

# np EXPERTS

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Show  
the  
Love

THOUGHTFUL ENGAGEMENT  
TO RETAIN SUPPORTERS

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# Foreword

Donor retention, also known as donor love, has been hogging the nonprofit spotlight lately. Why? Because outside of doing the work your nonprofit exists to do, retaining donors is the single most important thing your organization can do to ensure your impact is felt for generations to come. Whether you rely on a handful of major donors, a massive group of small-dollar donors, or a blend of the two, every donor matters. But retaining these donors – your nonprofit's lifeline is proving to be tough work.

## The numbers don't lie—acquisition costs are rising and retention rates are suffering.

According to research conducted by Chuck Longfield, Chief Scientist at Blackbaud:

- First-year donor retention rates have declined to the point where, on average, nearly three out of four newly acquired donors leave within the first year
- Acquiring a new donor costs six to seven times more than it costs to retain an existing donor

The numbers don't lie – acquisition costs are rising and retention rates are suffering. But the root of the problem goes beyond the math. Your supporters want a personal, human, and meaningful connection with your cause. Don't you think it's about time you put more focus on ensuring your donors feel the love?

In this edition of npEXPERTS, we've brought together leading fundraising professionals from across the industry to share their expertise on keeping your donors coming back year-after-year. From leveraging email and social media to mobilizing board members and enhancing your monthly giving program, we've covered the most relevant topics for humanizing the donor experience, boosting retention rates, and improving lifetime value.

Take some time to soak in all the knowledge from these experts. We'll keep an eye on the numbers and what's coming next for donor retention. You just stay focused on falling in true donor love.

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**Frank Barry**, director of digital marketing at **Blackbaud** and blogger at **npENGAGE**, helps nonprofits use the Internet for digital communication, social media, and fundraising so they can focus changing the world. He's worked with a diverse group of organizations from LIVESTRONG and American Heart Association to The United Methodist Church, Big Brothers Big Sisters and University of Notre Dame. Along with writing for industry publications like **Mashable** and **Social Media Today**, Frank regularly speaks at conferences such as NTC, SXSW, BBCon and others. When he's out and about he enjoys talking to interesting people about how they are changing the world – [check out his interviews](#). Say Hi on Twitter [@franswaa](#) or [Google+](#)



# THE CASE FOR *Donor Retention*

A quick look at the infographic below will tell you why this eBook is long overdue.

Over the past 10 years:

- The number of organizations in search of funds has increased by a whopping 47% to 1,056,000 organizations!
- At the same time, the share of national income representing private giving to nonprofits has decreased by 11%.
- Nonprofit organizations are increasingly failing to hold on to their donors; donor retention is down by an alarming 15%.

## Nonprofit Trends

2000

2010

Total Nonprofits has Increased by

47%

\$1,056,000

\$1,552,320

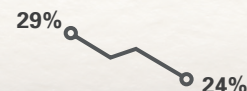
Private Giving has Decreased by

11%



Donor Retention has Decreased by

15%



*Roger Craver*

ABOUT THE AUTHOR

Roger M. Craver is a fundraising pioneer who's helped launch and build organizations like Common Cause, The National Organization for Women, ACLU, the Sierra Club, Greenpeace, Amnesty International and dozens of other major organizations, both in the U.S. and in Europe. Now he's the editor-in-chief of the fundraising blog The Agitator and founder of DonorTrends, which provides fundraising analytics. He can be reached at [RogerCraver@donortrends.com](mailto:RogerCraver@donortrends.com)

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In short, more organizations are chasing less money while, in the midst of this chase, losing more and more donors. Not a bright picture.

As if all this news isn't bad enough, new technologies, an uncertain economy, and dramatically changing demographics add to uncertainties about the future.

Clearly, the days of the seemingly infinite pool of new donors standing by to replace those who stopped their support are long gone. Today, because of the increasingly leaky bucket of diminishing donor retention, the cost of replacing lost donors with new donors has grown so great that it is no longer affordable for many.

The best, and perhaps the only, alternative is to plug the leaky bucket and boost retention rates. As a result, retention has in so many ways become the new acquisition.

I firmly believe the survival and growth of our sector depends on our ability to focus on and fix *the one fundraising fundamental that matters most today – donor retention.*

If ever circumstances mandated change – a most urgent mandate – it's now. But surely organizations have recognized the macro trends playing out in the micro world of their own fundraising performances and acted accordingly, right?

Sadly, as evidenced by the reams of data on donor retention, few organizations today understand or practice this essential survival skill.

The economics of fundraising are startlingly simple. Committed and loyal donors are the economic engines driving virtually all nonprofits. *However, committed and loyal donors are made, not born. Few organizations are aware that the actions they take actually determine whether a donor becomes committed and loyal or abandons ship.*

The good news is that every organization has within its power the ability to hold on to donors and even move them to higher and higher levels of commitment and loyalty. The bad news is that most organizations don't have the slightest clue that this possibility is within their control.

Retention must become the holy grail of fundraising in this age of rapid change. Organizations that "get it" and execute accordingly will prosper. Those that ignore retention or deny its importance will wither.

When it comes to knowledge of the best methods for acquiring donors, there's an extensive history of tested and proven general principles to guide us. Not so in the case of best methods for improving retention and increasing donor value.

Although the commercial world has spent billions of dollars and three decades successfully figuring this out, the nonprofit sector has largely ignored an empirical, data-driven approach to retention. We've had to largely rely on the thinking, insights, and powerful intuition of practitioners, some of whom you'll find here in later chapters.

I urge you to read and heed what others here are saying about retention. The time for change is *now*. The days when donors could be

acquired at a profit are gone, as are the days when little attention was paid to attrition.

Why bother? Because the good old days when new donors could be gathered quickly and cheaply enough to replace those who left are long gone. That smug, organization-centric model no longer rules. But its residue, still substantially ingrained in current practice, remains to this day with tragic results.

Starting long before the economic recession of 2008 and continuing still today, retention rates have significantly declined to the point where, on average, nearly three out of four newly acquired donors leave by the end of the first year.

The result of such hemorrhaging boils down to this: for many organizations the financial return on investment in new donor acquisition is so poor that it's no longer financially feasible to replace the flood of defecting donors.

If you think your organization or sector is immune from having to deal with the issue of retention, think again!

The problem of skyrocketing acquisition costs and declining retention rates is not limited to some narrow sector of the nonprofit world. Take a look at the most recent findings from Target Analytics®, a division of Blackbaud, Inc. and see how your organization is doing compared to these national averages.

DECLINE IN FIRST YEAR RETENTION 2001-2012		
Advocacy (16)	34%	27.4%
Hospitals (23)	21.2%	18.1%
Cultural (16)	33.3%	26.8%
Environmental (37)	29.7%	24%
Health Research (30)	20.9%	19.3%
Human Services (36) *	30.8%	26.3%
Colleges (34)	30.8%	28.1%
*The % change for collects in the period 2006-2011 Source: Target Analytics		

I don't accept for a moment that the major challenges nonprofits face are emerging technology, or changing demographics, or an uncertain economy. Those are simply surrogate excuses.

The major challenges, as always, lie in the nonprofit culture itself – in its willingness or reticence to change entrenched ways of thinking, acting, and organizing.

All of us owe the donors who fuel our missions no less than energetic and inquisitive minds that are open to change and innovation, along with our best thinking on how to better and more efficiently meet the rising demands made on our organizations. Most of all, we owe our absolute refusal to settle for the status quo.

BEAT THE  
STATISTICS BY

# Falling in Love

WITH YOUR DONORS

Fundraising in a one-person shop is tough enough to begin with, and lately fundraisers are faced with a barrage of discouraging statistics every day. According to **Blackbaud**, first-year donor retention stands at a paltry 29.3%. Email response rates are abysmal; individual donations are declining; foundation grants are drying up; yada, yada, yada.

You get the picture.

So how do you keep your spirits – and funding – up in the face of such devastating statistics?

Could the answer be as simple as falling in love with your donors?

Huh?

Bear with me on this.

We're all accustomed to the culture of immediate payoffs. When we hear about the \$30 million raised via text for victims of the Haiti hurricane, we all want to jump on the text bandwagon. A friend tells us that an organization raised \$10,000 using Facebook® Causes and we're sold.

The truth is sustainable fundraising is a nurturing process. You wouldn't mix up some flour, yeast, and water, and throw it in the oven expecting bread would you? Of course not. You're going to mix your ingredients, knead your dough, allow it to rise, punch it down, maybe even repeat the process, and then bake it. It's the same with fundraising; you're

creating a nurturing process with your donors and prospective donors.

That relationship with your donors should be all encompassing, from personal contact and direct mail, to your web presence, email, and how people in your organization answer the phone.

**In short, you should be thinking about lifetime donor value in everything you do.**

Nonprofit marketing always takes place in context of what we call – wait for it – a market. And when you consider your market, there's a line separating your potential donors (demographics, psychographics, etc. of people who can or might give you money) and donors (people who have actually given you money). You may prefer to look at them as potential vs. proven. If you want to ensure that your messages pay off, do you allocate your resources where there's new potential? Or do you favor your existing donors?

