

Donor Segmentation

Incorrect Assumptions

“Donors will realize on their own that our mission is compelling and will give accordingly.”

“Our donors are already giving everything they have to give.”

“Our donors do not want a relationship with our staff.”

“We don’t have anyone who can give major gifts.”

Correct Assumptions

“Donors will not give their largest gifts to us until we demonstrate a credible need and our ability to manage such a gift.”

“Most of our donors could give more if they were so motivated.”

“Donors of large gifts expect some personal attention from our development and/or leadership team.”

“We have existing donors who have the ability to give large gifts.”

Exercise: Segment Your Donor Base

Key Participants

- Development Team

Donor Segmentation

For the exercise below, begin by gathering all individual and corporate giving for the past fiscal year. In order to show a donor’s full impact on the organization, it is essential that all gifts are consolidated regardless of the activity to which they may be tied. You will want to include gifts made at special events, including event sponsorships, as well as gifts given during annual fund drives, end-of-year appeals, and giving days.

Begin with the top 10 individual and corporate donors to your organization in the last fiscal year.

A. Donor Name	B. Total Giving Last Year	C. How much of last year’s gift will you retain this year?	D. What is a reasonable amount of growth for the donor?	E. Projected Total Giving This Year (Column C + D)
1.	\$	\$	\$	\$
2.	\$	\$	\$	\$
3.	\$	\$	\$	\$
4.	\$	\$	\$	\$
5.	\$	\$	\$	\$
6.	\$	\$	\$	\$
7.	\$	\$	\$	\$
8.	\$	\$	\$	\$
9.	\$	\$	\$	\$
10.	\$	\$	\$	\$
TOTALS:	\$	\$	\$	\$

Exercise: Segment Your Donor Base

Donor Segmentation (continued)

Complete the same table for the next 20 and third 70 sources to give you a view of your top 100 donors. From this data, you will be able to complete the analysis below.

Top 10 sources (individual/corporate):

Gifts ranging from \$_____ to \$_____

Percentage of total fundraising revenue: _____%

Next 20 sources (individual/corporate):

Gifts ranging from \$_____ to \$_____

Percentage of total fundraising revenue: _____%

Third 70 sources (individual/corporate):

Gifts ranging from \$_____ to \$_____

Percentage of total fundraising revenue: _____%

Total for top 100 sources (individual/corporate):

Gifts ranging from \$_____ to \$_____

Percentage of total fundraising revenue: _____%

You can also continue this same exercise for your remaining revenue streams:

- Private Foundation Grants
- Government (City, State, Federal) Grants
- Gifts in Kind
- Event Activities (activities where donors cannot be segmented effectively but may be tracked separately within your budget, e.g., a large event raffle)