



Turning Annual Giving into the High-Octane Engine that Accelerates your Donor Pipeline

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Meet your Presenters



Greta Daniels, CFRE — Senior Vice President, RNL

Joined RNL in 2019 after more than 15 years of experience in development for higher education, independent schools, and healthcare at University of Pittsburgh, Point Park University, and Sewickley Academy. Currently located in the Pittsburgh area. B.A. and M.A. from New York University.



Jake Strang — Assistant Vice Chancellor for Alumni Annual Giving, University of Pittsburgh

Fundraising leader with more than 15 years of experience in development for higher education at the University of Pittsburgh, Columbia University in the City of New York, Carnegie Mellon University and RNL. Currently located in Charlotte, North Carolina. B.S. from University of South Carolina and M.S. from Columbia University.

Turn that Ignition!

1. The Scary Pipeline Realities
2. On-Campus Programs that Ignite the Spark of Philanthropy
3. Reimagining Prospect Management and Pipeline Building
4. “Plannual” Giving
5. Wrap Up and Q&A





The Scary Pipeline Realities



1

Donor Behaviors and Demographics Are Shifting

Impacting Giving Rates

67% \$374.40 billion

Giving by Individuals

↑ increased by 1.6% over 2022

19% \$103.53 billion

Giving by Foundations

↑ increased by 1.7% over 2022

8% \$42.68 billion

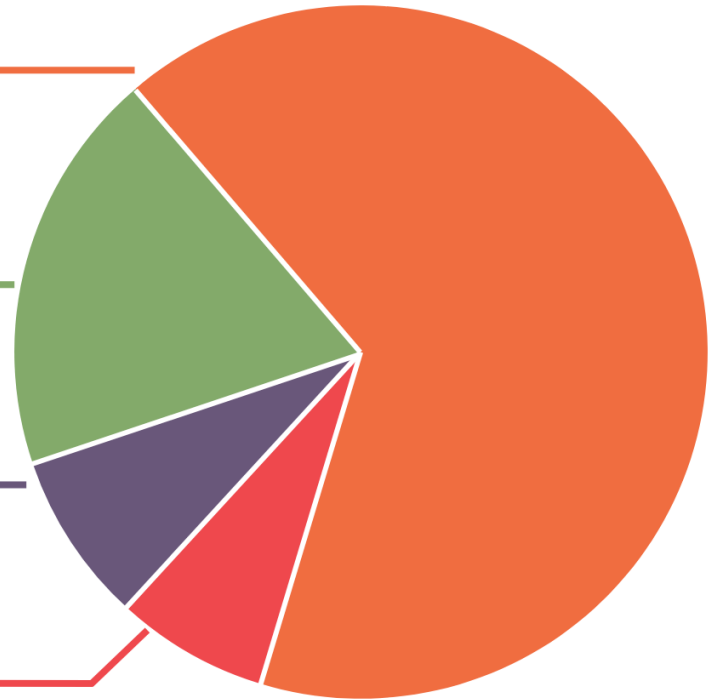
Giving by Bequest

↑ increased by 4.8% over 2022

7% \$36.55 billion

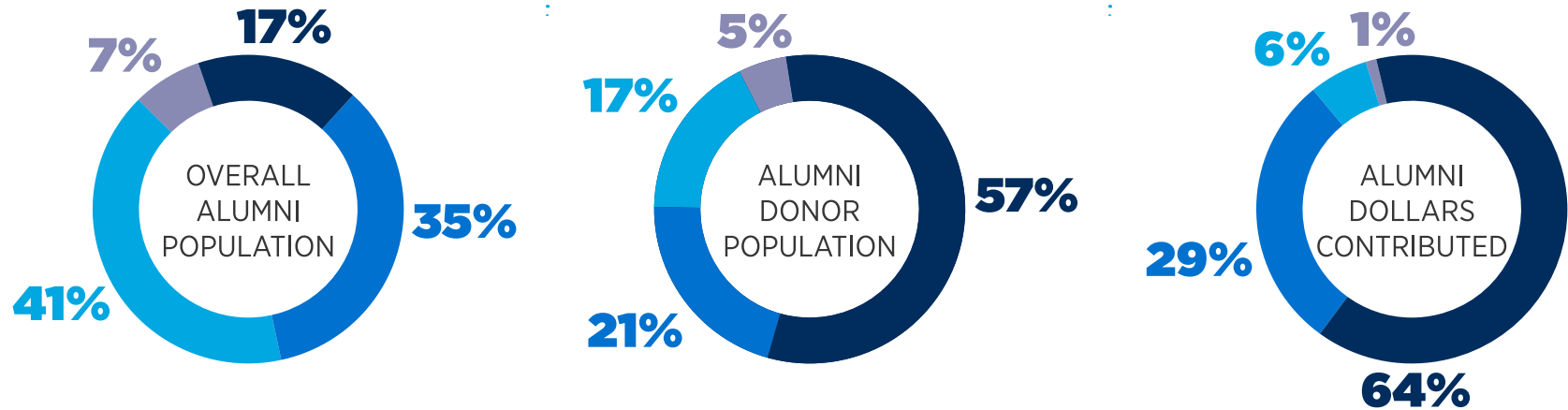
Giving by Corporations

↑ increased by 3.0% over 2022

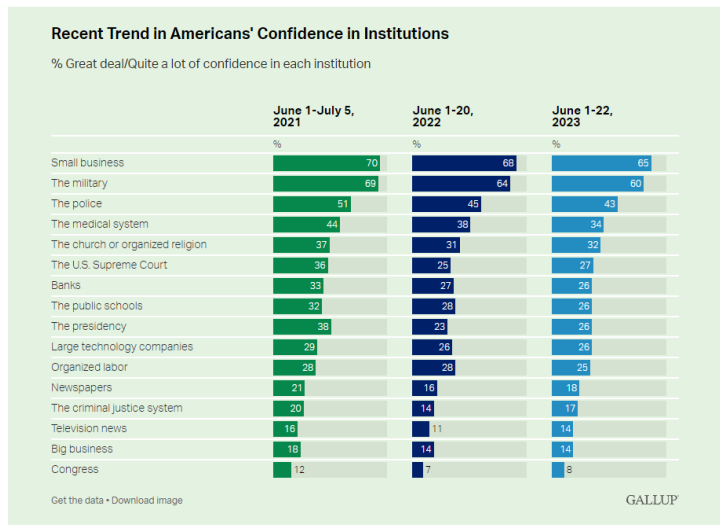


*All figures in this infographic are reported in current dollars. These numbers may differ when adjusted for inflation.

Demographic Shift - Higher education faces an alumni giving denominator challenge



Declining Alumni Giving



Confidence/trust in higher education fell from 57% in 2015 to 36% in 2023.

