

Mega Gifts in the Age of Declining Donors:

How to Secure Your Largest Gift to Date

Presented by

Andy Brommel
Managing Director, Communications

Cassie Carter, PhD
Vice President, Fundraising

INTRODUCTIONS



ANDY BROMMEL

Managing Director,
Communications



CASSIE CARTER, PhD.

Vice President,
Fundraising



Topics We'll Explore Today



What

- What are mega gifts?
- What trends are we seeing in the donor landscape?
- How are mega gifts impacting organizational and fundraising strategies?



How

- What strategies are effective in securing large gifts for your organization?
- A focus on:
 - Messaging
 - Leadership
 - Engagement Strategy

**What do you consider a
mega gift?**

WHAT IS A MEGA GIFT?



Giving USA defines "mega-gifts" as donations exceeding 0.1% of total giving in a given year, rounded to the nearest \$50 million, meaning a mega-gift is \$500 million or more



Each organization will have its own threshold for mega gifts – **we will use 7 and 8 figures gifts as our general reference point** (88% of nonprofits have a budget less than \$500K)



Large major gifts, generally, are a result of a longer-term relationship with the donor – but we often think of a mega gift as one that comes quickly from a donor not always well known to the organization



Mega gifts tend to be from individuals (family foundations), and are often unrestricted



Significant funding can come from corporations in the form of sponsorships, or from Foundations in the form of a grant, generally to fund a very specific request

