Thank You For Joining Us

We will begin in a few minutes
Introducing...

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Prospect Research 101

How to Find the Major Gift Donor of Your Dreams
Words of Wisdom

“To give away money is an easy matter and in anyone’s power. But to decide to whom to give it, and how large and when, and for what purpose and how, is neither in everyone’s power nor an easy matter.”

- Aristotle
Numbers Game
Source: Chronicle of Philanthropy; study by MarketSmart, Melissa Brown

• 37% of nonprofits have a consistent major gift development program to help identify and cultivate wealthy donors
  – ~75% reach their fundraising goal year-over-year

• 39% of nonprofits have programs in place but don’t use them
  – 39% reach their fundraising goal year-over-year
  – Lack of time, staff (54%)
  – Lack of board members’ help (47%)
  – Difficulty identifying gift opportunities to match donor interests (41%)

• ~25% of nonprofits have no major gift program
  – 43% reach their fundraising goal year-over-year
  – Why?
    – Insufficient fundraising efforts; insufficient reporting
    – Focus on maintaining status quo rather than sustainable growth
Key Takeaways

• Major gift programs deliver big results
• Finding donors with money, philanthropic personality, and interest in your specific cause can be very difficult
• “If you’re not growing, you’re shrinking”
• How do you find donors?
Agenda

• What is prospect research?
• Why is prospect research necessary for nonprofits like YWCA?
• iWave + Prospect Research Online (PRO)
• PAC Trio – The three questions you need to answer
  – Propensity to Give
  – Affinity to Your Cause
  – Capacity to Give
• Finding the answers in PRO (Alex demonstration)
• Wealth/Prospect Screening
  – What is it and why is it necessary?
  – How to run a PROscreen (Alex demonstration)
• Questions
The State of Philanthropy

• Nonprofit sector is growing (20% vs. 3% for-profit in past 10 years)
• “Competition” (and not just in your category)
• Need for “fundraising intelligence”
  - Focus on best prospects
  - Use data to provide context in donor relationships
  - Informed, evidence-based major gift asks
  - Prospect research
Prospect Research

Prospect research is the collection, analysis, and integration of public data (wealth, charitable giving, biographic, etc.) into a nonprofit’s fundraising efforts with the purpose of securing more major gift donations. This data informs:

- Which gift prospects have the most potential to give
- The size of the donation(s) a particular prospect can contribute
- How to manage relationships with prospects and current donors:
  - Wealth
  - Connection to your cause
  - Personal circumstances affecting time/ability to give
  - Opportunities to bring donors on as board members, volunteers, or to help identify new potential donors
Why is Prospect Research Necessary?

• Nonprofits more reliant on external funding than ever before
• Limited resources (staff, time, budget)
• Ambitious fundraising goals (focus on growth, helping more people)
• Donations don’t fall from the sky – days, weeks, months of work
• Relationships
THE PROSPECT DEVELOPMENT PIPELINE

SCREENING
IDENTIFICATION
Find new individuals who have potential to give

INITIAL RESEARCH
QUALIFICATION
Evaluate ability and likelihood to give to your organization

IN-DEPTH RESEARCH
DISCOVERY
Initial research of interests, financial capacity, and inclination to give

IN-DEPTH RESEARCH
CULTIVATION
In-depth research, engage the prospect and build relationships

IN-DEPTH RESEARCH
SOLICITATION
Make the right ask

IN-DEPTH RESEARCH
STEWARDSHIP
Recognize and continue to engage donors
25 Years of Evolution & Innovation