Gallup Education; July 11, 2023

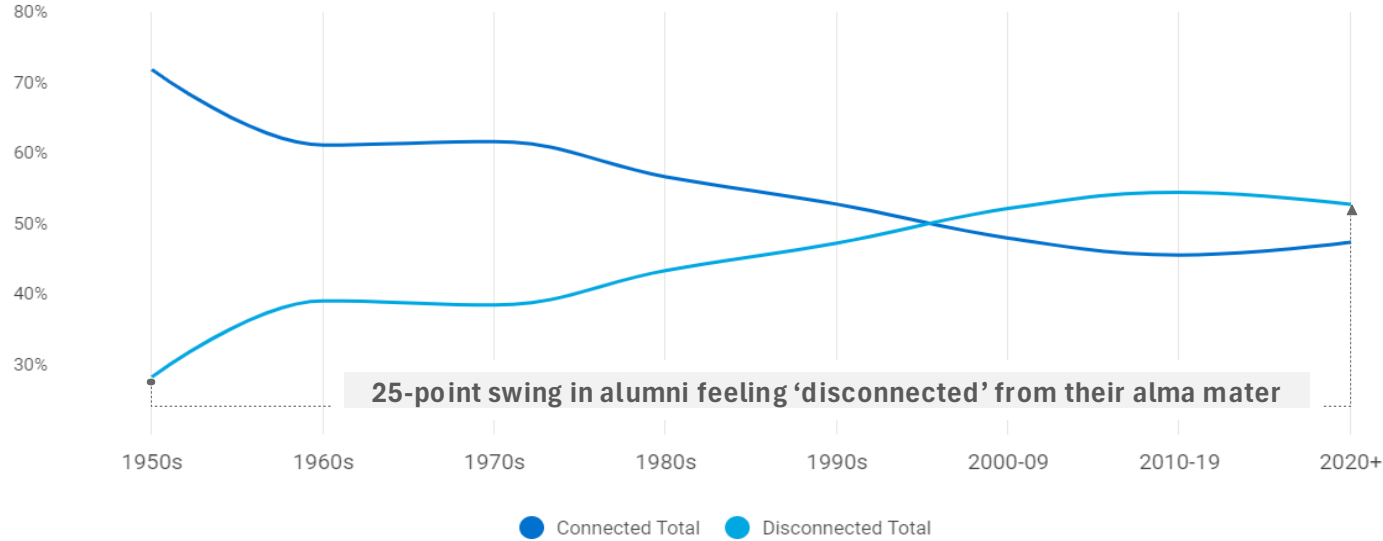
20%

Average decline in alumni donor counts since 2019.

Source: 2023 VSE

Alumni sense of current connection and satisfaction with their alma maters is on the decline.

Nearly three-quarters of alumni from the 1950s expressed a sense of current connection to their alma mater. We see an inflection point after the 1990s when alumni report feeling more disconnected than connected.



53% of recent undergrads feel disconnected from their alma mater

Satisfaction and sense of current connection influence giving.

Alumni who report being **‘very satisfied’** or **‘somewhat satisfied’** with their student experience are **four times** more likely to have donated to their alma mater in the past year.

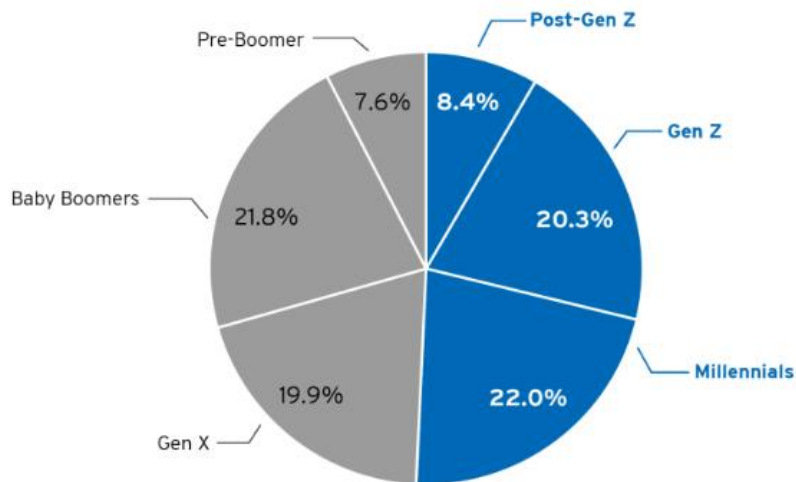
connected
alumni are
23X more
likely to
give to their
alma mater



The Growing Influence of Millennials and Gen Z

FIGURE 2

Share of US population by generation



Numbers pertain to July 1, 2019

Note: Birth years are as follows: Post Gen Z (2013+), Gen Z (1997-2012), Millennials (1981-1996), Gen X (1965-1980), Boomers (1946-1964), Pre-Boomer (1945 and earlier).

Source: William H. Frey analysis of Census Bureau population estimates released June 25, 2020.

50+%

Of Americans are
Millennial or
younger.

*Based on life expectancy
rates that number will
increase to 65% in the next
5-10 years.*

Missed Opportunities

- Millennials average net worth more than doubled during the pandemic, jumping to \$127,793 during first quarter of 2022.
- Gen Z's purchasing power is projected to represent \$33 trillion in income by 2030, surpassing millennial income in 2031.



It takes an average of 10.6 years for a donor to move from first ever gift to first gift of \$10,000.

From RNL360 benchmarking

\$38trillion

Set to be inherited
by Millennials and
Gen Z in the next 20
years.

