



Responsive Tactics to Retain Today's Donor:

The surprisingly simple strategy to improve donor retention.

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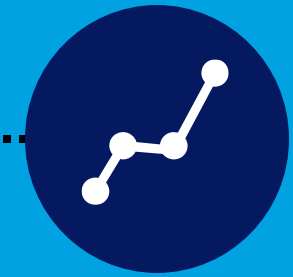
What We'll Learn Today...



What matters to donors and how that affects their giving



Ways to measure retention & why it's Important




Keys to increasing donor retention

generosity

The word "generosity" is written in a white, cursive script. It is surrounded by multiple layers of thick, hand-painted brushstrokes in a rainbow color palette (red, orange, yellow, green, blue, purple). The background is a dark teal color. In the bottom-left corner, there are two curved lines in shades of cyan and light blue.





“We have to devise means of making known the facts in such a way as to touch the imagination of the world. The world is not ungenerous, but unimaginative and very busy.”

Eglantyne Jebb | Founder of Save the Children



We're facing a major challenge...

Why nonprofits are changing...

Traditional Approach

Lagging Donor Retention

Drifting from Today's Donor

Legacy Tactics = Same Results

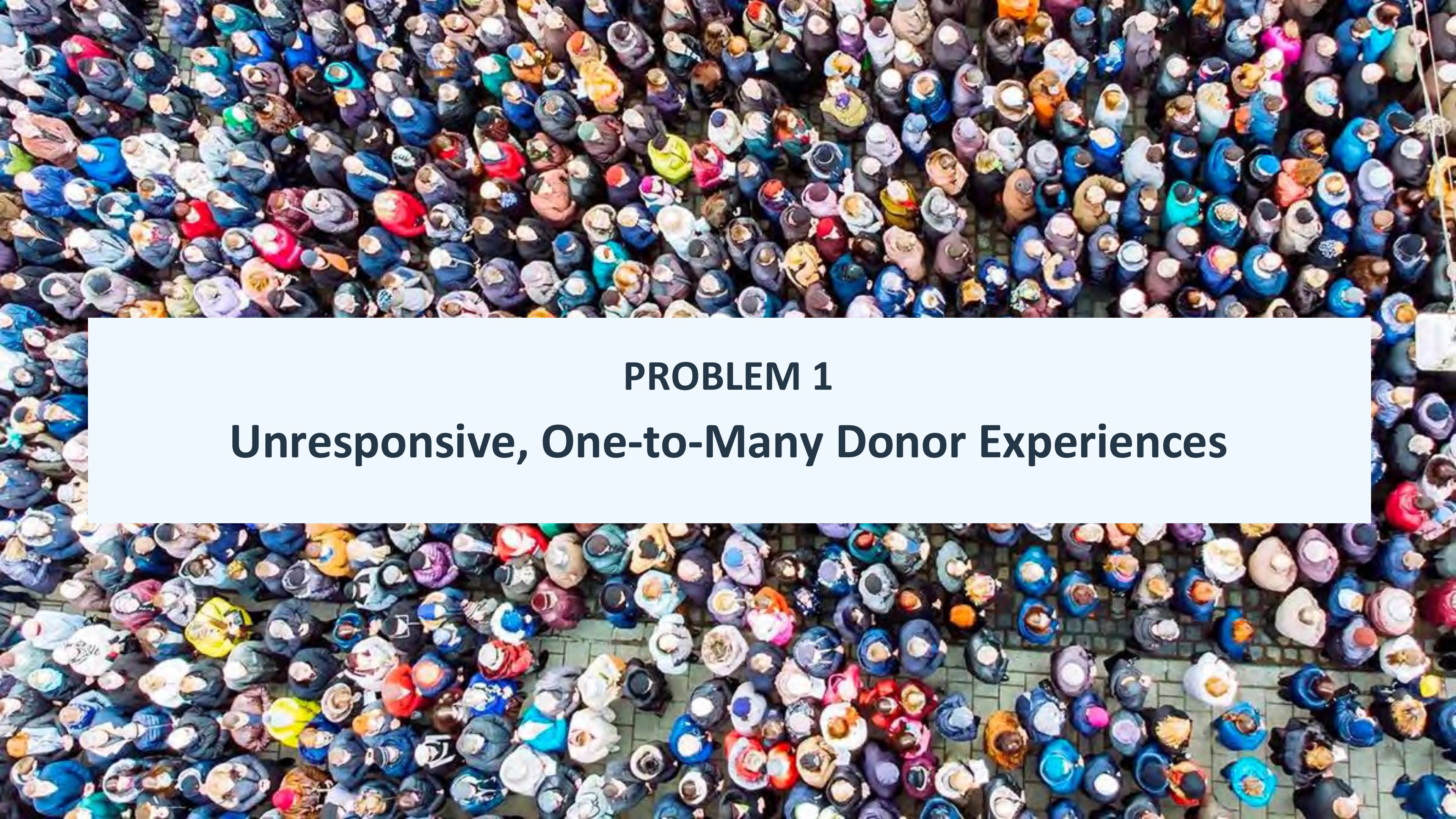
Responsive Fundraising

- ↑ 10% increase in average gift
- ↑ 12% increase in retention
- ↓ 20% decrease in staff time
- ✓ 10x ROI

*Based on aggregated results from other Virtuous customers

Two Problems in Traditional Fundraising Systems





PROBLEM 1

Unresponsive, One-to-Many Donor Experiences

PROBLEM 2

Unresponsive Team Experiences

Fundraising



Manual data entry
Limited collaboration

Marketing



Misaligned KPIs
Multi-system chaos

Program



Siloed from Fundraising
Lack of Transparency

Finance/IT



Backlogged
Lack of visibility

The world you fundraise in has changed.

What changed?

