

18 Places to Find New Donors Using Fundraising Letters.

Alan Sharpe

*The Professional
Fundraiser's Guide
to Creative and
Cost-Effective
Donor Acquisition.*



Handbook Number 7

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Have you ever studied your best donors and wished you could clone them all? Maybe you can, with a bit of creative thinking.

New donors are a lot closer than you may think. And persuading them to make that first donation need not be as hard—or as expensive—as acquiring them in other ways.

But before you rent a list of names or drop anything in the mail, examine the people you are approaching with your direct mail appeal to make sure they are good prospects for a donation today—and tomorrow.

Three things you should look for in potential donors

1. Capacity to give

Good direct mail fundraising prospects have the resources to support your organization with gifts over time. They do not need to be millionaires (since you will accept small donations). They do not even need to be employed (since many pensioners donate a portion of their fixed income to their favourite charities). The criteria you are looking for is simply the capacity to give.

2. Affinity with your cause

The best prospects have a natural liking for your organization. They identify with the people you help or the cause that you champion. You are more likely to attract financial support and gain new donors when you mail your acquisition letters to people who already believe in what you stand for.

3. Long-term, profitable relationship

Raising funds through the mail is a long-term proposition. What you are looking for is donors who will support you over time. One-time donations are welcome, of course, but if they are too small they do not even cover the cost of acquisition. You want donors, not just donations. So you need to look at every source of potential donors and ask yourself this question, “What is the likelihood that these prospects will not only

respond to my mailing with a gift now, but will follow through in the years to come with others gifts?”

One mistake that many inexperienced non-profit organizations make is thinking that their best prospects for direct mail appeals need to be businesses or wealthy people. When they think of who to send their appeals to, they immediately think of Bill Gates of Microsoft—not Belinda Smith next door. They think of extraordinary businesses and not the ordinary business owners that operate all around them.

Take Bill Gates by way of example. He meets your first criteria, since he is the wealthiest man in the world. He has the capacity to give you a donation, the largest you’ve ever received. But if your organization is at all typical, Bill Gates has zero affinity with your cause and does not even know about you. Which means Bill Gates is not a long-term prospect, or even a prospect at all.

So the thing to bear in mind whenever you are looking for new donors is that they should meet all three of the above criteria. Not just wealthy (with no affinity). And not just having an affinity (they may believe in your cause but be bankrupt). When potential donors pass all three tests, you will avoid disappointment, and save a lot of money in donor acquisition and donor renewal costs.

Where to Look

1. Friends of current supporters

The first place to look is friends, family and colleagues of your current supporters. The odds are good that your most generous and faithful donors have friends or co-workers or family members who will want to support your cause as well.

One of the most popular ways of acquiring new donors like this is a Friend-Get-a-Friend or Member-Get-A-Member program. At the best times during the year (which you discover through testing), you invite your current donors to refer a friend to your organization. This is usually done with a buckslip or liftnote that goes out with your regular fundraising appeal letter. But you can also include a tear-out coupon in your newsletter and a sign-up form on your website.

Or produce a referral kit that features promotional materials about your organization, a fundraising letter aimed at the new donor, and a letter to your existing donor, explaining how to introduce your organization to prospective donors using the kit.

2. Clients

Another source of new donors is your clients, the people that your organization serves. Naturally, if your clients are homeless or unemployed, they are not prospects for donor appeal letters. But if your clients are former hospital patients or others who have benefited from your services, then you have a valuable source of potential supporters. These people already know your mission, who you serve and how you help them. They may be your best advocates.

3. Family and friends of clients

If you know someone who has undergone successful treatment for cancer or another serious illness, you know first-hand how the experience involved immediate family, extended family, friends, co-workers and neighbours. Many of these concerned people will have shared in the sadness of the initial diagnosis, the uncertainty of the treatments and the joy of the successful outcome.

They will also likely have respect and admiration for the hospital staff who saved the life of your family member or friend. Find a way to get the names and addresses of these folks, then mail them a sensitive, upbeat appeal letter, one that touches their hearts and encourages them to save the lives of other patients—ones like the one whose recovery they witnessed.

This method works equally well for other types of organizations. My wife and I, for example, adopted two boys through Jewels for Jesus (www.jewelsforjesus.org), an adoption agency in Mississauga, Ontario, Canada. We participated in a fundraiser for them in which we solicited donations from our families and friends, all of whom knew our wonderful and exciting adoption story. We raised around \$1,520, and attracted 32 new donors, whom the agency could follow up with using their donor newsletter (the agency got the