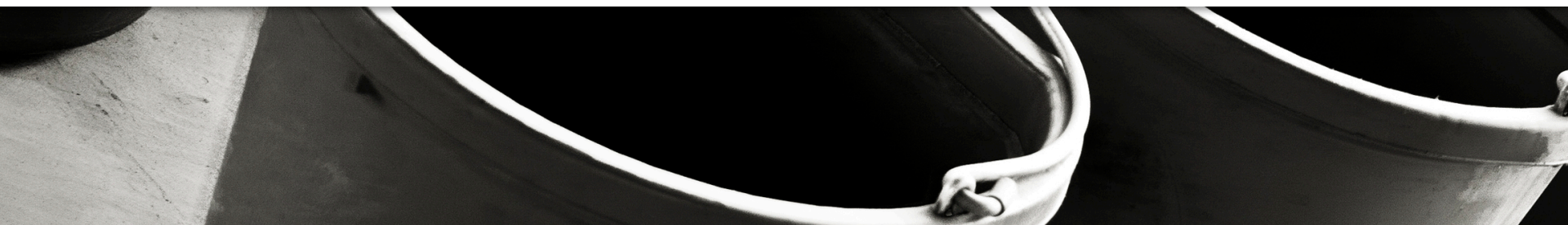




Donor Retention:
Keep Your Donors and Stop the “Churn”



About Steven »

Chief Engagement Officer, Bloomerang
Co-founder/ED, Launch Cause

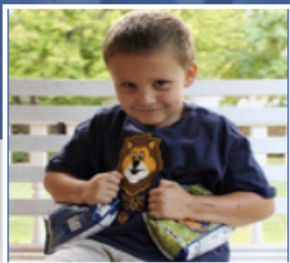
Contributor: Fundraising Principles and
Practice: Second Edition

Member: Fundraising Effectiveness
Project (FEP) Project Work Group, AFP
Center for Fundraising Innovation (CFI)

Fun facts:

- 1st job: producing fundraising videos
- prefers tea to coffee
- allergic to rhubarb
- won the David Letterman scholarship





WESLEY S

PACK 520

SUPPORT

PHOTOS

I'm Wesley, and this is my first year as a Cub Scout! I'm a Kindergarten Scout with Pack 520, and while I'm not required to sell popcorn this year, popcorn is probably my second-favorite food. Your support helps me be able to be a good friend and neighbor and future citizen. I get to try lots of new activities with my new scout friends, and the money raised also helps me buy new badges and prizes - like a fun summer day camp at Camp Belzer! My favorite popcorn flavor is "anything with chocolate." Thanks for loving me, and thank you also for considering a popcorn (or coffee) purchase!



The current state of donor retention? »

⇒ FUNDRAISING
EFFECTIVENESS
project



<http://afpfep.org>

Donor retention »