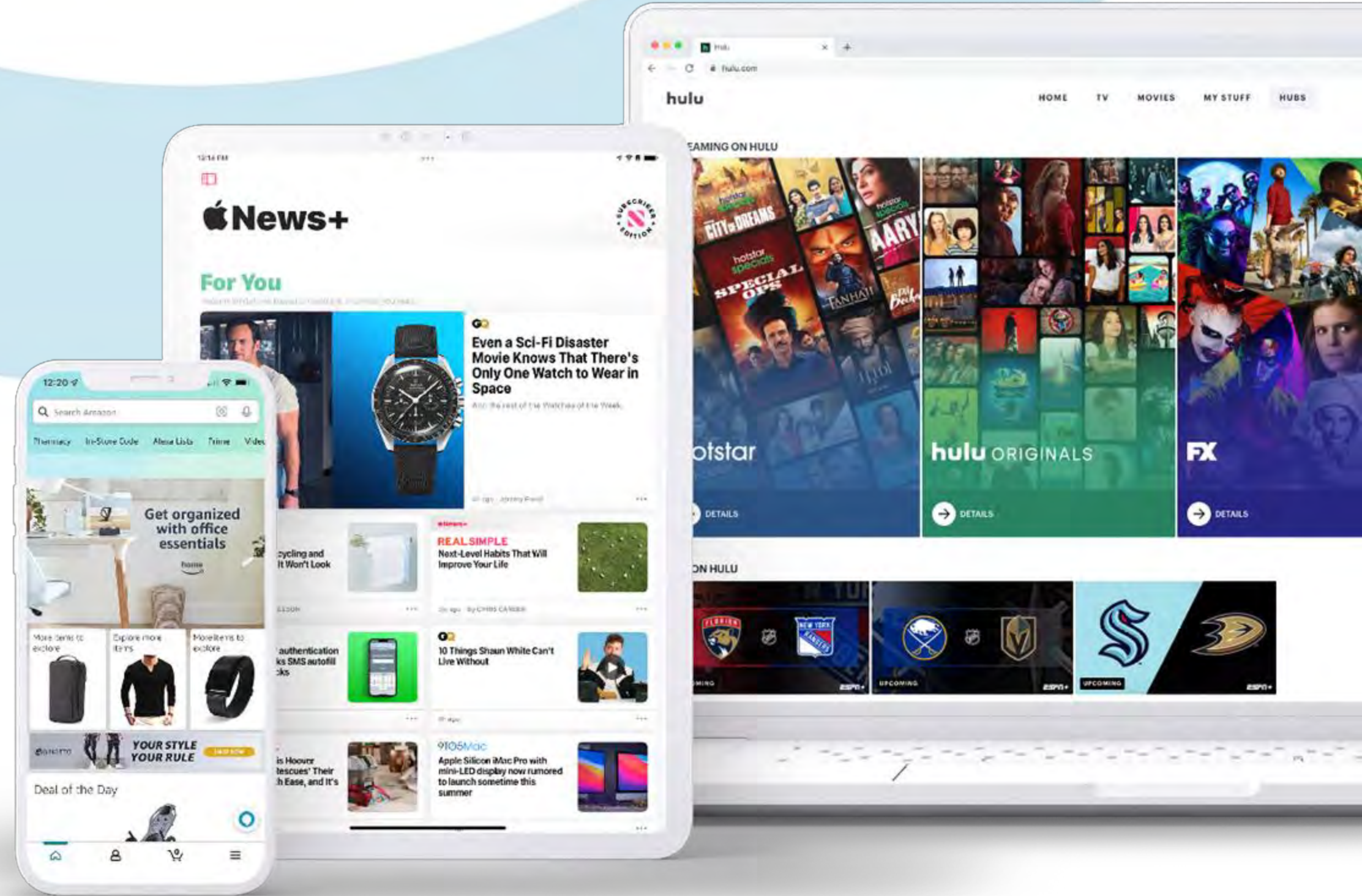
Shift from mass **communications** to personal, responsive **experiences**.

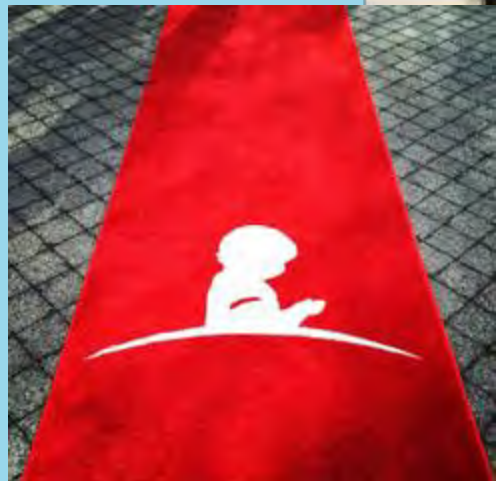
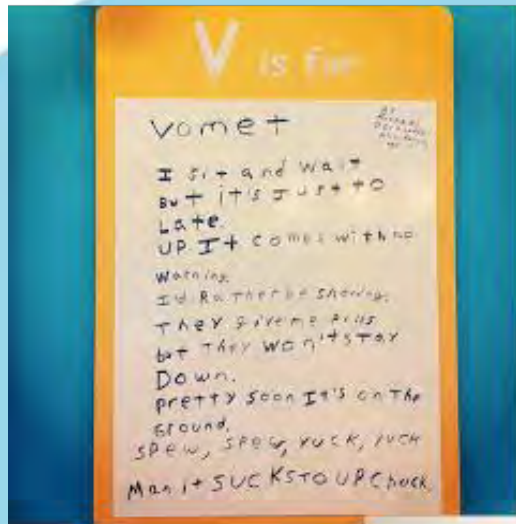
✔ **Personalized experiences**

Moving away from one-size-fits-all

✔ **Two-way, behavior driven**

Triggered in response to data signals





Giving is personal

Today's donors expect a **personal connection** to causes they care about.

