

Boosting Annual Giving in a Campaign
A Resource from The Osborne Group

We have campaigns for a reason: implementing our strategic plan often requires additional funding. Campaign priorities, therefore, are identified as a result of the strategic planning process. It follows that campaign success is defined by not only the amount of money raised, but the purposes for which it is raised. Did the campaign help us achieve our strategic plan goals? Did we raise the amounts needed for the priorities identified?

One goal of all campaigns is to improve the financial health of the organization. As a result of the campaign, the organization must be fiscally stronger. **Annual giving is an important component of that fiscal health.**

Campaigns often offer exciting giving options to donors. When annual giving is seen as separate from, or in addition to the excitement of “campaign gifts”, donors often make their stretch gifts for the campaign priority and other on-going funding priorities suffer.

In all too many campaigns that is the fate of the annual fund.

Joe Johnson is just such a donor. Every year he has generously given your organization \$5,000 personally and \$10,000 from his company. You believe the company can and will give \$500,000 over five years for this campaign. Although you believe he will be shocked, you plan to ask Joe for \$100,000.

It goes well and Joe agrees. You have successfully brought him from \$5,000 a year to \$20,000 a year and the company from \$10,000 a year to \$100,000 a year. Both gifts are for one of your special campaign projects. Great. But how will you replace the \$15,000 a year you were receiving from Joe and his company for operations? And what happens at the end of the campaign? Does Joe and company go back to the \$12,000 level? How will your annual fund continue to grow if every major donor responds as Joe did?

Making the annual fund a top priority of the campaign and including the annual fund in all major gift asks is a strategy that works. One of our additional goals is for the annual fund to grow each year. If we seek flat five-year commitments from donors during the campaign the only way the annual fund can grow is with new donor acquisition – the hardest gifts to close. Therefore, we introduce the concept of “ramping up.”

Joe Johnson’s request could be for:

PERSONAL	Year One	Year Two	Year Three	Year Four	Year Five	Total
Annual Fund	\$5,000	\$7,500	\$7,500	\$10,000	\$10,000	\$40,000
Campaign	\$15,000	\$12,500	\$12,500	\$10,000	\$10,000	\$60,000
TOTAL	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000

CORPORATE	Year One	Year Two	Year Three	Year Four	Year Five	Total
Annual Fund	\$10,000	\$15,000	\$15,000	\$20,000	\$20,000	\$80,000
Campaign	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000	\$420,000
TOTAL	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$500,000

In this scenario, Joe’s company received campaign recognition as a \$500,000 donor, and any permanent naming opportunity that is appropriate for about a \$400-450,000 gift (*if* that is important to his company) and is personally recognized as a \$100,000 donor. You probably wouldn’t offer permanent naming rights for \$60,000 but perhaps it would be appropriate for his name to go on a building plaque, or have an endowed fund started in his honor.

Finally, for this concept to work, it is essential that the annual fund be seen as an exciting, compelling giving priority. Identifying mission-based uses for the money, positioning the annual fund effectively, and providing mission-based stewardship for annual giving ensures that this strategy will work.

For example, your organization helps families. Unrestricted budget dollars help provide your clients with trips, counseling, workshops. Tying annual giving to **these activities** rather than paying the light bill, makes it a more compelling gift option.

Connecting donors with the recipients of the activities makes for joyful and repeat giving. Having different and a greater number of mission-based “benefits” at the higher levels of giving, provides donors with real reasons to increase their giving! Pair that with a thoughtful, business-minded case for both campaign and annual support and your annual giving numbers will soar during your campaign.

The Osborne Group is a full service management, consulting and training firm. We specialize in philanthropy including campaign planning and implementation, feasibility studies, building major gift programs; opinion research including customer and donor satisfaction; and organizational development including board building and transformation, and strategic planning.

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