

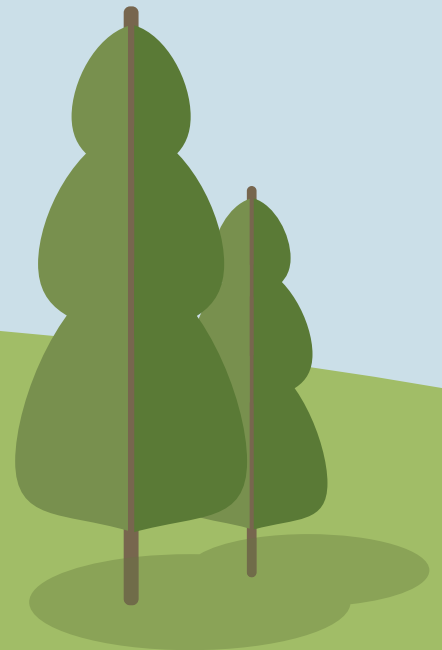
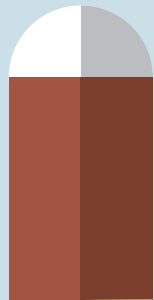
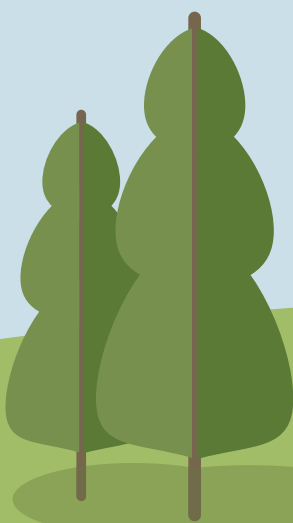


# GROW YOUR GIVING

Donor Cultivation Strategies  
for Every Nonprofit



Presented by





## A Note from The Author: The Case for Donor Cultivation

Attracting new donors is important to any nonprofit fundraiser. It always will be. But nonprofits are starting to focus more and more intently on a rather neglected group of donors -- those who have already given to their organization.

The nonprofit industry hasn't done a great job of retaining their donors, much less building relationships that lead them toward increased engagement in their programs. Overall donor retention rates sit around 43%, and many organizations are still heavily focused on donor acquisition instead of retention.

That's starting to change. Nonprofits are realizing that, dollar for dollar, retaining donors is a more effective fundraising strategy than finding new ones. Donor retention is an increasingly popular topic of conversation at conferences and online forums, and industry leaders are teaching entire courses on cultivating donors and doing it well.

Effective donor cultivation is an important skill for nonprofits to master. There's no silver bullet that will make it easy, but the effort it takes is 100% worth it. No two organizations will have the same strategies, and nonprofits will undoubtedly take some time to nail down cultivation techniques that work for their unique setup. But there are some guiding principles that will make great donor cultivation easier, and we'll explore many of them in this eBook!

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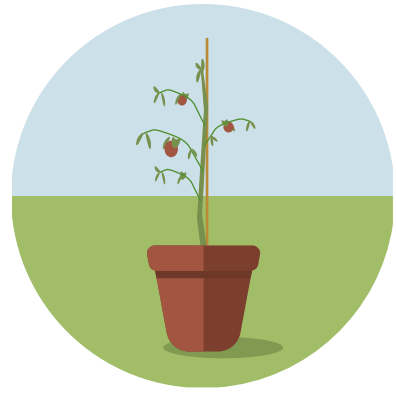
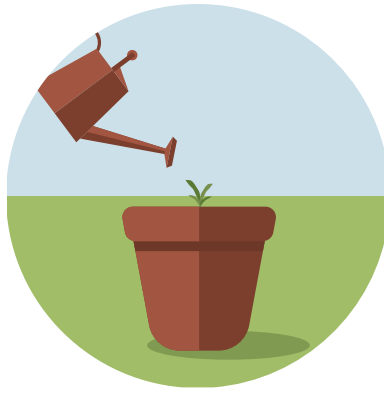
Taking Your Supporters to New Levels

### Growing Giving:

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# Donor Cultivation 101

## What Is It? And Who Cares?

Donor cultivation is the process of nurturing the relationship between your nonprofit and your donors. It also involves using that relationship to increase donors' level of involvement with your organization, both financially and in other areas.

### What Does Donor Cultivation Entail?

There are lots of elements that go into successful donor cultivation. Each element should be helping you reach your ultimate goal, which is to build strong relationships with your donors that will inspire them to get more involved in your organization.

Perhaps the most important thing to keep in mind when building a donor cultivation strategy is this: your donors want to feel like insiders, like valued partners who are working with your nonprofit to make a difference. With that in mind, donor cultivation strategies should include elements like:

- Regular communication based on their past donation level;
- Making sure you communicate with donors based on their preferences;
- Offering multiple ways for donors to stay involved with your organization, including financial options (recurring donations, etc.) and non-monetary options (volunteer opportunities, etc.).
- Practicing authentic gratitude and expressing that gratitude to your donors in a variety of ways;
- Thanking donors quickly and effectively;
- And other methods!

## Why Does It Matter?

One big reason cultivation is important is because donor acquisition can be very expensive, and nonprofits can easily spend more money acquiring a donor than the donor will give to the nonprofit. This is especially true since most donors are one-time donors who never go on to make a second gift.

Good donor cultivation is about more than just retention. Properly stewarding donors tends to result in an increase of support, even to the extent that they become major donors or leave legacy gifts. The odds of someone donating \$10,000 the first time they hear about your organization are slim, and the chances that someone will write you into their will without having an established relationship with you are even more slim. Those types of gifts are achieved through great donor cultivation!

