

PROSPECT PROFILING: Knowing Your Donors

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GOALS AND PURPOSES

- CULTIVATION STRATEGY

To establish the best possible strategy for cultivating the philanthropic support of a prospect, by understanding as much as possible about their capacity, interest and affinity with your institution.

- PROSPECT/DONOR MEETINGS

To prepare for a cultivation / solicitation / stewardship meeting with a prospect or donor, so that you make the best possible use of the time you get with them.

OBJECTIVES – “C-I-A”

To collect, organize, and present information on a prospects:

- **CAPACITY** – The amount of money a prospect is likely able to give. How wealthy are they, and what amount of that wealth are they likely to direct to philanthropic giving?
- **INTEREST** – The areas or subjects a prospect is most likely to want to support. What matters to them, and what are they passionate about supporting?
- **AFFINITY** – The degree of affiliation and affection the prospect feels for an institution. What history and connections do they have with us?

CATEGORIES OF INFORMATION

Establish a template and set a standardized format that includes:

- Name, Title, Contact Information
- Affinity – Alumni Status (or Patient History), Student Activities, Prior Giving, Volunteer Positions, Awards, Relationships with Faculty/Staff/Institutional Leaders
- Career History
- Wealth Indicators
- Community Affiliations – Volunteer Positions
- Prior Philanthropic Giving
- Family – Spouse, Children, Parents, Siblings, etc.
- Friends and Business Associates – Peer Solicitors
- Personal Interests and Final Notes

SOURCES OF INFORMATION

- DIRECTORIES –
Canadian Who's Who (www.utpress.utoronto.ca/cww/index.html) Directory of Directors (www.owen-media.com/directoryofdirectors/)
Canadian Business Resource (www.cbr.ca)
Dun & Bradstreet / Hoovers (www.dnb.ca)
- NEWSPAPER DATABASES –
Dow Jones - Factiva (factiva.com)
Micromedia ProQuest (http://www.proquest.com/en-US/products/brands/pl_mm.shtml)
- INTERNET SEARCHING –
Google (www.google.ca)
'Deep Web' Searching (www.cvgadget.com; www.pipl.com)

SOURCES OF INFORMATION

- FOUNDATION SOURCES –
CCP Online Directory to Foundations and Corporations (www.imaginecanada.ca)
Revenue Canada Foundation Database (www.cra-arc.gc.ca/tx/chrts/menu-eng.html)
- COMMERCIAL PROSPECT RESEARCH SERVICES –
Prospect Research Online (www.iwave.com)
BIG Online/FoundationSearch (www.bigdatabase.ca; www.foundationsearch.ca)
- PAPER RESOURCES –
Newspapers, Magazines, Charity Publications

WEALTH INDICATORS

The most challenging aspect of prospect profiling in Canada

Commonly used resources include:

- SEDAR (www.sedar.com) and SEDI (www.sedi.ca)
- Private Company Valuation (www.blackbaud.com/files/resources/downloads/WhitePaper_PrivateCompanyValuation.pdf)
- Real Estate (www.mpac.ca)
- Salary Surveys (salary.monster.ca)
- Demographic Screening – PRIZM (www.vironicsanalytics.ca)

WEALTH INDICATORS

OTHER CONSIDERATIONS:

- Prior Philanthropic Giving as a Wealth Indicator
- Anecdotal Information
- Gauging the Impact of the Recession

CAPACITY RATINGS

- Gift Capacity Ratings are best done with as much information on an individual's net worth as possible, which isn't always possible in Canada – as such, the best we can often provide is an estimate, rather than a proper rating
- Bank of America 2008 Study of High Net Worth Philanthropy - high net worth households gave 9 percent of their income to charity in 2007, up from 7.4% in 2005
- I use an estimate of 5-10% of net worth as a general guide to estimate total lifetime philanthropic giving capacity, adjusted by degree of affinity

CLOSING THE LOOP

- Post-Meeting Debriefings

The best information often comes straight from the prospect themselves. Debriefing with a fundraising officer after an introductory meeting is essential, to:

- uncover new 'leads' and avenues of research
- confirm the prospects affinity and interests, and modify cultivation strategy accordingly

SPECIAL CONSIDERATIONS

- Executive Summaries?
- Evaluating Sources of Information
- Knowing When to Stop
- Privacy Issues
- Donor Transparency

QUESTIONS?

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