

GUIDE

Organizing your list



Brooklyn, NY

Kansas City, MO

APERIOPHILANTHROPY.COM

In a year of crisis, we're relearning
the most enduring lesson of fundraising:
Relationships are more than just important.

They are everything.

People want to give because they want to be part of the solution to the crises we are facing. They don't need events or technology or gimmicks to be convinced.

They need a relationship with you.

Relationship-based fundraising is the strategy proven most efficient and most effective, because it aligns the passion of your community with the power of your mission.

Using this guide, you're taking an important step: getting organized to more successfully inspire, engage, and ask donors.

When your lists are organized, cultivation and stewardship become turnkey—and you reach more donors in more interesting ways.

You can use this guide on your own, with your team, or—if you'd like a little hands-on support—with an Aperio partner.

For additional case development support,
contact us at info@aperiophilanthropy.com

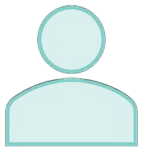


It's your time to thrive.

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How to use this guide



On your own.

If you manage a portfolio, you can Section 3 of this guide to organize your own list and gain new freedom to "work smarter, not harder."



With your team.

Collaborate among fundraisers, donor data managers, and marketing to create a shared segmentation framework and strategy that you all can use.



With your Aperio partner.

Use this guide to follow along as you work through the segmentation process with your Aperio partner.

List organization process

1

Choose your
segments

2

Identify your high-
potential donors

3

Prioritize your high-
potential donors

4

Segment
everyone else

5

Tag your segments in
your database

6

Assign owners &
make a plan



Choose your segments

Start with a blank slate

When you've been at an organization for a while, it's easy to get into routines. We all tend to get used to thinking about our donors in certain way.

Every now and then, it's helpful to clear the slate and start fresh. Maybe you've reached a new milestone as an organization or you've just completed a new strategic plan. Maybe a disruption in the world or your community has dramatically altered the context. Maybe you're just not seeing the results you'd like, and it's time for a new approach.

Give yourself the luxury of a fresh start.

Pretend you know none of the names in your database.

Clear your mind.

Now, let's go!

Your database
has more potential
than you realize.



Define your goals

You're embarking on this project for a reason. What is it?

Typically, we segment donors to:

1. Enhance the donor experience, and
2. Make our work simple and more efficient.

The combination of happier donors and happier fundraisers results in an increase in year-over-year donor retention—which means more dollars for your mission, and less burnout for development staff.

What are you looking to achieve through this exercise?

How will segmentation help you enhance the donor experience?

How will segmentation make your work simpler and more efficient?

A segmentation approach to donor engagement...

ensures that every donor feels:



**My gift was
used well—
and as I
intended**



**My partnership
makes a
difference**



**I have a role
in the future of
this mission**

and simplifies your work because:



**No donor
falls through
the cracks**



**All donors
treated
well—but not
equally**



**Everyone
knows their
role—and
plays it**

Choose your approach

There is no right or wrong way to segment your donors. The best approach is the one that your organization can rally around and use every day to manage fundraising, marketing & communications, and other forms of engagement.

What follows are several simple segmentation strategies that you can put to work today—no matter the size or maturity of your program.

For most organizations, one of these strategies will be the foundation of a donor-centric, collaborative system of donor management.

If you have been using this type of segmentation for a while, contact us to explore whether dynamic segmentation may be right for you, as this advanced segmentation is not included in our step-by-step guide.

Core segments

The first step in our approach is to divide your database into 4-7 categories—ideally based on giving potential.

It is important that these categories are mutually exclusive—meaning, a donor can only belong to one category. Every donor should belong to exactly one category.

Optional special groups


Once you've selected your core segments, you can identify additional special groups to which donors may also belong. These are groups that will sometimes receive special treatment over and above what they will receive as part of a core segment.

Note: A donor can belong to multiple special groups.

Recommended initial approach


Core segments

- High-potential donors
- Middle donors
- Sustainers
- General donors

 Every donor belongs to exactly one of these

Optional special groups

- Board members
- Board alumni
- COVID donors
- Planned giving potential
- Event supporters
- Mission interest groups
- Geographic interest groups

 Some donors also belong to one or more of these

Giving society variation

Core segments

- Giving society members
- Other high-potential donors
- Middle donors
- Sustainers
- General donors

 Every donor belongs to exactly one of these

Optional special groups

- Board members
- Board alumni
- COVID donors
- Planned giving potential
- Event supporters
- Mission interest groups
- Geographic interest groups

 Some donors also belong to one or more of these

Your segments

List the segments you will be starting with here:

Core segments

① _____

② _____

③ _____

④ _____

⑤ _____

Special groups

① _____

② _____

③ _____

④ _____

⑤ _____



2

Identify your high-potential donors

The 80/20 Rule:

Invest 80% of your time
in the 20% of donors
who drive 80% of your revenue.



Start with your highest potential

Segmentation starts at the top of the gift table, where we will try to identify the 20% of donors who will drive 80% of our revenue growth.

To identify high-potential donors, we are going to review our list through the lens of *future potential*—not current or past giving.

Why? For most donors in your database, there is a big gap between their current giving level and their full potential. That gap is your growth opportunity.

So, when we create the segments to invest the most staff and volunteer time—high-potential donors, middle giving, and sustainers—it won't be effective to choose only donors who have arrived at those levels. Instead, we must choose donors who *could* arrive there. That way, we'll invest our time in growth.

The gap between a donor's current giving level and their capacity **is your growth potential.**



Determine goal segment size

Your high-potential donor segment is going to receive your highest-touch donor experience. These donors will be sorted into portfolios so that they receive a truly personalized experience through moves management—in addition to touchpoints you provide the entire segment.

Each donor in the high-potential segment will be assigned a 'relationship manager' who will be responsible for curating the donor's personalized experience. The list of donors assigned to a relationship manager is called a 'portfolio.'

Before we start segmenting, determine:

1. How many relationship managers do we have on our team?
2. How many donors can each fundraiser effectively manage?

That will give you your goal segment size—or how many high-potential donors to try and identify in the next steps.

Goal segment size

When you calculate your goal segment size—or how many high-potential donors you can manage effectively in portfolios—use the standard guidelines to the right.

If you have vacancies on your team or are considering new roles, factor those in.

Include individual and institutional donors.

150 per full-time major gifts fundraiser
75-100 per full-time institutional giving fundraiser
25-50 per blended role (non-frontline responsibilities)

10-20 Chief Executive Officer or Executive Director
10-20 Chief Development Officer or Vice President

Total _____

Your goal segment size

Calculate how many high-potential donors you can manage

Relationship Manager

Donors

①	_____	_____
②	_____	_____
③	_____	_____
④	_____	_____
⑤	_____	_____

Total (Goal)

The 'capacity plus' approach

When we're identifying high-potential donors, there are many factors we can consider. We recommend a two-step approach.

1. Capacity

Capacity, or financial ability to make a gift, is the non-negotiable. To be a high-potential donor, an individual, foundation, or company must have the capacity to make a large gift (as defined by your organization). Capacity can be identified through research tools—such as wealth screenings, foundation databases, etc.—but it must always be qualified, or confirmed, through personal conversations with prospective donor.