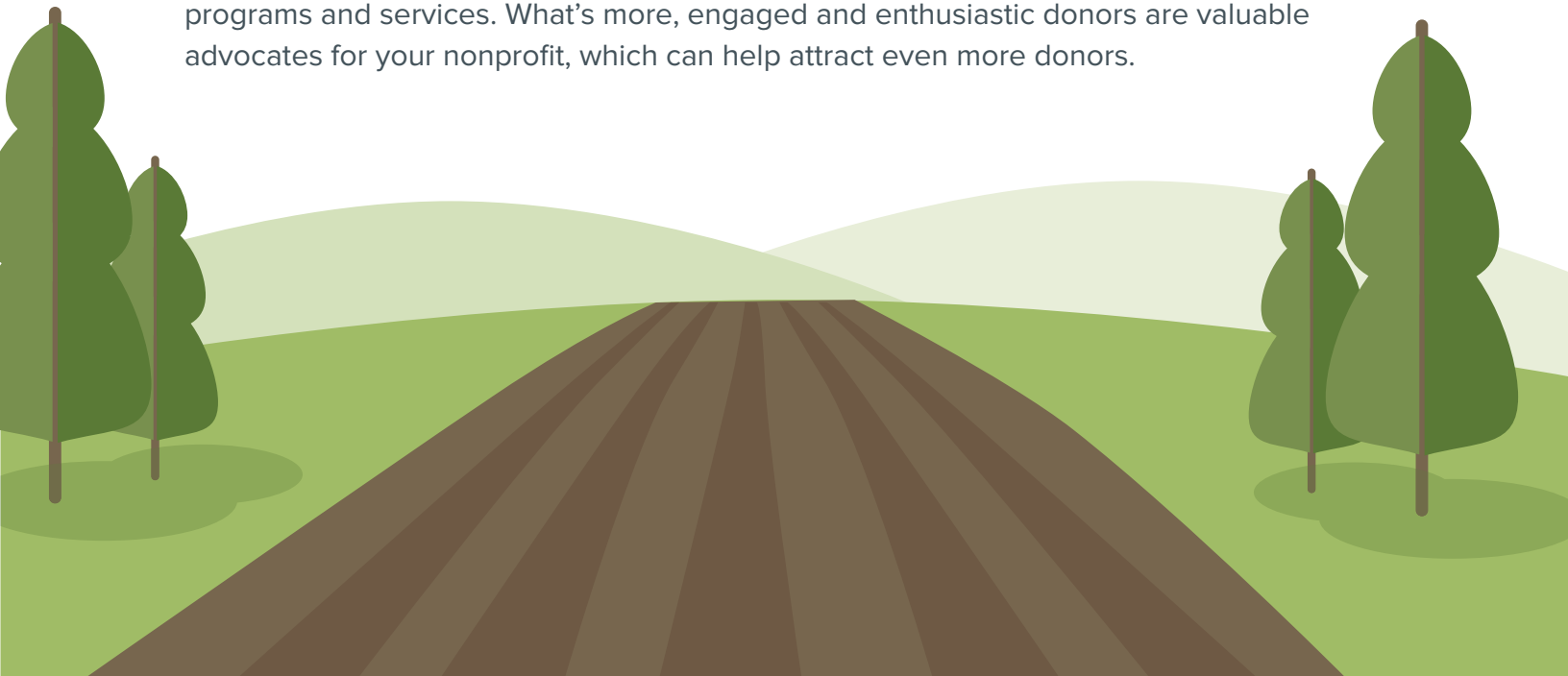


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**According to Bloomerang, nonprofits lost 103 donors for every 100 new donors they acquired in 2014.**

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Retaining and growing your donors also means that you will effectively grow your donor base. According to Bloomerang, nonprofits lost 103 donors for every 100 new donors they acquired in 2014. If your nonprofit maintains the industry-standard donor retention and acquisition rates, you're effectively losing more donors than you're gaining. If you can raise your donor retention rate and lower churn, you'll have to acquire fewer new donors to make your donor base grow. That will result in more regular revenue for your programs and services. What's more, engaged and enthusiastic donors are valuable advocates for your nonprofit, which can help attract even more donors.





## Guiding Principles for Donor Cultivation

Like most fundraising strategies, there's no one-size-fits-all approach to donor cultivation. Because every nonprofit is unique in its programs, structure, and scope, no two organizations will have the same donor cultivation techniques in place.

There are some overarching donor cultivation principles that should apply to any nonprofit's cultivation efforts. Here are some of the basics.

### **Donor Cultivation Is Not Fundraising**

Donor cultivation is not fundraising. It will enhance your fundraising, and it will have an effect on your fundraising in the long term, but it is NOT fundraising. Donor cultivation is the process of building relationships with your donors, strengthening their connection to your cause, and inviting them to become more deeply involved in your organization. Donor cultivation will result in better fundraising by keeping donors invested in your work and making them partners in your mission.

### **Talk to Your Donors Like They're Real People**

It's easy to forget that your donor base is more than a nameless, faceless entity that is just waiting for you to ask for support. Your communications with your donors will be more successful if you talk to them like they're real people. Drop the overly formal, stiff language that so frequently appears in donor communications and adopt a warm, friendly, personal tone. Stop addressing your letters and emails to "Dear Friend," or "Dear Supporter," or (God forbid) "Dear Sir or Madam" and use your donor's name instead. Remember: you're not asking a corporate board for support. You're asking a person with a name and a job and a family and a heart to support you.

## Make Your Communications Relevant

The biggest way to alienate a donor is to make them feel like you aren't aware of their previous involvement with your organization. If someone has volunteered with you in the past and you'd like to encourage them to donate, reference their volunteer history with you and invite them to support you in a different way. If someone has regularly contributed to a particular campaign, keep them updated on that campaign's progress. If someone has already set up a recurring donation, make sure to keep them off of your list for your next recurring donation campaign. Your communications with your donors should acknowledge their involvement and invite them to engage with you in different ways -- avoid making them feel like they're just another name on a mailing list by sending them communications that aren't relevant to their experiences with you.



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**The average estimated value for volunteer work is  
\$23.07 per hour.**

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## Give Donors Ways to Stay Involved That Don't Involve Money

When you talk to your donors, let them know that their support can reach beyond their financial gift. If you have volunteer opportunities, need brand ambassadors, or want people to share your organization's social channels, let people know! The information is especially useful to people who want to support you, but don't have a lot of expendable income, or people who are looking for ways to serve their community with their time. There's an upside to this kind of engagement beyond valuable volunteer help—volunteers give more frequently and give larger gifts than people who don't volunteer at all.

And here's a quick fact about the people who volunteer for you: the average estimated value for volunteer work is \$23.07 per hour. That's a huge investment—your volunteers are donors, too, even if they never donate a penny financially. Take care of them!

## Keep Your Promises

It's easy to over-promise and under-deliver when you're dealing with donors. When you've built a new campaign, had great fundraising success, and gotten an influx of new donors, it's easy to get caught up in the excitement and promise your donors weekly updates on your campaign ... and then get overwhelmed and forget to send them. It's tempting to offer your donors eight different ways to receive communications, then realize you're too busy to effectively manage all of those different channels. It's easy to start a crowdfunding campaign for a major project, then lose momentum and never follow through on completing the project your donors wanted to fund.

Trust is an important factor when you're building any relationship, and it's especially important when you're building that relationship with donors who are supporting your mission. When you make a promise, follow through on it. If you can't deliver what you promised, be transparent about why. Your donors' trust is critical, and it must be maintained if you hope to keep them involved with your nonprofit.

## Be Creative with Your Communications and Your Gratitude

Notice how gratitude is included in there? Your communications with your donors are important, but your gratitude for their support should always be evident, whether it's mixed into your regular communications or is the theme of a standalone post, email, or letter.

You'll want to stick with your traditional direct mail for donors that prefer to give that way, and you'll always want to keep your email communications going. Direct mail and email are two of the most effective ways to reach your donors, whether you're thanking them, updating them on a recent program, or asking for support. But how do you stand out to donors who are being inundated with appeals and information from all kinds of sources, whether it's other nonprofits' appeals or television ads or fliers for the sale happening at the grocery store down the street?

Getting creative with your communications and the way you show your gratitude will help you stand out from the crowd. Do you have an active group of Facebook supporters? Make a great video thanking them (by name, if possible!) and post it to your nonprofit's page. Promoting a crowdfunding campaign on Twitter? Tweet at supporters in real time to thank them for their donation. Did you run a fundraising campaign that went above and beyond expectations? Send personalized cards to your donors.



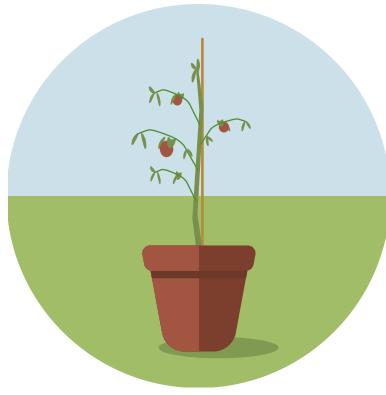
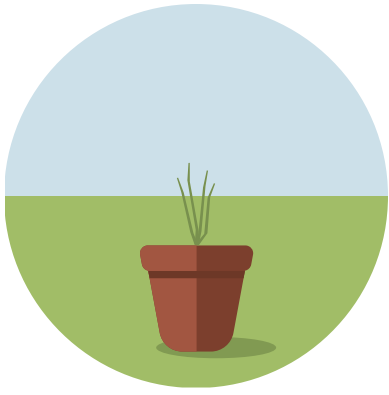
Getting creative and taking a personal approach to your communications does two things. One, it makes your nonprofit stand out from a crowd of people who are vying for your donors' attention. Two, it lets donors know that your gratitude is authentic, not a show you put on because it's expected of you.

