



Advancement Leaders Speak 2018

The Future of Higher Education
Fundraising Campaigns



FUNDRAISING



Based on a survey of 600 advancement professionals nationwide serving higher education and charitable organizations along with review of publicly available campaign data

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SOURCE OF DATA

598 GIVING PROFESSIONALS SURVEYED ONLINE IN DECEMBER 2017

10
AVERAGE
YEARS IN
ADVANCEMENT

1-40
YEARS
RANGE

2
AVERAGE NUMBER
OF CAMPAIGNS
DURING CAREER

0-10
CAMPAIGNS
RANGE



PROFILE OF ORGANIZATIONS



49%
PUBLIC HIGHER
EDUCATION
(Enrollment: 72% 10,000+
| 16% 5,000+ | 11% <5,000)

42%
PRIVATE HIGHER
EDUCATION
(Enrollment: 14% 10,000+
| 16% 5,000+ | 70% <5,000)

9%
OTHER CHARITABLE
ORGANIZATIONS
(primarily fraternity/sorority organizations and
medium-sized nonprofit organizations)
(Employees: 38% 100+ | 34% <100 | 18% other)

Findings also based on additional public sources. See page 11 for details on these sources, participant titles, and methodology.

WHAT'S WORKING TODAY IN CAMPAIGNS ACCORDING TO FUNDRAISERS?

In the past few years, we've seen record-setting campaigns at both public and private colleges and universities. Campaigns receiving \$1 billion or more in support have become more common. How has this increase (and expectation of) historic campaign results impacted fundraisers?

This report examines trends and priorities in higher education's largest fundraising endeavors. We combined the opinions of more than 600 fundraisers with industry trend data and observation of mega-campaigns to find out how campaigns are changing and what fundraisers are doing to better connect with donors during campaigns.

We found that the “perpetual campaign” is a reality for today's advancement professionals. Campaign timelines are growing, and preparation for the next campaign happens right after—or even before—the current campaign completes.

We heard from fundraisers that campaigns are encompassing more types of giving than in the past, with pushes for current-use dollars and for new donors becoming more common. Fundraisers are also turning to new channels to contact donors.

This means that gift officer outreach, while still the primary method of seeking major and planned gifts, is not alone as a primary campaign activity. Fundraisers have strong interest in campaign analytics and monitoring of appeals. They also want more monitoring and enhancement of gift officer productivity.

Campaign fatigue, providing a strong donor experience, and engaging the entire campus are also key priorities for fundraisers. Knowing that they will return to a campaign after only a short period of stewardship means fundraisers are keen to preserve donor relationships.

Fundraisers also confess that large campaigns have an opportunity cost—other priorities may be ignored during campaigns.

This research shows that emerging technology, digital outreach, and productivity tools are changing the nature of campaign management and will play a key role in the future success of these transformational events.

“ I think small colleges should always be in campaign mode. What do we do differently on the last day of the campaign from the day a year later? Nothing. ”

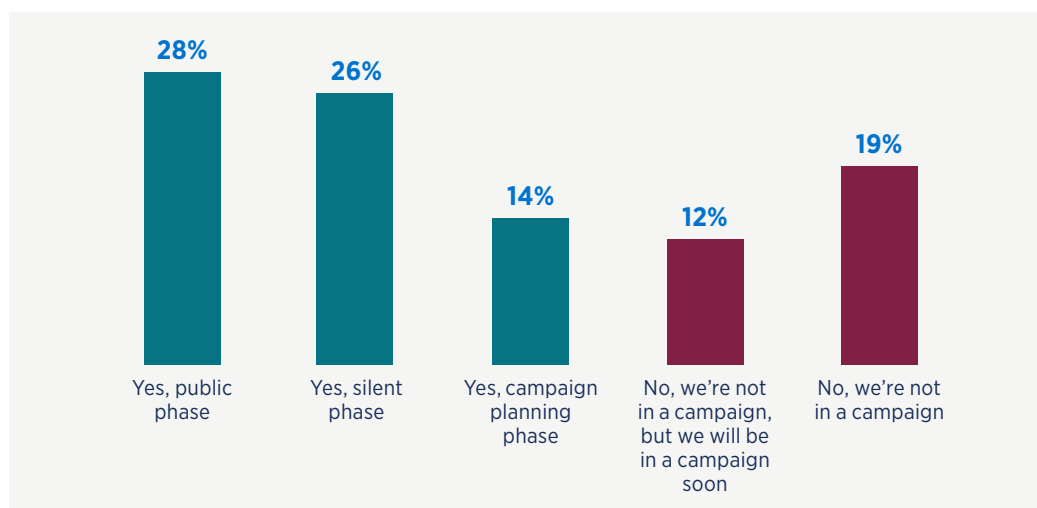
—Advancement leader, smaller private college

