Andrew Olsen: Hey, this is Andrew Olsen, host of the Rainmaker Fundraising podcast and I'm here with my colleague and co-host, Roy Jones, who.... Roy, I hear that you've been in New York for the last couple of days. Give us a quick overview of what you've been up to.

Roy Jones: Oh yeah, well, we had... MercyShips just had a great event at the United Nations, several heads of state, lots of international leaders. It was really just a terrific time, really a first time for us in that we were doing an event designed to get Africa to help us support our work in Africa. So it was a pretty special thing, but man I am excited about this podcast. We learned how to make [00:00:45] and how to raise money at events from the guy we're going to talk to today.

Andrew Olsen: That's a great lead in and I'm super excited about this to have somebody on the show that I think we can only appropriate refer to as a legend in the major gift space and that's Bob Westfall, CEO of Westfall Gold. Bob, welcome to the show.

Bob Westfall: Hey, it's a thrill to be here and congratulations on your event in New York, Roy.

Andrew Olsen: Awesome, so Bob, thank you for being here. I'm super excited about this. I have spent, as Roy can tell you, the majority of my career on the annual fund side of the development house, but I think I've heard your name or the name of your firm at least 15 times in different client engagements and, certainly, from Roy and from some of my even current client partners.

Andrew Olsen: Before we jump into the meat of our questions, give us a quick background on who you are and who Westfall Gold is.

Bob Westfall: Sure, thank you for asking. I've been in the business of philanthropy since 1988 and actually have worked exclusively in the major donor space the entire time. I worked inside the non-profit where we developed a weekend event model that was designed to accelerate cultivation and moves management with prospects and what I would call, fringe givers. I started doing it in 1991, I left the non-profit in 2002 to start Westfall. So Westfall has been in existence since 2002, we've served more than 100 different charities and non-profit organizations through this event model. At this point, we've raised $950,000,000 to serve great charities through this weekend event model. Our average gift, just to give context to this, we've raised $105,000,000 this year through the major donor event and the average gift is $105,000 a family. So all of that to say, our focus is entirely on people of high net worth and ultra high net worth, and giving them an experience that drives their relationship deep within the context of that organization.

Andrew Olsen: So, I'm really fascinated with this model and I guess the question I want to ask you is, do you see your organization and yourself as a major gift consultant, an event marketer, an experiential marketer? Where do you fit in those categories or are you all of those things?

Bob Westfall: Yeah, yeah, so we are major and mega donor experts. Our value proposition is, we know how to help givers move from what we call transactional giving to transformational giving and that happens through a process and an event. So even though our focus as an organization is on major and mega donors, a lot of people pigeon-holed us an event company. And yeah, the focus of our deliverable is an event, but we're not doing a wedding here. We're doing an experience on purpose that creates a place where givers can be immersed in the story of an organization and dive into partnership like they've never done before.

Andrew Olsen: Okay, so I want to pick at this a little bit because I think what you're describing sounds on it's face similar to what my colleagues in the sector might say, "Oh, well, we do something like that with the Benevon Model" or other programs like that. But those are hard to replicate once you leave the room. Tell me what's special about the way you approach major and mega donor engagement and why what you guys are doing is something that can scale beyond just what happens at the events?

Bob Westfall: Sure. That is an excellent question that has a very long answer to it. I'll try to be concise and provide you with some places within this answer that you can ask some follow-up questions.

Bob Westfall: The beauty of this weekend event, it's first and foremost intended for a giving family to attend. And when I say family, we all know a vast majority of givers are couples, although there are lots of individuals, but 90% of the givers who attend our events are couples. We make attendance contingent upon the husband and wife, if that's the couple, that's the definition of couple at this setting. They attend together and first of all, rarely do you get that unit together, right? They're always going in different directions and different priorities, et cetera, et cetera. We have found, if we can get the couple together for a weekend, what ends up happening is, first and foremost, they get some time to kind of wrap their minds around a single organization and we get their attention for the whole weekend.