### **Remember That Donors Are More Than Just Donors**

When you set up a donor retention and cultivation strategy, be realistic with your goals and focus on creative communications that show donors how much you appreciate them. The best way to do that is to remember that they're more than just donors. They're parents, they're spouses, they're employees, they're shoppers, they're people who have to pay bills and go grocery shopping and remember to pick up their kids from soccer practice.

It's easy to assume that your donors are a captive audience, breathlessly awaiting your next communication with them. That's a dangerous mindset — if you think that way, it's easy to write lackluster emails and updates and assume that those communications are making a difference. If you remember that your donors have lives, obligations, and other interests, it puts you in a mindset that will let you create remarkable stories, materials, and updates that make an impact on donors and reinforce their decision to support you.

**Now that we've laid the groundwork for a great donor cultivation strategy, let's take a look at who should be the focus of your nonprofit's stewardship efforts.**



# Cream of The Crop

## Choosing Whom to Cultivate

### *Question*

**Which donors should you actively cultivate?**

### *Answer*

**All of them!**

You can't pick and choose which donors to cultivate; even your smallest donors have immense potential. Instead of focusing on a select few, set strategies in place for donor cultivation at all levels.

Different types of donors need to be engaged in different ways. You can't apply the same stewardship strategies to all donors!

*Here are a few groups of donors you probably have at your nonprofit, as well as some ideas for cultivation goals for each group:*



### **First-Time Donors**

The primary goal of cultivating first-time donors is to get them to donate again. According to research conducted by Bloomerang, donor retention for first-year donors is only 19%. But if you can turn those first-time donors into repeat donors, that retention rate skyrockets to 63%.

Retaining first-time donors is the first step in the journey toward a thriving donor base. Don't neglect your brand-new donors, even if their first gift is a smaller one!



### **Repeat Donors**

So you've successfully gotten your first-time donor engaged enough that they gave to you again. That's awesome! But your work isn't finished. Even though retention rates for repeat donors hovers around 63%, those donors still need to be stewarded if you want to retain them and increase their level of involvement.

Since repeat donors have shown a commitment to your organization and its mission, they're excellent candidates for a recurring donation campaign, and they might be interested in getting involved with your nonprofit as volunteers.



### **Mid-Level Donors**

You know that donor that periodically donates \$1,000 to your organization? They're a mid-level donor, and they're an immensely important (and often overlooked!) demographic to your nonprofit.

Mid-level donors are often left out of cultivation strategies because they're not small, first-time donors (who are the focus of lots of discussion about cultivation methods) and they're not major gifts donors (who often have fundraising departments dedicated entirely to them). But successful mid-level donor cultivation can lead to their becoming volunteers, brand ambassadors, major gifts donors, and more.



### **Major Gifts Donors**

Honestly, your nonprofit will probably not have tons of donors beating down your doors, eager to donate thousands of dollars, without some previous retention and cultivation efforts. Major gifts donors probably started to support your organization as mid-level donors, or they became involved as major gifts donors after carefully organized meetings with major gifts officers.

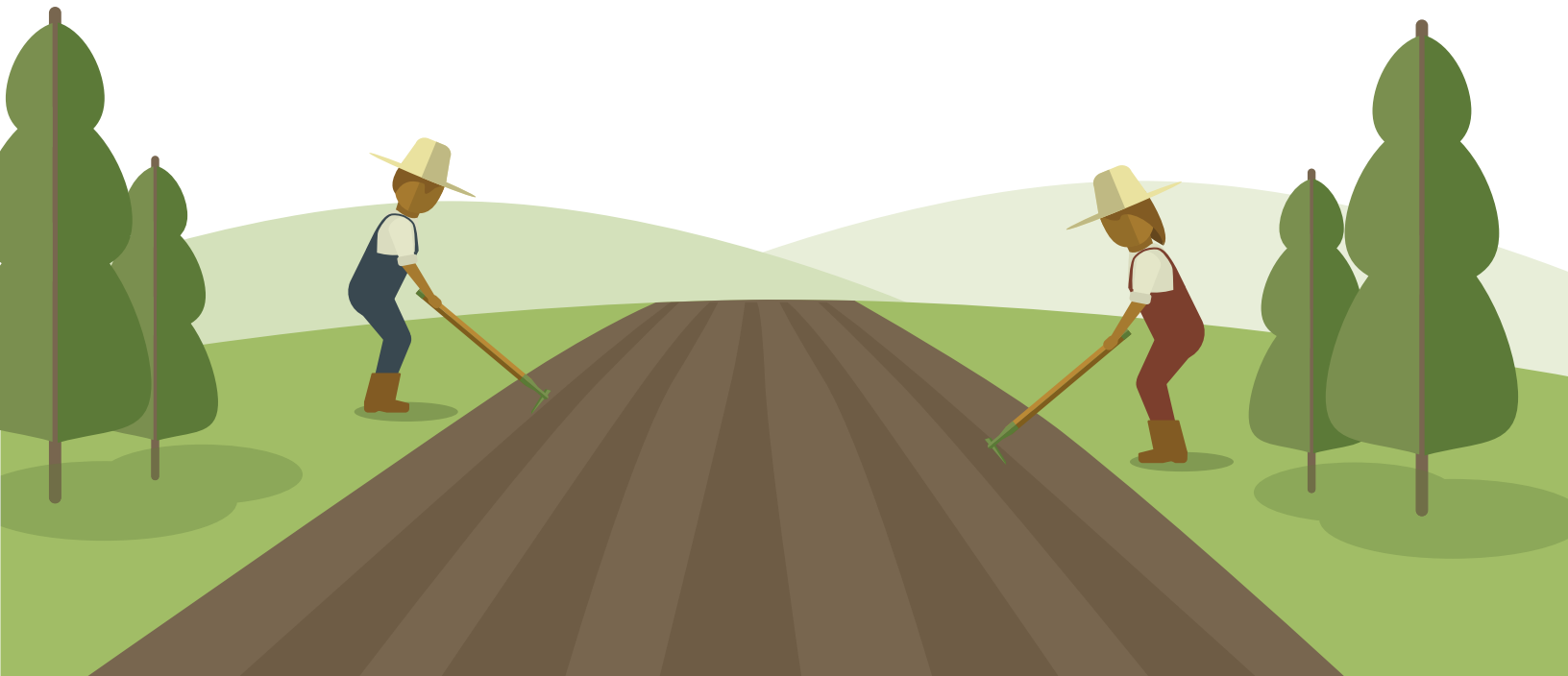
Either way, major gifts donors are an important asset to your organization, and they should be stewarded carefully even after they've committed to supporting your mission.

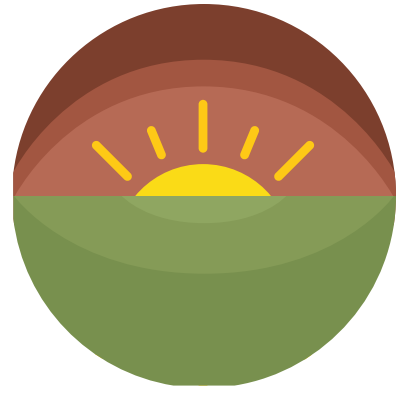


## Legacy Donors

Like major gifts donors, a legacy donor's relationship with your organization is almost undoubtedly the result of careful cultivation efforts. And, like major gifts donors, your stewardship efforts shouldn't stop after they've committed to making their gift.

