Long-Time, Loyal and Active Members: A Fund Raising Window of Opportunity

The Case for Asking Now

By Marketing Partners, Inc.
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In today's economy where accelerating change and the pressure to identify new sources of revenue are issues of the day, there's a source of support that too many individual membership societies and associations are ignoring.

Philanthropy. To be more specific, both individual member and allied-industry corporate fund raising campaigns.

Yes, good old-fashioned fund raising. The kind of programs and campaigns for which you've probably been personally tapped more than once over the years by at least your alma mater, church and local hospital.

Philanthropy is by no means declining. In fact, the Foundation Center in New York City last year estimated that existing foundations increased endowments by 16.5 percent over the previous year.1 The Center also reports that the number of foundations has more than doubled since 1980 and in the last two years of the century, the number of grantmakers grew by more than 5,200.

But a significant window of opportunity for individual membership societies and associations may be closing.

Many associations and societies have demonstrated through their fund raising successes that long-time, loyal and active members are willing to contribute more than their time and talent to their professional society or association. When you stop and think about it, it only makes sense.

Everybody understands why so many of us give generously—either through annual giving or, perhaps, even through major gifts or planned bequests—to those institutions.

But when the leaders of many professional or technical societies start to talk about fund raising, too often the assumption is that "we can't ask our members for money" and the conversation turns to the possibility of a corporate campaign. The logic is sort of like Willie Sutton's when he was asked why he robbed banks. His reply, "Because that's where the money is."

It certainly is true that there is money there. In fact, so much so, that on any given day a multitude of organizations and causes are at the doorstop of virtually every sizable corporation. So you are going to face a lot of competition for the corporate philanthropic dollar. And one of the first questions your corporate prospect is going to ask you is, "How much are your members contributing to this campaign?"

The truth is your long-time, loyal and active members are a potential mother lode of philanthropic potential, both in terms of what they will be willing to give as individuals, and the additional contributions you can leverage from their generosity.

But the reason that a window of opportunity may be closing for individual membership societies is that many of these long-time, loyal and active members who have contributed so much—or would be willing to contribute even more in another way—are nearing retirement age.

It is a fact of life that they are being replaced by younger members who see the organization differently, and are more transaction oriented rather than seeing themselves as members for life.

Many membership societies have not raised much money through their member fund raising efforts. The reason, however, is not necessarily that today's membership is disinclined to contribute to the organization. To the contrary, think of the many long hours many members put into the vital volunteer activities that such organizations depend on. Think of the personal investments—in terms of time and expense—many members make in society activities. Think of how involved they have been for how many years. Think of the central—sometimes defining—role the society plays in their profession or technical career.

And then consider that many of your more successful members donate significant sums of money to educational institutions they graduated from maybe 30 to 40 years ago, and to which they may return once a year for a football weekend. Is not your society or association at least an equally important part of their lives and equally worthy of support?

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The basic approach to fund raising has not changed: people give money to people they know, people they care about and people they trust. People give because it feels good. People who have money generally want to share the wealth. They want to give something back to the community, profession or organization that helped them achieve their success.

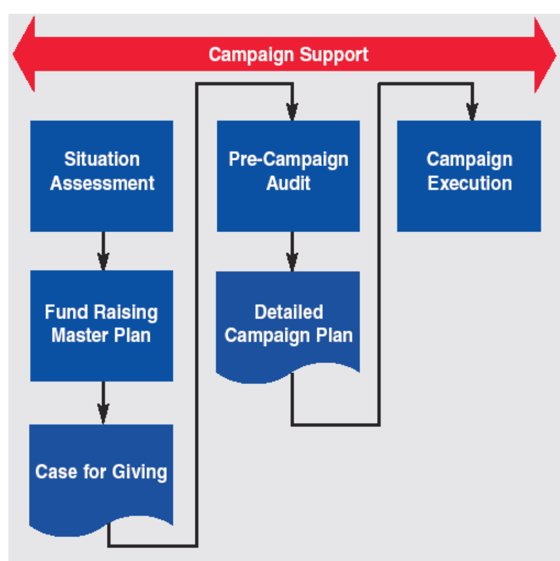
For instance, most societies and associations have individual members who, if properly asked, would be pleased to support an activity that they see as important work of the organization. Often that support can take the form of a multi-year pledge for an annual gift. Many long-time members will choose to make a bequest to support a particular program or area of activity.