While on this topic, it's critical to love your mission and your donors. It is all too easy to get caught up in nonprofit marketing that is solely about me-me-me (for example: "We are so good because..." or "We are number one because..."). By falling in love with your donors, you make them the focal point. You monitor their feedback (notice I didn't say "let your donors dictate the marketing," as they're not qualified to do so, but they are very qualified to vote with their dollars to determine the effectiveness of a particular appeal), and be aware of their preferred method of contact. Another word of caution on the meaning of "preferred," just because people say they prefer Tweets doesn't mean they respond best to Tweets. It is important to test.

## So, what are the most powerful ways to love your donors?

- **Two words:** One of the ways to show love is by showing appreciation. Make it a practice to say “thank you” not once, but twice or even three times. Schedule 30 minutes in your daily routine to call a handful of recent donors to thank them personally for their gifts.
- **Touching:** You physically touch someone you love, but you can also demonstrate touch by calling or writing to someone and saying, “You’re an important person in my life and I just wanted you to know that” or “Hey, just wanted you to know that I was thinking about you.” I recommend a minimum of 12 “touches” per year.
- **Donor appreciation events:** You get together with family and friends during the holidays, why not get together with donors (you love them, remember?) and celebrate with them too?
- **Start listening:** Really get to know your donors on a deeper, more personal level. Use surveying regularly, from short open-ended questions in your email communications or social media interactions to direct mail questionnaires in your welcome kits.
- **Personal notes:** Send your donors a special note or email on the anniversary of their first gift (for example: “One year ago today you rocked our world!”) or even on their birthday.
- **Special holidays:** Rather than the usual holidays, why not send your donors a holiday card on lesser-celebrated occasions, like Thanksgiving or Valentine’s Day?
- **Gifts:** Do I really need to elaborate? Gifts don’t need to be expensive; they just need to show your appreciation. You could use fun tokens such as a pack of chewing gum, a refrigerator magnet, or a stuffed animal. Not sure how to make this work? Get creative.

## Here’s an example with gum:

*Dear Dave Donor,*

*Are you wondering why I’ve enclosed a packet of gum with this letter?*

*Well, I was thinking how sweet you were to give a gift earlier this year and giving you something sweet in return seemed appropriate.*

*Enjoy!*

*P.S.: These are the new sugar-free ones, so they won’t cause cavities.*

See what we’ve just accomplished? We made our interactions with this person fun (and you do have fun with your friends, don’t you?). It wasn’t a “give me money” communication, and it was most definitely memorable. Do you think they’ll see us in a favorable light the next time we do ask for money?

Remember, now is not the time for emulating the majority of your peers when it comes to fundraising. Now is the time for creativity, boldness, a sense of joy, and genuine love for your donors.

**Pamela  
Grow**

— ABOUT THE AUTHOR —

Pamela Grow has collaborated on fundraising systems like *100 Donors in 90 Days* and *The Donor Retention Project*. She’s the author of *Simple Development Systems*, and the founder of *Simple Development Systems / The Membership Program* training program. Pam was named one of the 50 Most Influential Fundraisers by *Civil Society* magazine, and in 2013 she was named one of the *Top 50 Most Effective Fundraising Consultants* by the Michael Chatman Giving Show. She’s been featured by the *Chronicle of Philanthropy*, the *Foundation Center* and is a regular contributor to *SOFII*, the showcase of fundraising innovation and inspiration, and *Guidestar*.

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# THE PERFECT *Donor* Retention

## PLAN STARTS WITH A SIMPLE CALENDAR

Ugh. Calendars. Talk about drudgery! What happened to spontaneity? What's sexy about a calendar? Why should you bother?

Well, would you like to be more organized and less stressed at your job? Would you like to be able to consistently communicate with your donors? Would you like to have a roadmap for keeping your donors?

Your donor retention communications calendar is your roadmap.

So, what does a donor retention calendar look like?

It's not just about the solicitations. It's not just about segmenting your donors. It's about wrapping all of your communications into one glorious central hub, with the goal of keeping your donors engaged, aware, and interested in your work.

How can you start to make your communications calendar focused on keeping your donors?

You have already lost some of your donors' interest, and some of them are never coming back. You can't control that. How can you focus on what is within your control? Here are eight steps to creating a communications calendar that's focused on donor retention.

### **Make a list of all the communications you're planning.**

Think about the different communications pieces you currently have in place. Are you doing a year-end appeal? eNewsletters? Is your communications calendar all in one place, scattered in multiple places around your desk or computer, or is it in your brain?

**Create a spreadsheet from that list.** Include all of the different communications you're planning on doing: appeals, email campaigns, eNewsletters, postcards, surveys, everything. (If you'd like a sample spreadsheet to get started with, you can find one here: <http://wildwomanfundraising.com/upcoming/donor-comm.>)

**Segment your donors.** Make a list of all donors who have given in the last two years. Then, make a list of those who gave last year, but not this year. These are the donors you want to focus on.

**Start an open dialogue with your donors.** When you want to have a better relationship with someone in your personal life, you start by asking more questions. You need to figure out what you can do better. It's no different with donors and a survey is a wonderful way to start creating that better donor relationships. If you already have an email list, then start by emailing your donors a survey to ask them about their communication and acknowledgment preferences, how they heard about you, and what particular aspect of your mission they care about. To encourage people to actually take the survey, offer a chance to win a \$50 Amazon® gift card for completing the survey. (If you'd like a sample donor survey to get started, go here: <http://wildwomanfundraising.com/upcoming/donor-comm.>)

**Pick up the phone and call.** A personal call can mean a lot to your donors. They've probably felt ignored by your nonprofit for months or years. Reach out and ask them what they think and what they care about. Especially those segmented donors who didn't answer the online survey, call them and ask if they'll answer the survey questions over the phone.

**Assess your current communications calendar from the donor's point of view.** Based on your survey results, are your donors hearing from you enough? Do they want to hear from you more or less? Do your communications focus on their needs?

**Start a weekly eNewsletter.** Put this into your communications calendar. What should this eNewsletter be about? Keeping your donors. How can you keep your donors with this eNewsletter? Share stories that make them feel angry, passionate, or curious. You need to communicate at least five times before asking for money again.

Set standards with your communication calendar. Is there any excuse for not doing your eNewsletter? No! Can you highlight a donor, volunteer, or board member in every communication? Yes!

## Mazarine Treyz

### ABOUT THE AUTHOR

Mazarine Treyz is the author of 5 star rated books including: *Get the Job! Your Fundraising Career Empowerment Guide*, *The Wild Woman's Guide to Fundraising*, and *The Wild Woman's Guide to Social Media*.

Clients include: The City of Austin, the Oregon SBDC, the SBA National Small Business week, the IRS, Scleroderma Foundation National Leadership Conference, Meals on Wheels National Conference, and others. Her blog, *WildWomanFundraising.com*, has over 30,000 monthly readers.

<http://wildwomanfundraising.com>  
@WildWomanFund



## Wondering how to fit all of this into your workweek? Schedule it in!

**Monday:** Take a tour of a nonprofit project or program worksite and talk with a volunteer. Ask if you can highlight him or her in the eNewsletter. Take a picture and write a brief story about what that volunteer does and how it impacts your organization.

**Tuesday:** Call a board member and ask if you can highlight him or her in your eNewsletter. Conduct a brief interview about his or her history with your organization and what he or she hopes to see your organization achieve in the future. Ask the board member to send you a headshot or ask if you can come by to take a picture.

**Wednesday:** Start writing your eNewsletter. Personalize it with the recipient's first name and a signature from your senior leadership. Add the volunteer story and the board member story. Think about one thing you could share that would make an emotional impact. Have you written a blog post lately that talks about the challenges to your mission? Encourage your donors to contact you directly with your email, phone number, and the address of your nonprofit. Finish with a link to your survey.

**Thursday:** Ask for feedback on your eNewsletter from an elderly woman in your life. Why? This is the most common type of donor in most nonprofits. Ask her what she thinks. Ask her if she would share this communication with others. Ask her what you could improve. Ask the volunteer and the board member if they have any changes they'd like to make before your eNewsletter is sent.

**Friday:** Send your eNewsletter and pat yourself on the back! You did it!

## What action should you take right now to start your own communications calendar?

1. Download the sample calendar at <http://wildwomanfundraising.com/upcoming/donor-comm> and customize it for your nonprofit.
2. Create a SurveyMonkey® account at SurveyMonkey.com. Download the sample survey at <http://wildwomanfundraising.com/upcoming/donor-comm> and customize it for your nonprofit using SurveyMonkey®.
3. Start thinking about your next eNewsletter. What will you share? Your latest threat to the mission? Your in-kind donation needs? A story about a volunteer who had a unique fundraiser for your cause? A seasonal theme? An inspirational quote?

# The Welcome Series

HOW TO BRING YOUR NEW DONORS  
ONBOARD, THE RIGHT WAY



**Lisa  
Sargent**

ABOUT THE AUTHOR

Lisa Sargent is an award-winning fundraising copywriter and donor communications specialist who works as a trusted creative partner to top nonprofits and charities in the US and Ireland. Known for crafting donor communications that drive both retention and revenues, Lisa has helped raise millions of dollars over the last decade. With more than 30,000 visits to date, Sargent's donor thank you letter clinic is the most popular exhibit ever on SOFII. Past and present clients include: Best Friends Animal Society, Shriners Hospitals for Children, Merchants Quay Ireland, Northwestern Memorial Hospital Foundation and others.