Legacy donors are a special group of people who have chosen to support your organization after they've passed away. That's a huge decision, and it's not a decision your donor made lightly. They deserve an ongoing relationship with your organization that is as special as their gift to you!





# Plant Seeds Early

## Cultivate Donors on Your Site and Donation Form

Donor cultivation doesn't start after a donor makes a gift. If you think about donor cultivation as the big-picture practice of building solid relationships with your supporters, the cultivation process really starts when someone starts researching your mission. Think of each potential donor as a seed; they haven't given yet, but they're taking their first steps toward becoming a supporter.

A donor's journey really begins on your website. Perhaps they've seen a post on Facebook, or came across your nonprofit at a local event, and they decide to visit your website to see what you're all about. Showing them a great website that captures their attention and inspires them to give is important!

Our last eBook, *How to Build Your Best Fundraising Website*, lays out how to optimize each part of your website to inspire others to give. But even if you have the most amazing, engaging, inspirational website in the history of nonprofits, you'll lose your potential donors' interest if your donation form makes giving difficult.

*Here are some ways you can optimize your donation form to make it easy for potential donors to become first-time donors:*



### **Include a Powerful Image**

If your potential donor has made it all the way to your donation form, chances are good that they've already established some kind of emotional connection with your mission and the people you help. Nurturing that emotional connection on your donation page is the best way to ensure that they actually complete their gift, and a powerful image that relates to your mission is one of the best ways to do that.

A word of warning: including too many images can overwhelm or distract your potential donors. You want your image to reaffirm your donor's decision to give, not to clutter up your page. Stick to one high-quality image and save other pictures for your media page or social channels.



### **Keep Your Words Brief**

Including a short statement about how donors are making a difference can help nurture the emotional connection that brought a donor to your donation form. As is the case with images, you'll want to keep your copy simple and powerful. Use donor-centric copy to reaffirm their decision to give by telling them that their support makes a difference.



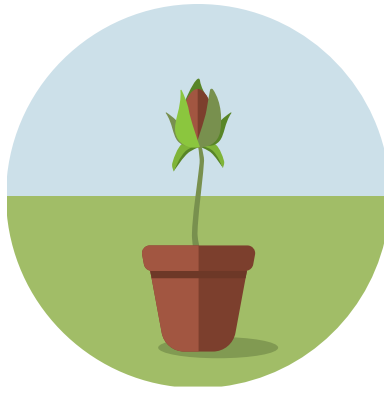
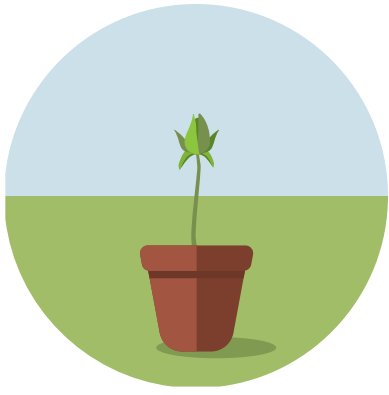
### **Don't Distract Your Donors**

Are you noticing a trend? Keep your donation form simple to avoid distracting your donors. You'll want to keep your donation form simple and distraction-free by:

- Avoiding calls to do something else. This means removing any elements that would lead them away from your donation page, like banners inviting people to register for your upcoming event or links to other pages.
- Removing navigation items at the top of your donation page. Donors should be able to find your "Home" button, but removing other navigation items (like buttons to your blog, "About Us" page, and others) will keep donors focused on the task at hand.
- Keeping additional fields to a minimum. Don't try to collect a ton of information about your donor before they complete their gift; collect the basic information you need and follow up with them later if you feel you need more information.
- Streamlining your donation process. Remember, you want people to become donors so you can cultivate your relationships with them: that can't happen if they leave your donation page because the giving process is too complicated. Using methods like suggested donation amounts and allowing donors to use a checkbox to make their billing and personal addresses the same will simplify the giving process and increase the chances that the donor actually completes their gift.

When potential donors arrive on your donation form, they're enthusiastic about your mission and are emotionally connected to the work that will be accomplished with the money they're giving. Reinforcing that emotional connection on your form will boost donor conversion rates and open the door for future cultivation.

A donor's first gift is the first step in the relationship you'll build with them. Make the most of your donation form to start cultivation early!



# A Budding Friendship

## Use Your Thank-You Page to Engage Donors

Donors will be most engaged with your nonprofit in the first 48 hours after they make a gift. Start taking advantage of your connection with them in the first few moments after their donation by optimizing your thank-you page.

Donation thank-you pages are often overlooked; it's easy to set a generic thank-you message on a confirmation page and then forget about it. But a well-done thank-you page can have an immense impact on a donor's future engagement with you, and building a great thank-you page is well worth the effort.

*Engage your donors with your thank-you page by including:*



### **A Great Image or Video**

Build excitement in your donors with a really great image or, better yet, a thank-you video. Your donor just built an emotional attachment to you and gave you their financial support. That's huge! Take some time to make a great video or image thanking your donors for their support.



### **Welcome Them to Your Community**

Your nonprofit and your donors make up a community who have united to address a major issue. Whether that issue is nature preservation, rescuing abused animals, or clothing children in need, you're all united by your mission.

Donors want to feel two things after they make a donation. They want to feel like they're making a difference, and they want to feel like their donation makes them a part of something bigger than themselves. Showing them that they're a part of a broad community of people who are working together toward a common goal will help keep them engaged and invested in your mission. That leaves them ripe for great donor cultivation practices in the future.

A quick note: notice that the goal here is to make them feel like they are part of a community that is doing great things. The goal is not to tell them that they gave to an organization that is doing great things. Make them a partner in your mission and an integral part of your operations—that will set the tone for a great relationship with them in the future.



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**Since donors feel most connected with you in the first hours after they donate to you, your thank-you page is the perfect place to ask donors to do something simple.**

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### **Give Them a Job to Do**

The key to cultivating donors is to solidify your bond with them, and the key to solidifying your bond with them is to keep them engaged.

You may have heard that you can make someone like you more by asking them to do a small favor for you. This is called the Ben Franklin effect; the idea is that doing something positive for someone makes you feel positively toward them in general. You can apply the Ben Franklin effect to donors; asking them to complete a small task (like sharing a video on Facebook, subscribing to your newsletter, or reading an article) will make them like you more.

Since donors feel most connected with you in the first hours after they donate to you, your thank-you page is the perfect place to ask donors to do something simple. A basic task like liking your Facebook page both solidifies the emotional bond they've built with your organization and sets the precedent for future engagement.





### **Establish That You'll Stay in Touch**

One of the most exasperating problems faced by nonprofit communicators (or any communicator, really) is that people often don't read their emails. Giving your donors a heads-up that you'll be communicating with them in the future will remind them to look for your emails and actually read them. The thank-you page is the perfect place to tell them about future communications.

The caveat here, of course, is that you'll actually need to follow through with those communications! Following a donation with a thank-you note and receipt is critical, and future information about how you used your donor's money and updates on your mission should be timely. Not receiving timely, relevant updates can drive away donors, especially if they're expecting them. Make sure you keep your promise!



