

Book Review

Donor Cultivation and the Donor Lifecycle Map

A New Framework for Fundraising

Why Some Companies Make the Leap ... and Others Don't

By: Deborah Kaplan Polivy

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Reviewed by: Marc A. Hardy

The University of Notre Dame

In her introduction to *Donor Cultivation and the Donor Lifecycle Map: a New Framework for Fundraising*, author Deborah Kaplan Polivy states that her frustrating experiences with nonprofit organizations and their shortsighted approach to fundraising led her to write this book. In her role as a consultant, she witnessed many panicked attempts to raise money without having cultivated a donor base or at least having cultivated it poorly. Polivy draws a distinction between “development” and “fundraising,” stating that development includes donor cultivation which is an ongoing process that engages donors and deepens their philanthropic commitment to the organization. Fundraising, on the other hand, is the result of that cultivation and development. Her intent is to combine her consulting experience with the *Donor Lifecycle Map* created by Sarah Clifton to create a “conceptual framework for donor development.” In fact, so much emphasis is placed on this map that it becomes the spine of the book, and it’s surprising that Clifton is not listed as a coauthor.

This book might be useful to someone in the beginning stages of a development career so he or she can understand the importance of the role of a support person. It could also serve as a reminder to development leaders and board members that building a philanthropic minded donor base is a marathon, not a sprint, and it takes years of dedication to the details for a small donor to blossom into a big donor. As far as its use in a course on fund development, it might also be useful there for the same reasons.

The book consists of 11 chapters, and in Chapter 1 she advances her belief that nonprofit organizations are almost exclusively focused on the capital campaign or the annual fund drive. They do not recognize the importance of maintaining consistent communications with the donor that would offer additional giving activities that could build a deep relationship and ultimately result in a significant major or planned gift. Polivy cites Sarah Clifton’s donor lifecycle progression as first gift, second gift, second-year active with donors of similar interest and commitment, multiyear active, major or stretch giving, and finally, ultimate giving (planned gift, major gift, or bequest). Polivy believes that the multiyear donor who gives small amounts is often taken for granted

while the major gift donors are heavily courted. She outlines the three goals of cultivation: to increase (1) the number of donors, (2) the size of their gifts and (3) the number of donation opportunities. Clifton holds that the standard donor pyramid doesn't work, because it doesn't take into account this cycle of giving. The flaw in this assertion is that the giving pyramid is not designed to be a donor cultivation model; it is used primarily as a planning model for campaigns. The donors who are identified in the pyramid model will naturally be at different stages of the donor lifecycle, so the two are actually complimentary.

Polivy's claim in Chapter 2 that donor diversity is an important issue is not a new one, and she claims that the use of the donor lifecycle map can help ensure that an organization does not become dependent on one particular funder, as well as be at the mercy of one particular donor or a small group of donors. She uses Eli Broad as an example of a philanthropist who wields too much power over arts groups because there is not a diverse (or large) pool of donors to the arts. While her assertion that relying on only a few funding sources is not healthy is true, she seems to assume that this lack of diversity is due primarily to a failure of nonprofits to cultivate new donors, and not the fact that there are a limited number of donors with the potential giving power of Eli Broad. However, her point that too many nonprofits are overreliant on government and foundation sources while the largest share of giving is from individuals who need to be cultivated should not be argued.

"Building a Foundation" is the title of Chapter 3, and it includes the necessary nod to building a case statement that evolves from the mission statement. Another fundraiser is also quoted as saying that making the case is not about meeting the organization's needs, but the organization meeting the needs of society. The narrative discusses a change in the way public television stations made their cases to donors, and how they had shifted their focus to emphasizing how the stations' broadcasts impacted the local community. While much success was claimed with this change, there was no example of how the television station made that case or what kind of measurements it used to show social impact. As the author of this review knows from personal experience, Neilson ratings show viewership but do not reflect social impact, and many funders are reluctant to give funds to public radio and television for that reason. Probably the most important point made in this section is that excellent back-room support operations are absolutely crucial to creating a donor cultivation program that takes a donor from first-time contribution to a planned gift during his or her lifetime. Making an error on a donor thank-you letter, or neglecting to communicate with new first-time donors is a sure way to guarantee that they never get beyond being a one-time contributor.

Chapter 4 offers a list of "personal" donor cultivation tools that almost any nonprofit could adapt for its own use. In this reviewer's opinion, it covers the usual things that a top development officer should do but sometimes forgets. The suggestions to cultivate donors are to schedule face-to-face meetings, thank them immediately, call them (especially when they have increased their donation), invite them to serve as a volunteer (which often leads to more and larger donations), interview them for a feasibility study, and donor recognition, to name a few. Polivy also goes into detail about how to use each of these tools, which is especially helpful to the novice fundraiser. However, there is not much new here for the experienced fund development person, although being reminded of the best practices will hopefully encourage the seasoned profes-

sional to “get back to basics.” Chapter 5 offers up a list of nonpersonal tools, such as newsletters, reports, events, social media and radio, television, and newspapers. These are really educational communications tools that also serve as marketing vehicles, and combined with the personal tools they help attract new donors, broaden the potential donor base, and deepen the commitment of the current donor.