AVERAGE

45.5%



FIRST-TIME

31.8%



REPEAT

64%



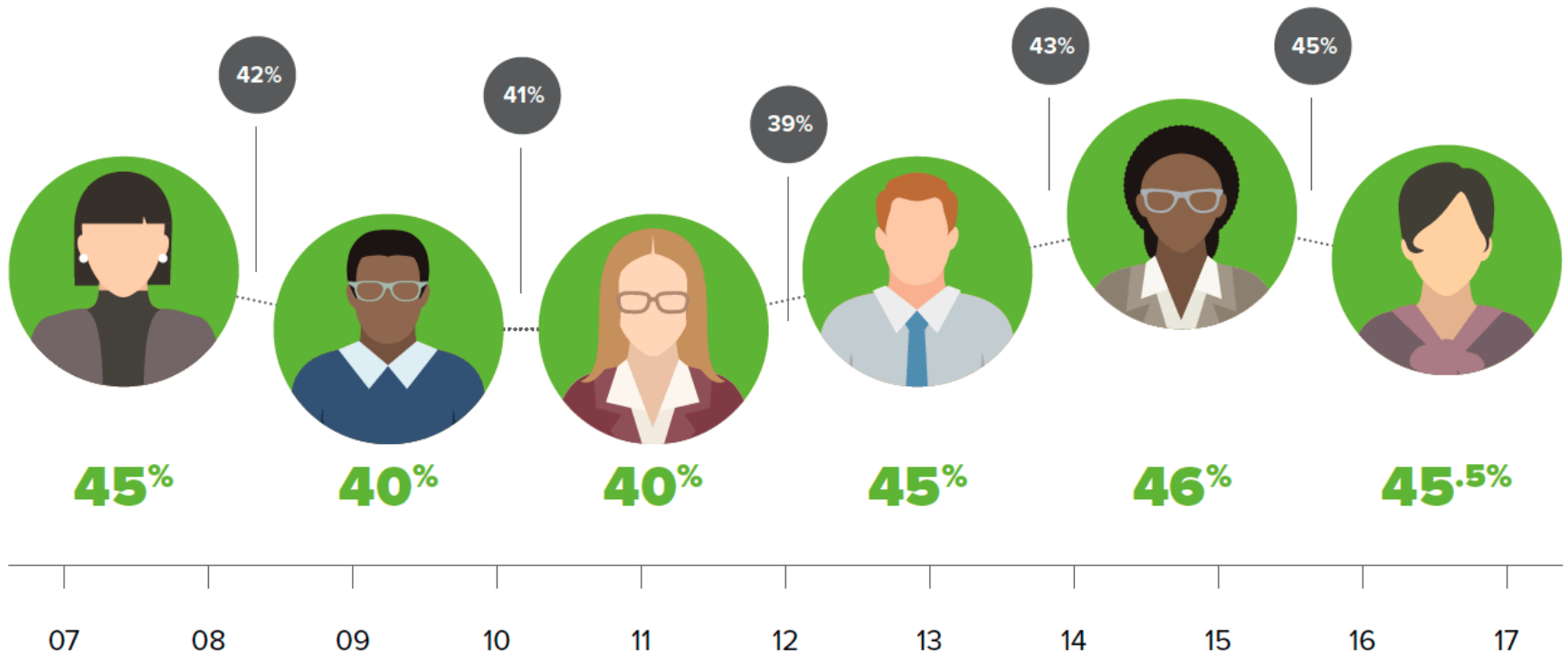
MONTHLY

90+%



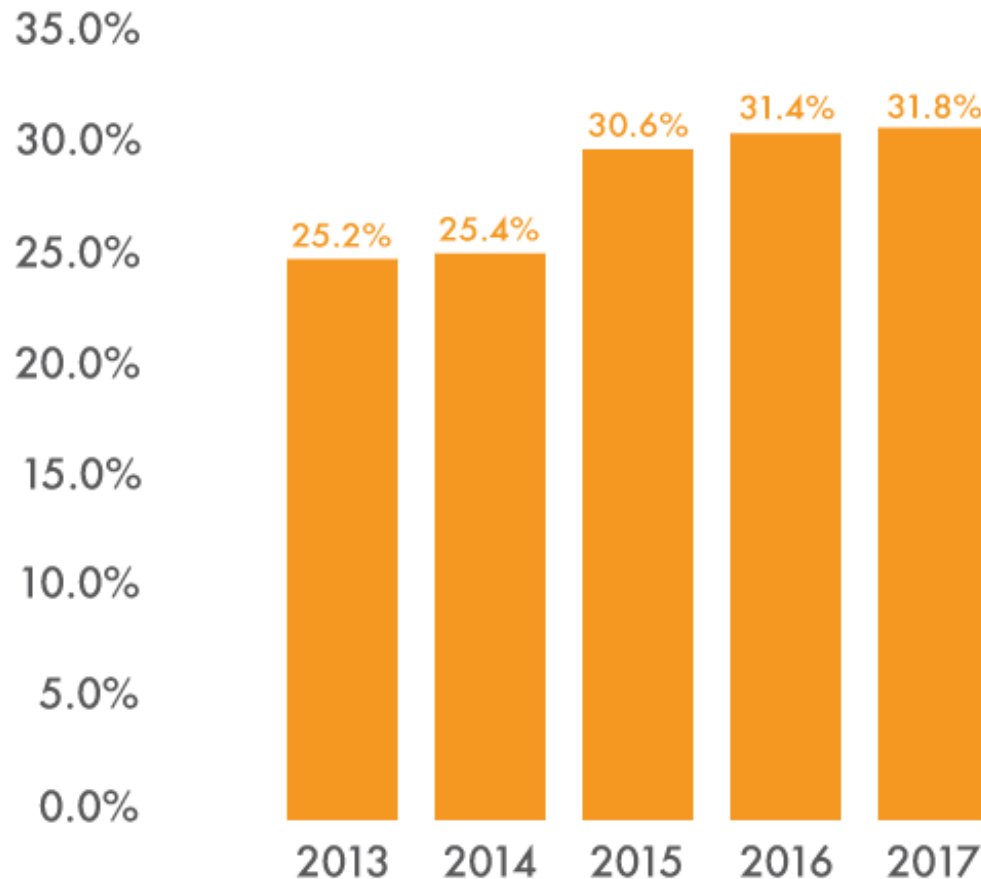
Source: Fundraising Effectiveness Project <http://afpfep.org>

Donor retention over a decade »



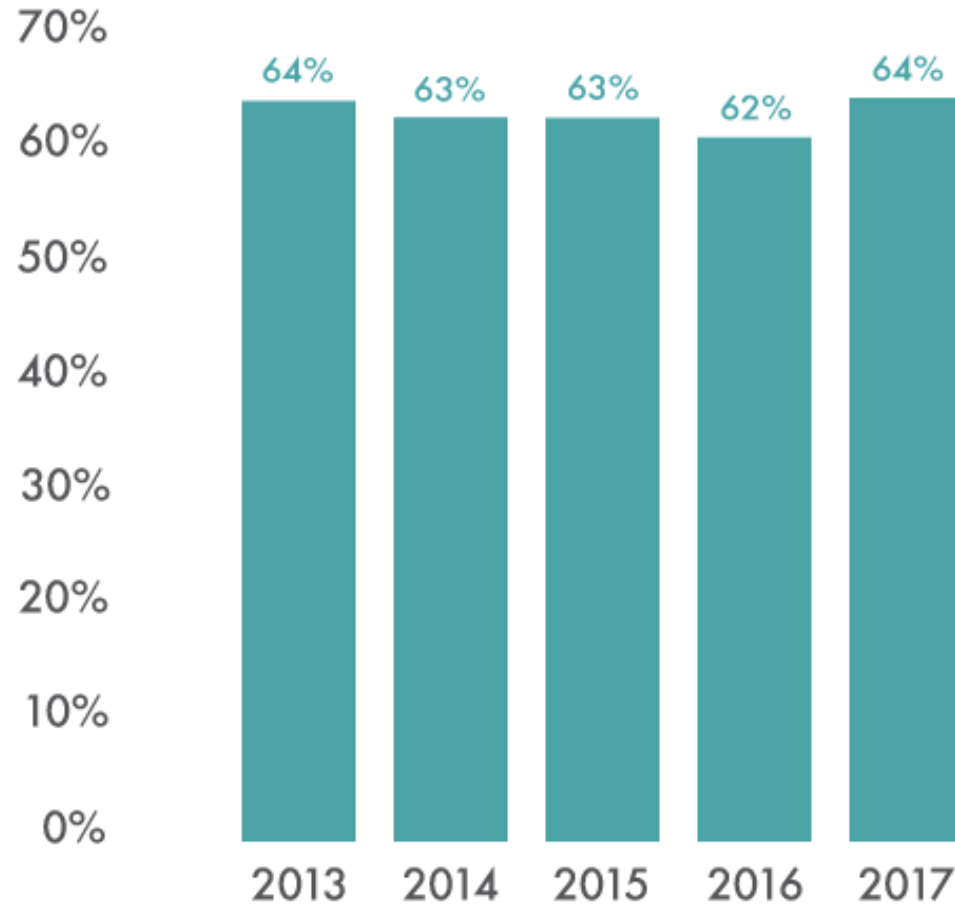
— Fundraising Effectiveness Project

New donor retention over the years »



Source: Fundraising Effectiveness Project <http://afpfep.org>

Repeat donor retention over the years »



