the importance of each when deciding whether or not to donate to your alma mater:

- ■ Extremely & Very Important
- ■ Important & Somewhat Important
- ■ Not Important

Smart Qualification of Major Gift Prospects

Market Research - Motivations

How important are the following when deciding whether to support an organization?
Please indicate your level of agreement with the following statements about your alma mater.

	Very & Somewhat Important	Strongly Agree & Agree
Familiarity with the mission of the organization or cause	99%	80%
Agree with the mission of the organization or cause	96%	64%
You have evidence that the organization or cause is living up to its mission	95%	71%
You have evidence that the organization or cause is making an impact	93%	78%
Friends you trust also support the organization or cause	83%	63%
Information about the organization or cause from objective sources	71%	30%
Their website and other social media are well-designed	49%	72%
It's an organization or cause you feel will be around for the long-haul	40%	68%

Smart Qualification of Major Gift Prospects

Market Research – Persona Modeling

Donor Group – SAMPLE SLIDE
Loyal, faithful base

10 YEAR TRUE BLUES
10+ year consistent donors who have given in the last 3 years

Max Consistency: Have given for 10 or more years in a row at some point
Lifetime Giving: Highest rate of donors who have given $5,000 or more in their lifetime
Median Gift: Majority have a median gift amount of $100 or more

Donor Group – SAMPLE SLIDE
Newest donor group

FRESH FACES
Most recently acquired donors, starting their philanthropic relationship with the University
38% of donors and 10% of all prospects

Max Consistency: More than half have never given 2 years in a row; 36% made first gift in the last 5 years
Lifetime Giving: Nearly half have given $100 or less
Median Gift: Majority have a median gift amount <$100
Connections: Majority fall between 1 and 3 connections

Non-Donor Group – SAMPLE SLIDE
Recent grads, digitally connected

BUSY BUDDING PHILANTHROPISTS
Recently graduated social media followers, charitable at heart
7% of population

Connections & Events: Many are social followers, but limited recorded event attendance
Survey: Interested in learning about current students; motivated by purpose-driven campaigns; give between $1,250 to $9,999 annually to non-profits
Preferred Grad Year: One-third of alumni graduated in 2000 or after
Other Attributes: Highest lapsed / non donor emailable rate; provide more financial than volunteer support because of time constraints

- **Summary:** Use client-provided data to group populations by both behavioral and giving characteristics. More, diverse data (100+ variables) improves model process and the personas or clusters that are developed.

- **Value to Campus:** Offers a new way to approach segmentation. Can be used to inform advancement efforts, more effectively shape messaging and communication, and deploy resources for improved alumni engagement and participation.

- **Deliverables:** Custom personas are created based on clustering analysis (typically 5 – 7); virtual presentation and raw data file.

- **Timeline:** 6 to 8-week standard delivery.

Smart Qualification of Major Gift Prospects

Ask your prospects, listen to what they say

- Donor Surveys

- Giving Days

- Cause-based Fundraising and Crowdfunding

- Leadership Giving Programs

- Major Gift/Planned Gift Prospect Warming

Smart Qualification of Major Gift Prospects

Market Research - Future Donations

What are Donors Most Likely to Support?

Scholarships and financial aid	66%
Specific department or major	45%
Initiatives to assist first gen students	44%
Mental health services	43%
Initiatives that build an inclusive campus environment	**37%**
Annual fund	27%

What are Non-Donors Most Likely to Support?

Scholarships and financial aid	54%
Mental health services	48%
Specific department or major	42%
Initiatives to assist first gen students	37%
Programs supporting sustainability	**31%**
Annual fund	6%

Smart Qualification of Major Gift Prospects

Giving Days and Crowdfunding

BCC: Black Cultural Center Challenge

Black Cultural Center (BCC)

When $50,000 is raised for the Black Cultural Center, an additional gift of $50,000 from Mary Awopileda, Myria Carpenter, Eileen Carpenter and Elliott Wallace, Angelica Fortney, Drs. Dennis and Latoya Harris, Susan Chapman-Hughes and Christopher Hughes, Dr. Warren Hutchings, Racquel Martin, Drs. Rosevelt and Kristen Noble, Dr. Robert Palmer and Ashley Palmer, Corey and Anya Thomas, and Tanya Washington will be unlocked.

$11,158.32 more unlocks **$50,000**

VIEW PROFILE   MAKE A GIFT

LAVA Board: LAVA Board Challenge

LGBTQI Life

LAVA Board members, Bryann DaSilva, Donna Dodson, Taylor Gutierrez and Jackson Vaught, will match any gift to the LGBTQI+ Life Fund dollar for dollar up to $1,500.

,500 MATCH   **COMPLETED**

EW PROFILE   MAKE A GIFT

Anonymous: Student Care Assistance Program Challenge

Student Care Assistance Program (SCAP)

When 35 donors give to the Student Care Assistance Program, a $15,000 donation from an anonymous donor will be unlocked.

$15,000 unlocked!

