



INTRODUCTION TO VOLUNTARY INCOME FROM INDIVIDUALS



KEY MESSAGES

Why individuals?

Out of £31 billion that comes into the voluntary sector every year approximately 37% comes from individual donations (Source: The UK Civil Society Almanac 2008). This may come in the form of:

- Money one off
- Regular donation
- Membership/subscription
- Major gift
- Legacy

In 2008/09 54% of the adults in the UK gave to charity in a typical month. They gave on average £31 in a month (Source: UK Giving 2009: An overview of charitable giving in the UK, 2008/09 CAF).

This guide is based on the process you would go through to secure a major gift however many of the principals are transferable to developing small regular donations. This guide does not talk about cash donations from individuals.

This guide defines a major gift as something that will:

- Make a significant Impact on the Organisation
- Vary from organisation to organisation i.e. every organisation will define what they consider a major gift differently. For some £100 is a Major Gift for others £5000 is the starting category for a Major Gift
- Be significant to the Donor
- Be a cash gift or a gift in kind

For smaller organisations it is less likely that you are going to secure hundreds of thousands of pounds from a donor as you don't have the capacity, structures or resources to secure or manage those kinds of gifts. You are more likely to secure smaller gifts such as a few hundred to a few thousand pounds. However one of the

main reason to go down the route of major donors would be to identify women within the community who have influence and contacts who could organise community fundraising events on your behalf, champion your work amongst their rich friends and give you access to more influential circles.

There are 8 general steps to developing donations from Individual Donors. We will concentrate on the first 5.

- Identify
- Research
- Donor Motivation
- Plan
- Engagement
- Ask
- Thank
- Stewardship

STEP 1: IDENTIFY

Identifying possible donors

Many of your potential donors will be amongst your organisations existing networks. You just need to tease them out.

When identifying potential donors you should explore contacts of:

- o Staff
- o Board/Leadership/Trustees
- o Members & Patrons
- o Other Major Donors & Funders
- o Research & Targeting
- o Suppliers
- o Volunteers
- o Database (participants of Events; Legacy; DM, Corporate Contacts etc.)

You can use a treasure map to try and map out your potential donors:



If you have an existing database it is well worth screening it to see whether you have any rich potential donors on it. There are two ways to do this;

- 1) Do this yourself by going through your database one by one and checking names and addresses against expensive post codes and lists like the Sunday Times Rich List
- 2) Pay a data screening company to compare your database against their own database of rich or well connected people (company directors, trustees of grant giving bodies, shareholders, etc.) and pull out the rich ones. They can also check and update invalid names & addresses, phone numbers, etc. and select people by specific criteria (age, location, etc.)

As well as collating information about the people you already know, you will probably want to start collecting information about people or groups of people you hear about that might be interested in your cause but with whom you have no contact at present.

STEP 2: RESEARCH

Capturing the right information

Once you have identified potential donors, you want to gather as much information about them as possible. The depth of research you do on each individual will depend on what type of donor you consider them to be. E.g. if they were a potential Major Donor you would want to do a lot of research on them.

Information you are collecting on potential Major Donors would include:

- General Information
- Career Information
- Business Networks
- Charitable Connections
- Social Networks
- Interests connected to your cause
- Potential to give

Recording information

You should be keeping records of all of those people you identify on your treasure map and anyone else who has had contact with your organisations. For example - past supporters, enquirers asking for more info, visitors, participants in fundraising events or on demo's, people signing petitions.

Information you want to be collecting on your database:

- Their name
- Their address

- Their email
 - Their telephone number
 - Giving history
 - Contact history
 - When current membership or standing order for regular payment ends
- Would also be good to have:
- Age
 - Employment/employer/job title
 - Ethnicity
 - Gender
 - Communication preference
 - Events attended
 - Appeals responded to
 - Interests
 - Relationships with people in organisation, other supporters etc
 - How they like to get involved
 - Family
 - How they know about you
 - Comments

You can purchase database software for this such as **DonorBase** or you can develop your own system using **FileMaker** or **Excel**.

There is also free open source software. For example: **Drupal** is a fundraising database which works with a Customer Relationship Management system **CiviCRM**.

STEP 3 – DONOR MOTIVATIONS

Donors give for a lot of different reasons. To be effective in getting money from individuals you need to work out what is it that motivates each prospective donor so you know how to approach, communicate and engage with them.

There are 4 main factors which drive donor motivation.

- 1) Social Recognition
- 2) Mutual Benefit
- 3) Affinity
- 4) Philanthropy

STEP 4 – PLANNING

At this stage you need to prioritise who you are going to spend time on first. Especially as fundraising from individuals will most likely, at least at the beginning, be on top of all the other work you do.

STEP 5 – ENGAGEMENT

In order to make potential donors feel inspired it is important to engage them with your organisations. For those donors who are already giving you need to make sure that you are able to hold on to them by keeping them happy and feeling that they are

appreciated and cared for. This can be done through different ways of engagement and is referred to in the industry as Retention.

Types of engagement and follow up can include:

- Thank you events
- Information events
- Cultivation events e.g. project visits
- Dinners
- Personal visits to their home, place of work
- Personal Notes
- Phone Calls

STEP 6 – ASK

The ASK can be scary but it gets easier with practice. The most important thing is to decide who is the most appropriate person to make the ASK. Peer to Peer asking is often the most effective but not always. It depends on who has the best relationship with them because ultimately people give to people.

STEP 7 – THANK

Make sure your thank you is appropriate, consistent with other 'thank you's' you have given and timely.

Different donors will require different types of thanks.

STEP 8 - STEWARDSHIP

Organisations successful with Major Donors have a recognition and stewardship programme where they take care of each Major Donor individually in the most appropriate way for them.