

Winning Edge #2 – Who Are the Best Donors?

This is Trevor Bragdon with Commonwealth Partners' *Winning Edge*: Tips to help conservatives persuade and win.



Years ago, AEI economist Mark Perry [wrote a story](#) about Milton Friedman.

While traveling by car during one of his many overseas travels, Professor Milton Friedman spotted scores of road builders moving earth with shovels instead of modern machinery. When he asked why powerful equipment wasn't used instead of so many laborers, his host told him it was to keep employment high in the construction industry. If they used tractors or modern road building equipment, fewer people would have jobs was his host's logic.

Friedman inquired, "Then instead of shovels, why don't you give them spoons and create even more jobs?"

While Friedman was making a joke about labor and production, this echoes one of the big challenges we face in fundraising. There is a lot of pressure to use spoons to get the job done.

Let me explain. Imagine you need to raise \$20K for a local campaign to be competitive.

Now, let's imagine this fundraising goal can be represented by an empty wheelbarrow.

If you had to fill this wheelbarrow, which tool would you use—would you reach for a spoon or would you reach for a shovel?

You could fill the wheelbarrow with a spoon without breaking a sweat, but it would take you all day. A shovel would be more effort, but it would take only a dozen or so scoops to fill the wheelbarrow.

Technically, both the shovel and the spoon work, but one is a lot less efficient. This might seem silly, but it's important to understand to figure out the best people to ask for a campaign donation.

To fill your campaign fundraising wheelbarrow with \$20K, you have two options:

Option 1 – Use a spoon and find small donors who each give \$100.

If you use the spoon approach, you'll need 200 "scoops," or donors, to fill the wheelbarrow.

Option 2 – Use a shovel and find major donors who each give \$2,000.

If you use the shovel approach, you'll need only about 10 donors to fill the wheelbarrow.

Here's the reality of fundraising: major donors give more than 80% of all the money raised on most campaigns. For successful fundraising, find major donors and make the ask. Fill your wheelbarrow with as few scoops as possible.

Time is the one thing that's finite on a campaign. The more time you spend fundraising, the less time you can spend talking to voters.

It takes just about as much time to ask someone for \$2,000 as it does to ask someone for \$100—just as bending down to scoop with a spoon takes about the same time as using a shovel.

Here's the other truth. In fundraising, not all shovels are the same size. You can ask for a range; for example, "I'm asking 15 families to partner with me with a campaign donation ranging from \$1,000 to more than \$10,000. Will you be one of the 15 donors who make this happen?" Some donors will come in higher than you expect and help fill that wheelbarrow even faster.

To start fundraising for a campaign, focus first on major donors. Most local or small campaigns can be funded by just a few dozen donors.

Where does a candidate find those few dozen donors?

First, if they've run before, start with **previous donors**. Previous donors have the highest response rate. Even if the donor gave a small donation in the past, the candidate can ask for more. Make the ask using the range and let the donor decide. Expect 2 out of 3 previous donors who are asked to give again.

The second group is the candidate's **friends and family**. These folks know the candidate best and want to see them successful. Expect about 1 out of 3 of the friends and family asked to come through with a donation.

The third group is **known political donors**. These are people in the district who are known to give politically but have never given to the candidate. Expect about 1 out of 4 to give when asked directly by the candidate.

When thinking about who are the best donors to fund a political campaign, forget the spoon and focus on the shovel to get the winning edge.

Next time, we will look at how to feel comfortable asking for money.