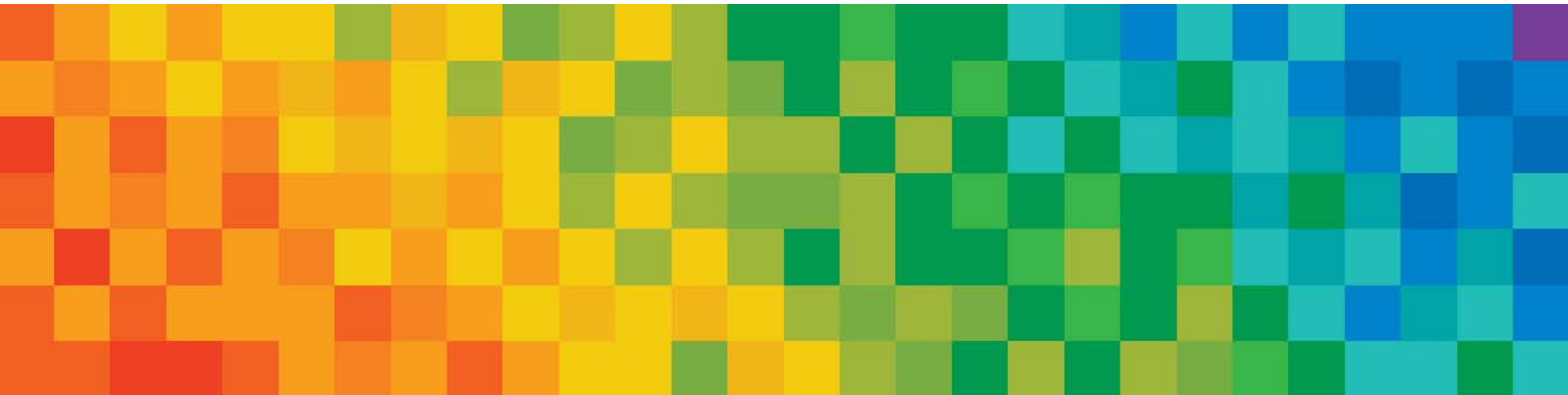




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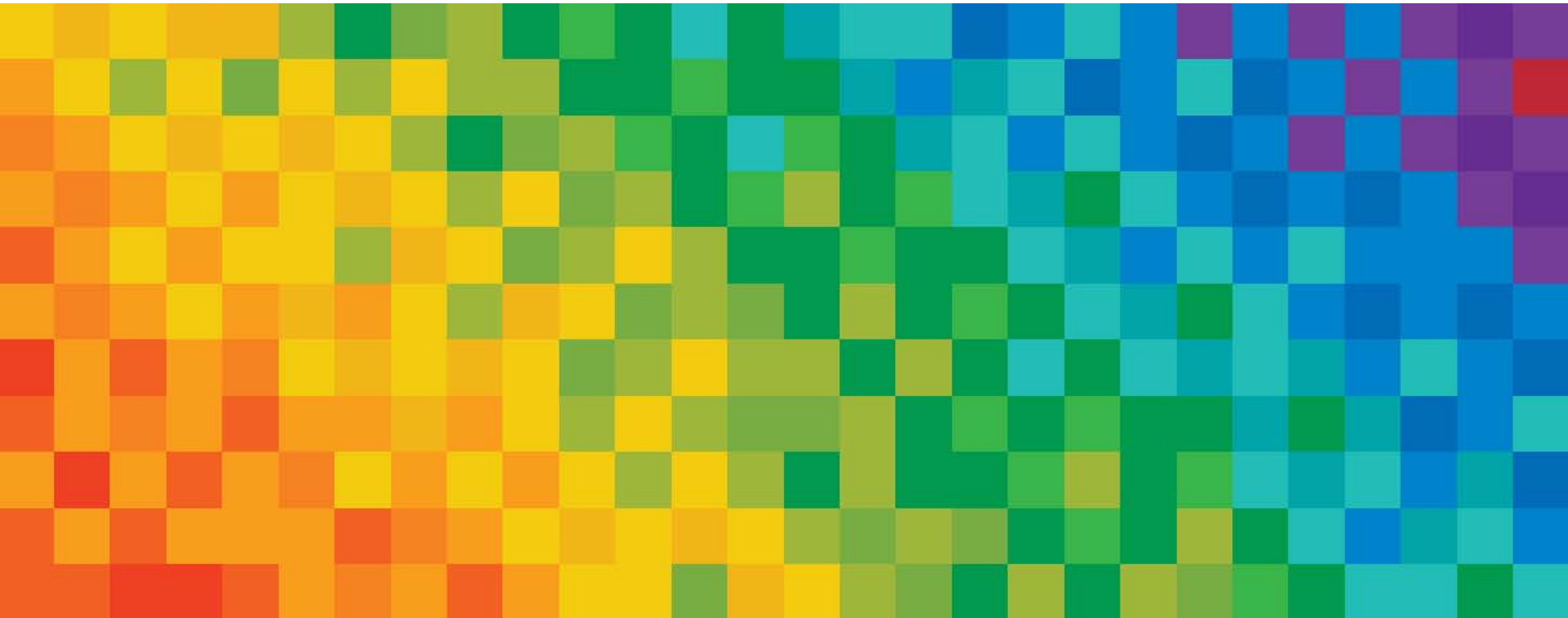
Secrets We Keep from Our Donors (and that are keeping us from lifelong donors)

