#### Lessons From Non-Profit Fundraising



Katrina VanHuss
CEO & Founder
Turnkey
@turnkeywow



Otis Fulton
Vice President, P2P
Behavioral Economics
Turnkey
@turnkeywow

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## Who We Are



Katrina VanHuss



Otis Fulton
Vice President, Behavioral
Economics













## What stops us in fixing all that?







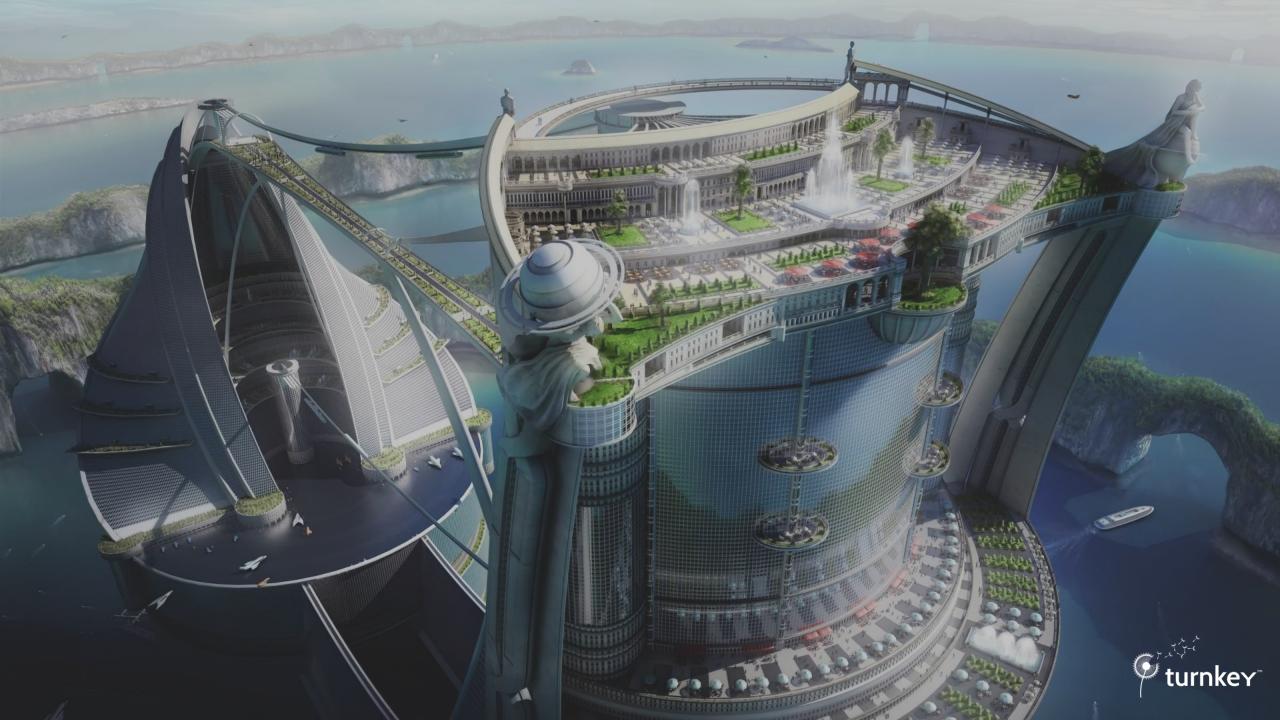




### Leaks

- Staff turnover
- Management turnover
- Volunteer turnover
- Lost revenue
- Can't fulfill the mission