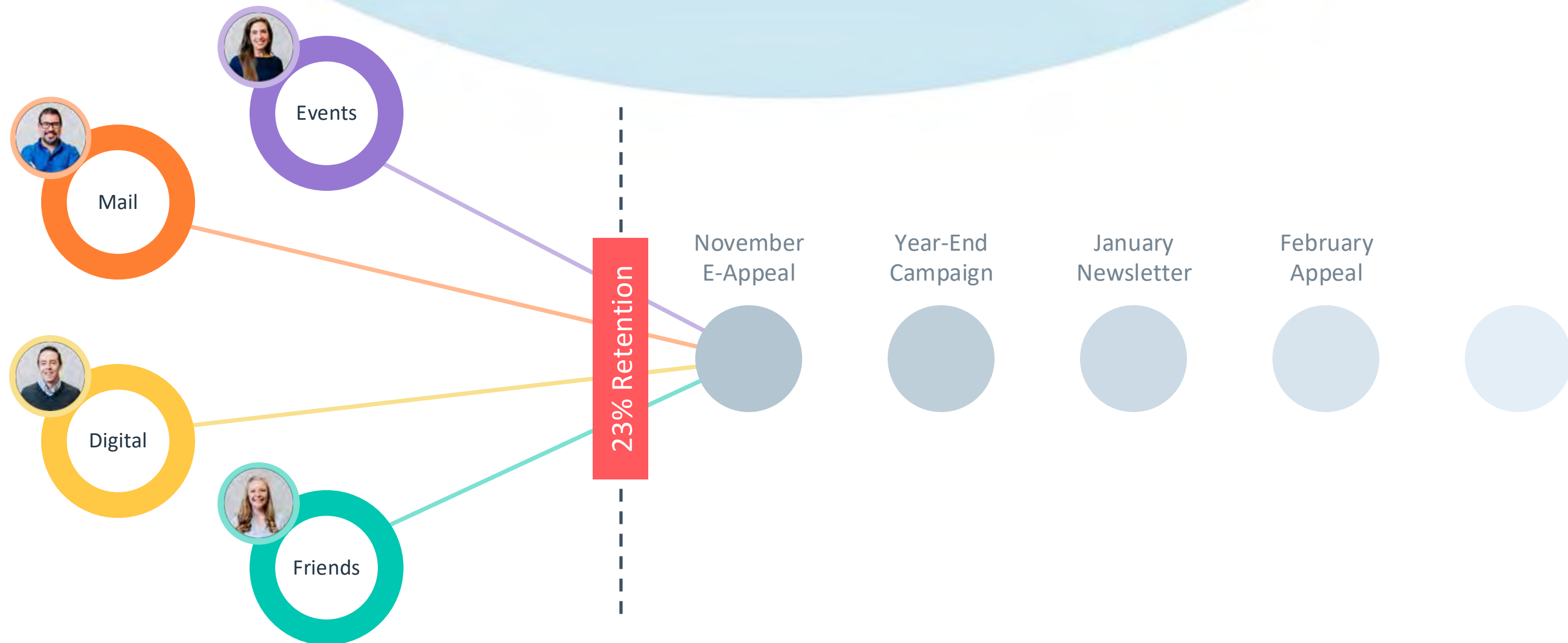
The legacy, impersonal model

Donor/Prospect Acquisition

- Personal and varied
- Based on donor's intent

Retention & Cultivation

- One-to-many ("Spray and Pray")
- One-way based on nonprofit timing.
- Disconnected from intent



01

Listen

Identify key signals and learn why supporters give



02

Connect

Connect personally and automate touches as needed



03

Suggest

Suggest next right step with personalized asks



04

Learn

Test and validate to become even more responsive



A better approach *responsive* fundraising

Flourishing nonprofits are using responsive fundraising to connect personally with each supporter and unlock holistic generosity.

Two important questions

- ① Why do donors **continue to give**?
- ② How can you **cultivate this at scale**?

Why nonprofits are changing...



Responsive Fundraising

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What changed?

Shift from mass **communications** to personal, responsive **experiences**.

- ✓ **Personalized experiences**

Moving away from one-size-fits-all

- ✓ **Two-way, behavior driven**

Triggered in response to data signals

Responsive Fundraising

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The Insight

Donors continue to give when they feel **connected with** and have **confidence in** an organization working on a cause they **care deeply about.**

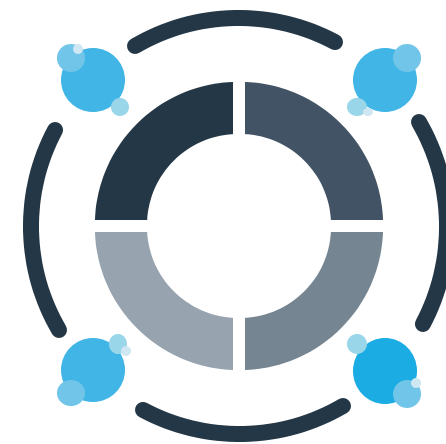
The First Principles of Fundraising

Connecting supporters with your story through systems.



Supporters

Donors, Stakeholders, Volunteers,
Board, Staff



Strategies & Systems

Campaigns, Processes, Habits, Metrics,
Communications, Platforms



Story

Mission, Impact, Purpose, Outcomes,
Beneficiaries

One important gap...



The Problem

Most nonprofits are **handcuffed** to **systems and mindsets** designed for a world that **no longer exists.**



“Every system is **perfectly designed**
to get the results it gets.”

Paul Batalden | MD, Researcher, Healthcare



How do you upend the ~~status quo~~
and lead your teams to be responsive?

What Matters Most to Donors

“

We make a living by what we get, but we
make a life by what we give.