Bob Westfall: The next thing that happens is we immerse them in the case so we focus on how do we help somebody who's either brand new to a non-profit or has been giving at very low levels, but has the capacity to give a significant gift? How do we get that giver to move from zero, one, two on the inclination scale to eight, nine, ten on the inclination scale and actually make a giving commitment during the weekend?

Bob Westfall: And that's really the essence of the value proposition of working with us is this is all we've done for... all I've done for 30 years and all we've done as a company for 17 years is develop and refine this experience where we create an entire case for support, roll it out so that the donor is immersed in the experience and they can calculate a giving decision at the weekend. The carry on value of that, the extended value of that is that the content is all reusable. So fundraisers, if you only have, let's call it 50 giving families at one of these weekends and you have 500 major donors in your charity, obviously that means you have 450 you didn't reach at this event. But this content has carry over value so your case load managers can use the same content in cultivation and moves management and driving the other giving families in the case load to a deeper level of giving with the organization.

Andrew Olsen: Okay, you told us when we first came on that you guys have raised nearly a billion dollars in the lifetime of the company and is that a cost, what would you say? A couple of hundred organizations?

Bob Westfall: It's slightly over 100 and it's 17 years, but we really totally started to hit traction about eight years ago so the majority of what we've accomplished has been over the last eight to 10 years.

Roy Jones: You know, interesting Bob... let me jump in just real quick. The thing that I have found so helpful to us is not just those that came to the event, but using the event to create conversation and have a reason to dialogue and we're reaching out to the right people, I mean it's really been a donor upgrade process for us. Where we've targeted easily a couple thousand people over the last three years that we've engaged with and talked to, to end up getting 40 or 50 in the room each year, but it has such benefits to us, not just with those 40 or 50 each year, but with the hundred that we began dialogue with because of the event.

Roy Jones: Now don't get me wrong, it's work with those in the room. I mean, the first year I think we raised 4.6 million, the second year we raised 5.2 million and last year, what was it? 15.5 I think. So it's actually gotten better each year and, in our case, I know some of your other clients do things a little differently, we don't re-invite them since we've been presenting the same project at Founder's Weekend. And so it's all new people every time, but the people that got us to that 15.5 that last year, were people we've been working on three years to get to this meeting. And so it was worth the investment, it was worth the time.

Bob Westfall: Yeah, you know... those of us in [00:11:04] call, I call people 10, 12, 15 times and wouldn't get a call back.

Bob Westfall: We hosted one event and I had called this one couple 10 times, left voice mail messages and they never returned my call, but I saw that they had signed up for one of our events about two months from then and made a purpose to make sure I connected with that couple at this event. So they get to the event and they sign in and come to register with us. I said to this couple, "Hey, it's so and so from Indianapolis," and they're like, "Oh, you're Bob Westfall, you've left me a couple of voicemail messages," and I'm like, well, 10!

Bob Westfall: You guys know the drill. Here, I can't even get them to return my telephone call, but through the context of the weekend, this was Thursday afternoon when I saw them for the first time, Saturday night, they were seated with me at dinner and at dinner they said, "when you come to Indianapolis, where do you stay?" At the time, I stayed at I think it was a Marriott Courtyard in Carmel, Indiana. And they're like, "Oh, that's only 10 minutes from our house. Next time you come to Indiana, why don't you stay at our house instead of at the Marriott Courtyard?" So you know Roy, I go from this like ice cold relationship where I can't even get them to return a voicemail to they're inviting me to stay at their house when I come to town.

Roy Jones: But see? That's the difference. I got to tell you, Bob, I wasn't a big believer initially. I said, "Man, three days with a group of donors? That just seems weird to me." I was so used to fundraising at events, kind of one night shots. Where you have that event and the payday is that night and it's over with. The intimacy, the bond that you build with people over two or three days, it's a very different level of fundraising. In three days, when you have eaten six or seven meals with a particular supporter of your organization and you've gone out and had some time at the pool or you've played golf or you do things like that, you really build relationship. I think that was the thing, this was a new model, a new layer in the fundraising process that we added to our game that I'd never done before and I've been in this racket 30 years before we met. The way this multi-day concept into the whole event strategy doesn't change the other events, those all serve a useful purpose, but this really was the icing on the cake.