Source: Fundraising Effectiveness Project <http://afpfep.org>

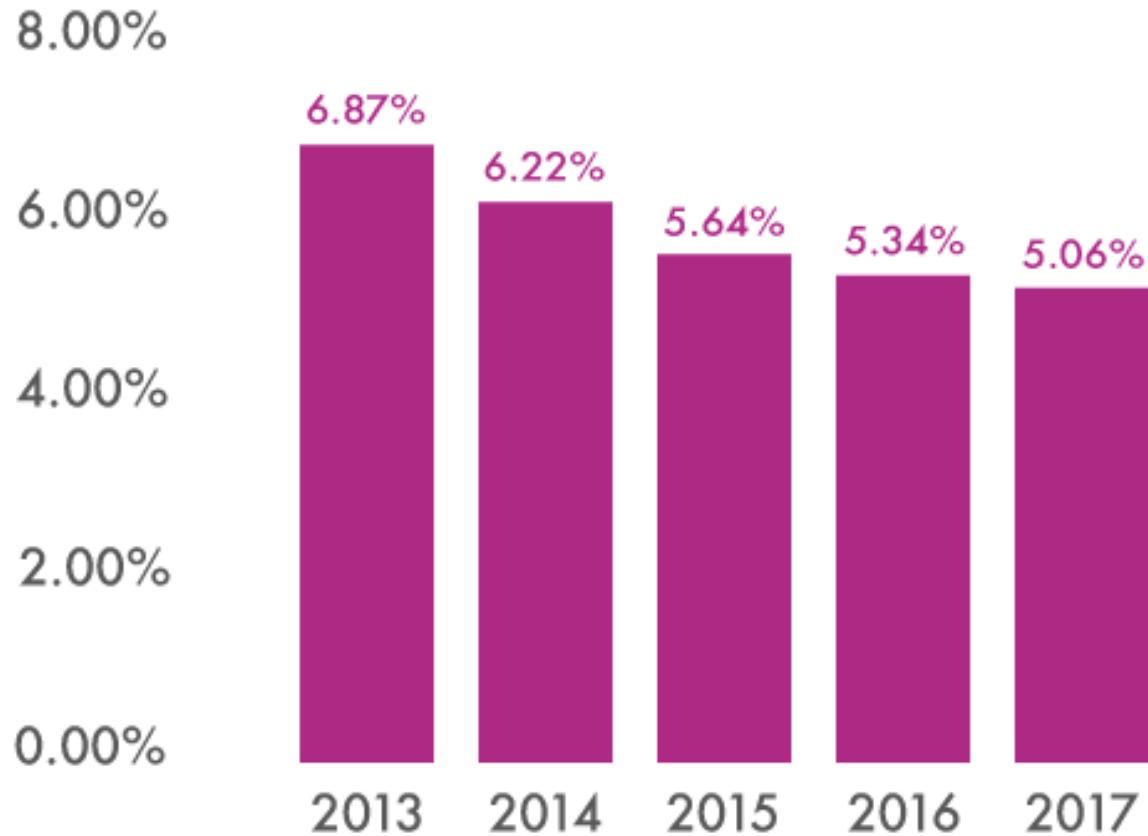
2018 is looking bad »

Q1-2 2017 vs. Q1-2 2018:

- Total donors are down 6.6%
- New donors are down 9.2%
- New retained donors are down 18%
- Repeat retained donors are down 2.1%
- Retention is down 6.4%

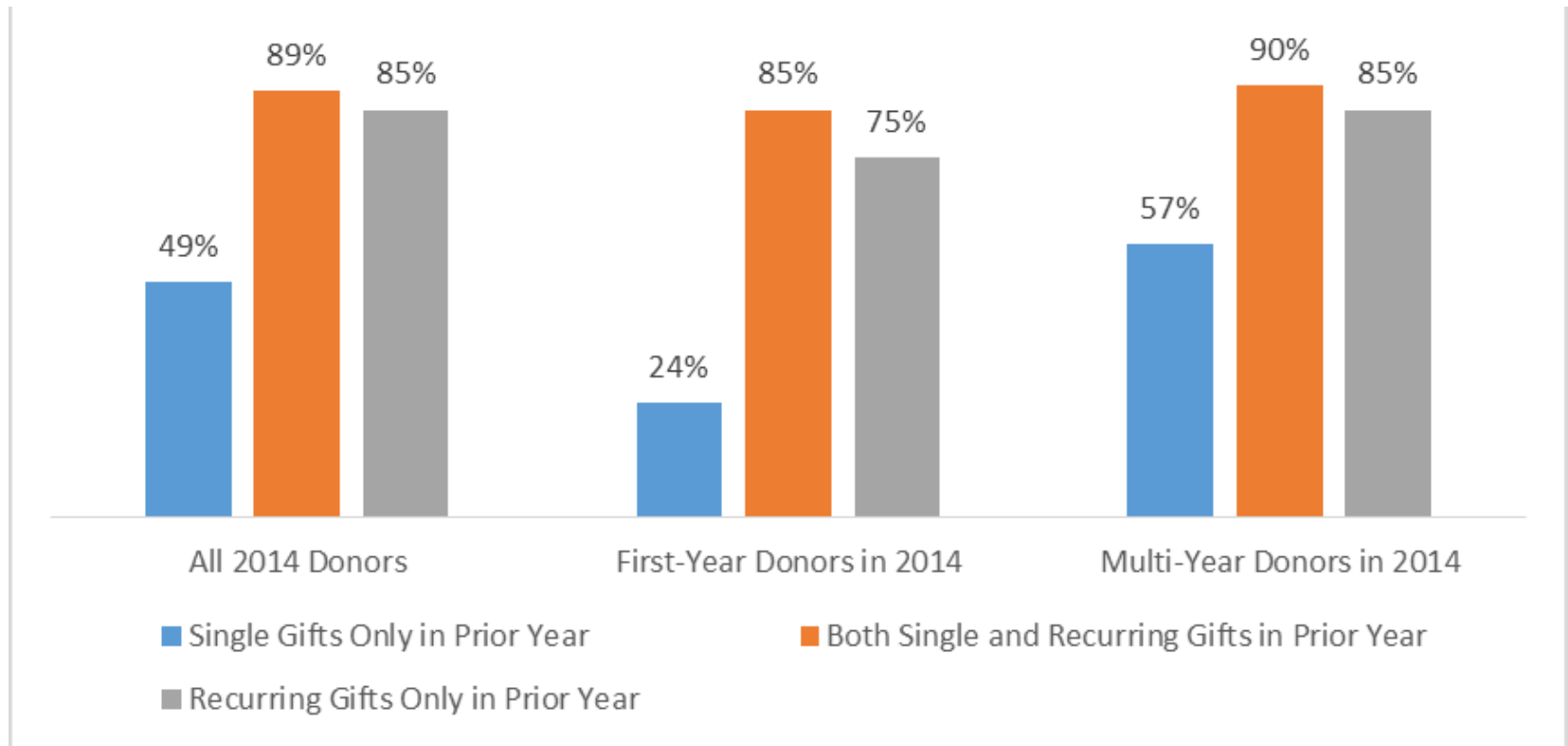
Source: Fundraising Effectiveness Project <http://afpfep.org>