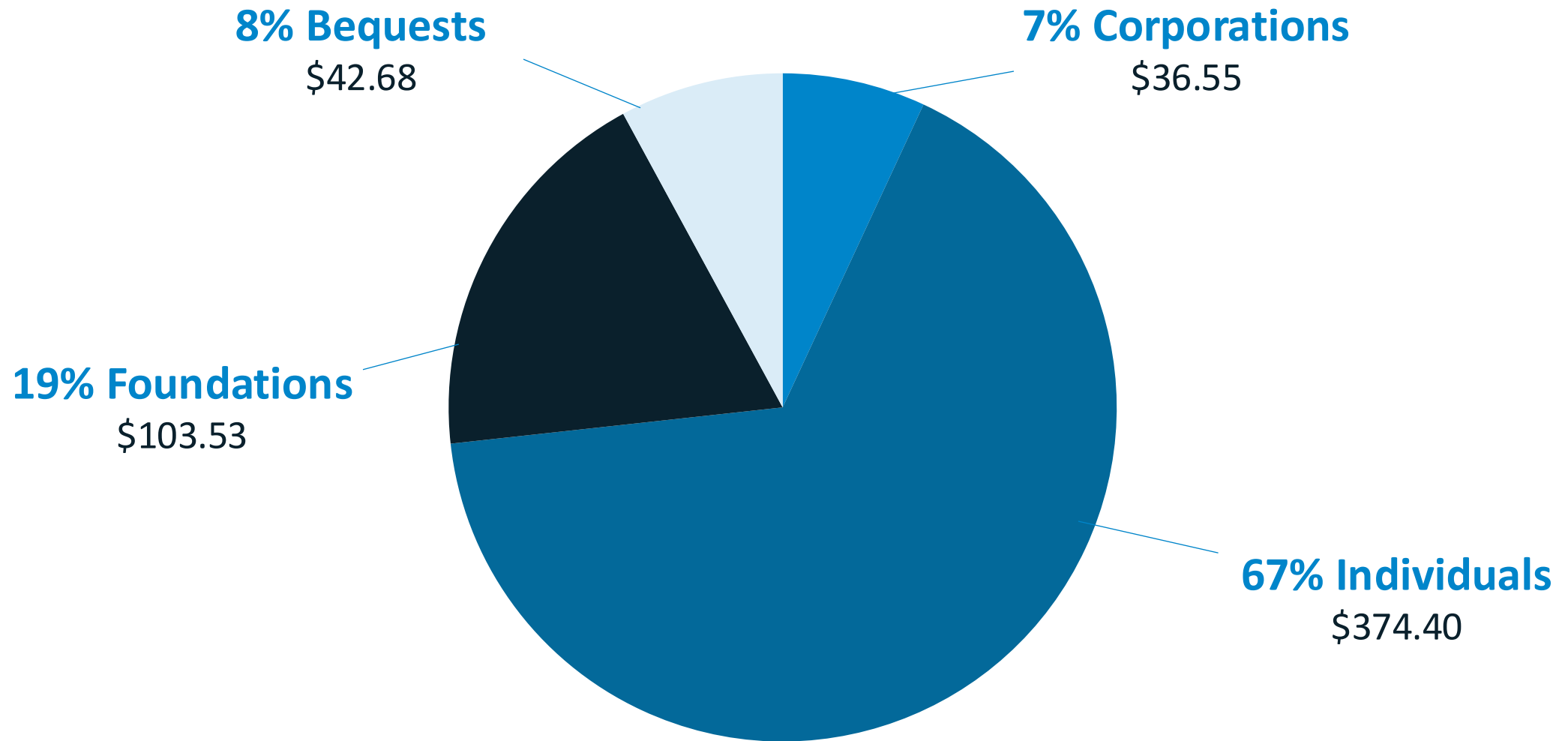


The Giving Landscape

2023 CONTRIBUTIONS

\$557.16 Billion By Source Of Contributions

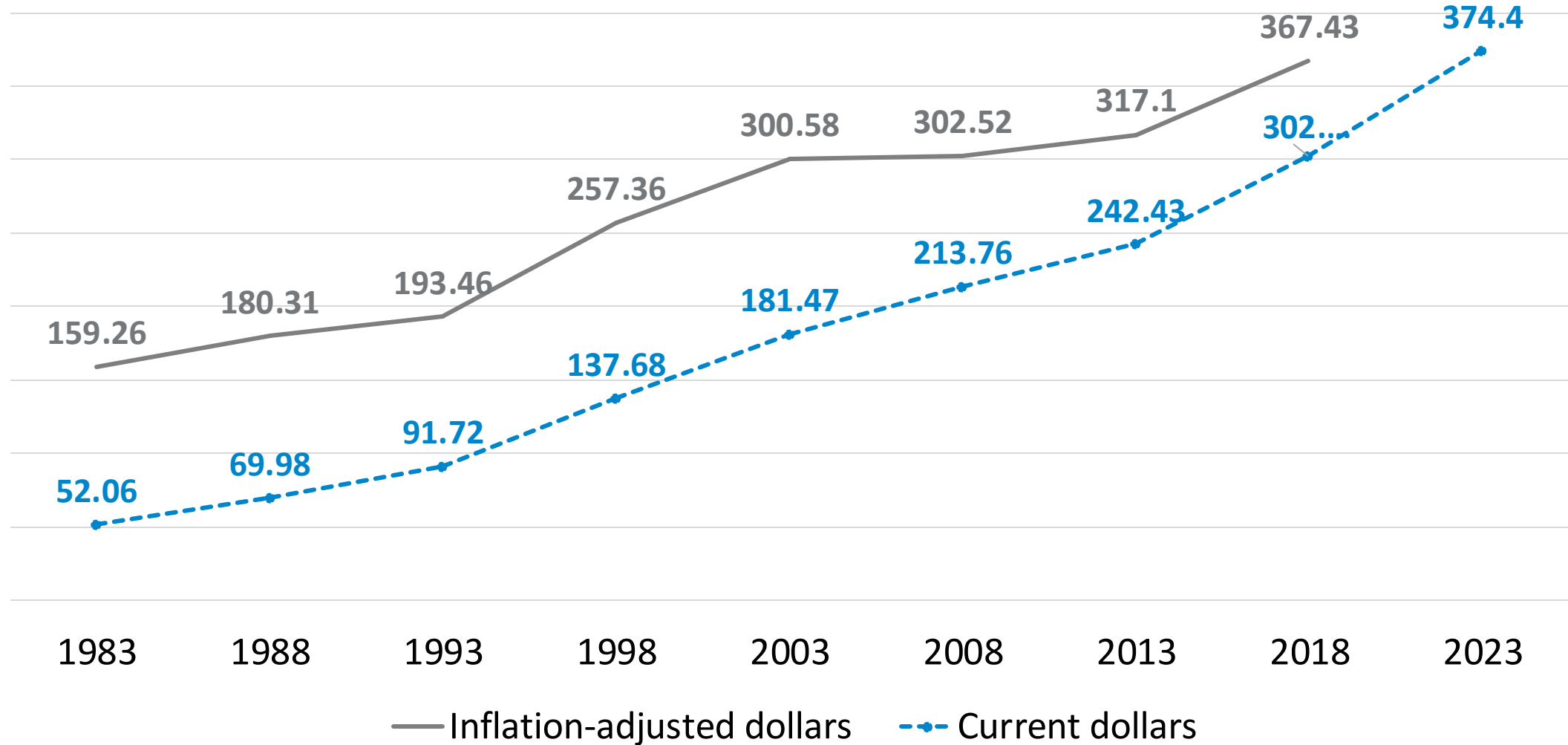
(in billions of dollars – all figures are rounded)



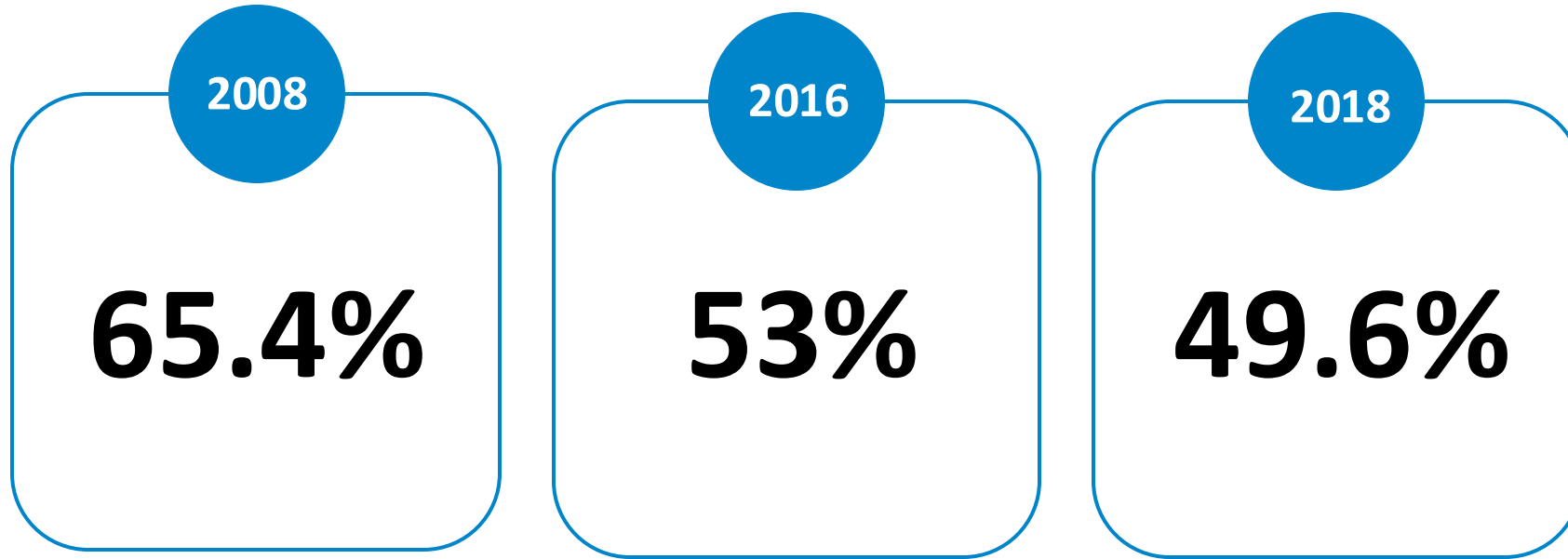
GIVING BY INDIVIDUALS

1983 - 2023

(in billions of dollars)



THE DOLLARS CONTINUE TO RISE, BUT THE NUMBER OF DONORS IS DECREASING



U.S. Households reported donating to nonprofits

Volunteering, which is an indicator of involvement with nonprofits, dropped from 30% in 2019 to 23% in 2021 – the largest decline since 2002



**80% of donations for nonprofits
with high performing major gift
programs come from 20% of
their donors**



A FOCUS ON MAJOR GIFTS LEADS YOU TO LARGER GIFTS

1

Having even **one full-time major gift fundraiser** increased the number of \$10,000 or more gifts received by 54.5%.

