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Middle Moves

Effectively 'Moving' Middle Donors

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Introduction

In order to maximize giving within a Middle Donor file, an effective and disciplined system must be followed. The traditional response is to follow the Moves Management process developed for Major Donors. While this is effective it is not built with Middle Donor management in mind and therefore misses a few important steps and emphasizes a few unnecessary ones. This document introduces a system that has been built, tested and proven exclusively for Middle Donor management. We call it Middle Donor Moves.

Major and Middle – key differences, and a lot of similarities

Major and Middle Donor fundraising both fall into the broad category of 'relational fundraising'. Before saying anything else it's important to underline that just because it's 'relational' does not mean rigour, discipline and utilization of a proven system shouldn't be used.

Getting Uncomfortably Close

All fundraising is more effective if we move beyond formulaic and automated asks, and move towards more relational, personal, and intimate asks. This point is made clear when we think about our own personal experiences, the 'asks' that you just can't say no to – a friend who has a personal connection to an illness or cause asks you for money, a family member who reaches out because they are raising money as part of a marathon they are running, the clerk at the grocery store asks to add a dollar onto your bill as a line of people behind you waits and listens for your response. These are all examples of personal, relational asks that are 'too close' to refuse. As fundraisers if we form real relationships with our supporters, we can create that same kind of proximity, or closeness. This is easiest for Major Donor fundraisers who can use golf games, lunches, coffees, and casual visits to develop closeness. Unfortunately, when we crunch the numbers, we can only afford those expenses for Donors giving at a significantly high level. If we were able to justify taking the $50-a-year Donor out for a coffee, I'd be willing to bet that we could double their giving, but alas we aren't.

Middle Donor fundraising is about pushing that closeness down a level. We can't justify a golf game, but we can justify a number of phone calls, a hand written note and a series of emails. So how do we use these more efficient touchpoints to create the same kind of intimacy? This is the challenge – creating a meaningful connection using cost effective communications channels like phone, mail and email. We face some obvious challenges:

- The Donor will assume that the Middle Donor Rep is simply a phone solicitor calling to ask for money
- The Donor has shown potential but may not be as intimately connected with the organization as a Donor entering the Major Donor file
- The Middle Donor Rep is likely the first person in the organization that the Donor will meet and be able to connect with – establishing trust is critical

The critical difference between Middle and Major Donor fundraising is that Middle Donor fundraising is about asking Donors with capacity to make your organization one of the causes that the Donor supports on an annual basis, whereas Major Donor programs are ultimately looking for a far deeper commitment. The goal of the Middle Rep is not to seek a large 'lifetime' gift or a gift of the size that it requires the support of a team of trusted advisors and family members. If a strong relationship is established and the Donor wants and requires more personalized treatment than is offered by the Middle Team, the Donor will be passed up to a Major Donor Rep for this kind a treatment – this 'pass up' is the ultimate success for a Middle Donor fundraiser.

Because we focus on 'Annual Giving' with Middle Donor file, the process and moves are not as complex. Middle Donor reps should be following a simplified system. They should be utilizing the Middle Moves system.

The Basic Principles

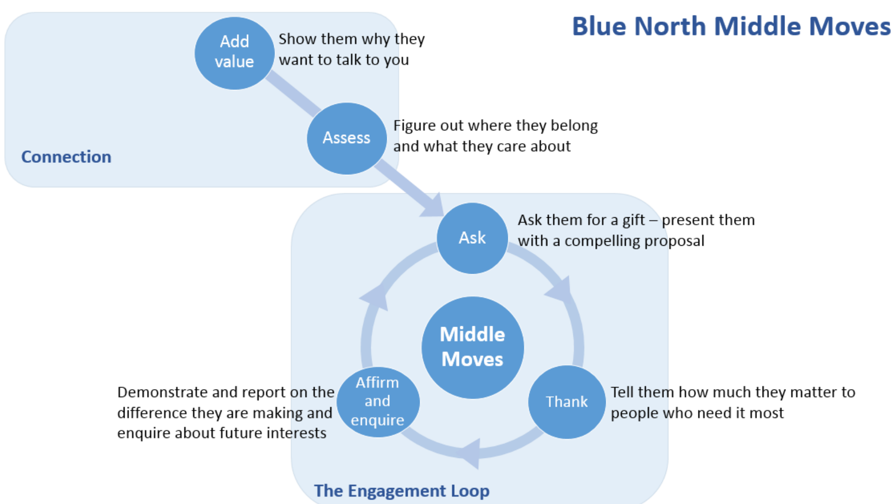
The basic principles of a successful Middle Donor system are well-established and proven successful. Our work over 15 years with dozens of organizations in various sectors and various sizes has produced fertile ground for testing and measuring:

- File size – A Middle Donor Rep is the person in your organization who will find Donors with capacity who are seeking a deeper relationship with your organization. In order to do this, they require a larger 'pool' to 'fish' in. The recommended file size for a Middle Donor Rep is 800 – 1,200 donors. To be clear, the Rep will only be in regular contact with approximately 10% of their file, the other 90% is their fishing pool.
- Segmentation of file – The first task of the Rep is to establish their two primary segments – their 'push' segment (the top 10% of Donors that they will actively reach out to and engage with) and their 'pull' segment (the 90% that will be invited to reach out to them on a regular basis but will not be part of their regular communication effort).
- Two step process – the first step in Middle Donor engagement is to establish trust, demonstrate the ability to add value and create a connection with the new Donor to the file, this is the Connection step. The second step is to take

the Donor through the three-step Engagement Loop. This second step repeats itself on an ongoing basis.

> Supported by thematic mini-campaigns – In addition to rep-generated activity, Donors should be engaged with high-value, content-rich material to help pique interest. This material works best if it focuses on a specific theme for a short period of time (2 – 4 months). This allows donors to focus on and engage more deeply with a single issue, something Middle Donors consistently say they want to do.

> Process between moves is simpler – while the Rep clearly needs to do more than simply ask for money, the moves cycle is simpler and shorter than it is for Major Donors. We want to make sure Donors are feeling loved and knowing the impact of their gifts. At the same time, it's important to ensure that the conversations are more efficiently moving towards the ask.



Stage One: Connecting

The transition from Mass treatment to a more connected and relational experience is significant. The Middle Donor Rep manages this transition. This process makes any further transition to the Major Donor file easier.

Clearly when a Donor is initially engaged with a Middle Donor Rep the assumption is that the Rep is calling for one reason – to ask for money. As a result, the Donor is motivated to do one thing – get off the phone. Therefore, as a result of this dynamic, a successful Rep must quickly overcome this perception and demonstrate that they are not a phone solicitor. They have much more to offer.

This Connecting phase is about moving the Donor beyond the initial assumption, earning trust, and preparing them for deeper engagement.

Moving a Donor from the Connecting stage to the Engaging stage should be a conscious and deliberate move. As suggested by the diagram above this Connecting stage is a one-time activity, while the Engaging stage is a recurring loop.

Add Value

As stated in the opening, it's safe to assume that when you call for the first time, the Donor will think you are a solicitor that provides them no value and only wants money. The rep's job is to quickly change this assumption.

More than anything else, the Donor Rep is a *concierge* to the Donor. The job is to help take the pain of dealing with your organization out of the equation. Your organization may be a rare exception but most can be complicated and confusing from a Donor perspective. On your first call – DO NOT ask for money. Show them that they are wrong. Demonstrate to them that as a Rep you can indeed add value. You can do this by:

> Providing them information about something they are interested in
> Adjusting their 'preference settings' for communications within your system – note the mail and email streams, if done properly, are your friends. Do not shut them off, even if you can
> Sending them links to areas of interest on your website
> Helping them understand how your tax receipting system works
> Answering questions they may have about how your organization works and how money is delivered to the field

The purpose of this first step is to:

> Build trust
> Establish an initial connection to build on
> Demonstrate that the role of the Rep goes beyond asking for money
> Create a better Donor experience
> Make them willing to talk with you again

The reason this first step is so important is that you will never know the potential of a Donor unless you create enough comfort and trust to have an open and truthful conversation. This is the step that will allow you to break through and truly understand the interest and potential of a Donor in future conversations.

Assess

Once first contact is made and the Donor is more willing to connect with the Rep it's time to determine whether the Donor belongs in the top 10% segment (push) or the 90% (pull) segment. There are a number of obvious ways to determine this such as:

> Does the Donor want to engage further?

> Has the Donor expressed an interest in a specific area that fits within the work of the organization?

> Is there a natural connection between the Rep and Donor?

It's important to state however that the Donors that most want to connect with the Rep are not always the ones that the Rep should be investing heavily in – some people are just lonely and want to talk. This topic can come across as crass; it is perhaps better framed as good stewardship. While you would love to invest equally in all of your Donors, that would simply not allow you to send the money required to programming. Therefore, it's important to be mindful of where you spend your time and what is being generated as a result of the investment your organization is making in every hour spent.