1

PERPETUAL CAMPAIGNS ARE THE NORM, AND EXPECTATIONS ARE RISING

“We’re always in a campaign, or about to start one.”

Are you currently in a campaign with your current institution?



81% OF FUNDRAISERS SAY THAT THEY ARE EITHER IN A CAMPAIGN NOW OR ABOUT TO ENTER ONE.

For how many years, from start of silent phase to completion, do you think a higher education campaign should last?

5 YEARS
AVERAGE RESPONSE

1-10 YEARS
RANGE

Fueled by a strong economy, the generational wealth transfer, and increased institutional budget pressures, campaign goals are rising. Campaigns are getting longer, despite a high number of fundraisers feeling they should be shorter.



FUNDRAISER INSIGHTS:

The median campaign goal for a doctoral institution is now \$1 billion, according to CASE. Campaigns of \$1 billion or more have a median length of 95 months, and less than one-third of campaigns have yet to reach 40 percent when they publicly announce. Campaign durations continue to increase.*

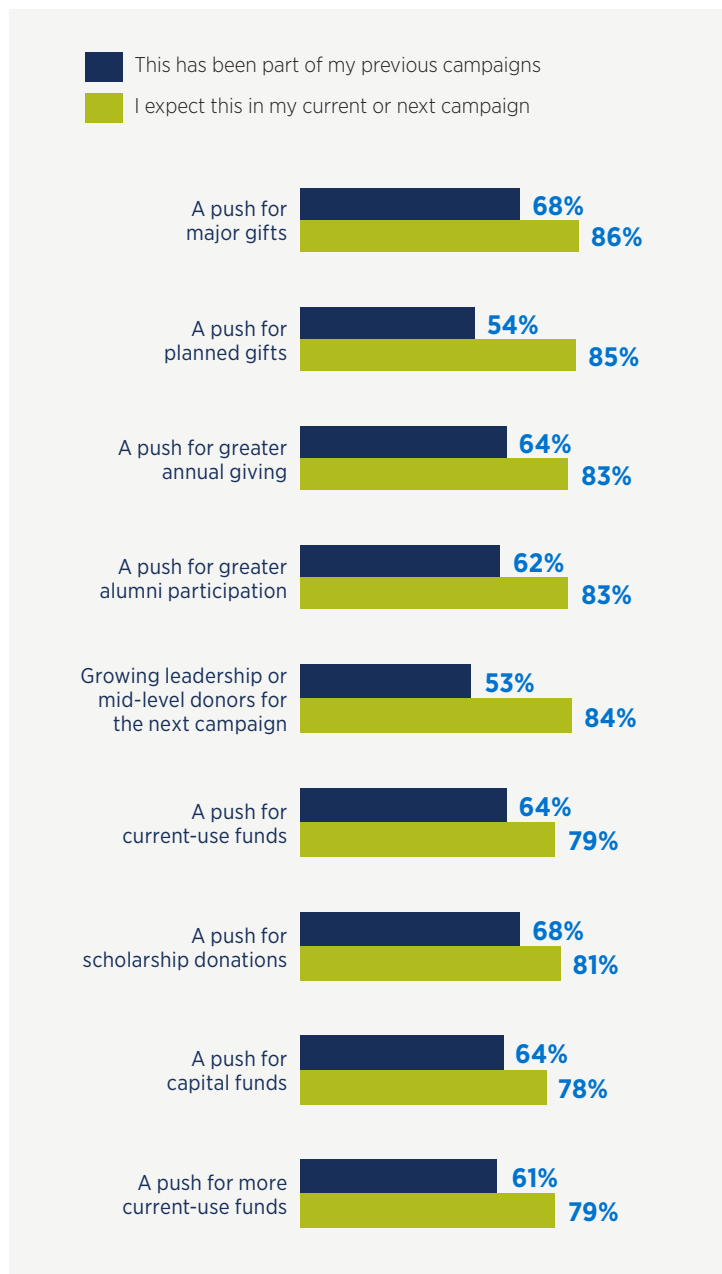
2

CAMPAIGNS ENCOMPASS MORE GOALS, INCLUDING PERMANENT AND CURRENT SUPPORT

“Cash for today is a high priority.”

Which of the following goals and priorities have been part of your previous campaign experiences?

Which do you expect to be a part of your current or next campaign?



Major and planned gifts continue to dominate campaign priorities, but campaigns are now more likely to include pushes for current use, annual fund, and leadership giving, matching institutional needs for immediate-use funds.



FUNDRAISER INSIGHTS:

Capital allocations in campaigns

are declining compared to endowment and current operations support. Capital-use funds have dropped to 41 percent of campaign totals.

Interviews with advancement professionals and a review of the open survey responses indicate that producing a significant surge in current-use dollars is increasingly important. This is driven by increased institutional budget pressures as well as a feeling that donors and campuses are hungry to see an immediate effect of philanthropy along with the long-term security that bequest commitments provide.*

3

GEARING UP FOR A CAMPAIGN REQUIRES MORE RESOURCES

“We grow for a campaign.”

What percentage increase in total advancement spending do you think an institution should have during a full campaign year, compared to a normal, non-campaign-year budget?

