



# The Agitator

**Ag-i-tate (aj' i tāt) v.** 1. to move or force into action. 2. to disturb or excite emotionally; perturb. 3. to call attention to by speech or writing; debate. 4. to arouse public interest, as in some political or social question.

## Fundraising in Tough Times

**Agitator Editors Tom Belford and Roger Craver each share their “Top Ten Tips for Fundraising in Tough Times.”**

**This material, prepared for the inaugural Editors’ Telebrief on November 21, 2008, is part of The Agitator’s on-going “Vital Signs Survey” and other efforts aimed at sharing information on the current economic crisis within our community.**

**To locate more resources on this topic, as well as 55 other categories of value to fundraisers, communicators and non-profit managers, we invite you to join the [\*\*Agitator’s Premium service\*\*](#) for only \$8/month.**

**Over the next few months, The Agitator will continue to survey readers for vital stats and insights on the current fundraising climate and we will strive to provide actionable insights and recommendations to help one another weather this storm.**

**November 21, 2008**

## Tom's Top Ten List for Fundraising in Troubled Times

- 1. Weed your garden** – You're not starting at ground zero, but everything you are doing needs to re-justify itself for the demanding year ahead. Measure everything you're doing, look at the ROIs for each element of your program, and weed out or cut back the poor performers. Focus on your strengths.
- 2. Do everything you can to hang onto existing donors** – Make them feel special – personalize where you can, solicit their input, communicate with them in innovative ways, profile them online or in your newsletter. Celebrate wins and progress ... there's no tonic like good news. Above all, whether you're dealing with major gifts or "rank-and-file" donors, understand precisely who your best donors are and focus disproportionately on them ... most likely 20-25% of your donors provide 75-80% of your income.
- 3. Refine your messages for the times** – But keep your focus on your mission and the people or whatever it is you benefit. Tell stories about the impact of your work. Illustrate how the tough times make your mission even more relevant and important. It's not about you and your institutional hardship.
- 4. Now's the time to differentiate** ... and do it on performance – Donors will inevitably "weed" their own gardens. The number of nonprofits has tripled in the last twenty years. Why/how will you stand out? And while fundamentally this revolves around your track record and accomplishments, be demanding of superb creative that makes your story stand out as well.
- 5. Think online** – Test messages & offers online, including before mailing. Watch for early signs of what's weak/strong/fading ... and what's most effective. Use those messages in your other communications and fundraising media. Get as many current donors as you can to interact with you online (future cost-efficiency, credit card dependability). Target online givers for monthly giving (take advantage of their comfort with credit card giving) ... if you have a Big \$\$ matcher, use the match for this. Run online campaigns designed to capture leads that you can feed into your prospecting (lots of evidence this works!).
- 6. Be cautious about prospecting** – As noted above the best prospecting strategy of all is improving donor retention. After that, prospect for lifetime value ... the last thing you need now is "tippers." Generate pre-disposed leads online, per above, then solicit them both online and in the mail.
- 7. Babysit your major donors** – Personal contact is the order of the day – all hands on deck, including program staff & Board, to brief and interact with major donors. No contact that isn't personalized. Again, innovative communications ... a teleconference, online video from CEO/Board Chair/key program staff.

**8. Communicate prudent management steps** – Point out your efficiencies, stretch-outs, pruning etc), especially to major donors. But communicate this as a secondary message. Avoid anything, including packaging, that donors will perceive as wasteful. Be careful with events – face-to-face is great; extravagant is out!

**9. Stay visible** – Re-double your efforts to penetrate the free media, Be seen outside your own house communications. Above all, promote your wins or program achievements. Leverage any cause marketing relationships you have to maximize visibility.

**10. Keep your radar on high alert** – Watch your competition more closely than ever. Steal what's good, what you haven't thought of. Monitor the trades and blogs closely.

### **Roger's Top Ten List for Fundraising in Troubled Times**

**1. Engage your core donors as never before.** Get on the phone...write them more frequently...send them more frequent emails...and, if possible, hold a meeting/briefing. This is the group that probably accounts for 75%-90% of your net income, so treat them special, celebrate wins and accomplishments, single them out for recognition.

Don't miss the opportunity to suggest to some the advantages of monthly giving or other forms of installment giving. Not only is this a good time to make the case for that, it will build a structural income source into your base that will make the next economic storm easier to weather.

**2. Get even closer to your very best donors.** Call them up and brief them not only on your needs, but the steps your organization is taking to deliver on its mission in these difficult times. Invite them to participate in teleconferences and, if you're fortunate enough to have them living nearby invite them to the office for a brown bag lunch and briefing. Be clear about the consequences of not meeting financial targets.

**3. Differentiate your organization.** In times like these donors generally choose fewer organizations to support. Make sure yours is on the top of their list by citing performance and accomplishments, conveying the sense that your organization is lean and efficient and show specifically, by story and anecdote, just how much good you're doing.

**4. Go online and on the phones.** Information, intelligence and communication are paramount in troubled times. Use email more frequently to stay in front of your best donors. Engage and involve them with surveys and other feedback techniques. Use the information from tele-fundraising calls to sharpen postal and email appeals by testing message concepts.

**5. Minimize (not eliminate) risk and cut non-essential costs.** No more business-as-usual. Get out the magnifying glass and look at the investment and return on everything you're doing. Eliminate the non or marginally productive, figure out ways to cut production costs without jeopardizing returns. BUT...don't cut investments that are your seed corn for income two or three years from now and that generally means new donor acquisition. Where prospecting is concerned carefully study where your most valuable –and least valuable – donors have come from and then invest in acquisition that brings in donors with the highest lifetime value.

Urge management to do the same cost/value analysis where the overall operations and programs of the organization are concerned.

- 6. Communicate prudence and efficiency to donors.** Maybe you don't really need the watermarked 90 pound ivory laid stock. Maybe a black tie gala can be dressed down and a more appropriate but equally fun event substituted. Maybe you can translate organizational savings into facts about how many more folks were housed, or fed, or children vaccinated. Eliminate anything that appears 'wasteful', 'expensive' or otherwise conveys the impression that your organization is oblivious to happenings in the real world. Remember Marie Antoinette.
- 7. Match your message to the times.** Tough times are not about you and your organization. They're about the impact on the people you serve, the good works or causes you advance. Stay true to your mission and make sure your message focuses on that.
- 8. Re-double your visibility efforts.** If ever there were a time to be seen by your donors as an active, vibrant, results-oriented organization this is it. Sit down with reporters, write letters to the editor, go on the local radio or tv talk show. Local, national and regional news and feature editors are focused on what's happening as a result of the economy. Become their 'go to' source for insight and examples.
- 9. Resist your natural instincts to freeze.** Your job now is NOT to avoid taking chances, but to weigh those immediate chances or risk against the longer-term risks of not acting. Paralysis at now may put more money to this year's bottom line, but you'll likely face far worse problems in 2010 and 2011.
- 10. Consider Mergers and Other Cooperations.** Perhaps this is a good time to consider joining forces with a 'competitor' or affinity organizations. If not formally, then in a cooperative way that shares expenses, bulk purchases printing and other services and otherwise leads to efficiencies.