Planned Giving tomorrow™

Planned Giving Marketing Ideas for All Fundraisers

Spring 2008

Editor: Viken Mikaelian, VirtualGiving, Inc.

CONTENTS

This is *the* newsletter on planned giving marketing.

Planned Giving Tomorrow is here to help you communicate better with your prospects – and close more gifts! We're grateful that you read our first two issues carefully, and sent us your feedback. We need your input so that we can keep on improving.

We've also heard from advertisers who are interested in being seen in *Planned Giving Tomorrow*. Don't worry, we won't fill up with ads, but you can expect to start seeing some in our next issue.

Welcome!

– Viken Mikaelian

How Close is Too Close? (Part II) *By June Stephens and John Foster*

"Our friend has just died. He named your college as a beneficiary of his estate. You have also been named as the Executor of his will, and there are bills to pay."

Has this ever hapened to you? Well, that was the phone message that June Stephens got last year. June is the Executive Director, Foundation/Institutional Advancement, Cuesta College.

Continued on page 6

Marketing 101 – Back to the Basics

Remember, you are in the marketing business. Here's a quick review of key elements of a basic but complete marketing plan in the form of questions you need to answer yourself:

Your Message

- Can you answer, in a compelling way, why your prospects should choose to support your organization?
- Have you organized your message to be clearly understood?
- Is your message interesting to the intended recipient? Does it address what they care about?

Continued on back cover

Asking for Principal Gifts: 4 Approaches *by Dan Rice*

What is a principal gift?

Charities commonly define principal gifts as being $1 million or more. Principal gifts are most often funded with appreciated assets, and donors most often make them with the assistance of savvy giving experts.

What about principal gifts of cash?

Studies show 98% of all wealthy Americans donate to charity, yet only 7% of their wealth is in cash. These donors have more assets than cash to give, and asset gifts are nearly always more valuable. Have you seen $1,000 check donations? When was the last time you saw a deed to real estate worth only $1,000?

How do I ask for principal gifts?

First, you will rarely ask for a specific cash amount. Instead, you will ask the donor to consider giving an asset that you previously discovered they own. Asking a "Have you considered giving this

Continued on page 4

PERSPECTIVE

They've Done It Again

by Viken Mikaelian

If you've read our last issue, you'll recall that we wondered whether fundraisers really received much benefit from the *much-hyped* IRA Rollover.

A lot of sales materials were sent urging non-profits to get in on the coming bonanza in gifts; vendors sold seminars explaining the rollover and marketing pieces promoting it. But our survey data found that the actual number of new gifts inspired by the rollover opportunity – gifts that non-profits wouldn't have received in another format if rollovers weren't available – was modest at best.

It's a few months later and we're looking at *another* example of marketing hype and get-on-the-bandwagon optimism.

We're talking, of course, about the campaigns to urge prospects to lock-in higher charitable gift annuity rates before July 1st. Some vendors pitched the rate decline as a once-in-a-career opportunity to close CGAs: take prospects nervous about fluctuations in the stock market and declines in CD rates and tell them they'd better set up a gift annuity while they could still get a decent rate of return from it.

Continued on page 2

Planned Giving tomorrow™

Publisher:
PlannedGiving, Inc.

The views expressed in this publication do not necessarily represent the opinions of the publisher or editor.

Planned Giving Tomorrow™ is devoted to the art and science of marketing planned gifts. That's our specialty.

Feedback:

We'd like each issue to be better than the one before. For feedback please visit:

PlannedGiving.com/feedback

Article Submissions:

Please!

Contact:

editor@plannedgiving.com

PlannedGiving.Com LLC
1288 Valley Forge Road
Building 82
Phoenixville, PA 19460

800-490-7090
610-672-9684 (fax)

Did you miss our last issue?

Get it free: 800-490-7090

SUBMIT!

No man but a blockhead ever wrote, except for money.
Samuel Johnson, 1776.

Being published in *Planned Giving Tomorrow* will benefit more than just your reputation. We believe you should be paid for writing, and we'll compensate you well if your article is chosen.

But, no vanilla submissions, please... we'll take poignant, opinionated, controversial, funny, passionate with a purpose, or technical with a twist!

Visit:

PGtomorrow.com or call 800-490-7090 for details.

