

# Best Practices to Ensure You Have the Best Year-end Campaign Ever



PRESENTED BY  
**RACHEL RAMJATTAN, CFRE**



Sr. Program Director  
Impact & Sustainability Team  
Network for Good

## **We'll discuss best practices for year end:**

- 1** Rationale. The function and application of a plan – and what you need from the board.
- 2** Plan. How to build a year end fundraising plan that drives donor retention & acquisition
- 3** Message. How to create true donor-centric message to compels renewals, upgrades.

# PART 1

Why do I need a year end fundraising plan when I already know I need to fundraise?

# OVERLAYING NATIONAL AVERAGES

RETENTION RATE: 41% & GIFT INCREASE: 12%

YEAR	DONORS	AVG GIFT	REVENUE
LAUNCH	100	\$200	\$20,000
2018	41	\$224	\$9,184
2019	16	\$251	\$4,219
2020	7	\$282	\$1,942
2021	2	\$315	\$851

# Year End Fundraising & Donor Retention

As a companion part of today's presentation, we'll send you the eGuide,  
"The Donor Retention Kit & Content Creation Helper."



# You'll get a tool to download.

To save you time, you will never start from scratch. Instead you and your Team will always have a starting point for fundraising's best practices.

Retaining Every New & Returning Donor

## INTRODUCTION

### What Do I Need to Know?

Right now, you are probably singularly focused on leveraging the time between now and the end of the year to raise as much money as possible before December 31. However, before you check out for some much needed holiday relaxation time, you need to check in with your (new) donors. They aren't just waiting for a thank you letter. They are waiting to begin the partnership with your organization that their gift initiated.

The Fundraising Effectiveness Project (FEP) conducted by the Association of Fundraising Professionals (AFP) in partnership with the Urban Institute determined that the average donor retention rate for nonprofits in 2014 was 43 percent. In other words, six out every ten donors will not continue their support of your organization.

Further the retention rate for first-time donors—like the ones you picked up in the last few weeks, beginning with #GivingTuesday—plummets to a mere 19 percent.

The good news, though: losing donors is wholly preventable – and it just takes a little bit of time and creativity. You do, however, need to take immediate action – and we're going to help.

To give you the time you need to finish out your year-end campaign and get some down time over the holidays, DonorPath has created a simple, effective tool that allows you to create a series of short, informational micro-newsletters that share the impact of your mission and programs – each of your donors can see their "Gift at Work."

**DOWNLOAD >> Donor Retention Kit & Content Helper**

Copyright © DonorPath 2015. All rights reserved.

DonorPath

## Donor Retention Kit

Answer the questions to create your monthly retention emails

<Organization Name>

<Name>

<Title>

### IDENTIFICATION

What do people need to know about your mission and the work you do?

<January>

What are 3 reasons that describe why your mission is important to the community you serve?

<February>

<March>

<April>

### QUANTIFICATION

How many people did you serve last year?

<December A>

How many people could you have served last year if you had more capacity?

<December B>

What are 3 mission-related outcomes you've achieved in the last year for your community, service population?

<May>

<June>

<July>

### LEADERSHIP

Provide 3 examples of how your mission has helped an individual in your community in the last year

<August>

<September>

<October>

# You'll know what to do, how to do it.






Each eGuide will explain how to use the tools we provide and your Coach will help you customize, perfect and make it work – to create results.

Retaining Every New & Returning Donor

## 1 IMPLEMENTATION

### How Do I Use This Kit?

Once you've downloaded the Content Helper from the previous page, you now have the single tool you need to create your own "Gifts at Work" series of simple, short emails to send each month, beginning this December, and continuing through October 2016 – when it will be time to renew, upgrade and ask each of your donors for a recurring, monthly gift.

-  **Answer Questions.** In the context of your mission or programs, type in answers to the questions asked in the Content Helper Tab.
-  **Select Images.** Find images that depict the impact that your programs make on your community and service population.
-  **Review & Edit.** Your answers to the questions in the Helper tab will automatically populate into each of the Monthly Email Tabs.
-  **Copy & Paste.** Take the edited, first-final content from each Monthly Tab and create an email with Gmail or Outlook.
-  **Monitor & Refine.** Send your emails each month to see what your donors respond to, and make refinements for the next month based on what you see and learn.