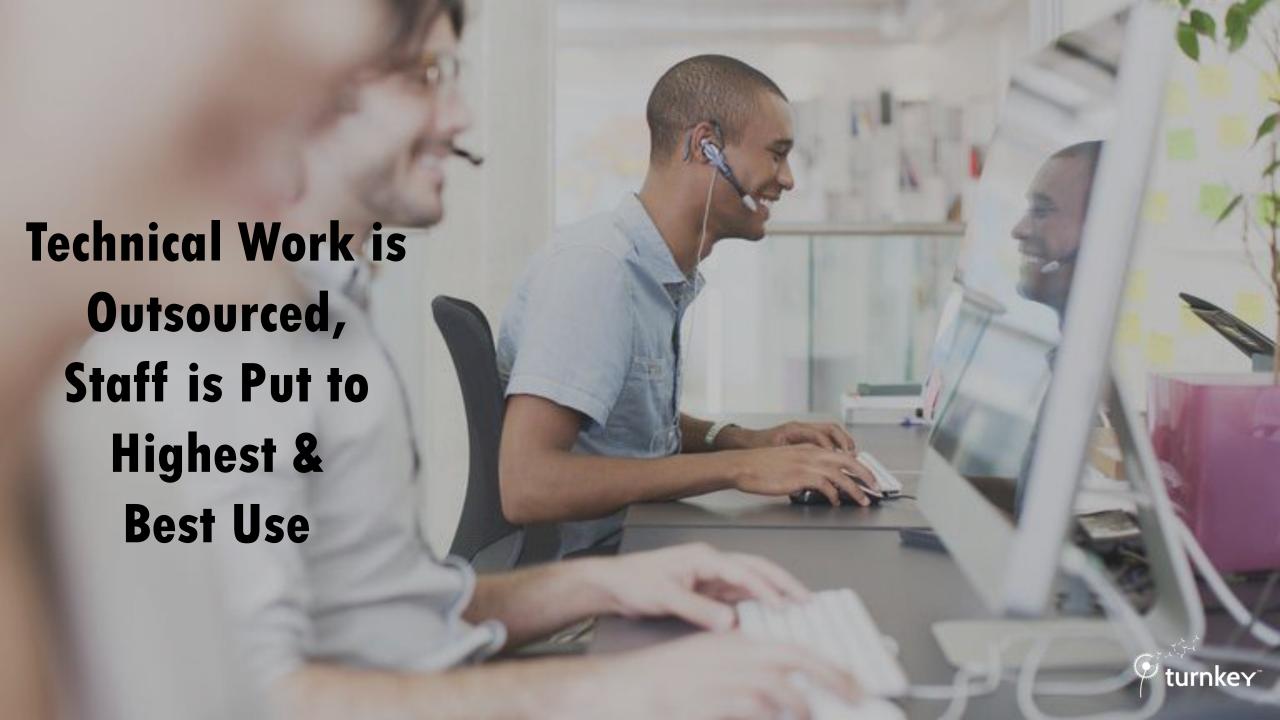


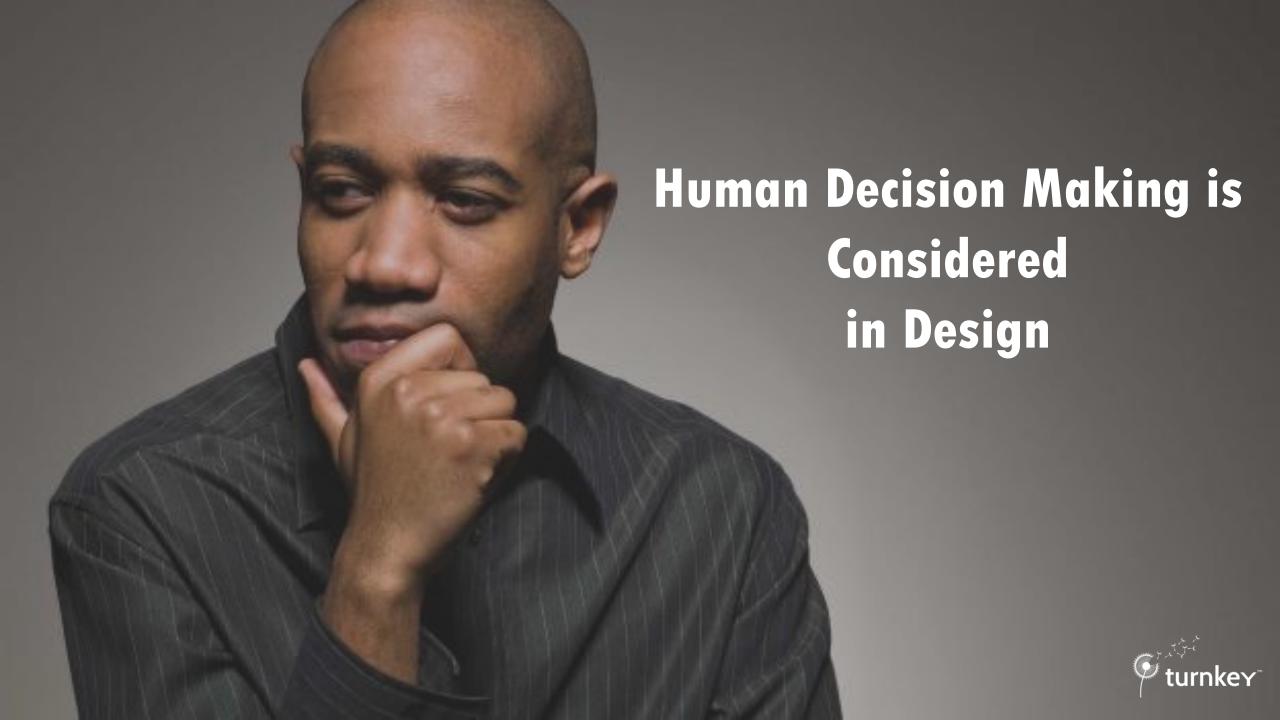






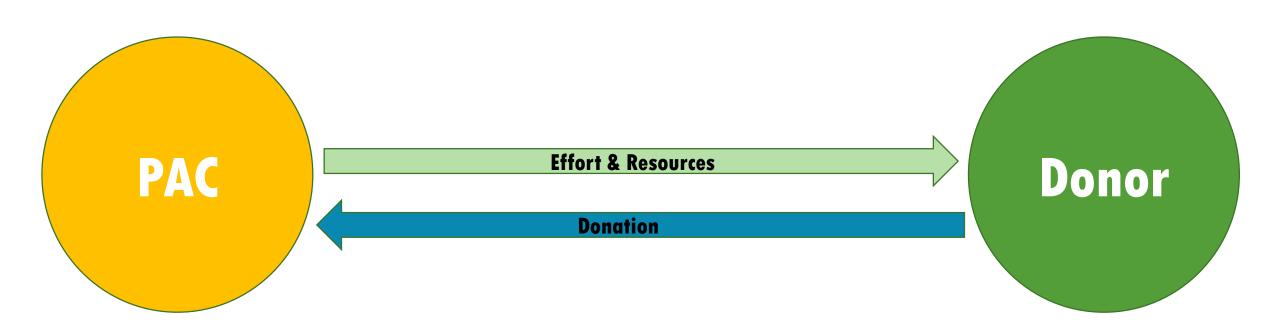