1991
Directory/Catalogue
Distributed as Rainforest Publications (16 editions)

1995
Directory/CD-ROM
Distributed electronically on CD-ROM

1996
PRO 1.0 Launched
As an internet based solution with searchable lists.

2003
PRO 2.0 Launched
First external data provided by Foundation Finder & Who's Who

2005
PRO Platinum Launched
Added Prospects of Wealth, Zoominfo, NOZA & Infinata

2009
PRO Re-Launched
Added Real Estate (2011) & Screening (2012)

2013
PRO 3.0 Launched
All data moved in-house with complete integration, 360 Search, 360 Alerts & PROfiles

2015
Verigift & PROscore
Product line expands to include Verigift.

2016
PROscreen Launch
Added: Affinity/Propensity/Capacity Screening Features of ReSci Thomson Reuters Wealth Data
<table>
<thead>
<tr>
<th>INFORMATION TYPE</th>
<th>PROVIDER</th>
<th>DESCRIPTION</th>
<th>SAMPLE RESULTS: JOEL TOLVA*</th>
</tr>
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<tbody>
<tr>
<td>Ratings &amp; Scores</td>
<td>PROSCORE</td>
<td>Rate your prospect's Propensity, Affinity and Capacity with PROscore.</td>
<td><img src="image" alt="PROSCORE" /></td>
</tr>
</tbody>
</table>
| Biographical Information | zoominfo           | Contact information, alma mater, board affiliations, employment records and personal interests. | President, PositivEnergy Practice LLC  
Phone: (312) 374-9200  
Education: 2 Masters Degrees - WU & GT |
| Charitable Giving History| VeriGift            | The fastest growing and most up-to-date database of charitable gifts donations in the industry. | Two gifts on record to:  
Arts and Human Services Orgs  
totaling $1600 |
| Officers and Directors Info | THOMSON REUTERS    | US, Canadian, and International Executive profiles with compensation, education, age, and comprehensive biographies | Compensation = $1,435,323  
Education = Duke University, Bachelor of Arts  
Age = 64 |
| Relationship Data        | RELSCI              | Leverage an organization's relationship capital to find ways to connect to influential decision makers | Top Relationships: Jane Thomas, Board Member at Smith Foundation  
Robert Johnson, Partner at Venture Inc. |
| Executive & Company Info | dun & bradstreet    | US, Canadian, and International information on corporate executives and the publicly/privately owned businesses they work for. | President, PositivEnergy Practice LLC  
$50B revenue, 100,000 employees  
Email: joel@positiven.com |
| Prospects of Wealth      | LARKSPUR DATA       | Search high net worth individuals by income, location, age, and more.       | Est. Net Worth = $500-990k  
Income = $100-150k  
Age: 40-44 |
| Real Estate Information  | CoreLogic           | US - Largest database of residential & commercial US real estate records. Canada - property value estimates based on postal code. | Home: 18 Henderson St, Chicago, IL 60657  
Current Value: $990K (Mortgage of $650K)  
Banff Condo, T1L 1C3: Est. value $1.2M |
| Foundations & Public Charities | GUIDESTAR         | The most comprehensive source of foundation and public charity information available. | Trustee: Chicago Architecture Foundation, 2009 |
| Political Contributions  | Federal Election Commission | Political contributions can be a key indicator of philanthropic inclination. | $250 to Democrat: Hoffman, 2009 |
| Insider Filings          | THOMSON REUTERS     | US, Canadian and International daily insider transactions and security ownership information | Most Recent: Disposed of Common Stock $453,156 on 2015-05-10 |
| Matching Gifts           | GiftCorporations    | Search companies that match employee gifts to nonprofit organizations.      | Employer will match gifts up to $1000.  
*Fictitious Prospect
Three Questions

• “Does this prospect have a history of giving?”
• “Does this prospect have a connection to my cause?”
• “Does this prospect have enough wealth to contribute a major gift?”
The PAC Trio

**Propensity**
Philanthropic and passionate, but may not have money to give.

**Affinity**
Passionate and wealthy, but does not have a history of philanthropy or volunteering.

**Capacity**
Philanthropic and wealthy, but may not be passionate about your cause.

**The Sweet Spot:** A holistic understanding of your potential donor.

Fundraising Intelligence
Propensity to Give

• Inclination to give to charity
• “Does this prospect have a history of giving?”
• Donations of money, time, experience
• Giving history
  – Charitable giving
  – Foundation giving
  – Political giving
Affinity

“YWCA IS DEDICATED TO ELIMINATING RACISM, EMPOWERING WOMEN AND PROMOTING PEACE, JUSTICE, FREEDOM AND DIGNITY FOR ALL.”

- YWCA GENERAL ASSEMBLY, 2009

- Linkage to your cause
- “Does our prospect have a strong connection with our mission?”
- Personal connection to cause(s)
- Belief system
- Giving history
SOLUTION: VERIGIFT

• Created by iWave in 2015
• 130+ million gift records (1.5 million added each month)
• Gift amount, type, etc.
• Gifts going back 20+ years
• Verified at the source (Form 990s, annual reports, etc.)
Capacity

- “Does this prospect have enough wealth to contribute a major gift?”
- Real estate
- Stock holdings
- Assets/wealth indicators
- Corporate/salary information
- Corporate gift matching
- Giving history
  - Amount, type, cadence of gifts
PROSPECT SCREENING
Every year, 25% of the data in your donor database goes “stale.”
- Out of date biographic information
- Changing personal circumstances
- Shifting liquidity
- New charitable, foundation, or political gifts
90% of major gifts from the top 15% of your donors.
Prospect Screening

- Focus on all aspects of an ideal donor (more than wealth)
- Upload list of potential donors
- iWave’s PROscreen sifts through the data automatically
- You get a prioritized list of prospects with ratings/scores
- Customize the settings that make up the scores
- See the records that were used in the screen
Benefits

• Work through hundreds/thousands of names quickly
• Customize settings to your unique fundraising goals
• Internal and external data
• Refresh, rescore, and re-screen
• Prioritize prospects – starting point for deep dive
Closing Thoughts

- Organizations who leverage prospect research tend to be more successful
- Prospect research tools exist that bring data to one place
- Screens and scores help you prioritize which prospects to focus on first
- Need to get the big picture of your prospects:
  - Propensity to Give
  - Affinity to Your Cause
  - Capacity to Give
- Knowledge/context to build lasting relationships
- More donations, more support = ability to help more people
Thank You!

Questions?

For more information or to see PRO in action, please contact:

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alex.quinn@iwave.com