DonorPath Members >> We have already completed your Kit and will upload it to your dashboard, along with your Fundraising Manager's online giving assessment of your website.

Copyright © DonorPath 2015. All rights reserved. 3

Retaining Every New & Returning Donor

### Discussion With Your Expert

Before you implement your "Gifts at Work" donor retention series, it's important to know not just why you're doing it, but to what end – how do you know when you're retaining donors?

DonorPath Members >> You have two resources to help you answer this question: your dashboard and your Fundraising Expert. In your January Solution Sessions, you'll want to discuss:

#### Donor-Centric Messaging

1. What kind of messages resonate most with donors and how they may differ from what your nonprofit typically communicates.
2. What the Content Helper facilitates in terms of message structure and the value of concise, monthly email communication.
3. What is the difference between a tax receipt and an acknowledgment or thank-you letter – and if the two be combined.

#### Retention Metrics & Fundraising Performance Indicators

1. What is your overall retention rate and why it's the best indicator for a successful fundraising program and/or campaign.
2. What is the difference between first-time and renewing donor retention and why it's important to understand both.
3. When you should create or further develop a recurring gifts program and how doing so increases donor retention – and upgrades.

Even if your retention rate is low, identifying the need to manage it is the critical first step to improving it – especially in light of the new gifts you've received in December. That said, focus on executing year-end fundraising, but plan to tackle donor retention, beginning in January.

Copyright © DonorPath 2015. All rights reserved. 4

# You'll blow your boss or board away.

We'll show you how to work smarter and save time.

Retaining Every New & Returning Donor

2

## BEYOND THE BASICS

### What Else Should I Know?

Just as the key to effective communications means knowing your audience, the key to strong, sustainable fundraising means knowing your donors. Depending on the size of your organization and the particulars of its donor base, you may not be able to personally know each and every donor. This is where donor segmentation can provide a real-time pulse of your donors, individually and collectively.

Donor segmentation and analysis optimizes donor stewardship, enabling appropriate use of messaging personalization, communication channels and cultivation strategies. A clearly delineated, well-segmented donor list or database will also provide relevant metrics of your donor acquisition, retention and attrition rates. It will also provide invaluable information that will allow you to design and implement highly successful campaigns as well as good donor stewardship policies, processes and programs.

#### Start Simple: Lifecycle Segmentation

For more in-depth analysis consider lifecycle segmentation, assigning donors into the following segments at the start of each fiscal year:

- New donors
- Second-year donors
- Multi-year donors
- Reactivated donors
- Lapsed donors
- Event (non-annual) donors

Copyright © DonorPath 2015. All rights reserved.

5

Retaining Every New & Returning Donor

than 15% of nonprofits actually know their current donor retention rate. Considering the average donor retention rate across the sector hovers around a meager 40%, it is alarming that more nonprofits do not pay greater attention to their donor retention rate since it is the single most critical metric in determining the effectiveness of their fundraising strategy.



DonorPath Members >> Remember your dashboard reveals which donors are at risk of lapsing, calculating the percentage of your entire list or database with total dollar amount relative to your goal.

#### No-Cost Donor Retention Strategies

Once you know your donor retention rates, here are eight, easy methods guaranteed to improve your retention rates to solidify your individual donor base and the funds they generate:

1. Always thank donors quickly and accurately;
2. Engage with donors for non-giving reasons;
3. Bring donors to the organization through events and meetings;
4. Go out to meet donors, regardless of level, when you have time;
5. Connect them through programs, staff and Board Members;
6. Recognize donors with methods they approve of or prefer;
7. Transition first-time donors to monthly sustainers; and
8. Continuously demonstrate the impact of the donor's gift.

Copyright © DonorPath 2015. All rights reserved.