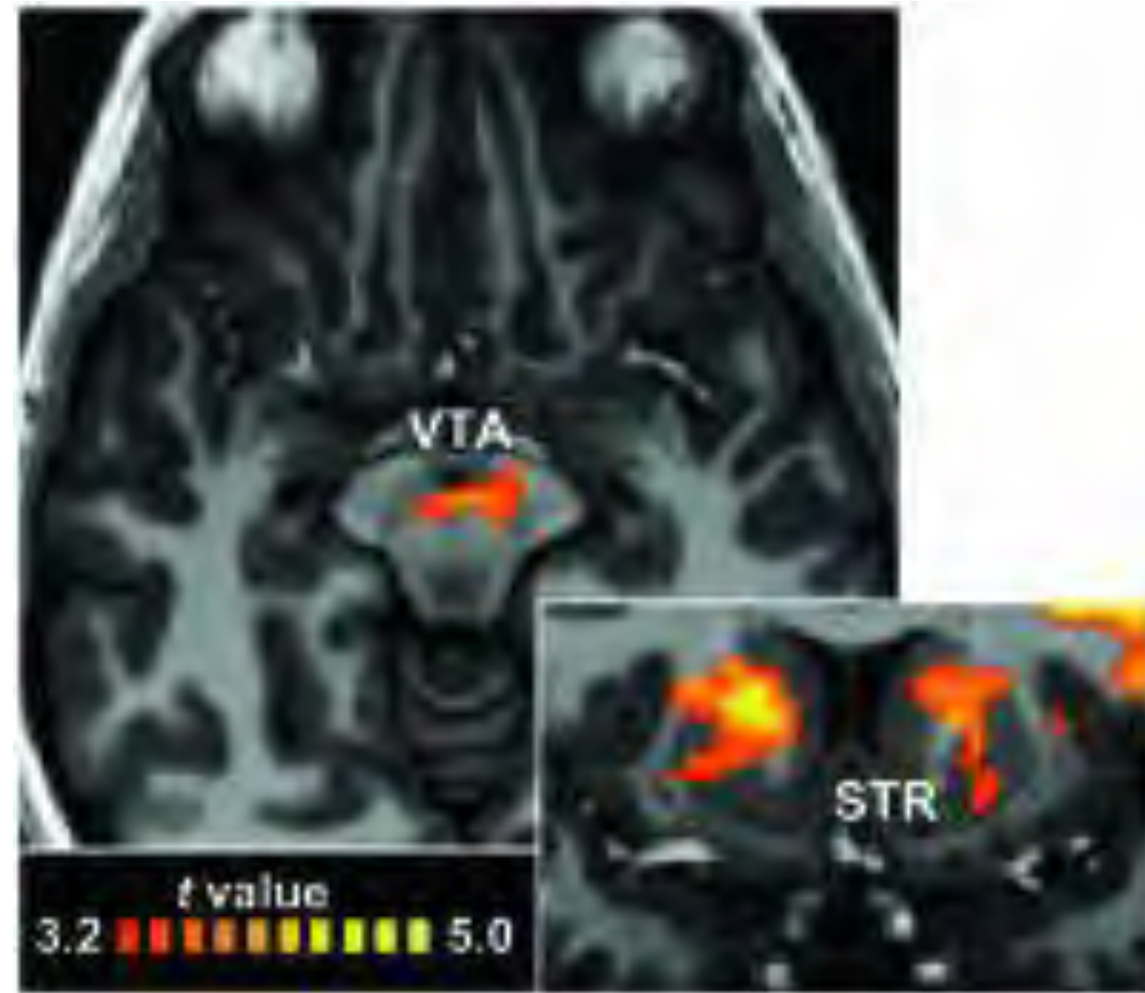
Winston Churchill

Why Do Donors Give?



Source: U.S. Trust® Study of High Net Worth Philanthropy

The Science Behind Giving



Charitable giving is rewarding (like receiving money)



But uniquely involves oxytocin-rich social attachment brain regions (used in maternal and romantic love)



Philanthropy is a “social act” using the mechanisms of FAMILY bonding—we create a “synthetic family” with other donors.

The Link Between Charity, Happiness, & Health



People who made a philanthropic gift were 43% more likely to say they were “very happy” compared to those who did not make a gift.

Similarly, volunteers were 42% more likely to say they felt “very happy.” While non-volunteers stated they were “not happy at all.”

Donors were 25% more likely to say their health was “excellent” or “very good” while non-donors were twice as likely to say their health was “poor or fair.”

Why Do Donors Stop Giving?

Solicited too frequently or for too much



Personal changes in philanthropic focus



Changes in nonprofit leadership or activities



Organization was not effective



No longer involved with organization



Source: Bank of America Study of High Net Worth Philanthropy



43%

And it's
getting
worse...

AVERAGE

43%



REPEAT

60%



FIRST-TIME

23%

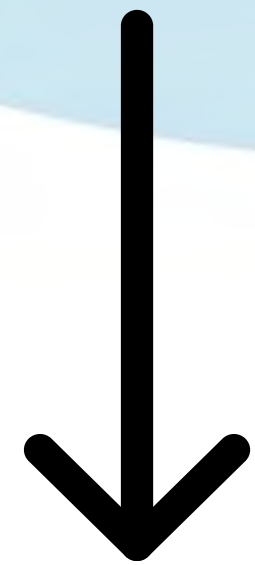


MONTHLY

90%

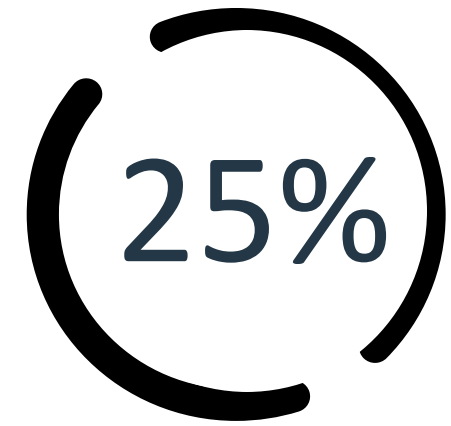
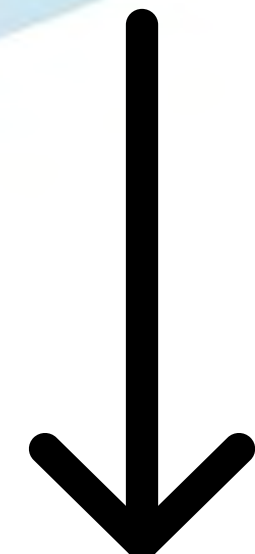


Retention Trends We're Seeing



Number of Donors

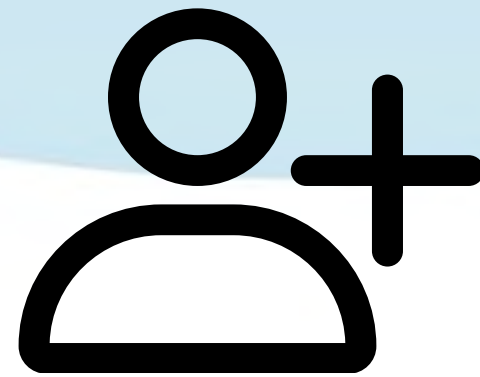
Total giving amount increasing but number of donors has decreased by 20% since 2000.



Donors < \$500

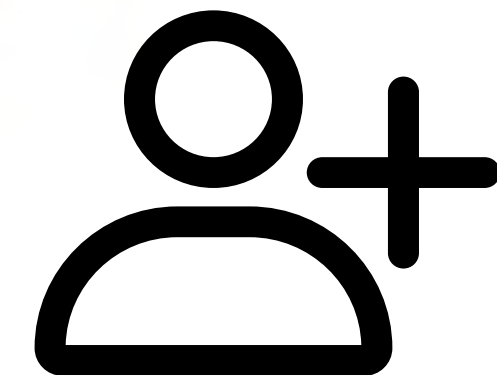
Donors <\$500 shrank by about 25% since 2020. (represents 98% of donors generally)

Retention Trends We're Seeing



\$500+

New donors giving \$500+ were more likely to be retained than reactivated donors (by about 26%).



<\$500

Between 2019-2021, the donors most likely to disappear are, new, <\$500, and infrequent donors.



Improving Donor Retention by Just
10% Can Double the Lifetime Value of your
Donor Database!