### **Tend to Your Donors with a Great Thank-You Note**

Chances are good that your donors are receiving a receipt for their donation, whether it's by mail or by email — here, we'll focus primarily on email receipts, but many of these concepts are applicable to direct mail communications and receipts.

The tricky thing about automating thank-you emails is that they can easily come off as insincere. A donor who makes a gift and receives a confirmation email 30 seconds later has a pretty good idea that you didn't personally write them that email. But a little extra effort can make even automated emails sound sincere.

*To make your confirmation email effective, try strategies like:*



### **Making Them as Personal as Possible**

Personalization is a big deal for donors. Heather Mansfield of Nonprofit Tech for Good notes that 50% of donors think that personalizing emails, letters, and other communications is more important than the speed with which they are delivered. If you can personalize your thank-you emails and get them to donors quickly, you're able to make a great impression on your supporters.

Take some time to write thank-you emails that are as specific as possible to the donor's gift. If they donated to a specific campaign, reference that campaign in your thank-you email. Consider setting up separate emails for gifts within different ranges, or build an email that's especially for donors who set up a recurring gift. It'll take extra time to write different versions of your thank-you emails, but they'll make a big impression on your donors.



### **Being Genuinely Thankful**

Imagine you sent your friend a birthday gift and just got a letter from them. Imagine how they'd talk to you, the words they'd use, and the overall tone of the note. Now compare that imaginary note to the confirmation emails you receive from your car insurance company thanking you for paying your bill.

Which email do you prefer reading? Which makes you happy? Which shows genuine gratitude?

When you're writing your donor thank-you messages, imagine you're emailing a friend and thanking them for a gift. Your email will sound more authentic, show more genuine thankfulness, and make your donors feel that they're getting an email from an organization that appreciates their gift instead of a company that merely processed a transaction.



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**Nonprofit Tech for Good notes that 63% of donors want to know how their donation will be used.**

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### **Telling Donors What You'll Do with Their Gift**

Nonprofit Tech for Good notes that 63% of donors want to know how their donation will be used. Tell them what they want to know!

Be as specific as you can when you're telling donors what you'll do with your gift, but make sure you don't paint yourself into a proverbial corner. Remember, you need to be able to follow through on the promises you make your donors!

This strategy is especially useful if you apply it to emails that have been written to be specific to your donors' gifts. Pretend a donor gives to a special campaign set up for an injured dog at a local animal shelter. A great thank-you email will specify that the money will be used to pay for the dog's medical bills and board. It's a little different if someone gives to a nonprofit's general operations; instead of offering a very specific way you'll use the money, it would be better to speak in broader terms.



### **Not Asking for Another Gift**

Go back to the imaginary note from your best friend who thanked you for sending them a birthday gift. Pretend that after they thanked you for their gift, they included a link to their Amazon wish list and asked you to send them another present.

#### *How would you react?*

Probably pretty negatively. That's how donors feel when you include an appeal for more donations in an email thanking them for their donation. If you wouldn't want to get a letter that said, "Thanks for my birthday present! Please send me another present," they don't want to get an email from your nonprofit that does the same thing.



### **Telling Them How You'll Follow Up**

Just like you set expectations for future communications on your donation confirmation page, you can use your thank-you email to prepare donors for other emails. Remember, your goal is to keep your donors engaged with you, and a big part of that is getting them to interact with you after their first donation.

After you've told your donor how you're going to use their gift, throw in a line about how you'll get in touch with them in a couple of weeks to let them know how you've used their gift. You can get more creative if you want, but even a simple mention like that will let them know to keep their eyes open for an update—that's an important step!



### **Nurture Donors with Follow-Up Emails**

In an ideal world, your donor would read their donation confirmation email and be looking forward to future emails from your nonprofit. A more likely scenario, though, is that your donor, while probably still enthusiastic about your mission, has lost some of the post-donation glow and has other things at the forefront of their minds.

A follow-up email, then, is a great way to reconnect with donors and reignite the emotional spark that inspired them to donate to you. Keeping donors engaged past their first donation is one of the biggest challenges of your donor cultivation strategy, so it's important to make the most of your follow-up email!

*These strategies will help you re-engage donors and build upon their emotional ties with your organization:*



### **Tell Them How You Used Their Gift**

In your donation confirmation email, you've (hopefully!) already given the donor an idea of how you planned to use their donation. The follow-up email is the perfect place to give them an update on what they accomplished with their donation.

Donors like to know their investment in your cause was used wisely. Use your follow-up email to give them specific information about how you put their money to work. If you worked for the animal shelter that was caring for the injured dog, for example, you'd tell them how the dog is healing, give them an update on whether or not the dog was adopted, and what the dog's future might hold. If you were talking to a general operations donor, you could tell them more general stats about what you've accomplished in the past month.

Even though you're telling the donor about the work you've done, remember to keep the focus of the email on the donor and how they made a difference. Don't just talk about yourself!



### **Remind Them Why They Love You**

Something inspired your donor to give to you in the first place. Remind them why they want to partner with your nonprofit to make a difference! This is the perfect opportunity to reiterate how they're solving problems and changing the world with you. Really drive home the point by using language or an image that fits well with your brand and reiterates why they chose to donate in the first place.

By reinforcing the emotional connections that inspired them to make their first donation, you're setting yourself up for the next part of the email.



### **Invite Them to Stay Involved**

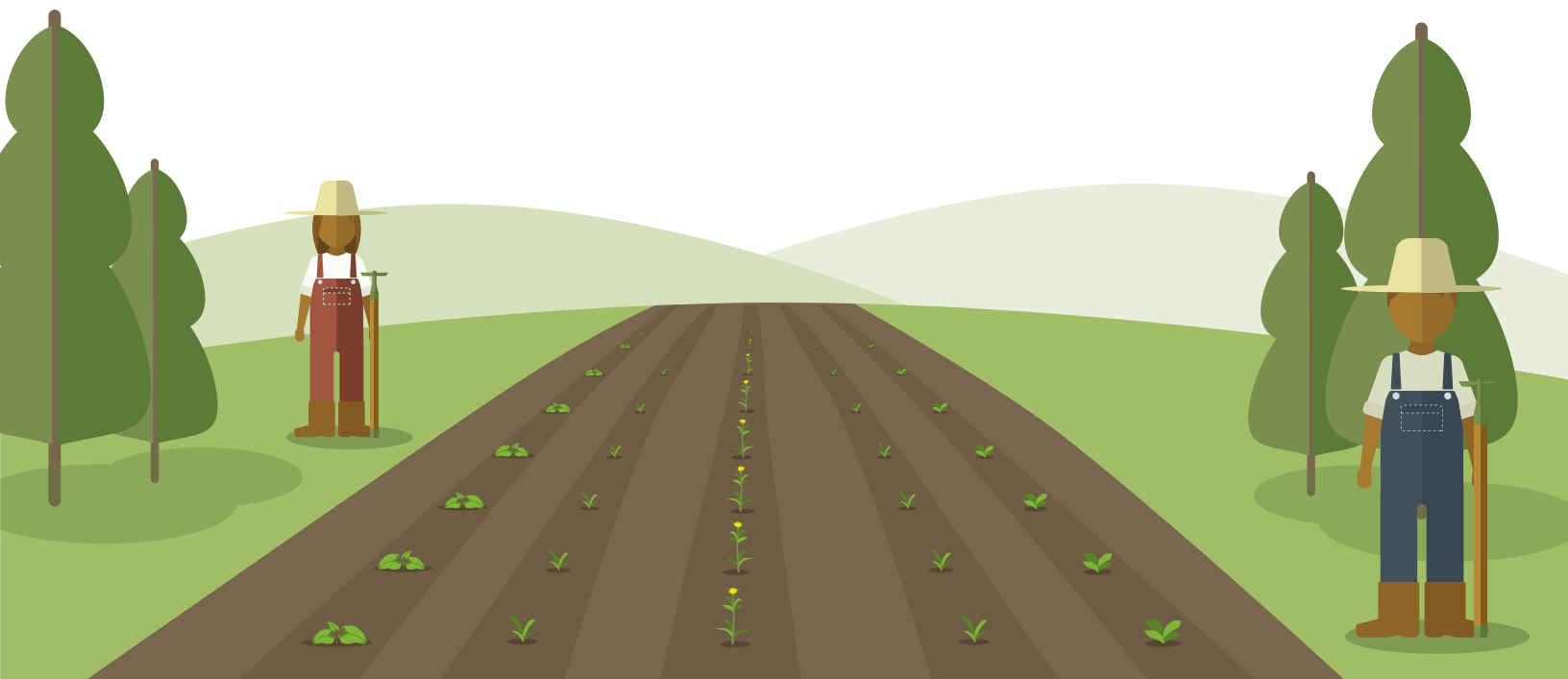
This is the real purpose of this email; you want your donors to stay involved with your organization so you can build a stronger relationship with them and cultivate them as donors.

