

# Give & Take<sup>®</sup>

IDEAS AND INSIGHTS FROM SHARPE GROUP



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# Your Donor's Voice

## Part 1

Donor testimonials can be an essential part of sharing your mission.



Advertisers have long known the power of positive customer testimonials to attract other customers and sales. In the commercial context, where “buyer beware” is all too often very good advice, a sincerely told and uncompensated testimonial or positive review online can be far more persuasive than simply a seller’s request to have you purchase a product or service.

The use of testimonials has proved effective in the world of charitable giving as well. In our experience, the most successful gift planning programs have found that the good words of present and prior donors can be very helpful indeed.

### Testimonials in gift planning marketing

A good gift planning marketing strategy begins with providing information about the variety of options your organization or institution offers. A concern with this approach, however, is that a steady stream of complex gift planning scenarios may run the risk of seeming overly technical, tedious or sterile. While it is sometimes necessary to provide details about the technical aspects of a plan, testimonials from donors can be a wonderful complement to this information.

For example, suppose you run a story in your gift planning newsletter about a couple who created a gift annuity for the benefit of your organization. This testimonial will not only illustrate an inspiring gift story, but it can also serve as a backdrop against which to explain what a gift annuity is and how such a gift fits in with the real-life financial plans of an actual couple.

Through testimonials you allow donors to explain their gift plans to other donors in their own voices. Often, it is the human side of the story and not the technical planning aspects that captures the interest of a peer. In other words, when communicating gift planning opportunities, put as much emphasis on the *who* and *why* as you do on the *what*, *when* and *how* of the gift. The *what*, *when* and *how* are pretty much the same for everyone—it is the *who* and *why* that set your organization apart.

Another challenge facing the development executive is the fact that providing gift planning information is one thing, but

“asking for” or “closing” the gift is quite another. In fact, some believe that it is inappropriate and can be counter-productive to push to “close” many planned gifts. Most would agree it is inappropriate for a staff member to call and ask, “Have you been to your attorney, faced your mortality and incurred a legal fee yet?” or “Hurry up and sign those trust documents before the end of our fiscal year!” Another donor, however, can say in a testimonial story: “We went to our attorney and made new wills. It was well worth the modest cost and brought us peace of mind. Anyone who believes in this organization like we do should do the same without delay.”

### Peer encouragement

It’s no secret that in many outright major gift efforts, such as a traditional capital campaign, the use of peer identification and influence can be an integral part of the process. Loyal supporters are routinely asked to approach friends to make a gift in a campaign setting or upgrade their regular giving.

This tactic may be less appropriate, however, in the context of gifts that involve a donor’s overall financial and estate plans, personal family issues, health concerns, etc. Indeed, the use of volunteers in direct donor contact to discuss options such as charitable bequests is normally very rare due to the personal and confidential nature of these discussions.

Testimonials can be used, however, to provide peer encouragement. Your featured donor can say, in effect, “We did it, and you should, too!” We have never seen a negative reaction to such a story. Also, because some people falsely believe that only the very wealthy leave charitable bequests and enter into other types of planned gifts, the details of the featured donor’s own life can relay the message that people from all walks of life can participate in this wonderful form of giving.

*Read Part 2 of this article featuring how to gather testimonial stories in next month’s Give & Take or read the entire article now online at [www.SHARPE.net/give-and-take/current-issue](http://www.SHARPE.net/give-and-take/current-issue). ■*

# “Do Your Homework”: One Donor’s Perspective on Fundraising Strategies That Work

A donor shares his passion for benefitting his community, including what most influences him to give to a particular cause and mistakes some fundraisers make.



**Michael J. Bruns** is a businessman and civic leader in Memphis, Tenn. Following the sale of his company, Comtrak Logistics, and his retirement in 2010, Bruns began focusing more of his time on philanthropy. He has served on the boards of Youth Villages, the Assisi Foundation, the University of Memphis Board of Visitors, Big Brothers/Big Sisters, the University of Denver Intermodal Transportation Institute and others, and actively supports a number of other nonprofits.

Bruns is a member of the Society of Entrepreneurs and is a past recipient of AFP’s Outstanding Corporation/Outstanding Philanthropist, Rotary Club’s Citizen of the Year and the University of Memphis Distinguished Alumni Award.

He estimates he has given several million dollars to nonprofit organizations and institutions over the last two decades.

Bruns recently sat down with Give & Take to share some thoughts and experiences on why he gives as well as advice on how to build relationships with donors that are more likely to lead to major gifts.