Recapturing lapsed donors is even harder »



Source: Fundraising Effectiveness Project <http://afpfe.org>

Retention rates for monthly giving »



Source: Target Analytics, 2015 DonorCentrics US Recurring Giving Benchmarking Analysis

Donor retention by age/channel »

AGE	ONLINE	OFFLINE	BOTH
18-24	18%	29%	63%
25-34	20%	31%	61%
35-44	21%	29%	59%
45-54	21%	27%	59%
55-64	23%	30%	60%
65-74	26%	33%	60%
75+	24%	31%	64%

Source: Target Analytics, a division of Blackbaud

http://www.huffingtonpost.com/entry/3-truths-and-1-lie-about-online-donors_us_595cf48de4b0326c0a8d13fb?

So what?

Donor Attrition Over Five Years

# of Donors	Attrition Rate	Donors Remaining After 1 Year	Donors Remaining After 2 Years	Donors Remaining After 3 Years	Donors Remaining After 4 Years	Donors Remaining After 5 Years
1,000	20%	800	640	512	410	328
1,000	40%	600	360	216	130	78
1,000	60%	400	160	64	26	10

<https://bloomerang.co/resources/guides/donor-retention-math-made-simple/>

Donor retention math »

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

<https://bloomerang.co/resources/guides/donor-retention-math-made-simple/>

Who are the best prospects? »

- Length of giving to your organization
(5+ years of regular giving)
- Giving to you over a long period of time
(Giving may not be year after year - but gifts have been made over a long, extended period of time)
- Frequency of Giving (monthly credit card donors, multiple gifts within a year)
- Is an active volunteer (at one time or now a board member, or a volunteer in some manner)
- The Family has been involved in some way in the organization (best if there is a long-time association)



Acquiring donors is harder »

- Cost per acquisition = 5x cost per renewal
- Cost per acquisition = 2-3x initial donation amount
 - break-even after 12-18 months
- Renewal response rates = 20x30 higher than acquisition response rates

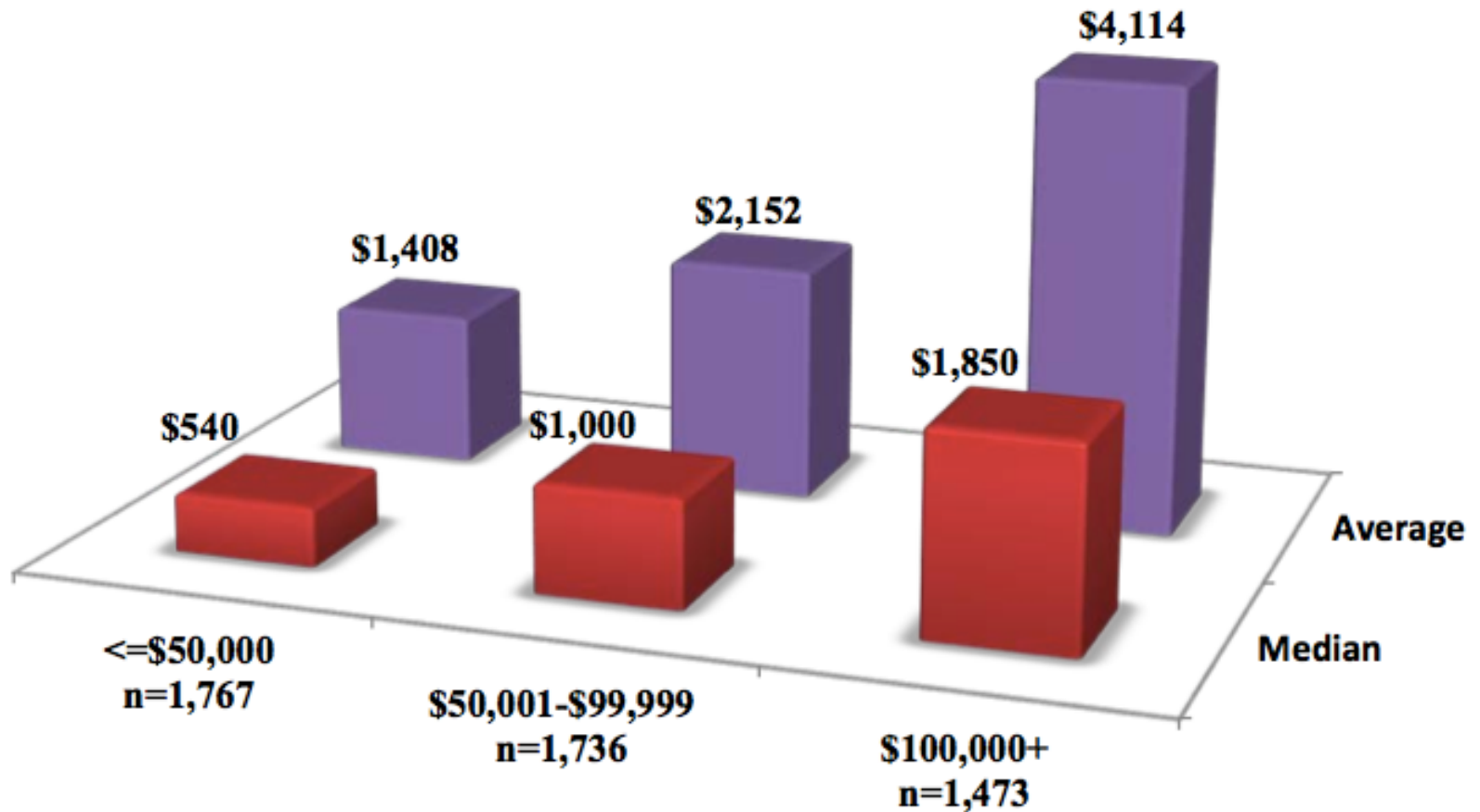
Source: Adrian Sargeant - Lilly School of Philanthropy