2. 'Plus'

Capacity alone does not make a high-potential donor. Just because an individual or institution has wealth, doesn't mean they're in the habit of giving their wealth away. And just because they give it away, doesn't mean they will be interested in giving it to your mission.

So, once we've identified our highest capacity donors, we are going to prioritize donors with the most 'plus' factors to shorten that list—and prioritize our time spent on building relationships with those donors.

Sample "plus" factors

- Expressed interest in the mission
- Known mission connection (broadly defined)
- Responsive to calls, emails, or mail
- Willing to take meetings
- Participates in events or volunteers
- Known philanthropy to other organizations
- Pattern of giving directly to mission—not only to events
- Large first gift
- Recent giving
- Many gifts

A high-potential donor
has high giving **capacity**
plus
some other indicator of interest,
connection, or philanthropy.



+



Pull a big list to review

To identify our highest potential donors, we start with casting our net wide. We pull a big list from our database with the anticipation that our analysis may uncover opportunities we have overlooked in the past.

If you're just getting started, review all donors on your list (for whom you have mailing addresses).

If your database is large, narrow your search by filtering out:

1. Donors with a first gift smaller than \$250 (or \$100 if you are a start-up)
2. Donors who have not given in the past 3 years (or 5 years if you have not been actively stewarding them)

Pull a donor list including the following fields...

Donor name	Total number of gifts
Spouse name (if any)	Total amount of gifts
Donor type (if available)	First gift amount
Database ID number	First gift date
Relationship manager (if any)	First gift type
Complete donor address	Last gift amount
Any wealth screening information you have	Last gift date
	Last gift type
	Largest gift amount
	Largest gift date
	Largest gift type

Look for capacity first

The first step is to review our big list and cut it down to only people we know—or have some reason to suspect—have the capacity to give a large gift.

We will be considering other factors—such as interest, philanthropy, and propensity—later. For now, we're just trying to rule out anyone who does not have the financial ability to make a lead investment in our mission.

For individuals, we recommend using a wealth screening tool to determine capacity. If you do not have a wealth screening tool, contact us to explore our wealth screening services or to explore alternative methods.

For institutions, review each organization individually and use your judgment based on information available, such as largest gift size to you, gift sizes to other organizations, value of assets, etc.



Wealth screening individuals

To identify individuals with large giving capacity, start by getting to know your wealth screening tool. Look at the data points provided and choose one that you will use for your segmentation, such as estimated 5-year giving range.

For WealthEngine, for example:

- We use the Giving Capacity Rating, which is WealthEngine’s estimate of the largest gift the person could make over 5 years.
- We then divide that range by 5 to make it easier to compare to annual giving levels.

- We assume that WealthEngine is a bit optimistic (and that donors are unlikely to concentrate all giving with one organization) and select capacity levels slightly higher than the level we have set as the large gift level.
- We build our list starting with these higher capacity levels, though we may add in select donors from the lower categories if we know more information than WealthEngine.

Remember that wealth screenings are a starting point—not complete information. There is no substitute for getting to know a donor personally.

5-Year Capacity	1-Year Capacity
\$1M+	\$200K+
\$500K - \$1M	\$100K - \$200K
\$300K - \$500K	\$60K - \$100K
\$200K - \$300K	\$40K - \$60K
\$100K - \$200K	\$20K - \$40K
\$75K - \$100K	\$15K - \$20K
\$50K - \$75K	\$10K - \$15K
\$40K - \$50K	\$8K - \$10K
\$30K - \$40K	\$6K - \$8K
\$25K - \$30K	\$5K - \$6K

} **\$10K+ major gifts level**

5-Year Capacity	1-Year Capacity
\$1M+	\$200K+
\$500K - \$1M	\$100K - \$200K
\$300K - \$500K	\$60K - \$100K
\$200K - \$300K	\$40K - \$60K
\$100K - \$200K	\$20K - \$40K
\$75K - \$100K	\$15K - \$20K
\$50K - \$75K	\$10K - \$15K
\$40K - \$50K	\$8K - \$10K
\$30K - \$40K	\$6K - \$8K
\$25K - \$30K	\$5K - \$6K

} **\$5K+ major gifts level**

Assessing institutional capacity

Institutions are little trickier to review because you can’t just quickly run them through a wealth screening tool. However, you can qualify them based on capacity by looking up total assets, typical grant size, or largest grant size.

We recommend starting by using largest gift to your organization as your first evidence of capacity. From there, you’ll have a shorter list to research.

Creating a list of highest capacity donors

To create our high-potential segment, we start by shortening our big list into a shortlist of the donors with the highest capacity. You may need to do this first for individuals and then create a separate list for institutions.

Step 1

Set up your Excel file for easy filtering and sorting:

- Hide all columns except the donor name, capacity rating, and giving history.
- Add a column for marking 'high-potential donor'.
- Add filters to your header row—making sure your filters include all your columns.

The screenshot shows the Excel ribbon with the 'Data' tab selected. The 'Filter' icon is highlighted, and an arrow points to it with the text 'Data filters on'. Another arrow points to the hidden columns (B, C, D, E, F, G, H, I, J, K, L, M, N, O) with the text 'Details hidden'. A third arrow points to the 'High-Potential Donor?' column with the text 'Column added for marking high-potential donors'.

Donor Info				Capacity		Giving History							
Constituent Type	ID Number	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
Individual	6319	Karen	Donor		(01) \$1MM-\$5MM	24	\$2,650	11/27/18	\$25	11/27/18	\$25	11/27/18	\$25
Individual	30255	Josh	Donor		(02) \$500K-\$1MM	9	\$15,970	10/28/16	\$2,500	10/7/19	\$2,500	10/28/16	\$2,500
Individual	34740	Terry	Donor		(03) \$300K-\$500K	36	\$26,746	2/27/17	\$56	8/7/17	\$2,500	8/5/17	\$3,700
Individual	48841	Jim	Donor		(03) \$300K-\$500K	2	\$1,765	8/9/19	\$1,700	8/12/19	\$65	8/9/19	\$1,700

Step 2

Filter to see only your top capacity donors:

- On your wealth screening column, click the filter icon (▼).
- On the list of that appears, unselect all the capacity categories that you are not going to prioritize.

Step 3

For the donors that remain, put an X in your high potential column.

