



SUCCESSFUL PLANNED GIFT MARKETING

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1. Overview

As discussed in PG Calc's white paper published earlier this year, "What Non-Profit Organizations Can Learn about Marketing from For-Profits," the elements to successful marketing are:

- Establishing your objectives
- Defining your strategy
- Developing and executing the plan
- Measuring and reporting your results

Establish & Communicate Objectives

- Declaring objectives is a great opportunity to set yourself up for success
- Select goals you can realistically achieve
- Complement your tangible, measurable goals with other, less quantifiable, but no less important goals
- Enlisting support for the program
- Make priorities and goals transparent to the organization's leadership and colleagues
- Regardless of your specific objectives, one of the most important activities you'll need to engage in if your program is going to succeed is a consideration of organizational support, both external and internal.
- Make sure that you and your internal supporters understand and agree upon the specific goals for each marketing campaign.
- Document these goals so they can be actively measured and reported against campaign progress.

Define the Strategy

A marketing strategy is made up of three components, the value proposition (a.k.a. cause for support), positioning, and messaging.

Value Proposition

Fundamentally, the purpose of the strategic development part of the marketing process is to prompt the marketing team to explain in clear, relevant, and compelling ways that which sets them apart from their competitors – in other words, their point of differentiation. The term they use to describe it is the *value proposition*. Your value proposition is worth determining. It should be meaningful to your various constituencies and expressed on your website as well as in your marketing material.

The underlying elements of a successful marketing campaign include a thorough understanding of organizational culture and values. Value propositions are often captured in their taglines.

Positioning

How do you compare to charities with similar missions? How are you different? How are you similar? What's your organization's position in the community? What role does it play? All of these things are important in understanding how you fit into your prospect's lives.

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You must determine the characteristics with which you want your organization to be associated. Your organization's "brand" will occupy the hearts and minds of the communities you wish to impact when you produce consistent communications over the long term that reinforce your desired positioning. Every member of your organization is a "brand manager" – in other words, everyone associated with your organization in any function or capacity is likely connected to and living your brand. Use this to your advantage by implementing internal educational opportunities in which you share your value proposition and positioning with every member of your organizational staff. How have you positioned yourself in your prospect's minds?

Messaging

What you say and who you say it to are two critical elements in the messaging equation. Determining your target audiences; what are their demographic characteristics – their age, gender, education level, income level, and so on? What are their psychographic characteristics – are they thoughtful and rational, or impulsive and emotional? What values are they governed by? What keeps them awake at night? Marketers take all these factors into account as they seek to build a composite profile of their target audiences, thereby gaining a better understanding of the messaging they need to create in order to drive desired behavior.

Your target audiences are likely varied and each segment requires different messaging, as well as different frequency of communications and information. Top-of-mind targets for most planned giving officers include long-term annual fund donors and major gifts donors, as they have indicated a certain charity as being of particular importance to them; their communities of advisors, as they have proven to be influential when it comes to their clients' charitable intent; and, finally, existing planned gift donors, who are often likely to make a repeat gift arrangement.

Tactical Plan and Execution

Elements of the tactical plan contain the following:

- Audience
- Marketing mix (a.k.a. media channel)
- Scheduling

Audience

Identify the constituencies with whom you want to communicate about planned giving. Some of these audiences will be potential donors who might create a planned gift for your charity. Others are those who might refer potential donors to your organization such as allied professionals, the leadership of your organization and others likely to come in contact with potential donors. You must reach all constituencies.

Target marketing is the process of using income, demographic, and life style characteristics of a market to identify those most likely to respond favorably to your marketing appeal. Target marketing is effective because only a portion of the population is likely to be interested in your program. By taking the time to direct your marketing

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efforts to the correct niche market you will be more productive and maximize your efforts and time.

Marketing Mix / Media Channels

The important methods of marketing are often called the “Marketing Mix.” There is no magic formula as to what to use or when. The right methods to deliver your messages are a function of message content, timing, constituency, and budget.

The table below shows some of the most popular marketing tactics, along with percentages given by our survey respondents (2008) as to their impression of their effectiveness. (NOTE: PG Calc did not use the survey as an opportunity to measure the effectiveness of social media tactics.)

	Very Effective	Reasonably Effective	Not Effective	We Don't Do This
Advertising	5%	40%	15%	40%
Direct Mail	11%	56%	17%	16%
Email	2%	23%	17%	58%
Website	7%	58%	27%	8%

Channels for consideration:

- Advertising
 - Mail
 - Radio
 - Television
- Direct Mail
 - Target mailings
 - Newsletters
 - Brochures
- Electronic Mail
 - Target mailings
 - Newsletters
 - Website
- Social Media
 - Facebook
 - Twitter
 - LinkedIn
- Events
 - Seminars
 - Galas
 - Tournaments
 - Lectures
- Telephone
 - General follow up
 - Phon-a-thons
- Visits
 - Informational-educational

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- Cultivation
- Stewardship

Schedule

Timing and frequency is everything when it comes to implementing the schedule. Continuity and repetition are the key points to remember in any planned giving program because the end point can be years away. You need to be top of mind when the donor is ready.

Marketing must appear continually over a long period of time to be effective. The campaign should constantly remind prospects that your charity offers planned giving opportunities and educate them as to the nature of these gift plans.