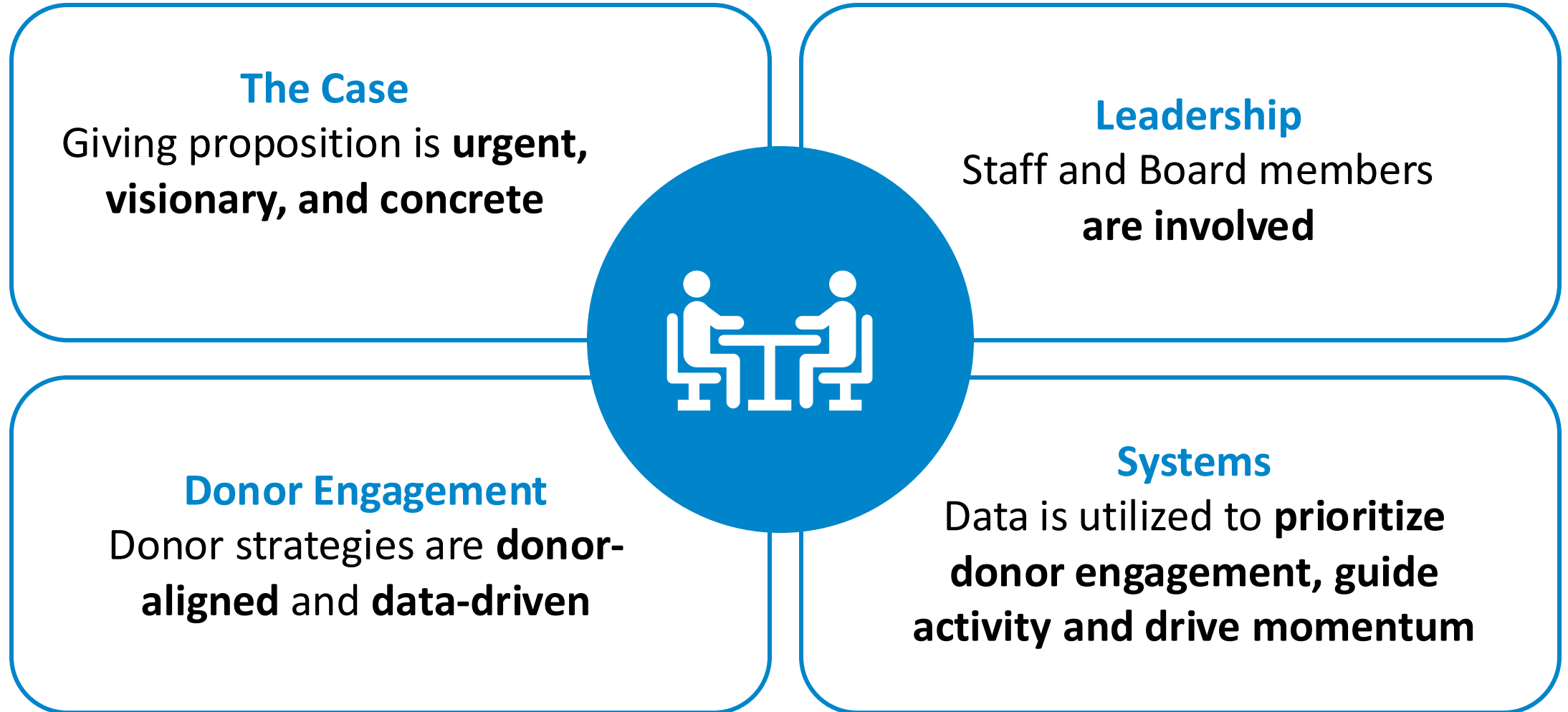
5

Five or more full-time major gift fundraisers received at least 25 major gifts in 2022, and 57% of these organizations received more than 75 gifts of over \$10,000.

2+

Organizations that received 4 or more gifts of at least \$1 million in the last three years have **at least two full-time major gift fundraisers**.

ELEMENTS THAT ENGAGE HIGH-CAPACITY DONORS



THE GOOD AND BAD OF MEGA GIFTS

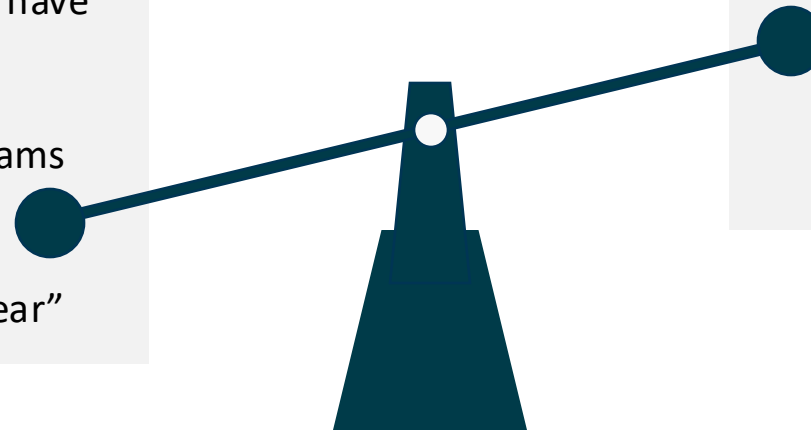
Mega gifts may come without warning or an opportunity to plan...

