

STRATEGIES FOR REPLACING LOST EVENT REVENUE



MAP

MISSION ADVANCEMENT



Objectives for Today

Once you cancel, postpone, or change the format of an event, you may need a plan to recover lost revenue

- *Part I: Short-Term Strategies*
- *Part II: Long-Term Strategies*



PART I: SHORT-TERM STRATEGIES

WHAT CAN WE DO NOW?



FINDING SUCCESS WITH ADJUSTING SHORT-TERM STRATEGIES

What's Ahead

- Assess your need
- Ask your donors and leaders for input
- Build a new development plan strategy to fill the gap



*No matter your scenario,
you must adjust your plan
and stay nimble in these
uncertain times*



LET'S CONSIDER POSSIBLE SCENARIOS

- 1** You are near the end of your fiscal year and worried about an expected shortfall in your revenue
- 2** You are evaluating what to do with your fall event as you look to an end-of-year fiscal close – and are wondering if you will make goal
- 3** You may be starting a new fiscal year soon and trying to determine how to calculate your goals for your event or multiple events



*If ever there was a time to throw your
traditional development plan out the window,
it is now!*

*We propose a possibly radical new
approach to your fundraising in the short term.*



WHAT EXACTLY IS THIS RADICAL NEW APPROACH?

- It is not necessarily radical, but it is often pushed aside for busy work (like events!)
- The approach is simply relationship-based fundraising rather than transactional fundraising
- Get off the hamster wheel of busy work and get to the vital business of relationships!



ASSESSING YOUR NEED – WHAT IS THE GAP?

- › Look at your budget – determine the financial “gap”
- › Keep in mind it is OK to not have a firm figure – everything is volatile and changing right now
- › You may have to reassess every 30-60 days as you move forward
- › Involve your key staff and communicate with your board – so they can champion your new plans



CONSULT YOUR DONORS AND LEADERS

- › Consider “what if” scenarios
- › Reconsider why you do your event(s); what is the purpose?
- › How much time and resources are required?
- › “But our donors love coming to this event.” *Do they?*



CONSULT YOUR DONORS AND LEADERS – ASK THEM FOR THEIR INPUT

- If you have an upcoming or future event, have you asked your closest donors their opinions?
- Take care of how you ask – not all ideas will be plausible
- Asking gives you a reason to get closer to your most important stakeholders – people love to give advice



WHAT ABOUT THE BOARD?

Some considerations before you approach the board with your new plans:

- Change can be scary to leadership and boards
- If you have donor input already gathered, you have good ammunition for any board objections
- Talk in advance to a key board member or two to get their input – have champions behind you before you even begin



BUILDING A NEW DEVELOPMENT STRATEGY TO FILL THE GAP

- › Build a new plan regardless of the situation – be prepared
- › Adjust expectations compared to previous years
- › Get creative and climb outside of your box – this is the time!

Forget fancy themes, auctions, and raffles, and think about how you can get your donors truly excited about what your organization actually does



NEW STRATEGY 1: MINI-CAMPAIGN

- › Launch an event as the start of a mini-campaign for the remainder of your annual operating year
- › Focus on the larger goal rather than the event goal
- › Consider this launch event as a celebration of your mission and a way to excite donors
- › Provide multiple touchpoints and efforts until year-end
- › Stay laser focused on your mission!



NEW STRATEGY 2: FUNDABLE PROJECT APPROACH

- Look at your operational budget for fundable budget lines
- Creatively determine how donors can fund tangible items of impact within your organization
- Work with your CFO and staff to include careful discussion on how this does not need to be restricted giving
- Craft a meaningful donor experience plan to engage donors in a whole new way



NEW STRATEGY 3: MAJOR GIFT INTENSIVE

- Focus on your key donors and closest relationships
- Create a donor plan for each around how they can help you meet your needs and be a hero for your mission
- Major gifts are not scary – this process can be transformational for your organization if you have not been focusing in this area
- Create a goal in mind for each donor; determine timing, who should be involved, and how
- Involve key staff, peers, and others to make it a creative and meaningful experience



NEW STRATEGY 4: CHALLENGE MATCH WITH RELATIONSHIP FOCUS

- Ask a key donor to create a challenge match for a specific appeal to reach a key goal
- Use multiple platforms to get the message out to your base
- Work with major donors in advance and make specific asks to have progress made before you announce
- Do not let this approach become purely transactional
- Create personal ways to approach donors to help you exceed this match



Short-Term Bottom Line:

You MUST work on relationships in a highly personal way.