It usually takes more than thirty exposures to a marketing piece before the customer can remember it. The placement of your advertising, its style, tone and message should be consistently repeated again and again. Expose your prospects to a consistent message repeated over time.

Tactical Work Plan

Based on the information assembled above, create a matrix that includes constituency, media, timing and metrics. List each constituency in your matrix and describe the media you are going to use to communicate your planned giving message. Describe the timing of each communication so that it coincides with times that donors are likely to respond to the message. Finally describe the metric that will describe how the effectiveness of the media can be measured. For example response rates to mailings, number of newsletters per year, or the number of events held.

Measure, Report, Refine

If the objectives of a program have been well defined, and the strategic planning has been diligently conducted, the execution phase should proceed smoothly. No doubt some high-level milestones have been set up for each initiative that you should monitor as the year progresses.

Establish goals and benchmarks to determine your planned gift marketing objectives and how you will measure the success of your planned giving efforts. When creating measurements the important point is to benchmark against yourself. While knowing what other charities are doing may be of interest, you can only improve upon your own efforts. By focusing on self-benchmarking, you'll be able to significantly improve the results in your organization. Metrics have to reflect the status of your existing program, the resources you have available, current events and market conditions.

The specific metrics you will track will depend on the objective against which you wish to measure progress. For example, if your objective is to increase collaboration with major gift staff, your metrics will be the number of internal presentations to development staff, the number of planned giving consultations by major gift officers, and the number of planned giving visits by major gift officers.

- Measure what's important otherwise it's not worth doing
- Measure what's important otherwise you won't see progress

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- Bench mark against yourself

2. Large Charity Profile

Case Study: Planned Giving Marketing at a Large University

Development Office:	43 people
Annual Fund Employees:	15
Major Gift Officers:	15
Planned Gift Officers:	3
Support Staff:	10
Marketing	
IT	
Administration	

Planned Giving Program is 30 years old

Endowment is \$500 million

Gift Acceptance Policies and Procedures are in place

Asset management and gift administration are outsourced

Annual Planned Giving Revenue: \$10 million (realized bequests plus life income gifts)

Challenges:

- Resources - support staff is limited and answers to many
- Silos among development staff
- Performance metrics for development staff are incongruent to its objectives
- More layers of management; progress and change can be slow
- Capital Campaigns can overshadow planned giving efforts

Large Charity Objectives

Expansion of planned giving program:

- Increase visits from 10/month to 13/month
- Continue to increase our number of bequest expectancies by 10%
- Cultivate relationships with professional advisors by formalizing a program—currently it's ad hoc at best
- Integrate a planned giving component in next capital campaign – starting in 2011
- Tie planned giving performance metrics to major gifts and annual giving departments
- 100% Board participation for planned gift in 5 years

In addition to establishing and communicating the objectives it's important to tie these back to the organizations overall mission. Otherwise, you run the risk of losing the vision as to why you

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created these to begin with. It's a means to a greater end that you are trying to reach and it's just as important to keep that in the forefront of your efforts.

Benefits

- Formalizing realistic and measurable objectives helps marketing professionals. Accomplish a number of goals, including setting appropriate expectations within the organization.
- Create the goals of the program and set the parameters.
- Encourages buy-in, adoption, and enthusiasm for campaign objectives.
- Priorities and goals are transparent to the organization's leadership and colleagues.

Challenges

- Setting ambitious but unrealistic goals to gain initial buy-in for your campaign.
- Identifying the wrong internal champions who support the campaign but lack the political capital to provide the credibility the marketing team needs.
- Having an incomplete understanding of the organization's strategic goals.
- Committing valuable human, technical, and budget resources to an effort with a small forecasted ROI.

Large Charity Strategy

Ironically, a large university may have more challenges establishing a marketing strategy than a community college with a start-up planned giving program. The large university will have multiple missions, many constituencies and a political minefield of marketing messages. However, developing a marketing strategy is still composed of the three basic components of the value proposition, positioning, and messaging.

Value Proposition: It is likely that the university's marketing department has conducted focus groups among alumni, donors, community members and others associated with the university community. Start your research with how these resources have identified ways that sets the university apart from its competitors. Value propositions are often captured in taglines. For example, Indiana University uses "We Are IU." They are trying to capture how Indiana University has affected the lives of nearly every resident of the state, even if you aren't an alumnus.

The next step is to determine how to extend this value proposition to the planned giving constituency.

Positioning: There are a number of large research universities in the United States. Look at what sets you apart. Once again, there may already be research available that defines how this university is different from others. Sometimes that differentiator is geography or it might be a unique program, high academic standards or outreach to non-traditional students. Define the things that set you apart from other universities.

Messaging: The message that is communicated to a university's supporters will likely vary depending on the constituency. Alumni are the natural audiences for the case for support. However, members of the university community will also include faculty, staff and members of the community at large. The messaging to these constituencies may overlap but they are likely to have their differences.

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Ironically one of the common objections any large charity, university or otherwise, must face is, “You’ve already got enough money, why should I support you?” Be prepared to point to the quality of the research and education that your organization provides that a smaller university could never provide.

Be specific to help build trust. It's unfortunate that some nonprofits exist under a vague cloud of suspicion. Building trust is one of your most important tasks.

Develop tangible programs for people to give to. If you're choosing to raise only undesignated funds unconnected to specific programs, you're forcing your donors to accept you on blind trust. That strategy has worked in the past, but it's not likely to be sustainable.