Bob Westfall: Yeah, it's an accelerator. When people ask me, "How does this work so well?" It's just an absolute accelerator in building relationship, in donor understanding of the organization, in inclination, and then the last thing it accelerates is trust. I don't know if either of you guys have read Stephen Covey's book The Speed of Trust, but it is a great thesis on how to really develop deep levels of engagement. When people spend three and a half days with you and they get to know the board and the leadership team and other donors of the organization, it accelerates trust and we all know that's a major feature in engaging a new donor to your cause is that they have to believe and trust in you.

Andrew Olsen: Absolutely. So I'm curious, Bob, I feel like this model and having not experienced it myself, maybe I'm wrong, but I feel like there are many development officers for sure, maybe even many CEOs who aren't comfortable getting this close to donors. Talk to us a little bit about sort of what are the prerequisites from the staff side. What do they have to be ready for? Who are the kind of people that are really successful at [inaudible 00:15:44].

Bob Westfall: Yeah, thank you. The primary item that we look for is capacity of the file of the organization, number one, and number two, the case. So is this a case that's scalable, that's growing, that has the kind of viability that a major or mega donor would want to invest in? We look a little bit at the team, but what really matters to the giver when they get to the event is the other givers that they're meeting. They're finding themselves, "We're not the only people in this game. We're part of a community of givers that together we're making a difference. We're becoming a part of the family," in Roy's case that's MercyShips, "we're becoming part of the family of MercyShips." That's actually a significant element in driving a donor's decision to make an extraordinary gift in an organization.

Roy Jones: I just keep thinking of the expression, eagles fly with eagles. They like being the room with other people of high net worth, high capacity, success, they like that don't they?

Bob Westfall: Absolutely. It gives them courage, it gives them believability in the cause, it gives them trust in the organization, and those are things you can't replicate in one to one meetings. Hey, listen, I was a caseload manager myself and I could not replicate the results I would get if I brought a donor to the major donor event weekend. In my one to one meetings, I couldn't get the acceleration of relationship, I couldn't get the husband and wife together, I couldn't get the husband to carry the story home to his wife or the wife to carry the story home to her husband. No wonder it takes two to three to four years to get a donor to move from non-donor to giver, but when you get them together at a weekend where they are experiencing this organization as a giving family and they're around other giving families, it creates a place where they are comfortable, they feel safe, and they're motivated to engage.

Bob Westfall: So as it relates to a major donor fundraising officer and CEO, I say our job is to facilitate connections. We're there to help the donors really connect with each other and to the extent they invite us into that conversation, we need to be comfortable in that conversation, but the primary goal we have at these weekends is for them to connect with each other.

Andrew Olsen: That's great. I'm curious about the audience for these weekends. I know that you've said these are the major and mega donors, but do you find that when you work with an organization, are most of these people already in managed portfolios engaging at some level with your organization or do you tend to find that you're picking a lot of these people up say out of the direct mail program or out of the traditional event program that they've got and this might be a first engagement for them with your organization in that kind of intimacy?

Bob Westfall: Yeah, that's a good question. So we're often seeing a really broad mix of attendees from current major donors to lapsed major donors to general and mid-range donors who through wealth analytics identified as high-capacity givers. It runs the gamut to prospects that are on a caseload of portfolio, but haven't really necessary "achieved" the major gift level of giving with an organization. It's interesting, Andrew, that we've done a five year audit of all of our events and we have found that current major donors, major donor as defined as $10,000 in a single calendar year or more... [silence]

Bob Westfall: ... current major donors, 86% higher gift than they've given previously as their highest gift. So it is as Roy said a few minutes ago, it really is an incredible upgrade tool, but we looked at lapsed donors, lapsed major donors, they came onboard, listen to this, lapsed major donors came onboard at right around $100,000 per donor, lapsed major donors.

Andrew Olsen: Wow.

Bob Westfall: So it is not only a great upgrade tool, but it's a conversion tool for prospects and it's a re-engagement tool for lapse givers.