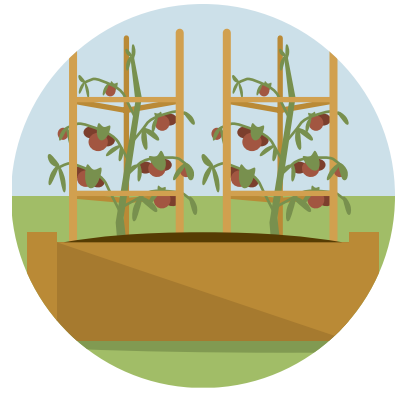
Since this follow-up email is (presumably) going out a few weeks after your thank-you letter, it's probably appropriate to ask for another donation. *Some other good ways to stay involved include:*

- Setting up a recurring donation;
- Spreading the news about your organization and mission to friends and family;
- Visiting your facility for a tour;
- Volunteering; or
- Attending an event.

This email isn't necessarily an appeal email — it's more of a way to tell your donors that you value them and want them to stay involved. If this were purely a fundraising email, you would only want to have one call to action, but this kind of email allows for multiple options.

Your follow-up email should be dedicated to reestablishing the emotional connection that inspired your donor to give and getting them involved in your nonprofit again. Whether it's asking them for a second donation or asking them to get involved in other ways, the driving goal should be to keep them engaged in your work.





# Growing Donors

## Taking Your Supporters to New Levels

So your first-time donor has become a second-time donor or a volunteer, or you've at least kept their attention long enough that they're still emotionally connected to what you're doing. As long as they're engaged, it's time to really emphasize donor cultivation; your stewardship efforts should be dedicated to keeping them involved and increasing their level of support.

Ongoing communication is important, and it's the single most important element in retaining and cultivating your donors. Make sure you make the most of your relationship with your donor by talking with them regularly and by keeping these strategies in place:

### Learn Your Donors Preferences

You can make some educated guesses about your donors' communication preferences. If your donor is an 80-year-old mid-level donor that sends your nonprofit a handwritten check twice a year, you can pretty safely assume that she would prefer to get direct mail appeals and paper thank-you letters. If your donor is a 25-year-old who follows you on Facebook and gave on your online form, you can make an educated guess and assume that he would probably prefer email communications.

Note that the word "assume" shows up in both of those scenarios! There are ways to ask your donors how they'd prefer to receive communications:

- Ask them at an event by asking for contact information on separate sheets for email and direct mail lists.
- Look at their giving habits to see if they tend to give online or by using cash or checks.
- Offer different communication options in your newsletter.

There are tons of ways to learn about their communication preferences and adjust your mailing schedule accordingly.

There's a caveat here, though. Only ask your donors about their communication preferences if you have infrastructure in place that will let you cater to them. Don't offer online donors the option to get more frequent emails if you don't have the manpower needed to write more great emails. Don't give donors the option of receiving newsletters via direct mail if you don't have the resources to print and mail them every month. However you decide to ask your donors for their preferences, make sure your options line up with your ability to deliver them.

## Segment Your Donors

Donor segmentation alone could be the subject of an entire eBook. Your donors are a diverse group of people, and you won't be able to meet their expectations if you communicate with all of them the same way.

Your donors are interested in what you're doing and how they can partner with you to make a difference. They wouldn't have donated to you otherwise! But no matter how engaged a donor is at first, their interest can quickly turn to exasperation if you communicate with them ineffectively.

*You'll want to tweak your communication strategies with your donors based on:*



### **Their Communication Preferences**

If your donor asked for email updates, put them on a list that's separate from your donors who prefer direct mail. You can always send them occasional mail, just as you can send direct mail users the occasional email. But separating donors by their communication preferences is an easy way to effectively tweak your communications strategy to make sure you're talking to your supporters in a way they'll hear you.



### **Their Giving History**

You don't want to talk to a donor who gave \$20 the same way you talk to a donor who gave \$4,000. You'd want to communicate with a one-time donor differently than you'd communicate with a long-time recurring donor. This falls under the same umbrella concept that we explored in the thank-you email section; the more relevant your communications are to a donor's giving history, the more effective your communication will be. Your donors want to feel like you recognize and appreciate their support and involvement, and sending them communications relevant to their past support is a powerful way to do that.



## **Their Passions and Interests**

If your nonprofit allows restricted gifts, your donors' behaviors can give you some really great insights into their passions and interests. Communicate accordingly!

Did a donor just set up a pledge for your new building campaign? Send them updates about construction and other details of the project. Did one donor direct his last three gifts to your community garden initiative? Make sure your communications with him focus on the garden and its progress.

You can talk to donors about a variety of different subjects, campaigns, and projects, of course. But sending them emails or letters about the projects that they love will help keep them involved and inspire them to continue supporting programs they already support.

There are so many different ways to segment your donors! Don't overwhelm yourself trying to speak to every single individual group, but you should make an effort to send communications as relevant to a donor's interests and history as possible. It will have a huge impact on their continued support.

## **Ask Authentically**

You should be asking your past supporters for continued donations. And you should be doing it authentically.

Authenticity in every interaction you have with your donors is important; you don't want to sound stiff or awkward or insincere. Authenticity is especially important if you're asking someone to give you money.

Remember, your donors want to feel like they're insiders, like a part of a community that has joined forces with your organization to make an impact. Asking them for money should be like asking a friend for support, not like asking a bank for a loan or asking for a grant from a corporation.

The next time you send your donors an appeal letter, read it out loud. Does it sound like something you would say to a friend in real life? Would your co-worker want to donate to you if you spoke that way to her? Would you be delighted and inspired to give if you got that email in your own inbox?

If the answer is "no," start again! Keep it professional, of course, but remember that you are a human being asking another human being to support a cause you both love. Write accordingly!



## **Don't Always Ask for Donations**

Imagine you have a nephew. You love him to death, and you really look forward to seeing him every month or so.

Now imagine that every time you see your nephew, he's asking you to give him money for a school fundraiser. In October, he asks you to sponsor him for a walk at school. In November, he asks you to buy wrapping paper or expensive chocolates. In December, he asks you to buy cookie dough. In January, he asks you to donate money to his class so they can go on a field trip. Every time you see him, he asks you for money.