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Call it a welcome “series” and instantly the whole thing sounds daunting. What should I say and when? Which step comes first? HELP! Making your new donors feel welcome – and setting the stage for donor retention – doesn’t have to be costly or complicated. In truth it’s as easy as 1-2-3.

## Let’s start with a simple exercise.

You send a letter that tugs on my heartstrings. I’m moved to tears and mail you a \$50 donation. Ten long weeks later you send me a boilerplate thank you letter with freakishly dark mail merge fields capped off by your CEO’s laser-scan signature. After that, nothing until next year, when you send me a letter asking for more money.

How conducive would you say this is to donor retention? I’d wager you’ve already come up with a few ways to fix it.

In fact, maybe your welcome scenario looks something like this:

**Step 1:** A few days after I send you my \$50 donation, a volunteer from your organization leaves me a voicemail to say thank you, welcome, and to let me know a letter will arrive shortly. ([See Pell & Bales’ work on phone calls and retention.](#))

**Step 2:** Sure enough, less than a week later I arrive home to find a hand-signed thank you note from your president. The postscript of the note tells me to watch for a welcome packet in the mail with details on all the wonderful programs I’ve now made possible.

**Step 3:** Again, you deliver. Said packet arrives three weeks later in a 9”x12” envelope, nothing fancy. The words “Thank you! And welcome...” are emblazoned on the outside.

## And what’s inside?

A warm cover letter from your CEO thanking me again and welcoming me to the organization, introducing me to some of the programs and people, providing contact information should I have questions, sharing an inspiring story of a recent success I helped bring about, providing a link to your

website (complete with videos), describing other ways to get involved, and letting me know when I'll next hear back from you. The packet also includes several issues of the donor newsletter that, as a donor myself, I will now receive.

The letter adds that the stories in the newsletter often inspire many donors like me to give again. For my convenience, you've included a postage-paid reply envelope and reply slip, and my second gift would mean the world to the work I so generously support.

You may even mention your monthly giving program and its many benefits to me, and let me know someone will be in touch about that very soon to see if I'm interested. (If you have such a program, of course you also follow up again by phone or via mail.)

Only at this point do I join the regular donor communications stream, typically starting with an appeal or your newsletter (and reply slip/BRE). It's now been about eight weeks and already I've been thanked three times, welcomed, shown how my gift is working, and seamlessly asked for a second gift – twice.

At eight weeks in our original scenario, we were still churning out that first boilerplate thank you.

This, my fundraising friends, is the 1-2-3 secret of the welcome series:

1. Thank promptly within 48 hours.
2. Call if you can.
3. Send the welcome packet within four weeks of the original gift.

## Online, it's more similar to direct mail than you might think. Here's one option:

1. **Thank you:** Starting immediately with the thank you redirect page, followed by a warm, email thank you. Let me know a special welcome email will follow in a few days. Make sure the return email is from a person not an automated "info" or "no-reply" email address.
2. **Welcome email:** As promised, and including similar details noted above for direct mail, such as contact details, other ways to get involved, social media links, and more. Let me know a special video or photos will follow.
3. **Look what you've done:** Report back with a video or photos or slideshow or story. Say thanks again and let me know I can sign up for your eNewsletter, get involved, or help again with a small gift or by pledging my monthly support. ([See Blackburn's own insightful take on the email welcome series.](#))

But is the psychology behind the welcome series as simple as it seems?

Yes, because it's good manners. No, because it's a deeper dive into reciprocity and other cool brain science. Let's see what your

welcome packet now accomplishes in terms of key donor loyalty and commitment drivers ([See "Building Donor Loyalty" from the Resource Alliance](#)):

- Donor satisfaction/customer service: By following up on your promised communications to me, you not only prove your organization does what it says, you also deliver good customer service.
- Learning: Through the newsletters in your welcome packet, you've deepened my understanding of your work.
- Shared beliefs: Throughout your thank-and-welcome process, new donors get a sense of your vision, ethics, and how they support and help you deliver on your mission, so you appeal not only to who they are, but also to who they hope to be (higher selves).
- Multiple engagements: By offering opportunities for your new donors to connect in other ways such as volunteering, you open the door to deeper commitment.
- Trust: By reporting back to me on what my gift is accomplishing, you begin to build trust.

## Want to deliver more? Need to make do with less? You can.

Plenty of welcome packs deliver more than back-dated newsletters; some feature a special welcome edition of their newsletter. Many include surveys as another part of the process. For some, the monthly giving invite is more concrete. ([See my article on "How CARE Engages New Donors."](#)) Others add notepads, bookmarks, or refrigerator magnets to their packets. One even accomplished most everything on a single two-sided sheet of paper. ([See SOFII's all-star welcome packet showcase.](#))

So is welcome worth it? I leave you with a love story...

Five years ago, [Merchants Quay Ireland's](#) genius head of fundraising, [CFRE Denisa Casement](#), came to me with a problem. She needed to build a direct mail donor communications program – mostly from scratch. She didn't want an ask in the thank you letter (hooray!), but she did want to secure a second gift quickly and in a relevant way. And she wanted to show how proper donor care from the start leads to stellar donor retention.

In addition to several other donor communications, we created a new donor welcome series like the one I outline above with one exception: due to state regulations, phone numbers were not available for new donors, so no phone calls. Today Merchant Quay Ireland's donor database has more than quintupled. And it now keeps nearly seven out of every ten donors it acquires, nineteen months out.

Worth a warm welcome? You bet.

# IT'S ALL ABOUT THE Stories YOU TELL

Has storytelling been on your organization's mind this year? You're not alone. Nonprofits want to tell more stories and tap into the immense benefits that stories have to offer. Stories are touted as a more engaging way to communicate the work your nonprofit is doing in the community by adding a human-interest element. This is certainly true, but perhaps the greatest benefit and use for stories is as a part of a donor retention strategy.

Yes, donor retention: the great unsolved mystery of fundraising. Every year nonprofits spend millions of dollars to attract new donors to their organizations only to find that the next year, those people don't make a second gift, nor the year after that. And suddenly they are lost in the abyss of inactive donors in the database. Ironically, as fundraising has become more sophisticated, the basics have been lost. Donor stewardship and cultivation are key parts of the fundraising process, especially when it comes to retaining donors. Effectively retaining donors is really an art of regularly telling them about the impact they have helped make possible, which can be achieved through storytelling.

## The Real Problem with Donor Retention

Historically, nonprofits have not been great at listening to their donors in an effort to provide them with better stewardship and communications over the course of their philanthropic relationship. In the 2012 Cygnus Donor Survey, it was reported that 36% of donors give more generously to charities that communicate measurable accomplishments and 44% (53% of the survey's youngest donors) said they could have given more last year than they actually contributed.

We know that donors have more to give and have a genuine interest in nonprofit work. Yet we continuously fail to hold up our end of the relationship by meeting donors' needs.

If donors want to know more about nonprofits' measurable accomplishments and impact, then it is high time we reevaluate our approach to post-donation communications.

## Retaining Donors with Stories

Take a look at your last couple of newsletters, thank you letters, or even your website. In reading these what do you see? Mostly facts? That's what most nonprofit communications are: a bunch of facts and statistics. One can argue that these do demonstrate measurable accomplishments. But here's the thing: your donors don't have a frame of reference for what any of that data really means. They don't have your knowledge base to make sense of the information you're sharing with them. It's up to you to provide them with context for the facts, so they will understand the impact of their contribution.

Think about the average story you might read in the newspaper or see on the evening news. Often times the story has arisen from a statistic, study, or poll. But if journalists were to just give you the numbers, you might not understand how the data impacts you. Thus, news media outlets add an element of context, a human element, if you will.

This same concept can be applied to nonprofit donor relations. Complementing facts about your programs and services with stories is the starting point for developing better donor relationships because you will be providing them with a deeper understanding of what they are a part of when they donate to your organization.

## Articulating Impact beyond Numbers

This is the real power of stories: humanity. Deep down we care for others' welfare, whether or not we know them personally. How have they been impacted by or benefited from the mission of a particular nonprofit? This is the question we must seek to answer if we are to retain donors.

## Three Ways to Capture Your Impact through a Story

Telling more stories to our donors does not have to be as complicated or daunting as it is often thought to be. The nature of nonprofit work is completely conducive to stories; it's just a matter of collecting them regularly and sharing them often.

## Vanessa Chase

### ABOUT THE AUTHOR

Vanessa Chase is the President of Vanessa Chase & Co - a fundraising and communications strategy company. She also runs the nonprofit resource website, **Philanthropy For All**. Through her work, Vanessa's goal is to help passionate nonprofit folks learn techniques and tools to better articulate their nonprofit's impact in a way that translates to more money fundraised. A recognized expert in communications and storytelling, Vanessa has been invited to speak at a number of events and associations including: BC Spinal Cord Community Services Network, The University of British Columbia, NetSquared Camp and Artez Interactive.

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Whether you are just embarking on storytelling or want to hone your nonprofit's efforts, here are three perspectives for stories that can capture your organization's impact and make sense of the statistics.

