

Donor Retention:

# The Ultimate Love Story

May 15, 2019

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# Presentation Agenda

- **Speaker Intro**
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- **FEP Overview**
- |
- **Why is data important?**
- |
- **Donor Retention**
- |
- **Donor Love Strategy**
- |
- **Donor Love Tactics**
- |
- **Impact Demo**
- |
- **Questions?**

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## Speaker Intro

# Tim Sarrantonio

Director of Strategic  
Partnerships

- 13+ years in development
- Raised over \$3 million
- Hours of database training



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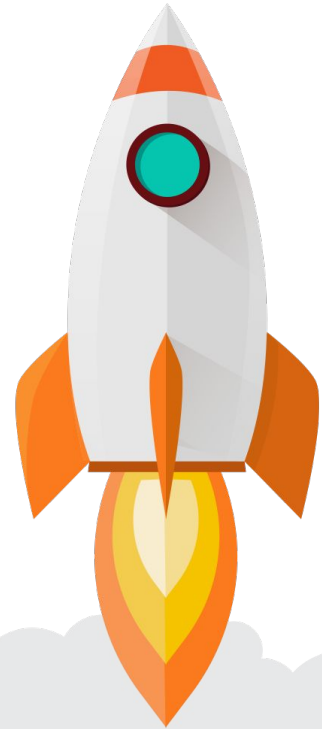
# Fundraising Effectiveness Project

## About:

In 2006, the Association of Fundraising Professionals (AFP) and the Center on Nonprofits and Philanthropy at the Urban Institute established the Fundraising Effectiveness Project (FEP) to conduct research on fundraising effectiveness and help nonprofit organizations increase their fundraising results at a faster pace.

## Data Overview:

Anonymous donor data from Bloomerang, NeonCRM, DonorPerfect and more



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# Why does data matter?

## At our organizations, “data” represents our people:

- **Donations** can mean people who have **invested** in our mission
- **Members** can represent people who have made a commitment to our organization in a **sustaining way**
- **Volunteers** can represent people who have given their **time and talent** to our missions
- **Event attendees** can represent people who love the **experiences** our nonprofit provides to energize its **constituents**
- And much, much more as we unpack the **true relationships** we develop...

Paying attention to this data helps us get to the core of **how we our engaging** our best supporters.



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# Deep relationships = deep data



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# Data is linked to performance

- You can't solicit who you can't reach
  - Without data stewardship, donation campaigns miss connecting with the 11% of Americans who change their address each year
- You can't message what you don't know
  - Targeting donors on a 1:1 level increase response rates up to 50% or more - personalization is key to donor love!
- You can't measure what you can't connect
  - Average nonprofits store data in 3 - 5 data sources that don't interact - limiting their ability to truly measure and improve



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# Donor Retention

Why do we hear  
so much about it?





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On average, what percentage of donors in one year give again the next year?

20%

46%

73%

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On average, how much does it cost to raise \$1.00 from a new donor?

\$0.10

\$0.75

\$1.25

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# Why do donors stop giving?

The answer won't surprise you.



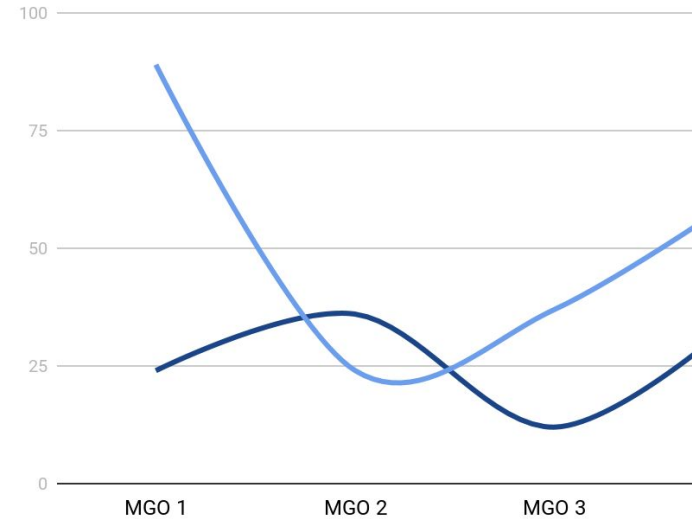
# Donor Love Strategy #1

## Benchmarks:

Scheduled performance reviews by an assigned “leader” for bringing data into your organization.

