



MEGADONOR ARCHETYPES

IN 2019, 50 U.S.-BASED DONORS MADE CHARITABLE GIFTS AMOUNTING TO \$15.8 BILLION.

THAT'S MORE THAN TWICE THE \$7.8 BILLION GIVEN BY 2018'S 50 MOST GENEROUS DONORS, ACCORDING TO THE CHRONICLE OF PHILANTHROPY.

Every year, hundreds of donors are making seven-, eight-, and nine-figure gifts to nonprofits and universities. Others are pouring their assets into donor-advised funds, deferring the ultimate decision about how and where to begin realizing impact. How do the philanthropic wealthy make their decisions? And what are all donors seeking in stories about these (sometimes very visible) gifts? It's a question on every fundraiser's mind, particularly as the number of high-net-worth households grows.

We as a sector know some things about the reasons people give in general—particularly people who live in the United States. We know a lot about the ways baby boomers like to be recognized, and what sort of content drives millennials to act. But when it comes to high-net-worth individuals, there's a serious insights

gap. The prevailing wisdom defaults to: it's different for every person. And when it's different for every person, it becomes that much more challenging to anticipate audience interests and craft compelling, evocative stories accordingly. That insights gap brought out Yes& Lipman Hearne's inner geek. We embarked on a fact-finding mission, asking:

Are there **steps an organization can take to be truly ready** when a potentially transformative donor shows up on the radar?

Are there **signals and stories that can serve as a beacon** to draw like-minded people toward an organization—and does a signal that attracts one sort of donor have the opposite effect on another sort of donor?

We know the instinct to make a difference is shared well beyond the very wealthy. In helping raise more than \$34 billion over the past decades, we've found that people of all walks of life have philanthropic impulses and are continually learning from the examples of others.

We believe that by better understanding megadonor motivations we—and you—can better understand and connect with all donors.

WHAT WE DID

We looked closely at the personal statements made by philanthropists who have made the Giving Pledge—211 of them since 2010. The Giving Pledge began as an open invitation by Warren Buffett and Bill Gates to the world’s billionaires to join them and others in pledging to give half or more of their wealth to charity during their lifetimes. Those heeding the call have provided thoughtful, precise, and nuanced personal statements—amounting to 85,000 words—about their motivations and approaches, with the explicit goal of inspiring others to follow their lead.

WHAT WE SEE

Five **Megadonor Archetypes**, each with its own mindset and motivational hot buttons.

We’ve built profiles around each of these, aggregating and amplifying their defining characteristics. As practiced fundraisers know, no real individual donor can be put into a tidy box—nor would we want that. But we do believe that approaching donor communications with an understanding of this diverse family of giving styles can help speed responsiveness and streamline internal planning conversations.

Donors—megadonors as well as those making a first-ever major gift—are showing a side of themselves to the world. With the insights below, we hope to equip fundraisers and the organizations they support to empower that instinct and deliver fitting emotional rewards.

COMMON THREADS

WE NOTICED A FEW RECURRING THEMES AMONG WRITERS OF PLEDGE STATEMENTS, REGARDLESS OF WHO THEY WERE OR THE OUTCOMES THEY SOUGHT:

- Many pledgers took pains to anticipate the question: What about your kids? and to answer: All of our needs—and theirs—are taken care of. We have more than enough. A subset made it clear that they view very large inheritances as an impediment.
- A surprising percentage of statements—almost one in three—included lively and direct language about joy and happiness. Just one pledge statement made an explicit mention of tax advantages.
- More than half of pledgers expressed a sense of gratitude for good fortune in life, while 20 percent credited a charitable example set by their parents (in many cases, their working-class, immigrant parents).

WHY ARCHETYPES?

Rather than pre-sort this population by demographics and drawing conclusions from there, we looked for commonalities in the ways these individuals frame their own experiences, and then looked for psychographic characteristics they might share.

Every person in this set is an outlier. At the time we did this work, there were just over 2,000 billionaire households in the world, and almost 176,000 people with a net worth of \$50 million or more; only a subset of them (a healthy subset, we hope) are or will become philanthropic.

As outliers, these individuals are comfortable standing out from the pack—but they are not antisocial. They are aware of one another—often connected socially and professionally—and are aware of their own visibility; indeed, a purpose of the Giving Pledge is to add to the number of inspiring philanthropic models.

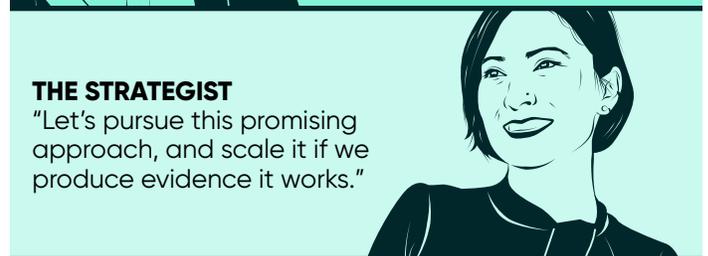
Philanthropic individuals want to feel connected to the world. And they want to shape how the world sees them.