Giving by household income »

- \$50K: 2-3 charities supported
 - \$100K: 3-4 charities supported
 - +\$100K: 4-5 charities supported
- One is usually their church
- One is usually their school

Source: Philanthropy Panel Study - Lilly School of Philanthropy

Giving by household income »



Source: Philanthropy Panel Study - Lilly School of Philanthropy

Why do donors leave?

Why nonprofit donors leave »

- 2001 study by Adrian Sargeant
- Survey to lapsed donors of 10 major U.S.-based nonprofits
- Respondents were asked to check each reason for stopping their contributions



http://www.campbellrinker.com/Managing_donor_defection.pdf

Why nonprofit donors leave »

- 5% - thought charity did not need them
- 8% - no info on how monies were used
- 9% - no memory of supporting
- 13% - never got thanked for donating
- 16% - death
- 18% - poor service or communication
- 36% - others more deserving
- 54% - could no longer afford

http://www.campbellrinker.com/Managing_donor_defection.pdf

Why do donors stay?

Key drivers of donor commitment »



- 2011 study
- Survey of 1,200 recent (last 12 months), frequent (more than 2 gifts to cause based charities) donors from over 250 nonprofit organizations
- Donors were given a list of 32 reasons why they might continue giving
- Asked to rank them by order of importance

<http://www.thedonorvoice.com/national-donor-commitment-study-and-proof-of-link-between-donor-attitudes-and-behavior/>

Key drivers of donor commitment »

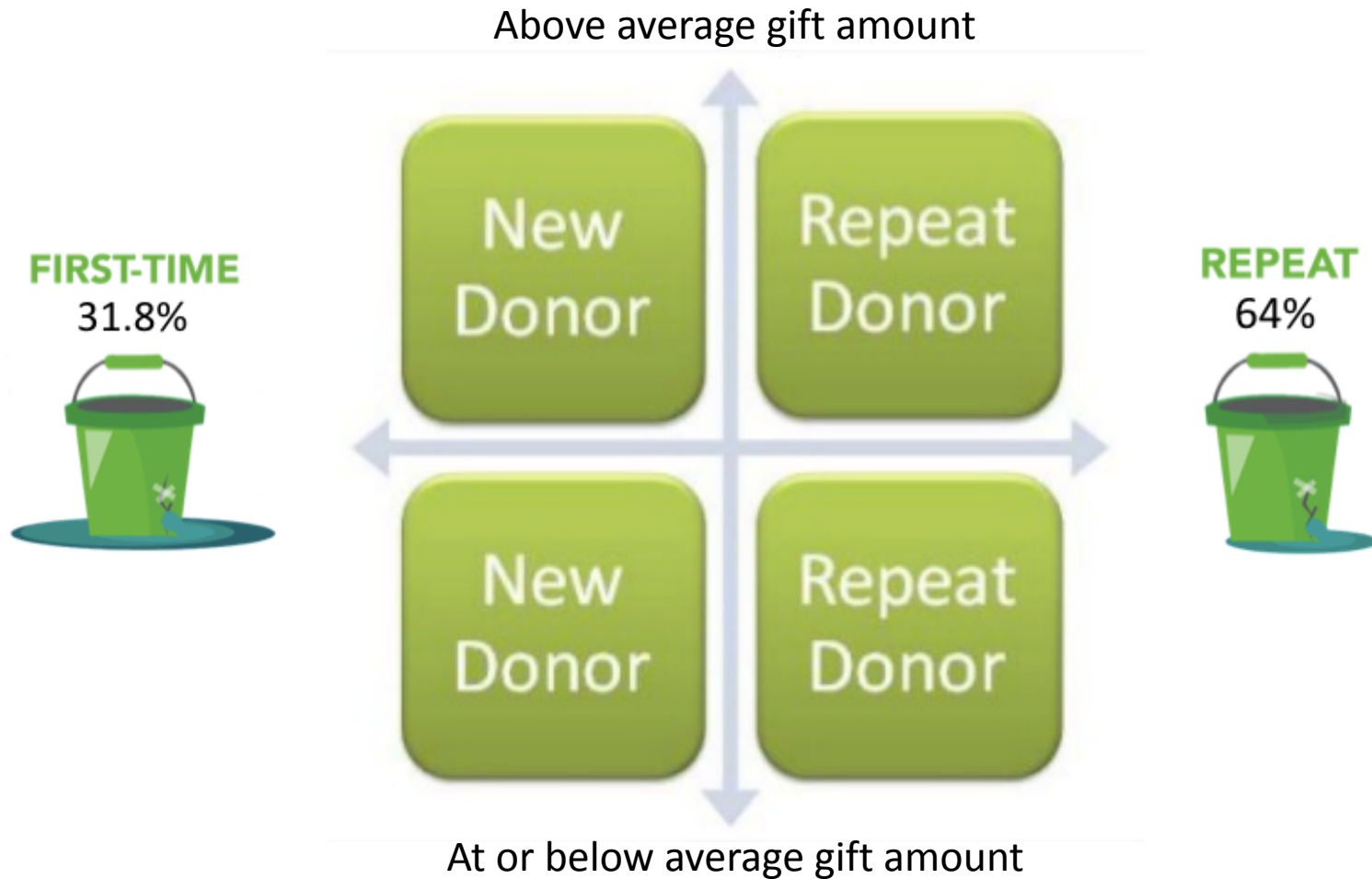
1. Donor perceives organization to be effective
2. Donor knows what to expect with each interaction
3. Donor receives a timely thank you
4. Donor receives opportunities to make views known
5. Donor feels like they're part of an important cause
6. Donor feels his or her involvement is appreciated
7. Donor receives info showing who is being helped