It is an important part of your messaging to cite specific examples of donor contributions that have furthered the organization's mission. These examples will communicate your cause in a way prospects will relate to strongly. The point here is to motivate prospects as to why they should give: talking in the specific rather than abstract is more effective messaging. These stories are what motivate people to give.

Benefits

- You will be able to articulate and internalize the value proposition of your organization – what's the case for support? Not only is this necessary when having face to face contact it's also necessary when having indirect contact with your prospects.
- You will be able to explain what makes your organization so unique compared to your peers.
- You will have a clearer understanding of your target audience(s) to use as leverage in the marketing process.

Challenges

- A lack of strategy can inhibit your objectives, but creating your organization's strategy falls outside of the planned giving responsibilities.
- Translating your strategy into your marketing messages.
- Conducting sufficient research to understand the competitive dynamics of the marketplace

Large Charity Tactical Plan and Execution

Audience

Alumni

Audience segmentation is critical, specifically targeting messaging to different age groups as they have had different experiences at their time at the university. The messages should be orchestrated to have a layering effect, thereby maximizing the number of touches to all relevant donors and prospects.

Targeted messaging should be addressed to specific donor segments, namely by age group--class year. Make sure email addresses are updated and accurate as email will be

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an important channel for the older class where mobility is an issue and the younger classes as a primary method of communication.

Board members, volunteers, faculty, and staff

There are three to four audiences here, depending upon the message. The messaging needs to be about three things: (1) awareness of and education on planned giving, (2) reporting on what Development is doing and why and (3) the solicitation for a planned gift. The deliverable on how these messages should be communicated remains to be determined as part of the tactics.

Professional advisors

There should be an “annual contact” made to the advisor community regarding gift planning. Determine how far to reach out. The annual communication could include a thank you with results of the universities accomplishments.

Marketing Mix / Media Channels

Advertising

Advertising can be an excellent way to promote planned gifts if you have the necessary resources to fund the effort. While a natural extension of your organization in the media business it is also useful to advertise your giving efforts in your organization’s publications. Generally advertising is an effective medium for spreading awareness, but measuring its ROI is difficult. Trying to facilitate a call-to-action is a secondary use.

Benefits

- Ability to publicize donor stories and planned giving information in the University’s publications.
- Educate the community about your giving opportunities.

Websites

While the respondents in our study indicated that they use websites in their planned giving marketing efforts more than any other technique listed (93%), only 7% of them feel that their websites are “very effective.” More telling, perhaps, 27% feel their websites are “not effective at all” for marketing planned gifts, a far greater percentage than for any of the other marketing tactics.

The elements that make planned giving websites successful are – ease of navigation; clear, concise, language; easy access to information and response mechanisms; and appropriate, non-distracting imagery. On a related note, ensure that your planned giving web pages are consistent with your organization’s site as a whole and that they reinforce the look and feel of your collateral materials, organization’s mission, value proposition, and other messaging. Feature a donor testimonial whenever possible. People give to people not organizations so donor stories are essential to your message.

It is well known that a website is only effective if visitors are attracted to it in the first place, but organizations have a hard time following through on driving traffic to the website during execution. It is incumbent upon you to do everything possible to

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encourage visitation, ranging from something as simple as displaying your URL prominently in all your printed materials to more complicated activities like developing banner advertising to drive people to the site.

Benefits

- Have the luxury of choosing how site is managed: either in-house due to allocated staffing or outsourced due to sufficient budget
- Marketing capabilities to create specific unique web pages for a targeted marketing program
- Resources available to evaluate its effectiveness

Challenges

- Have to get in “queue” for updating your site
- Limited flexibility due to internal policies and procedures
- Don’t lose the enthusiasm because of additional technology. Keep your website current – it’s critical; the introduction of new technology, such as social media, puts more pressure on staff

Direct mail

Direct mail (defined as print mail) and email continue to be the cornerstones of marketing plans, and for good reason. Direct mail is a good medium to “tug at the heartstrings” of your audience with a text-heavy story or to convey timely, accurate, technical information about the types of planned gifts you are trying to promote. The call-to-action can also drive people to deeper articles on your website or to register for an event. It remains the channel of choice because of its ability to target seniors who are comfortable with this medium.

Targeting the message to your specific constituency is the other primary use by including variable data such as the payout rate prospects would get for an annuity; their specific charitable deduction, possible gift sizes, holiday, birthday, memorial acknowledgements and other customized pertinent information relating to cultivation and stewardship.

Inserts in gift acknowledgements have often proven to be an extremely effective practice. In fact, many development professionals report finding a large percentage of donors who have put their organization in their wills from tear-offs and check-boxes of all kinds.

If your budget and resources can handle it, execute a postal direct mail effort from four to seven times a year. Some of the messaging, i.e. your development newsletter may be generic in nature while others maybe very specific as an update from the president on what philanthropy has done for the university this year and how their gift made a difference. The four-to-seven recommendation is representative of the messages you are communicating since mailings should not be exclusive requests for support. They should also include newsletters, success stories, or general updates.

Response rates to direct mail are all over the board so when determining its effectiveness and ROI you need to look at your own results based on your criteria. That will become the benchmark from which you should continue to measure against.

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Benefits

- Able to reach large audiences efficiently.
- IT resources available for data segmentation.
- Economies of scale reduce the printing costs.
- Production is outsourced.

