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Nonprofit Strategies



SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION

How to handle a light giving season

By Barry VanderKelen

The months of November and December are commonly referred to as the “giving season” because many people make their charitable donations during the holidays that come at the end of the calendar year.

Many nonprofits derive half or more of their donated income during this period. This year, however, all signs point to a challenging giving season.

Yet with some planning, nonprofits may be able to minimize the forecasted drop in giving this fall.

Consumer confidence, as measured by The Conference Board, is at its lowest level since the depth of the recession in April 2009.

The index is about half of what

it was just before the recession began. When confidence is low, donors are more inclined to keep their money rather than give it to others; this is true for annual donations which are made out of personal income.

As for major gifts, the instability in stock markets suggests that the number and size of major donations as well as gifts for buildings and endowments will be lower this year.

It is essential that your organization is seen as playing a vital role in the community; donors want to know your organization’s mission and the impact of its work.

Many donors will be reducing the number of nonprofits they support.

Almost all donors who are pulling back consider it to be a

temporary decrease.

Showing loyalty to them will result in renewed loyalty to your organization when the economy gets stronger.

Some organizations are sending their direct mail solicitations earlier this year and are adding a telephone follow-up.

One technique is to segregate your most loyal donors and make sure staff or board members visit these people.

While it costs more to add outreach by telephone or visit, the more personalized the approach the higher the return on investment.

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Resource Use

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of *The Tribune*

Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes a bi-weekly column to help strengthen nonprofit organizations in the community. See www.slocf.org.

The Tribune publishes the column every other week in the Business section.

Each column is reprinted as a one-page handout for use by local organizations. Barry can be reached at 543-2323 or by e-mail at barry@slocf.org.