Well, now. Cooler heads last spring (including us) looked at the reality of the rate decline and came away with a different response:

1. The difference between the old "high" rates and the new "low" rates was going to be small. The resulting drop in annual payments for most gift annuities in the $25,000 range would work out to about $100 or less. Fundraisers who sent out marketing pieces with scare headlines telling prospects to act before June 30th would have to explain in the fine print that prospects actually stood to lose, umm, $75 or so per year under the new rates. That reality check would undermine the effectiveness of over-the-top marketing.

2. Do-it-now campaigns might have the unintended consequence of persuading prospects that after July 1st, gift annuities would no longer be a worthwhile gift plan.

3. Focusing marketing on the ongoing positive aspects of gift annuities would have more long-term effectiveness than a now-or-never pitch, especially if the economy continues to be uncertain.

Thoughtful fundraisers who knew their constituency and took the time to understand the reality of the CGA rate decline could have decided to use it as a marketing tool, or not, and made the right decision for their organization. The problem lay with our friends who didn't think, but merely reacted, when vendors cried that time was running out and that they'd better blitz their prospects now.

Procrastination + Fear = Bad Decisions

Yes, fundraisers have a lot on their plates. No, they can't spend excessive time making marketing decisions. But faced with today's reality of frozen or declining budgets, they at least have to analyze the likely results of a new marketing campaign before they allocate funds for it.

If you're a procrastinator, as many of us are, you're likely to ride along for years with the same marketing plan – or no marketing plan – and spend your time putting out fires in other parts of your fundraising program. Unfortunately, that leaves you wide open for the gurus and vendors who leap onto each new wrinkle in planned giving, and then play on your fear of missing out on the *next big thing.*

"Oops," you think, "that salesman was right – all of my prospects need to know immediately that a declining Section 7520 rate makes lead trusts a better deal this summer. I'm sure the hospital down the road is already on top of this. I'd better put my order in today!"

We tell our clients to play it cool: to find their best prospects and then engage them with steady, consistent marketing. These "Order-by-Midnight-Tonight!" campaigns seem to mostly raise funds for the vendors behind them.

You Can't Guess Response Rates

"What % response rate should I expect from my mailing?" If someone ever gives you a definitive answer to this most popular question, run away.

Why? Because your situation is different from everyone else's. Even if you are comparing two identical non-profits, their circumstances will be different: how well one promotes planned giving on its website; when they send mailings; quality of testimonials being used; CEO's commitment to fundraising; different perception in the media; demographics and giving habits; and on and on. There are always different forces at play.

When it comes to measuring impact of marketing campaigns, most evaluations are based on some type of attitudinal analysis. This approach assumes that attitudes and opinions lead directly to desired behaviors. There's only one problem: No one has ever proven that "changing attitudes" actually contributes to a bottom line impact.

In addition most fundraisers do not know how much it costs to move a prospect from point A to point B. That's relevant because "B" is not necessarily the moment the prospect decides to make the gift. Most donors need to receive multiple messages of information and encouragement before they commit to a gift. Planned gift marketing pieces do not stand on their own: their effect on the prospect is cumulative, so the response rate to one piece should not be judged in a vacuum. And finally, many do not even take the time to calculate their ROI (return on investment) on mailings: a 1% response rate for one may be excellent, whereas another may not survive on 10%.

Bottom line: compare a response rate with others you've gotten previously. Even though there are other forces at play, that's the best measure of improvement you can use.

Let Testimonials Say What You Can't

John S. Foster

"What's the difference between advertising and public relations? In advertising, you tell your audience how great you are. In public relations, you get someone else to tell them the same thing."

Fundraisers, like other marketers, face skepticism and resistance when they make a direct statement about the worthiness of their organization. Prospects have been fooled so many times by government, corporations and non-profits that the first response to any straight-out, first person message is distrust. Before you can get prospects to listen to your recitation of your organization's accomplishments and needs, you have to expend energy to get past their defenses.

And forget any general claims from you about your non-profit's "excellence" or "commitment to quality." Those qualities have been trumpeted too many times, by too many, with far too little supporting detail, to make any impression.