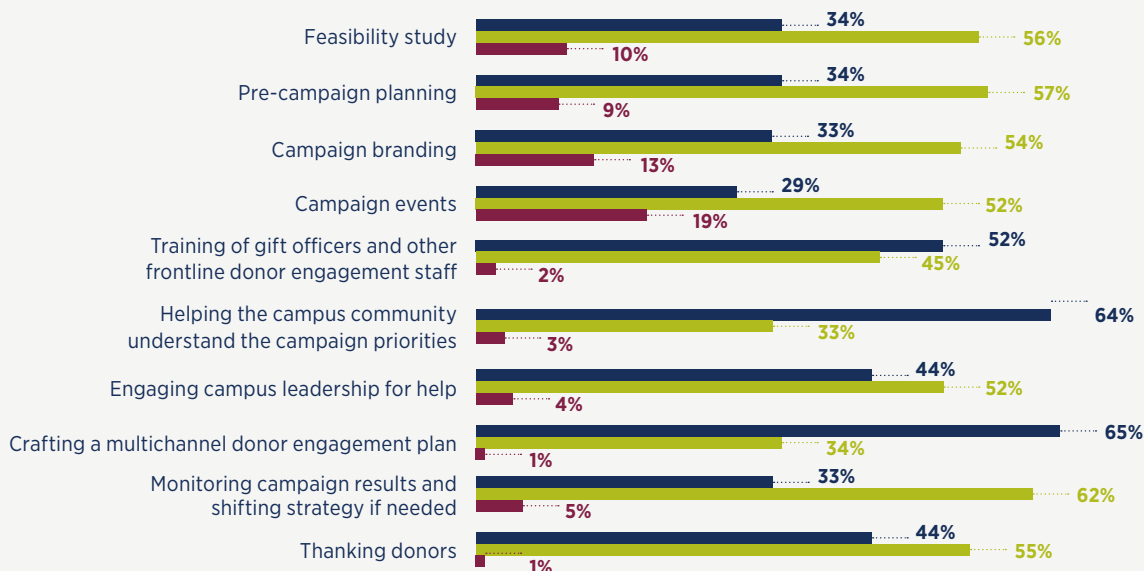
65%
AVERAGE RESPONSE

0–200%
RANGE

Thinking about your last or current campaign, how do you feel you have spent or are spending your time and resources?

I FEEL WE SPENT/ARE SPENDING...

Not enough time/resources About enough time/resources Too much time/resources



Fundraisers say that advancement budgets during a campaign increase by an average of 65 percent. Fundraisers want to spend more on gift officer training, multichannel donor engagement plans, and campus engagement. Fundraisers also want to see more young donor engagement and better donor stewardship, and few want to see longer campaigns. Fundraisers from larger institutions are more likely to suggest