They do this as we all do: **by connecting to stories, and by shaping narratives around those stories.**

We're excited to offer fundraisers, communicators, and other leaders a new lens for looking at the universe of donors and would-be donors. We believe it will reveal powerful ways to inspire and engage.

THE NEW MEGADONOR ARCHETYPES

AT A GLANCE





FIELD GUIDE -to- THE NEW MEGADONOR ARCHETYPES

IMPLICATIONS & TO-DO'S: USING ARCHETYPES TO ENRICH DONOR COMMUNICATIONS

Evaluate your message set against the Archetypes—and add to the set if you notice any gaps. Archetypes respond differently to opportunities framed in certain ways. Use this guide to inform your thinking, and work toward expressing your organization's vision and opportunities using language and narratives that would resonate with each Archetype. You'll streamline your processes and improve your responsiveness to donors when your team is equipped with a complete toolkit of message translations.

Review your public-facing story from an outsider's point of view. Would a prospect newly learning about your organization perceive you as more data- and evidence-driven, or more attuned to human relationships? Would they see your voice in conversations they care about? What impressions would a donor's family and peers take away from your public-facing story—that is, what brand personality are you asking your donor to affiliate with? Do your gift announcements and donor stories portray one style of giving, or a variety?

Invest in your brand. As you shape communications about a specific opportunity with your donors and prospects in mind, remember that your prospects are media consumers, too. They will be absorbing other messages about your organization through all of the public-facing channels where you are present (or absent, as the case may be). What you say about the opportunity and your institution must be backed up by what they read and watch on your website, in your social channels, via print vehicles, and in earned media.

Deepen your relationships. Approach your donor conversations with a hypothesis in mind about the Archetype that most closely corresponds to the way you've seen that prospect behave. Invite prospects to reflect on things that matter to them, and brief your communications team about what you learn. Consider assigning an Archetype attribute to individual donor records that can dovetail with custom Archetype-specific strategies and substantive, curated direct communications.

Think about fit. For some organizations, accommodating certain donor styles would entail changing your organizational culture. This guide may be useful in guiding internal conversations about fit.

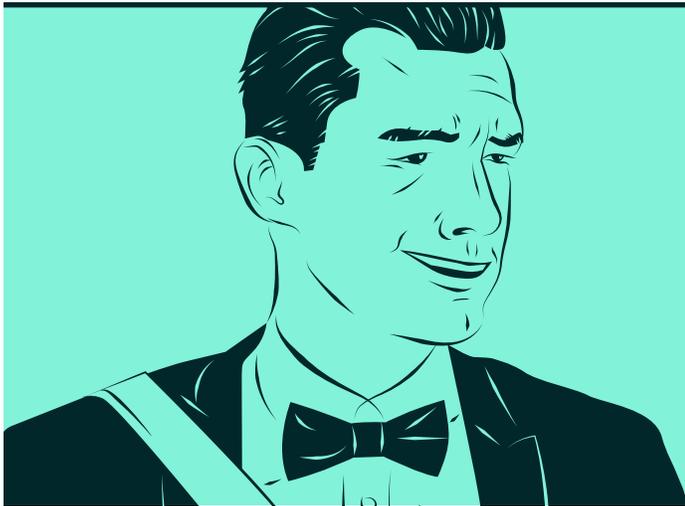
Think of Archetypes when briefing your communications team about a prospect. The goal isn't to pigeonhole your prospect, but to think expansively about the experiences that shaped them and the motivators that drive them. Who has been influential in their life, and why? Whom do they hope to influence? What changes has this person lived through—or created—and how do they reflect on those changes? How do they talk about their upbringing? When they talk about the source of their wealth, do they attribute it to fate, hard work, smart choices, or some combination? What do they consider "proof" that a gift has been successful? Use these questions to guide your communications plan.



REACH OUT TO YES& LIPMAN HEARNE

We made this field guide to be useful, and we have a deep bench of strategic and creative experts passionate about making your stories accessible to more audiences. We're at info@yesandlipmanhearne.com or call us at **312.356.8000**.

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**THE NEW
MEGADONOR ARCHETYPES**



01
THE
CLOSER

A POWERFUL, DARING FORCE FOR GOOD

**01 | ARCHETYPE:
THE CLOSER**

The Closer takes pride in an exceptional capacity to see and appreciate opportunities—and a willingness to take decisive action. Moving the needle means everything to the Closer. They want to be invited to evaluate the potential of a bold initiative, and to take a calculated risk.