April 25, 2013
Allison Lewis Lodhi, CFRE





Agenda & Objectives





Agenda

1. **The Secrets We Keep** (reasons to laugh at ourselves)
2. **Acquisition**
3. **Communication & Recognition**
4. **Lifetime Value**
5. **Question & Answer**

Everything is funny as long as it is happening to somebody else.

-Will Rogers



How We Learn What to Do

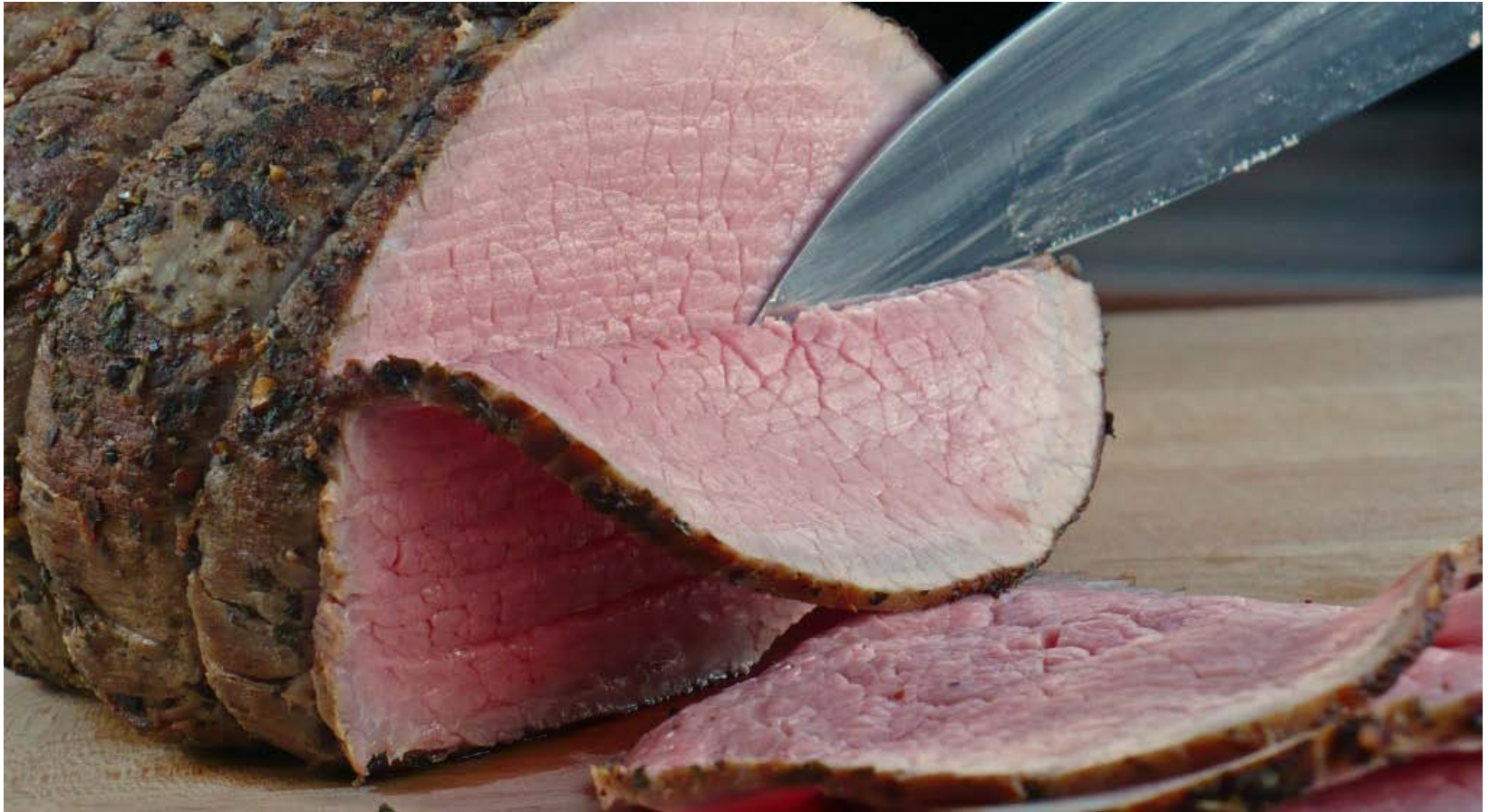


Photo from www.foodpeoplewant.com blog





Why We Must Adapt

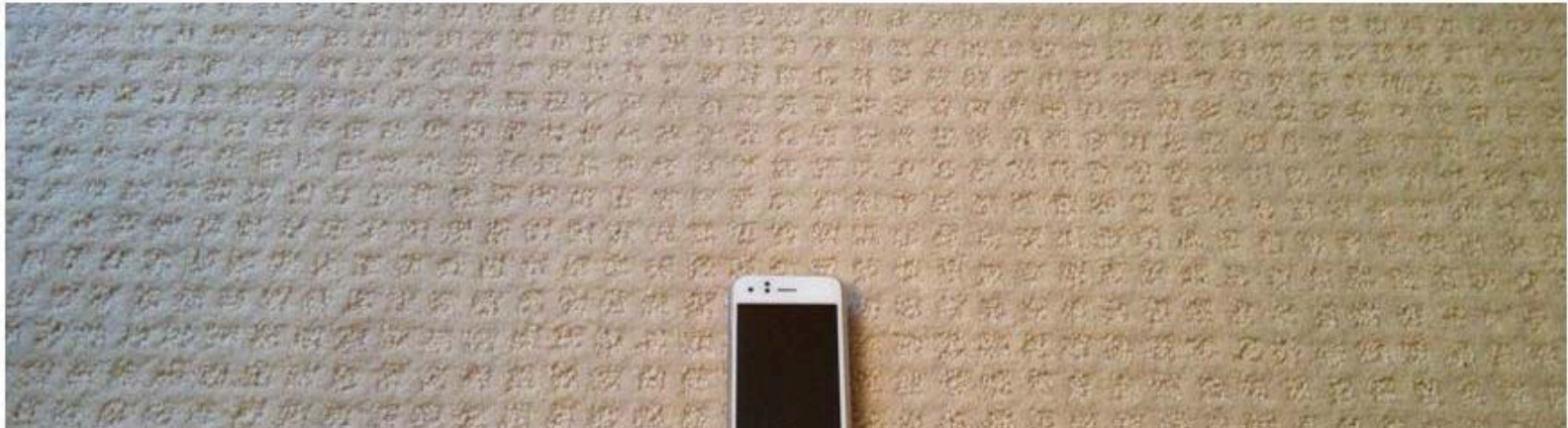


Photo from <http://dashburst.com/humor/technology-in-1993-vs-2013> blog





Acquisition



Let's Get a Gift!