Filter on this column

Donor Info				Capacity		Giving History							
Constituent Type	ID Num	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
Individual	6319	Karen	Donor	x	(01) \$1MM-\$5MM			7/18	\$25	11/27/18	\$25		
Individual	30255	Josh	Donor	x	(02) \$500K-\$1MM			7/19	\$2,500	10/28/16	\$2,500		
Individual	34740	Terry	Donor	x	(03) \$300K-\$500K			7/17	\$2,500	8/5/17	\$3,700		
Individual	48841	Jim	Donor	x	(03) \$300K-\$500K			2/19	\$65	8/9/19	\$1,700		
Individual	44293	John	Donor	x	(03) \$300K-\$500K			3/19	\$1,000	12/24/18	\$2,000		
Individual	29489	William	Donor	x	(03) \$300K-\$500K			4/19	\$100	4/4/19	\$100		
Individual	9325	Barnett	Donor	x	(03) \$300K-\$500K			3/17	\$500	1/23/17	\$500		
Individual	12066	Jeanette	Donor	x	(03) \$300K-\$500K			5/18	\$1,000	4/5/18	\$1,000		
Individual	41473	Don	Donor	x	(03) \$300K-\$500K			7/20	\$175	3/27/17	\$175		
Individual	47976	Richard	Donor	x	(04) \$200K-\$300K			7/18	\$500	11/27/18	\$500		
Individual	24416	Deanna	Donor	x	(04) \$200K-\$300K			9/17	\$500	10/9/17	\$500		
Individual	27782	John	Donor	x	(04) \$200K-\$300K			3/16	\$1,000	12/23/16	\$1,000		
Individual	12181	David	Donor	x	(04) \$200K-\$300K			6/19	\$500	11/30/16	\$500		
Individual	36983	Karl	Donor	x	(04) \$200K-\$300K			3/20	\$1,750	2/20/20	\$5,000		
Individual	16321	John	Donor	x	(04) \$200K-\$300K			3/18	\$100	8/13/18	\$500		
Individual	39712	Ansel	Donor	x	(04) \$200K-\$300K			5/16	\$100	12/15/16	\$100		
Individual	40007	John	Donor	x	(04) \$200K-\$300K			2/20	\$100	2/12/18	\$100		
Individual	2296	Steven	Donor	x	(04) \$200K-\$300K			7/18	\$30	12/23/16	\$30		
Individual	26517	James	Donor	x	(04) \$200K-\$300K			3/19	\$200	12/31/19	\$200		
Individual	13087	Dwight	Donor	x	(04) \$200K-\$300K			5/19	\$150	2/15/19	\$150		
Individual	47272	Dwight	Donor	x	(04) \$200K-\$300K			8/19	\$700	8/13/18	\$2,500		
Individual	3068	Mary	Donor		(04) \$200K-\$300K			1/20	\$50	12/8/18	\$300		

5-YR Gift Capacity Range

Sort

Ascending Z A Descending

By color: None

Filter

By color: None

Choose One

Search

- (Select All)
- (01) \$1MM-\$5MM
- (02) \$500K-\$1MM
- (03) \$300K-\$500K
- (04) \$200K-\$300K
- (05) \$100K-\$200K
- (06) \$75K-\$100K
- (07) \$50K-\$75K

Clear Filter

For donors that remain after you filter, put an X here

Only top capacity categories selected

Next, look for the ‘plus’ factors

Usually, the list we’re left with after the capacity filter is still too large to manage. To shorten your list to your goal size, you are going to focus on various ‘plus’ factors.

(If your list is too short at this stage, go back and add in another capacity level or two and then proceed.)

Tip: Keep an open mind!

Your list should include long shots—including long shots you have spent a lot of time working with already. Avoid making decisions for donors by saying things like, “They’re never going to give...”

Keep any donor on this list whom you intend to prioritize this year through personal touchpoints and an effort to unlock new giving.

Tip: Include all Board members

When you have finished this section, not all board members will be flagged as high potential donors. Not to worry.

Simply clear your filters and use the Find option to locate every board member. Make sure there is an x next to their name—regardless of their giving history or capacity.



Review the most lapsed donors

The more recent a donor's giving, the 'warmer' the connection and the higher the likelihood of responsiveness to a future opportunity. So, one way to shorten our list is to exclude the most lapsed donors our list (donors with the least recent gifts)—who we do not need to prioritize if we have other, 'warmer' donors to work with.

Step 1

Filter on your 'last gift date' column

- Do not reset your filters from the previous section.
- On your last gift date column, click the filter icon (☰).
- On the list that appears, unselect the most recent years, leaving checked only the later dates, which you will now review.

Donor Info							Capacity		Giving History			
Constituent Type	ID Numb	First Name	Last Name	High-Potential Donor?	5-YR C	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount			
21	Individual	27782	John	Donor	x	(04)	12/23/16	\$1,000	12/23/16	\$1,000		
25	Individual	39712	Ansel	Donor	x	(04)	12/15/16	\$100	12/15/16	\$100		
43	Individual	16164	Daniel	Donor	x	(05)	12/22/16	\$100	12/22/16	\$100		
52	Individual	9999	Kenneth	Donor	x	(05)	12/31/16	\$200	12/31/16	\$200		
58	Individual	18447	Timothy	Donor	x	(05)	11/17/16	\$500	11/17/16	\$500		
76	Individual	18269	Richard	Donor	x	(05)	12/27/16	\$100	12/27/16	\$100		
84	Individual	35249	Teresa	Donor	x	(05)	12/6/16	\$500	12/6/16	\$500		
85	Individual	44646	Madhavi	Donor	x	(05)	11/29/16	\$1,000	11/29/16	\$1,000		
92	Individual	11723	James	Donor	x	(05)	12/29/16	\$500	12/29/16	\$500		
125	Individual	44984	Ben	Donor	x	(05)	12/17/16	\$750	12/17/16	\$750		
128	Individual	19989	Eari	Donor	x	(05)	10/21/16	\$25	10/21/16	\$25		
140	Individual	36889	Ken	Donor	x	(05)	11/7/16	\$300	11/7/16	\$300		
152	Individual	14967	Tracy	Donor	x	(05)	12/12/16	\$100	12/12/16	\$100		
155	Individual	24552	Candee	Donor	x	(05)	12/23/16	\$1,750	12/23/16	\$1,750		
161	Individual	28620	Christy	Donor	x	(05)	10/18/16	\$20	10/18/16	\$20		

Step 2

Review the lapsed donors list you've created

- Clear out the X marks you have entered into the 'high-potential donor' column.
- Now, review the list and add back in any donors that you believe should be considered high-potential, even though they are lapsed.
- Place an X next to any donor you plan to keep on your high-potential list.