- **Program staff members:** Program staff will have a good perspective on a client's before-and-after story. They will also understand the conditions or circumstances in someone's life prior to working with your organization. Painting a picture of that reality can be a powerful tool. You could also have staff members talk about how they are personally impacted or inspired by the work they do.
- **Volunteers:** Volunteers are such a valuable resource at nonprofits, and like program staff, they often have some amazing stories to tell. Look for volunteers as a "peer testimonial" for your donors, as your donors might be demographically similar to your volunteers. Ask volunteers what attracted them to help your organization and what changes they've witnessed as a result of the work they are doing.
- **Clients:** If your programs and services are benefiting people, sharing clients' success stories is a great opportunity since they have directly benefited from donations to your organization. Donors will want to hear about positive changes in their lives, so when interviewing clients, be sure to ask them what their circumstances were like before finding your organization and what their outlook is for the future.

As humans, telling stories is how we naturally communicate with one another. They form our history. They bring meaning to our lives. They help define our purpose. They inspire us. By choosing to incorporate storytelling into your nonprofit's fundraising and communication work, you will be building meaningful relationships with donors. But more than that, you will be enriching their lives with the knowledge that they are helping to make the world a better place – and that is what will inspire them to give for years to come.



# FIVE STEPS TO Newsletters THAT WILL KEEP YOUR DONORS CLOSE

Your organization's relationship with your donors is like any other relationship you have: it requires focus and nourishment, forever. That's the only way to keep your donors satisfied, engaged, and hopefully, giving. Donor newsletters are one of the most reliable ways to reciprocate your donors' financial votes of support and keep them close. It's your number one retention tool. When you do it right, your donor newsletter can also generate significant revenue for your organization. But fundraising isn't your primary goal. Here's how to use your newsletter to build stronger relationships with your donors.

## Stop Asking, Start Sharing

Before you write a line, set up the right frame for your newsletter. The primary goal is to reshape your donor relationships from transactional to more personal, productive, and long-term – the triad of donor retention. The only way to get there is to go beyond the ask. After your heartfelt and prompt thanks for a donor's first gift, you want to invite him or her further into your organization. Make the new donor feel acknowledged, appreciated and right at home – just as you would invite a new friend over for dinner when you're ready to get one step closer.

## Establish an Imaginary Editorial Board

You fundraise day in and day out, which makes it challenging to remember that your organization is just one of many elements in each donor's life. To counteract the urge to talk to folks like you, rather than your donors, you need to consciously step into your donors' shoes to identify what to focus on and how to make your content easy to digest and remember. A reliable path to content connection is the launch of an imaginary editorial board, comprised of personas (how-to's on creating personas can be found here) representing up to nine of your most important donor segments. Next, create one-page persona profiles. Once you've created profiles, spend some time with your editorial board members by surrounding your desk with these profiles.

## Match Your Content Formula with Your People

Use your newsletter to spend time with your donors in two channels: print and email, each with distinct content. Consider your print newsletter a rich, immersive visit, while your eNewsletter is a quick check-in call. Send these newsletters to donors only, so your voice stays clear and focused. This includes all active and recent donors, not just selected segments.



**Nancy  
Schwartz**

ABOUT THE AUTHOR

Nancy E. Schwartz helps organizations activate their supporters as a marketing strategist, speaker, and coach; and as publisher of the [Getting Attention blog](#) and e-newsletter. Recent marketing and fundraising clients range from Catholic Charities of Idaho and Elizabeth Coalition to House the Homeless to Paper Mill Theatre, Robert Wood Johnson Foundation, and Advocates, Inc. Nancy serves on the board of NTEN, is a columnist for *Fundraising Success* and on its editorial advisory board, and packs and distributes food at the Interfaith Food Bank of the Oranges.

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## Your Print Newsletter

One of the most common errors I see in print newsletter production is using a different content mix for every issue. Although this “whatever we’ve got” approach may make it easier for you to get the newsletter out the door, it also makes the product far harder for your donors to absorb and diminishes the likelihood they’ll do so. Instead, create a content formula that prioritizes the elements donors focus on most: photos, headlines, photo captions, and articles. Also include the following:

- Pull quotes: Highlight important or meaningful quotes or quote excerpts.
- Photos: In the semi-annual donor newsletter I create for one client organization, we showcase one or two beneficiaries (including children whenever we can) in a few photos. We caption each photo with a description of what’s going on, and then connect that activity to donor support.
- Success stories: Show how donor support leads to visible impact. This is great material for the first page.
- Donor-created content: Testimonials should top your list.
- Coming attractions: New programs, services, and locations present a golden opportunity to show donors what you can do with more money.
- Calls to action: Whether it’s an invitation to an upcoming behind-the-scenes tour or an offer to provide your new guide to estate planning, include one on every page of your newsletter.
- Program updates: What have you accomplished and how have your donors helped?
- Issue or cause updates: Highlight what’s changing, why that matters, and how your organization is adjusting accordingly.
- Donor profiles: Choose profile subjects who are relevant to your donors and highlight their involvement with and connection to your organization.
- Letter from your executive director: Do this only if you must and never on the front page.

Note that there’s no hot news here; we’ll address that in your eNewsletter. Of course, you can change your content formula when the insights you gather from your donors, the trajectory of your cause, or other factors indicate that it makes sense to do so.

## Your Email Newsletter

Your donor eNewsletter’s main job is to remind supporters your organization is actively moving your cause forward. This is where you can update them on hot news or share an immediate call to action. Content options mimic those for your print newsletter, in short form. eNewsletters function more like a quick drop-in, rather than the leisurely visit of the print newsletter experience; so keep your content brief. Include one or two content features in each newsletter, but no more than a single call to action. Weave your organization’s key

messages – conveying your promise, impact, and appreciation of your donors – throughout print and online donor newsletters.

## Use This Proven Format Formula to Make Reading Easy and Satisfying

### Your Print Newsletter

Lucky for you, there is a proven format formula for your print newsletter, created by fundraisers at the Domain Group in the 1990s. And it still works today!

I’d go one step further by doing the following:

- Design a four-page (11” x 17”) newsletter that folds to 8½” x 11”
- Print it four-color process (it’s cheaper than two-color printing in many cases)
- Test the outside envelope with your list; I’m not as convinced of its value

On the fundraising content, it’s more implicit than explicit. You do want to put the opportunity out there and make it easy for folks to give. In addition to including a response envelope, mention your donation page web address and the speed and safety of online giving.

### Your Email Newsletter

Forty-three percent of all emails are opened on mobile devices. That means your single most important formatting task is to ensure your eNewsletter is easy to read on smartphones and tablets. Make it happen now. Otherwise, make your emails brief, punchy, and a pleasure to view and read. Follow usage patterns closely to see which issues, calls to action, layouts, subject lines, and other elements drive interest and action, and which don’t. Two eNewsletter must-haves, beyond the content: A big, bold Donate Now button and links to follow your organization on social media channels, (share your eNewsletter content there as well).

## Set an Ambitious, but Realistic Schedule, and Stick to It

I recommend that you publish your print newsletter quarterly and your eNewsletter once or twice a month. If that print newsletter schedule is absolutely impossible due to budget or time limitations, send two print newsletters annually, timing them to arrive four weeks before your late spring and year-end appeals. But whatever schedule you commit to, stick to it! Breaking a promise is bad news, shows a lack of concern for your donors, and undermines your organization’s credibility. Just don’t do it!

Follow these five steps to shape or revise a print and email newsletter program and you’ll strengthen your relationships with your donors and increase your retention rate. I promise!

WHY PERFECT

# Thank You's

WILL MAKE  
OR BREAK YOU

## You Snooze, You Lose

You can't sleepwalk through your most important job. Hopefully by now you've been persuaded that as a nonprofit, that job is donor retention. If you don't thank donors properly you're going to lose them by the boatload. But there's good news. According to [StudyFundraising.info](#), if you do it right, you can increase donor retention by 10% today and enhance the lifetime value of your donor base by 200%!

Now that's what I call a great return on investment. But to get that return, you need an investment plan, a stewardship plan, a plan to channel gratitude – organization wide – every day of the year. Don't believe me?

Multiple studies point to the fact that donor satisfaction hinges on the quality of service provided by the fundraising team (see [Blackbaud benchmarking report](#), [Donor-Centered Fundraising](#), and [Donor Retention and Loyalty](#)). In fact, it's the single biggest driver of loyalty toward your organization. And what "service" do donors care about most? A prompt, personal thank you.

No proper thanks offered for the one-time gift? You'll likely get a "no thanks" next time you ask for a donation. But what if you do the opposite and thank your supporters even beyond what they expect? Now you're cooking! So let's go into the kitchen and get you started with some great ideas for thanking donors.

## Ten Creative Ways to Rock Your Donor Acknowledgment

1. **Handwritten thank you letters:** In 2013 this qualifies as creative. Hardly anyone writes letters anymore. If you do, it makes you the exception. That's good! If you can't do it with everyone,

pick out a particular group to do this with. At the very least, add a quick personal handwritten note to a computer-generated letter. It makes a difference.