budget increases of 100 percent or greater during a campaign. It's clear that increased spending is widely embraced by fundraisers during a campaign.

WHAT OUR RESPONDENTS SAID:

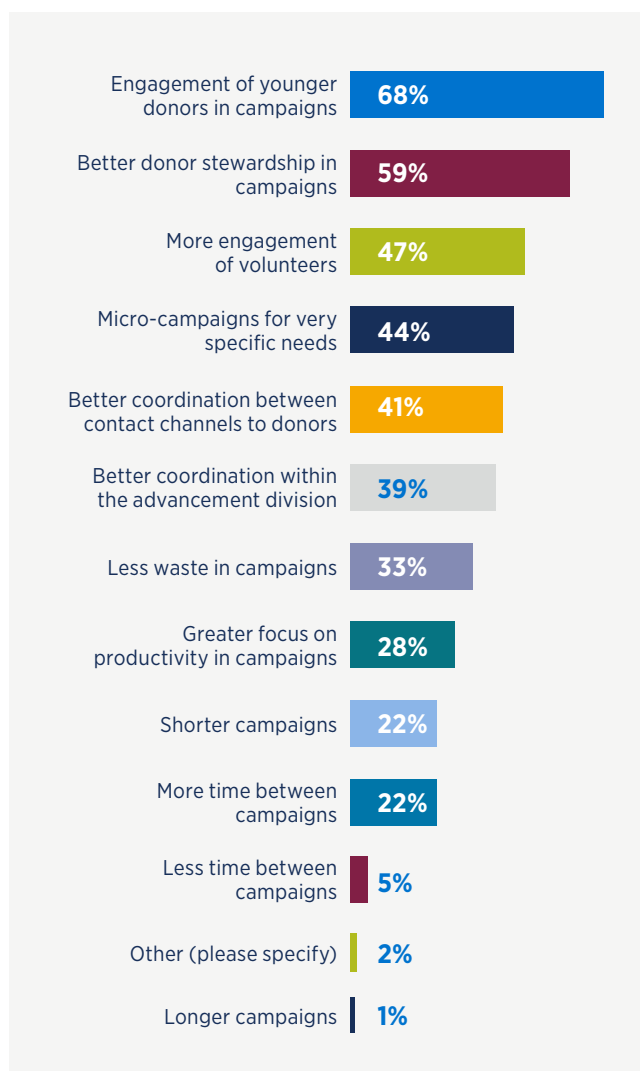
Common priorities for spending new resources in a campaign:

Training staff.
Hiring more frontline fundraisers.
Gift officer support.
Multichannel strategy.
Annual giving.

If you had unlimited resources, where would you most like to invest with your next campaign?

Increasing the staff.
Staff training, coaching, and practice.
More frontline fundraisers.
Hiring trained specialists.
Research on donors.
Amazing print and social media campaigns.
Educating the public.
A new CRM system.