	A	B	C	D	M	U	AD	AE	AF	AG	AJ	AK	AN	AO
8	Donor Info				Capacity		Giving History							
9	Constituent Type	ID Numbr	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
21	Individual	27782	John	Donor	x	(04) \$200K-\$300K	14	\$23,500	12/23/16	\$1,000	12/23/16	\$1,000	12/23/16	\$1,000
25	Individual	39712	Ansel	Donor		(04) \$200K-\$300K	10	\$2,025	12/15/16	\$100	12/15/16	\$100	12/15/16	\$100
43	Individual	16164	Daniel	Donor		(05) \$100K-\$200K	4	\$635	12/22/16	\$100	12/22/16	\$100	12/22/16	\$100
52	Individual	9999	Kenneth	Donor		(05) \$100K-\$200K	8	\$3,700	12/31/16	\$200	12/31/16	\$200	12/31/16	\$200
58	Individual	18447	Timothy	Donor		(05) \$100K-\$200K	11	\$2,260	11/17/16	\$500	11/17/16	\$500	11/17/16	\$500
76	Individual	18269	Richard	Donor		(05) \$100K-\$200K	2	\$850	12/27/16	\$100	12/27/16	\$100	12/27/16	\$100
84	Individual	35249	Teresa	Donor		(05) \$100K-\$200K	14	\$5,280	12/6/16	\$500	12/6/16	\$500	12/6/16	\$500
85	Individual	44646	Madhavi	Donor		(05) \$100K-\$200K	1	\$1,000	11/29/16	\$1,000	11/29/16	\$1,000	11/29/16	\$1,000
92	Individual	11723	James	Donor		(05) \$100K-\$200K	13	\$6,805	12/29/16	\$500	12/29/16	\$500	12/29/16	\$500
125	Individual	44984	Ben	Donor		(05) \$100K-\$200K	1	\$750	12/17/16	\$750	12/17/16	\$750	12/17/16	\$750
128	Individual	19989	Earl	Donor	x	(05) \$100K-\$200K	133	\$3,324	10/21/16	\$25	10/21/16	\$25	10/21/16	\$25
140	Individual	36889	Ken	Donor		(05) \$100K-\$200K	3	\$500	11/7/16	\$300	11/7/16	\$300	11/7/16	\$300
152	Individual	14967	Tracy	Donor		(05) \$100K-\$200K	14	\$1,550	12/12/16	\$100	12/12/16	\$100	12/12/16	\$100
155	Individual	24552	Candee	Donor		(05) \$100K-\$200K	13	\$8,300	12/23/16	\$1,750	12/23/16	\$1,750	12/23/16	\$1,750
161	Individual	28620	Christy	Donor		(05) \$100K-\$200K	18	\$830	10/18/16	\$20	10/18/16	\$20	10/18/16	\$20

Delete the X from any donors you do not plan to prioritize at this time

If you do not personally know the donor, look for high total number of gifts and/or high largest gift amount—keeping outliers on your list for now

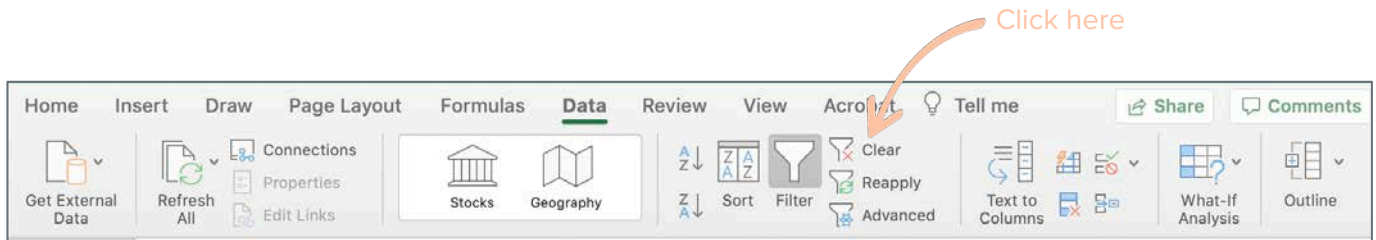
Prioritize highest first gift amount

A high first gift amount—especially if that first gift was made directly to the mission, rather than to an event—is one of the strongest predictors of future donor loyalty. Here, we'll consider excluding donors with the smallest first gifts—who we do not need to prioritize right now if we have other higher potential donors to work with.

Step 1

Clear your filters

- On the data tab, click the 'clear' button to reset all the filters from your previous steps.



Step 2

Filter on your 'highest potential donor' column

- On your highest potential donor column, click the filter icon (▼).
- On the list of that appears, unselect '(Blanks)'.

Step 3

Filter on your 'first gift amount' column

- On your first gift amount column, click the filter icon (⌵).
- On the list of that appears, unselect the larger first gift amounts, leaving checked only the smaller ones that, which you will now review. (You can also simply filter for gifts 'less than' and then an amount, like \$250 in the example below.)

Donor Info				Capacity		Giving History							
Constituent Type	ID Num	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
Individual	6319	Karen	Donor	x	(01) \$1MM-\$5MM	24	\$2,650	11/27/18	\$25	11/27/18	\$25	11/27/18	\$25
Individual	34740	Terry	Donor	x	(03) \$300K-\$500K	36	\$26,746	2/27/17	\$56	8/7/17	\$2,500	8/5/17	\$3,700
Individual	29489	William	Donor	x	(03) \$300K-\$500K	3	\$1,350	4/4/19	\$100	4/4/19	\$100	4/4/19	\$100
Individual	41473	Don	Donor	x	(03) \$300K-\$500K	5	\$875	3/27/17	\$175	3/20/20	\$175	3/27/17	\$175
Individual	40007	John	Donor	x					\$100	4/22/20	\$100	2/12/18	\$100
Individual	2296	Steven	Donor	x					\$30	12/27/18	\$30	12/23/16	\$30
Individual	26517	James	Donor	x					\$150	12/31/19	\$200	12/31/19	\$200
Individual	13087	Dwight	Donor	x					\$150	2/15/19	\$150	2/15/19	\$150
Individual	29709	Richard	Donor	x					\$53	1/26/17	\$27	10/19/16	\$53
Individual	8706	LaDonna	Donor	x					\$27	1/26/17	\$27	10/19/16	\$27
Individual	4599	Sharon	Donor	x					\$50	10/4/17	\$50	10/4/17	\$50
Individual	26522	Cliff	Donor	x					\$60	8/5/17	\$200	8/5/17	\$200
Individual	16537	Karen	Donor	x					\$65	2/10/17	\$65	2/10/17	\$65
Individual	24616	Beverly	Donor	x					\$200	12/18/17	\$200	12/8/16	\$200
Individual	35948	Deborah	Donor	x					\$60	8/5/17	\$1,000	8/5/17	\$1,000
Individual	40395	Darrin	Donor	x					\$240	8/5/17	\$500	8/5/17	\$500
Individual	6386	David	Donor	x					\$30	6/22/17	\$30	10/11/16	\$30

Step 4

Review the list you've created

- Review the list that remains to determine who you will prioritize at this time.
- Keep an X next to any donor you plan to keep on your high-potential list.
- Delete the X next to any donor you will prioritize at a later time.