7



# There are inherent challenges you need to embrace before you can overcome them.



## ENGAGEMENT

**59% of donors will not give again, let alone increase their gift when asked**



## BUDGET

**93% of nonprofits don't have resources to hire the help and staff needed**



## GROWTH

**77% of nonprofits are struggling to raise what they did last year**

# Critical Success Factors



**100% of the board & staff must make a gift**  
Support the organization according to means and motivation



**100% of the board & staff must engage**  
Thank donors personally to improve retention



**Complete everything to which you commit.**  
Don't commit to anything you can't start or complete on time

# PART

How to create a year end fundraising plan to drive donor retention.



Align resources around what works and is possible



Think beyond and before transactions



Focus and motivate your board of directors



Allocate resources, including time

## **Top Line Fundraising Questions**

## **Answer**

How many contactable households do you have?

200

How many gifts did you receive last fiscal year from:

Board members

10

Individuals

45

Sponsors

4

Small business

6

Private foundations

2

Government

1

Special events

80

Total amount of dollars you raised last fiscal year?

\$65,000

How much was spent on fundraising last fiscal year,  
including both production and retention?

\$20,000

# **FORMULA**

**Previous Year's Total x 70%**  
**= Renewable Base**



## What do you need to know?

You won't keep what you don't manage. The year end fundraising plan is the single tool you use to align time, resources, and people to reach goals.

It's function and purpose are essential for success – and your sanity.

# Year End Checklist

1. Analyze fiscal status
2. Review and update case for support
3. Set SMART goals & create action plans
4. Choose a theme for your year end campaign
5. Segment donor lists
6. Develop giving levels
7. Select communication channels & marketing strategy
8. Create appeals
9. Develop follow up appeal strategy
10. Thank donors within 24 hours
11. Evaluate results



# PART 3

How to create an effective fundraising message & case for support.



Create message that targets donors, not staff



Leverage content for email, mail & social media



Think in terms of characters, not pages



Draw attention to your mission and outcomes


# Donors all make gift decisions differently and you must creatively integrate all of them

Rational Reasons (Head): “What I am being asked to do makes sense and I understand why it’s important.”


Emotional Reasons (Heart): “I identify with this mission and programs because I know someone who...and I want to help.”

Transformational Reasons (Halo): “This is a big problem and I want to leverage my resources to fulfill the vision and change the world.”


# Your message needs to embrace the notion that donors give through your organization, not to it.



Donors are hiring you to do the good in the community they want to happen but don't have time to do, directly.



Always answer the question and when you do, become relevant, "Why is your mission important to me?"



The founder or the facility doesn't drive giving or retention, the mission and impact you make does.


Don't project your own metrics, needs or milestones into your message – they don't drive giving or retention.

“Our fiscal year ends...” and “Close budget shortfall of...” uninspire, unless your mission is to balance a budget.


“If everyone participates with a gift of...” only demonstrates you can do math, not fulfill the promise of your mission and program.

Opportunity for to create and sustain immediate program impact creates urgency, not months calendar.


Tell the story you want donors and prospects tell their friends – that's what matters.



Quantify impact and opportunity, create your Needs Target with three, concentric circles.



Tell a story about someone who benefits from your mission instead of just articulating what you need.



Tell donors and prospects what they become after they support your mission and programs

# Tax deductibility is already a known fact and it doesn't drive most giving

Only .008% of donors who give gifts under \$1,000 report doing so in order to get a tax deduction

Reminding donors and prospects of deductibility wastes precious communication real estate to communicate impact

Talking about it implies you believe it's important and what motivates people to support your mission.




# What do you need to know?

You need to cause an interruption, not just deliver a message. A donor should not only know why they are hearing from you, but anticipate the value of the information you are sharing with them.