This is the perfect time to work on this shift for your organization – get off the hamster wheel of events and busy work and get down to the transformational work of relationships!



A young couple is smiling and holding white coffee cups at a cafe. The woman is wearing a red jacket and a patterned scarf, and the man is wearing a black quilted jacket. They are both looking at each other and laughing. In the background, other people are blurred, and the scene is brightly lit.

PART II: LONG- TERM STRATEGIES

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THREE LONG-TERM PLANNING CONSIDERATIONS

- › Transition from *Activity Focused* to *Donor Focused*
- › Track the most important metrics
- › Engage organization leadership



Activity Focused vs. Donor Focused



MOST DEVELOPMENT TEAMS ARE DRIVEN BY ACTIVITIES

- › Events
- › Annual Appeal
- › Seasonal Campaigns
- › Grants
- › Budget Line Items



WHAT'S WRONG WITH THE “ACTIVITIES” APPROACH?

- We drive donors to meet our needs (our budget, etc.)
- We miss the opportunity to serve the best interests of the donor
- It is shortsighted
 - A short-term win may ultimately be a long-term loss
 - We must value the long-term relationship more than the short-term achievement



Embrace the entire fundraising
budget as a single objective

**Budgets are simply
tools for tracking**



WHAT DOES A DONOR-CENTRIC APPROACH LOOK LIKE?

- Emphasis on relationship building at every level in the development department
- Engagement of CEO and other key staff in donor relationships
- Development team and leadership embracing long-term relationships over individual budget items/goals



PRACTICAL STEPS IN MOVING TOWARD A DONOR-CENTRIC APPROACH

- Identify top 100-300 sustainable giving sources (individual, corporate, foundation)
- Assign each source to an internal team member
- Track essential metrics for each donor



Key Metrics



TWO METRICS FOR TOP GIVING SOURCES

- Retention
- Growth

ADDITIONAL KEY METRIC FOR DEVELOPMENT

- Acquisition of new and lapsed donors





RETENTION

A REFLECTION OF HONESTY, INTEGRITY,
TRUST, AND FULFILLING EXPECTATIONS

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Don't believe the
donor fatigue rhetoric!

Donor Fatigue:
underwhelmed and/or
underappreciated donors



WHY THESE METRICS MATTER

- What percentage of your development revenue is realized by your Top 200 sources?
- If you retain 70-80% of those sources, how much of your budget would be met?
- How much time/energy should be spent in existing donor relationships vs. new/lapsed donor relationships?



Engaging Organization Leadership



WHO MUST BE ENGAGED?

- CEO
- Staff leadership team
- Board of Directors
- Full development team



ROLE OF LEADERSHIP IN DEVELOPMENT

STRATEGY

- › CEO ***Must own key relationships and champion the strategy***
- › Staff leadership ***Participate in relationship-building***
- › Board of Directors ***Appreciate long term over short term and flexibility in budget/reporting expectations***
- › Full development team – CDO must lead by example
Support each other and do what is best for the donor, as opposed to individual budget items/silos



In Summary



SHORT-TERM STRATEGIES

- › Determine your true financial need
- › Gather input/feedback from key stakeholders
- › Build a specific strategy to fill the gap
 - Deepen relationships
 - Keep mission focused



LONG-TERM STRATEGIES

- Shift from activity focused to donor focused
- Track retention and growth of existing donors, then acquisition of new/lapsed donors
- Engage full development team, staff leadership, and board in understanding and embracing the approach
 - Report monthly/bi-monthly on metrics
 - Engage leaders in key donor relationships



PLANNING FOR YOUR NEXT 12 MONTHS

- › Take this opportunity to challenge strategies that are not:
 - Mission focused
 - Relationship driven
 - Designed as part of a broader strategy
- › **Be Bold!!!**



Regardless of your current situation, evaluate your short- and long-term planning to maximize relationships and mission impact!





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Development Strategies During COVID-19 Crisis

Mission Advancement is offering you and your organization a free 30-minute consultation with one of our development professionals – no strings attached.



YOUR QUESTIONS

