

# Donor Retention

The key to a successful, sustainable development program

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Shannon  
Williams, senior  
advisor

# What We Do

1. Fundraising Counsel
2. Leadership Development
3. Organizational Planning



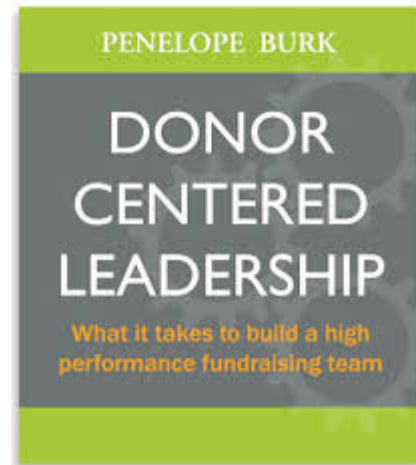
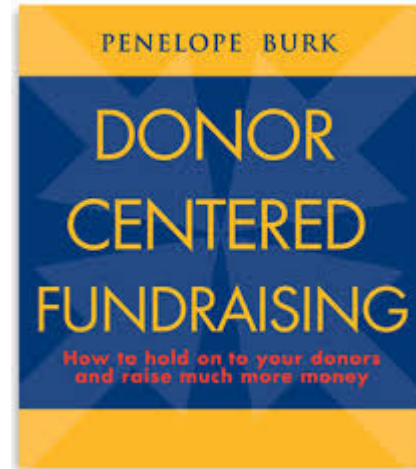
1. Feasibility Studies; Annual, Capital and Endowment Campaign Design; Art of the Ask training; Fundraising Communications
2. Board retreats; development coaching; executive recruitment
3. Organizational and development assessments; strategic planning; community collaboration



FEP donor retention finding based on data provided by 2,377 non-profit organizations about the 2010 behavior of 1.8 million 2009 donors.

## Fundraising Effectiveness Project

Analyzed 2010 donor behaviors using 2009 as a baseline



# Penelope Burk

Leading expert in donor research



# National Donor Retention and Attrition

In 2010 overall donor retention was 41%

59% of all 2009 donors DID NOT give again to participating NPOs in 2010.

For every \$100 raised in 2011; \$100 was lost

For every 100 donors gained; 107 donors were lost

# National Donor Retention and Attrition

70% of repeat donors gave again

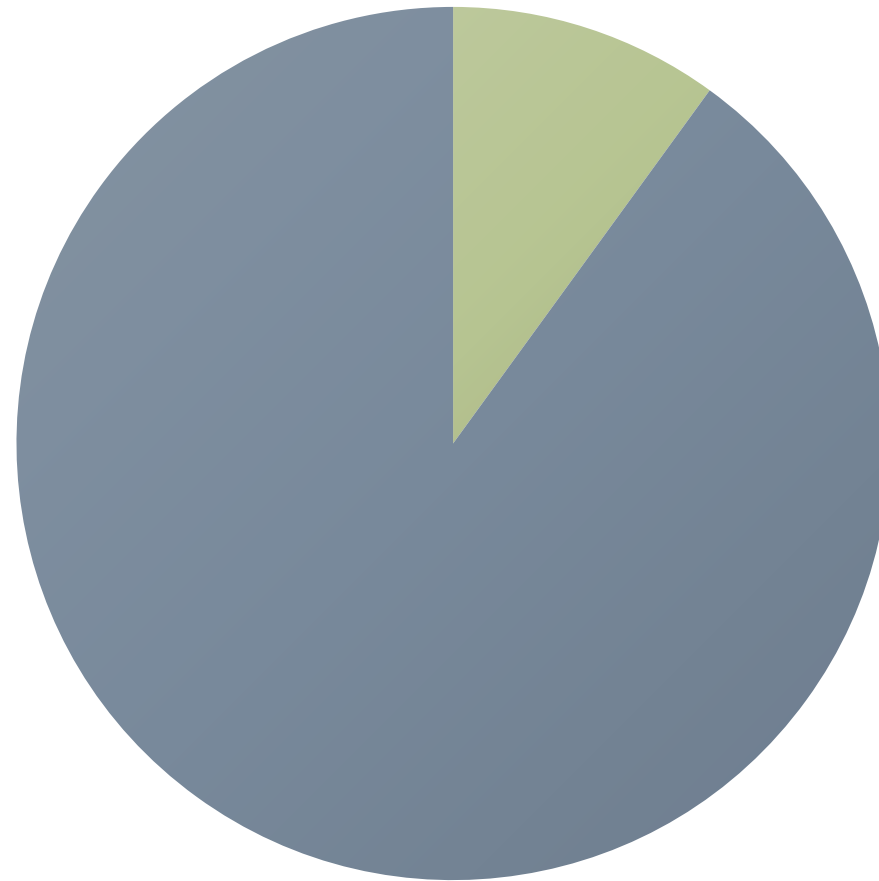
Only 27% of first time donors gave again

Overall 10% of all donors of record in a database gave to participating organizations

These trends have been consistent since 2005

# Database Retention

Donors



■ Gave in 2010 ■ Did not give in 2010



# Overall FEP Findings

Only 65 of 2,377 NPOS have retention rates higher than 70%; more than half had retention rates below 40%

Donor retention is less than 41% for donors of less than \$250 and significantly higher for donors of more than \$250.

In fact gifts of \$1,000-\$5,000 have an 83% retention rate.