## Give & Take:

In addition to contributing your time over the years, you have been incredibly generous with your financial resources, both personally and professionally. What are three things that have influenced your giving?

## Bruns:

From a personal standpoint, when I realized I was making more money than I needed, I decided I wanted to use it to help others. I believe we all have a responsibility to do that. I give to organizations that mean something to me. It’s something I’ve taught my two children and I am now teaching my five grandchildren. I’ve made many friends and had a lot of great experiences because of my involvement with nonprofits.

The other two influences are more closely related to my company. At Comtrak, we made giving a part of the company’s culture. It took us a few years to do this, but in the end, it paid huge dividends. My employees wanted to be involved and I listened. We provided opportunities for them to volunteer and had fundraisers where the employees decided which organizations to support.

Something else we did was put posters on the sides of our trailers when I was asked to help raise awareness for Youth Villages. It became a point of pride for Comtrak drivers to talk about Youth Villages with other drivers. Our trailers became recognizable across the country—we were the company that helped kids.

I truly believe these things contributed to Comtrak’s growth and financial success. My employees took great pride in their involvement and

thanked me all the time for making that a part of our company culture.

Another influence came as a way to say thank you. After I sold Comtrak, I thought back to things that had contributed to our success. Many of my employees had graduated from the University of Memphis, so I decided to focus some of my giving to pay back the school that had, in a way, helped me build Comtrak.

## Give & Take:

Tell us about your first significant gift and why you made it.

## Bruns:

In 1997 I made a six-figure gift to Youth Villages. I wasn’t asked for it—I just made it. There were two things about Youth Villages that impressed me. I love kids, so their mission of helping improve the lives of kids and families tugged at my heart.

The second thing is something that is very important to me as a businessman. Youth Villages is well run. My gift was a financial investment in Youth Villages and I was confident it would be used to produce measurable results.

## Give & Take:

As someone who has made a number of major gifts over the years, what advice would you give to someone new to fundraising when seeking a significant gift?

## Bruns:

Most of this is common sense. First and foremost, do your homework. Know something about me before our first meeting and, when we meet, ask questions, learn more and, above all,

listen. Then, before you come back for the second meeting, study what you learned.

Don't come with a script you've used to ask 10 other people for a gift. Show me you have a real passion for your organization, that you know it inside and out and that you listened to what is important to me.

**Give & Take:**

You have said you built your business on writing thank-you notes. Share some thoughts on how organizations can effectively use thank-you notes in their development efforts.

**Bruns:**

There are many ways a handwritten note can be effective. You should always send me a thank-you note after we have had a meeting. Then, send me a note a few months later, out of the blue, telling me who my gift helped or how my gift was used. Surprise me and let me know you are thinking of me from time to time, not just when you are asking for money. That is much more effective.

The most powerful notes, though, are from those who are directly helped by the gift. Every charity should do this. I've never been more touched than when I received a picture colored by a 6-year-old at Youth Villages. There's nothing better than that personal connection.

**Give & Take:**

Speaking of a personal connection, many nonprofits are now increasingly using email and social media to communicate with existing and potential donors in their fundraising efforts. What are your thoughts on this?

**Bruns:**

Well, I understand younger people might be receptive to this, but personally I find it offensive. If you are using email and social media as your primary means of communica-

"Don't come with a script you've used to ask 10 other people for a gift. Show me you have a real passion for your organization, that you know it inside and out and that you listened to what is important to me."

tion, it just won't work. If you are using these to try to form a personal relationship with me, it just won't work. If you want me to give you a \$10 one-time gift, it might work.

**Give & Take:**

Looking to the future, where do you see the focus of your giving?

**Bruns:**

I see my focus much more on making an impact and less about the big gift—I'm looking for a game changer. I'd rather see the results of 20 \$50,000 gifts over time than a \$1 million gift to a \$50 million campaign. Those kinds of gifts are boring to me.

I think I can speak for others who make larger gift commitments with a few final comments: We want to know how our gifts will make a difference. I know my gift won't solve "the" problem but it might solve "a" problem. Show me how I can help you make that happen.