Which of these would you like to see more of?



Other responses included resource and data management, engagement of donors in planning, and pre-qualification for the next campaign.

“Even if well thought out and focused on the correct campus priorities, some campaigns tie up enough human and financial resources to force out good ideas that come up subsequent to the campaign from getting necessary fundraising attention.”

—President at a private college

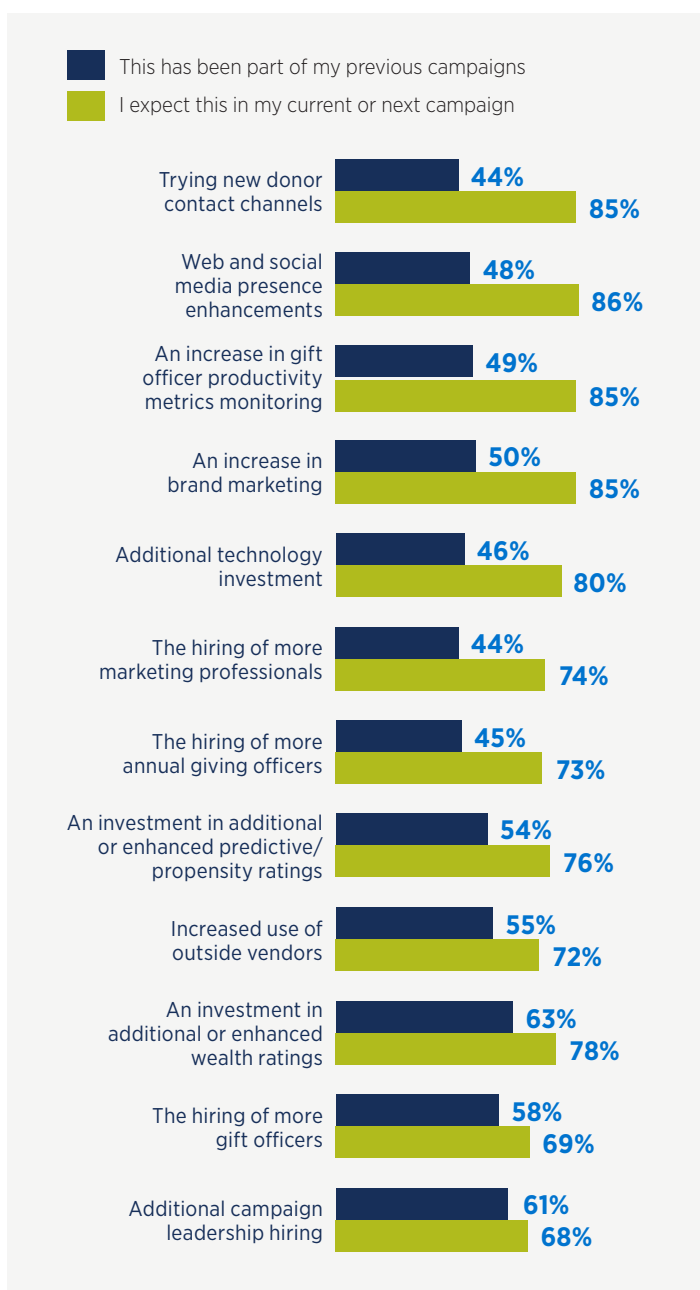
4

NEW CHANNELS, NEW DONORS, AND PRODUCTIVITY ARE TOP AREAS OF FOCUS IN TODAY'S CAMPAIGNS

“We’re trying new things, and we need to get more out of our investment.”

Which of the following investments are part of your previous or current campaign?

Which do you expect to be a part of your current or next campaign?



Using new donor contact channels, reaching out via social media, brand marketing, and gift officer productivity monitoring are the four top areas that are growing.