VIEW PROFILE   MAKE A GIFT

Smart Qualification of Major Gift Prospects

Leveraging modern qualification to drive major gifts

Inputs	Funnel Stage	Outputs
Best New Donors, Planned Giving Prospects, High-Capacity Givers	Predictive Modeling	Best Prospects
Direct Mail, Video, Email, Survey, Text, Digital Advertising	Warming Campaign	Educated, Engaged and Involved
Opens, Clicks, Views, Responses, Detected Interests	Digital Listening	Readiness, Actual Interests
Student Ambassadors, Leadership Gift Officers, DXOs, Partners	Personal Conversation	Actionable Insights + Notes
PG Interest, Meeting Interest, Campaign/Event Interest	Gift Officer Handoff	An Appointment

28

Smart Qualification of Major Gift Prospects

RNL Leadership Giving

- Three Pillars: Technology, Marketing, and Expert Consulting
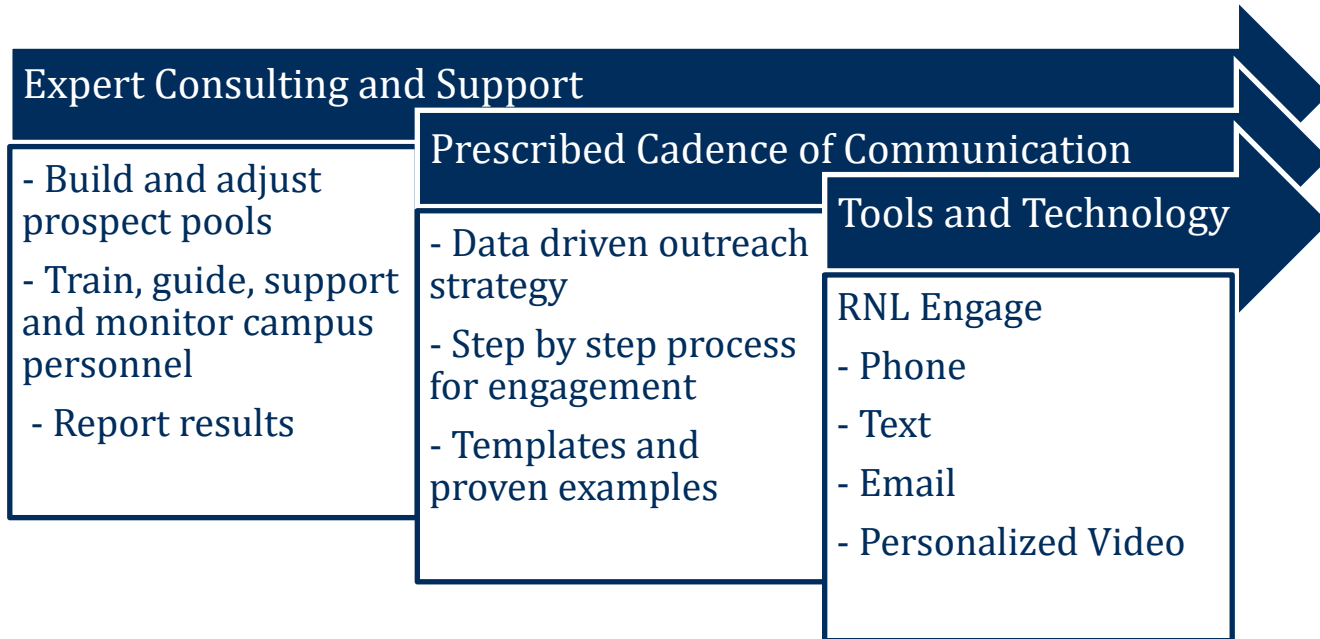
Expert Consulting and Support

- Build and adjust prospect pools

- Train, guide, support and monitor campus personnel

- Report results

Prescribed Cadence of Communication

- Data driven outreach strategy

- Step by step process for engagement

- Templates and proven examples

Tools and Technology

RNL Engage

- Phone

- Text

- Email

- Personalized Video

Smart Qualification of Major Gift Prospects

Vanderbilt Owen Graduate School of Management

Vanderbilt Owen Portfolio Project

- Started w/ Prospect Research/Analytics team - "What is the data saying?"
- Look at Engagement Scoring (volunteering, Board service, etc.) & Giving Scoring to determine RFM Score (Recency, Frequency, Magnitude)
- Data will lead to the pipeline
- Ratings informed Portfolio Assignments based on Title bands

  o Associate Dean: $1M+

  o Senior Director: $250K-$1M

  o Associate Director: $100K-$500K

  o Assistant Director: $25K-$100K (Leadership Annual Giving)

Smart Qualification of Major Gift Prospects

Vanderbilt Owen Graduate School of Management

What are the metrics?

- Qualifications, referrals, meetings, gifts asked, proposals funded, dollars raised.

What is success?

- Increased dollars committed and higher level of engagement with Owen.
- Prospects move up the pipeline from LAG gift, to major gift, and ultimately, a planned gift.

