Advancing Philanthropy

Vol. 27, No. 2
April 2020

Database Deep Dive: Digging Deeper and Driving Development

ISSN 1077-2545
Published by Association of Fundraising Professionals | http://afpglobal.org/advancing-philanthropy

PUBLISHED ARTICLE

Database Deep Dive: Digging Deeper and Driving Development

John W. Dawe, MNA, CNP, CFRE

Abstract

With every interaction with a prospect, donor or persona, nonprofit staff receive and process new information about them. Seeing their activities on social media or in the newspaper, or talking with them at an event, a phone call, face-to-face meeting or a volunteer activity, provides nonprofit staff with valuable information about their interests and level of support for different causes and other key priorities in their life.

This article asks: "As nonprofits garner information from these sources, what do they do with it? More importantly, how can it help achieve your fundraising goals?" The article explores ways to structure organizational processes for new information in a way that drives donor engagement, encourages greater philanthropy and urges better data collection.

Keywords: nonprofit, donor relations, prospect research, donor databases, fundraising technology, engagement, engagement score, donor cultivation cycle, moves management, donor information management, big data, ethics

April 1, 2020 Advancing Philanthropy

Innovation: Database Deep Dive—Digging Deeper and Driving Development

John W. Dawe, MNA, CNP, CFRE

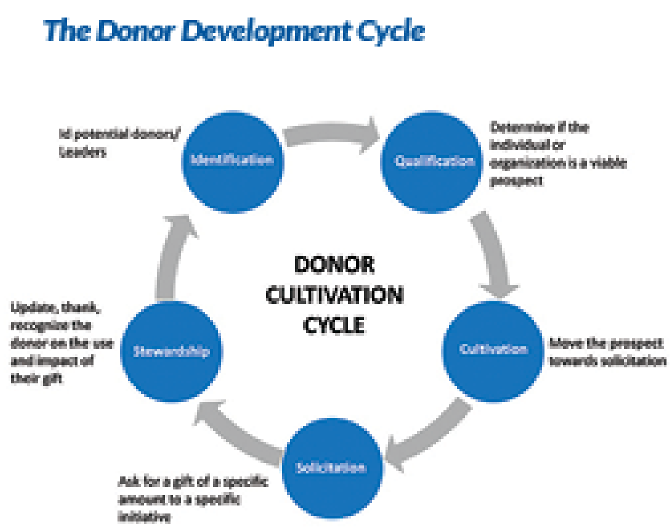
With every interaction with a prospect, donor or persona, you receive and process new information about them. Seeing their activities on social media or in the newspaper, or talking with them at an event, a phone call, face-to-face meeting or a volunteer activity, provides you with valuable information about their interests and level of support for you and other key priorities in their life.

As you garner information from these sources, what do you do with it? More importantly, how can it help you achieve your fundraising goals?

Here we explore three ways to structure how your organization can process this information in a way that drives donor engagement, encourages greater philanthropy and urges better data collection.

1. Deeper Donor Data

If you've attended any Fundraising 101 presentation, you've probably seen the donor cycle. From identification to qualification, cultivation, solicitation and finally stewardship, the cycle continues throughout the life of your organization-donor relationship. But if you think about what happens every time someone moves from phase to phase, you'll find a re-qualification step where you re-evaluate and assess what has changed about your donor relationship to move them to the next phase.



Before we get into the tactics, it's important to note that these steps can work in virtually any database solution, including pen and paper. Also, don't use pen and paper!

In addition to the fields on your standard donor profile sheet, be sure to add the following information at each re-evaluation phase:

- How did they get from the previous phase to the new phase?
- How do they get information about your organization? Has this changed?
- Are there any new channels they are using to get information about your organization?
- Why do they care about your cause? (NOT your organization, the cause)
- What program, service or other attribute about your organization would the subject be interested in supporting? Has that changed recently and, if so, how?

Not only will regularly tracking these indicators help you build a more comprehensive donor file, it will help recognize trends in how these prospects and donors regularly engage with your organization.

2. Create Digital Engagement SCORES AND INDICATORS

Assigning point values to engagement activities is nothing new. In fact, the whole fundraising discipline of 'moves management' depends on scoring and indicators to establish predetermined steps in the organization's advancement strategy. Moves management is a system of policies, procedures and practices that directs the actions an organization takes to increase donors and donations. A simple example of this is establishing a threshold amount at which a donation warrants a formal letter, handwritten note, phone call or personal visit. In larger development offices, a moves management trigger may be when a donor's total giving crosses $50,000, and they are then assigned a dedicated major gift officer.

Today, your prospects and donors are engaging with your organization (and others) online on an hourly basis. Yet, too often organizations disregard or minimalize engagement on their online activities, leaving the "Facebook stuff" to the team member who most manages their accounts.