ADDITIONAL INSIGHTS:

- Alumni engagement tracking is increasing as part of campaigns, based on survey responses.
- According to CASE, campaigns of \$1 billion or more have goals per fundraisers that are four times larger than all other campaigns.
- Based on this survey and other RNL surveys in 2017, tracking of gift officer and annual giving program success metrics beyond basic activity is both uncommon and something advancement leaders want to spend more on.

“ Fundraising and alumni are the lifeblood to the survival of the university. ”

—Advancement leader, large public institution

5

MEETING CAMPAIGN GOALS AND PROVIDING A QUALITY DONOR EXPERIENCE ARE THE TOP PRIORITIES

“We need to meet the goal, while keeping donors excited.”

What do you believe the order of importance should be for the following coming campaign goals? (10 = most important, 1 = least important)



As we have seen in previous *Advancement Leaders Speak* research, meeting total dollar goals once again dominates as a key metric. Fundraisers also look to campaigns to enhance public image and learn from donors. While few fundraisers show an interest in longer campaigns, completing campaigns on time and under budget are of lower priority.

“I think micro-campaigns are the way of the future. Nonprofits are getting too hung up on the idea of going from large-scale campaign to large-scale campaign.”

—Director of annual giving, mid-sized public institution

Respondents ranked the list items by assigning a priority or moving the items into a priority list. The chart above represents an aggregate score of priority across respondents.

KEY TAKEAWAYS

Large and comprehensive fundraising campaigns are the norm for today's higher education institutions. At any given time, almost all institutions will be in a campaign, planning one, or getting ready to start a campaign. In the short term, the economy and wealth demographics will continue to explode campaign totals to record-setting levels. Institutions that have invested in strong relationship-building and philanthropic patterns with their alumni, parents, and friends will book the largest totals during this decade's transformational campaigns. But concerns about the future of campaigns are well-founded. A perpetual campaign state may alienate loyal donors who grow fatigued. And fundraisers are increasingly concerned about growing a pipeline of new donors, because younger donors do not find large institutions as exciting as competing charities. Updating fundraising messaging and strategies to match the interests of these new donors is key.

Based on the survey results, along with review of current mega-campaigns and public data, we recommend:

- **Skip boilerplate campaign goal setting and utilize your unique data to find the level of both wealth and readiness in your donor pool.** This means moving beyond descriptive analysis like wealth rating to utilize predictive analytics.
- **Stand out by becoming more relevant to donors.** You have similar impact in the world to “more exciting charities” when you follow your faculty and students to the final outcomes of their work. Move beyond where the money flows to what gives meaning to top donor causes such as improving lives, access/diversity, medical research, and the environment.
- **Personalize your outreach through smart, integrated multichannel communication.** Monitor your donors' activity and learn from their signals to deliver content that is relevant to their interests—just like they experience in the commercial world.
- **Embrace new channels for donor engagement during a campaign.** Targeted digital advertising and retargeting keep your campaign message in front of donors whenever they are online. Giving days and crowdfunding now have a strong purpose in campaigns, to both build a new donor pool and engage challenges and matches through online micro-campaigns amidst your broader effort.

ABOUT THE SURVEY

This report is based on survey responses from 598 advancement professionals in December 2017. Multiple choice, ranking, and open response questions were included; the average survey completion time was eight minutes. They had an average of 10 years of experience in the advancement profession and had participated in an average of 2 institutional campaigns. Common titles included president, vice president, associate/assistant vice president, major gifts officer, annual gifts officer (including directors), and advancement support professional. Respondents were offered a small gift card for their participation.

Findings and research for this report also included:

* *2015 CASE Campaign Report: The 18th Analysis of the CASE Survey of Educational Fundraising Campaigns.*

Published in summer 2017, available for purchase at case.org. Data from this report used for Fundraiser Insights call-outs.

Additional sources included:

- RNL review of campaign materials and announcements from 20 top higher education campaigns in active public phase during October to December 2017.
- Conversations with fundraising professionals currently in the planning, silent, or public phases of institutional campaigns.



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