Acquisition Secrets

- Historic metrics: first gifts only
- Investment presumption of lifetime value
- Second gift strategy silo
- Fragmentation: separate revenue goals by project
- Event to lifetime giving challenging
- Tribute gifts are cheaper than funeral flowers

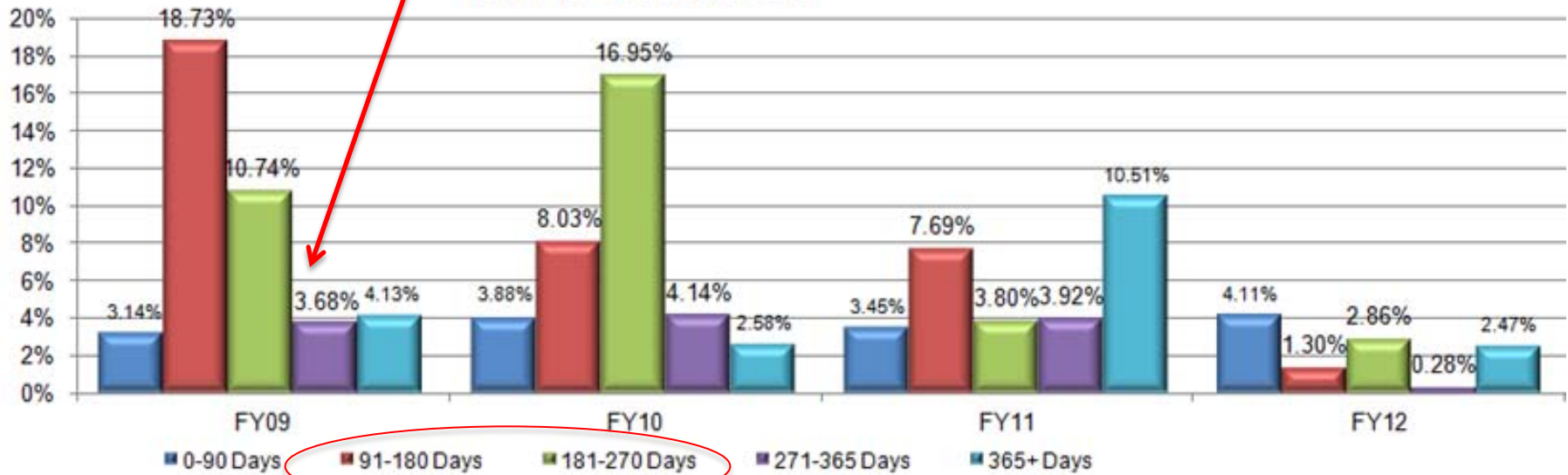


Case Study: Time to Second Gift



Major drop in effectiveness at 271 days+

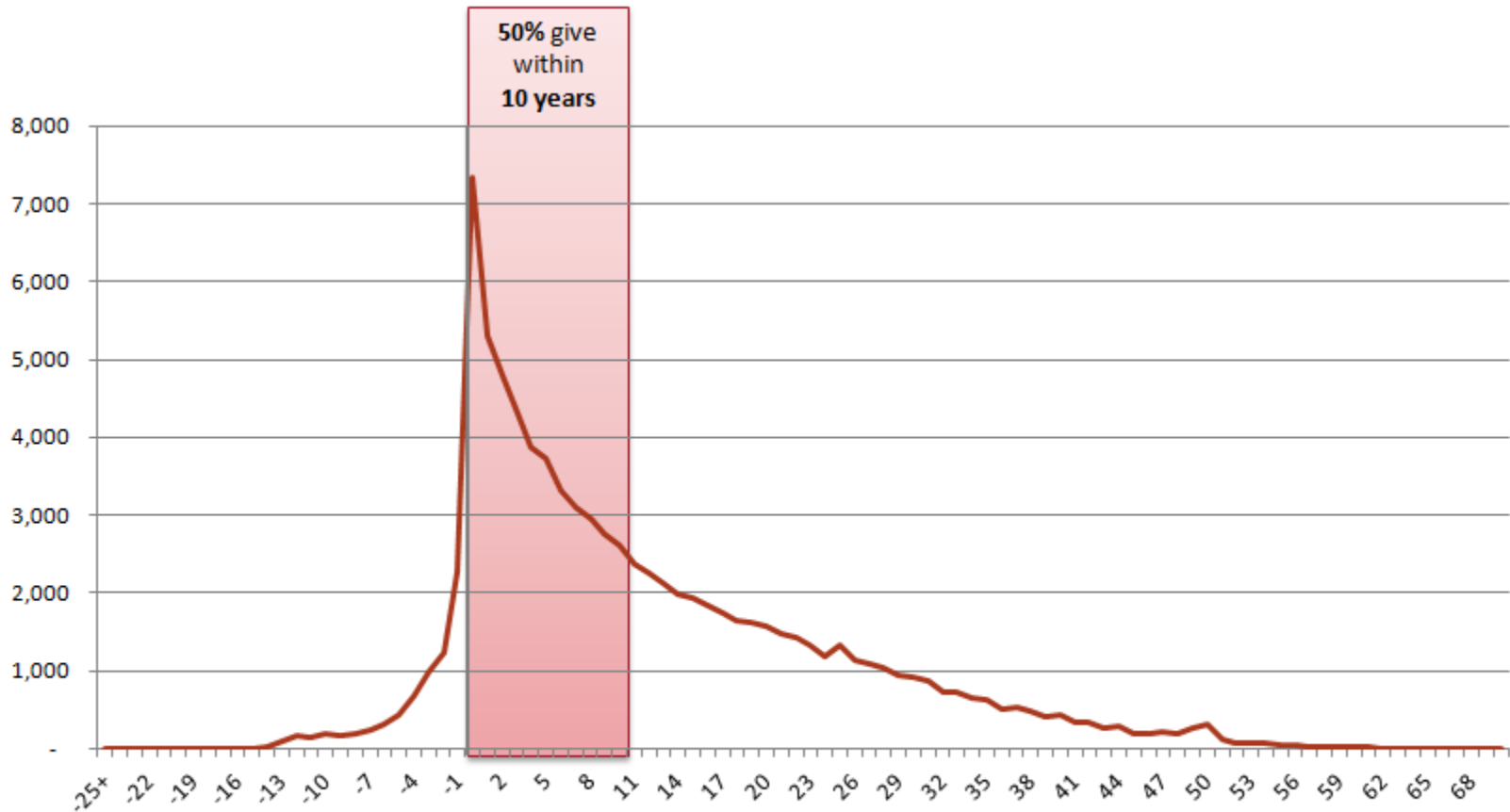
Time to Second Gift



Second gift success factors: timing of ask, proximity to first gift



Case Study: Graduation to 1st Gift



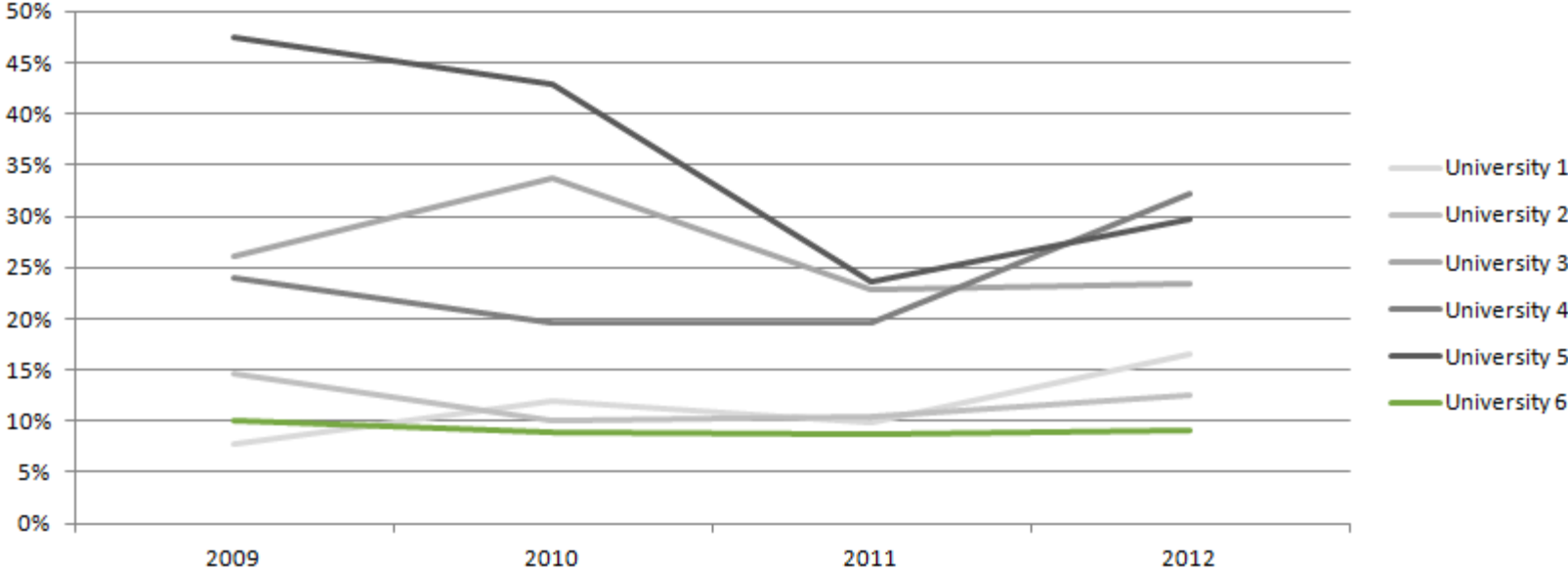
* Data from all years on file



Acquisition Case Study



New Donors Percentage of Total Donors





Acquisition Realities

- A “no” is as good as a “yes” (sometimes)
- Second gift is a stronger metric
- Few organizations actually have a second gift strategy
- Time diminishes access, effectiveness
- Second gift strategy execution: easier said than done





Communication & Recognition



Is This Your Strategy?



Let's Make a Deal



Communication & Recognition Secrets



- Communication schedule is a mystery
- The more you give, the better we treat you
- Major donor assignments require donors to get there first
- Giving societies haven't stayed relevant
- Giving channel determines stewardship quality
- Donor philanthropic priorities are unknown to us
- Our priority is too frequently on getting the gift

Shhh!



Communication & Recognition Reality



- Communication calendars are essential
- Expectation setting (and meeting) is a mark of credibility
- Stewardship must be strategic, driving relationships forward
- Old axiom: People give to people
- Lots of important causes struggle without great leadership
- Integrated, multi-channel campaign = stewardship pathways
- Behavioral data is essential to developing strategy





Adjusting for Today

USD Purchasing Power Since 1913 (Source: Bureau of Labor Statistics)