2. **Spontaneous personal notes:** You can write it, email it, text it, Tweet it, or send it via carrier pigeon. The key is to make it a habit and to try to use the channel your supporters will most appreciate. I used to keep a stack of five note cards on my desk. At the end of the week, if they weren't all gone, I'd failed at my job.
3. **Spontaneous phone calls:** This is the same principle as the notes. Set aside 15 minutes on your calendar every day just to make thank you calls. Rack your brain (if you must) to come up with someone who did something for you. It may be another person on your staff. It may be a vendor. It may be a donor's administrative assistant. And, of course, don't forget your donors! Use these calls to get to know folks and to let them get to know you.
4. **Change who the thank you is from:** It doesn't always have to come from the executive director. Change it up sometimes. Perhaps send it from someone who was helped or a program director. You could also send a second thank you from a different person after the official acknowledgment has been promptly sent. I once worked with a board president who insisted on handwriting a letter or sending an email to every donor who gave \$1,000 or more. He was awesome and the supporters agreed!
5. **Greeting cards or eCards:** Email is less costly and kills fewer trees than traditional mail. It's a fine thing to do. But a card received in the mail is still more personal, and it gives you the opportunity to add a note or enclose a little token. So it may sometimes be worth sending cards to a select list, rather than an impersonal eCard that will have less impact. Here's when to send them:
  - Important events in your donor's life: Make your calendar and your database your friends. If it's your donor's birthday or a special anniversary, send a greeting. This means you must record these dates in your database or calendar and have a notification system that reminds you when they're approaching. Don't just sign your name to a Hallmark® card; consider creating cards that showcase your mission (e.g., cute pets, smiling kids, awesome art, people hugging, etc.), and then include a personal note and perhaps a token gift. Or simply pick up the phone and call your donors. If you don't reach them, how about singing "Happy Birthday" on their voicemail? It doesn't get much more human and personal than that!
  - Important events in the donor's relationship with your cause: If the donor has been giving consistently for 5, 10, 15, or 20 years, celebrate these milestones with a thank you card.
  - Important holidays: Of course you can send Christmas, Hanukkah, or Kwanza cards, but everyone does that. I prefer choosing a lesser-known holiday because it stands out and can be a special delight. Select a holiday that you can connect to your mission. For example, Shavuot is a Jewish harvest festival celebrating the

giving of the first fruits. Since giving away a first fruit is a true gift, a Jewish organization might send a card thanking supporters for giving of themselves – the first fruits of their time, energy, and love – to its cause.

- Random Holidays: Choose a random holiday and send a card via mail or email. Tie it back to your mission and your donors' support (e.g., Happy Mother's Day! Thanks for all the love you've given us, and for nurturing this project to fruition. Wish every project had a "Mom" like you.).
- 6. **Token gifts:** I like to bake, so I often bring folks homemade cookies. I know someone else who likes to can and brings little jars of jam. The goal is not to spend a lot of money, but to show supporters that they are in your thoughts. If you work for an organization that operates a café, has performances, or offers tours, you can include a coupon with your notes and greeting cards. *If you want gifts, it's nice to give them also.* One of my colleagues sends a pack of gum simply to say: *Thanks for sticking with us.*
- 7. **Snapshots:** This is a variation on the token gift. Take a snapshot of your donors at an event, and then send it to them with a note: Looks like you had a great time! We're so glad you could join us. Or how about [Instagram® photo strips](#) (thank you, Martha Stewart)? You can also take snapshots that show the outcome of your work. Just make sure they don't look too slick. The trick is to keep them authentic.
- 8. **Videos:** It's so inexpensive now to create brief or shareable videos; anyone with a smartphone can make one. Showcase staff, volunteers, clients, or supporters. [Kirsty Marrins](#) shared [a nice collection of social media thank you's](#) on UK Fundraising. For advice on how to make great thank you videos, click [here](#) and [here](#). And take a look at this post from Beth Kanter, [Charity:Water Sends Personal Video Thank You's](#), describing how this organization loads videos onto YouTube® and emails supporters an invitation to view them. Plus, you'll find a few thank you videos I like on my Pinterest® board, [Gratitude: Nonprofits Say Thanks](#).
- 9. **Public recognition:** Praise grows in a group setting.
  - Say something positive about your supporter in front of someone they admire. The next time you're together with an awesome donor and a larger group, take the opportunity to let everyone in the group (your executive director, a board member, a peer, or a family member) know how great your donor is (e.g., *George is the one who really made this program come to fruition.*).
  - Write a story about your donor to share in your newsletter.
  - Publicly honor your supporters at events. Include their names on a donor honor roll or endorse them on LinkedIn®, Twitter®,

Facebook®, or Google+®. Remember to also do this with advocates who share information about your organization on social networks.

- Send a group email acknowledging your donor.
  - Send a social media "shout out." Create a Tweet or Facebook® post acknowledging your donors' awesomeness, so it will be seen by their followers and your own.
  - Pin photos of your top donors onto a special Pinterest® board dedicated to star supporters.
10. **Immediate calls from board members after an event:** Penelope Burk's research shows that a board member calling to thank a supporter within 48 hours of a donation can result in a 39% increase in giving next year. That's all well and good, but in practice it's hard to make that happen. The calls get assigned, but they don't get made. Or they get made too late. So how about picking a date when you know you'll have a lot of gifts and can plan ahead to bring your board together to make calls? For auctions, thank donors who give more than the fair market value of auction items and those who buy fund-a-need items that are really just a donation.

## The Power of Thanks Is Indisputable

Don't stop with these 10 ideas. There are oodles more! Brainstorm with your team or check out some of my resources at [Clairification.com](#). Thank you for all you do to make our world a better, more caring place.

### Claire Axelrad

ABOUT THE AUTHOR

Claire Axelrad, J.D., CFRE is a nonprofit fundraising and marketing coach and consultant. Named Outstanding Fundraising Professional of the Year by the Association of Fundraising Professionals, she brings 30 years frontline development experience to her work as principal of her firm, **Clairification**. Claire teaches the CFRE course that certifies professional fundraisers, writes a monthly feature for **Maximize Social Business** on social media for nonprofits and is a frequent contributor to leading nonprofit resources including **Nonprofit Hub**, **IdeaEncore**, **Bloomerang**, **Fundraising Success Magazine** and **4GOOD Nonprofit Webinars**. Clairification was named "Best Fundraising Blog of 2013" by FundRaising Success Magazine.

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# Write On!

## WHY HANDWRITTEN NOTES MATTER

There's been a lot written comparing donor stewardship to dating. You build trust until they commit. While that may be true, I think it's the wrong way to look at the relationship because it's focused on what the experience is like for us, the nonprofit fundraisers. Wouldn't it be far more useful to think about what the relationship is like from the donor's point of view?

I would argue that being a donor is much more like parenting a kid. The kid is alive because the parents are taking care of him. The child grows and thrives only as a result of how much the parents give – of their time, resources, money, and help – and how much they care.

Unfortunately, most nonprofits seem to be about as grateful to their donors as my friend's 20-year-old son, who's in college. He only calls his mom when he needs money, rarely says thank you for the many, many things she does for him, acts like he got to college completely on his own (even though she's paying for it), and if she is lucky enough to get a birthday wish from him, it's in a text that reads "happy bday, ma!"

Lucky for him, he is her actual real-life kid, and so she loves him and continues to support him with the hope he will come to his senses one day. Nonprofits do not have this luxury. Our supporters may love us, but that love is decidedly conditional. And so we have to work at letting our donors know that we value and cherish them because if we don't, we will lose them. In short, donor retention begins, and ends, with personalized gratitude.

This truth really hit home for me several years ago when I was invited into a donor's home. It came as a surprise; I was doing my assigned meeting request phone calls for an annual campaign expecting to (at the very least) be told that I am an annoying solicitor who should lose this phone number or (at the very, very most) set up a lunch meeting at a local restaurant. Instead, this woman said, "Why don't you visit me at my home next week?" After several moments of stunned silence (because when does that ever happen?), I somehow recovered enough to graciously accept. I then proceeded to stay up half the night

wracking my brain, trying to figure out what I said or did that would have prompted her to invite a relative stranger into her home.

Once I visited her, though, it all became clear. She greeted me at the door with a hug and then invited me to the kitchen where she was busy preparing afternoon tea. And there, on her refrigerator – that hallowed centerpiece of the American family normally reserved for kids' artwork and grandkids' baby pictures – was a handwritten note – from me. I had fired it off among dozens more in a flurry of donor gratitude after a fundraising event the previous year. I did remember sending it, but I didn't recall that it said anything spectacular, and I am sure it took no more than a few minutes of my time. But there it was, and there I sat, a guest in her home, a guest who she knew full well was there to ask her for a whole lot of money, which she was happy to give.

I am certain that, were it not for that note, I would not have been there, and that large gift would not have been given. I am just as certain that a thank you email with the same exact words as the card would not have gotten me in her door. There is something about the physical act of opening an envelope hand-addressed to you, pulling out a card with your name on it, and then reading the kind words within, that no email could ever hope to accomplish. It creates a visceral, tactile, and emotional experience that stays with us. With a card, you're telling your donors that they are worth your time, effort, attention, and most importantly, your thought.

While this particular story ended happily, it sadly speaks to the fact that the nonprofit sector is setting the bar on gratitude abominably low. Is getting a handwritten thank you note from an organization really so rare, so special? Yes. Yes, it is, and that needs to change. And it's so easy! All you have to do is stop and think about how nothing you do is possible without your donors, and go from there.

And as long as we are using the analogy of nonprofit-as-child, writing a thank you card is the perfect opportunity to tap into some positive childlike behaviors. Kids may not be the best at expressing gratitude, but they are experts at having fun. Be silly. Be funny. Say something unexpected! Donors are in the joy zone when they give. Don't spoil their experience with an uninspired message of thanks. I behoove you – no, I beg you – to make your donors smile. And I have some tips to get you going.