<http://www.thedonorvoice.com/national-donor-commitment-study-and-proof-of-link-between-donor-attitudes-and-behavior/>

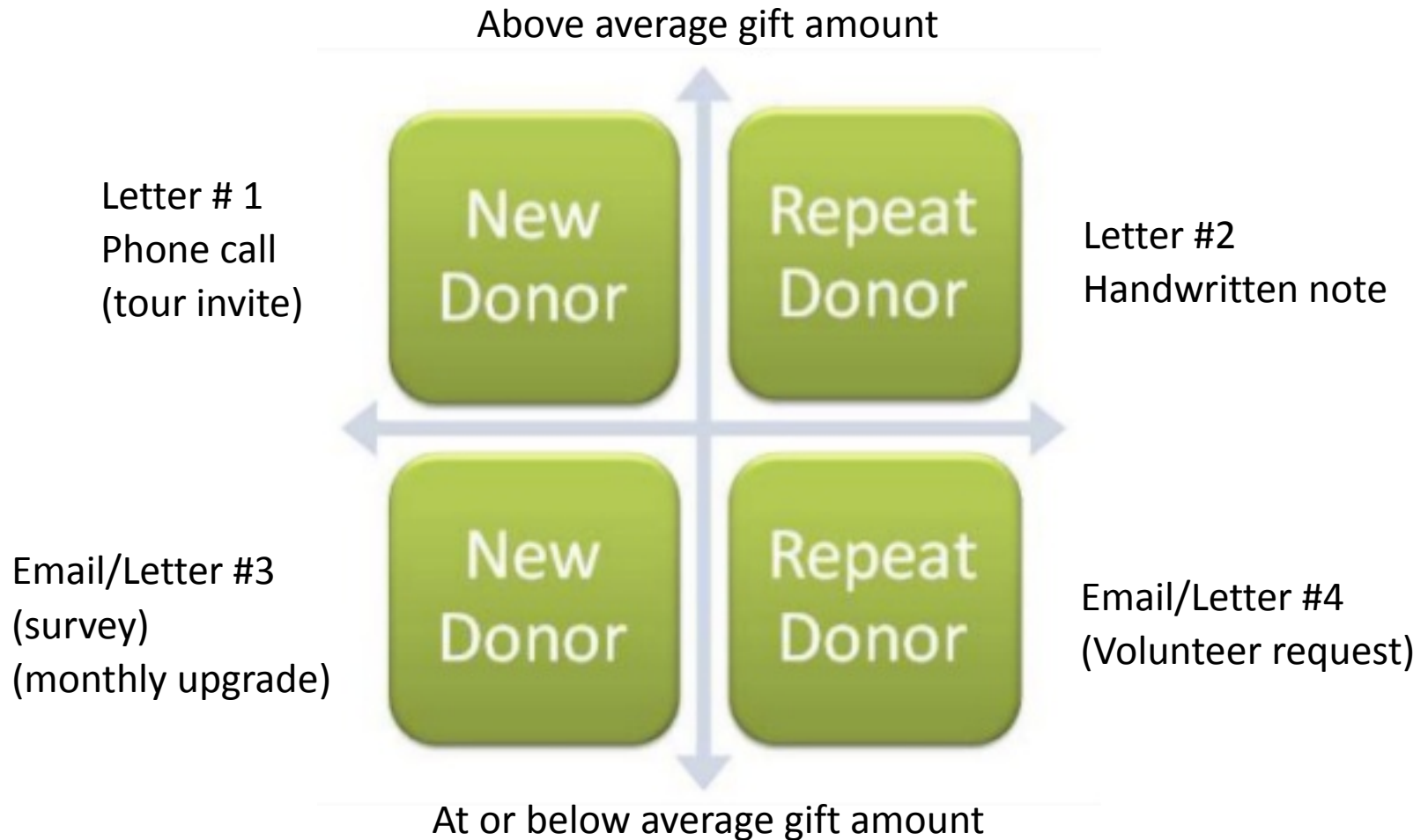
How to increase retention »

- Segment communications
- Thank quickly + personally
- Humanize your automation
- Donor-centric tone (more “you” than “we”)
- Tell them how gifts are used / will be used
- Preview future communications
- Solicit feedback

Communications segmenting »



Differentiate the acknowledgement »



Segmentation principles »

	Gives Monthly	Given Once (Over a Year Ago)	Given Once (Last Year)	Given Multiple Times
Above Average Gift Size	Segment 1	Segment 2	Segment 4	Segment 6
At or Below Average Gift Size	Segment 1	Segment 3	Segment 5	Segment 7

Sample Timeline for Donor Retention

Stewardship plans should move your donors from the *left to the right* on the donor engagement continuum.

Unaware → Aware → Interest → Experience → Knowledge → Participation → Ownership & Significant Relationship

First year Sample Donor Retention Communication Plan

First Gift	Thank Call	Thank Letter/Note	Report/ Updates	Invite	Appeal for 2nd Gift	Thank Letter/Note	Report/ Updates	Survey	Report/ Updates
Timing	3 days	1 week	monthly	6 weeks	2.5 - 3 months	1 week	monthly	6 weeks	Monthly Ongoing
Who	Board	Staff	Staff	Volunteer, Staff, Donor	Staff or Board	Staff or Board	Staff	Staff	Staff
Format	Call	Mailing	Enews or Newsletter	Mailing OR Call	Email, mail or event	Mailing	Enews or Newsletter	Email or mail	Enews or Newsletter

New Donor Timeline

Getting to Know Your New Donor

Send your donors the welcome pack.

CLICK HERE TO LEARN HOW

★ **Bonus Points:** Include a soft ask and/or 1-3 question survey

Ask

Monthly giving ask, appeal to donors.

★ **Bonus Points:** Handwritten sticky note

Show Impact

Send donors an annual report.

★ **Bonus Points:** Make it a gratitude report.