3

Leveraging Technology for Smart Identification and Qualification

SAVE YOUR WORK

Smart Qualification of Major Gift Prospects

Shorten the timeline while using time wisely…

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

19.6 months
average time to
secure a principal gift

Source: RNL analysis of 3,044 major givers

Source: *CASE*

Smart Qualification of Major Gift Prospects

What is artificial intelligence?

"the theory and development of computer systems able to perform tasks that normally require human intelligence, such as visual perception, speech recognition, decision-making, and translation between languages."
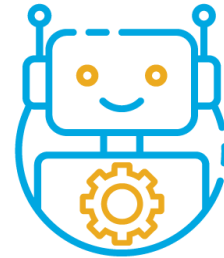
"intelligence—perceiving, synthesizing, and inferring information—demonstrated by machines, as opposed to intelligence displayed by humans or by other animals. Example tasks in which this is done include speech recognition, computer vision, translation between (natural) languages, as well as other mappings of inputs. "

Smart Qualification of Major Gift Prospects

Artificial intelligence in Fundraising

- Donor Prospect Modeling/Scoring

- Personalized Donor Engagement

- Chatbots and Virtual Assistants

- Donor Retention Analysis

- Fraud Detection

- Automated Fundraising Campaign Optimization

- Data-driven Fundraising Strategy
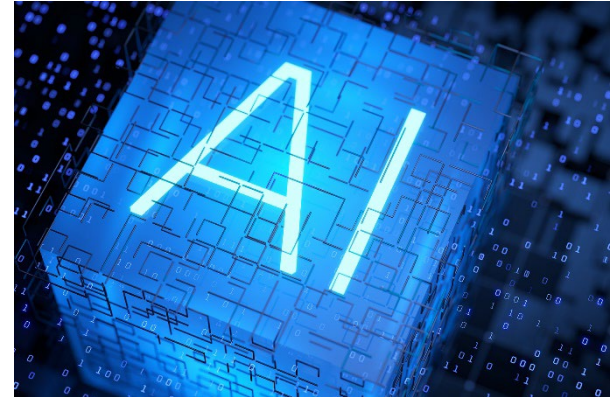
Smart Qualification of Major Gift Prospects

How AI Personalization Works in Donor Engagement

ANALYZE

The AI system **analyzes your great content** including stories, web pages, giving opportunities, and events.

The system **creates a profile of your constituents**, from what you already know about them.

This is done by the AI through natural language processing (NLP)—no tagging is required.

1

LISTEN

As you send out messages and content, **the AI "listens" for where each individual clicks, reads, attends, and donates**.

2

PERSONALIZE

You can start **using the AI to personalize portions of messages** for each donor.

3

ALIGN

The AI aligns your content to **match what the donor cares about**.

4

SUCCEED

Open rates, engagement, and the total experience improve, leading to **more gifts and happier donors**.

5

RNL

2x read & click rates
with
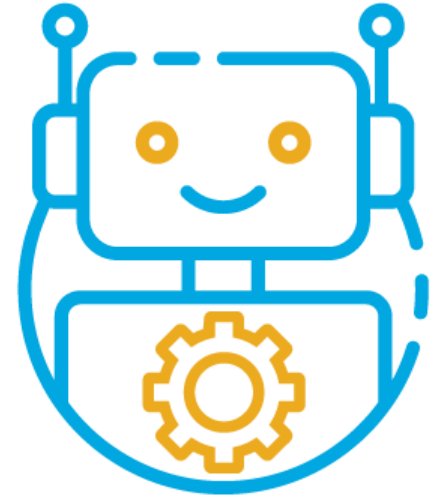AI-personalized communications

The same type of AI technology used by Amazon, Netflix, and Spotify to personalize our experience is now available for donor engagement.

Smart Qualification of Major Gift Prospects

## *How does AI Personalization actually work?*

- **AI crawls your content** (web, events, giving, video, social media)

- **Content is categorized** using natural language processing

- **AI listens** to where each donor gives, reads, clicks, participates

- You set **variable buckets** for content to be featured

- Each donor receives a **unique set of communications** based on their *actual* interest

- The system **evolves** *with* **donors**

- Open, click and conversion rates can **more than double**

YOUR NEWEST TEAM MEMBER

Smart Qualification of Major Gift Prospects

AI Personalization needs adult supervision
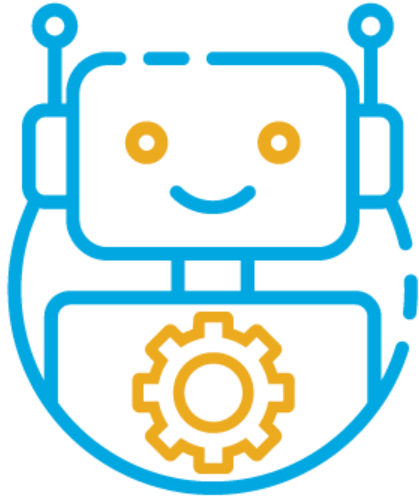
I NEED HELP TO BE A BETTER ROBOT.

- Because AI utilizes our current world to optimize communication, it will often create **more of the same.**

- That means that people who are currently excluded **could even be more excluded.**

- Carefully balance **what you feel is crucial to your mission** with AI-optimized content.