Technological advances in relationship management systems enable individual membership organizations to effectively cultivate and maintain lasting relationships with their donors. Through ongoing collection of information and donor profiling, societies can use relationship marketing principles to deliver targeted messages that appeal to the individual's reason for giving and sense of shared values.

As with any critical effort, the fund raising process must be carefully designed in order to achieve the intended outcome. Think of fund raising in terms of a marketing process, of communicating what you have to offer to a specific, targeted market. Fund raising and marketing go hand in hand. Fund raising reaches out to raise money from various targeted markets. Marketing communications reach out to inform and to educate these various markets.

The Six-Step Process

We use a six-step process. It is an integrated, multi-disciplinary approach that provides flexibility based on organizational need. This approach assures that the level of support for your organization is adequate and that staff will be well trained to seize the fund raising opportunity.



Situation Assessment

The assessment stage delivers a time line for achieving the goal, an analysis of the potential donor universe and solicitation and recognition strategies. Key factors that will affect the campaign are identified through interviews with staff members and volunteer leaders.

During this stage, potential donors are identified and anticipated levels of giving are established using a proprietary tool that provides a definitive calculation of fund raising potential through a careful, prospect-by-prospect analysis and segmentation of anticipated donors.

The result of the interviews and consultation with staff and volunteers, combined with the modeling, form the recommendations for basic campaign organization, structure, goals and time lines.

Fund Raising Master Plan

The purpose of this stage is to prepare internally for the rigors of a fund raising campaign. The processes and tools necessary to complete the campaign are determined and put into place.

The end result is a clearly defined process to provide focus and a clear understanding of roles and responsibilities.

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Case for Giving

Developing a case statement involves more than simply articulating the appeal for money. The case statement provides the facts, figures, demonstration of need, and proof of donor benefits necessary to convey a clear, complete and persuasive rationale that provides the foundation for the fund raising campaign.

The case statement is used to develop brochures, materials, letters and personalized communications that will be used throughout the life of the campaign.

Pre-Campaign Audit

How do you know if the time is right for a campaign? One way to test the waters is to conduct a pre-campaign audit. The purpose of this audit is to assess the fund raising climate and provide a gauge to project a realistic level of support.

The decision to conduct a pre-campaign audit is usually made during the situation assessment. If key issues surface during the assessment, or additional information that could impact the campaign's success is needed, then a pre-campaign audit is recommended.

This may involve face-to-face meetings or executive telephone interviews with selected potential donors or members. Much of the general information required to tailor individual donor appeals will surface.

Detailed Campaign Plan

The campaign plan builds on the assessment stage and pre-campaign audit to create the plans necessary for a successful campaign uniquely designed for the organization.

Items included in the campaign plan range from solicitation and recognition strategies to lists of materials needed to support the public relations and campaign communications strategies.

The campaign plan will also detail the various anticipated levels of giving and the multiple phases of the campaign. These levels and phases play an important role in the campaign plan.

They provide:

- a structure for the categorization of targeted prospects by anticipated potential;
- the foundation for campaign organization by phase; and
- a method and structure to recognize donors.

Campaign Support

Once the assessment and customized plans are in place, how do you ensure that your fund raising team has the coaching and support it needs to see the campaign through?

Fund raising consultants provide a variety of research, volunteer recruitment and training, publicity, promotional and campaign management services to provide ongoing support for the campaign as it moves through each stage. Levels of service available range from planning only, through planning and supplemental services, to turnkey planning and management for the entire campaign.

The window of opportunity with long-time, loyal and active members is still open. Those that use this opportunity will enhance their organization's ability to thrive in the new economy and position their society for continued success in the future. MPI

[1] Schweitzer, Carol, "Building on New Foundations," Association Management, October 2000, p. 29

About the Authors

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Marketing Partners, Inc. is a strategy and business services organization serving individual membership societies and associations, as well as consumer packaged goods, consumer durable and health care clients across the United States. The firm's focus is on business improvement—principally in three areas:

- *Customer Focus*, which includes using market research to create market-driven products and processes designed to gain and retain customer and member loyalty;
- *Organizational Advancement*, which views the organization itself as the product and focuses on developing both strategy and organizational capabilities including custom-designed strategic and breakthrough planning processes; and
- *Revenue Enhancement*, which employs both fund raising and marketing tools to identify and tap new sources of revenue.

If you would like more information about how our fund raising tools might benefit your Association or Society, or more information about any of the services Marketing Partners offers, please contact Viki Gudas in St. Joseph, MI, (269) 983-0016, (hq@mpicompanies.com).