## How to write delightful thank you cards a mother would love:

- **Be personal:** If you know she loves cute little puppies, then put a cute little puppy sticker on the envelope and write, *Just want to make you smile.* (Note: this strategy also works if she can't stand cute little puppies; sarcasm is highly underutilized in personalized gratitude.)
- **Use a pen:** That means in the card *and* on the envelope! Would you stick an address label on your mother's birthday card? No, you would write it out, you grateful, model child, you!
- **Be legible:** I'm not asking for calligraphy here, but you can't make her smile if she can't read your words.
- **Don't ask for more money:** There's nothing tackier than including a donation envelope with a thank you note. Bad, bad fundraiser. Go to your room.
- **Be refreshing:** She's busy; make her glad she took the time to read your note. Some examples: *If it wasn't weird, I would have sent you a picture of myself. Because I look totally grateful. Or Next time, I'm sending you a cape. Thanks for your superhero-sized gift!*
- **Be authentic:** She knows when you're not being yourself. If it's not your thing to be funny, there's always sweet, warm, and sincere.

Now get out there and start thanking people! Because you never know when you might end up on the fridge.



**Shanon  
Doolittle**

ABOUT THE AUTHOR

Shanon Doolittle is a fundraising coach laser-focused on helping nonprofits connect more genuinely with their donors. Why? Because she believes that great relationships make fundraising easier and more successful. And having raised tens of millions with this belief top of mind (and center of heart), she also knows it works. A proud small business owner, Shanon loves coaching her big-hearted clients from Doogooder world headquarters in Seattle. But her most meaningful project to date? Raising her two amazing little dudes to become even more amazing big dudes.

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# ENGAGING YOUR *Board* *Members* IN THE RETENTION PROCESS



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Simone P. Joyaux, ACFRE is described as “one of the most thoughtful, inspirational, and provocative leaders in the philanthropic sector.” A consultant specializing in fund development, strategic planning, and board development, Simone guides organizations and professionals through consulting and coaching, teaching and writing. She speaks worldwide and teaches in the philanthropy graduate program at Saint Mary’s University, MN. Her books *Keep Your Donors* and *Strategic Fund Development* are standards. Her newest, *Firing Lousy Board Members*, receives rave reviews. She’s contributed to three other books, writes a web column for the *Nonprofit Quarterly*, and blogs as Simone Uncensored.

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Profitable fundraising depends upon retaining your donors. Retaining donors depends upon two key components: your organization’s donor centric quotient and a comprehensive relationship-building program.

Your relationship-building program includes two key components, too: donor-centered communications and extraordinary experiences. And, by the way, your relationship-building program won’t work unless you are truly donor centered.

Can board members help with this retention business? Yes, indeed. But not until you’ve explained the building blocks of donor centricism and relationship building. Can board members really make a difference in donor retention? Absolutely, and you can involve board members in specific retention activities.

But first, board members must embrace donor centricism and relationship building. And, board members must understand why they are so important to donor retention.

## Why Board Members Are Important to Donor Retention

First board members are volunteers. Philanthropy is defined as voluntary action for the common good. The power of “voluntary” is enormous. There is nothing quite like a donor – of time or money – talking with other donors and prospective donors.

Next, fund development is a volume business. More donors – not just big donors – produce more stability. More people, like your board members, building relationships and soliciting gifts produces more donors and more gifts.

Finally, think about the concept of leadership. If the community only sees your staff – without active and obvious board member participation – what will they think?

One more finally: most board members are mostly worried about fundraising. Most board members are mostly uncomfortable and want to avoid what they perceive as a “somewhat tacky strong-arming friends and colleagues activity.”

Shame on us fundraisers!

The fundraising profession has managed to mythologize fund development, as if there are secret handshakes and esoteric knowledge that make the process work. The fundraising industry has managed to focus on money rather than people and their hopes, dreams, and aspirations.

Engaging board members in relationship building provides an accessible way for board members to participate. Using board members to help retain donors offers a meaningful and more comfortable way to understand fund development. And when your board members feel successful building relationships and nurturing loyalty, then your board members may feel more comfortable asking a loyal donor for a gift.

Another important point: you do not want your board members to strong-arm their friends and colleagues to give. It's hard to retain those donors who give as a favor to the solicitor. It's just bad fundraising.

To retain donors, we secure gifts from those who care and those who are interested in the cause. Make sure your board members understand that. Ask your board members to pay attention to their friends and colleagues and identify those who might be genuinely interested.

## The Value of Board and Board Member Participation in Donor Retention

First, keep in mind the distinction between the board (the group that does governance) and the individual board members. This is an important – and seemingly poorly understood – distinction.

The board sets overarching organizational policies. For example, the board sets policies related to board roles and board member performance expectations. The board decides that all board members must give a personal financial contribution annually. The board decides that each board member must help nurture relationships to retain donors. And, the board sets the norm of enforcing performance and removing non-performers.

Without these concepts in place and enforced, you cannot effectively engage board members in the donor retention process. With these concepts in place, acknowledged, accepted, and respected, you have an entire team of board members you can use to help with retention.

## Involving Your Board Members in Donor Retention

First, staff should create a fund development plan. Smart staff engages the board and its fund development committee in the planning process, thus building understanding and ownership.

With the fund development plan in place, smart staff negotiates fundraising activities with every single board member. And staff provides guidance and support as board members do the work.

Here are some of my favorite extraordinary experiences to bring your donors close to the cause and to the organization – and I've seen them all work. When done well, these are extraordinary experiences for your board members, too. And these experiences – carried out by

board members – help retain donors. (Yes, sure. Staff carries out these activities, too. But just imagine how the donor feels when a board member does these things.)

### 1. Thank donors more.

- a. Board members make thank you calls to donors.
- b. Board members handwrite personal notes to donors.
- c. When thanking, board members recognize the loyal donor and welcome the new donor to the family.

### 2. Engage donors in your mission and impact.

- a. Board members attend program activities where donors are present and mingle and schmooze with donors.
- b. Board members host cultivation gatherings with donors – in their own homes or at the agency – and help explain how the agency uses donor gifts.

### 3. Honor donors as part of your team.

- a. Board members interview donors for their philanthropic stories. This is one of the most powerful and transformative experiences anyone can have.
- b. Board members meet one-on-one with donors to share stories and learn about the donors' interests and intents.

### 4. Invite donors to invest. Yes, even a solicitation is part of donor retention.

- a. A good solicitation is a conversation, not a presentation. Board members can be very effective conversationalists. A couple board members can go together or a board member can join a staff person.

Imagine the conversation. Imagine the stories. Imagine the sharing.

The effort put into retaining donors is some of the most important work your organization does. Engaging board members in this effort recognizes the value of volunteerism, honors donors by connecting them with board members, and shares great joy with your board members themselves.

Do it now. Involve your board members in the fun, joy, and meaning of donor retention.



**Marc  
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ABOUT THE AUTHOR

Marc Koenig is writer and founder at Nonprofit Nonconformist, a community for unconventional nonprofits. He lives and works with nonprofits who are audacious enough to believe they can make a positive dent in the universe, embrace risk, make donors' lives richer and stop simply struggling to survive, all while having one hell of a good time. Marc also writes at NonprofitHub.org, is a frequent cyclist and coffee enthusiast, and loves a good book recommendation. Say hi @npmarc.

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# NEVER WRITE A *Annual*

Here's the biggest non-news item of the year: very few people want to read your annual report.

If you took a poll, you'd find most think annual reports are boring, dry, fact laden, and sleep inducing. But if you're doing work that matters, you can't afford to waste valuable time.

That means your annual report needs to be one of two potions: a chore to be completed as quickly as possible or an opportunity to create some art.

Let's break down those options.

## Option #1: Write a Bare Minimum Annual Report

Cut all excess, fluff, and personality from your annual report. Adopt a corporate tone: inoffensive, unassailable, and dull.

Write for everyone, but try to conjure up the unjustified feeling that a combination of angry foundations, critics, and lawyers will want blast your report. This will keep you in line.

Stick to the mandated legalese and financial figures. This isn't time for frills or elegance. Just send the thing out and forget about it. Put it on your website if you must.

Finally, check your report off of the to-do list and move on to the next item. Don't spend any more time than you need to. You've got better things to do.

# ANOTHER Annual Report

## Option #2: Craft an Unforgettable Christmas Letter

For those who didn't grow up with this tradition, the Christmas letter is sent out to family, friends, and others you care about and want to keep in the loop.

It's funny, personable, and informative. The point isn't to talk about your raises or your 401k diversification strategy. The Christmas letter paints a portrait, tells some stories, and helps place the year's events into a bigger, more interesting narrative.

The best Christmas letters don't avoid talking about challenges, since the challenges keep us interested in the triumphs. And most importantly, the Christmas letter brings the recipients into the fold, lets them in on the joke.

The cardinal sin of a Christmas letter? Being boring.

Obviously, I'm an advocate for the second kind of annual report. And if you're reading this, I'm guessing you are too.

You don't need to send a literal Christmas letter, but it does need the same spirit of generosity and intimacy.