The Risks

- Not a part of your plan
- Have to be reactive rather than proactive
- May force mission creep
- Lose other donors who think you have enough money
- Result in rapid or unplanned investments in staffing and programs that aren't sustainable
- Create an expectation that large amounts of money will “just appear”

The Benefits

- Elevates your reputation and visibility
- Could establish an endowment or reserve
- Demonstrates to other large donors that you are credible and worthy
- Gives your organization the opportunity to do something big



A robust, structured major gift program can provide stable income, planning and growth.



A Focus on the Fundraising Activities that Bring in the Most ROI

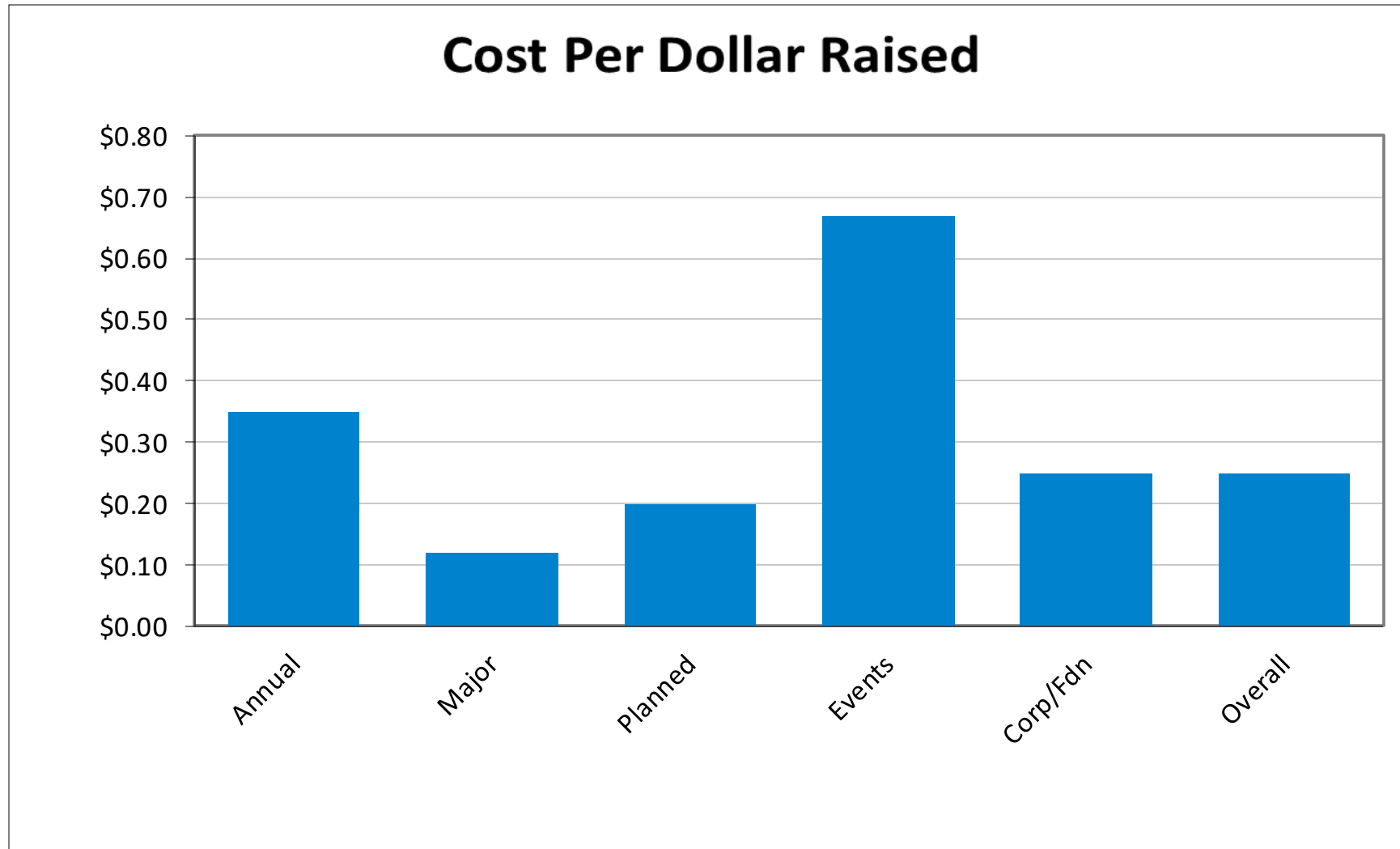
KEY INGREDIENTS FOR STRONG FUNDRAISING PROGRAMS