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**Make sure that you take the time to talk to your donors, to let them know how programs and campaigns are going, and to thank them for their support.**

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### **It'd get annoying, wouldn't it?**

That is why you don't want to ask your donors for money every time you talk to them. It's great to ask them to donate, just like it's fine for your nephew to ask you to support his school. Your donors expect to get donation appeals from you. But if you're asking your donors for money every single time you talk to them, they'll probably start feeling a little used.

Make sure that you take the time to talk to your donors, to let them know how programs and campaigns are going, and to thank them for their support. They're your partners, not cash cows. They're real people who work hard for their money and sacrifice something to donate to you—make sure your communications take that into consideration.

### **Invite Them to Fundraising Events**

This is kind of a no-brainer. Inviting your donors to fundraising events is a pretty tried-and-true strategy for both keeping your donors engaged and meeting your fundraising goals.

Although you want your donors to give at your fundraising event, of course, you should also treat your event as a cultivation opportunity. Taking time to thank your donors in person for their support will make a big impression on them. You can also take time to get to know them in person and to build your relationship with them one-on-one. Asking about their life, their dreams and goals, and their motivation for getting involved in your organization will help them remember why they love your organization and the work you're doing with them. It's also a great way to get insight into what they think of your organization, what they like, and what they'd like to see your organization do in the future.

Turning your fundraising event into a cultivation opportunity is a great way to raise money AND to work on improving your relationship with your donors.

### **Invite Them to Non-Fundraising Events**

Since you're working on showing donors that they're valued partners in your quest to make a difference, you'll want to focus on your relationship with donors outside of your fundraising efforts. Lots of nonprofits do this by hosting donor appreciation events, which are aimed at thanking donors for their support without asking them to make another donation.

Donor appreciation events should be focused entirely upon thanking donors and getting in some great face-to-face interaction. Don't ask for money. Instead, tell them what you've been doing with their investment and tell them how much good they're accomplishing with you.

Whether your event is a simple gathering with a few snacks or an elaborate dinner with guest speakers and party favors, dedicating time and resources to thanking your donors shows them that you value them in a real, tangible way.

### **Get Creative with Communications**

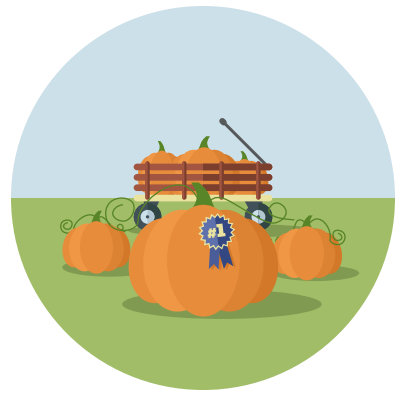
The most effective ways to communicate with your donors will probably always include email and direct mail, especially if you're telling them about your latest campaign results or asking for help funding a project. But can you use other outlets to boost your relationship with them?

Remember, your donors are your partners—they're insiders who are funding your mission and members of a community that's working together to enact change. Do you only talk to your friends through email or direct mail? You probably also talk to them on social media, through text messages, and through apps like Snapchat or Instagram.

You don't have to use all of those channels to ask for donations—in fact, you should really be making appeals pretty infrequently on social channels or through other informal methods. You can ask for support, of course, but informal channels should mostly be used to build relationships and start conversations with your supporters. *There are endless ways to use different channels to cultivate donors and keep them engaged with your work, like:*

- Making and sharing informal thank-you videos;
- Giving shout-outs to supporters who have recently donated or volunteered;
- Sharing photos of what donors are funding, whether it's kids at an after-school program or cool new equipment at your animal shelter;
- Updating donors on the progress of a campaign or program;
- Highlighting volunteers who have been doing great work;
- And so much more.

Fundraising is important for your organization, and it shouldn't be neglected. Engaged donors are much more likely to donate again (and continue to donate!) than their uninterested counterparts, so spending some time and effort on your donors is a wise move.



# Growing Giving

## Increasing a Donor's Financial Support

There's a difference between donor retention and donor cultivation. Donor retention strategies are designed to help you keep your donors. Donor cultivation is the next step. Donor cultivation strategies are designed to move donors to new giving levels, whether they're giving a second gift that's larger than their first gift or getting a major gift from a mid-level donor.

Growing your donors' financial investment in your nonprofit can be intimidating. Having strategies in place for your different types of donors can help you handle asking for larger gifts without alienating your donors (or making yourself too uncomfortable!). First, determine the level of involvement your donor has already established with your nonprofit. Then, guide them through incremental increases in support. *Take a look at this strategy and how it applies to different kinds of donors:*



### One-Time Donors

Remember the statistic that only 19% of one-time donors will donate again? A lot of that donor turnover is because nonprofits neglect their one-time donors, especially if that one-time donor makes a relatively small gift. Donor retention shoots up to 63% if you get them to donate again; investing some time in retaining one-time donors will pay off.

Ask your one-time donors to make a second gift, but keep your requested donation amount in the same neighborhood as their first gift. If your donor gave you \$30 for their first gift, don't ask them for a \$3,000 gift in their next appeal. Asking for high donation amounts from first-time donors might work occasionally, but asking your \$30 donor for a \$50 gift instead of a \$3,000 gift will probably be much more successful.

Making donors feel involved, engaged, and like they're a part of a community is especially important when they're in this stage. They're obviously enthusiastic about your cause (they wouldn't have donated if they weren't!). However, they're also very likely to give once, then move on. Keep donors engaged between their first gift and subsequent gifts by starting conversations about why they got involved, why they care about your cause, and what you're doing with their money.

This is the stage where donors are most likely to lapse, and a little extra love for one-time donors can lead to a lifelong donor relationship.



### **Repeat Donors**

Since donor retention rates are so much higher after someone makes their second gift, repeat donors should be treasured by the organizations they choose to support. These donors have showed that their commitment to your cause is more than a phase, and, if you play your cards right, they can turn into the kind of loyal donors that every nonprofit dreams about.

Building great relationships with repeat donors is important, especially since you want to cultivate your partnership with them to the point that they make larger or more frequent donations. Asking them for larger gifts is appropriate, but take a good look at your donor's giving history and background before asking for gifts that are dramatically larger than their previous donations. As you do with your one-time donors, start by asking for donations that are larger than their current gifts, but stay around the same level. You might get a \$1,000 gift from someone who donates \$50 a few times a year, but you'll probably have more success if you ask them for \$75, first.

Repeat donors are amazing candidates for a recurring giving program. If your donor has faithfully given you a gift every month or so, ask her to consider setting up a recurring donation. She already supports you on a regular basis; giving her an opportunity to set up a monthly gift is a great way to strengthen her commitment to your organization and to save her the hassle of trying to remember to give every month.



### **Recurring Donors**

This group, also called "sustaining donors," is a fundraiser's dream come true. Not only do recurring donors represent a group of loyal supporters who are committed to the cause, they're also a source of predictable recurring income.

Cultivate your recurring donors by asking them to increase their already-existing donation, even if it's just by a few dollars. You can also encourage them to move up to the next "level" of giving, whether it's increasing their donation to the next suggested donation amount you have listed on your form or increasing the frequency of their donation.

Recurring donors are also good candidates for stewardship efforts focused on making them legacy donors. They've committed to loyally supporting your organization and its mission—many of them for months or years at a time—and may be open to supporting you in their estate plan.



### **Mid-Level Donors**

Mid-level donors are in an awkward spot where they're not small-level donors that give \$20-\$100 at a time, but they're not really major donors, either. Since they don't fall neatly into either category, mid-level donors are often overlooked by the nonprofits they support.