The Christmas letter approach to annual reports forces you to think about the audience. It demonstrates that you care about your work and makes it seem like you actually want your readers to care back.

Whether the reader is a donor, volunteer, or someone who just stumbled on a PDF on your website, exact figures aren't too important. Your willingness to share the financial figures and be transparent is what matters more.

Why do we write Christmas letters? Because we want to keep our relationships vital. We care about staying in touch.

Of course, the Christmas letter approach only works if you've kept in contact throughout the year. If the only time your siblings hear from you

is through your annual Christmas letter, it's a hollow gesture that both parties can see through.

The bare-minimum approach represents an industrial attitude. It's factory minded and mass produced. It cares about the numbers, the transactions, and efficiency.

The Christmas letter is the human approach. It's about connection, building a family, a tribe, or a church. It's about identity, belonging, and humanity. It's even a little about entertainment.

If you care about donor retention, my advice is to pursue the human approach.

### To recap:

- The annual report is just the crown jewel of a healthy, yearlong conversation that's been going on between you and your donor. You earn the privilege of sending an annual report. Respect that privilege.
- Aim for 95% story, impact, and humanity. Make it art. Let your readers in on the joke. Save the important figures and charts for last and make them simple to understand.
- Understand that your annual report, like everything your organization does, is a choice. A choice to market yourself as one kind of organization or another. To tell a story about yourself. To talk about the kind of change your donors, present and future, are making in the world. You get to make this choice again every day. Make it count.

# USING Social Media TO KEEP DONORS

We live in a wonderful time. With a few clicks from our desktops – or even our phones – we can communicate with people all over the world. This unprecedented connectedness allows us to communicate with donors and keep them giving year-after-year.

As you've read in other portions of this book, the number one reason people stop giving to a nonprofit is they feel a lack of connection. In one study, when donors were asked why they didn't give a second gift to a charity, 25% of respondents said they didn't even recall making the first gift!

Social media can help transform that statistic for your donors. Like a breakfast cereal commercial, it's important to say that social media can be a part of your balanced breakfast. You'll still want a robust direct mail program, planned system of calling, and regular visits. But social media can be one of the most efficient ways to appropriately remind donors of their connection with your nonprofit.



## Social Media Isn't Age Specific

One of the biggest mistakes in the nonprofit sector is thinking that online engagement is for younger generations. Not true. Blackbaud's 2013 Next Generation of American Giving report shows a significant portion of people of all ages are online and on social media platforms, especially Facebook® and YouTube®.

If you're developing a case to help convince a resistant board or boss to invest in social media, get a copy of the study. You can also tell them

that the fastest growing age group for social media is people over the age of 65. To find the most up-to-date statistics, go to the press page of most major social media platforms. They'll have the latest reports on their usage statistics. Research those to see if they correspond with the demographics of your typical donor.

Then, if you haven't already, start connecting to your board and donors on social media. A simple way to do that is to ask them to "like" or "follow" your nonprofit's page.

## Be Social

Another mistake people in the nonprofit sector make when using social media is to do little more than blast updates at people. Granted, a certain portion of your social media plan will involve pushing messages out. But users expect organizations to be more "social" than that. You'll want to set up time on your calendar to check your organization's social media profiles and respond to comments. And to comment, if appropriate, on the profiles of your board members and donors.

If donor retention isn't enough of a reason for being social, listen to this statistic straight from Facebook®: an update on your nonprofit's page is only seen by about 17% of the "fans" of that page. Only 17%!

The best way to increase the percentage of fans who see your update is to get people to interact with your post. Facebook® wants to share engaging content with its users. Encourage your board and donors to "like," "comment," and "share" your updates. The more interactions an update gets, the more likely Facebook® will recognize the update as engaging and push it into more people's newsfeeds.

## Stop Bragging about Yourself

One of the biggest mistakes nonprofits make online and offline is talking about themselves. They brag about their accomplishments, the success of their staff, show pictures of grip-and-grins at ridiculously large check presentations, etc.

This kind of bragging is proven not to help donor retention.

What does help? As Tom Ahern of Ahern Donor Communications says, “Show your donors that they are the hero.” Think about it: your nonprofit couldn’t have an accomplished staff or achieved organizational success without the donors’ financial giving. So your donors really are the heroes. As you tweak your social media communication to thank donors, you’ll set the stage for them to be eager to give again. An easy way to make this shift is to consider adding donor language like, “Because of generous friends like you...” or better “Your gift fed these kids!”

## Showcase Donors

Another way to show donors that you appreciate their giving is to showcase them. Here are some simple ways to do this:

- If donors are volunteering for your nonprofit, share a picture or quick video of them through your social media channels.
- Invite donors to submit a short blurb on why they give or their experiences volunteering. Ask them for permission to use their words on your website, social media pages, or in your eNewsletter.
- Ask your board, volunteers, and donors to share what they love most about you on your LinkedIn® company page or another social media page.

Don’t just say generic things like, “Thanks to our donors.” Show actual donors and board members. Your main goal with social media should be to remind donors of the amazing work they’re doing through your organization.

## Use Lists and Circles

Entire books have been written on the use of specific social media platforms like Google+®, Twitter®, and Facebook®. In this chapter, I want to introduce you to a simple idea that will work across platforms and with whatever new platforms become popular in the future: create lists of donors and board members.

Twitter® and Facebook® allow you to create lists. (This blog post includes the three steps to creating a Twitter® list: <http://fundraisingcoach.com/2011/04/27/how-to-build-a-twitter-list/>.) Google+® requires you to put people in circles. These help you organize the stream of updates you’re putting out on the sites. And they’ll help you better listen to what your donors and board members are saying and thinking.

Chances are that you won’t respond to 90% of the updates you see on these lists. But what you see may help you be more conversational in face-to-face appointments, board meeting, or chance encounters in the community. And the 1% of updates you do interact with will impress your donors and board. They’ll appreciate that you really do see them as more than just ATM machines.



*Marc  
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ABOUT THE AUTHOR

Marc A. Pitman is the author of **Ask Without Fear!** and **Google+ for Nonprofits**. As a trainer of boards and a public speaker, his expertise and enthusiasm engages audiences around the world. He is interviewed by media organizations as diverse as Al Jazeera and Fox News. He’s also a homebrewer, coffee snob, and loves singing 80’s tunes loud enough to embarrass his family.

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A word of warning: I am not advocating you create groups or communities. Groups on Facebook® or LinkedIn® and communities on Google+® are forums for interactive conversation. They only work when both the organizers and the participants are engaging in dialogue. Groups and communities are notoriously hard to keep motivated. They usually end up as digital ghost towns. Besides, your use of social media is intended to thank donors, not bug them.

Lists and circles, on the other hand, are purely organizational tools. People may be notified that you’ve included them on a list, but sites like Google+® don’t mention the name of the circle.

A screenshot of multiple Twitter® lists forming one dashboard using Hootsuite®.



# THE CASE FOR THE *Branded* *Nonprofit* IN THE DIGITAL ERA



This era in the world we live in is quite possibly the most competitive in the history of our existence. The competition for our attention and our hard-earned money is at an all-time high. How is a nonprofit supposed to compete to stay top-of-mind and ensure constituent loyalty and retention? There is a marketing concept called The Rule of Seven, which states that prospects need to see or hear a marketing message at least seven times before they take action.

It would be a mistake to think that nonprofits are only competing within the “do good” part of an individual’s brain because in fact, you are essentially competing with each and everything an individual is exposed to. And we, as people, are exposed to a whole lot these days.

So, how do we filter out the unwanted stuff? Our brains categorize everything that is thrown our way into two buckets: needs and wants. Let’s take a guess about where most nonprofits are categorized. Yep, it’s most likely the second bucket. The next obvious question is: how do nonprofits make sure they remain a want instead of being tossed aside? This is where a nonprofit’s brand and messaging plays a key role.

## **Making a Brand**

A brand is not a logo, business card, or letterhead. These are a small set of tools to communicate the brand. A brand is not something you can touch; instead, it is something you feel. A brand is not something you can easily quantify either. It’s a feeling, a personality, a unique point of view, and a set of values that influence a person’s decision about the product or service. As Seth Godin, author and marketer, says, “A brand is a set of expectations, memories, and relationships that taken together account for a consumer’s decision to choose.”

## How does your nonprofit make your constituents feel?

### **Perform a Simple Brand Audit**

Professional brand audits can be expensive, but there is no reason why you can’t get started with a few simple steps. Gather three to five internal staff members from various parts of the organization, as well as three to five constituents

***Raheel  
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— ABOUT THE AUTHOR —

Raheel Gauba is the Brand Leader & Creative Director at Blackbaud. In addition to bringing a wealth of knowledge about branding and marketing, he is best known in the nonprofit space for creating usable website interfaces and effective visual design. He also has a proven track record of over a decade of strategic planning and execution of successful websites. His core passion lies in the building of online communities using equal parts form and function that allow organizations to attract, engage and retain their audience.

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from varied segments. Project your website on a wall in a meeting room and spread around your marketing materials on a table. While only looking at the marketing materials, the website, and nothing else, ask:

- What does this nonprofit do?
- How does it do it?
- What have they accomplished?
- Do they look credible and sincere?
- Where is the donate or support page on the website?

During this process, assign someone to capture responses and ideas about how to improve the marketing materials and the website.

