

SEVEN STRATEGIES TO PINPOINT HIGH-QUALITY DONORS *A SMART Practices Report from Bristol Strategy Group* *By Guest Author Sarah Tedesco, DonorSearch*

SEVEN STRATEGIES TO PINPOINT HIGH-QUALITY DONORS

Though virtually all donors are valuable and vital to your organization, high-quality donors are those supporters who can make an extra impact on your cause. They are most likely to be “ideal” donors not only in the size of the gifts they make, but in terms of the degree of engagement, their match to your organizational values, and their sheer desire to be involved that they demonstrate to you.

In this SMART Practices report, guest author Sarah Tedesco, Executive Vice President of [DonorSearch](#), looks at ways to pinpoint high-quality donors from the perspective of prospect research, and shows us how to strengthen the ideal-donor profile by a quantum leap.

High quality donors may not always be clearly defined, but they tend to be:

- Major donors.
- Recurring donors.
- Involved supporters.

Ultimately, they’re engaged donors and volunteers that your organization should seek out for continued stability and growth.

But identifying high-quality donors can be a challenge. After all, you need to actively pursue and persuade high-quality donors, instead of waiting for them to come to you.¹

Ultimately, high-quality donors are the engaged donors and volunteers your organization should seek for continued stability and growth. But identifying high-quality donors can be a challenge. After all, you need to actively pursue and persuade high-quality donors, instead of waiting for them to come to you.

To identify these valuable donors, follow these top seven strategies:

1. Know your high-quality donor indicators.
2. Prepare your donor database.
3. Research your annual fund donors.
4. Screen event attendees.
5. Map past giving history.
6. Engage your board.
7. Offer high-quality incentives.

These strategies will help you identify high-quality donors and build long-term relationships with them.

¹ <http://www.bristolstrategygroup.com/leakybucketnonprofitblog/bid/206775/Who-s-In-Charge-of-Fundraising>

Know your high-quality donor indicators.

STRATEGY #1:

Before you can pinpoint high-quality donors, you'll need to be familiar with high-quality donor indicators. From the perspective of prospect research, there are two prime categories for identifying these donors: ***philanthropic indicators and wealth indicators.***

A. Wealth Indicators

Wealth indicators are markers of a person's **ability** to give to your organization. They include:

- Real estate ownership.
- Business affiliations.
- Political giving.
- Stock ownership.

Wealth indicators alone aren't enough to determine whether a prospect might be a donor. You'll need to take this information in the context of our second indicator.

B. Philanthropic Indicators

Philanthropic indicators are markers of a person's **affinity** for giving to your organization. These indicators tell you if the person is likely to give to your organization. Philanthropic indicators include:

- Past giving to your organization.
- Past giving to other nonprofits, especially those with a similar mission or purpose.
- Volunteering or involvement with your nonprofit.

Like wealth indicators, philanthropic indicators are only a piece of the puzzle. A person can be deeply invested in your nonprofit without the ability to donate large amounts.

Look at wealth and philanthropy indicators holistically to determine viable candidates.²

Including these indicators on a documented prospect profile can help you get a full picture of a prospect so that you can build a relationship around their interests and abilities.

² <http://www.donorsearch.net/>

Prepare your donor database.

STRATEGY #2

Your donor database is the source of your donor information. An unorganized database or a one with incomplete or inaccurate profiles will not aid your search for high-quality donors. In contrast, a clean, organized database can help you analyze your donors effectively.

To prepare your donor database, follow these steps:

A. Clean up your database.

This step involves streamlining your database so that each entry adds to your overall understanding of your donors. To complete this step, you'll want to:

- Remove inactive donors.
- Consolidate duplicate information.
- Check the accuracy of your data.

If all of your data is accurate and relevant, then your research process becomes that much more efficient. Believe us, no matter how tedious this step may be, you'll be glad you did the work.

B. Fill in the gaps.

Next, identify missing information that would help you understand your prospects. Each prospect profile should include:

- Accurate contact information.
- Personal history.
- Familial information.
- Professional ties.
- Past giving and past service history to your organization.
- Philanthropic ties.

All of this information can help you better identify and relate to your prospective high-quality donors. Knowing your donors' histories of giving, and of volunteer or service work, can also help you craft solicitations and proposals based upon their interests and ties to other organizations.

C. Segment your donor database.

Once you have an idea of who's in your database, segment it to identify your most promising high-quality donor prospects. For instance, you may want to segment based on average gift size. Those who

give above the average gift size are more likely to be high-quality donors than those who give average or below average gifts. Or try segmenting based on those average number of volunteer hours contributed, since those who give more time are more likely to be high-quality donors.

Once your database is organized, you can perform prospect research on individual candidates or groups of promising donors.

Preparing your donor database is a basic first step that will help you identify high-quality donors who are already in the system. As a bonus, your database will be that much more ready to accept new (high-quality!) donors you've identified.