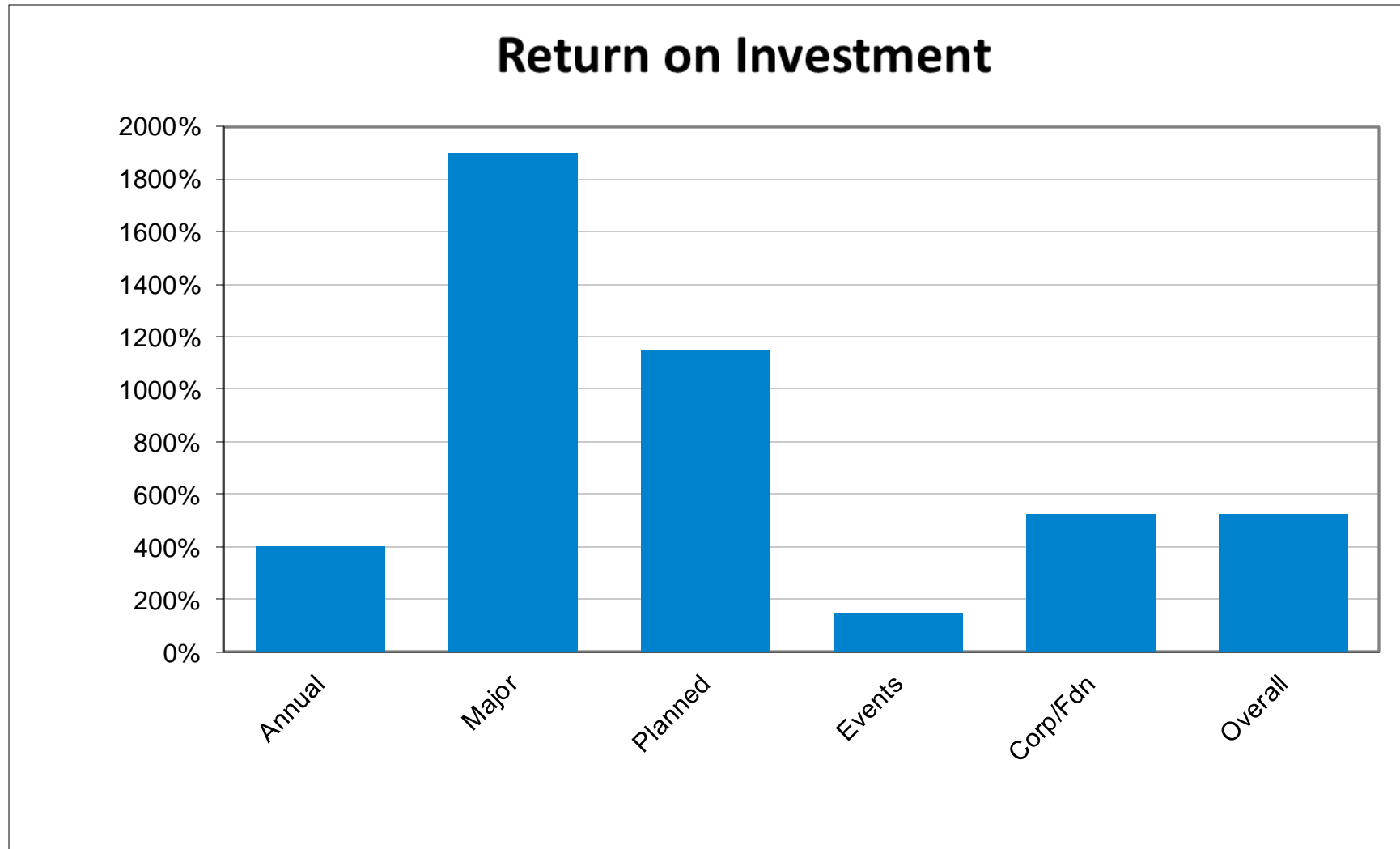
Donors give big gifts to a big vision, big impact and to people they are inspired by and believe in.



INVESTING IN BIG GIFTS OVER TIME PAYS OFF

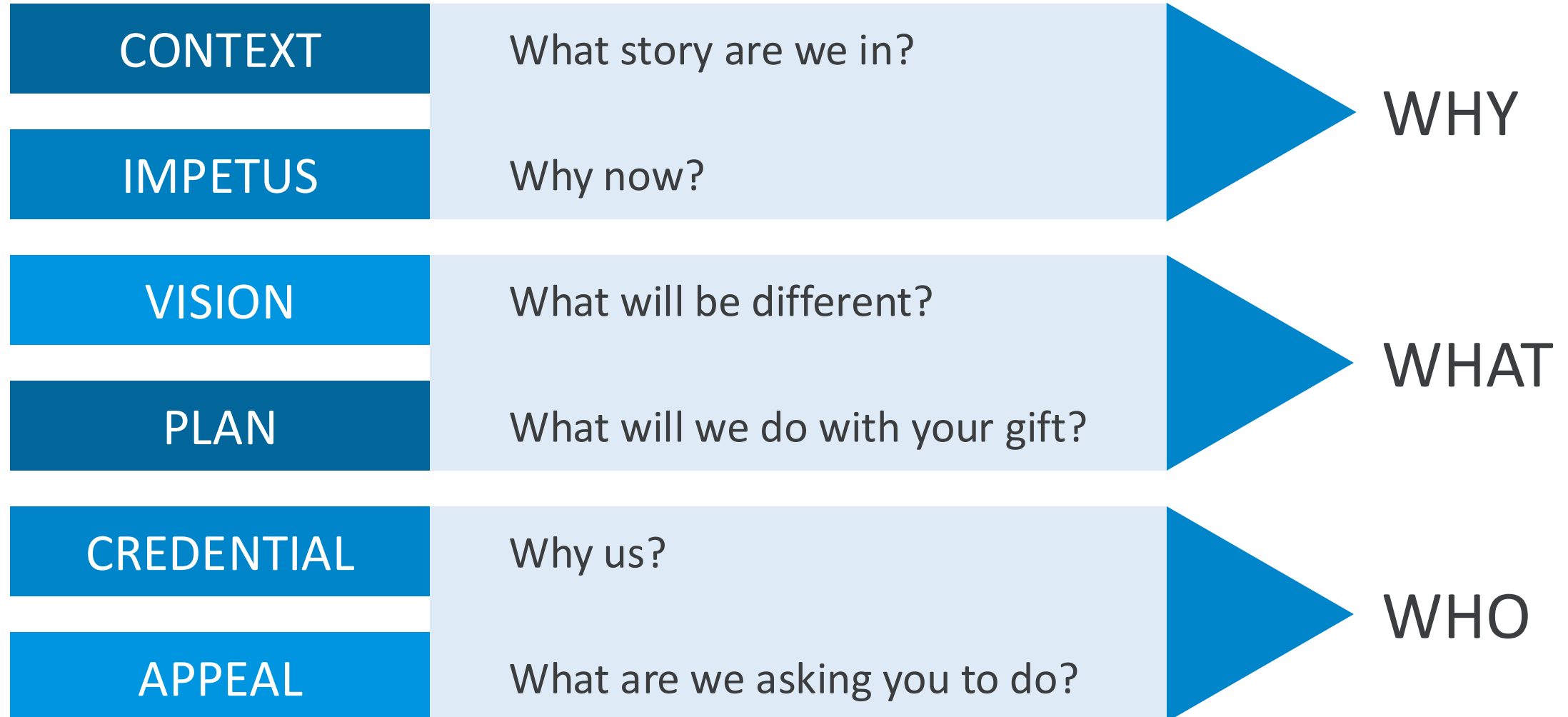


INVESTING IN BIG GIFTS OVER TIME PAYS OFF



Your Case for Mega-Giving

SIX PILLARS OF A CASE FOR SUPPORT



SIX PILLARS OF A CASE FOR SUPPORT

These **three factors** matter most for transformational giving.