# TEMPLATE

IDENTIFICATION	Example
What do people need to know about your mission and the work you do? <input type="text"/>	<i>Over 1,000 children in our community go to bed and wake up hungry every day -- and it's wholly preventable.</i>
What are 3 reasons that describe why your mission is important to the community you serve? <input type="text"/> <input type="text"/> <input type="text"/>	<i>Men, women, and children cannot work, go to school and be successful when they are hungry There are more than two tons of food wasted every day in our community that could be harvested Food pantries at homeless shelters cannot and do not have capacity to meet all of the needs</i>
QUANTIFICATION	Example
How many people did you serve last year? <input type="text"/>	400
How many people could you have served last year if you had more capacity? <input type="text"/>	2,000
What are 3 mission-related outcomes you've achieved in the last year for your community, service population? <input type="text"/> <input type="text"/> <input type="text"/>	<i>We served 3,000 meals last year, providing critical, nutritious food to help 400 families We reduced hunger-related thefts and shoplifting by almost 25% among 60 local grocers We enrolled 12 low-income serving schools into our program to provide free, nutritious snacks</i>
LEADERSHIP	Example
What is one reason you believe you are uniquely qualified to fulfill your mission over any other nonprofit? <input type="text"/>	<i>We are the only organization in our community that has the experience, technology, and relationships with restaurants, grocers and farmers to distribute excess food supplies before being discarded as waste.</i>
Provide 3 examples of how your mission has helped an individual in your community in the last year? <input type="text"/> <input type="text"/> <input type="text"/>	<i>We provided Maria with access to proper nutrition during her pregnancy as she carried to a healthy term We provided Alex and his brother with nutritious snacks after school ahead of their afternoon of homework We provided Mark and Julie with access to nutritious food for a month while their family was homeless</i>
RELATIONSHIP	Example
What's one reason you believe other people have made gifts to your organization in the last year? <input type="text"/>	<i>Our community understands the relationship between food, health, and self-sufficiency, let alone positive physical and mental health.</i>
What do donors become when they make a gift to your mission? <input type="text"/>	<i>Donors become powerful advocates for a population of people in our community that do not have access to food to feed themselves.</i>
VISUALIZATION	Example
Provide 6 images you have permission to share externally that show your work and/or the people you serve. <input type="text"/>	When possible, provide images that can be connected to your statements above. 