How to integrate these donor cultivation tools with the donor lifecycle map is the subject of Chapter 6, and the breakdown is fairly easy to understand and implement. Polivy highlights each stage of the map and accompanies each stage with a list of the appropriate donor cultivation tools. Startline with the first-time donor, she lists tools such as newsletters, social media, personal letter, and annual report on the Internet. At the end of the map, the tools used for ultimate or planned gifts would include special recognition, site visits, special donor events and personal visits. She clearly shows an increase in the type and frequency of using those tools as a donor moves through the lifecycle.

Polivy challenges our perceptions of top potential donors in Chapter 7 by pointing out that many organizations are cultivating younger audiences because they understand the importance of donor cultivations over time. People are also starting to retire early with substantial wealth in their 40s, 50s, and 60s, so only targeting those who are in their twilight years may not be a solid strategy. She also states that our focus on wealthy men does not reflect reality as a large number of substantial bequests come from wealthy women who are widowed and have no children. Additionally, 50% of business owners are women and there is a tremendous potential for philanthropy.

By her own admission, the donor cultivation system that Polivy proposes is not an easy one. It takes long-term thinking, significant planning, a commitment of appropriate resources, and the patience to suffer delayed gratitude and reap the rewards of increased major gifts and bequests. In today’s pressure-cooker environment, short-term thinking often prevails, and the initiative could get sidelined by those who have a difficult time embracing change. She points out that the organization’s culture can also present obstacles; however, that culture is dictated by the CEO, other organization leaders, and the board. In Chapter 8, Polivy puts most of the onus of the responsibility of leading this change on the CEO, stating that he or she is the person responsible for implementation of internal operations. Yet without the support of the board, launching such a capital intensive initiative would be very difficult if not impossible. In order to actually implement the donor cultivation program she proposes, it would seem that an organization would have to be in a good financial position in the first place so that the possibility of derailment of its long-term strategy is significantly reduced. Even though Polivy’s model is solid in theory, in practice it is problematic, especially for nonprofit organizations that are struggling financially, and in the current economic climate, most are.

The case study that makes up Chapter 9 is really more of an interview with public television executive Robert Altman about his strategy to increase his station’s share of major gifts from donors. Altman makes the point that public television has historically been thought of as a distributor of programming, and the station needed to better connect with the community. He mentioned focusing on the impact of the station on its viewers and how the organization’s mission statement had been changed to incorporate sensitivity toward diversity and used words such as “enrich,” “empower,” and “advance.”

However, there is no mention as to how that mission statement was converted into action, such as producing more local content or having more community affairs programming. It seems that in order to make a case to a donor, specific actions need to be identified and some kind of measurement tool developed to measure the station's positive impact on the community. Even Altman claims that the results of his efforts have not been dramatic and that as the CEO he needs to be patient. So it is unclear what point this case study/interview was attempting to make.

The creator of the *Donor Cultivation Map*, Sarah Clifton, actually writes Chapter 10. Her suggestions about how to re-engage lapsed donors are interesting and cover the drivers of donor loyalty (service quality, risk, trust, shared beliefs, learning, personal links and multiple engagements). She then expresses her belief of the three reasons donors stop giving: decreased financial status, the failure of the organization to address a donor's complaint or to recognize the donor, and competition from other causes more important to the donor. She asserts that the first action is to contact the donor and ask him or her directly why he or she stopped giving, then address the issue and correct it if possible. Clifton classifies lapsed donors in three areas: lapsing, inactive (for two to three years) and deep lapsed (three to five years), and stoppers (regular givers who suddenly stop consistent giving). She then refers back to Polivy's Chapters 4 and 5 that outline nonpersonal and personal tools that can be used to revive these lapsed donors.

In the final chapter, Polivy reiterates what she has covered in the book, again using the Donor Lifecycle Map developed by Clifton as the centerpiece of her "operational framework for total financial resource development." Polivy basically takes the best practices of donor stewardship and places them at strategic points in the lifecycle map, asserting that the appropriate stewardship at the right time in a donor's life is crucial. And although she attempts to distinguish between the lifecycle map and the giving pyramid, the similarities are there. She simply gives us another way to think about how to transition the first-time donor into a giver of an ultimate gift. Even she admits that this is a long-term strategy and that measurable results should not be expected for at least three years.

While, in my opinion, much of what Polivy writes is not original, it should certainly ring true to anyone who works in the development space. The real question is this: Even if we intellectually know that these cultivation practices work, do we really apply them in our fundraising efforts? Although there is not much new here, the book's real value is that it is a reminder that if we want our organization's fundraising efforts to yield more donors and increasingly generous donations, we need to consistently use the cultivation tools she suggests consistently. It is also a reminder that fundraising and donor development are long-term propositions that should be an integral part of any long-term strategic plan and should be budgeted for accordingly.