	A	B	C	D	M	U	AD	AE	AF	AG	AJ	AK	AN	AO
8	Donor Info				Capacity		Giving History							
9	Constituent Type	ID Num	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
10	Individual	6319	Karen	Donor	x	(01) \$1MM-\$5MM	24	\$2,650	11/27/18	\$25	11/27/18	\$25	11/27/18	\$25
12	Individual	34740	Terry	Donor	x	(03) \$300K-\$500K	36	\$26,746	2/27/17	\$56	8/7/17	\$2,500	8/5/17	\$3,700
15	Individual	29489	William	Donor	x	(03) \$300K-\$500K	3	\$1,350	4/4/19	\$100	4/4/19	\$100	4/4/19	\$100
18	Individual	41473	Don	Donor	x	(03) \$300K-\$500K	5	\$875	3/27/17	\$175	3/20/20	\$175	3/27/17	\$175
26	Individual	40007	John	Donor	x	(04) \$200K-\$300K	40	\$4,000	2/12/18	\$100	4/22/20	\$100	2/12/18	\$100
27	Individual	2296	Steven	Donor		(04) \$200K-\$300K	26	\$1,828	12/23/16	\$30	12/27/18	\$30	12/23/16	\$30
28	Individual	26517	James	Donor	x	(04) \$200K-\$300K	10	\$1,150	12/31/16	\$150	12/31/19	\$200	12/31/19	\$200
29	Individual	13087	Dwight	Donor	x	(04) \$200K-\$300K	3	\$750	2/15/19	\$150	2/15/19	\$150	2/15/19	\$150
44	Individual	29709	Richard	Donor		(05) \$100K-\$200K	16	\$885	10/19/16	\$53	1/26/17	\$27	10/19/16	\$53
51	Individual	8706	LaDonna	Donor	x	(05) \$100K-\$200K	43	\$2,122	10/19/16	\$27	1/26/17	\$27	10/19/16	\$27
61	Individual	4599	Sharon	Donor		(05) \$100K-\$200K	18	\$2,703	10/4/17	\$50	10/4/17	\$50	10/4/17	\$50
80	Individual	26522	Cliff	Donor		(05) \$100K-\$200K	18	\$1,630	8/5/17	\$60	8/5/17	\$200	8/5/17	\$200
81	Individual	16537	Karen	Donor	x	(05) \$100K-\$200K	12	\$1,780	2/10/17	\$65	2/10/17	\$65	2/10/17	\$65
94	Individual	24616	Beverly	Donor	x	(05) \$100K-\$200K	10	\$4,050	12/8/16	\$200	12/18/17	\$200	12/8/16	\$200
102	Individual	35948	Deborah	Donor	x	(05) \$100K-\$200K	23	\$5,645	8/5/17	\$60	8/5/17	\$1,000	8/5/17	\$1,000
117	Individual	40395	Darrin	Donor		(05) \$100K-\$200K	6	\$1,309	8/5/17	\$240	8/5/17	\$500	8/5/17	\$500

Delete the x from any donors you do not plan to prioritize at this time

Prioritize those donors with a high number and amount of gifts and have made a gift in the past year

Review for other 'plus' factors

Clear your filters. Count the number of X marks.

How many donors do you now have flagged as a 'high-potential' donor?

How many are you looking for (see page 18)?

If your 'high-potential donor' count is close to your goal, proceed to the next step. If you are still way off, do a few more rounds of filtering and reviewing. Be sure to reset your filters between each step.

Lists to review include:

- The lowest capacity donors on your 'high-potential' list. Remove anyone who is 'borderline'—meaning that that they don't have many gifts, they're far lapsed, and/or they have never made a particularly large gift.
- Donors whose 'largest gift amount' is under \$1,000. Remove anyone who doesn't also have some other qualifying factor—such as very high capacity, high total number of gifts, known interest, etc.

Donor Info				Capacity		Giving History								
Constituent Type	ID Num	First Name	Last Name	High-Potential Donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount	
13	Individual	4386	MaryAnne	Donor	x	(05) \$100K-\$200K	346	\$107,627	10/12/16	\$75	1/21/20	\$5,000	12/1/16	\$5,000
15	Individual	6386	David	Donor	x	(05) \$100K-\$200K	271	\$8,460	10/11/16	\$30	6/22/17	\$30	10/11/16	\$30
16	Individual	4388	Edward	Donor	x	(05) \$100K-\$200K	243	\$82,381	10/4/16	\$250	4/6/20	\$250	12/5/17	\$450
20	Individual	7728	Ilene	Donor		(06) \$75K-\$100K	200	\$29,802	10/19/16	\$8	3/5/20	\$22	1/31/20	\$2,200
22	Individual	15708	Joseph	Donor	x	(05) \$100K-\$200K	187	\$16,620	10/4/16	\$100	4/1/20	\$150	2/4/20	\$150
23	Individual	5401	Gary	Donor		(07) \$50K-\$75K	180	\$15,327	10/7/16	\$125	3/9/20	\$125	10/7/16	\$125
25	Individual	24592	Lawrence	Donor		(07) \$50K-\$75K	140	\$3,335	10/7/16	\$20	4/6/20	\$20	10/7/16	\$20
26	Individual	19989	Earl	Donor	x	(05) \$100K-\$200K	133	\$3,324	10/21/16	\$25	10/21/16	\$25	10/21/16	\$25
27	Individual	4680	David	Donor	x	(07) \$50K-\$75K	127	\$8,480	10/7/16	\$50	4/7/20	\$75	12/7/16	\$150
28	Individual	3024	George	Donor	x	(05) \$100K-\$200K	124	\$6,979	2/3/17	\$25	1/28/20	\$24	11/13/19	\$59
29	Individual	38666	Anna	Donor		(19) <\$1K	117	\$987	10/21/16	\$7	9/25/19	\$7	10/21/16	\$7
31	Individual	24572	Wendell	Donor		(09) \$30K-\$40K	110	\$5,525	10/31/16	\$50	4/10/20	\$50	10/31/16	\$50
34	Individual	15158	Anin	Donor		(08) \$40K-\$50K	102	\$10,984	10/13/16	\$50	1/31/20	\$480	2/13/17	\$480
35	Individual	1063	Greg	Donor		(06) \$75K-\$100K	100	\$19,124	10/6/16	\$100	7/5/19	\$200	4/1/19	\$500
38	Individual	24544	Susan	Donor		(07) \$50K-\$75K	99	\$2,825	10/15/16	\$20	1/2/20	\$20	1/17/17	\$25
39	Individual	8001	Gennie	Donor	x	(05) \$100K-\$200K	97	\$25,399	8/5/17	\$60	10/26/18	\$500	8/5/17	\$2,500
40	Individual	4872	Edmund	Donor		(07) \$50K-\$75K	96	\$3,215	2/2/17	\$100	1/3/20	\$100	2/2/17	\$100
42	Individual	35657	Mark	Donor		(07) \$50K-\$75K	88	\$12,405	10/17/16	\$100	4/24/20	\$100	2/8/17	\$200

Filter Mode Count: 371 96%

To count donors, highlight all the cells in your 'high-potential donor' column'...

...and look at the 'count' at the bottom of your screen (which includes only the x marks)

Separate your high-potential donors from the rest of the list

Once you have identified your goal number of high-potential donors, cut & paste them into a new workbook (or new tab) to avoid mixing them up with the rest of the list when you move on to step 4.

To do this easily:

- Clear your filters.
- Sort the list by your 'high-potential donors' column so that all the X marks are together.
- Right click on the tab, click create a copy, and select 'new workbook'.
- In that new workbook, delete all the rows that do not have an X in the 'high-potential donor' column.

From here, you have two choices:

1. Complete the Section 3 (page 34) next, which will take you through some deep-dive work on your high-potential list. Then, proceed to Section 4, which will take you back to your original big list where you will segment everyone else.
2. If you'd rather finish your big segments before doing further work on your high-potential donors, skip Section 3 for now and come back to it after you've completed Section 4.

3

Prioritize your high-potential donors

Assign relationship managers

Your high-potential donor segment is unique, as this small list of donors will drive 80% of revenue growth. Because of this potential, it will be managed differently than the other segments.