- a. Where are you underforming?
- b. What would the impact be if not addressed?
- c. How much improvement is needed from now until end of quarter/year/campaign to hit target?

Major Donors Revenue

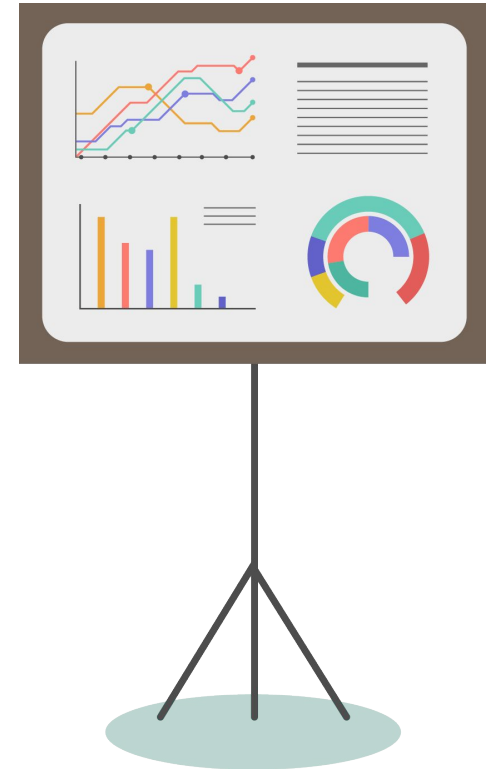


# Donor Love Strategy #2

## Testing:

Set time to create hypotheses behind any underperforming metrics.

- a. What's different this time?
- b. What's different from your approach and others?



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# Donor Love Strategy #3

## Action Plan:

Brainstorm changes based off your hypothesis and implement plan to address

- a. Who
- b. What
- c. Where
- d. When



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# Show Your Donor Love

Concrete tactics to try today!



# Donor Retention Tactics

Data point	Performance	Potential Improvements
Donor Retention Rate	Below average	<ul style="list-style-type: none"><li>• Start a monthly giving program</li><li>• Review appeals</li></ul>
Donor Attrition Rate	Below average	<ul style="list-style-type: none"><li>• Tweaking thank you letters</li><li>• Send more impact driven updates</li></ul>
Donor Reacquire Rate	Below average	<ul style="list-style-type: none"><li>• Launch re-engagement campaign</li><li>• Create automated trigger emails for nearly lapsed donors</li></ul>

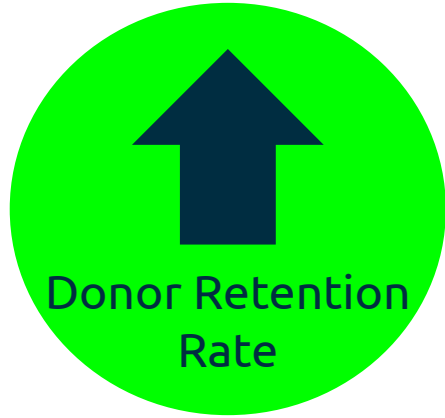


# Donation Amount Tactics

Data point	Performance	Potential Improvements
Average Gift	Below average	<ul style="list-style-type: none"><li>• Leverage gift strings and calculated asks in your appeals</li></ul>
Average Annual Giving Per Donor	Below average	<ul style="list-style-type: none"><li>• Implement alternative revenue streams, such as Peer to Peer Fundraising</li></ul>
Rate of Growth in Giving	Below average	<ul style="list-style-type: none"><li>• Seek out corporate sponsors or major gift opportunities</li></ul>