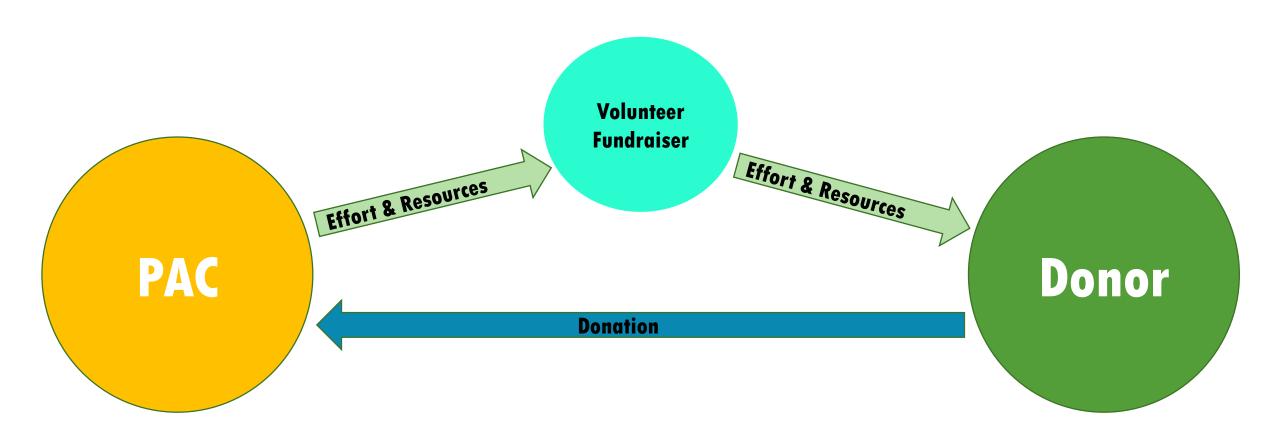


# Traditional Fundraising



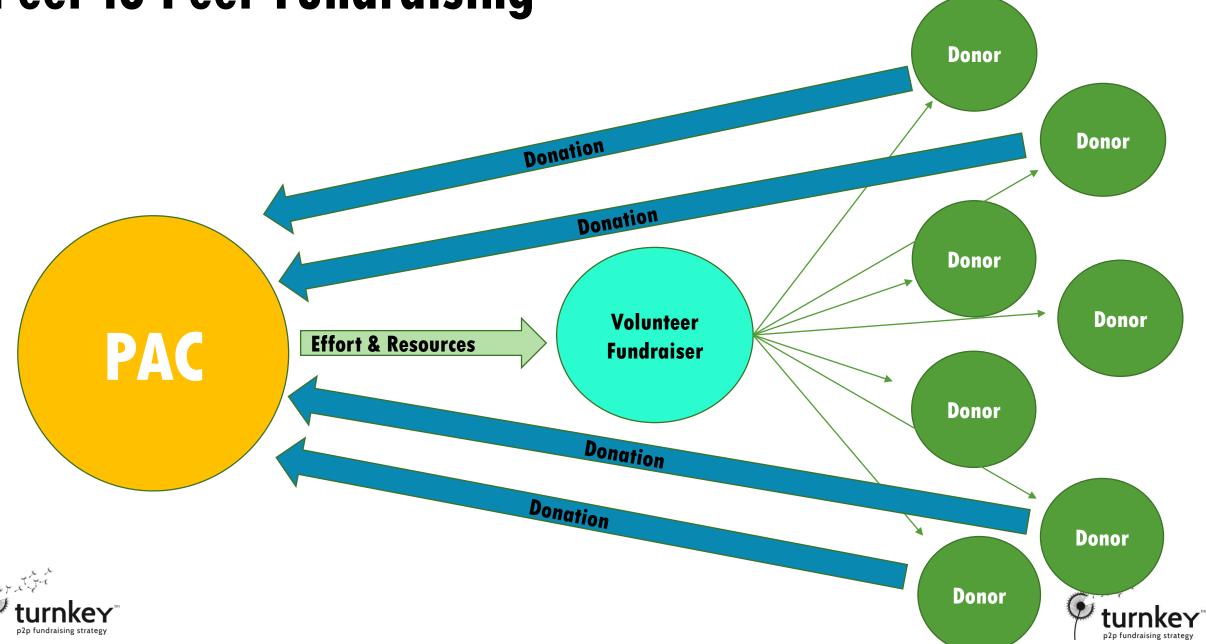