CLICK HERE TO LEARN HOW

Ask

Send donors appeal letter, online campaign

★ **Bonus Points:** Include an "engagement" piece.

CLICK HERE TO LEARN HOW

Surprise & Delight

Send "The Dave Donor Letter."

CLICK HERE TO LEARN HOW

Gratitude

Send your donors a thank you letter.

★ **Bonus Points:** Thank you call, or handwritten note.



Gratitude

Send your donors the thank you letter.

CLICK HERE TO LEARN HOW

★ **Bonus Points:** Donor thank you call

Show Impact

Send your donors the impact report.

CLICK HERE TO LEARN HOW

Surprise & Delight

Tell your donors thank you, just because.

How Can I Help?

Petition, increase donor engagement

How Are We Doing?

Send a donor supporter survey.

★ **Bonus Points:** Don't forget to follow up.

Ask

Send your donors the year-end integrated campaign.

CLICK HERE TO LEARN HOW

★ **Bonus Points:** Add an engagement piece.



Basics & More™
Fundraising Fundamentals

The fast, personal touch »

- first-time donors who get a personal thank you within 48 hours are 4x more likely to give a second gift (McConkey-Johnston International UK)
- a thank-you call from a board member to a newly acquired donor within 24 hours of receiving the gifts will increase their next gift by 39%. (Penelope Burk)

<http://www.guidestar.org/rxa/news/articles/2010/how-to-increase-donations-by-39-percent.aspx>

Thank before asking »

In a database where the average number of gifts made by donors is three, a thank-you letter reaffirming the difference that their donations made increased average gifts by 60% without reducing response rate in comparison to a control group of donors who did not receive this thank-you communication.



<https://www.philanthropy-centre.org/learning-to-%20say-thank-you/>

Donor retention by age/channel »

AGE	ONLINE	OFFLINE	BOTH
18-24	18%	29%	63%
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75+	24%	31%	64%

Source: Target Analytics, a division of Blackbaud

http://www.huffingtonpost.com/entry/3-truths-and-1-lie-about-online-donors_us_595cf48de4b0326c0a8d13fb?

Transaction Receipt from Lutheran Family Services of Nebraska, Inc. for \$10.00 (USD)



Auto-Receipt <noreply@mail.authorize.net>

Jul 25 ☆



to me ▾

Thanks for supporting Lutheran Family Services of Nebraska. Your donations are tax deductible. Please keep this receipt for tax purposes. Federal Tax ID 23-7267972

Order Information

Description: Donate Form

Billing Information

Steven Shattuck
5724 Birtz Road
Indianapolis, Indiana 46216
United States
sashattuck@gmail.com

Shipping Information

Total: \$10.00 (USD)

Payment Information

Date/Time: 25-Jul-2016 5:25:29 CDT
Transaction ID: 20072697389
Payment Method: Visa xxxx0416
Transaction Type: Purchase
Auth Code: 025662

Merchant Contact Information

Lutheran Family Services of Nebraska, Inc.
Omaha, NE 68102
US
rmatthes@lfsneb.org

Lutheran Family Services of Nebraska expresses God's love for all people by providing quality human care services that build and strengthen individual, family and community life.



Heartland Health Centers skelliher@heartlandhealthcenters.org via clickandpledge.cc
to me ▾

📧 5/21/15 ☆



Receipt

Important!

This payment will appear as "HEARTLAND HEALTH CENTER" on your bank statement. We recommend that you print a copy of this receipt for comparison with your bank statement, as well as for your personal records.

Thursday, May 21, 2015 [1:33:31 PM]

Heartland Health Centers

3048 W. Wilton Ave

Chicago, Illinois 60657

United States of America

Email : skelliher@heartlandhealthcenters.org

Phone : [773-296-7560](tel:773-296-7560)



Successful Donation noreply@mobilecause.com via mail134
to me ▾

May 21 ☆



**Thank you for your contribution to
Compass to Care!**

Name: Steven Shattuck
Amount: \$5.00
Date: 05/21/2015
Credit Card: ending in 1717

This charge will appear on your credit card statement as
'Donation'.



**COLLEGE
MENTORS
FOR KIDS**


**Thank you for investing in College
Mentors for Kids!**



Your gift will help provide a caring college student mentor to a child in need. Through structured activities that take place on the college campus, kids learn about possibilities for their future and are encouraged to pursue their goals, no matter what their circumstances! You are helping kids unlock their potential, so they can have a brighter tomorrow. A tax letter with details of your gift will be sent to the address you provided next month. Thank you!

To keep up with what's happening at College Mentors and to see success stories YOU make possible, follow us on social media:



 **The OneJustice Team** development@one-justice.org via bloomerang-mail.co
to me ▾

5:18 AM (1 minute ago) ☆ ↶ ▾



You brought Justice where it's needed!

Dear Steven,

You are making all the difference for those in need! Thank you!

We are so grateful for your gift of \$100.00 on 4/12/2016 to OneJustice. In fact, we think that makes you a justice hero!

This email serves to confirm we received your kind gift, and we will also mail you a hard copy thank you letter shortly. If for some reason you don't receive your acknowledgment by mail, or if you have any questions about our work or programs, please feel free to reach out to us at any time.

We look forward to keeping you informed about the vital legal services your investment brings to those facing pressing legal problems. We will keep you posted in 2016 about the legal help that your wonderful donation makes possible - and the people who are served because of your generosity.

THANK YOU
for your *first* gift!



Here at The Oaks, relationships come first.
We welcome you into our family of donors,
partners, volunteers and supporters.

Every day is a great day to visit The Oaks Academy.
To see your gift at work through a personal visit or tour,
please contact:

advancement@theoaksacademy.org | 317.931.3687



She almost lost everything.
But we never lost hope.

*Norma faced a life of violence, drug abuse and despair—until she found Rosie’s Place. **Because of you**, Norma got the support she needed to reclaim her dignity and rebuild her life. Watch her story [here](#), and **thank you** for allowing us to help women like Norma find hope for a new beginning.*



Monthly giving welcome »

Steven Shattuck,

Welcome to our monthly giving program, and thank you for investing in a world where everyone has clean water!