Challenges

- Follow up can be time consuming.
- Prioritizing and identifying your target audiences can be overwhelming.
- Clean and updated database: data results may not reflect data criteria.
- Coordination with other departments – major gifts donor, annual donor, planned giving prospect could all be the same person.
- Undeliverable mail can be costly to maintain.

Email

Some advantages of using email include its budget-friendliness and its ease of sending to multiple recipients. As with postal direct mail, you need to start with the right target audience and good addresses.

Most, if not all, of your recipients are overloaded with email, so be judicious in how you utilize it. In particular, don't abuse your list of recipients with news that you think is important that they might not.

Benefits

- Affiliation to the university is a strong reason to have an e-marketing program.
- E-mail addresses have a higher rate of accuracy than postal addresses.
- Recipients are receptive to this media channel.
- Effective tool for lead retention and stewardship.
- Easy to measure results if recipients are sent to a landing page or if you have the right technical tools.

Challenges

- Recipients are overloaded with email; sending too many to them can quickly become annoying.
- Open rates are even lower than they are with direct mail.

Social Media

Social media – including Facebook, LinkedIn, Twitter, and blogging – is increasingly of interest to all marketers because of the enormous promise it holds in terms of building communities and fostering stronger one-to-one relationships.

Organizations need to be careful about using social media tactics as public relations tools; Public Relations is unaligned with the perceived value of social media.

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Benefits

- Powerful tool for engaging your donors because it's their preferred media channel:
3 out of 4 Americans use Social Technology. – *Forrester, The Growth of Social Technology Adoption, 2008*
Visiting social sites is now the 4th most popular online activity – ahead of personal email. -Nielsen, Global Faces & Networked Places, 2009
Time spent on social networks is growing at 3x the overall internet rate, accounting for ~10% of all Internet time.
- As a University you have every reason to be talking to your constituents in this medium and it's likely to increase the number of people who link to your site; thus improving your search optimization.
- Excellent tool for cultivation and stewardship because it enables you to form meaningful relationships with people who are passionate about your organization.
- Effective for building community for your mission

Challenges

- Requires dedicated staff and a significant amount of on-going work and substantial technical and creative resources
- Requires constant management and maintenance
- Limited planned giving opportunities today

Events

Events for donors and prospects should be focused on the University's mission rather than planned giving or financial and estate planning per se. Give a behind the scenes look at your operations and make attendees feel like insiders. These types of events must be closely coordinated between the program staff and the development office.

Programs for professional advisors should be registered for the relevant continuing education certification. These relationships are a valuable asset in keeping the University top of mind when the opportunity arises.

Benefits

- Faculty receptions
- Continuing education
- Lecture series
- President's updates

Telephone

In general following up on targeted direct mail or email programs via the telephone is the best way to increase and evaluate the success of your efforts. This step is often missed as people will just continue to send out mail and expect results to roll in and when the ROI doesn't meet their expectations they think the program wasn't successful. When follow-up

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doesn't occur you have no data in which to improve your next program – a missed opportunity.

The annual fund phon-a-thon is a starting point to integrate the planned giving message. As mentioned earlier, planned giving receipt stuffers in the acknowledgement letters are standard practice, but asking a few questions regarding other ways of giving is a natural way to assess their level of affinity for the University.

Benefits

- Internal callers and prospects have an existing affiliation through the University
- Demographic and contact information are readily available for customizing the call
- Outsourcing is a viable option that can produce significant results

Visits

The key to being a successful officer is to be visiting as many qualified prospects as possible, therefore the work spent in the office on generating these leads needs to be as effective and effective as possible. All of these other channels are for the purpose of getting that visit.

Large Charity Measure, Report, Refine

Setting Goals for the Planned Giving Program

We started with the following goals of the program. Expansion of planned giving program by:

- Increase visits from 10/month to 13/month,
- Continue to increase our number of bequest expectancies by 10%,
- Cultivate relationships with professional advisors by formalizing a program— currently it's ad hoc at best,
- Integrate a planned giving component in next capital campaign – starting in 2011,
- Tie planned giving performance metrics to major gifts and annual giving departments, and
- 100% Board participation for planned gift in 5 years.

Improve integration of planned giving among the Advancement Department

The values of the metrics will vary depending upon the department. Referrals from other development offices are known to be one of the best sources of good planned giving leads. However, this can only be achieved if the officers are recognized for that effort.

Metrics

Training to colleagues on how to recognize a planned gift prospect – number of internal presentations to development staff

Number of planned giving consultations by major gift officers (MGO)

Number of planned giving visits by MGO

Number of qualified referrals from Development Departments to the PGO

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- Number of blended gifts (outright and deferred combination)
- Number of development communications that have a planned giving message
- Number of qualified referrals from board members
- Number of planned gifts by the board

Increase number of qualified planned giving prospects by x%

It is realistic to note that more activity will lead to more philanthropic support so tracking this data can truly matter to planned giving programs.

Metrics

- Number of personal visits per month
- xx% new prospects
- xx% cultivation and stewardship calls
- Number of proposals sent
- Number of targeted direct mailings
- Number of leads from website
- Activity level on website
- Number bequest intentions
- Number of cross marketing & solicitation messages within Development
- Moves management tracking: identification> cultivation> solicitation >close

Increase stewardship of planned giving society

Stewardship is critical to increasing your society. Your existing donors continue to be your next prospects.