**RAISE 45% MORE**  
by year-end



# Engage



Board



Donors



Foundations



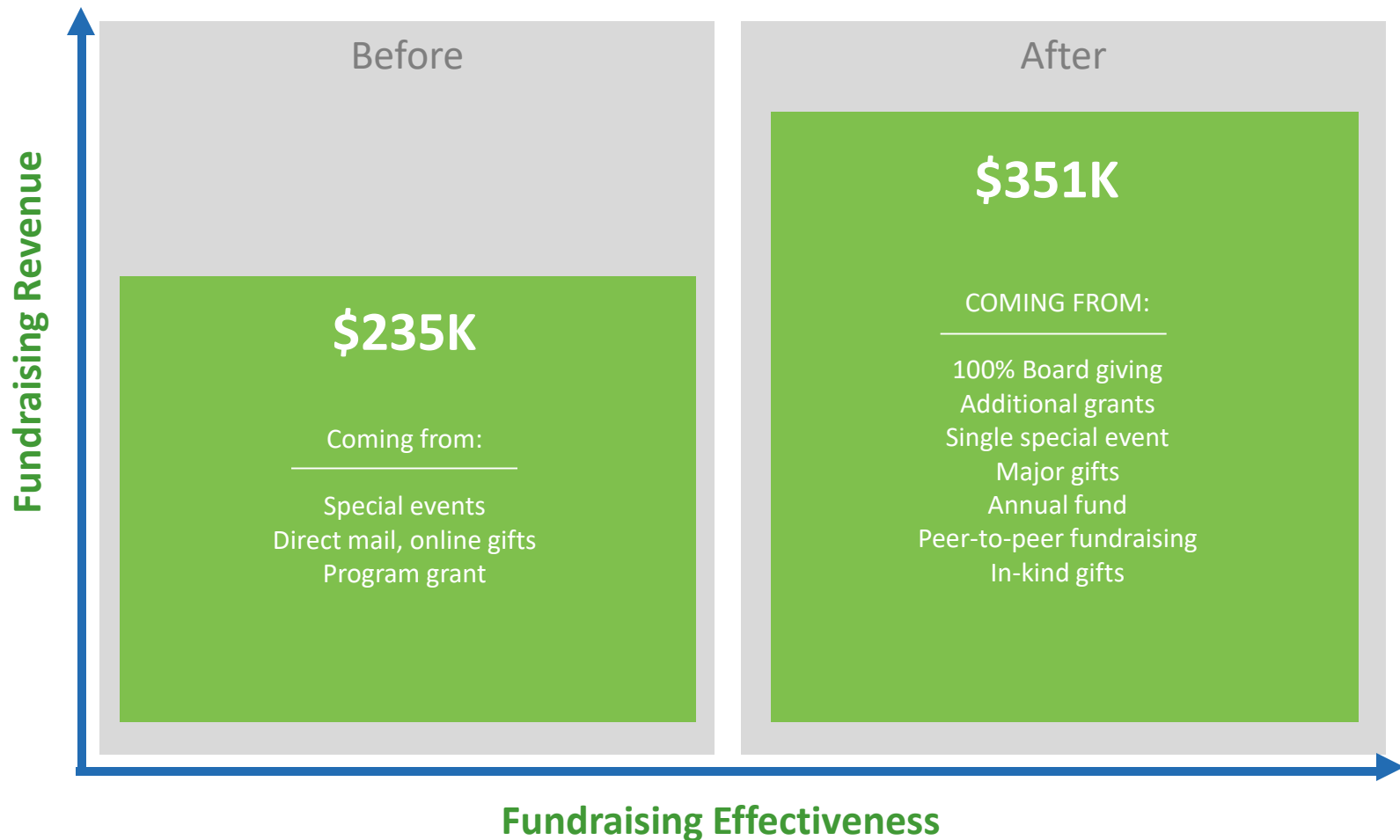
Businesses



Community

# What the impact of the NFG Product Suite?

Nonprofits increase revenue by as much as 45% and the results come with a **money-back guarantee**