Adrian Sargeant



Original Retention Rate: 41%

Improved Retention Rate: 51%

Year	Donors	Avg. Gift*	Total	Year	Donors	Avg. Gift*	Total
Start	5,000	\$ 200.00		Start	5,000	\$ 200.00	
2	2,050	\$ 220.00	\$ 451,000	2	2,550	\$ 220.00	\$ 561,000
3	841	\$ 242.00	\$ 203,401	3	1,301	\$ 242.00	\$ 314,721
4	345	\$ 266.20	\$ 91,734	4	663	\$ 266.20	\$ 176,558
5	141	\$ 292.82	\$ 41,372	5	338	\$ 292.82	\$ 99,049
6	58	\$ 322.10	\$ 18,659	6	173	\$ 322.10	\$ 55,567
7	24	\$ 354.31	\$ 8,415	7	88	\$ 354.31	\$ 31,173
8	10	\$ 389.74	\$ 3,795	8	45	\$ 389.74	\$ 17,488
9	4	\$ 428.72	\$ 1,712	9	23	\$ 428.72	\$ 9,811
10	2	\$ 471.59	\$ 772	10	12	\$ 471.59	\$ 5,504
11	—	—	—	11	6	\$ 518.75	\$ 3,088
12	—	—	—	12	3	\$ 570.62	\$ 1,732
13	—	—	—	13	2	\$ 627.69	\$ 972
14	—	—	—	14	1	\$ 690.45	\$ 545

Grand Total from Original Donors: **\$ 820,859**

Grand Total from Original Donors: **\$ 1,277,208**

TOTAL SAVINGS:

\$456,349

“

Fundraising under-performance, therefore, is actually a failure to communicate.”

Penelope Burk, Donor-Centered Fundraising



Build A Plan for Meaningful Donor Communications



Prompt, meaningful gift acknowledgment

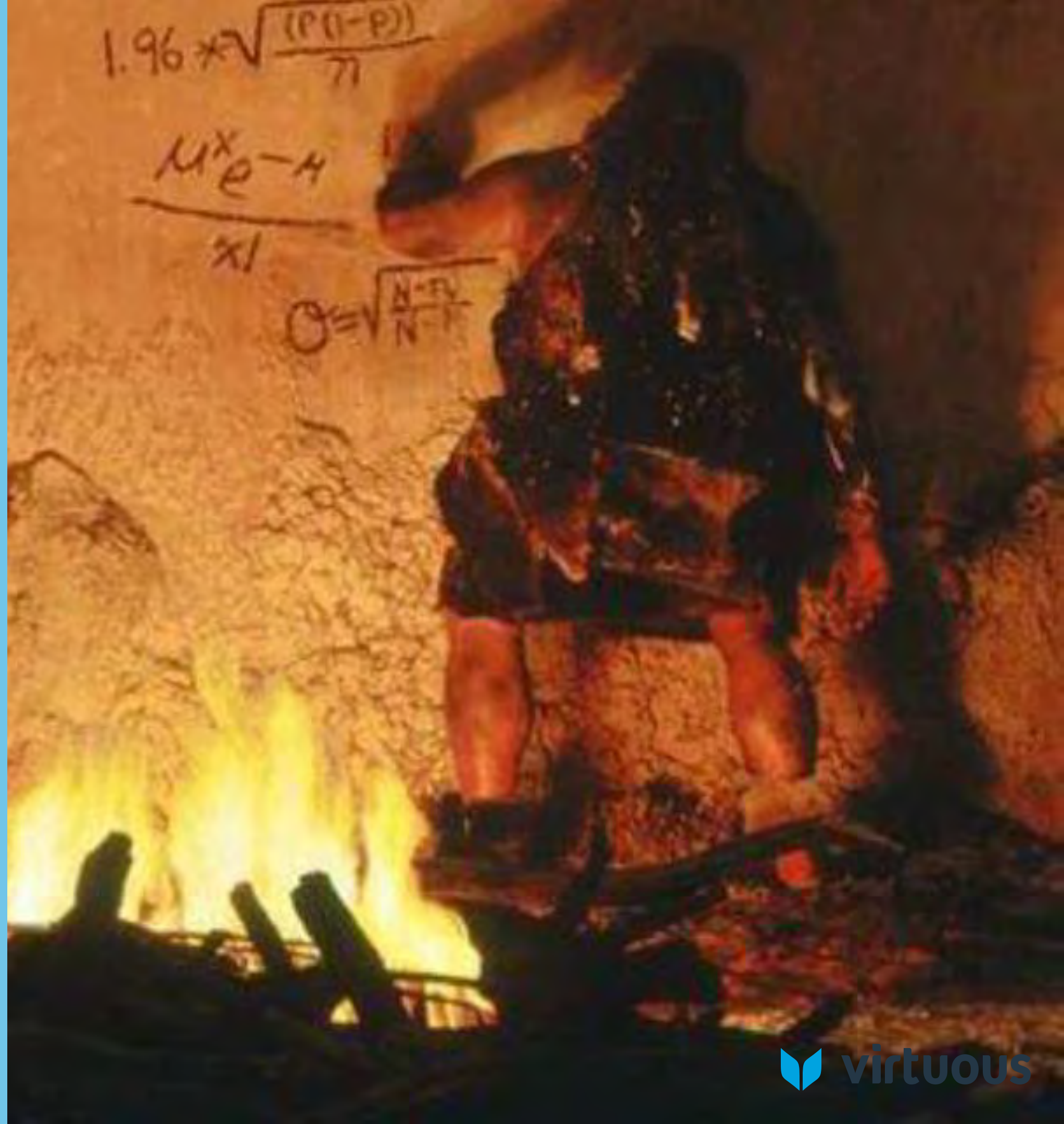


Designation of gift to a program, service or project more narrow in scope than the charity's overall mandate