Andrew Olsen: That's pretty huge. I don't know of anybody that's getting numbers like that these days. From a sort of overall return on investment prospective, what do you guys see for the activity that you lead with your clients is the average return? Two to one, is it 10 to one, where do you see those fall?

Bob Westfall: So the average is 5.5 to one, and we're counting event revenue only.

Andrew Olsen: Oh, interesting.

Bob Westfall: Here's what I mean by that, organizations that have done a long-term value study of the givers who came in through the front door of the event, consistently achieve a 10 to one LTV from those givers. One of the clients we work with at university had done four events with us, they raised $12,000,000 at the event, their executive VP told us those same donors have given $50,000,000 since the event.

Andrew Olsen: Wow.

Bob Westfall: It's not just a one and done thing, these aren't givers who are giving and going. These are givers who are giving and growing, and I think that's what separates this model really from other of the earlier consulting firms you mentioned is these are growing sustaining relationships.

Andrew Olsen: Yeah, you're absolutely right. The other models that I'm familiar with, you're lucky to get one gift and then the person says something to the effect of, "I'd really not prefer to go next year because they're just going to bother me." Whereas, it seems like this really helps to deepen the relationship and get people engaged for the long term, which is significant.

Bob Westfall: Let me prove that out for you. So obviously you understand the caliber of the people who attend if we're averaging $104,000 average gift. It's a high level attendee. So we've served more than two thousand high net worth or ultra high net worth families this year through our event model so far, 99% of the people who attend our event said they would be willing to come back next year.

Andrew Olsen: Wow. That says a whole lot for next year.

Bob Westfall: It does. Well, here's something even better, 98.8% of those people said they would be willing to bring one of their friends with them. So it's a built-in acquisition tool.

Andrew Olsen: That's really cool.

Bob Westfall: Yeah.

Roy Jones: Talk to me, Bob. And I think one of the reasons is, it's not just the relationships that are built, although that's key, but I have found that you guys know how to run events with real quality. Not only is it... the technology's right, the video's right, the music's right, the entertainment's right, the way you work with our speakers, and I don't want to say every word scripted, but it's pretty close to that. You really conduct an entire orchestra, bringing the emotion at that three day event to a peak. Talk about just the event logistics a bit.

Bob Westfall: Sure.

Roy Jones: So often, everybody thinks they can do this and if you don't have experience at that piece of it, you're in trouble.

Bob Westfall: Well, it goes back to one of the things we talked about a few minutes ago, it's what I call building bridges of trust between the organization and the giver. If the giver is sitting in an event where it's been promoted as something that starts at 6:00 and ends at 9:00, and it starts at 6:20 and ends at 9:30, it just says to the giver, your time doesn't matter and nor does us running a professional event matter. All that matters is we get done what we wanted to get done. And believe it or not, the donor is sitting in the room actually thinking about, "these guys can't even start this meeting on time, what makes me think they can effectively and efficiently use the funds that I give to this organization?"

Bob Westfall: So timeliness and effectiveness, efficiency, and excellence matter to this group of people. We run our events with absolute precision. We say we're going to start a session at 7:15, my goodness, we have a time clock on the screen and have them see us starting the session and as it ends at 8:30, there's a time clock in the back and it ends at zero and we're done with the session.

Bob Westfall: When you run a [inaudible 00:25:47] with precision, it speaks volumes to the givers in the room. You care about my time, you're professional, and you're excellent, and I want to be a part of something like that. So there's a reason we do everything, everything is timed to the minute and we have pre-production meetings, we have production meetings, we have debrief sessions, we have conversations with speakers, and you know this Roy, nobody in the room knows that this is the Westfall event, they think this is a MercyShips event. And it is a MercyShips event.

Roy Jones: And you guys, it's totally invisible to the donor.

Bob Westfall: The donor understands that this is a MercyShips event and MercyShips has run this with absolute excellence. It speaks volumes about you as an organization. So to think about somebody who's never in their life done anything at this level, audio, visual, lighting, you have scripts, you have media, you have the room set, you have meals, you have speakers, you have content. There's so many variables, and you have people in the room that it's a miracle, first of all, you got them in the room and, second of all, you better deliver an extraordinary experience or the likelihood that they'll come back is pretty low. The likelihood that they'll give you, what we call a transformational gift, is probably non-existent.