# Turn board and volunteers into fundraisers.

**PAWS for the CAUSE**

**Help us build a new surgical suite!**  
Start a fundraiser to help us provide top quality care to our animal friends

**Start Fundraising Now!**

**\$15,470 TOWARDS \$36,500**

**42%** TOWARDS OUR GOAL  
**21** FUNDRAISERS  
**31** DONATIONS

**2** RECURRING DONORS

**Featured Recurring Donors**  
**ANDREW FISCHER**  
GIVING \$900 MONTHLY

**Way to go Chris!**  
CLARY ADAMS  
GAVE \$200

**I donated \$25 to Charlotte Dixon's campaign.**  
BELINDA ROY  
GAVE \$25

**I donated \$10 to Elijah Padilla's**

**I donated \$50 in support of this campaign.**  
FENYING BABY  
GAVE \$50

**I donated \$50 to Lathan Ward's campaign.**  
TOM GUERBERO  
GAVE \$50

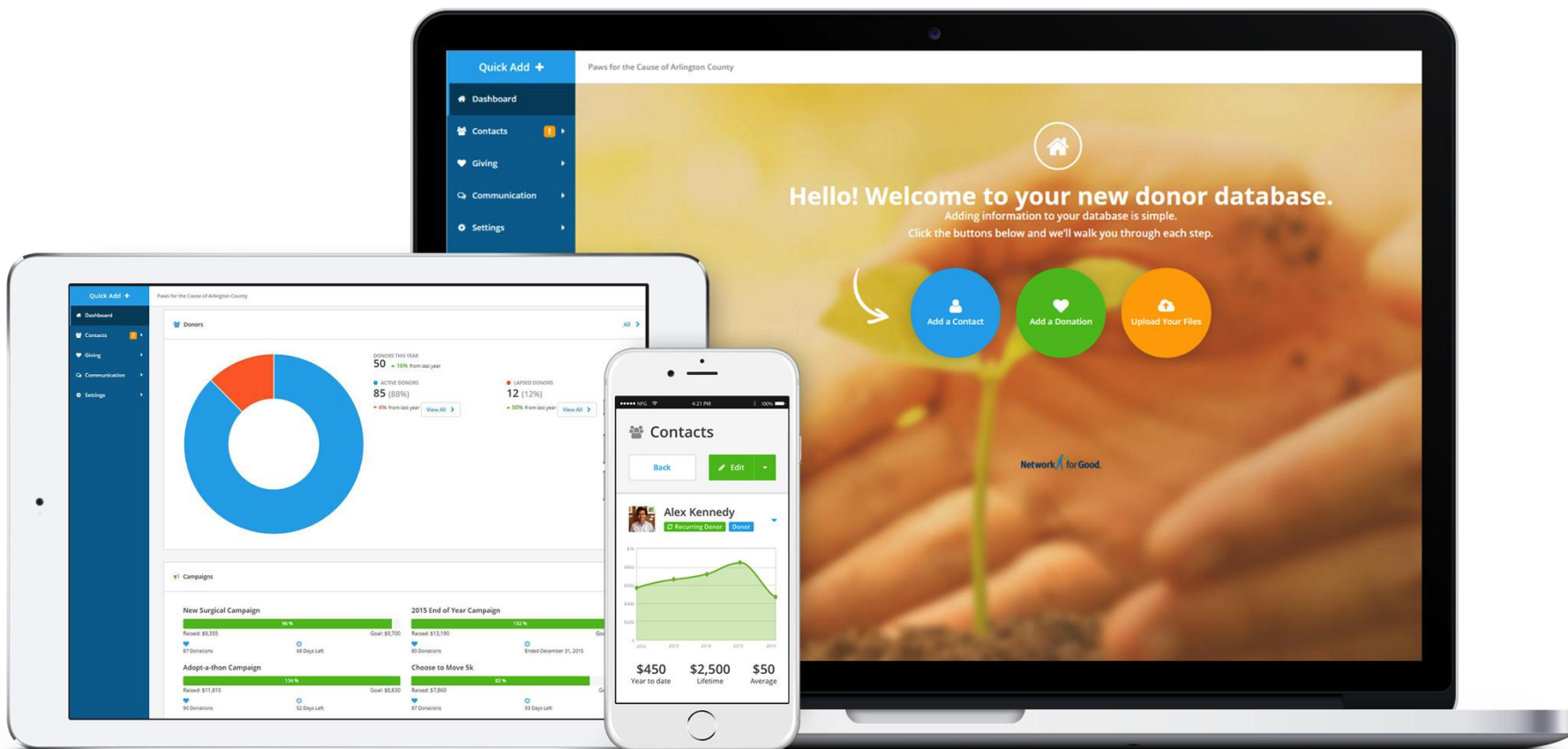
**I donated \$75 to Miriam Bishop's campaign.**  
LA HAYNES  
GAVE \$75