CONTEXT

IMPETUS

VISION

PLAN

CREDENTIAL

APPEAL

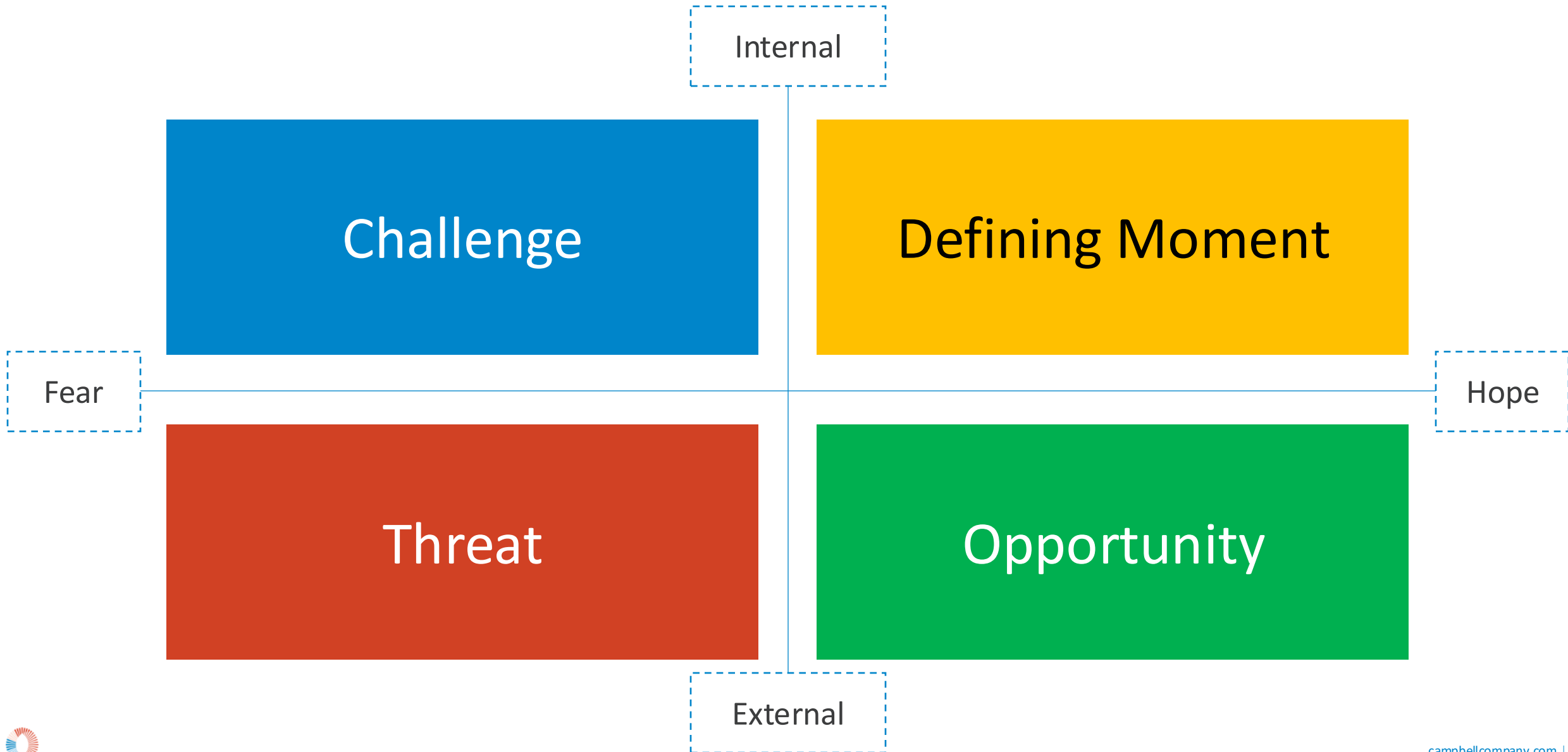
Extraordinary gifts address extraordinary moments

Big ideas inspire big gifts!

Gifts on this scale have to feel investment-ready



IMPETUS: FOUR WAYS TO CREATE URGENCY/MOMENT



IMPETUS: FOUR WAYS TO CREATE URGENCY/MOMENT



VISION: DISTILLING IT DOWN TO A SINGLE IDEA

What will be different?

A depiction of a future state that your donor can
picture in their mind



VISION: DISTILLING IT DOWN TO A SINGLE IDEA

We'll be able to accept
every qualified student,
regardless of their
family's means.



VISION: DISTILLING IT DOWN TO A SINGLE IDEA

We'll build a new kind
of museum for our
community.



VISION: DISTILLING IT DOWN TO A SINGLE IDEA

We'll expand our
program to reach 200
more families.