But you can still promote your institution indirectly by using what others say about you. Testimonials by donors, or by recipients of your organization's services (students, patients, theater-goers, etc.) carry more credibility than anything you could say. And, third parties will often say glowing things about you that you would be embarrassed to say yourself.

Tell Me a Story

Testimonials are stories – the success stories of your donors and the gifts they made. Their honesty and natural eloquence rise above the daily barrage of marketing messages to make themselves heard. They can and should be used in every medium you use to communicate with your prospects (even the walls of your organization). Remember, Americans love a story.

Your donor's testimonial elicits a natural identification in your prospects. "That's me" is their response after reading it. They put themselves into the story. That is exactly where you want them, visualizing a positive outcome for themselves if they make a gift, too.

Start With a Good Headline

Headlines grab attention and make the reader want to learn more (at least they should). They are the "ad for the ad."

Use Pictures of Your Donors

Pictures draw the eye in a way that a headline and block of text can't. They provide a visual impact that works alone and in conjunction with the testimonial. Work patiently with donors to get photographs that are visually interesting and resonate with your target market (your planned giving prospects). Suggest pictures of them enjoying a favorite hobby or interacting with your organization's staff and discourage stiff poses in front of blank backgrounds (we have a stock photo of an older fellow in a bright red sweater, swinging through a square-dance move, and believe us, it gets more attention than a solemn portrait of the same guy in a dark suit ever could).

The Body Copy

The copy should agree with what a prospective donor thinks about your institution. In other words, the "writer must enter the conversation already going on inside the reader's mind." The more agreement you create, the better the testimonial conveys your message.

Finally, the strength of your message is more important than the strength of your copy. A weak message said well will still perform weakly. A strong message said well can yield explosive results.

FACTOIDS

43% of bequests and 35% of charitable remainder trusts are created by individuals 55 and younger.

15% of all planned gifts are by those 45 and younger.

The typical planned giving target is 200-300 times donor's largest annual fund gift.

Your planned giving pool may be as much as 5 times larger than your capital pool.

Donors find they can be more generous with non-cash gifts because of additional tax benefits.

AARP has 35-million members, and that's expected to double by 2015.

Over 75% of donors give to a cause that's affected them or a member of their family.

Americans read their mail standing over a wastebasket. Where is your newsletter going?

Are you a "binge marketer"?

The classic cry of the binge marketer is "Oops... business is slow. I guess I'd better do some marketing and send out a mailing."

If you find yourself in the middle of a quiet spell, thinking that a few actions, a couple of phone calls and a mailing here and there will get things moving again, you need to rethink your strategy...

You can read this and related articles at:

virtualgiving.com/binge

Cocktail Party Test

Fundraisers can make "civilians" a little nervous when they're around (see Dan Rice's article in this issue). What comments do you get when you tell folks what you do for a living? "Ugh, I could never ask strangers for money!" "Well, I hope you didn't bring your begging bowl with you tonight – this is a *friendly* party."

You have to love what you do, and let that love show, to be effective as a fundraiser – and be welcome at neighborhood picnics. The organization you work for brings good into the world every day, and you are an integral part of that transformation. You've got the right to be sincerely proud of being a fundraiser; to be enthusiastic and, okay, even a little corny about it.

The Test

To see what image you're projecting, try an experiment at the next function you attend. With half a dozen people gathered around, introduce yourself and in *10 words or less** tell them what you do. Now – does the group immediately race to the buffet table? Or do they gather a little closer as somebody asks:

"Really? Tell me more."

**In sales, they call this an "elevator speech".*

Download this handy planned giving marketing calendar and expense worksheet:

virtualgiving.com/worksheet

Find Your Audience, Then Find Your Money

By Joseph Tumolo

The 40-40-20 Rule

An old secret in direct marketing was, "Never, ever forget the 40-40-20 rule!" The Rule dictated that:

- 40% of the success of a direct marketing campaign depends on a solid audience (read: mailing list);
- 40% depends on making the right offer to that audience;
- And just 20% depends on the creativity (copy, graphics, packaging) displayed in presenting the message.

This was the analysis:

- If you have a great list, a hot offer and a creative package, you win!
- Creativity alone won't make you rich, if 80% of your success depends on list and offer.
- A hot offer won't make you rich, either, if 60% of your success depends on a solid list and creative presentation.
- And, a great list alone won't make you rich, if the other 60% of your direct marketing success depends on what you are offering and the creativity you use to present it.

