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

Governor’s Grants Office
TRAINING CONFERENCE
Monday, November 13, 2017

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

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%

<table>
<thead>
<tr>
<th>YEAR</th>
<th>DONORS</th>
<th>AVG GIFT</th>
<th>REVENUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAUNCH</td>
<td>100</td>
<td>$200</td>
<td>$20,000</td>
</tr>
<tr>
<td>2018</td>
<td>41</td>
<td>$224</td>
<td>$9,184</td>
</tr>
<tr>
<td>2019</td>
<td>16</td>
<td>$251</td>
<td>$4,219</td>
</tr>
<tr>
<td>2020</td>
<td>7</td>
<td>$282</td>
<td>$1,942</td>
</tr>
<tr>
<td>2021</td>
<td>2</td>
<td>$315</td>
<td>$851</td>
</tr>
</tbody>
</table>
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.
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.
You’ll blow your boss or board away.
Well show you how to work smarter and save time.

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

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.
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 2

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
<table>
<thead>
<tr>
<th>Top Line Fundraising Questions</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many contactable households do you have?</td>
<td>200</td>
</tr>
<tr>
<td>How many gifts did you receive last fiscal year from:</td>
<td></td>
</tr>
<tr>
<td>Board members</td>
<td>10</td>
</tr>
<tr>
<td>Individuals</td>
<td>45</td>
</tr>
<tr>
<td>Sponsors</td>
<td>4</td>
</tr>
<tr>
<td>Small business</td>
<td>6</td>
</tr>
<tr>
<td>Private foundations</td>
<td>2</td>
</tr>
<tr>
<td>Government</td>
<td>1</td>
</tr>
<tr>
<td>Special events</td>
<td>80</td>
</tr>
<tr>
<td>Total amount of dollars you raised last fiscal year?</td>
<td>$65,000</td>
</tr>
<tr>
<td>How much was spent on fundraising last fiscal year, including both production</td>
<td>$20,000</td>
</tr>
</tbody>
</table>
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 or 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.
**IDENTIFICATION**

<table>
<thead>
<tr>
<th><strong>What do people need to know about your mission and the work you do?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 1,000 children in our community go to bed and wake up hungry every day -- and it's wholly preventable.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>What are 3 reasons that describe why your mission is important to the community you serve?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men, women, and children cannot work, go to school and be successful when they are hungry</td>
<td></td>
</tr>
<tr>
<td>There are more than two tons of food wasted every day in our community that could be harvested</td>
<td></td>
</tr>
<tr>
<td>Food pantries at homeless shelters cannot and do not have capacity to meet all of the needs</td>
<td></td>
</tr>
</tbody>
</table>

**QUANTIFICATION**

<table>
<thead>
<tr>
<th><strong>How many people did you serve last year?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>400</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>How many people could you have served last year if you had more capacity?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>What are 3 mission-related outcomes you’ve achieved in the last year for your community, service population?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>We served 3,000 meals last year, providing critical, nutritious food to help 400 families</td>
<td></td>
</tr>
<tr>
<td>We reduced hunger-related thefts and shoplifting by almost 25% among 60 local grocers</td>
<td></td>
</tr>
<tr>
<td>We enrolled 12 low-income serving schools into our program to provide free, nutritious snacks</td>
<td></td>
</tr>
</tbody>
</table>

**LEADERSHIP**

<table>
<thead>
<tr>
<th><strong>What is one reason you believe you are uniquely qualified to fulfill your mission over any other nonprofit?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Provide 3 examples of how your mission has helped an individual in your community in the last year?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>We provided Maria with access to proper nutrition during her pregnancy as she carried to a healthy term</td>
<td></td>
</tr>
<tr>
<td>We provided Alex and his brother with nutritious snacks after school ahead of their afternoon of homework</td>
<td></td>
</tr>
<tr>
<td>We provided Mark and Julie will access to nutritious food for a month while their family was homeless</td>
<td></td>
</tr>
</tbody>
</table>

**RELATIONSHIP**

<table>
<thead>
<tr>
<th><strong>What's one reason you believe other people have made gifts to your organization in the last year?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our community understands the relationship between food, health, and self-sufficiency, let alone positive physical and mental health.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>What do donors become when they make a gift to your mission?</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donors become powerful advocates for a population of people in our community that do not have access to food to feed themselves.</td>
<td></td>
</tr>
</tbody>
</table>

**VISUALIZATION**

<table>
<thead>
<tr>
<th><strong>Provide 6 images you have permission to share externally that show your work and/or the people you serve.</strong></th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>When possible, provide images that can be connected to your statements above.</td>
<td><img src="image.png" alt="Image" /></td>
</tr>
</tbody>
</table>
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**

Before

- **$235K**
  - Coming from:
    - Special events
    - Direct mail, online gifts
    - Program grant

After

- **$351K**
  - COMING FROM:
    - 100% Board giving
    - Additional grants
    - Single special event
    - Major gifts
    - Annual fund
    - Peer-to-peer fundraising
    - In-kind gifts
Turn board and volunteers into fundraisers.
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.