Andrew Olsen: So two questions Bob, first one is from the point of decision to the day in the room, what's the typical timeline that it takes you to prepare for one of these kind of events?

Bob Westfall: It's usually 10 to 12 months from the time an organization says "yes" until we turn on the lights at the weekend.

Andrew Olsen: Okay, and for organizations that are doing these multiple times, is it consistently a 10 to 12 month or is it like once you've prepped for it once, the next one you can do in half the time?

Bob Westfall: Yeah, so we have a few clients who do multiple events a year and those are always work in progress. I'm going to one this fall where the client had an event in March, on the west coast where they raised 17 million, and their east coast event is in November and they have 45 couples, we don't know what they're going to raise at that yet, but we've been prepping for the fall event the same time we were prepping for the spring event.

Andrew Olsen: Okay.

Bob Westfall: It's constantly a work in progress.

Andrew Olsen: I've heard you say a couple of times throughout our conversation, when it comes to a number of couples, 45 to 50, right? That's 100 people, is that because 100 is the most manageable number, why is 45 to 50 the sweet spot?

Bob Westfall: So you want some level of intimacy, especially for your first weekend, and we have found that kind of the magic number is 50 couples. So if you have an event that has 50 couples versus 30 couples, it raises 180% more a month. There's something about having kind of the right number of folks in the room that create the experience for the giver that maximizes the event. Now I will say, I was with a client this week where their first event, they're planning on 120 giving, it's called units, attending that event. So it's a much bigger event and the chief development officer said to me, "How do we maintain that intimacy?" And what I said was, "It all has to do with how you engage your donor hosts at the weekend." So if your donor hosts are helping host couples, let's say one donor themselves host six to eight couples, you create a bunch of pockets of intimacy and that keeps the intimacy of the event.

Andrew Olsen: That makes a lot of sense.

Roy Jones: It's really interesting just to think about the size of the audience, that kind of stuff is important because they're getting direct access to board members, direct access to the founder or the president, and those specific people only have so much band width so if you don't have enough of those types in the room, that's part of the mix that make it work, isn't it Bob?

Bob Westfall: Absolutely. It's really important that you have people in the room that aren't polar opposites in capacity so you don't have a donor capable of giving a $100 a month sitting at a table with a donor capable of writing a check for a $1,000,000. It creates a space that's uncomfortable for both of those givers. So being mindful of your audience is a critical aspect of this weekend.

Bob Westfall: One thing that we haven't talked about is the framing of the case for support. So the science and art of that is critical as the people that you get in the room. So it's really focused on both, it's the audience and then the message that we're going to deliver at the weekend.

Andrew Olsen: So talk to us a little bit more about that framing. I think a lot of organizations struggle with this because they want to showcase the need to motivate the donor to give, but not so much that it feels overwhelming or that maybe organizationally they look like they're not up to snuff. How do you counsel organizations around that and how do you help them set the tone for what is the right kind of presentation of the case particularly for donors like this?

Bob Westfall: Yeah, good question. First of all, it has to do with cadence. You have to structure the case so that it has a proper cadence to it. You don't want the biggest emotional high to be the first thing you show them, right? It has a diminishing return at that level. So we look at cadence. How do we build this case to a crescendo right before we extend the invitation to give.

Bob Westfall: Then we have to talk about what is it we want to help the donor understand, and essentially we call that the intellectual case. Basically, the who you are, the what you do, where you do it, how you do it, how long you've done it, how many countries, et cetera, et cetera. You've kind of set the context for the donor in their mind so that they understand who you are.

Bob Westfall: Then each presentation has an element of the intellectual case, but it also has an element of the emotional case. So that's who you're trying to reach with your mission, who you're trying to effect, who's life are you trying to transform? And that story is basically told in the definition of who is your audience as an organization, who are you trying to reach. But thirdly, and the most important part of the case for support, is what we call the transformational case. So you take your intellectual case, your emotional case, and what's the outcome of that? It's the life that's transformed, and we bring great focus to that in each of the presentations of the case for support. That's delivered by, actually the story of one person, and delivering their entire story of a life transformed.