# Peer-to-Peer Fundraising



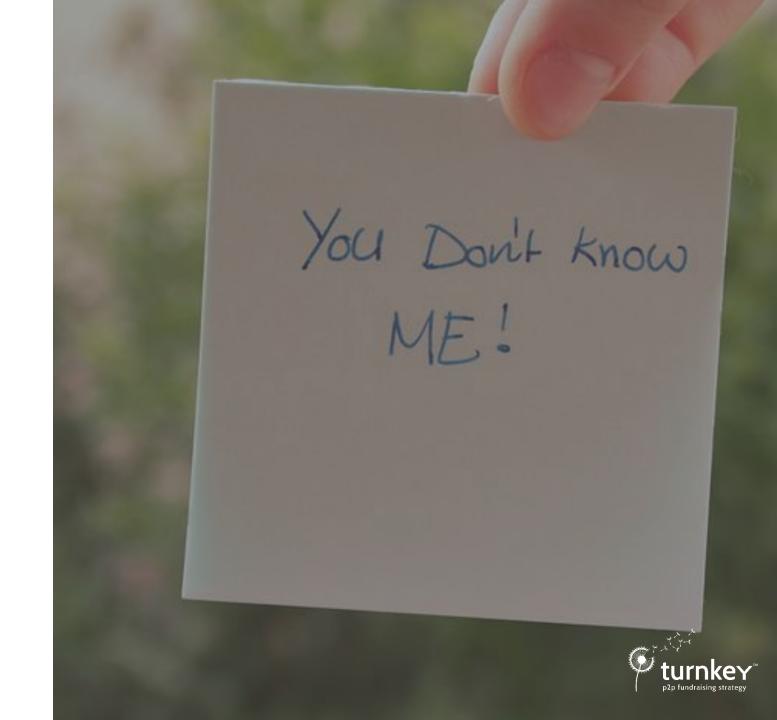


## Peer to Peer Fundraising





Direct response = .04% contribute