Metrics

- Annual visit/phone call and/or letters to members
- Birthday cards/calls to each member
- Number of non-solicitation communications
- Number of events held
- Realized bequests processed

3. Small Charity Profile

Case Study: Planned Giving Marketing at a Start-up/Moribund Planned Giving Program

Overview: A charity with a start-up planned giving can take many forms. However, the charity itself will generally share certain characteristics. Often the charity will have been in existence for some time, twenty years or more. However, support may have originally come from foundations and government, but those sources have dried up. Increasingly this organization must seek support from individuals.

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Perhaps the charity has historically been able to meet its cash flow needs through fees for its services (tuition for example) but the need for additional support has been growing. First an annual fund may have been developed, then a major gifts program, now it is time to add a planned giving program.

At other start-ups planned giving has been dormant for some time. In other words, commitment to planned giving has been erratic. Depending on the leadership in development, planned giving has either grown or withered depending on the preferences of the new administration. These programs are often the recipient of estate gifts, but as these gifts come in they are considered “over the transom” without recognition of the previous work done to secure these gifts. New leadership periodically revives interest in planned giving but there is no continuity. These organizations may have a long history of support and a modest endowment. Gift acceptance policies may be outdated, incomplete or missing entirely.

Staff: Start-up planned giving programs typically have no dedicated planned giving officer. At many programs, planned giving responsibilities are simply added to a major gift officer’s role, regardless of individual affinity or skill for planned giving. There are successful programs that may be able to leverage volunteer advisors, consultants, or resources from affiliated organizations without full time planned giving staff.

A start-up planned giving program may only have five or ten people in the development office. This group is composed of people with multiple responsibilities including annual fund, major gifts, planned gifts and events. Support from the non-profit’s marketing, IT and administrative staff is minimal.

Gifts Marketed and Accepted: Start-up planned giving programs are already receiving bequests and beneficiary designations. They may have a handful of charitable gift annuities received intermittently during periods when planned giving was being marketed and promoted. If a gift annuity program is in place, investment of planned gifts and their administration is probably handled internally with collaboration between development and business office staff.

Planned Giving Revenue: A start-up planned giving program will generally already be receiving a small volume of high value bequests realized each year. However, because of a lack of resources to identify these donors, few new commitments are uncovered each year. Therefore, new bequest commitments are generally unknown until they are received. Ironically, despite the lack of attention to planned giving, bequest revenue at many small charities accounts for up to 10% of all funds raised each year.

Challenges: A common situation at these organizations is that the pressure to raise capital has made planned giving unattractive. In fact the charity may have been burned by highly complex gifts that resulted in little benefit to the charity. Another common problem is that planned giving marketing focuses on tax benefits rather than mission. Leadership counts on planned giving to continue to generate revenue without any real investment.

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Priorities: The most important thing an organization like this can do is to consistently market bequests and beneficiary designations to your prospects. These gifts are the most common and largest dollar volume planned gifts so the return on investment will be high. If gift annuities are already offered, focus on marketing these popular gift arrangements. If a gift annuity program isn't already in place, establish the infrastructure that will permit you to accept them as quickly as you can. Reach out to allied professionals who can help communicate the message that your organization is interested in receiving planned gifts. As your program grows, consider hiring a planned giving officer either full or part time.

Building a Strategic Marketing Plan for the Start-up Program

- a. Small Charity Objectives.* The objectives for planned giving at a start-up will be modest. Keep in mind that your objectives must be realistic and measurable. Some examples would include:
- i.* Increase awareness among internal stakeholders and donors that the organization is interested in planned giving,
 - ii.* Solicit each board member to make a planned gift commitment even if it is only a revocable bequest,
 - iii.* Establish a goal for the number of planned giving asks expected of major gift staff each year,
 - iv.* Increase the number of known estate commitments,
 - v.* Establish a gift annuity program or increase the number of gift annuities, and
 - vi.* Train major gift colleagues on soliciting planned gifts.

Make sure that your goals are achievable given the resources you have available. Internal buy-in in the early going can make all the difference in sustaining the program over the long haul. You are creating a culture to support a kind of philanthropy that is probably new to your charity. Your objectives therefore must include building support among key internal stakeholders.

- b. Small Charity Strategy.* To define your marketing strategy, you must ask some very basic but important questions. The answers to these questions will help you determine where your charity is positioned in the market place and how you are going to compose your messaging.
- i. Value proposition.* What is your value proposition? What makes your charity unique? Start by brainstorming and focusing on the needs your target donor base have in common. This can be done by market research, which is expensive, or you can informally poll staff and donors. Ask questions like what do they all want that your charity can provide? What is important to them? Once you've found the common denominator you can determine what it is that they are in search of and develop your value proposition around that need.

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If you are a food pantry serving a rural area, ask your supporters, clients served and your staff what are the services you provide that are important to them. You'll likely hear things like the importance of your charity to address unmet needs, your ease of access, and the lack of bureaucracy to obtain services. The answers obviously will vary, but the information gathered here will help you describe in your marketing materials what makes your organization unique and worthy of support.