The parameters that define a mid-level donor will vary from organization to organization. Regardless of what qualifies someone as mid-level in your organization, they should be stewarded as a potential major gift donor. Putting in a little extra effort to make mid-level donors fall in love with your organization—whether it's by spending one-on-one time with them, writing them personal thank-you cards, or seeking them out individually for input and ideas—will help keep them involved with your organization and hopefully open them up to the idea of becoming a major donor in the future.

Another upside to stewarding mid-level donors this way is that building solid, personal relationships will make it more comfortable for major gifts officers to make bigger asks in the future.



### **Major Donors**

Every nonprofit dreams of having major donors that offer strong financial support. While the logical end goal of donor cultivation strategies is to have donors that make regular gifts in increasing amounts, people who ultimately become major gifts donors haven't reached the end of your donor cultivation journey. Instead, you should be paying special attention to your stewardship of major gifts donors.

As donors give more generously to your nonprofit, major donors should be afforded more opportunities to work closely with your organization and understand how their money is being used. Think of them as major investors in a business: the more money an investor puts into a business, the more eager they are to be involved with the business and see a return on their investment. Your major donors are no different.

The best ways to get your major donors involved in nonprofits are unique to each specific organization and, really, to each individual donor. Make sure you understand what each major donor expects from your organization in return for their support!

*Until you know the best way to keep them involved, here are some good ideas to get you started:*

- **Schedule regular meetings**

Meeting regularly with your major donors is important! There are tons of ways to meet with your donors; traditional lunch or coffee meetings are always nice, you can visit them during an important fundraising event, or you can schedule time for them to visit your facilities to see their money at work. However you decide to meet with them, make sure you aren't asking them for money every time they see you. Get their feedback about your nonprofit and the work you're doing, and be prepared to answer questions or talk about how your programs can be improved.

- **Ask them to serve on your board**

Major donors are excellent candidates for board membership. They have not only proven their commitment to your cause by funding your operations, but they may also offer unique perspectives on how to approach other potential major gifts donors. Asking a major donor to serve on your board is also a useful technique if they're heavily involved in the community; their involvement may be an excellent way to build visibility in the community at large and attract donors with passions and interests similar to their own.

- **Thank them in meaningful ways**

The possibilities for thanking major donors are nearly endless. Whether you want to make a small but meaningful gesture (like composing a handwritten letter expressing your gratitude or offering free tickets to an event) or do something more grand (like naming a building after them), make sure you express your gratitude on a regular basis. Major donors should not receive the same automated emails you send to a donor who gives a smaller, one-time gift. Major donors invest heavily in your nonprofit, and you should invest time and effort into thanking them for their support.

Major donors are a valuable part of your organization—make sure they're treated well! Focus your efforts on building personal relationships with them and showing them how you're using the funds they've invested in your nonprofit. Focus on establishing honest, open relationships with them, and make sure they know their opinions are valued by your nonprofit.



### **Legacy Donors**

70% of Americans give to charities during their lifetime, but fewer than 10% of Americans make legacy gifts. Why the discrepancy?

A large part of it can be attributed to two factors: nonprofits aren't asking for legacy gifts, and those who do ask are approaching the subject the wrong way.

Asking for a legacy gift can be tricky! Talking about planned giving with donors can be awkward since it requires them to think about their mortality. And death is not a comfortable conversation topic!

To make conversations around legacy giving more comfortable for your donors (and, let's be honest, for your fundraising staff as well), focus less on donors' mortality and more on the legacy they can establish by providing for your charity in their will. Their planned gift marks an end, in a way—it will be made at the end of a donor's life—but it can also be seen as an extension of the gifts they gave in their lifetime and a continuation of their generosity during their lifetime.

The idea of planned gift being an extension of the donations they made over their lifetime is important. Many nonprofits treat legacy giving as an extension of major gifts fundraising or as a campaign targeted at older donors instead of part of a donor's cultivation process. That mindset can be dangerous! Targeting a planned giving campaign at older donors regardless of their giving history can alienate people who aren't prepared to think about their wills or who don't have an established history with your organization. Treating legacy planning as an extension of major gifts fundraising can leave out donors who are willing to consider planned gifts even though they might make smaller donations.



To build the most successful planned giving program, carefully cultivate your recurring donors. The best indicator that a donor will include you in their estate plan isn't the size of their donation, it's the regularity with which they give to you. If you have donors that have given to you regularly for many years (some people suggest that 15 years is the ideal length of time for planned giving campaigns and that 5-10 year donors are moderately willing to consider a legacy gift), pay special attention to building relationships with them. Those donors, not necessarily the donors that gave large gifts or are nearing their 65th birthday, are the people who will most likely opt to include you in their estates.

If your donor has elected to provide for your organization in their estate, make sure you give them a special level of attention and care in your stewardship activities. Your legacy donors have done something very special when they include you in their wills by placing you on the same level as their family, friends, and other loved ones. Make sure they understand how much you and your organization value them and appreciate the gift they have given you.





# Spreading the Love

## Propagating and Growing Your Donor Base

Your donor cultivation strategies are going brilliantly; you're engaging your donors, first-time donors are coming back to make additional gifts, and donors of all levels are getting gradually more involved with your organization and the work you're doing.

### *Now what?*

One of the best parts of having an active, engaged donor base is that they'll help you reach and engage even more donors. You can ask your expertly-cultivated donors to help you find new supporters by:

- Becoming brand advocates for your nonprofit online and in their social circles;
- Participating in activities that build visibility and awareness for your nonprofit;
- Getting involved in peer-to-peer and DIY fundraising;
- Writing short testimonials or other material for your website (prospective donors love social proof!);
- Recruiting new donors
- Making connections with businesses, organizations, or other groups that can benefit your nonprofit;
- And more.

The cool thing about donor cultivation is that you build a community of people who are passionate about your cause—and that passion spreads. Using your loyal donors to spread the word about the work they're doing with you is a fantastic way to attract attention and find other likeminded people who will also support you. Recruiting donors, cultivating them, and channeling their enthusiasm into finding new donors is part of a fantastic fundraising cycle that will help you do great work in your community.

The significance of donor retention and cultivation can not be overstated! In a time when donors are constantly inundated with appeals for their time, money, and attention—both from businesses and from other nonprofits alike—it's important that nonprofits are able to engage their donors and keep them involved in doing good. It's easy to lose sight of the fact that donors give you more than just money when they give to your nonprofit—they're actively investing in a cause that interests them.

The nonprofit industry today has a pretty abysmal donor retention rate, especially for first-time donors. It's easy for fundraisers to get discouraged. The silver lining is that, since the bar for donor retention is set rather low, you have nearly endless opportunities to make a great impression on your donors. If you remember that your donors are real people who are passionate about your cause, it's easy to put together donor retention and cultivation strategies that will get people involved in your mission and keep them excited about working with you.

We hope this eBook has given you lots of ideas about how you can find and engage donors who are as excited about your mission as you are, and who will partner with you to make a difference in the world.



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## HAPPY FUNDRAISING!

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## About Qgiv

Qgiv is a customizable fundraising solution for nonprofits, faith-based, and political organizations. Our goal is to help nonprofits raise money online so they can change the world, and we've built an entire platform of fundraising tools to help them do just that. We work hard to stay on top of fundraising trends, methods, and tools that are changing the way nonprofits do business. Whether you're interested in online fundraising, mobile technology, or peer-to-peer fundraising, we've got what you need.



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