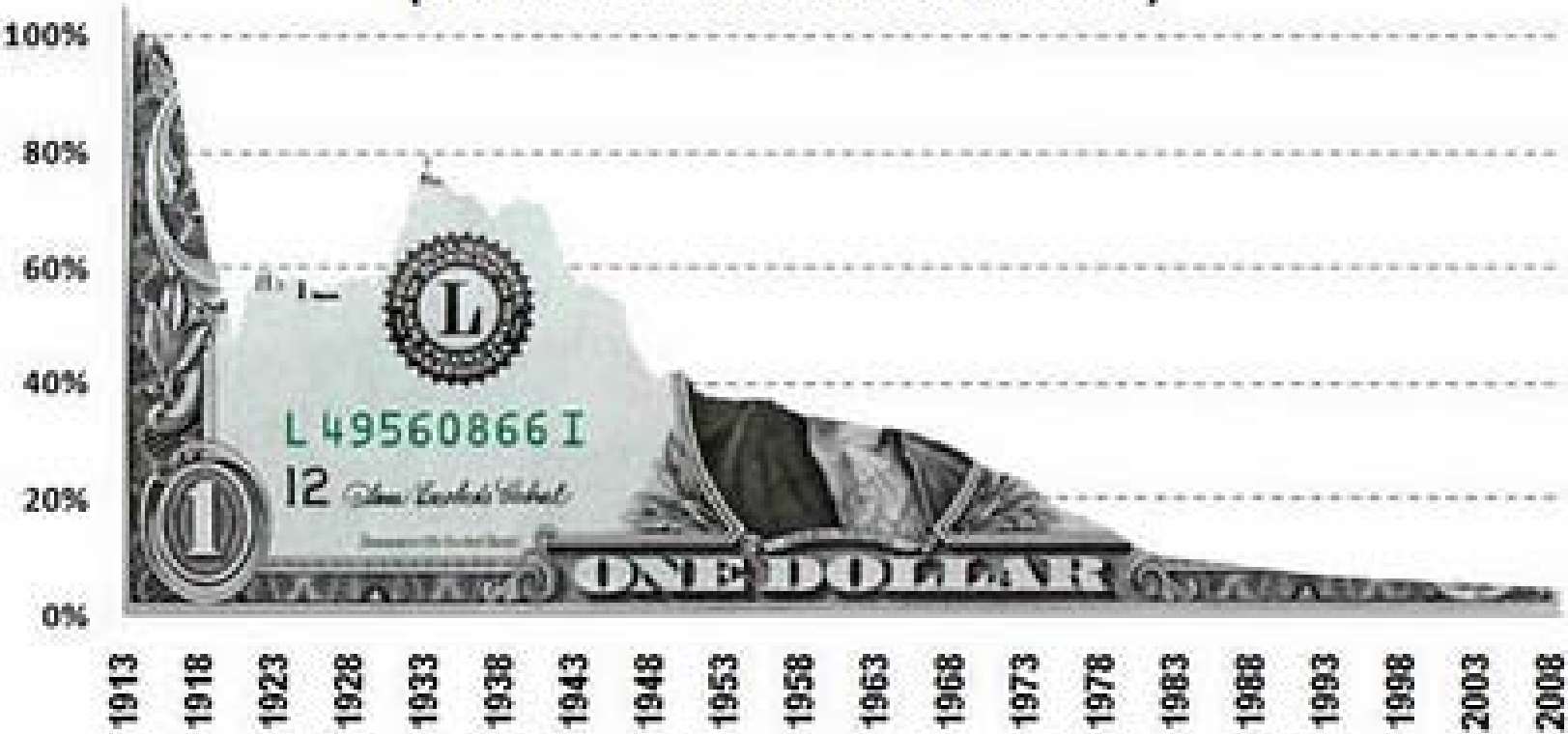


Photo from Bureau of Labor Statistics





Lifetime Value



Donors are Psychic (Hotel Patrons are Not)



Photo from HHonors points status bar.





Our Lifetime Value Secrets

- None of us working here will be here long enough for this to matter
- Few manage mid-level donors strategically
- Sometimes we forget to ask!
- Once you roll off the board, it's easy to forget about you
- Some of our gift officers are dead ...

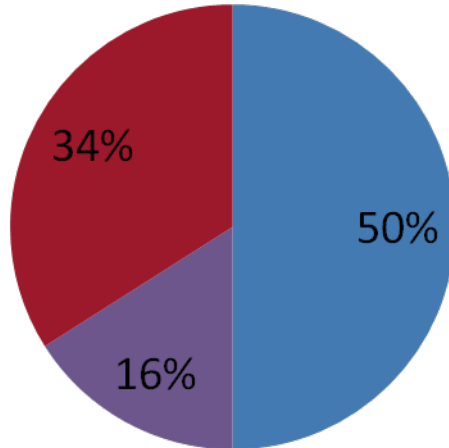


Higher Education LTV Averages



Major Donors' First Highest Previous Contribution (HPC) Category

■ General ■ Mid-Level ■ Major



Average Cumulative Lifetime Giving

Upgraded from General:
\$229K

Upgraded from Mid-level:
\$238K

Began as Major:
\$186K

Data includes all HPC categories from all years on file, comparison of Pursuant Ketchum clients