The simple graph below can be helpful in determining which segment a Donor belongs in.

Proximity speaks to:

> How closely connected is the Donor to your cause?

> How much time are they willing to spend in support of you?

> How much do they know about your organization and its work?

> Do they have any natural, or personal, connections to your work?

Capacity speaks to:

> Disposable income

> Philanthropic tendencies

> Income level

A Donor that is close/committed to your organization and has a lot of money is your best Donor. The obvious challenge is that you can't ask – "how much money do you have, and how much do you like us?" So this becomes the art of Middle Donor fundraising – how do you answer these questions without asking them?

The way to accomplish this is through a combination of strategic question asking and intuitive and intentional listening. This takes practice, training and discipline. Cracking the code on this however will yield truly exciting dividends.

It's important to remember the goals at the end of this process:

> 1,000 or so Donors in your file

> 10% identified as Donors you are actively engaging with

> The other 90% are regularly reminded of their personal contact person and invited to reach out to them directly

> The file is being refreshed with new Donors that come up from the Mass file

> Middle Donor file is feeding the Major Donor system with those that 'graduate' from Middle

Donors go through the two step Connection stage only once, after which they remain and thrive in the Engagement Loop.

Stage two: The Engagement Loop

Once your Donors are organized, you will know which ones are close to your cause and want to engage. You are being supported by a stream of communications that adds value to your Donors; it's time to engage them more meaningfully in your work.

Ask

Asking is not all you do as a rep, but if you don't ask you are not doing your job. Sometimes the 'ask' is referred to as the 'invitation' or 'donor offer' but it feels like those terms are reinforcing the notion that asking for money is difficult. Donors want to be more than just big wallets; they want to engage. That said, they know that you are a non-profit and that you need their funds to operate. Don't apologize for asking, "I ask for money standing up, not bowing down because I believe in what I am about. I believe I have something important to offer." (Henri J.M. Noewen, A Spirituality of Fundraising.) You are providing the opportunity to make someone feel great about how they spend their money.

I was struck this past Christmas by something my 13-year-old son did. Leading up to Christmas he made a wish list, he kept running to the tree to see if his name was on a package, he talked about how excited he was to get his presents. But on Christmas morning something flipped. When we sat around the tree to open gifts, he asked, "Can I go first?" Given permission, he ran to the tree and grabbed the gifts he had bought for his parents and sister and handed them out with a beaming smile on his face. Without even realizing it, he demonstrated that deep down, he was more excited about giving than receiving. I'm not sure why fundraisers often feel bad about asking for money. Perhaps they feel like it cheapens the relationship. Remember, your gift to your Donors is asking them for money. *You are giving them* a gift that will give them that beaming smile.

A Middle Donor Rep needs support for the ask. A well-executed campaign that has them as the signatory is the perfect set-up for the ask. It provides a reason to call and engage with Donors.

The ask call is more than calling to ask for money. The purpose is to confirm receipt of the package, to offer more information if desired, to answer questions about the program, and to assess interest in giving to the program.

The ask helps the Donor engage more deeply with your organization, which can be through:

- Finances – cash or cash-equivalent gifts
- Time – volunteering or advocacy
- Influence – opening up their spheres of influence

In the ask stage, Middle Donor Reps must determine the:

- Right purpose – does the ask relate directly to what the Donor cares most about?
- Right amount – does the amount being asked stretch the Donor's thinking without being offensive?
- Right time – has the Donor indicated that he/she is willing/able to give at this time?
- Right materials – are you able to present the right materials to the Donor at the time of the ask?

These are the characteristics of the Middle Gift:

- Annual or regular gifts:
    - Smaller gifts; what they have in common is how frequently they are invited and donated
    - Rarely "stop-and-think" gifts

  - Asked over the phone and generally specifically related to a mini-campaign or emergency

- Special gifts or Annual Renewable gift:
  - Middle Donors are very well suited to an Annual Renewable program, which is a multi-year gift that is presented during the biggest local 'giving season'
  - Infrequent (once per year) "stop-and-think" gifts
  - Involve some decision making that will require a second or third call
  - Only asked once per year, ideally during the 'season of giving' in your country or context
  - Clearly positioned as a special gift and opportunity

Thank

When a Donor gives, your most important task of all kicks in. As Alan Clayton has said better than anyone I've heard (http://alanclayton.co.uk/), 'giving provides the Donor a warm glow, thanking them and reminding them of that gift extends the glow and makes it more memorable'. If it's true that people like to give, then it makes sense that thanking them makes that good experience even better.