Measurable results on the last gift before being asked for another one

Use Stories to Show Impact



The Golden Circle

WHAT

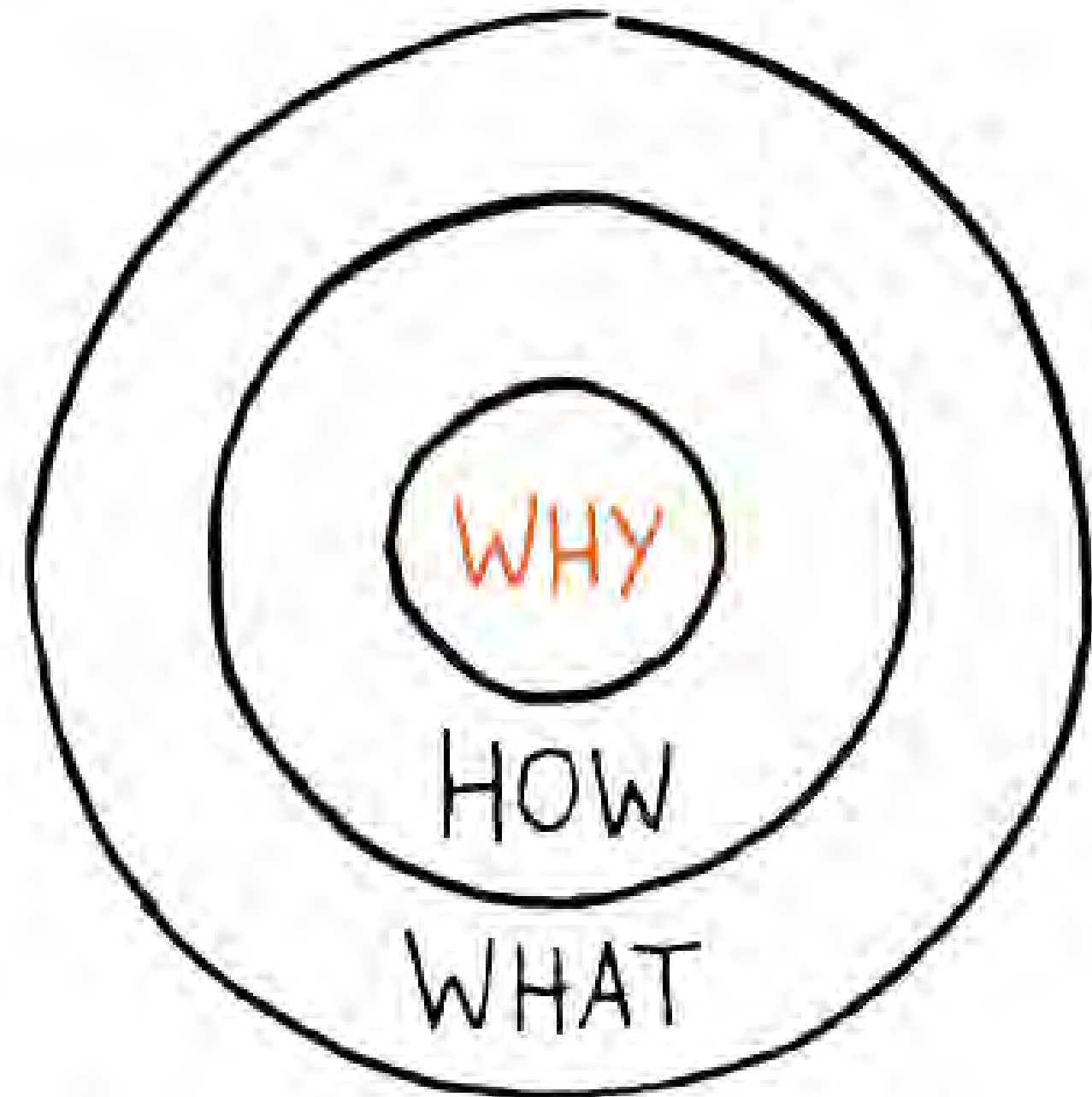
Every organization on the planet knows WHAT they do. These are products they sell or the services they offer.

HOW

Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

WHY

Very few organizations know WHY they do what they do. WHY is not about making money. That's a result. WHY is a purpose, cause or belief. It's the very reason your organization exists.



 ©2015 Simon Sinek, Inc.

Responsive Mindset

Personal for All

From the \$10,000 to the \$50 donor, responsive teams design personalized donor journeys, and build the processes and adopt technology to treat all donors like major donors.



Create a Multi-Channel Personalized Approach



Imagine for a moment...

Meet Stephen
Attends 2023's Gala



1 hr



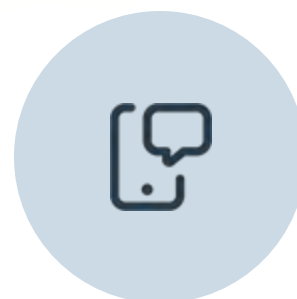
TY email with a survey
on interests

1 Day



Thank you call
from team

2 Days



SMS from Program Team
based on interests

Stephen Visits Site



1 Day



Email w/ donation ask
based on page
Stephen visited

Stephen Gives!