- ii. *Positioning.* Decide what differentiates your charity from others with similar and different missions. For example, if you are a local animal shelter, how are you similar and/or different from national organizations like the Humane Society of the United States and other shelters in your geographic area? While both your organization and HSUS are committed to animal protection, you are providing direct service in a defined geographic area. Perhaps there is a municipal animal shelter in your community and you are both caring for abused and neglected animals, but you are a no-kill shelter. Defining these differentiators will help you shape the public vision of why someone should support your charity.
- iii. *Messaging.* If you can successfully determine your charity's value proposition and what differentiates your charity from others, you are ready to focus on what your marketing messages will be and the various audiences for those messages.

The constituency for planned giving at any institution will obviously include those likely to make planned gifts. Since the start-up planned giving program is primarily concerned with estate commitments (including beneficiary designations) and gift annuities, your annual fund will be an obvious source of planned giving prospects. Regular, annual giving even at very modest levels is a high indicator of the affinity for your charity's mission required to qualify someone as a planned giving prospect.

A start-up planned giving program must seek to build an internal constituency to create sustained support for planned giving. That means your board, your senior leadership and your development colleagues are an important constituency for planned giving marketing. Circulate advertisements, testimonials and newsletters among colleagues and administration. Report completed planned gifts and other successes as widely as possible to increase the visibility and perceived importance of planned giving.

- c. *Small Charity Tactical Plan and Execution.* The development of how you are going to execute your marketing plan will be driven by your budget. Your budget includes not just dollars but the number of staff available to help

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execute the marketing plan. Not surprisingly, the larger your marketing budget, the more planned gifts you are likely to raise.

- i. *Marketing messages for the start-up program.* Planned giving represents a long-term commitment to your organization. Planned giving is probably new to your organization so your donors need other indicia that you are going to be around for the long haul. Overtly and subtly point to the longevity of the organization and your strengths that suggest you will continue to be around. Focus on the effectiveness of your organization at meeting the particular need in the community rather than the amount of dollars raised.

Be able to articulate to existing donors exactly how their support has made a difference to your organization. Even if their prior giving has only been undesignated gifts to your annual fund, be able to explain how the annual fund strengthens your charity's ability to carry out your critical missions.

- ii. *Determine the marketing mix at a start-up.* In deciding what marketing media you are going to use, the first step for a start-up is to determine what media is already in place to reach out to your constituency? If you already have a newsletter for donors, that is an obvious way to reach your target audience. Consider all of the ways you are already in touch with your constituency. For example, you already send gift receipts to your annual fund donors. You could include a receipt stuffer with a planned giving message at very low cost.

1. *Advertising.* Consider what other media you will use to reach your constituency. Piggybacking on existing publications is an efficient way to position messaging for a start-up program with your prospects. However, the return on investment from advertising is hard to measure since the motivation to make a planned gift can be the result of a complex series of interactions with the donor.
2. *Websites.* Even very small charities have their own web sites today. Be sure that in general your web site is easy to use, uses clear, concise language and it is easy to access information and response devices. The planned giving pages should integrate well with your overall web site appearance.

A start-up will have limited resources to devote to its web site. The minimum information includes a description of the gift vehicles you are interested in promoting, sample bequest language, and contact information so a prospect can get additional information on planned giving.

It is important to keep web site content updated and fresh. Review your web content at least quarterly and perhaps monthly if possible.

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Your web site content is only useful if you drive traffic to the site. Be sure to include your URL on every piece printed and electronic material you produce including your email signature.

3. *Direct Mail.* Electronic communication is the standard in the business world, but planned giving is still a print business. A start-up planned giving program is going to have more modest goals for direct mail. Your goal should be to send three to four direct mail pieces to your planned giving prospect base annually. A start-up may not even have the budget to achieve this number of mailings.

Direct mail response rates are low but it is still considered an effective tool for acquiring planned giving leads. The challenge of direct mail for a start-up program can be the cost to design, print and send these pieces. You can stretch a limited budget by focusing on personal letters on your stationary rather than slickly produced materials. Target your mailings to those prospects likely to respond to your message to save on postage.

You may not be able to afford expensive screening services to identify those most likely to make a planned gift. There are affordable ways to find planned givers. If you can't afford an age screen, look at continuous years of giving. If someone has been giving to your annual fund for 10 years, chances are they are also one of your older prospects.

Annual fund donors in general are good prospects for estate giving and gift annuity messaging. The fact that they don't make major gifts but make small regular contributions means they are fiscally conservative and may need to maintain control of their assets during life. Both of these are key indicators of those likely to be interested in an estate gift or a gift annuity. Target these prospects in your direct mail campaign with planned giving messaging.

4. *Email.* Email is an attractive medium for programs with a small budget. It's easy to send messages to multiple recipients. Tailor your email messaging to suit your target audience just as you would with your direct mail. The challenge can be to gather email addresses for your prospect database. Include a field for annual fund donors to enter their email addresses with their response cards. Use every point of contact with your donors and prospects, mailings, phone calls, personal meetings, and events, to gather emails.
5. *Social Media.* Social media such as Twitter, Facebook and LinkedIn are essentially free resources available to the start-up planned giving program. These media have the capacity to build a word-of-mouth marketing campaign with virtually no money. You have the ability to reach supporters of your mission and shape their perception of your organization.

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However, the ability to execute a successful social media program is difficult to pull off effectively. While the tools themselves are free, the skills, both technical and creative, to successfully implement such a campaign can be difficult to find. Whatever you do in this area, be sure to coordinate with your marketing department to insure a consistent message and image in all media.