# P2P response in typical nonprofit

25% contribute

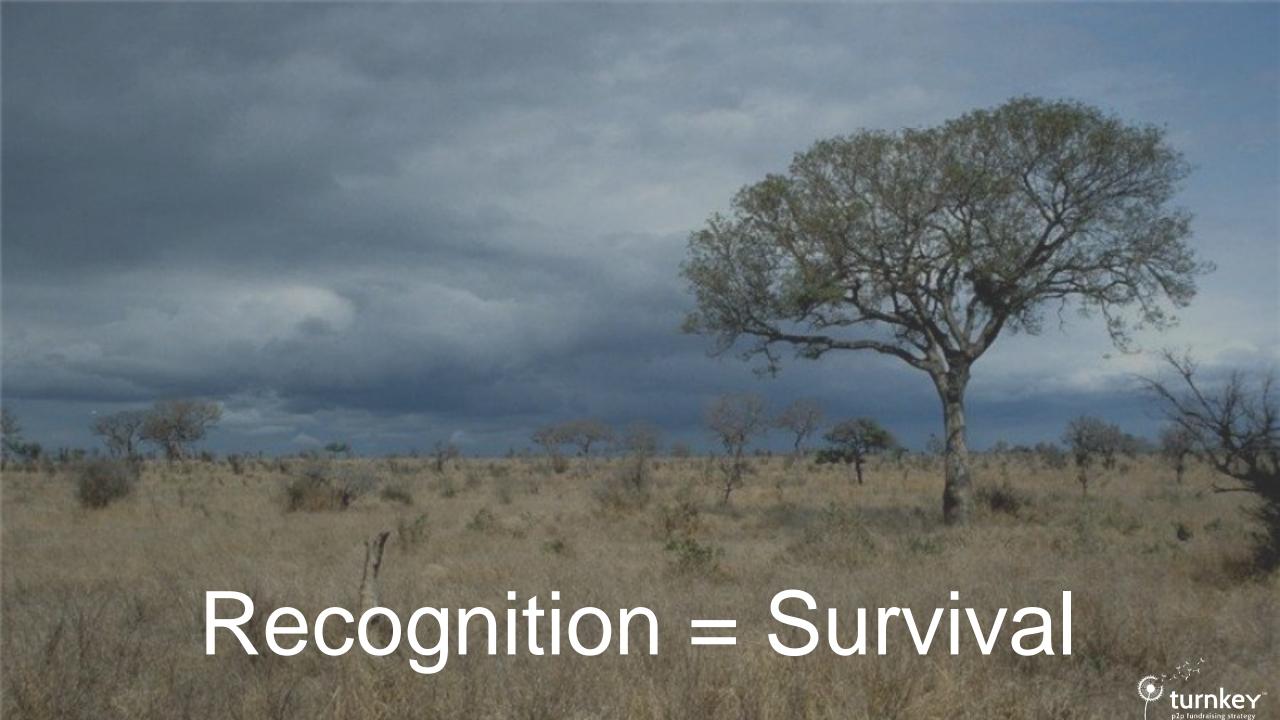
(My friend asked me)