Like all segments, this group will be included in your donor engagement program and will receive all other touchpoints. However, in addition, every donor in this segment will have

a dedicated relationship manager looking out for additional opportunities for deeper connection, engagement, and giving.

In this section, we will organize our high-potential segment, starting with assigning which staff person will be responsible for that ‘curated’ experience for each donor.

What is a ‘relationship manager’?

A ‘relationship manager’ is the staff person responsible for the experience of a particular donor, including the strategy for cultivating, soliciting, and stewarding the donor.

The relationship manager is not the only person—or even the primary person—who interacts with the donor. Rather, like a quarterback, the relationship manager steers and coordinates the ‘plays’ of the team.

What is a ‘portfolio’?

A ‘portfolio’ is a list of donors assigned to a particular relationship manager.

Every high-potential donor should have exactly one relationship manager. Therefore, a donor can be in only one portfolio at a time, even if multiple people are involved in the relationship as ‘account team members’.

Assign relationship managers

In Section 2, you created a list of high-potential donors. Now it's time to put them into 'portfolios'—that is, to assign each donor a dedicated 'relationship manager' who will create a great experience for them and maximize opportunities for growth.

Step 1

Refer to page 18

- Remind yourself how many high-potential donors each member of your team can manage.

Step 2

Add a column for 'relationship manager' in your high-potential donor list.

Step 3

Add one staff member's name to the 'relationship manager' column for every donor in the list.

- Start with your most senior staff and work your way down the org chart.
- Resist the urge to make portfolios larger than the recommended numbers. These have been tested and are proven to be the maximum number that can be managed well. Remember that leadership will be involved in many relationships with donors who are not technically in their portfolio.

Tier each portfolio

When you first get a portfolio, it can seem daunting. Where to start? Who to reach out to when?

Our tiering process was created to:

1. Create priorities within portfolios to guide your work.
2. Ensure that you're not only spending time on established or responsive donors, but also on warming up relationships with lapsed, new, or newly-interested donors.

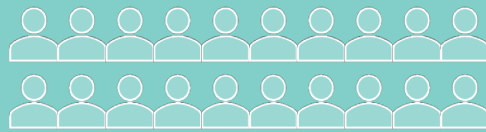
We recommend that each relationship manager tier their own portfolio.

However, if time does not allow, you can tier all portfolios simultaneously and then have each relationship manager review and tweak as needed.

Consider your tiers as dynamic—they will change as relationships change.

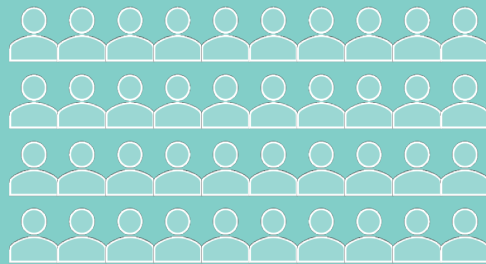
High-potential donor tiers

1



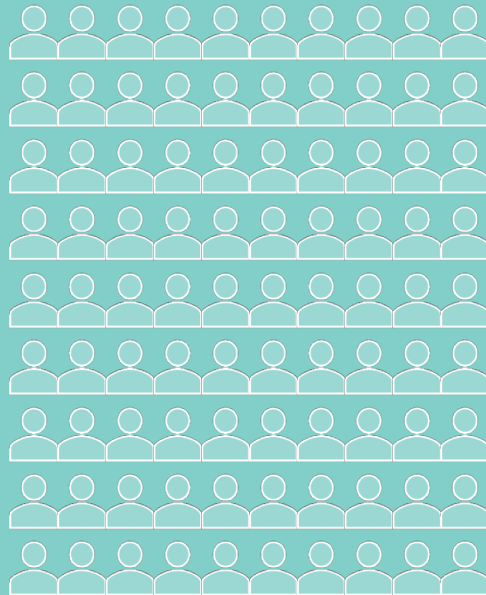
Top 20
growth potential

2



Established
donors

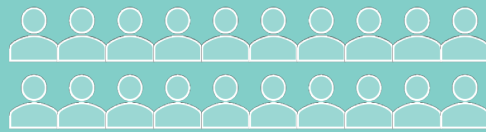
3



People to get
to know this year

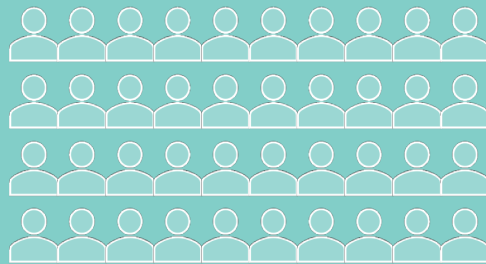
High-potential donor tiers

1



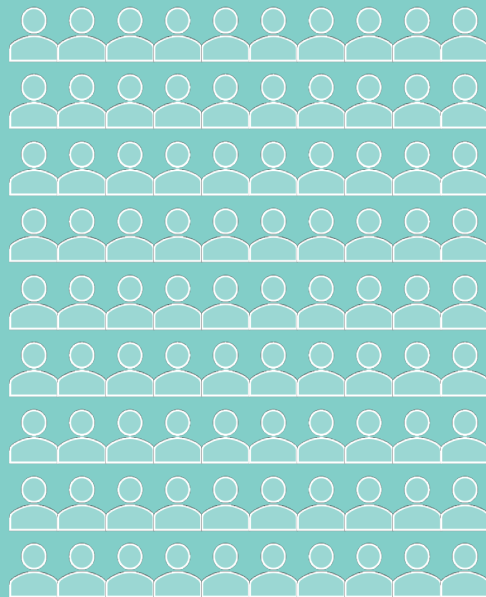
Top source of growth
this year

2



Top source of retained & upgraded large donors

3



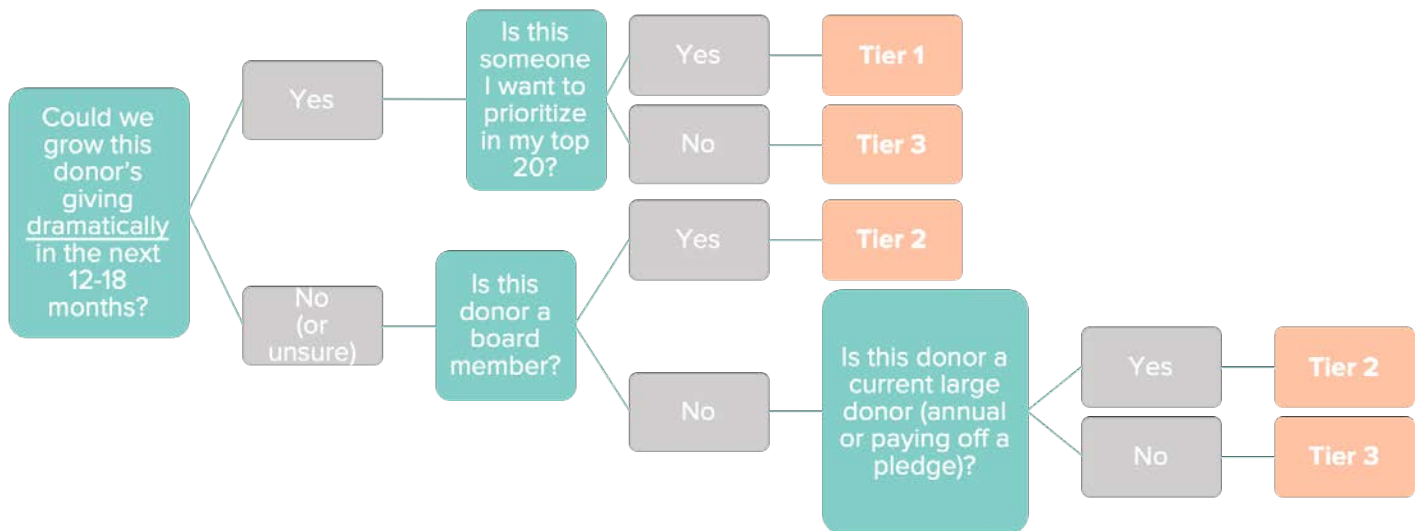
Top source of pipeline growth
from new or reengaged donors