### **Turbo-Charge Your Emails**

Out of all the digital channels, email messaging continues to out-raise the rest. When sending email messages, find the right rhythm with your audience when it comes to frequency and times of days; this is different for each type of audience. Highlight your latest email content on your homepage for consistency as well. Here's how you can add a little extra oomph to your email messages:

- Improve your preview text. Viewers see this text before opening an email. Avoid showing them "if you can't see this email, click here." Instead, use this valuable real estate to communicate something meaningful and impactful.
- Avoid clutter and simplify your email copy by optimizing your emails for skimming versus reading. Think about how much time you spend reading an email message versus skimming for the most important content.
- Start creating responsive email layouts that adapt to the device and available screen real estate. This is especially important for mobile users because according to TopRankBlog, 64% of decision makers read their email via mobile devices.
- And finally, your subject line matters more than you think: 33% of email recipients open emails based on the subject line alone, according to Convince & Convert via Salesforce.com. Create multiple variations of your subject lines and test, test, test!

### **Embrace Social Media in a Meaningful Way**

Social networks are no longer a novelty or a fad, they are engrained in our daily lives in more ways than status updates and sharing an occasional selfie. Social networks are powerful tools. You have the opportunity to convert social media users who are aware of your cause to become your marketing evangelists. Here are a few extremely simple tips on how you can improve social interactivity on your site:

- Sincerely ask for a share versus just leaving default social media icons on your pages. When you highlight your ask with sincere and authentic words, your viewer perceives this as a natural call to action that doesn't cost anything but a simple click of a button. Who doesn't want to do a good deed by just clicking a button?
- Posting "please retweet" generates four times more retweets than "please RT," according to Dan Zarrella, Hubspot®.

- Don't just announce, have conversations.
- Listen!
- Remember, there is no right answer; if one strategy fails, try another. If that fails, try once more. The only strategy guaranteed to fail is one where you stop being social.

### **Utilize Search Engine Optimization (SEO) as an Important Brand Management Tool**

The first place that your constituents are going to go to learn more about you is a search engine. Are you showing up on the first page of search results? How are you presenting yourself on major search engines? Google® your organization by searching for your organization name and cause. Use multiple phrases and check what search results page your organization shows up on. When your constituent is ready to take action, you should be the organization that shows up above all else. Here are some tips to improve search engine visibility:

- Create a list of keywords and key phrases that describe your organization and your mission. These phrases should be written from the point of view of your audience. Imagine what they would type in a search engine to find organizations such as yours. This is probably the most important asset you will create for great SEO results.
- Your page titles, meta description, and friendly URLs are displayed when your audience searches for you. Make a great first impression and include these high value keyword phrases within your titles and meta descriptions.
- A great way to build a better search engine ranking is to blog consistently. Try to write at least two to three posts per week about relevant topics and include relevant keywords and key phrases in your copy.
- Participate in online communities, get involved in groups and forums, and include relevant links back to your site where appropriate. Make sure you strategically include relevant keywords and key phrases within your comments. Google® sees these backlinks as social endorsements about specific content on your website.

### **Messaging**

Every single piece of content that you broadcast should be positioned in terms of value your organization provides to the given cause. For example, instead of telling your visitors about the number of people served by your cause, try telling them about the number of lives improved. Focus on showcasing results versus showcasing only your efforts. Figure out the essence of what makes your organization different from others serving the same or similar causes. Ensure your website design and your identity look and feel credible and write content so it reads as sincere and authentic. At the end of the day, constituents just need to be shown the right path, again and again. With your brand, and by staying top-of-mind, you have the opportunity to earn their trust, and with that trust, you will win their loyalty.

# BRING THEM IN FOR THE *Long Haul*

When it comes to retaining donors year-after-year, there is absolutely nothing better than a monthly sustainer program. This is true for virtually all nonprofits around the world.

What is your annual donor renewal rate? 50%? 35%? 62%? I hope you measure it because it's a critical metric. It tells you what kind of growth to expect, how good your stewardship is, and if you are investing a reasonable amount of money to acquire new donors.

Thanks to monthly giving, many of our clients have an annual 80 to 90% renewal rate from sustainer donors. And these generous people renew at that rate year-after-year.

My strong belief is that when you are around a 90% renewal rate, the only people dropping off are those who die, leave the country, or get dementia. It's about as close as you can get to renewing all of your donors each year.

There are a couple of secrets to achieving this renewal rate. The first is you must get them to give electronically, either by credit card or an automatic deduction from their bank account.

The second thing that will help you get to a 90% renewal rate is measuring by recruitment channel. For example, a monthly donor acquired by direct mail will have a much longer shelf life – and therefore greater lifetime value – than a donor recruited by direct response TV, which has a lower renewal rate.

The third secret is how you treat your donors. I'll discuss this in a moment, but first let me give you a basic introduction to monthly giving.

## Monthly Sustainers

To start a monthly giving program, you must ask your donors to make an ongoing monthly pledge. As a result, monthly donors give you much more money over the course of a year because they make 12 gifts. It's

easier for most people to write a \$25 check each month than a \$300 check at one time. Our research shows this likely means monthly givers donate two or three times more in a year than they would if they only gave a single gift.

When you combine that statistic with the fact that the annual renewal rate for monthly givers is so much higher than other donors, you will likely have a long-term value of 5 to 20 times greater than a donor who gives annually.

There are three primary methods by which nonprofits collect monthly gifts: credit cards, electronic funds transfer (EFT) – where money is transferred directly from the donor's bank account into your own, – and monthly notices by mail. Many organizations do not bother with the last option because it is much more expensive and these donors tend to only make 7 to 11 gifts per year as opposed to 12. However, if you have millions of donors, you should consider this type of program since not all donors will feel comfortable with electronic giving.

## Six Ways to Recruit Monthly Donors

1. **Direct response television:** Very expensive and successfully used by religious broadcasters, international aid, and environmental agencies. Always costly when well done. Can be either long form (30-60 minutes), or short form (1-2 minutes). You must also consider the cost to buy TV airtime. This is an option only for a few major brands with powerful, emotional stories. Over the years it has become more expensive.
2. **Telemarketing:** Also expensive, but can work well depending on your donor base. Some groups use this as their main method of recruitment. Successful programs generally call donors who were first acquired by direct mail and sometimes online. Calling new emergency donors works well also.
3. **Direct mail:** A highly successful way to build a monthly donor base and fairly inexpensive since you are already writing to the donors you have. You simply give them an option to give monthly

# Harvey McKinnon

## ABOUT THE AUTHOR

Harvey McKinnon is recognized as one of North America's leading fundraising experts. He has authored two books on monthly giving: *Hidden Gold*, and *Tiny Essentials of Monthly Committed Giving*. He is the co-author of the international bestseller, *The Power of Giving*, and Winner of the Nautilus Gold Award for books on social change. His latest book: *The 11 Questions Every Donor Asks* has received rave reviews. Harvey is a highly-rated trainer and keynote speaker who regularly presents at international conferences. His company Harvey McKinnon Associates has offices in Vancouver and Toronto, and he consults with many leading non-profits in Canada and the USA.

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as well. Donors acquired by direct mail generally have the greatest lifetime value of all monthly donors. Converting direct mail donors to monthly giving donors is a longer process than face-to-face or television donors, and it doesn't produce the same rapid growth, but it is significantly cheaper.

4. **Special events:** Can be used to promote your program. Special events provide an opportunity to distribute flyers and use a highly motivating speaker (ideally a board member or person helped by the cause) to invite people to join.
5. **Face-to-face, direct dialogue, and door-to-door:** Essentially each of these methods is one individual asking another individual to sign up as a monthly donor in person. This is obviously a very expensive method to acquire new donors because you are paying individuals to talk to potential donors one-on-one. However, for a few well known nonprofits it can be cost effective. I've only seen it work for major brands. And as I write this chapter, the cost to acquire a donor has increased significantly from when the method was first introduced. In addition, the attrition rate seems to be getting higher, meaning the breakeven point is much further into the future. Very expensive upfront costs, but can generate a lot of donors.
6. **Online:** Email conversion, promotions, and websites are the main ways people are recruited. Generally though, unless you have significant traffic to your site, the number of conversions will be low (unless you have a child sponsorship program). Still, they can be cost effective and should attract donors whose attrition rates are fairly low.

recruitment and direct response television. That said, the drop-off rates vary quite widely.

An important factor is how nonprofits treat their donors. For example, nonprofits need to thank their donors promptly, keep them inspired about the cause, and communicate effectively through their newsletters and websites.

In addition to having a great retention from a monthly giving program, another benefit is it's also predictable. You can actually count how much money will come in each month; this is especially helpful in the lean summer months. Moreover, this is usually un-earmarked money, making it even more valuable to your organization. And best of all, it means the return on investment of acquiring a monthly donor is much greater than the average single gift donor.

You will dramatically increase the value of your donors if you convert them to monthly givers. I urge you to make this a focus of your work and am confident you will reap great rewards from the effort. You will leave a legacy to your nonprofit long after you are gone; every monthly donor you recruit can continue to give to your cause for decades to come.

## Method of Recruitment Matters

Research shows that direct mail donors are the most loyal monthly donors. Donors recruited by telemarketing are pretty steadfast as well because almost all of these gifts come from donors acquired via direct mail. The biggest annual drop-off rates come from face-to-face

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