## Peer-to-Peer

IT'S TOUGH TO SAY NO





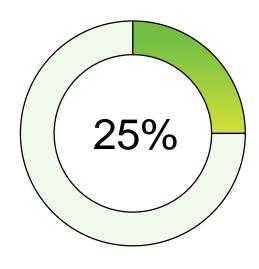








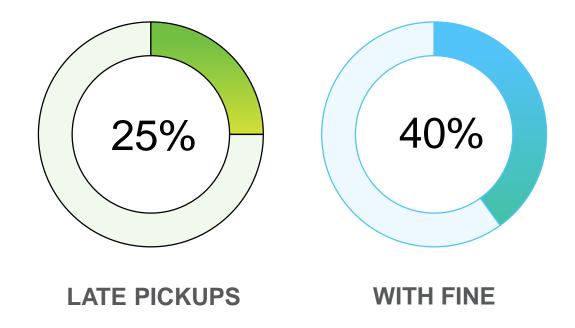
#### DAYCARE STUDY



LATE PICKUPS

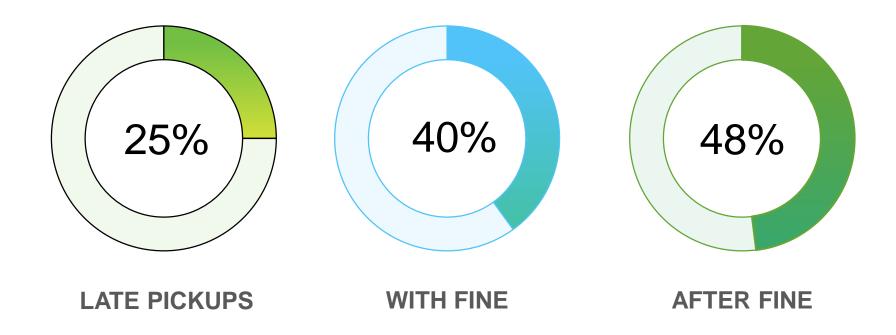


#### DAYCARE STUDY





## DAYCARE STUDY

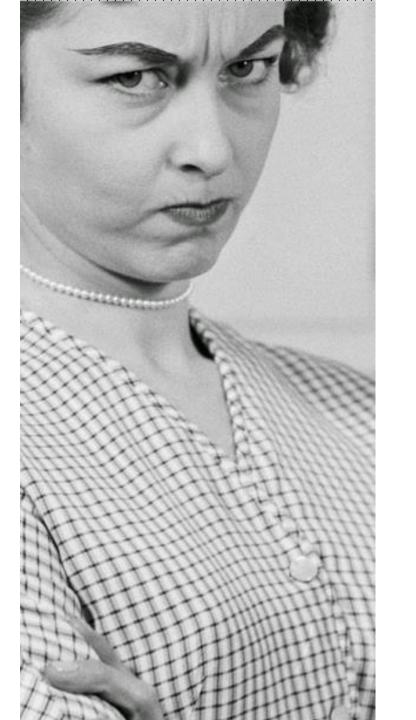




## Market Versus Social Relationships







#### Market Relationships hurt Social Relationships



Once you've offered to pay for her delightful Thanksgiving dinner, your mother-in-law will remember the incident for years to come.