Source: Merrill Lynch

On-Campus Programs that Ignite the Spark of Philanthropy



2

A shift toward strategic, social giving

- Grants from **donor advised funds** to qualified charities totaled an estimated \$45.74 billion in 2020, growing by 27.3 percent.
- In 2022, foundation giving was one of few methods up in *Giving USA* tracking, due largely to **DAFs and Family Foundations**.
- **Giving circles** have tripled in the last decade, and will reach 3,000+ by 2025

Sources: National Philanthropic Trust, Lily School of Philanthropy, Grapevine and Philanthropy Together.



Are you adapting to new funding sources and vehicles?

Building a Culture of Philanthropy

Panthers Forward Program

“Student debt can be an overwhelming obstacle for college graduates. Through loan forgiveness, mentoring, and financial wellness programming, we empower students to feel in control and prepared for their futures. Participants of Panthers Forward graduate from Pitt with an understanding of their financial situation, a plan for their future, and support from a powerful community.”



PanthersForward

What is Panthers Forward?

And what have we learned so far?

- Panthers Forward receives roughly 500 applications annually and selects 150 students to participate each year
- Each Participant receives up to \$5,000 in debt relief funding from Pitt as well as programmatic support and tools for future financial success.
- Panthers Forward participants are in turn encouraged to “pay it forward” after they graduate and required to participate in Pitt Day of Giving as a social ambassador.
- Over the past six years, the program has awarded nearly \$4.5 million in student debt relief, freeing participants to establish their careers, impact their communities, and forge bright futures.
- Panthers Forward “alumni” give at a rate 4X of their peers who did not participate

Giving Days are Not Gimmicks

They have a multi-layered impact

- Massive Acquisition Driver with Long Tail Impact
- Teach Philanthropic Behavior to Students and Young Alumni
 - PDoG makes fundraising and giving a “normal” behavior for Pitt students
- Build Pipeline and Engagement for Schools and Units

➤➤➤ GIVE TODAY
TRANSFORM
TOMORROW
#PittDayofGiving



What PDoG Adds Up To Seven Years In

PDoG's Influence on Pipeline and Behavior at Pitt



Pitt Day of Giving has acquired 15,092 first-time donors

Since their first gift on PDoG, these donors have now given more than \$6.3M to the institution



40% of PDoG donors are new or lapsed



32% of our annual donors to Schools/Units choose to give via PDoG (some as high as 50%!)



Young alumni who experienced 4 years of PDoG as students give at a rate 3X higher than those who did not have the same on-campus experience

Of those same students, 50% prefer to make their annual gift on Giving Day each year

Reimagining Prospect Research and Pipeline Management

3

Annual Giving Can Inform Prospect Management



Predictive Analytics: Annual giving behavior, metrics, data points are great predictors for future giving potential



Qualification: Annual giving marketing channels can/should be utilized for warming and qualifying cold major gift prospects



Engagement at Scale: Student Ambassadors, Leadership Gift officers, volunteers can support qualification and gift acceleration at scale

Tools of the trade: Digital Gift Officers at Pitt

- **Personalization is key - the goal is 1:1 relationships at scale.**
 - Organization platform/detailed spreadsheets or tasks
 - Email
 - Handwritten notes
 - Personalized videos
 - SMS
 - Phone calls
 - LinkedIn/social media
 - Scheduling tools



Personalization at Scale

*'Twas the night before finals, when all through the college
The students were studying for last minute knowledge
There were decorations all through the Cathedral of Learning
But holiday break is all anyone was yearning*

*With the twinkling of snow, campus sure does look brighter
But the students just sigh as they pull their all-nighters
Today the students might be cursing all the work they have to do,
But when all is said and done, they wouldn't be here without you.*

*The "O" Fries, Primanti's, Sweet Caroline, and Let's go Pitt
Without you, how could they truly know that **PITT** really **IS IT!**?
The generosity of your contributions are so kind and tasteful,
And despite all their stress, I know our students are so grateful.*