6. *Events.* Event fundraising is an expensive and time consuming way to reach out to supporters. However, handled properly, events can be an effective way to build relationships. Critical to planned giving fundraising is planning how to transition an event donor/attendee into a planned giving donor. Generally the continuum is to add the event donor to your annual fund solicitation. If they become annual fund donors, perhaps they can transitioned to major gifts donors. Finally, as mentioned above, annual fund donors make excellent planned giving prospects.
 7. *Telephone.* Don't sit at your desk waiting to hear from your prospects after sending out your newsletter or targeted direct mail campaign. Actively follow up with these prospects to gauge interest and reinforce the messaging. A start-up with a small budget may not be able to afford to send development staff out to visit prospects. A telephone call is a personal, effective way to actively press your marketing campaign. A start-up may not have sufficient staff to call every prospect who received a marketing piece. Try calling every fifth prospect or some other system to reduce the number of calls. You may not be able to call every prospect but you can reach a substantial portion this way.
 8. *Visits.* Prospects who have requested gift illustrations or donors who have indicated they have included charity in their estate plans deserve a personal visit. A start-up may not have sufficient staff to meet everyone personally particularly if travel budgets are tight. Consider having volunteers who may be in the area where your donors and prospects live conduct visits on your behalf. If development staff can justify going to visit a key donor, schedule multiple visits with other prospects and donors around that trip to increase efficiency.
- d. *Small Charity Measuring, Reporting, Refining.* If you receive planned gifts in the form of gift annuities, realized bequests and other distributions, you'll obviously know that your marketing efforts have paid off. However, it could take years for you to receive your first planned gift. In the meantime, you must set incremental benchmarks so that you can measure the effectiveness of you marketing efforts.

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- i. What to measure.* Remember that the measurements you use to determine marketing progress are tied to your marketing objectives. If the marketing objective is to build internal support for planned giving, the corresponding metric could be the number of presentations made to the board, executive leadership and development colleagues. Another metric could be the number of referrals or collaborations from this same group for follow up. Start with the marketing objectives and then define the steps that will point to progress toward those objectives.
- ii. Tracking.* Develop systems for tracking responses to each marketing campaign. If you are a start-up you may not have a sophisticated donor data base that allows you to code your responses to each marketing campaign. You can use a simple Excel spreadsheet to track responses to each direct mail piece, web site hits, response cards returned, or number of attendees at events. Track details of the demographics of each marketing piece so you can refine identification of your target market.
- iii. Activity.* Recognize the long time that will elapse between your marketing campaigns and receiving realized gifts. Focus on response rates, number of phone calls, number of visits, number of proposals sent, or other variables. Even if response rates are low, marketing involves repetition and continuity of messaging. Measuring number of mailings sent, number of events held and other activity goals are an effective measure of progress in your marketing campaigns.
- iv. Refining the message.* If you are unsure whether your messaging or marketing mix are effective, try testing different methods. Mail houses and print vendors can provide sophisticated testing techniques but these are expensive. At a start-up if you question whether a personal letter is effective, try sending letters to half your prospects and post cards to the other half. Or if you aren't sure you have hit the right messaging, try using modified messaging with a subset of your mailing list. Carefully track responses between the two groups to see which one is more effective and change course as needed to adopt the technique that works better.
- v. Return on Investment.* Budget is a critical limitation at a start-up. Be prepared to net the cost of delivering the marketing mix against the metrics defined above. In the early going, dollars raised will be an unfair measure against which to determine success. Rather the incremental success of increased activity, interest and outreach will likely determine your return on investment.

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5. Resources

Social Media Articles and Sites

Social Media Policies Examples– Mashable.com

<http://inboundzombie.johnhaydon.com/wp-content/uploads/2009/10/3-Examples-of-a-Social-Media-Policy.pdf>

Social Networks Are Red Hot, Web Sites Are Diddlyquat – Non Profit Times

<http://www.nptimes.com/09May/news-090504-1.html>

The Future of Social Networks Lies in Shared Communities – eMarketingandCommerce.com

<http://www.emarketingandcommerce.com/story/future-social-networks-lies-shared-communities>

Social Net Fundraising - All Hype? – The Agitator

<http://www.theagitator.net/communications/social-net-fundraising-all-hype/>

The Hows and Whys of Social Prospecting – eMarketingandCommerce.com

<http://www.emarketingandcommerce.com/story/how-and-whys-social-prospecting>

Facebook Exodus – New York Times

<http://www.nytimes.com/2009/08/30/magazine/30FOB-medium-t.html>

To Nonprofits Seeking Cash, Facebook App Isn't So Green – Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2009/04/21/AR2009042103786.html>

Four Reasons You're Not Using Social Media to Grow Your Business – Fast Company

<http://www.fastcompany.com/blog/rich-brooks/social-media-strategies-small-business/four-reasons-you-re-not-using-social-media-g>

Social Media Guide <http://mashable.com>

Good example of non-profit sites using social media <http://www.movember.com/>

Marketing Articles

Beyond Hand to Mouth-Financial Planning for Independent Schools

<http://independentschoolfinance.com/tone-deaf>

E-newsletters don't work, says expert – Donor Power Blog

[http://www.donorpowerblog.com/donor_power_blog/2009/03/enewletters-dont-work-says-expert.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+\(Donor+Power+Blog\)](http://www.donorpowerblog.com/donor_power_blog/2009/03/enewletters-dont-work-says-expert.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+(Donor+Power+Blog))