STRATEGY #3

Annual fund donors have great potential to become high-quality donors. They have already demonstrated a vested interest in your nonprofit, and you have a foundation on which to build your gift request. However, high-quality donors in your annual fund may not be readily apparent.

In fact, your annual fund is likely full of donors who may have more donor potential than they let on. For example, some donors may have major gift capacity, but have only given smaller donations to your nonprofit. Or perhaps a donor gave a substantial donation a few years ago, but hasn't given since.

In both cases, these donors could be high-quality contributors to your nonprofit, but they've chosen to contribute elsewhere. If you're aware of them, you can better reach out to them to persuade them to reach their full potential.

To identify these promising candidates, you can look for these indicators:

- **Donations to other nonprofits.** Donors who've given large donations elsewhere have both the ability to become high-quality donors and the affinity for donating to charity. Plus, they've already shown interest in your organization, even if their donations have been small.
- **Above-average donations.** If a donor is giving above the average gift size, they may be indicating major gift capacity. Analyze their gifts in the context of their prospect profile to see if they have any remarkable wealth indicators. Then, use the information you have to begin building a relationship that could help them fulfill their donor potential.

Ultimately, the annual fund is the foundation of your donor pool. But without researching, you may have an incomplete picture of your annual fund donors. Looking into your annual fund donors can help you reach out to high-quality prospects who are already invested in your organization.

[Seven Strategies to Pinpoint High-Quality Donors: BSG SMART Practices Report](#)

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Strategy #4

Screen event attendees.

STRATEGY #4

Supporters who attend your nonprofit's events have actively demonstrated their interest in your organization. They are already engaged! Use this initial contact to further your relationships and meet new prospects. High-quality donors are likely among the crowds.

To identify these donors, follow these steps:

A. Encourage RSVPs.

Researching event attendees before the event gives your nonprofit the opportunity to prepare for face-to-face interaction with your top prospects. That's why it's important to encourage RSVPs for your events.³

Incentivize early registration with products or special privileges. For example, offering t-shirts or an exclusive early registration meal can persuade your supporters to RSVP.

B. Perform prospect research.

Once you have a list of attendees, research them ahead of time. Prospect research is the act of researching individual donor candidates or groups of donors. Look for philanthropy and wealth indicators in each prospect to estimate their donor capacity.

With prospect research, you can identify high-quality donors who aren't already involved in your organization.

C. Target top prospects.

Once you've identified your most promising prospects, target them during the event. Bring in your frontline fundraisers to start a giving conversation.

Your fundraisers should be having deliberate conversations with prospects to assess their donor potential.

³ <http://blog.booster.com/booster-tips/essential-event-checklist/>

D. Pay attention to spending patterns.

You can also research attendees retroactively by analyzing donor spending habits during the event itself. You can use event software to track spending and giving habits.⁴

Make note of any large expenditures or donations that occurred.

Ultimately, events are a chance for you to identify new high-quality donors and build relationships with the donors you already have through in-person contact. Preparing for your event ahead of time can help you allot your time and resources wisely.



STRATEGY #5

Past giving is the strongest indicator of future giving.

Donors who have historically given to your organization are the most likely to become high-quality donors.

Donors want to feel their contributions

fulfill the needs of your organization and ultimately further the cause that they want to support.

After all, your donors are investing in your organization.⁵ They need to see how a larger or more frequent gift can help your nonprofit.

To capitalize on past giving, try employing these strategies:

A. Market giving opportunities.

Marketing your giving opportunities will help your donors understand how to best serve your nonprofit.

Send targeted communications about your newest campaigns so that donors are aware of chances to impart a significant impact.

⁴ <https://doublethedonation.com/nonprofit-software-and-resources/charity-auctions-tools-for-nonprofits/>

⁵ <http://www.bristolstrategygroup.com/leakybucketnonprofitblog/bid/104068/Nonprofit-Fundraising-Donors-Are-Your-Investors>

Inform your likely prospects about your new campaign over the phone. As the campaign progresses, check in with your prospects and begin to initiate an ask.

B. Showcase giving options.

Donors may be encouraged to give more if you outline suggested giving amounts.

Clarify which donations qualify as major gifts (either over a recurring period or as a single donation). Donors may give more to reach major gift status, but they have to be aware of the opportunity first.

Additionally, you'll want to make sure that donors can clearly access your different programs. A high-quality donor may be looking for a specific program, such as planned giving.⁶

Highlight your giving options in mailed materials, and create information pages for each of your programs on your nonprofit's website.

C. Build relationships, not asks.

Understanding what your donors hope to achieve can help you create opportunities that they'll respond to.

A donor with high-quality potential may be more willing to donate to a campaign that supports their specific interests. But you won't know unless you have a solid relationship. These strategies can help your current donors fulfill their potential, but you'll need a solid understanding of each prospect's past giving history so that you can target them effectively.