OK, the not-so-secret implication of the 40-40-20 Rule is that you need all three aspects, list, offer, and creative, working in concert. This calculus applies to any direct marketing campaign, say the experts, whether it's in print or electronic media.

But wait! 40-40-20 or 60-30-10?

I think the time has come to revisit the Rule. Not the philosophy behind it, but the portion each of the three components contributes to the success of a direct marketing campaign.

It's my experience that your audience is the single most powerful and most important element in the mix. If your marketing campaign is to get results, whether you use direct mail, print pieces or e-mail, you must first make certain that the right audience is getting your message. As I see it, finding the right audience determines 60 percent, not 40 percent, of the success of your campaign.

Why? Prospects are bombarded with offers every day; to keep their sanity they segment themselves into narrow areas of interest and focus only on messages that relate to those areas; they are quick to turn off any message that is outside their "zones." For instance, Omaha Steaks won't get much response on catalogs it sends to confirmed

Principle Gifts *From page 1*

asset?" question is easier than a point-blank solicitation for cash.

Asking for cash can be more stressful than asking a donor if they have ever considered giving an asset. Imagine a donor experiencing you. Fundraisers are contagious and carriers of stress! You are acutely aware of how stressful it is sometimes for you to visit a donor, but you may not realize how stressful fundraising calls are for the donor!

Using this "Have you considered" approach is an easier way of asking for a principal gift. Face your mirror and ask, "Would you consider giving $1 million to fund the *xyz* project?" Now ask, "Have you considered giving a portion of your real estate, which could be used to fund the *xyz* project?" Which question was easier for you to ask?

Four approaches to asking for a Principal Gift: Use the one that's most comfortable for you.

1. *How* were you able to make this gift?

Situation leading to approach: You learned the donor just mailed in a large cash gift. Celebrate! Then ask for their story.

Purpose of the approach: Usually, we ask the donor what motivated them to give. We want to ask a very different question: "How were you able to make this gift?"

Approach overview: Celebrate the gift event with the donor and ask them to tell you what things worked together to make this gift possible. Did they get a bonus, sell a business, land a new customer, or sell stock at a profit? Listen for clues. Did this gift come from a special one-time event or is there is some kind of income-producing asset they own? You want to know what kind of financial engine allowed them to make this gift.

Approach objective: If you discover they own assets, ask if they would consider giving assets rather than cash. Why? Cash is often the most expensive and difficult gift to make. And there are multiple financial benefits to giving assets.

2. Is there another way you could make this gift?

Situation leading to approach: Donor plans to make a major gift by check. Before you accept their gift, ask this question.

Purpose of the approach: To serve the donor by counseling them about the opportunity to make a financial and tax-wise gift if they can give assets.

Approach overview: Like apvegetarians. Doesn't matter how good the offers in the catalog are, or how enticingly the meat is photographed – these recipients are just not interested.

By the same theory, someone in your planned giving campaign who has only contributed twice to your organization over the last 10 years is probably not a hot prospect. Doesn't matter how eloquently you put your case for support – he's likely not interested in making you part of his family. But someone with a giving history is.

Thus a new ranking of the components: 60-30-10.

60% of the success of your direct response marketing program will be selecting the right audience and reaching them with your message.

30% of the success of your direct response program will be making the most persuasive case to this select audience.

10% of the success of your program will come from a creative, high quality presentation. (In other words, stay away from graphic designers who put creativity over all other components, and give you cutting-edge design with 9-point type for your elderly prospects -- magnifying lens not included.)

How Do You Find the Audience?

Well, don't start with traditional wealth screening tools: the plain, unvarnished truth is that they simply do not work well in planned giving. Wealth screening tools look for stock ownership, real estate, boats and luxury items, board memberships and swanky addresses as indicators of wealth. They are extremely useful as a way to screen for major donors for capital campaigns, but wealth alone has absolutely nothing to do with identifying planned giving donors. In fact, I would argue that it can be a contra-indicator. Similarly, focusing principally on net worth, age, geography or other demographic factors has almost no predictive value.