Tier your portfolio

In your portfolio spreadsheet (or directly in your database), create a column or field where you can list each donor's tier.

The most effective way to tier a portfolio is one donor at a time. For each donor:

- Open the donor's record in your database and familiarize yourself with their connection to your organization.
- Consult the wealth screening results.
- Then, follow the flow chart below to decide which tier the donor belongs in.





4

Segment everyone else

Middle donors

Middle donors are those with more giving capacity than your general donor pool, who have not yet shown as high a potential as donors on your high-potential list.

They require a hybrid relationship management strategy—engagement as a group (usually through direct response) combined with personalized touches (like those you provide your high-potential donors, but less individualized and intensive).

Typically, a middle donor segment is in the thousands of donors for a mature program. A best practice is to assign 1,000 donors per staff person whose full-time job is middle giving.

Your middle donor segment is made up of two components:

1. Donors who could be considered for the high-potential segment (based on capacity, etc.) but that you don't have bandwidth to manage through moves management
2. Donors with the capacity to give a mid-level gift (as defined by your organization, usually at least \$1,000)

Segmenting middle donors

To create a list of middle donors, we are going to go back to our original file—setting aside our list of ‘high-potential donors’.

Step 1

Set up your Excel file for easy filtering and sorting:

- Hide columns besides the donor name, capacity rating and giving history
- Add a column for marking ‘middle donor’
- Add filters to your head row—making sure your filters include all your columns

The screenshot shows the Excel ribbon with the 'Data' tab selected. The 'Filter' icon is active, and the 'Middle donor?' column is highlighted in orange. The spreadsheet data is as follows:

Donor Info				Capacity		Giving History							
Constituent Type	ID Number	First Name	Last Name	Middle donor?	5-YR Gift Capacity Range	Total Gift Number	Total Gift Amount	First Gift Date	First Gift Amount	Last Gift Date	Last Gift Amount	Largest Gift Date	Largest Gift Amount
Individual	43051	Jason	Donor		(05) \$100K-\$200K	7	\$805	8/5/17	\$45	2/28/19	\$120	2/23/18	\$120
Individual	32845	Zulema	Donor		(05) \$100K-\$200K	7	\$6,070	2/16/17	\$300	8/5/17	\$5,000	8/5/17	\$5,000
Individual	40021	Lisa	Donor		(05) \$100K-\$200K	7	\$2,280	12/30/16	\$300	4/15/20	\$500	4/15/20	\$500
Individual	44646	Madhavi	Donor		(05) \$100K-\$200K	1	\$1,000	11/29/16	\$1,000	11/29/16	\$1,000	11/29/16	\$1,000

Step 2

Filter to see only your top capacity donors:

- On your wealth screening column, click the filter icon (▼).
- On the list that appears, unselect all the capacity categories that you are not going to include in your middle giving program.
- Be sure to include the categories you've already reviewed in Section 2—anyone that didn't get selected for your high-potential segment should be in middle giving.

Step 3

For all donors that remain, put an X in the 'middle donor' column

Filter on this column

Donor Info				Capacity		Giving History			
Constituent Type	ID Numb	First Name	Last Name	Middle donor	5-YR Gift Capacity Range	Last Gift Amount	Largest Gift Date	Largest Gift Amount	
10	Individual	43051	Jason	Donor	x	(05) \$100K-\$200K	\$120	2/23/18	\$120
11	Individual	32845	Zulema	Donor	x	(05) \$100K-\$200K	\$5,000	8/5/17	\$5,000
12	Individual	40021	Lisa	Donor	x	(05) \$100K-\$200K	\$500	4/15/20	\$500
13	Individual	44646	Madhavi	Donor	x	(05) \$100K-\$200K	\$1,000	11/29/16	\$1,000
14	Individual	45421	Rosemary	Donor	x	(05) \$100K-\$200K	\$500	3/31/17	\$500
15	Individual	48265	Phillip	Donor	x	(05) \$100K-\$200K	\$2,500	12/31/18	\$2,500
16	Individual	47749	William	Donor	x	(05) \$100K-\$200K	\$2,500	10/15/18	\$2,500
17	Individual	47567	Steve	Donor	x	(05) \$100K-\$200K	\$1,000	8/13/18	\$1,000
18	Individual	46551	Debbie	Donor	x	(05) \$100K-\$200K	\$1,000	12/30/17	\$1,000
19	Individual	44984	Ben	Donor	x	(05) \$100K-\$200K	\$750	12/17/16	\$750
20	Individual	49075	Mark	Donor	x	(05) \$100K-\$200K	\$500	8/12/19	\$500
21	Individual	47572	Aileen	Donor	x	(05) \$100K-\$200K	\$500	8/13/18	\$500
22	Individual	1627	Susan	Donor	x	(06) \$75K-\$100K	\$235	9/27/19	\$235
23	Individual	33094	Jeff	Donor	x	(06) \$75K-\$100K	\$40	10/25/18	\$160
24	Individual	13396	Michael	Donor	x	(06) \$75K-\$100K	\$13	5/30/17	\$13
25	Individual	10796	Lori	Donor	x	(06) \$75K-\$100K	\$77	8/28/18	\$182

5-YR Gift Capacity Range

Sort: Ascending / Descending

By color: None

Filter: Choose One

Search

- (06) \$75K-\$100K
- (07) \$50K-\$75K
- (08) \$40K-\$50K
- (09) \$30K-\$40K
- (10) \$25K-\$30K
- (11) \$20K-\$25K
- (12) \$15K-\$20K
- (13) \$10K-\$15K

Clear Filter

For donors that remain after you filter, put an X here

Only top capacity categories selected

Sustainers

Sustainers are general donors who are particularly loyal to you. These are donors who give every month or every year, like clockwork.

The experiences you provide to this group will be geared toward retention primarily, while providing opportunities to grow giving and engagement over time.

If you have a monthly giving program, include all members here (excluding those included in the segments above).