LTV Reality

- A lifetime of giving makes you a philanthropist
- Donors decide to give sometimes before we ask
- Drive the relationship
- Keep former VIPs engaged
- Mid-level donors are out-performing major and annual donors
- Mid-level solicitors should differ from mid-level stewardship
- Active portfolio management and no single point of failure

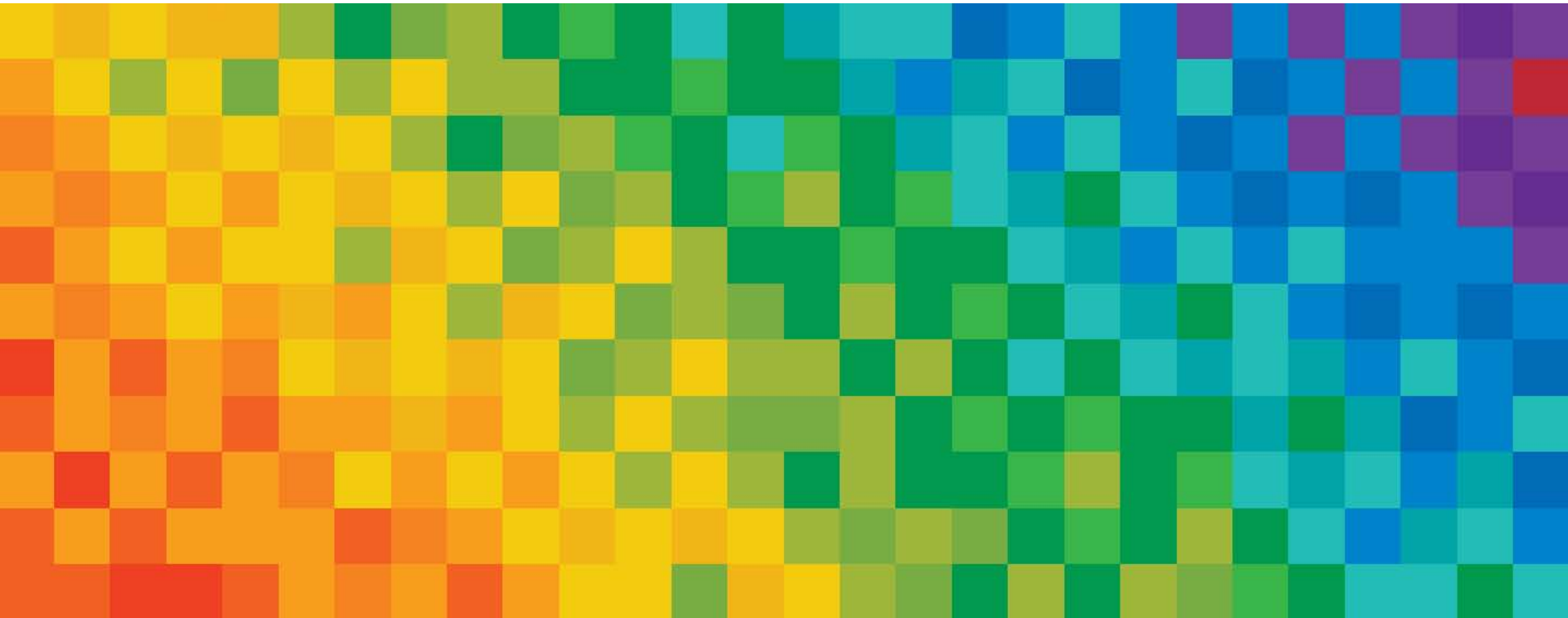


Donor Lifetime Status?





Question & Answer





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Redefining fundraising.