The one indicator that consistently predicts interest in gift planning is loyalty to your organization. Why? Because only people who are consistently loyal to an organization will be willing to make the organization a member of their family by including them in their wealth transfer plans. Remember, a planned gift is not a gift from income, it is a gift from principal. It is an asset transfer. So, when someone gives up a part of their nest-egg to support your organization, they have made you a part of their family.

Now that's loyalty.

Continued on page 7

proach #1, listen for clues about whether this gift came from a one-time financial event or from a income producing asset they own.

Approach objective: If you discover they own assets other than cash, ask if they would consider giving assets rather than cash.

3. Have you ever *considered* giving?

(A) Have you ever considered giving *x*? (B) Based on the projected growth rate of this asset, how long would it take for you to "reforest" the value of this gift? (C) Do you pay estimated income taxes? If so, the deduction for your gift can be used to reduce or eliminate any remaining estimated taxes this year.

Situation leading to approach: You already know what assets the donor owns. The "*x*" is the asset you would refer to. The follow up A, B and C questions are designed to help your donor become comfortable in considering asset gifts.

Purpose of the approach: To coach the donor by wisely counseling about the opportunity to make a financial and tax-wise gift.

Approach overview: Many principal gifts come from using this approach. And, while these gifts can be complex and time consuming, they are very rewarding.

Approach objective: Remember, cash is often the most expensive and difficult gift for people to make if they own other assets that they could consider giving.

4. Are you planning to *sell* anything soon?

Are you selling anything this year that has appreciated in value and have you already decided to share some of the profits with your favorite charities?

Situation leading to approach: This is a great question to ask your donors annually.

Purpose of the approach: To get ahead of a significant liquidity event in the donor's life, to help them achieve their financial and philanthropic goals in a manner that allows them to pay less taxes and have more discretionary income.

Approach overview: Major liquidity events are some of the greatest sources of Principal gifts.

Approach objective: To coach Donors regarding their options for giving using best practices.

Dan Rice is Senior Philanthropic Advisor for EMF Broadcasting, which operates the K-LOVE and Air1 radio networks. Dan has been raising principal and planned gifts since 1980.
drice@emfbroadcasting.com

The Planned Giving Council That Lost Its Mind

Viken Mikaelian

I get around. My latest encounter was with the South Carolina Planned Giving Council and I think I caught something… *an addiction to Southern Hospitality.*

First of all, these folks put together a fantastic, 2-day conference in *North* Carolina. *On a lake.* If you don't attend next year (May 5-6) you're a fool … even if you have to fly in from Oregon. And if you live in Atlanta, it's only a 3-hour drive. Do not miss out on a lot of fun, *a lot of learning*, and laid-back no-nonsense time (no dress code). By the way, past speakers include: Deb Ashton, Kathryn Miree, Pam Davidson …and, ahem, me.

As Kathryn says: *Why conduct your education and network with colleagues in Ballroom B when you could head to the dock on the lake in the mountains? No parking decks, no suits, and no tipping. Just top speakers, colleagues, jeans and sneakers. Put this one on your calendar!*

Believe me, it's nice to park in front of your cabin instead of calling valet + $45! And to hear the birds and feel the fresh mountain breeze is also a nice change.

Call 843-574-6196 for more info. I think Keith picks up the phone. You have to attend.

Warning to New Yorkers: Do not go. You'll be too relaxed to come back home.

Oh… why has this council lost its mind? They hold this 2-day conference for only $180 (price of dinner for two in NY). *That includes seminars, good food, your room, and open bar (bus fare's on you, pal).* I am working on Rocky Menge to triple their price. 'Til then, take advantage: **scpgc.com**. See you next May.

How Close Is Too Close

Continued from front cover

She remembered Jerry Rohrbach's article, *How Close is Too Close?* in our first issue last Fall and wanted to share a real-life situation that she and her college are dealing with right now:

"After learning that our donor did not use an attorney, but had a paralegal draft the will nearly twenty years ago, I had a better understanding of what had happened. I immediately contacted one of our Board members who is an estate planning attorney and asked his advice as to whether this would be ethical or not. He assured me that it would be. The estate is estimated at over a million dollars. It is clear that the donor trusted our foundation to take care of his assets, which means a great deal to me. I have hired a firm to assist me in this action and I will 'oversee' the distribution. This is clearly an awkward situation, especially since no one knew anything about this gentleman. I feel a huge responsibility.