The Closer can tolerate risk—and understands that no truly great gains are won without risk. But the Closer is not a gambler: due diligence is essential, and objective evidence of results is critical.

RECOGNITION: The Closer appreciates being recognized as a strong, discerning partner and enjoys being known for advancing cutting-edge ideas.

TRY THIS: Highlight the reasons a certain investment is particularly promising now: a confluence of recent advances, a demographic shift, culture-wide technology use, etc.

WATCH-OUTS: If forced to choose between loyalty to an institution and loyalty to a purpose, the purpose wins.

TRUSTS: Their own skill and acumen; specialists and principal investigators. Closers also know their own limits, and will seek counsel as needed.

AVOIDS: Following the pack, funding something any other donor might fund.

PREFERS: Doing what others won't.

SEES WEALTH AS: Evidence of their acumen and savvy, and risk capital that can enable change.

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02
THE
STRATEGIST

A KNOWLEDGEABLE, HANDS-ON CHANGE AGENT

02 | ARCHETYPE:
THE STRATEGIST

The Strategist is invested in the mode of approach to a given problem: testing hypotheses, adding to the volume of knowledge about best practices, creating replicable practices and enduring impact, bringing to scale pilot practices that have shown promise.

The Strategist is likely to have a professionally staffed operating foundation, to have hands-on involvement in grantmaking strategy, or both.

The Strategist may feel particularly connected to ideas of fairness, equal opportunity, and a level playing field. They are aware of having started out in life with few obstacles in their path, and want to recreate that sense of wide-open opportunity for others.



RECOGNITION: Strategists see themselves as knowledgeable peers to change agents in the field, not “merely” benefactors. Gift announcements should convey a strategic intent, inspire others to follow the Strategist’s lead, or promote adoption of tested solutions.

TRY THIS: Outline a root cause or multiplier-effect rationale for a philanthropic investment. Highlight leverage opportunities. Engage them as a fellow expert, and provide nuanced outcomes reports while tracking progress toward long-term goals. Communicate plans for disseminating lessons learned to others in the field.

WATCH-OUTS: The Strategist sets the agenda and philanthropic priorities. They do not welcome efforts to persuade them to change their interest areas, but will hear about novel approaches.

TRUSTS: On-the-ground experts, data, third-party evaluators, peer change-makers.

AVOIDS: Short-term, quick-fix solutions.

PREFERS: Making systemic change, having enduring impact or a multiplier effect.

SEES WEALTH AS: Fuel for a substantive next chapter in their life. While earning their wealth, they also gained collaborative and strategic skills they are eager to continue using.



03

THE ENTHUSIAST

A CONNOISSEUR OF HAPPINESS AND MEANING

03 | ARCHETYPE: THE ENTHUSIAST

Through philanthropy—practiced over the course of years or decades—the Enthusiast has found a direct route to personal happiness, satisfaction, and self-worth. The Enthusiast believes doing for others has inherent value—and they take to heart their identity as civic leaders.

The Enthusiast delights in authentic person-to-person interactions with all sorts of people—recipients of funded scholarships, researchers whose work they have made possible, direct service staff, peer donors who are on their own philanthropic adventures. They build respectful and lasting relationships with staff insiders at recipient organizations, professionals within their own foundations, and fellow donors.

Their giving must feel voluntary, and they must feel free to choose and direct how they will help—and they approach their decisions with care. They often undertake giving as a family and relish how this shared experience strengthens personal bonds between family members.

RECOGNITION: The Enthusiast is a passionate evangelist for philanthropy, so while publicity is not an objective, they are willing to be recognized. The Enthusiast also welcomes the opportunity to reflect on their philanthropic journey and can give moving testimonials.

TRY THIS: Capture straightforward stories about individual lives that were or can be affected. Offer opportunities to observe work in action or meet beneficiaries, as appropriate.

WATCH-OUTS: May have an aversion to terms like “risk capital” and “ROI” that might be motivating to a different donor.

TRUSTS: Family members, instincts, nonprofit leaders with whom they have built authentic relationships over time.

AVOIDS: Following a formula or prescribed course of action.

PREFERS: Being inspired anew by stories, choosing freely.

SEES WEALTH AS: Meaningful only when put to use. The source of that wealth is a separate emotional silo.

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04
**THE
EXPLORER**

AN ENGAGED AND EARNEST LEARNER

**04 | ARCHETYPE:
THE EXPLORER**

The Explorer is self-consciously new to philanthropy—in some cases because of a rapid influx of wealth, in other cases because they have reached a milestone such as retirement. They are in a discernment and experimentation phase. The Explorer enjoys the process of learning and being immersed in the rarefied world of philanthropy, and is comfortable pivoting.

