

International Organization Learns to Align Costs with Strategy Using the Fundraising Report Card



About the Organization

Sector

International Relief, Health

Size

\$60 million+ annual budget

40+ partner organizations

On the ground in 30+ countries

Analyzed 215,000+ gift transactions

Mission

Improve the quality of life of individuals through advocacy and services, especially for poor and vulnerable people.



Fundraising Challenge:

“Analyzing trends in donor behavior is really difficult. In the past we’ve used the Association of Fundraising Professionals (AFP) fundraising fitness test, but it would take 8 hours to run each time! **I know how important it is to analyze donor data** because a strong performance in one area/tranche of donors can (and does) hide significant risk/weakness in others.”

For example, “our acquisition strategy is built around a “low” ask, and bringing in as many donors as possible at a low level. However, the Fundraising Report Card showed us that while the majority of our new donors are coming in at less than \$100, over 72% of them are lapsing after their first gift, and the total revenue, both first year and in subsequent years, is de minimus. **It’s total churn.** We saw at a glance that retention and revenue for donors at even the very next level up - \$100-\$250 - jumped in comparison.”

This Philanthropy Director knew her organization needed to test and measure the effectiveness of their acquisition strategy.

Solution:

With the Fundraising Report Card, this user was able to analyze whether or not their strategy at each level of donor (annual, mid, major, etc) was working. This way their Philanthropy Director could **determine if resources and budget were adequately distributed.**

“Is the “low ask” strategy the right strategy? Are we losing donors at that inflection point between the first and second gift through our own actions? Are we dropping the ball on welcoming new donors?”

The Director and her organization ultimately decided to test at their critical inflection point, right after acquiring a new donor. She says, “we will call every new donor to the organization (either in house, or through outsourcing) in 2017 and determine whether that outreach impacts subsequent donor behavior. **We’ll measure the effects with the Fundraising Report Card**, and we’ll be able to test if our actions at this inflection point move donor behavior, or if there are more factors we need to test.”