"Has this happened to anyone else, and what did they do?"

One of our editors, John Foster, reflected on the challenges June faces:

She and her small college are taking on a time-consuming task that may divert her attention from fundraising. She says they are "a" beneficiary, not the only beneficiary, which sounds to me like she and the firm she hired will have to gather this fellow's assets, pay his debts, pay the other beneficiaries, file inheritance tax returns – and only then, after a year or so, will Cuesta College get its gift. In the meantime, every other beneficiary will be watching her like hawks to make sure that the "big, rich college" doesn't hold any of their money up.

In some states a non-profit corporation cannot serve as an executor.

June says she didn't know in advance about this bequest – does Cuesta have a recognition society? Was he an alumnus and on her mailing list?

Maybe we can ask her to submit an update later this spring, detailing the progress she's making in settling the estate, and how the work involved has affected her other fundraising duties.

(My first "gift" as a planned giving officer was the estate of a realtor who had gone broke, with a divorced wife, three estranged children, and more debts than assets. The estate took over a year to settle, with no profit to my organization.)

Here's the update from June:

I need to clarify one thing: our Foundation wasn't named as the Executor, the Executive Director of the Foundation (that's me!) was named. An individual officer of a non-profit may serve as an executor even if the organization itself can't, I found out after speaking with our attorney.

I expressed my concerns to the Board about the time investment. Once we realized that the estate was half cash assets and half real estate (his very small personal home), our attorney said it would be rather simple. Because I felt such a huge obligation to this donor, I decided to accept the responsibility. I take care of all of the issues on my own time (what little I have).

This has taken much more time than I thought and the emotional part is challenging as well. I have gotten to know this person very well through his things, and feel like I need to treat the estate as if were my dad's or something. We are having an estate sale this weekend. Challenges are: what to do with personal mementos, files, jewelry and so on. I have treated the estate with dignity and respect (and all the neighbors are watching)!!!

We do have a naming recognition program and will give appropriate recognition to him. I will probably not do this in the future, but rather ask the Court to assign an independent Executor. Even though the estate is small, administering it has been a huge commitment for us.

More Results From Our Survey

72% of fundraisers contribute to charity

20% majored in humanities in college, and 20% in business

15% work for non-profits that appeal to Spanish-speaking communities

3.5% don't care about politics

Since it's not against the law, 1% would take the money and run (See our website below for details)

18% made over 101 donor visits

1.6% Hindu; 5% Jewish; 23% Catholic ; 48% Protestant

36% are more than happy with the salary they are earning

51% do not care about earning a CFRE

30% counted outright transfers from IRAs (Rollover Act) in their planned giving totals

5% just don't get the potential of planned giving!

For more *revealing* information, make sure to visit: **virtualgiving.com/surveyresults**

ETHICS CORNER

End of the Trail

Bill Harrison

As the associate director of development, you have watched your boss on several occasions pad his expenses. Once, when confronted, he became angry and said all the expenses were for donor cultivation. Lately, these padded items have included gifts for a woman, expensive dinners and weekend jaunts. You know this is stealing, but the only way you can make it stop is to go over your boss's head and talk to the CEO. If you talk to the CEO, and it turns out the expenses really are for donor cultivation, you will probably lose your job. You are a single mom with two small kids and need this job. You're losing sleep over this.

We would like to know what action you would you suggest for the associate director:

1. Confront her boss again?
2. Go over his head to the chairman of the board?
3. Risk her health by keeping mum?
4. Resign?

Submit your answers anonymously at:

plannedgiving.com/43

Mission Impossible

Mike was highly recruited by a national search firm for the position of foundation executive director. He had never worked with a social service agency before and thought it would be a challenge. (The six-figure salary was nice too.) He relocated his family and started the job. Within two months he realized that he had no affinity for the organizational mission and found the CEO to be a weak, argumentative, and confused administrator. He also uncovered a questionable business practice by the CFO and several ethical dilemmas. Although he knew this was not the right fit for him, he stayed for the money.

Outcome:

1. The foundation director decided to make every effort to embrace the mission and "fix" the ethical problems.
2. After six months of disagreements with the CEO and numerous meetings with board members, the foundation director began making plans to find another position.
3. A final disagreement with the CEO led to the immediate termination of the foundation director.