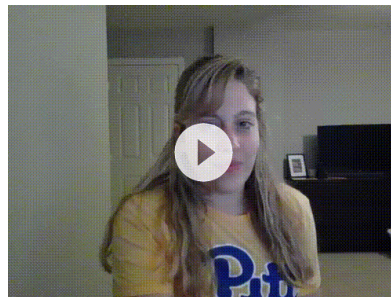
*So, though this cheesy poem might make you run,
I hope, that instead, it inspires you to give to the Pitt Fund.
You can give to the schools, to scholarships, or Heinz Chapel
With your help, there's no issue that Pitt could not tackle*

*On a credit card! On a check! On a pledge card! On-line!
Just as long as you make your donation by the deadline
If you have any questions, just give us a call
Now dash away, dash away, dash away all!*

*Remember June 30th is the end of our fiscal year
But you can donate by December 31st for your tax break, my dear!
Thank you for considering Pitt in your philanthropic sight
Happy Holidays to all, and to all a good night!*

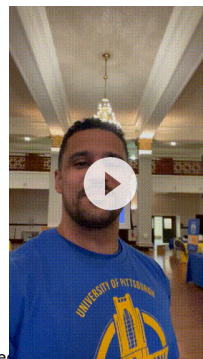
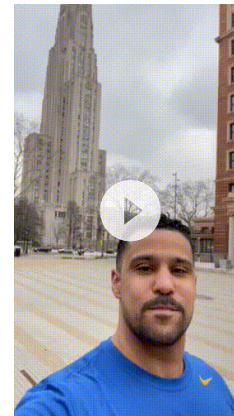
Thank you again for considering your continued loyalty and support of us here at Pitt! I hope to connect with you again soon!

H2P, Julia

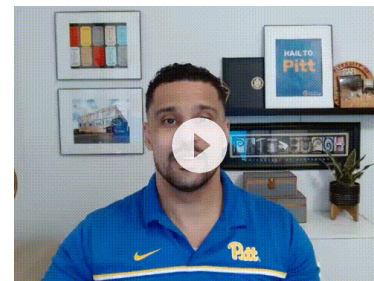


"Dear Julie I was so inspired by the trip you arranged for me. I doubled my usual contribution for 2023! H2P! Cecelia

"It is my pleasure to donate to Pitt, and I will continue to do so. Hail to Pitt!"

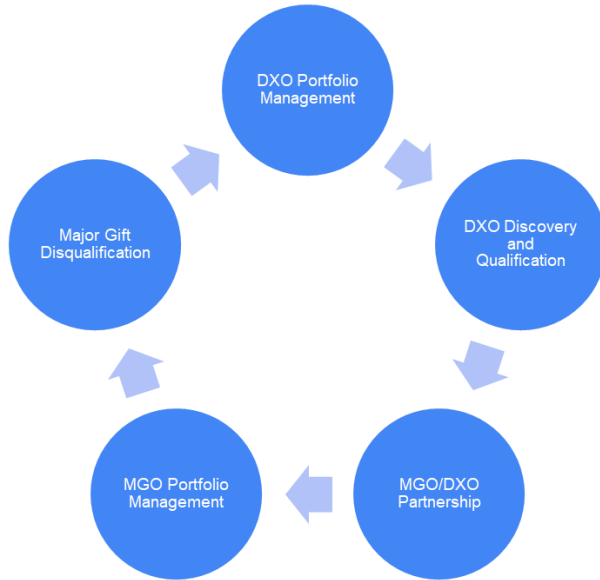


"Hey Caleb, I appreciate the birthday wishes! Thanks for thinking of me. H2P, Gordon"



"Thanks for the video. I am in the middle of a play right now. I will have time in a month or so"

Handoffs, Qualifications, Disqualifications



- **Partnership and shared credit**
- **Case-by-case basis focused on the Donor Experience**
- **Re-think traditional qualifications and disqualifications**
- **“One Day” donors within MGO Portfolios**
- **Thank U, Next: DQ vs. Remove from Portfolio**

“Plannual” Giving

4

Intersection of Annual and Planned Giving

- Different View of Life cycle of a donor
- Similarities in predictive modeling and donor characteristics making for better prospecting
 - Longevity, frequency, loyalty
- Synergies in marketing and engagement strategies