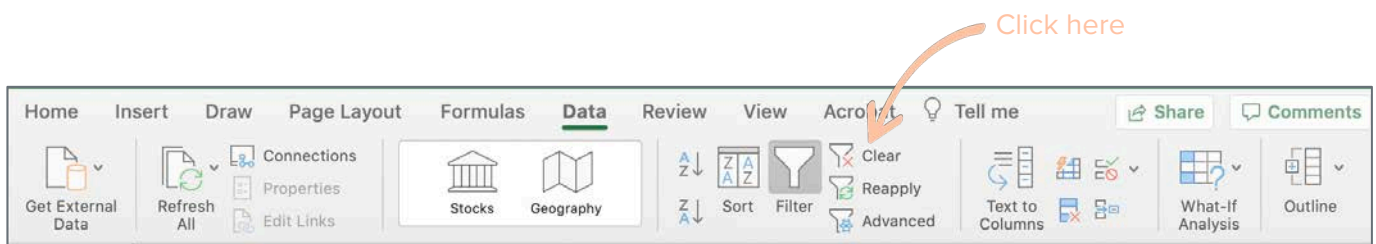
Segment sustainers

To identify your sustainers, you are going to look for donors with a high number of total gifts who are not yet included in your other segments.

Step 1

Clear your filters

- On the data tab, click the 'clear' button to reset all the filters from your previous steps.



Step 2

Filter out the 'middle donors' you have identified

- On your 'middle donor' column, click the filter icon (▼).
- On the list that appears, unselect '(Blanks)'.

Step 3

Create a column to mark 'sustainers'

Step 4

Sort the list in order of highest number of total gifts to lowest:

- On your 'total gifts number' column, click the filter icon (▾).
- For donors with the highest number of gifts (say 10 or more), put an X in the 'sustainer' column.
- If you know who your monthly donors are, put an X in the 'sustainer' column.
- Review the rest of the list and mark an X to note any other donors you consider especially loyal or reliable in terms of annual giving.

Filter on this column

Sort 'descending' (from largest to smallest)

Donor Info				Capacity		Giving History		
Constituent Type	ID Num	First Name	Last Name	Sustainers	5-YR Gift Capacity Range	Total Gift Number	Largest Gift Date	Largest Gift Amount
Individual	43603	Chris	Kurtz		(07) \$50K-\$75K	41	11/4/16	\$20
Individual	22307	Nick	Swearngin		(07) \$50K-\$75K	41	12/11/18	\$1,200
Individual	1167	Tamara	Hoover		(08) \$40K-\$50K	41	12/19/16	\$50
Individual	12616	Terry	Hayden		(08) \$40K-\$50K	40	12/31/19	\$200
Individual	425	Lisa	Malloy		(08) \$40K-\$50K	40	6/26/19	\$24
Individual	32266	Carol	Macken		(09) \$30K-\$40K	39	10/1/16	\$600
Individual	46420	Craig	Bland		(10) \$25K-\$30K	39	1/28/19	\$100
Individual	1633	Lloyd	Briggs		(08) \$40K-\$50K	38	7/20/18	\$50
Individual	31316	Jodi	Hilton		(08) \$40K-\$50K	38	4/9/20	\$50
Individual	19358	Carl	Perry		(08) \$40K-\$50K	38	8/12/19	\$100
Individual	40094	Laure	Ullrich		(09) \$30K-\$40K	38	2/22/19	\$120
Individual	38257	Billy	Vickery		(10) \$25K-\$30K	32	3/6/18	\$20
Individual	38863	Larry	Donor		(06) \$75K-\$100K	27	10/15/19	\$10,000
Individual	6520	Mary Kay	Bennett		(10) \$25K-\$30K	27	10/30/18	\$250
Individual	24810	Gewanda	Parks		(10) \$25K-\$30K	27	12/23/16	\$20
Individual	26588	Art	Donor		(06) \$75K-\$100K	26	8/5/17	\$110
Individual	36026	Allison	Ryan		(09) \$30K-\$40K	26	6/17	\$30

Mark an X next to any donor you want to include in your sustainer segment

General donors

Everyone else in your database is a general donor. This is the only segment that you will not tag in your database. In other words, anyone who is not tagged to another segment is, by definition, a general donor.

General donors will be managed through your direct response program.

Typically, these programs rely on dynamic segmentation—meaning the segment is defined by matching the timing, content, and call to action of a communication with known motivations, interests, and giving patterns of a donor.

5

Tag segments in your database

Tag segments in your database

To be useful, your segments need to be reflected in your donor database. Our recommendation is to create the following fields in your database to manage segments.

Core Segments

Create one, mutually-exclusive dropdown list that includes the segments you have created:

- High-potential donors – tier 1
- High-potential donors – tier 2
- High-potential donors – tier 3
- Middle donor
- Sustainer

As a reminder, your ‘general donor’ segments will not be tagged here.

- By definition, general donors are all constituents who do not have a core segment defined per the dropdown above.
- When you need to select among general donors for a mailing or other purpose, use last gift date or other relevant fields to narrow down your target list.

Special Groups

While all donors belong to exactly one ‘core segment’, donors may also have one more ‘special groups’ that they belong to—such as board members, board alumni, planned giving donors, COVID donors, event donors, etc.

Be sure to tag these memberships as ‘attributes’ or ‘constituency codes’ in your database.

Do not include them in the drop down for your core segments, since they are not mutually exclusive to that list.

Create a process

In this step-by-step guide, we've outlined how to set up an organization system in your database. But, as soon as you're done with these steps, there will be new donors to add and donors to move between segments. Be sure to map out clear processes to ensure your list stays up-to-date.

Core Segments

Create processes for:

- **New donors** added to your database, which will be default become 'general donors' but should be screened at least monthly and, as appropriate, added to one of the other segments
- **Upgrading** donors to a higher segment
- **Downgrading** donors to a lower segment

For each process, consider:

- Who makes the decision?
- Who reviews and/or approves the decision?
- Who makes the change in the database?
- How is the change made?
- How are you capturing the reasons for the change?
- What are the implications of the change (i.e., on portfolio size, for direct response, etc.)?
- What is your quarterly or annual 'quality control' or 'reset' process to audit the lists?

Special Groups

Create processes for:

- **Creating new groups** to which donors can belong and setting up the fields in your database
- **New donors** added to your database, who may or may not also belong to a special group you've defined
- **Adding** people to a special group
- **Removing** people from a special group



Assign owners & make plans

Assign owners & make plans

Now, it's time to put your segments to work!

To get started:

- Complete the following page to define who on your team will be 'owning' the development of the strategy for each segment.
- Bring together that group of 'owners' to develop a shared engagement plan that outlines the experience for each segment each month. For guidance, download Aperio's guide to creating a donor engagement plan at AperioPhilanthropy.com/guides.
- Set up a monthly meeting among those stakeholders to develop the plan for the coming months—making sure that all assets you create (emails, letters, post cards, holiday cards, events, virtual experiences, etc.) are shared with as many of your top segments as possible.

Segment owners

Write down which of your team members will be responsible for developing the strategy and engagement plan for each segment.

High-potential donors	
Middle donors	
Sustainers	
General donors	