**Original Retention Rate: 41%**

**Improved Retention Rate: 51%**

Year	Donors	Avg. Gift*	Total	Year	Donors	Avg. Gift*	Total
Start	5,000	\$ 200.00		Start	5,000	\$ 200.00	
2	2,050	\$ 220.00	\$ 451,000	2	2,550	\$ 220.00	\$ 561,000
3	841	\$ 242.00	\$ 203,401	3	1,301	\$ 242.00	\$ 314,721
4	345	\$ 266.20	\$ 91,734	4	663	\$ 266.20	\$ 176,558
5	141	\$ 292.82	\$ 41,372	5	338	\$ 292.82	\$ 99,049
6	58	\$ 322.10	\$ 18,659	6	173	\$ 322.10	\$ 55,567
7	24	\$ 354.31	\$ 8,415	7	88	\$ 354.31	\$ 31,173
8	10	\$ 389.74	\$ 3,795	8	45	\$ 389.74	\$ 17,488
9	4	\$ 428.72	\$ 1,712	9	23	\$ 428.72	\$ 9,811
10	2	\$ 471.59	\$ 772	10	12	\$ 471.59	\$ 5,504
11	—	—	—	11	6	\$ 518.75	\$ 3,088
12	—	—	—	12	3	\$ 570.62	\$ 1,732
13	—	—	—	13	2	\$ 627.69	\$ 972
14	—	—	—	14	1	\$ 690.45	\$ 545

**Grand Total from Original Donors: \$ 820,859**

**Grand Total from Original Donors: \$ 1,277,208**

**Total Savings: \$ 456,349**

# Donor Relations Defined

Comprehensive effort of any non profit organization that seeks philanthropic support to ensure that donors experience high-quality interactions with the organization that fosters long-term engagement and investment.

*Association of Donor Relations Professionals*

1. Acceptance and Management
2. Acknowledgement
3. Recognition
4. Reporting

# Acceptance and Management

Donor bill of rights and a gift acceptance policy

Protocols in place to guide a donation from pledge to fulfillment

Protocols in place to acknowledge a gift according to the level of investment

Do ALL your key staff members understand these protocols? Are they involved in the process

# Acknowledgement

Personalized—no Dear Friend,

Your thank you should say THANK YOU.

Your thank you should share the specific impact of the gift in a compelling way.

Your thank you should NEVER include an ask for money—or an ask at all.

Personal signature

Sent within 48 hours of receipt

For great examples and coaching visit [http://www.cygresearch.com/files/DCF-Thank-you-Letters-Penelope\\_Burk.pdf](http://www.cygresearch.com/files/DCF-Thank-you-Letters-Penelope_Burk.pdf)

# Penelope Burk

46% of donors who were asked “why do you stop giving” said they “would stop giving to a charity they once supported for reasons that are tied to insufficient or poor quality information concerning their gifts at work.”

**Sharing the impact of the investment is CRITICAL!**

“It takes more time to inform a donor of what their money is achieving than it does asking for it.”

**Staff should be spending more time reporting than asking!**

# Sample

First there was a SPLASH!

And, then there were cheers. Did you hear them?

Well, we know you were not at Camp XX when Charlie and 12 other kids jumped into the water to show their parents that they had learned to swim. But you have been with them every step of the way by making daily swim lessons possible for this baker's dozen.

Charlie and his friends have mastered a critical life skill because of YOU. Thank you does not seem like enough, but we hope it will suffice.

You have changed the lives of these 13 kids forever—a change that will likely impact generations to come. They are the first swimmers in their families, but they won't be the last because of you.

# Recognition

Think celebration

Thank yous beyond the acknowledgement letter

Thank you calls from board members

- Phone call made within 24 hours of gift
- At the next solicitation, these donors gave 39% more than their first gift
- After 14 months, they were giving 42% more

Seeing the mission in action

- Bus tour to the program
- 12 years later they all give \$1,000+
- 3 out of the ten have served as campaign chairmen; half are still volunteering



# Recognition Ideas

- Physically take the mission to the donors
- Mail cards, letters from the beneficiaries
- Photos
- Videos

# Reporting

Measure results

Communicate outcomes to both the head and the heart

Communicate with donors using the same medium they use with you

Guidestar; Charity Navigator

# Tactics—Website

Gift impact should be easy to find on your website

- 83% of donors are visiting websites to decide whether to give or renew their gift
- What would be accomplished with their gifts
- What has been accomplished recently with their gifts
- News /current developments (not stagnant information)

# “friend” STANDLEY

Say hello to STANDLEY. STANDLEY needs 12 pals to help the symphony grow.



Donate \$50 for a stand for the Central Ohio Symphony musicians. YES! I want to give STANDLEY a new pal! Click here: [https://www.paypal.com/cgi-bin/webscr?cmd=\\_s-xclick&hosted\\_button\\_id=93PZX4B67QJ7U](https://www.paypal.com/cgi-bin/webscr?cmd=_s-xclick&hosted_button_id=93PZX4B67QJ7U)

STANDLEY will put your name on the stand send you a thank you note right away!

# Monthly Giving

Growing trend (29% of Cygnus survey respondents are contributing through some monthly giving program)

More women than men give monthly but men who do, give more

Donor satisfaction (81%) and retention (78%) is very high for monthly givers

Average monthly donor gives for 30 consecutive months

Donors more trusting of groups they give to in monthly programs, but little evidence of donor movement to larger gifts

# More key stats from Cygnus Research

69% of all donors say NONE of the organizations they support call them without asking for another gift.

61% say they receive another solicitation in their thank you letter. 81% are offended by that.

Investing in communication to donors about the impact of their work could lead to a 50% increase

# Why Some Donors Leave

1. Not sure how gift made a difference
2. Gift not acknowledged or acknowledged properly
3. Significant shift in mission
4. Inefficiency—not using resources wisely
5. Over solicitation