The Explorer wants to avoid missteps, mindful of the risk to their reputation. They also want to avoid disrupting a recipient organization, should their giving strategy change suddenly. The Explorer has a sense of urgency, and wants to take action, but approaches causes with humility. They are crafting a legacy, and will begin by thoughtfully investing incrementally to build impact over time.

Explorers are active listeners, and will also take time to inform themselves about issues via a variety of outside sources. They are more likely to see themselves as choosing from among options at this stage, rather than entrepreneurially ideating all-new options.

RECOGNITION: The Explorer's default is a low profile—but some Explorers will want their giving to reflect positively on an affiliated business. Gift announcement plans should be developed collaboratively.

TRY THIS: Communicate how fundable projects can be piloted and phased incrementally over time. Share case studies of earlier projects funded by others, and learnings that can inform their next steps. Signal to them that they are not alone in their evaluative approach by convening cohorts of peer Explorers, then bringing experienced philanthropists or sector experts to the table.

WATCH-OUTS: The Explorer may be new to philanthropy, but they are accomplished leaders in other realms. Don't underestimate the Explorer's sophistication. Some in this group are looking to burnish their brand or reputation.

TRUSTS: Their family; peers with comparable wealth and power but more experience with philanthropy.

AVOIDS: Big bets and high-profile, high-stakes projects.

PREFERS: Incremental projects, pivoting.

SEES WEALTH AS: A responsibility and an opportunity.



05 THE WORLD-BUILDER

AN ENTREPRENEURIAL GLOBAL CITIZEN

05 | ARCHETYPE: THE WORLD-BUILDER

The World-Builder is an engaged and entrepreneurial citizen of the world—an architect of the human experience. They are practiced at using every tool available—for-profit market offerings, technologies, government reform, education, journalism, policy change, multinational collaborations, and nonprofit/NGO initiatives—to pursue a vision.

This person doesn't put the nonprofit/NGO sector on a pedestal; often, the World-Builder has seen a for-profit product of their own making improve the quality of life for millions. They may have witnessed firsthand—or actively propelled—the rapid transformation of an entire nation's economy or public health.

They seek impact on a grand scale—all of humanity, the planet, the reaches of the universe—and are comfortable breaking the mold. And they are big believers in competition as a driver of ingenuity and innovation.

RECOGNITION: The World-Builder welcomes but does not depend on the spotlight (they get enough of it from their own accomplishments and ideas). Earned media and organic word of mouth are highly valued.

TRY THIS: The World-Builder wants to set the tone, with the partner organization responding. Globally influential institutions with the wherewithal to convene the world's leading innovators around a particular issue can engage the World-Builder. Others should look to springboard off buzz in the wake of whatever the World-Builder is doing.

WATCH-OUTS: Will found their own nonprofit or LLC rather than put significant resources into an enterprise they don't control. They will influence the conversation around their chosen issue; even entities that have not engaged the World-Builder as a donor will see the nature of their work reshaped.

TRUSTS: Other visionary, ultra-high-net-worth global citizens.

AVOIDS: Slotting into another person's vision, playing by anyone else's rules.

PREFERS: Masterminding an independent solution.

SEES WEALTH AS: A natural outgrowth of a valuable service they've provided to populations, and a means for building on that momentum.



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CONCLUSION

At Yes& Lipman Hearne, we believe in putting donor audiences first—and we understand, as our clients do, that doing so is no simple task.

Philanthropic communications are about connecting institutional goals with donors' desires for impact and accomplishment.

These Archetypes inspire us to think both expansively and precisely about how to position philanthropic opportunities. By enriching our thinking about the mindset of donors, we—and you—are that much better prepared to create curated content and experiences for donors, and to motivate and celebrate transformative giving.

MORE ON OUR APPROACH

We conducted a close reading of personal statements made publicly available by individuals making the Giving Pledge. We mined the statements for patterns, looking for similarities and differences in the ways pledgers described their life story, their philosophy about giving, their values, their giving style or approach, preconditions they require, the sort of outcomes that matter to

them, and the benefits they report experiencing as a result of giving.

We augmented this information with research on estimated net worth, birth year, and country of residence and of birth. And we reflected on our own experiences crafting donor communications and shaping brand impressions that have successfully appealed to donors of transformational gifts.

NOTE: *Of the 211 Giving Pledge signatories, 193 have made available a statement of some kind. While this doesn't make for a statistically projectable data set, we've found the information useful because the authors of the statements are, in the spirit of the Giving Pledge, self-consciously attempting to inspire others.*



TELLING STORIES THAT INSPIRE DONORS IS WHAT MOVES US AT YES& LIPMAN HEARNE

We would be delighted to partner with you. Get in touch with Yes& Lipman Hearne via info@yesandlipmanhearne or call us at **312.356.8000**.