- Dan Ariely, Professor of Behavioral Economics, Duke University













### Recognition Reinforces Intrinsic Labels









## Less Is More





- Always branded
- Modest value
- Otherwise unavailable









#### Faux Pas

- Offering discounts
- Using incentives (monetized gifts)
- "Only 2 days & the price goes up!"
- Get (incentive) by registering by...



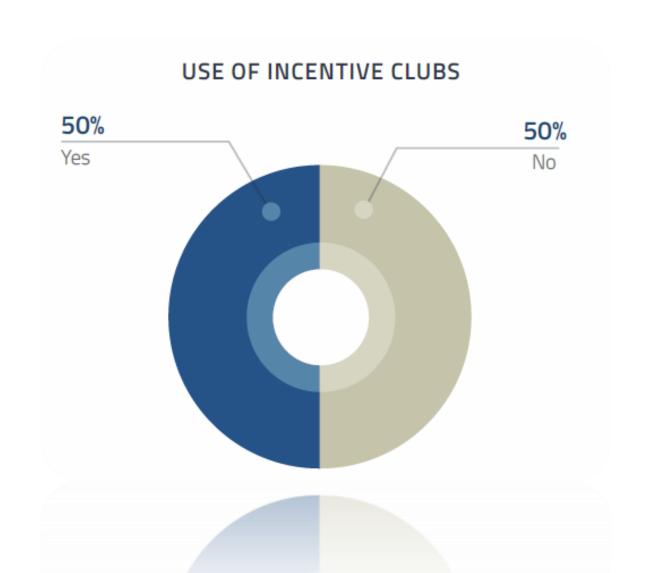
# Turnkey's Best Gift Ever



#### **Peer to Peer Fundraising Donor** Donation Donor Donation **Donor** Donor Volunteer PAC **Effort & Resources Fundraiser** Donor Donation Donation Donor Donor

| Solicitation Approaches  | Most used | Most effective |  |  |
|--|-----------|----------------|--|--|
| Online solicitations (e.g., email)   | 08%       | 52%            |  |  |
| Peer-to-peer solicitations   | 69%       | 58%            |  |  |
| Small group meetings   | 61%       | 53%            |  |  |
| Large organization event (e.g., leadership meeting or shareholder meeting) | 51%       | 23%            |  |  |
| Large group meetings   | 39%       | 9%             |  |  |
| New hire communication or orientation                                      | 38%       | 11%            |  |  |
| PAC video  | 33%       | 5%             |  |  |
| Regular staff meetings   | 28%       | 6%             |  |  |
| Fundraising events (e.g., dinner, reception, auction)                      | 27%       | 13%            |  |  |
| Phone calls  | 18%       | 6%             |  |  |
| Interoffice mail   | 18%       | 6%             |  |  |
| Mail to home address   | 12%       | 4%             |  |  |
| Other  | 3%        | 3%             |  |  |
| Mobile solicitations via text  | 0%        | 0%             |  |  |

## Only donors are recognized, not fundraisers





What are the minimum contributions required for membership at the following levels? Please answer only the options that apply to your incentive club structure (e.g., dollar amount or percentage of base pay).

|   | Min    | 25 <sup>th</sup><br>percentile | 50 <sup>th</sup><br>percentile<br>(median) | 75 <sup>th</sup><br>percentile | Max     | n= |
|---|--------|--------------------------------|--|--------------------------------|---------|----|
| Minimum annual contribution required for lowest incentive club          | \$1    | \$94                           | \$250                                      | \$500                          | \$2,000 | 70 |
| Minimum annual contribution required for highest incentive club         | \$204  | \$2,200                        | \$3,750                                    | \$5,000                        | \$5,000 | 65 |
| Minimum percentage of<br>base pay required for lowest<br>incentive club | 0.008% | 0.3%                           | 0.5%                                       | 0.8%                           | 1%      | 30 |
| Minimum percentage of base pay required for highest incentive club      | 0.015% | 1%                             | 1%   | 1%                             | 4%      | 35 |

# Key Takeaways

- Change focus to fundraiser
- Peer leverage is powerful
- Recognize, don't reward