***Editor's Note:** This interview was conducted and written by Sharpe Group Senior Editor Ashley McHugh, who shared tips for writing donor stories based on her 20 years of experience in "Three Interesting Things I've Learned From Writing Donor Stories" (Give & Take, July 2016). For more information about how to incorporate donor stories in a Sharpe Group Gift Planning Newsletter, visit [www.SHARPEnet.com/newsletters](http://www.SHARPEnet.com/newsletters). Or contact us at 901.680.5300 or [info@SHARPEnet.com](mailto:info@SHARPEnet.com). ■*

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**“I enjoyed the seminar and came away with some ideas I can use right now. Nothing recommends a seminar better than that.”**

—**Weston Hatfield**,  
Assoc. VP, Development,  
James Madison University



## Upcoming Sharpe Group Seminars

### An Introduction to Planned Giving

#### Discover how to build your planned giving program.

Learn the keys to effective communications with your donors. Examine the donor lifecycle and explore how you can help donors make larger gifts today and plan gifts through bequests, trusts, gift annuities and other vehicles. Learn to work effectively with those 65 and older who may make up much of your donor base—or soon will. This seminar is appropriate for those who are new to planned giving or responsible for finding ways to enhance an existing program.

Washington DC September 14-15, 2017

### Structuring Blended Gifts

**NEW**

#### Explore ways donors can give using a blend of current and deferred gifts.

This seminar explains how blended gifts can make it feasible for those balancing multiple financial priorities to make larger gifts than they may have thought possible. In the days ahead, donors and advisors will increasingly turn to blended gifts to reap both current and future benefits. Note that proposed tax law changes will be incorporated throughout the presentation. Make sure you're informed so your organization doesn't miss out on this growing trend.

New York August 10-11, 2017  
Chicago October 2-3, 2017

### Integrating Major and Planned Gifts

#### Learn how major and planned giving can work together.

Discover how to help donors make the best gifts based on their age, wealth and other factors, while meeting your current, capital and endowment needs. Learn how to listen for clues to help donors determine which giving option may be the best fit for them and how to help them make charitable gifts that might not otherwise be possible. This seminar is for you if your organization has both departments and would like to bring everyone together, or if you or others are responsible for both major and planned gifts.

Chicago June 29-30, 2017  
Washington DC November 2-3, 2017

See full agendas and register at [www.SHARPEnet.com/seminars](http://www.SHARPEnet.com/seminars) or call **901.680.5318** with questions.

# It's Late. Do You Know **Where Your Donors Are?**

Some of you will remember public service announcements that were typically broadcast on a Friday or Saturday evening after the late news reports. They would say something like, "It's 10:30. Do you know where your children are?" If you knew the answer, all was well. If you did not know where your children were, you were likely to be prompted to discover the answer.

In a similar vein, fundraising executives are increasingly being asked if they, in effect, "know where their donors are," especially the older ones whose "whereabouts" may be most important.

Some nonprofits have a built-in advantage in this respect. Educational institutions often develop lifelong relationships with alumni. Professional societies can enjoy lifelong relationships with their members. For most, however, traditional information on donors is primarily limited to the donor's relatively short-term giving history.