Figure 1. Engagement Score Point System

Traditional Engagement Score	Digital Engagement Score
"Acknowledgement Action"—One Point • Answering a phone call • Agreeing to a visit • RSVP'ing to an event	**"Acknowledgement Action"—One Point** • Liking a Facebook post • Liking a Tweet • Opening an email
"Engagement Action"—Two Points • Attending an event • Making a small donation • Engaging meeting with a team member • Donor-initiated phone call • Volunteering one time	**"Engagement Action"—Two Points** • Commenting on a Facebook post • Retweeting a tweet • Clicking on an email link • Making a one-click donation/action
"Evangelist Action"—Four Points • Inviting others to an event • Serving on a committee • Volunteering on a recurring basis	**"Evangelist Action"—Four Points** • Engaging on a Facebook post (comment thread) • Filling out an advocacy form / petition • Replying to an email • Inviting friends to "Like" your page • Inviting friends to attend an event on Facebook

Investing in software solutions that track donor activity on LinkedIn, Twitter and Facebook is well worth it. Now, assuming you don't have the ability to track these activities automatically, you can take a sample of your prospects and donors, starting with 20–25 people who already follow your Facebook page and engage regularly.

Note: For all the evangelizing I might do about technology, when getting started it may make sense to grab a cheap notebook from the dollar store to track these people for a period of a month or so. Create an engagement point system that works for your information, then determine at what point level additional direct engagement is warranted. The examples in Figure 1 can be used as a starting place.

3. Data Digging

Using a wealth screening service can help your organization not only determine a person's capacity to give, but provide key indicators to engage your donors (See Figure 2).

Figure 2. Data Indicators for Existing Donors and Prospects

Indicator	For Existing Donors	For Prospects
Neighborhood	What are the neighborhoods, zip codes, etc. of your largest donors? Look for trends!	Does the prospect live in the wealthiest neighborhoods? Are they neighbors with your existing major donors?
Career	Did a donor receive a promotion? Change companies? Retire?	Does the prospect work with any of your key volunteer leaders or major donors?
Travel	Did you see on Instagram that your donor recently took a two-week river cruise on the Danube? Are they traveling a large portion of their time? This is a key financial indictor.	Leisure travel is a key indicator of disposable income and the potential ability to make a donation. Frequent business travel is a key indicator of a company's ability to fund such activities, and possible matching gifts.
Engagement Score	Did a key donor join Facebook and start hyper-engaging with your organization? They're more engaged, so you have a unique opportunity to position information in front of them in a casual way.	Have you seen a new online follower hyper-engage with your organization? Did you receive an e-mail that someone followed you on Twitter, Instagram, Facebook, and joined your e-mail list at the same time? Add them to your prospect list!
Family Changes	For both existing donors and prospects, family changes such as engagements, marriages, divorces, children, etc. can be key indicators of shifting financial priorities. How will your organization keep itself on the priority list?	
Connection With Key Leaders/Volunteers	Did your board chair just go on a vacation and post pictures of themselves and their best friend relaxing on the beach? Is the friend a prospect? You already have a great connector between themselves and your organization!	

Another important tactic of data digging is finding indicators that I like to call "Makes Sense" indicators—a more strategic version of common sense. These indicators are largely intuitive and not always reliable.

Sources of these "Makes Sense" indicators include existing donor data, public information, social media and online sources, other organizations, annual reports, program books from events, 990 forms, etc.

A Word on the Ethics of Online Research

From a technical standpoint, the information involved in wealth screening, a subset of prospect research, is all public information, such as real estate ownership, business affiliations, stock holdings in public companies, etc. From an ethical standpoint, your organization must look at the information it will use and how.

Keep in mind a few things:

1. When someone signs up for Facebook, Instagram, Twitter, etc. they are waiving their rights to privacy for anything they post. ("Everything you post online is fair game.")
2. Despite waving their rights, individuals have an expectation of privacy around this information.

3. A prospect or donor will have an expectation that you will share where you obtained information about them, and may have the right to see their donor file at any time, depending on local, state/provincial and national laws.
4. Section 10 of the *Donor Bill of Rights* states "A donor has the right to ask questions when making a donation and to receive prompt, truthful and forthright answers."

Put simply, if a donor asks, "How did you know I went on that vacation?" or "How did you know that I'm going through a divorce?" things could get very uncomfortable very quickly if you're not prepared to discuss openly your organization's data gathering, management and storage policies. Consult the *AFP Code of Ethical Standards* for guidance.

Final Thoughts

As I stated at the beginning of this article, every interaction you have with a donor or prospect is an opportunity. At every stage of the donor cycle, you should consider what to document and what actions happen at key "moves management" points. And remember: By keeping excellent records and regularly using engagement scoring, you can drive donor development through your database deep dives.

John Dawe, MNA, CNP, CFRE is an associate with GoalBusters Consulting and an AFP Master Trainer. He holds a Master's with Distinction in Nonprofit Administration from North Park University in Chicago, where he holds additional certificates in Nonprofit Management and Leadership, and is a Jimmie Alford Scholarship recipient. He currently chairs the AFP IDEA Diversity Scholarship Committee. He specializes in digital fundraising, strategic planning and marketing. He is also an avid tabletop gamer and travel adviser who resides in Kingston, Pennsylvania. He can be reached at @johndawe on most social networks and at **john.dawe@goalbusters.net (https://www.goalbusters.net/)**.

Read More

02 Apr 2020 AFP News