100% of your recurring \$10.00 donation will fund clean water projects every month. Along the way, we're going to send you updates on where your money goes and who it helps. Get ready for a whole lot of good news!

GOOD NEWS LIKE...

- ♥ stories of women like [Helen](#) who feel beautiful because of clean water
- ♥ real-time data about [water flow](#) from our remote sensors in Ethiopia
- ♥ stats to demonstrate water functionality and disease reduction in the communities served

We also want to continue to improve your experience, so to help us do that, please tell us more about yourself in this [quick survey](#).



We're also working to grow The Spring community and would love your help sharing our film.

Thanks again for supporting our work!



TWEET



SHARE


Communicate their impact later »

WE HAVE AN UPDATE ON YOUR DONATION

CAMPAIGN YOU GAVE TO	AMOUNT DONATED	WHERE YOUR MONEY WENT
Activism: Caring and making a difference	\$10.00 x2	Niger

You donated to bring clean, safe drinking water to Niger. We want to update you on the work in progress!

[WATCH THE VIDEO](#)

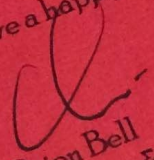
Dear Steven, + Leah 

I'm dedicating a few Independence Day stars and stripes to you to say thank you!

Your monthly gift to CICOA makes it possible for our clients to be independent as long as possible. I'm so thankful for the difference you make.

As you're enjoying a festive Fourth of July holiday, remember that CICOA is celebrating you!

Have a happy Fourth of July!


Orion Bell
President & CEO

Thanks to you both for your ongoing support!



Survey »

- Send a donor info survey to 1st-time donors
- Send a donor satisfaction survey to repeat donors
- Boosts retention even if they don't respond
 - Respondents signify high-engagement
- Email receipt is a great place to include
 - Google Forms / SurveyMonkey / Formstack

<https://bloomerang.co/blog/23-questions-to-ask-donors-and-prospects/>

Key drivers of donor commitment »

1. Donor perceives organization produces outcomes
2. Donor knows what to expect with each interaction
3. Donor receives a timely thank you
4. Donor receives opportunities to make views known
5. Donor feels like they're part of an important cause
6. Donor feels his or her involvement is appreciated
7. Donor receives info showing who is being helped

<http://www.thedonorvoice.com/national-donor-commitment-study-and-proof-of-link-between-donor-attitudes-and-behavior/>

We can't do this without you!

Dear ,

Your support for our mission means so much more than we can convey with just, "Thank you". Without you, [fill in outcome] would not be possible.

There's something else you can give that's equally important - your opinion. Your real, honest opinion. Would you mind taking 2 minutes of your time to tell us how we can make you feel more connected to [fill in organization name]? It would mean so much!

Sincerely,
Executive Director

[Begin Survey](#)

Our Contact Information

Blossom's Orangutan Rescue
5724 Birtz Road
Indianapolis, IN 46216
8663322999
www.bloomerang.co

<https://bloomerang.co/blog/category/donor-surveys/>

3. I trust Blossom's Orangutan Rescue to deliver the outcomes it promises for its beneficiaries

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Strongly Disagree

Strongly Agree

4. I was thanked appropriately for my gift to Blossom's Orangutan Rescue

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Strongly Disagree

Strongly Agree

5. Overall I am very satisfied with how Blossom's Orangutan Rescue has treated me as a new donor

1	2	3	4	5	6	7
---	---	---	---	---	---	---

0 of 10 answered 1 2 3 4 5 6 7 8 9 10

Previous

Next

The Donor Commitment Survey

On a scale of 0 to 10, please indicate how much you agree with each statement with "10" being "strongly agree" and "0" being "strongly disagree".

	Strongly Disagree, 0	1	2	3	4	5	6	7	8	9	Strongly Agree, 10
I am a committed Audubon donor	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel a sense of loyalty to Audubon	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Audubon is my favorite charitable organization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

130% more net revenue over 36 month period!

DonorVoice
The Experience and Relationship Company

Lapsed donors »

- Isolate donors who haven't given in 2+ years
 - Remove from direct mail sends
 - Send a lapsed donor survey
 - Invest in data services:
 - NCOA (they moved)
 - Deceased Suppression Processing (they died)

2 common “one and dones” »

2 common “one and dones” »

- Memorial donors
 - Thank (if you can), then isolate
- Peer-to-peer donors
 - Have first gift acknowledgement come from fundraiser, not benefiting org
 - (Re)introduce the charity
 - Explain why fundraiser supports it
 - Ask for donor to continue support

<https://bloomerang.co/blog/3-tips-for-improving-p2p-donor-retention/>

Final thoughts »

- It's not about you. It's about the donor.
- Segment your donors.
- Create a written comms plan for each segment.
 - Concentrate on first-time donors.
- Get that second gift.
- Personalize!
- Steward, then solicit.

FREE ABSOLUTELY RESOURCES

All of our fundraising knowledge at your fingertips!

- Daily blog post
- Weekly webinars
- Downloadables
- Nonprofit Wrap-Up
- Bloomerang TV
- Bloomies

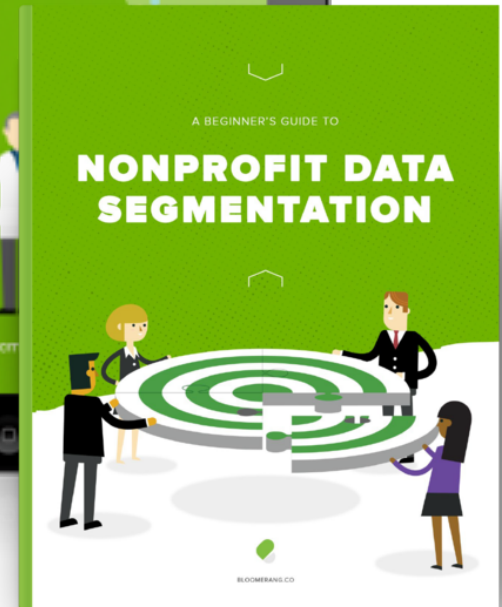
<https://bloomerang.co/resources>

Questions?

steven.shattuck@bloomerang.co

@StevenShattuck

Free eBooks »



<https://bloomerang.co/resources/guides/>