Ironically, four months after the foundation director was fired, the CFO was also fired. Two months later the CEO was being investigated for criminal activities. This investigation was authorized and supported by the board of directors.

"Quotable Quotes"

The hardest thing in the world to understand is the income tax.
– Albert Einstein

Find Your Audience *From page 5*

And here's our discovery: The best indicator of loyalty is consistent patterns of giving to your annual fund. All other measures of support pale in comparison to the accuracy of consistent annual-fund giving as a predictor of interest in planned giving.

Once this loyalty pattern is identified, other factors – such as demographic information, wealth indicators, long-term volunteering – can be folded back in as additional factors that have incremental value in predicting whether someone is likely to become a planned gift donor. But, these factors only have predictive value when placed against the screen of loyal giving!

Joe Tumolo works for The Planned Giving Company and can be reached at: joe@plannedgivingcompany.com

Win One Million Dollars.

Now that we have your attention, the first 20 respondents to this notice will get a gift certificate at Starbucks (or a check for $25).

Do you have a war story to share? A fundraising disaster? An unusual situation your peers could benefit from? A gift that went sour? A lesson learned? How about a warm and fuzzy anecdote about a donor relationship that turned into a life-long friendship?

E-mail us:

editor@plannedgiving.com.

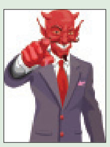
We'll publish it with your name attached, or anonymously if you wish. But please, do it now.

Dear Mindy:

Just wanted to say "Thanks" for your wonderful article* I read this morning in *Planned Giving Tomorrow*. You struck a chord when you wrote, "Here was a donor who simply wished to be remembered... not tucked away and tossed into a drawer... " I'll admit to having a few of these "forgotten" folks in my own portfolio. Now I'm going to make dusting off those files and reconnecting a priority.

Katherine McKay
Associate Director of Gift Planning
Wheaton College
Norton, MA

***Katherine is referring to the article titled *You Had Me at Bequest* in our last issue. For a free copy, call us at 610-933-6737.**



Dead Wrong Marketing: THE 13 SINS

Sin No. 1: We're telling the prospect we can't wait for him to die.

Sin No. 8: We're targeting the wrong prospects.

All 13 Sins, and how to save your program from them, were recently detailed in a lively presentation at the National Conference on Planned Giving in Dallas, TX. If your local fundraising group would enjoy a live, personal presentation as well, visit:

"Intense, interesting, practical, passionate, compelling."

virtualgiving.com/seminars or call 800-490-7090.

UN-SENSE-ORED

"Computers are useless. They can only give you answers." *Pablo Picasso*

"Computers are like bikinis. They save people a lot of guesswork." *Sam Ewing*

"I think there's a world market for about 5 computers." *Thomas J. Watson, Chairman of the Board, IBM, circa 1948*

Marketing 101 *Continued from front cover*

Your Market

- Have you transitioned from mass to target marketing?
- Even if you are target marketing to your loyal group, have you further divided the group into "sub-targets" (annuity mailing to one crowd; bequest mailing to another)?
- Who is the ideal prospect for your organization?

Your Media

- Have you built a marketing calendar, taking into account holidays and events that draw prospects' attention to your organization (reunions, etc.)?
- Since traditional newsletters are barely getting read, what is your plan for direct mail? How about postcards? Mail them how many times a year?
- How about a display ad with a compelling message? Run it in what publication(s)? How about placing it in other publications than just your own journal?
- Are you piggy-backing your messages on e-mail blasts your organization sends out? (Note: Don't send planned giving e-mail blasts alone. They alienate prospects.)
- Have you planned interesting seminars and outings for your prospects/society members?

We've given you a roadmap to succeed in the business you're really in – the marketing business. If you think you're just in the fund-raising business, you're wearing blinders that will prevent you from seeing how to advance your organization's cause (and your own career). If you think you don't have time to deal with the questions above because you are busy with minutiae like another seminar on how planned gifts work, you're going to face some real challenges ahead.

PlannedGiving.Com
1288 Valley Forge Road, Building 82
Phoenixville, PA 19460

Presort Standard
U.S. Postage
PAID
Boyertown, PA
Permit #5