Don't thank a Donor once, Major Gift people talk about thanking your Donors three times in three different ways. For Middle Donors it should scale depending on the size of a gift:

- A small regular gift might generate a personal email thanks
- A larger year end gift receives a call and a handwritten note
- Their largest gift to-date receives the full treatment that a Major Donor would receive

Thanking is about:

- Affirmation – that the Donors' gift was the right thing to do
- Confirmation – that the impact will be meaningful
- Appreciation – just. . . thanks

Rather than leaving the thank-you plan up to the discretion of a number of reps, it's strongly recommended that a consistent Stewardship Grid be established that outlines the types of thank-yous and Donor reporting that happen at various giving levels. This will ensure consistency across your file.

NOTE: Stewardship and recognition for a Middle Donor program need to integrate within the broader stewardship and recognition matrix

Affirm and enquire

Thanking a Donor goes a long way. Beyond thanking however, it's important to show your Donors what their gifts are doing. People do not 'give money away,' they donate their money with the expectation that the money will be used to help others. It is your job to show them that their giving is making a difference.

It is critical that every organization with a Middle Donor program has a mechanism in-place to report back on Donor gifts. Reps should be spending their time on the phone engaging with Donors. They need to know that if their Donors give, those gifts will be reported on. Donors should not be the ones responsible for making this happen.

Clearly a common tension exists within every organization – the finance department wants undesignated, flexible income and the fundraising department wants tangible and specific offers. If this tension doesn't exist within your organization, it likely should. It shows that both critical parts of your organization are doing their jobs.

There are ways to satisfy both:

- Post-designated giving – provide Donors with a general idea of where their money will be used and promise them that when the money is dispersed they will be updated about the impact it is making. This means that both sides win and both sides have to compromise:
    - Finance can spend the money where it is needed but must be able to track it once it is spent
    - The Donor offer is somewhat general but at the critical time of reporting back it is very specific
- Loosely designated giving – Middle Donors do not need a physical or tangible gift designation – they want to know the need and the response and how their money helps people. To accomplish this your organization needs to stop thinking about internal structure and programs and start thinking about impact – by describing the need and solution in a broader sense the Donor offer can be less specific

Reporting back and thanking Donors is a non-negotiable part of Middle Donor fundraising and the system must be locked down and not dependent on the rep.

This step of affirming and enquiring involves:

- Reporting back on the impact of the gift
- Checking to make sure that Donor expectations were met or exceeded
- Holding your organization responsible for the delivering on the promises made to the Donor

- Personally connecting with the Donor to make sure they have connected their initial gift to the report
- Checking to see if this area of giving is especially meaningful to the Donor, or if they would be more interested in supporting other areas – remember this is the step that sets up the next ask
- Further connecting with the Donor to better understand their philanthropic interests – be sensitive to the fact that the Donor may not have an area they are 'passionate' about, they may want to be led by you
- Creating the opportunity for you to make the next call and ask

Conclusion

Remember, systems like these work, but they are based on what normally happens with a Donor. The job of a Rep is to be intuitive, to listen, to hear what the Donor wants.

In general, for all Donors you need to follow the general steps outlined in this document:

- Establish a level of trust
- Understand what the Donor wants
- Ask them to give
- Thank them
- Report back and affirm their giving

These steps are universal.

That said, every Donor is a little different. As a Rep you must imagine yourself with a concierge cap on. Your job is to listen to their preferences and requests and provide them with the best service that you can. This might mean:

- Corresponding only by email, or text
- Calling only once a year
- Calling monthly to remind them of their commitments
- Each step (or even multiple steps) might be accomplished in one call, or make take 3 – 4
- What you are 'selling' may not be what they want to 'buy' – in this case you need to assess whether you are able, or if it makes sense, to provide them something different

Your role as a Rep is to be empathetic on one hand and knowledgeable about your organization on the other and find ways to make the two sides meet – ways that are gratifying to both sides.

Conclusion

A disciplined Middle Donor program is a bankable way to predictably grow the top end of your Mass file and feed your Major Donor program. Year over year growth for programs that follow a disciplined system like the one outlined in this paper outpaces any other file growth investment we've seen.

A successful Middle Donor program is:

> Low risk

> Relatively easy to implement

> A channel for robust file growth

> Very gratifying for Donors in the program

The only reason not to jump into the deep end of the Middle Donor pool is if you don't think your organization has the discipline or appetite to do it right and stick with it. The results are predictable but the approach and system must be followed rigorously.

The secret to making it work, is discipline and commitment.