Knowing which programs a donor has historically supported can help you determine which giving opportunities you'll want to bring to your donor's attention.



STRATEGY #6

Your board members are the leaders of your organization. Their dedication and service to your nonprofit can make them high-quality donors in their own right.⁷ But your board can also lead you to more high-quality donors.

⁶ <http://www.donorsearch.net/what-is-planned-giving/>

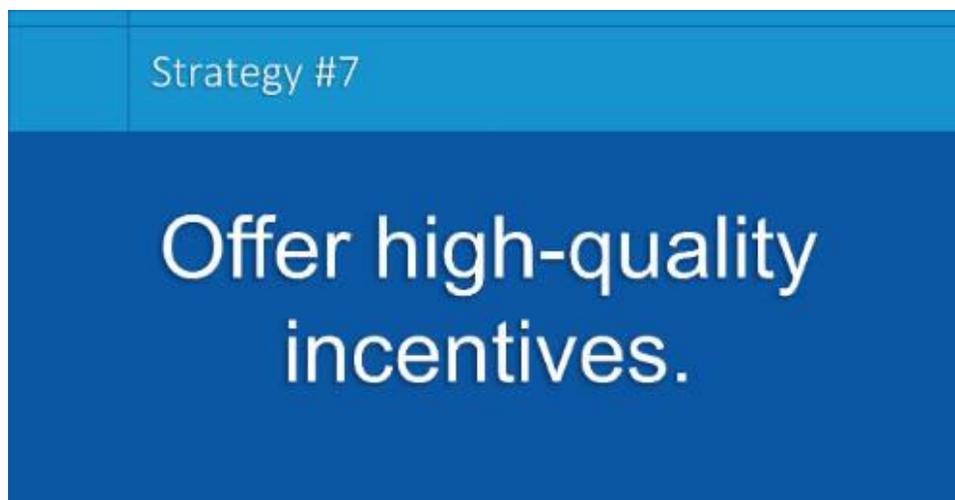
⁷ <http://www.bristolstrategygroup.com/leakybucketnonprofitblog/bid/41887/THE-BOARD-S-ROLE-IN-FUNDRAISING-PART-3>

To maximize your board's involvement and identify high-quality donors, you can:

- **Leverage your board's connections.** Your board members are likely well-connected individuals who know high-quality prospects. Try an exercise where each board member writes down ten donor prospects, and then select the three most likely candidates from each list.
- **Use your board's resources.** Your board may have access to properties that can be used for events targeted to high-quality donors. An intimate setting, such as a home, can put everyone at ease and help you evaluate your prospects' affinities for major or recurring gifts. Additionally, you can use this setting to grow your relationships over genuine conversation.
- **Inspire board members to fundraise.** Since your board members know their connections best, your board members should be the ones to initiate an ask. Why? People are more responsive to those that they know and trust. Inspiring your board members to fundraise can allow them to have personal conversations with the prospects they know, so that you can better assess the prospects' donor potential.

Though this strategy is specific to board members, it doesn't have to be exclusive to them. Churches, for example, can use a similar strategy among prominent figures, such as the pastor or the church administrator.⁸

Likewise, a nonprofit can also look for the connections and resources that frontline fundraisers or major gifts officers may have.



STRATEGY #7

Does your organization offer a membership program?

Membership programs provide donors with a community of like-minded individuals.⁹

The perks of being a part of an exclusive

club can persuade donors to give more. Likewise, incentives like membership programs can bring high-quality donors to you.

⁸ <https://www.atpay.com/church-management-tips/>

⁹ <https://www.neoncrm.com/membership-association-management-guide/>

You'll need to give rapt attention to any inquiries about your program. After all, people who ask questions about your program are demonstrating their interest in giving a substantial donation. Don't simply answer their questions. Inquire how you can help them best understand your program.

Spend time on the phone, or even in person, with interested parties.

Though you shouldn't advertise your membership program (after all, it should feel exclusive!), you should use what you've learned from your research to send information to high-quality prospects.

Provide information about membership programs after you've already reached out to these donors.

Assessing your donors' interest in high-quality donations can help you allot your resources wisely, so that you only send this information to your most likely prospects.

GO FORTH AND PROSPER...

Now that you know the strategies to pinpoint high-quality donors, it's time to take the first steps to seek them out. Finding these donors is not an exact science. However, careful planning and the dedication to build strong relationships with your prospects can lead you to these promising, high-impact individuals.

ABOUT THE AUTHOR

Sarah Tedesco is the Executive Vice President at [DonorSearch](#), a prospect research and wealth screening company that focuses on proven philanthropy. Sarah is responsible for managing the production and customer support department concerning client contract fulfillment, increasing client retention, and customer satisfaction. She collaborates with other team members on a variety of issues including sales, marketing and product development ideas. Contact the DonorSearch team at info@donorsearch.net.