Impact of Planned Giving on Annual Giving

Source: The James Research Project

Average annual giving
BEFORE planned gift
commitment is made
= \$4,210

Average annual giving
AFTER planned gift
commitment is made
= \$7,381

Average increase of \$3,171 to annual contributions following a planned gift

Identifying Existing Estate Plans Can Move the Needle Today

- Studies show that individuals who include an institution in their estate plans will **give more** during their lifetimes to the institutions they already support
 - Average annual contribution to orgs included in estate plans: \$4,490
 - Average annual contribution to orgs NOT in estate plans: \$2,043

Source: 2007 IU Lilly School of Philanthropy Study


78%

Planned givers are also annual givers according to The Stelter Company


Operational Synergies

Marketing Strategies – Using the Annual Giving Machine to Drive Planned Giving

 Direct Mail

 Engagement Center

 Digital Advertising

 Newsletters. Magazines and Mass Communications

 Email and Digital communications

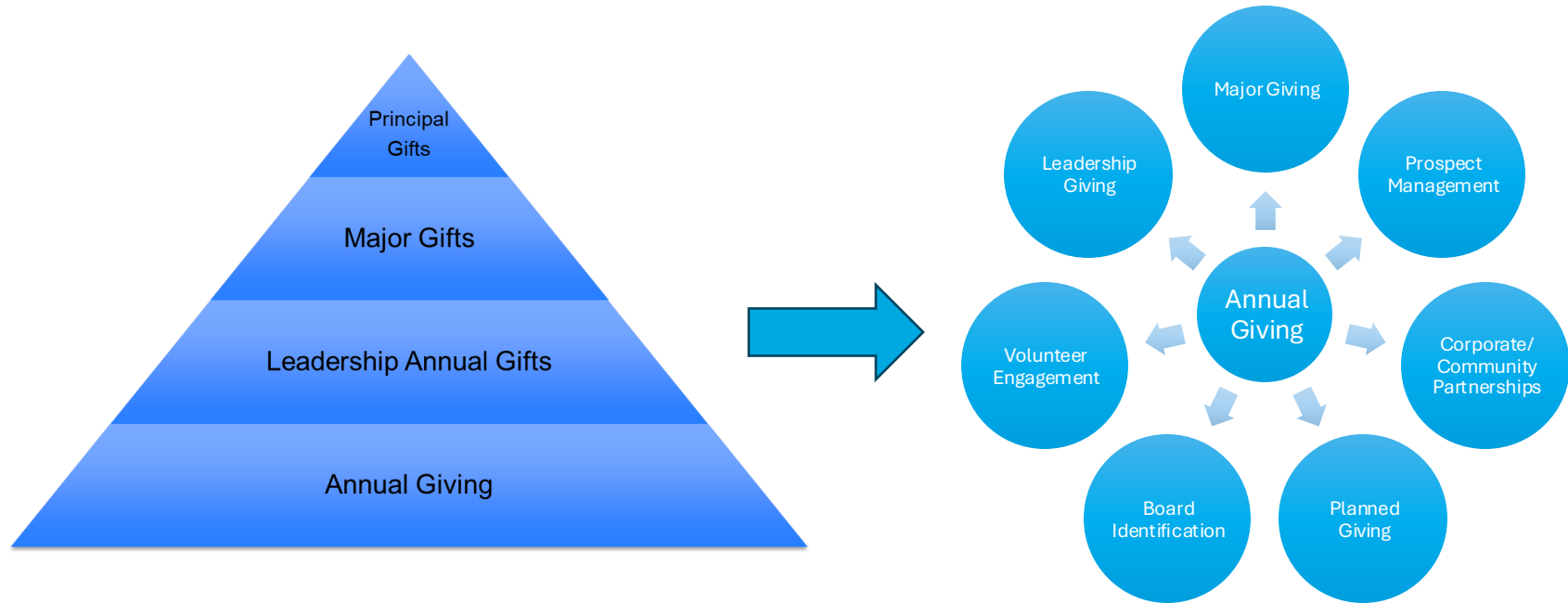
 Social Media



Pulling it All Together...

Donor Experience is not Unidirectional

So neither should our approach to donor engagement





Questions?

Thank You!



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