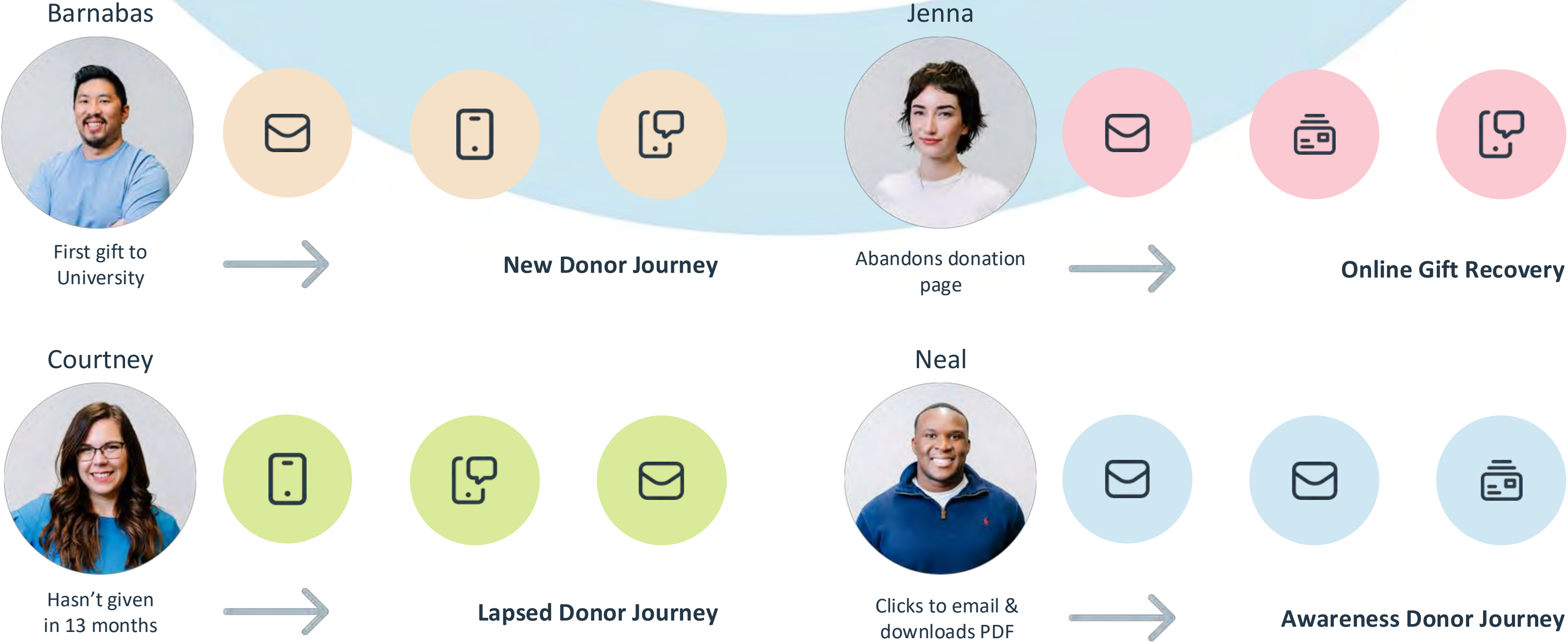
1 5 Days



Postcard closing the loop
on impact

Connection is based on timing & intent. Multi-channel. Hyper personal.

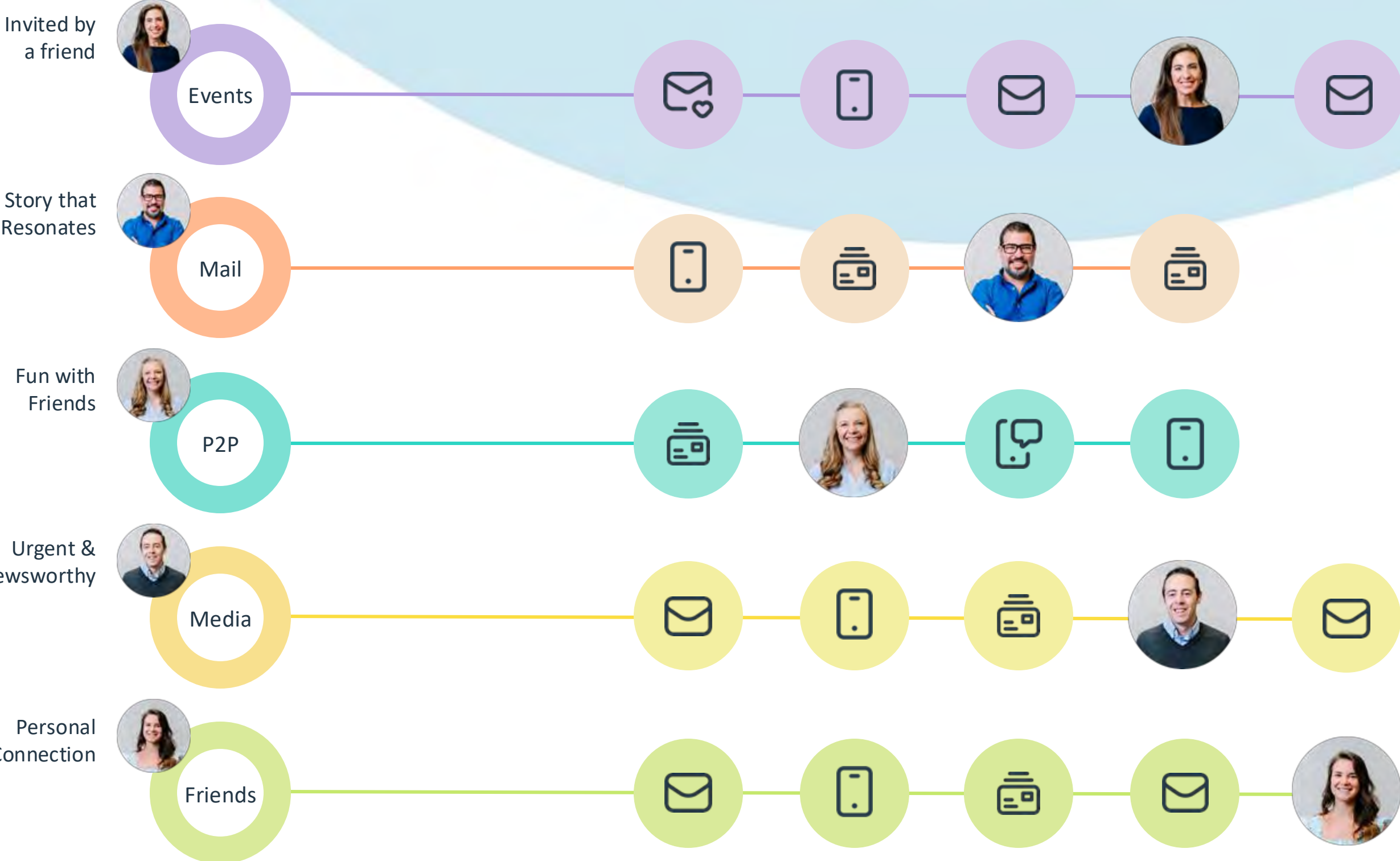
What if...



Responsive, dynamic campaigns

Donor/Prospect Acquisition
Personal. Based on Donor Timing

Donor/Prospect Acquisition
Personal. Based on Donor Timing



↑ 12%
Retention

↑ 10%
Average Gift

↑
Engagement

Ensure every person feels connected to your cause with dynamic donor journeys.

Use real-time data to trigger the next best step with each donor. Automatically send emails, text messages, and direct mail. Even create tasks or append wealth data based on donor signals.

- Donor Journey Builder
- Best-Practice Templates
- Email Automation
- Letter/Postcard Automation
- Automated Task Creation
- Personalized SMS

The screenshot displays the 'Automation Workflows' dashboard. At the top, there are tabs for 'WORKFLOWS' and 'BEST PRACTICE TEMPLATES'. The main area features several workflow cards: 'Birthday Celebration' with a 'Happy Birthday' image, 'Donor Lifecycle' with a photo of a person in a forest, 'New Donor Welcome Series' with a 'Thank You' card, 'Event Follow Up' with a crowd photo, and 'LTD Giving Milk' with a red milk can. A modal window is open over the 'Donor Lifecycle' card, titled 'First Time Donor', showing a sequence of steps: 'Remove Tag: Nondonor', 'Add Tag: First Time Donor', 'Task: Handwritten Thank You', 'Email: 'First Time Donor'', 'Direct Mail: 'New Donor Thank You'', 'Delay 5 Days', and 'Email: 'Donor Follow-up''. Each step is accompanied by a small icon representing the action type.

Acquire, retain, and nurture more donors with the power of data.