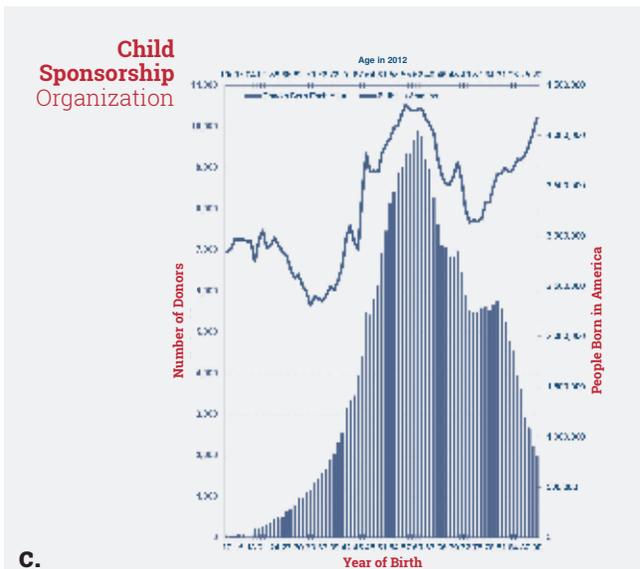
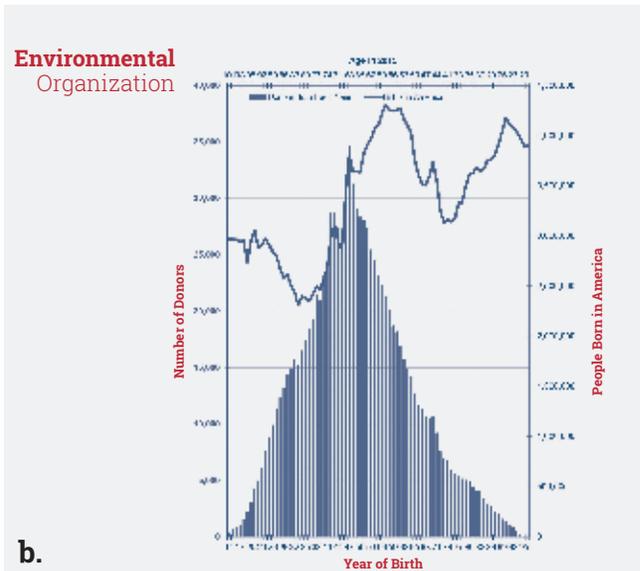
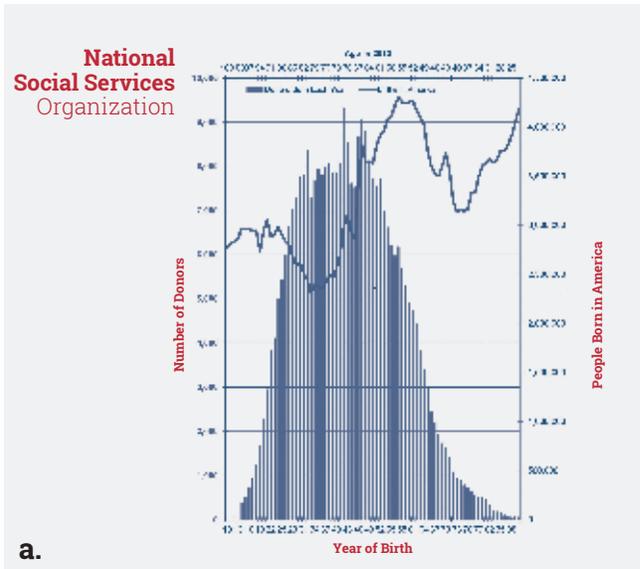
Easily obtainable information such as the recency, frequency and size of gifts are generally tracked and monitored, but often there is little effort devoted to understanding who donors really are, including their age, wealth and life-stage factors. Gaining a better understanding of who your donors are in a broader sense can be a foundation for efforts to find more people like them and maximizing their giving potential.

## Who are they?

Start by considering your constituency as a whole. Are most of your donors younger, older or somewhere in the middle? Knowing what your donor base looks like compared to the number of Americans in various age ranges can be an important component of plans to attract new donors.

For example, examine these three donor files from various Sharpe clients comparing the relative number of donors to the number of people born in America during the 20th century.

Age of donors compared to number of people born for (a) a national social services organization, (b) an environmental organization and (c) a child sponsorship organization.



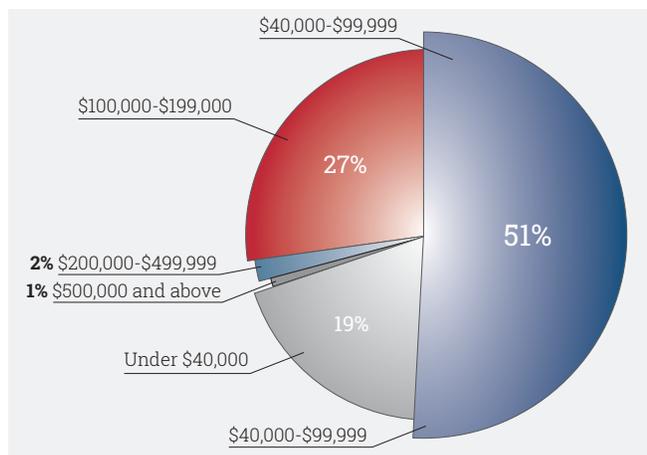
Note that donor distribution by age varies widely and every nonprofit entity is unique. Some missions seem to be “age related,” primarily appealing to donors of certain ages, and others have almost a universal appeal and mimic birth rates in America over time. Stop to consider: How much sense would it make to plan and implement fundraising efforts the same way regardless of the age of the audience for those efforts?

After age, the next step in knowing your donors is to determine their financial capacity. Are your donors mainly at the middle and upper end of the wealth spectrum, or are the majority of your donors people of more modest means? In some cases, donors are distributed to a greater or lesser degree among all income and wealth categories. In any event, you will not really know where your donors are until you make the effort to segment your donor list according to age and wealth.

**Why segment?**

While some fundraising initiatives can work well with all donors, regardless of age or wealth, most hold special appeal to one demographic segment or another. Imagine how much more cost effective your marketing efforts would be if you could locate and segment donors with incomes over \$250,000 or \$500,000 or a net worth over \$1 million or \$2 million (see charts below and right)? Or if you could combine age, income, net worth and giving history to segment marketing for larger gifts such as Charitable IRA gifts, charitable remainder trusts, large or small bequests, charitable lead trusts, etc.?