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# Connecting the Dots



AND

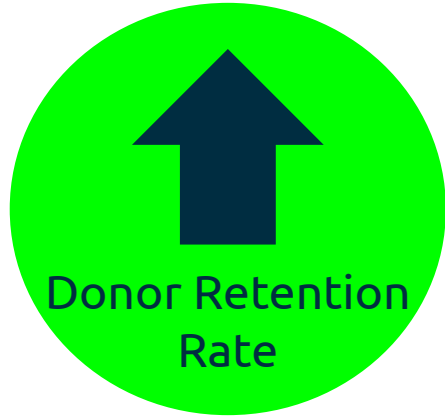


## Potential Solution:

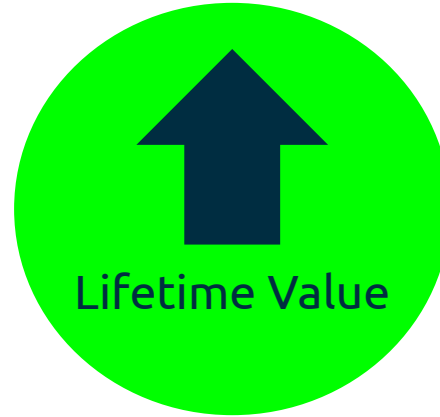
Leverage your great donor loyalty and create a giving society or giving levels to celebrate your best supporters. Donors will feel even more appreciated, but you'll be able to more easily move them "up" to higher donations.

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# Connecting the Dots

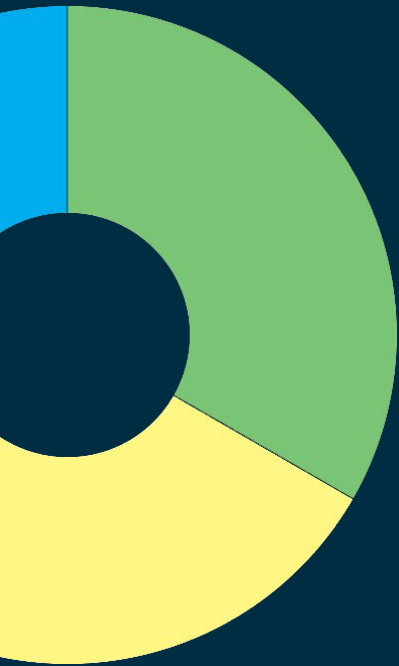


AND



## Potential Action:

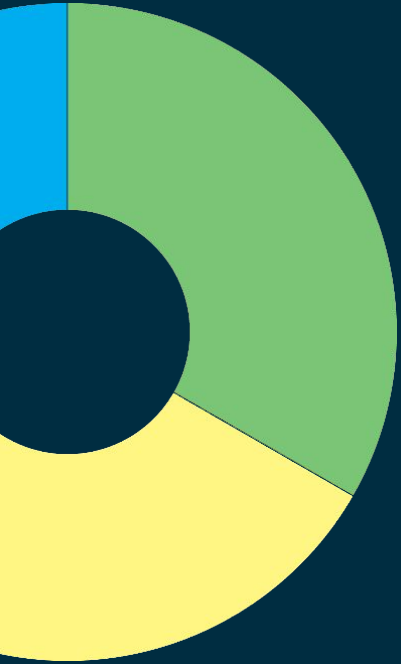
Flag recurring givers with increasing lifetime value as prospects for your legacy giving program. Research indicates that 75% of planned gifts come from monthly donors and a bequest is 7 times more likely from a monthly giver.



# Impact Demo

**Free to setup and connect:**

<https://fundraisingreportcard.com/neoncrm/>






# Q & A TIME

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# LET'S MAKE GOOD HAPPEN

Are you ready to take the next step with Neon One?

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-  (888) 860-6366
-  sales@neonone.com

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