VISION: DISTILLING IT DOWN TO A SINGLE IDEA

A World Without Alzheimer's Disease



PLAN: MAKING YOUR BIG IDEA FEEL INVESTMENT-READY

Capital Investments

- Rationale and goals
- Architectural and construction plans
- Budget and timeframe
- Key benefits and features
- Impacts on operations
- Maintenance and stewardship


Program Investments

- Rationale and goals
- Growth plans and mission impact
- Budget and timeframe
- Impacts on staffing, operations, budget

Endowed investments

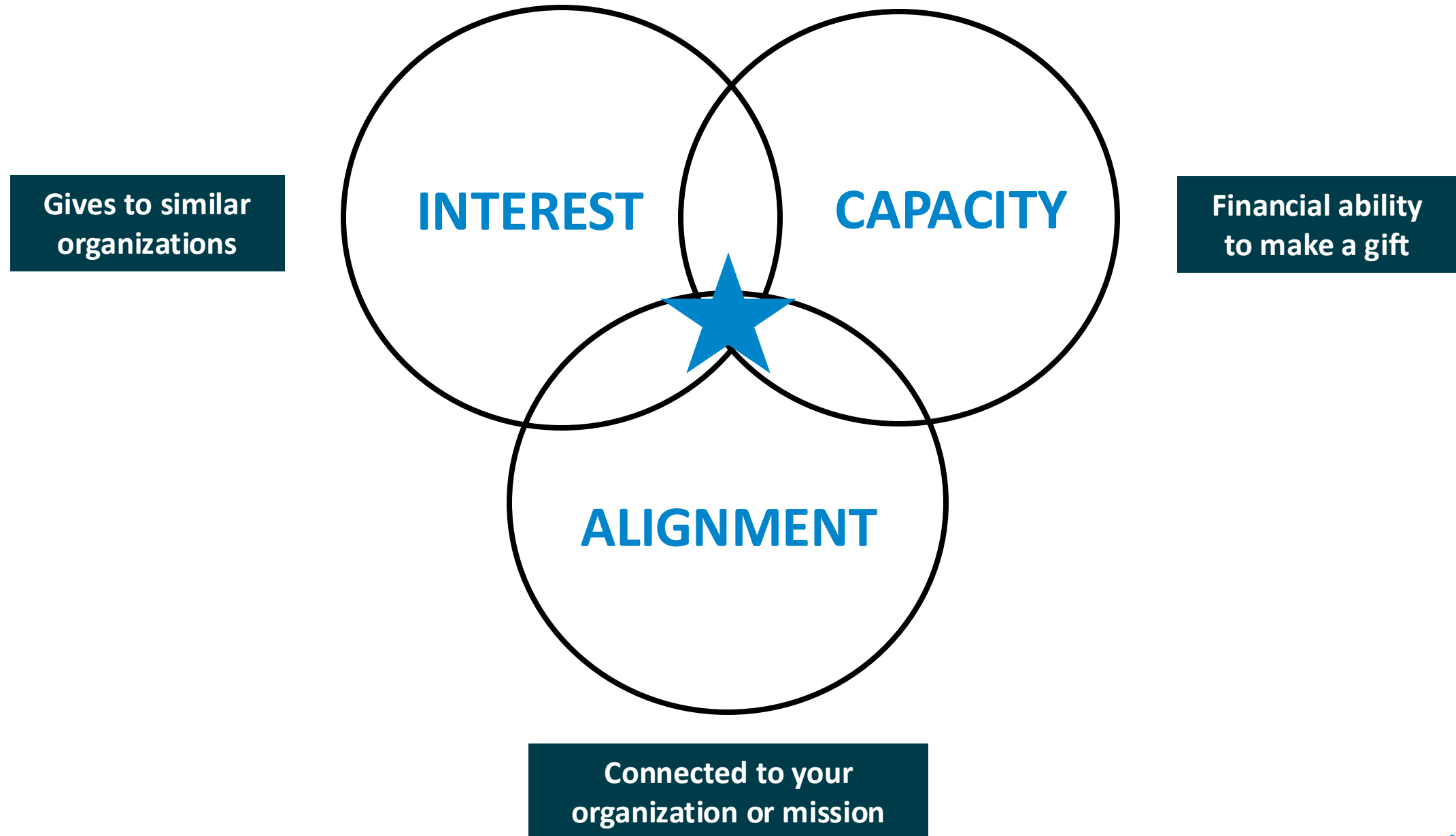
- Rationale and goals
- Uses of funds and mission impact
- Management practices
- Impact on budget and sustainability





Finding and Engaging High-Capacity Donors

RECOGNIZING POTENTIAL DONORS

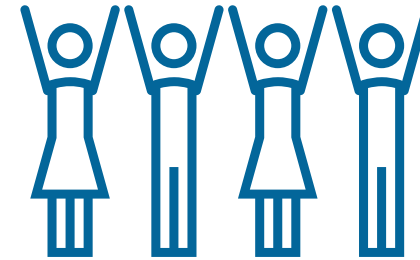


WHO IS IN YOUR DONOR PIPELINE?



People you may already know or who know you

- Annual donors – current or lapsed
- Event attendees
- Connection to program participants
- Alumni
- Board members – current and former
- Volunteers



People you don't know yet

- Share values and commitment to your mission
- Are in your stakeholders network
- Donors to similar organizations

THE IMPACT OF LARGE GIFTS

Profile of Gifts Needed to Raise \$220,000,000 in Private Philanthropy					
Gift Level	Gifts Needed	Qualified Prospects Needed	Subtotal	Cumulative Total	Cumulative % of Goal
Seed and Mega Donor Gifts					
\$50,000,000	1	3	\$50,000,000	\$50,000,000	23%
\$25,000,000	2	6	\$50,000,000	\$100,000,000	46%
\$10,000,000	3	9	\$30,000,000	\$130,000,000	59%
Principal and Leadership Gifts					
\$5,000,000	5	15	\$25,000,000	\$155,000,000	71%
\$2,500,000	8	24	\$20,000,000	\$175,000,000	80%
\$1,000,000	15	45	\$15,000,000	\$190,000,000	87%
\$500,000	20	60	\$10,000,000	\$200,000,000	91%
Major Gifts					
\$250,000	40	120	\$10,000,000	\$210,000,000	96%
\$100,000	55	165	\$5,500,000	\$215,500,000	98%
\$50,000	75	225	\$3,750,000	\$219,250,000	100%
Public Phase Gifts below \$50,000					
\$25,000	30	90	\$750,000	\$220,000,000	100%
Total	224	672			



LIST MANAGEMENT

Segmenting your work makes it possible

Build a list of your donors and prospects.

