

Improving donor retention

An all-too-common issue that affects long-term fundraising is poor donor retention. This frequently leads organizations to take on an even bigger challenge – attracting additional new donors. The fact is, these efforts cost significantly more than a properly-executed retention plan. Studies have shown the retention rate for new, first-time donors is 22.9%, while the rate for repeat donors is 60.8%.

So why do donors leave in the first place?

The number one reason a donor only gives once and not again is because they weren't thanked properly for their donation. A close second to this is that they've been asked for additional donations too soon, or too frequently. Completely understandable. Plus, donors have a desire to hear how their donation is helping. This is often lacking from any post-donation correspondence.

Setting up an effective communication plan is critical.

Every first-time donation needs to trigger a series of effectively timed follow-ups. This will ensure a positive relationship with your donor is built and, ultimately, ensure the best chances of retention.

Here is what a first-time donor communication plan looks like.

- **Within 48 hours** of receiving the donation, the donor should receive a response; complete with a receipt and a heartfelt thank-you – regardless of the donation's size. It is very important that this initial communication is made through the same channel as the donation was made. For example, if the donor sends a cheque in the mail, then the response should be done through the mail as well. This recognizes and respects their preferences. For communications that follow, it is acceptable to use a variety of channels.
- **Within 1 month** of the donation, the donor should receive a second thank-you, as well as a being welcomed into the donor-family of your organization. This will further illustrate your gratitude and continue to build the relationship – ensuring they feel like an important part of the organization. This could be as simple as a postcard or short email.
- **Within 3 months**, the donor should receive an impact thank-you. This is where the real story of what their donation is doing should be told. It's where the donor becomes the hero – learning how their donations are helping. Perhaps it's how a particular child's wait time for an MRI was cut to just two weeks. The more specific, the better. And, this could be done in a letter, an email, or even an email that includes a short video. To today's donors, this can be a very motivating correspondence.
- **Within 6 months**, a personal phone call to the donor is in order – thanking them for their

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generous gift. This call could be made by a staff member, a board member or even a volunteer. It's the personal touch of this outreach that's so important. A nice gesture that solidifies your gratitude.

- **Within 9 months**, another impact report would be sent – only this time, it outlines the bigger picture of the progress that has been accomplished for the cause. This could be done through one channel or a combination.

If **holidays** fall within the first 9 months, appropriate holiday greetings should be sent to the donor.

The objective of these steps is to foster a positive relationship with your donor. **Note that none of these include another ask for a donation.** Instead, we work to ensure they have been sufficiently and sincerely thanked – and show how important their gift has been to those who have benefitted.

Ideally, the next ask for a donation should be made around the first anniversary of the initial gift. It should be positioned to show how the donor can help. You want them to feel like the hero – not simply supporting your organization's cause. This communication should show the impact that has been accomplished so far and most importantly, what still needs to be done. In other words, showing the important role their donation will play to achieving a goal.

[The Recognition Paradigm Shift®](#) has shown us the importance of communicating with your donors; recognizing and embracing that sufficient appreciation, and conveying the impact of their donations, are motivating factors for future donations.

By following Brook Recognition's strategic donor recognition plan, you can not only retain your existing and first-time donors, but increase donations, and create a culture of philanthropy within your community.

[Contact us](#) today and discuss how we can help you reach your goals.