



# Capital Campaign Trends and Strategies

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# Learning Objectives

- Overview of capital campaign phases
- Current campaign trends
- Immediate next step action items



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# Capital Campaign Process

- Phase 1: Planning
- Phase 2: Quiet Phase
- Phase 3: Public Phase
- Phase 4: Celebration



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# Phase 1: Planning Phase

- Steering committee
- Refining case for support
- Timeline
- Gift Acceptance Policy
- Donor Recognition Policy
- Volunteer recruitment
- Prospect rating
- Cultivation
- Strategy



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# Phase 2: Quiet Phase

- Gather 50–75% of goal
- 90/10 rule
- Inside–out/top–down solicitation
- Leadership phase



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# Phase 3: Public Phase

- Kick-off event
- Media
- Major gifts
- Broad-based appeal
- Sweep



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# Phase 4: Celebration

- Thank
- Steward
- Begin planning for next campaign



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# New and developing campaign trends?



# Trends

- “The majority of Americans will make their 2011 donations online rather than through the mail, in response to telemarketing calls, or other techniques.”
- “Online giving is now such a strong habit that donors at every age level prefer it. More than half of donors 65 and older said they would give online, the first time a majority in that age group said they would give via the Internet.”
- “Three-quarters of people 35 to 64 said they would give online, while 86% of those under 35 prefer to give that way.”



# Trends

- “A significant majority of donors cannot be influenced to give more often by an increase in the number of solicitations over a 12-month period, but they can be influenced to give less money or less often or stop giving altogether.”
- “Donors 65 and older were most likely to stop giving because they had been asked too many times. While it may be that fundraising could get away with oversoliciting this demographic 10 or 20 years ago, the times have changed.”



# Trends

- Some charities are too careful and avoid contacting people who have already made a pledge to a campaign, when in many cases such donors would like to hear from the organization again.
- For example, one donor was annoyed when the charity never got in touch with her after she made a three-year pledge to its campaign. “Finally I called them, and they told me that I was on a do-not-disturb list. They thought they were doing me a favor by not contacting me until my pledge was paid.”



# Trends

- With the expansion of capital campaigns has come the need for charities to increase the number of new donors tapped for campaign gifts.
  - In many campaigns new donors have accounted for 50 to 60% of all contributors.
  - In some cases as many as 80% of donors have never previously given to the charity.



# Trends

- Most donors take a low view of token gifts, or trinkets, such as address labels or calendars included in direct mail appeals.
- “Although 77% of donors said they had received such gifts in appeals they were sent the past two years, only 18% liked them.”
- “63% of donors said they did not want to receive trinkets of any kind because their cost eats into contributions.”



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# Trends

- As efforts to attract new donors succeed, fundraisers do not focus as much on attracting six- or seven-figure gifts — which many groups have long done. Now campaigns are winning many more gifts in the \$10,000 to \$25,000 range.



# Trends

- People who make campaign contributions have become more skeptical in recent years. Increasingly donors are making “tester gifts,” a relatively small initial contribution that is sometimes followed by additional campaign gifts.
- Fewer people want to sign five-year pledges.



# Trends

- Donors are less and less interested in public recognition, i.e. naming opportunities. However, they still want a lot of attention from the charities they support.
- In one campaign for a hospital a wealthy donor declined to have a cancer ward named for himself or his loved ones. Instead, he wanted “a lifelong relation with the cancer ward” and “to be informed of new research and advances in oncology.”



# Trends

- Few drives now rely on a single campaign chairman, a volunteer who makes a major gift to start the campaign and then solicits others.
- Such volunteer leaders have been replaced by multiple leaders or committees, each with specific goals.
  - In an extreme example, a campaign by an art museum that raised \$23-million had 13 committees. One reason for the success of the campaign was that the committees were encouraged to compete to see which one could raise the most.



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# Trends

- Not as comprehensive. More singular in focus.



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# Trends

- **Smaller goals.** Smaller than an organization's immediate past campaign.



# Trends

- “It’s clear that the campaigns that are going well were thoughtfully planned out, based on feasibility studies, and focused on donors with whom the nonprofit already had a relationship. The campaigns that have floundered or dragged on were based on some broad assumptions about who “should” support them, plugged numbers to fill out the budget, and the planning happened along the way. These observations lead right to the basics of campaigns – lots of planning, being realistic, committing the time and people, and monitoring everything as you progress.”



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# Next Step Action Items

- Identify 10 new campaign prospects by Monday (June 20.)
- Thank 5 past donors before the Forth of July.
- Plan one cultivation event for August.



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# References

- Association of Fundraising Professionals
- Kate Barr
- Sonya Champion
- Chronicle of Philanthropy
- Cygnus Applied Research
- North Shore League
- The Collins Group
- Dana Van Nest, CFRE



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# THANK YOU!

The Winkler Group's Innovation Center is full of ideas and inspiration. Turn in your questions today and follow us on Facebook and Twitter for the answers.