Bob Westfall: Where does all this come from? Our company does a great deal of research on the giving habits of high net worth families, we're also members of the board of The Giving Institute. The Giving Institute is the organization that generates the funding and the research for Giving USA. And we take all of that content, all that research, and then we apply it at our weekend so we have anecdotal evidence of the impact of the empirical research.

Bob Westfall: One of the tools that's helpful to us in our research is the bi-annual study of giving habits of ultra high net worth families that's conducted between Bank of America and the Lilly School of Philanthropy. One of the things that we look at as a company is the motivations for giving so we are always kind of looking, what's motivating people to want to write a check. It's consistent, year after year after year, what drives a donor to write a check and I'll tell you the top two from the last one. If you can help a donor believe in the mission of your organization, 94% of the donors will make a gift.

Bob Westfall: Here's the one point that a vast majority of organizations miss, and it's 93% of major donors will make a gift when they believe that when they give you this gift, that gift is going to make the difference in the life of somebody else. We call that the transformational case. You said it just a minute ago, Andrew. You said, "Most organizations focused on the need to raise money" or how much money they need. The donor doesn't really care how much money you need, if they don't understand: A) why they believe in your organization; and B) when they give you that money, what are you going to do with that money that's going to transform somebody's life.

Bob Westfall: If you were to pick a major donor fundraising officer and look at their moves management strategy and look at the moves, look at the specific moves that they're making and then identify how many times in a 12 month cycle that major donor fundraising officer is delivering the transformational case, I bet you can't find it more than 10% of the time. And 93% of donors will write a check when it's proven so it's such an unbalanced approach.

Andrew Olsen: You know, I laughed when you said that, it's not funny at all, but you're absolutely right. When I look at this across organizations that we've partnered with, most of the moves are around showing how great we the organization are or simply doing something to check a box to say, "Yes, I've stayed in touch with this donor."

Bob Westfall: Yes, exactly. And you know what? If you made a purposeful deposit of a transformational case, every single time you made contact with a donor, every single... You can do it in an email, you can attach a story to your email. "Hey, we just got this story from Florida. We just got this story from Africa. I thought you'd be interested in it." If it's a brief story, the donor will read it, but instead we're so busy ticking the boxes that we're not doing anything to engage the donor and that's why so many of us get transactional gifts. What we say, at these events, we're going after transformational gifts. One of the evidences that we're achieving that is 90% or more of the gifts that we get at these weekends come in undesignated, they come into what we call the core mission.

Andrew Olsen: Wait, what percent?

Bob Westfall: 90%

Andrew Olsen: Wow.

Bob Westfall: So 90% of the giving is done core mission, unless we're doing an event specifically for a capital campaign for a capital project. If we're doing a comprehensive organizational ask, 90% of the time we get undesignated [00:38:33] at these things.

Andrew Olsen: That's awesome. Okay.

Roy Jones: That really is. The things you guys in advance just to help us even really work on that case and make sure that it is transformational and not just a transactional ask, it doesn't feel like a pitch. It's not. And I think so often, and you said it right, Bob, major gift officers are just out there pitching and that's when they stay in that transactional box of small gifts usually missing two or three zeros from the gift.

Bob Westfall: Yeah, it's not only transactional, but it's also designated, right? It really cuffs the hands of the non-profit.

Roy Jones: Absolutely.

Andrew Olsen: Well, Bob, I think we're getting close on time, I so appreciate you being here with us and I feel like I've learned so much just in this last 40 minutes. If some of our listeners are interested in talking to you about how they might engage Westfall Gold or have other questions, what's the best way for people to reach you?

Bob Westfall: I would just go to our website, it's WestfallGold.com or you can even send me an email: bob.westfall@westfallgold.com.

Andrew Olsen: Man, thank you so much again. I really appreciate you being here, appreciate getting to learn from you today.

Bob Westfall: I enjoyed it. Thank you Andrew, thank you Roy.

Roy Jones: Thank you, appreciate you Bob. Thank you for everything.