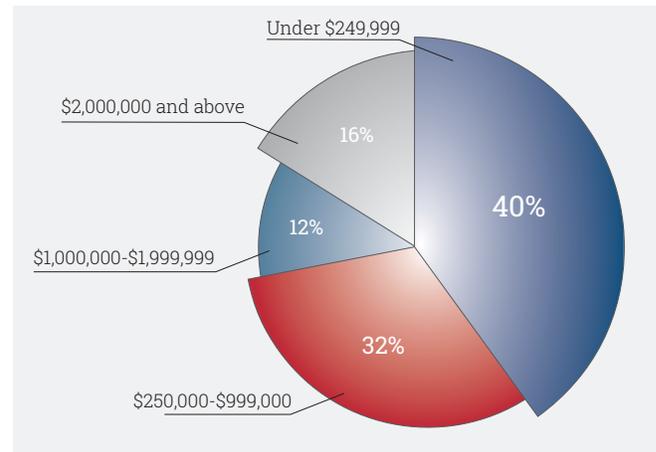
**Income**



Example from a Sharpe Group Donor Data Enhancement Report for a client.

With age and financial capacity data, it is possible to better understand “where your donors are” and develop strategies and tactics to acquire, retain, upgrade, down-grade and receive more from regular, special and ultimate gifts—before it is too late.

**Net Worth**



Example from a Sharpe Group Donor Data Enhancement Report for a client.

**How to segment**

Sharpe Group has long advocated a data-driven approach and has drawn on decades of data accumulation and experience to develop specialized marketing tools such as the Sharpe Gift Planning Matrix® and the Donor Lifecycle® (see Give & Take April 2017). Additionally, Sharpe Group’s Donor Data Enhancement Services can help you learn even more about your donor base, refining your target audience and clarifying how best to reach those donors.

For more information, email [info@SHARPEnet.com](mailto:info@SHARPEnet.com) or visit [www.SHARPEnet.com/data-enhancement-services](http://www.SHARPEnet.com/data-enhancement-services). ■

Sharpe Group on the Road

Sharpe Group Vice President and Managing Consultant Nancy Jeffers will attend the **Philanthropic Planning Group of Greater New York’s Planned Giving Day** on May 15, 2017.

Sharpe Group Senior Consultant and Senior Vice President John Jensen will host the conference reception and be available for discussion at the **National Capital Planned Giving Days Conference** in Arlington, Virginia, May 25-26, 2017.

In addition, Sharpe Group Managing Consultant Joe Chickey will speak at the **Colorado Planned Giving Roundtable Summer Symposium** in Denver on August 28, 2017.

**Sharpe Group Speakers Bureau**

Since 1963, Sharpe Group has been a leader in the field of gift planning. In addition to our popular seminar series, our experts speak to groups of all sizes and at national and professional conferences. For more information, visit [www.SHARPEnet.com/speakers-bureau](http://www.SHARPEnet.com/speakers-bureau). ■

# Sharpe Newsletters



Even in the age of digital marketing, printed publications are still the most effective way to reach donors who can and will make planned gifts in the next few years.

Sharpe Newsletters offer a balanced blend of gift planning educational topics, information about your mission and donor stories. Sharpe's team of gift

planning experts write the technical articles and can provide detailed gift plan examples, while ensuring your newsletter reflects the uniqueness of your organization with customized content and design.

Visit [www.SHARPE.net/newsletters](http://www.SHARPE.net/newsletters) to learn more or contact us at 901.680.5300 or [info@SHARPE.net](mailto:info@SHARPE.net).

To update your mailing information, visit [www.SHARPE.net](http://www.SHARPE.net) and select "Contact" in the top right. To access our *Give & Take* archive, visit [Give & Take > Articles](#).

## Tools for Encouraging Gifts of Securities

Record highs in the stock market make now an ideal time to encourage gifts of securities. Recent IRS reports indicate that gifts of appreciated securities have led the post-recession recovery in giving. According to the IRS, the average gift of appreciated securities ranges from \$55,000 to \$65,000.

Sharpe offers several tools to help you show donors the benefits of making their charitable gifts through appreciated securities. Professionally written and updated, Sharpe's publications are designed to encourage gifts of securities and outline strategies to provide for both your mission and your donors' ongoing financial interests.



For more information, visit [www.SHARPE.net/stock-gifts-tools](http://www.SHARPE.net/stock-gifts-tools).

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