After the list is built – segment them into tiers with 2 key characteristics: Capacity and Readiness.

This segmentation can be data informed. It can be anecdotally informed. The more information the better.

Criteria for Prospect Tiers

- **Tier 1:** Prospects = high capacity and high readiness
- **Tier 2:** Prospects = mid capacity and high readiness
 - OR high capacity and mid readiness
- **Tier 3:** Prospects = lower capacity and mid to high readiness OR high capacity and low readiness

Tier 1 Top Prospect:

Have capacity and readiness
Capacity above \$250K

Tier 2 Top Prospect:

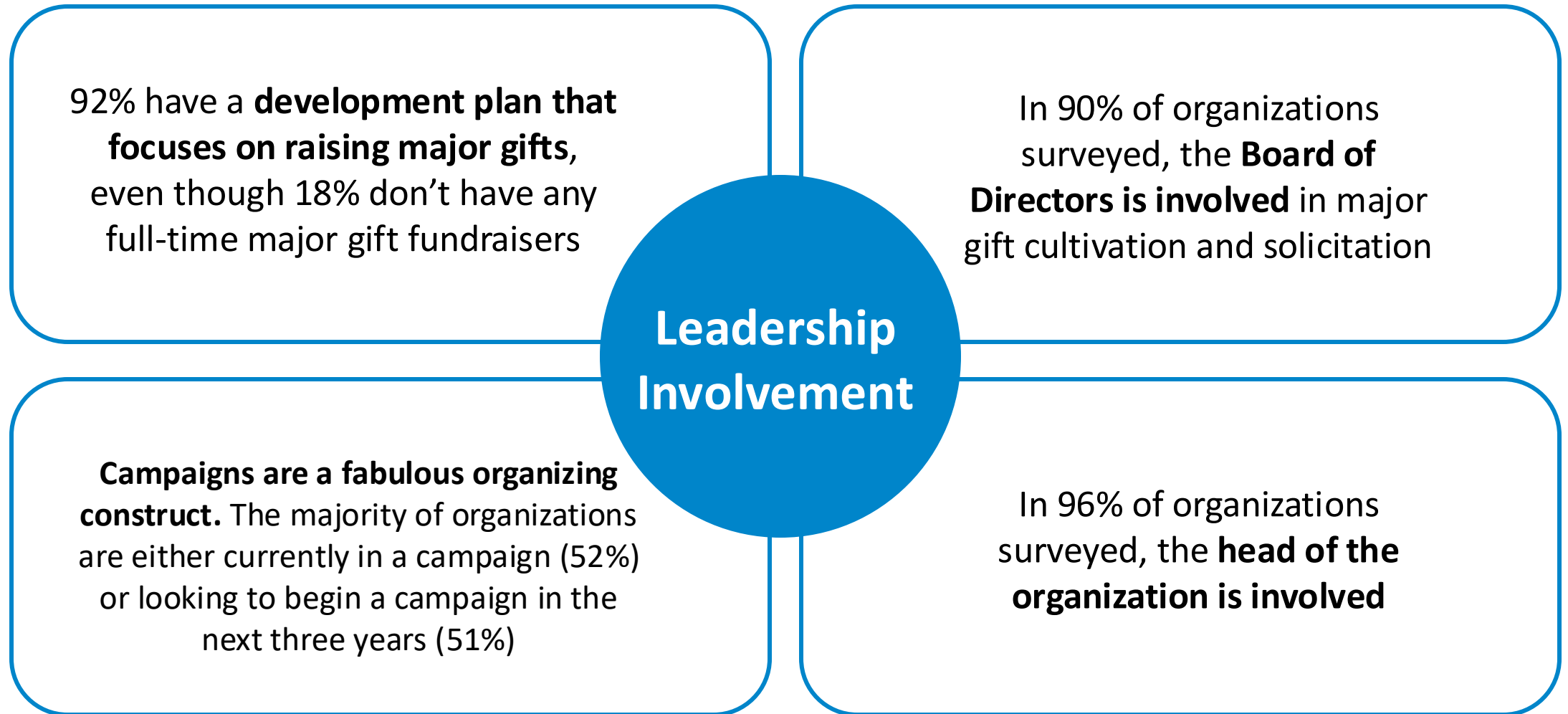
1 of 2 criteria
Capacity above \$50K

Tier 3 Top Prospect:

High readiness and low capacity OR
High capacity and low readiness
Capacity above \$10K



HIGH-CAPACITY DONORS GIVE TO PEOPLE THEY VIEW AS PEERS OR STRONG LEADERS



LEADERSHIP AND STAFFING

High performing organizations focus on major gift strategy



Both Staff and Board are involved with clear roles and responsibilities



Staff have time dedicated to engagement with major gift-level donors



Major gift-focused staff have little to no administrative responsibilities



They work in a culture that encourages/insists that they get out the door



Fundraisers have access to key leadership

DREAM DONOR ENGAGEMENT TEAM

Donors give to people – Who are the right people to meet with donors?

Organizational Leadership

- ✓ *Vision*
- ✓ *Impact*
- ✓ *Ask*

Board Members

- ✓ *Open the door*
- ✓ *Provide credibility*
- ✓ *Walk the walk*



Development Staff

- ✓ *Listen*
- ✓ *Matchmaking*
- ✓ *Ask*
- ✓ *Provide feedback*

“Luck favors the prepared.”

- Edna Mode



THANK YOU!



Andy Brommel

Managing Director, Communications
andy.brommel@campbellcompany.com



Cassie Carter, Ph.D.

Vice President, Fundraising
cassie.carter@campbellcompany.com

We'll see you in
Seattle!