**I donated \$50 to Miriam Bishop's campaign.**

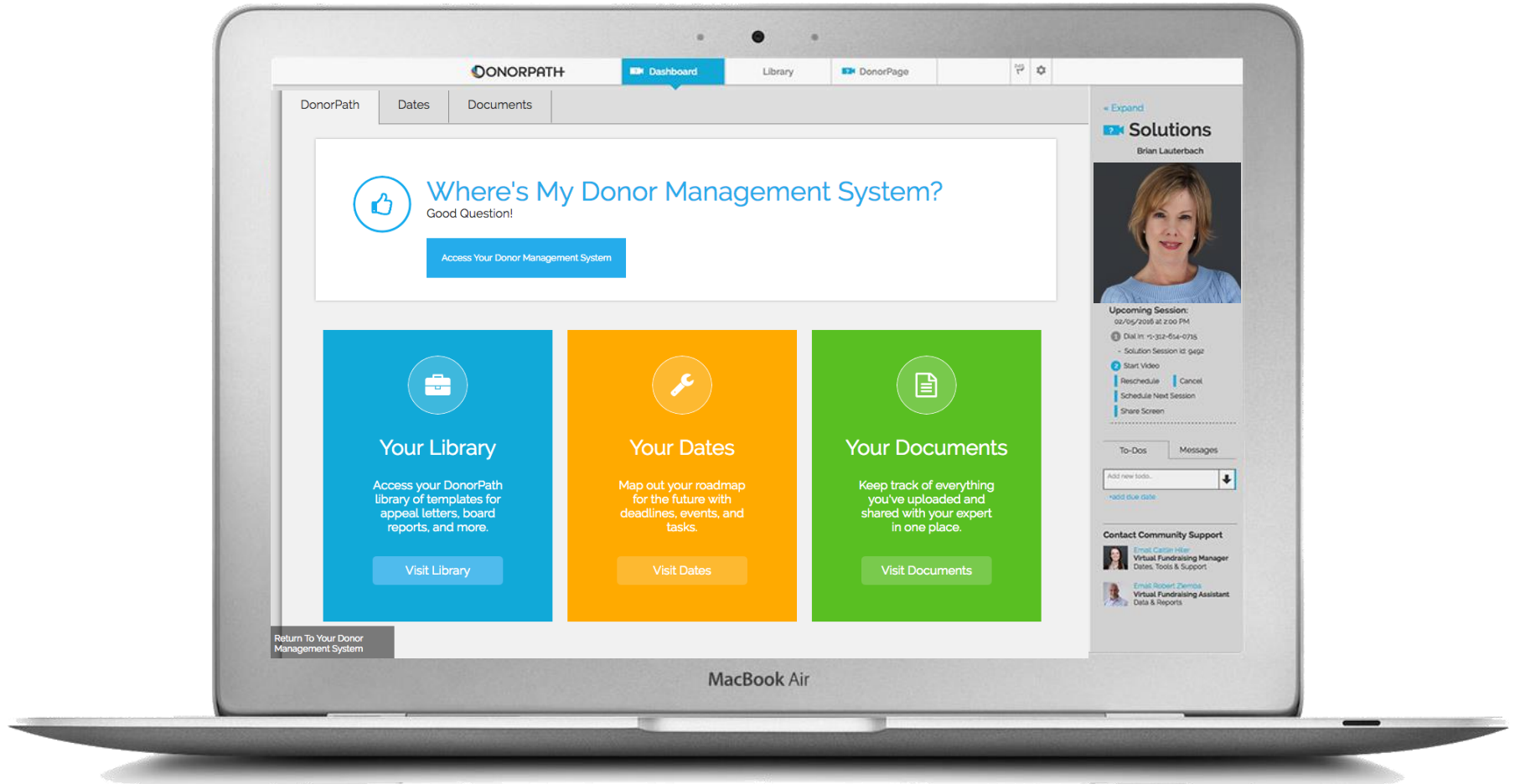
# Acquire and renew more donors online.



# Retain, upgrade, and build relationships with donors.



# Get how-to help & coaching from fundraising experts.





## Direct Fundraising Support & How-to Coaching

- 2, 30-minute Solution Sessions with your selected Expert per month
- Ongoing Q&A, Document Review, and Messaging Center
- Ongoing help, support, and instruction from a Team of Fundraising Managers
- Onboarding and data cleaning to save time getting organized and getting started

## Insights from Data & Software to Engage Donors

- Robust dashboard with campaign management and year-over-year growth
- Real-time activity feed to view recent donations, communications, and tasks
- Built-in email marketing system with pre-built templates, duplicate prevention
- Step-by-step donation page builder with no coding required & fully customizable
- Peer-to-Peer campaign pages and content to each unique fundraiser

## Best-Practice Fundraising Materials & Toolkits

- 12-Month planning templates
- Board training presentation
- Board commitment forms
- Major gift solicitation kit
- Special Event invitations, retention
- Direct mail donor appeals
- Image-focused email appeals
- Grants toolkit & proposal templates
- #GivingTuesday social media assets
- First-time, new donor retention kit

We've got you  
**covered**





# Questions?

Give us your business card or email  
so I can send you the fundraising  
templates – and an invite to the  
Fundraising Help Desk.