Value the Process – knowabundance.com

<http://knowabundance.com/2009/03/23/value-the-process/>

12 Common E-mail Marketing Mistakes – eMarketingandCommerce.com

<http://www.emarketingandcommerce.com/story/dirty-dozen>

How Nonprofits Fail Their Donors on the Web – Donor Power Blog

[http://www.donorpowerblog.com/donor_power_blog/2009/04/how-nonprofits-fail-their-donors-on-the-web.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+\(Donor+Power+Blog\)](http://www.donorpowerblog.com/donor_power_blog/2009/04/how-nonprofits-fail-their-donors-on-the-web.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+(Donor+Power+Blog))

Read This Before You Ask for Estate Pledges - Bob Hartsook

<http://hartsookcompanies.com/blog/category/estate-pledges/>

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10-Point Basic Website Checklist for Nonprofits—Non Profit Marketing Guide

<http://theraiser.blogspot.com/2008/04/10-point-basic-website-checklist-for.html>

The Problem with Non Profits – Seth Godin

[http://sethgodin.typepad.com/seths_blog/2009/09/the-problem-with-non.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/sethsmainblog+\(Seth's+Blog\)](http://sethgodin.typepad.com/seths_blog/2009/09/the-problem-with-non.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/sethsmainblog+(Seth's+Blog))

Empathy Builds Deep Connections with Donors – Donor Power Blog

[http://www.donorpowerblog.com/donor_power_blog/2009/08/empathy-builds-deep-connections-with-donors.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+\(Donor+Power+Blog\)](http://www.donorpowerblog.com/donor_power_blog/2009/08/empathy-builds-deep-connections-with-donors.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+(Donor+Power+Blog))

The Case for Conservative Web Site Design – Fast Company

http://www.fastcompany.com/blog/cliff-kuang/design-innovation/case-conservative-website-design?partner=design_newsletter

What the Web Changes about Fundraising – Donor Power Blog

[http://www.donorpowerblog.com/donor_power_blog/2009/08/what-the-web-changes-about-fundraising.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+\(Donor+Power+Blog\)](http://www.donorpowerblog.com/donor_power_blog/2009/08/what-the-web-changes-about-fundraising.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+typepad/donor_power_blog+(Donor+Power+Blog))

Preach to your choir - knowabundance.com

<http://knowabundance.com/2009/07/06/preach-to-your-choir/>

12 Non-profits Honored for Exceptional Taglines

<http://conorbyrne.wordpress.com/2008/07/17/12-nonprofits-honored-for-exceptional-taglines/>

Services

Direct Marketing

Pentera Inc.

www.pentera.com

R & R Newkirk

www.rnewkirk.com

The Sharpe Group

www.sharpenet.com

The Stelter Company

www.stelter.com

Virtual Giving

www.virtualgiving.com

Telemarketing

Ruffalo Cody

<http://www.ruffalocody.com/>

Planned Giving Marketing Plan

FY 2010

		Dependencies	Dates		Status	Cost	Assigned
			Start	End	%	\$	Owner
Phase 1: Establish and Articulate Objectives							
1	Increase bequest expectancies by 10%				0%	TBD	
2	Tie planned giving performance metrics to major and annual giving departments	VP Advancement			0%	TBD	
Phase 2: Define and Plan Strategy							
3	Translate value proposition into key messages						
4	Focus groups with alumni & faculty to gather input and test messaging				0%	TBD	
Phase 3: Execute and Tactics							
5	Determine marketing channels	<i>Advancement marketing</i>			0%	TBD	
6	Overlay channel plan with universities communication calendar	<i>PR, Marcomm</i>			0%	TBD	
7	Define audience segmentation plan	<i>IT staff</i>			0%	TBD	
Phase 4: Measure, Report, Refine							
8	Train development staff on pg recognition	<i>VP Advancement</i>			0%	TBD	
9	Incorporate new pg metrics into moves mgt database	<i>IT staff, MGOs, Annual</i>			0%	TBD	

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Audience:

Constituency	Messaging	Timeframe	Media Channels	Goal	Metric
Annual Fund	Thank you for your loyalty and support Bequest and gift annuity prospects	Monthly	Thank you target mailings (electronic and mail) & phone call follow up PG questions during phonathon: considered putting us in your will? Quarterly Magazine	Prospect Identification	# of qualified leads # of closed planned gifts
Volunteers Faculty Staff	Estate Planning prospects	Semi-annually Quarterly	Educational Presentations Target mailing (electronic and mail) Quarterly Magazine	Prospect Identification Stewardship	# of referrals # of closed planned gifts

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Calendar:

Communications Schedule

2010

Target Audience	Media Channel	Type of Piece	Estimated Annual Quantity	Estimated Response Rate	J	F	M	A	M	J	J	A	S	O	N	D	Estimated Number of Responses
					an	eb	ar	pr	ay	un	ul	ug	ep	ct	ov	ec	
Volunteers Faculty /Staff	Organization newsletter		500				x										
	Direct Mail	letter	500		x												
	Email	newsletter	250							x							
	Seminar		75			x											
	SUB TOTAL		1,325														
Planned Giving Society	Organization newsletter		350				x										
	Direct Mail	semi-annual update bday cards			x												
	Email																
	PG Website																
	Luncheons	President invitation	50							x							
	Visits		175														
	SUB TOTAL		575														