Fundraising Automation is the cheapest employee you'll ever hire. You can identify opportunities in real-time and automatically take action to maximize giving.

The screenshot displays a fundraising automation software interface. At the top, there are tabs for 'AUTOMATION WORKFLOW', 'ENGAGEMENT', and 'RESULTS'. Below the tabs, there are two main workflow panels. The left panel is titled 'PRELAPSED DONOR' and the right panel is titled 'LAPSED DONOR'. Each panel shows a vertical sequence of steps, each with a circular icon and a horizontal bar representing a task or delay. The 'LAPSED DONOR' panel includes specific tasks like 'Send Donor Retention - Lapsed #1 email', 'Task: Follow-up Call', 'Delay 3 Days', 'Task: Handwritten Notecard', 'Delay 3 Days', 'Send Donor Retention - Lapsed #2 email', 'Delay 7 Days', 'Task: Send Personalized Email', 'Delay 5 Days', and 'Send Donor Retention - Lapsed #3 email'. A sidebar on the left contains various icons for navigation. At the top right and bottom left of the interface, there are small circular avatars of people.

- New Donor Welcome Series
- Automated Receipts
- Lapsed Donor Reactivation
- Acknowledgements
- Birthdays & Anniversaries
- Event Follow-Up Sequence
- Warm Name Nurture Series
- Major Donor Sequences

Engage and Inspire

One-on-One Visits with a Board member and/or ED or CEO

Thank you calls from staff/Board/ED or CEO

Inclusion of staff visits with prospects and donors

Site Visits

Quarterly in-person or teleconference updates with CEO or ED

Continued invitations to established events with strong follow-up

Opportunities to ask for advice (market study, focus groups, surveys)

Small cultivation events

Boards Influence Donor Retention

93%

They would “definitely or probably give again the next time they were asked”

84%

They would “make a larger gift.”

74%

They would “continue giving indefinitely”

Responsive Mindset

Innovate, Experiment, & Embrace Failure

Responsive nonprofits are constantly innovating, experimenting, and adapting their processes. They try new things. They embrace new ideas. And they get comfortable with failing.



Responsive Mindset

Focus On Trust

Every relationship thrives on trust and accountability. We all want to know the people we are supporting will do what they say and act in the ways we expect.





The Insight

Donors continue to give when they feel **connected with** and have **confidence in** an organization working on a cause they **care deeply about.**

Reminder

Responsive Mindset

Value Motivational Insights Over Behavior

Responsive nonprofits seek out the motivation behind the behavior first. They don't value **what** someone is doing as much as **why** they're doing it.



Responsive Fundraising

Listen

The more you listen, the more you begin to understand how each person wants to connect with the cause.



Prioritize & Get to Know Your Donor Segments



1. Current Donors

- Largest over their lifetime as donors
- Longest donors
- Lower-level donors who have deeper capacity

2. New Donors

- Largest New donors
- Potential capacity
- Passion for organization

3. Lapsed Donors

- Length of giving
- Cumulative Giving to you
- Screened capacity

Get to Know Your Current Donors



Why Us?



How Was It Making A Gift?



What Do You Expect As A Donor?

Reengage Your Lapsed Donors

Who lapsed?

Were they one-time donors?

Long-time donors who stopped?

Monthly who cancelled?

Why did they stop giving?

Is their info still correct? NCOA and Deceased Suppression to clean list.

Survey to ask their feedback.
“We miss you. What happened?”

Make personal call/email for larger lapsed donors.

Drive real-time next steps with each donor informed by data and behavior.

See intelligent suggestions for the next best action based on each donor's gift history, social media profiles, wealth data, web visits, email engagement, demographic data, volunteerism, and more—then automate outreach based on key signals.

- Integrated Wealth Insights
- Web Activity Tracking
- Email Engagement
- Suggested Gift Asks
- Best Next Call Reports
- Donor Location Mapping
- Relationship Tracking

The screenshot displays a donor profile for Amy Smith. The dashboard is divided into several sections: **GIVING OVERVIEW** with a total of \$75,500, broken down into \$50,000 and \$500; **RELATIONAL GIVING** with 14 gifts totaling \$20,000 and 10 other items; **VIRTUOUS SCORING & ASKS** with scores of 96 and 99, and a \$10,000 giving capacity. Below this is a **WEB HISTORY** table with columns for DATE, WEBSITE, PAGES VIEWED, and TIME ON SITE. A callout box highlights 'Reconnect with Amy Smith' with a 'DUE TODAY' tag. Another callout shows 'Website Visits 32 ↑ Above average'. A third callout states 'Appended Wealth Data, \$10,000 giving capacity.'

DATE	WEBSITE	PAGES VIEWED	TIME ON SITE
06/11/2024 1:04PM		3	15 minutes, 36 seconds
6/5/2024 4:27PM		14	More than 60 minutes

Appended Wealth Data, **\$10,000 giving capacity.**

Website Visits
32 ↑ Above average

Responsive Mindset

Break Down Silos: People & Data

Silos between programs, fundraising, and communications departments no longer serve your organization, donors, or beneficiaries. The more crossover between teams, the more responsive your organization can be.



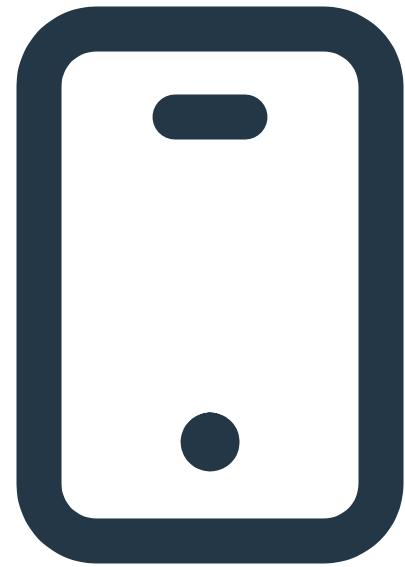
Responsive Mindset

Be Abundantly Thankful

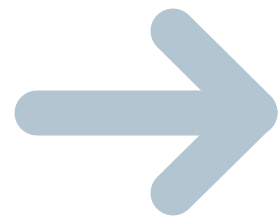
Generosity begets generosity. This means giving back to your donors even more than they give to you — prioritizing your relationship over their money.



“Thank You” Works



Thank you call



↑ 39%
In Revenue

Source: Penelope Burk’s ‘Donor Centered Fundraising’

Responsive Mindset

Design Plans To Adapt & Stay Curious

True responsive nonprofits keep changing, innovating, and adjusting.

They are always looking to the future.

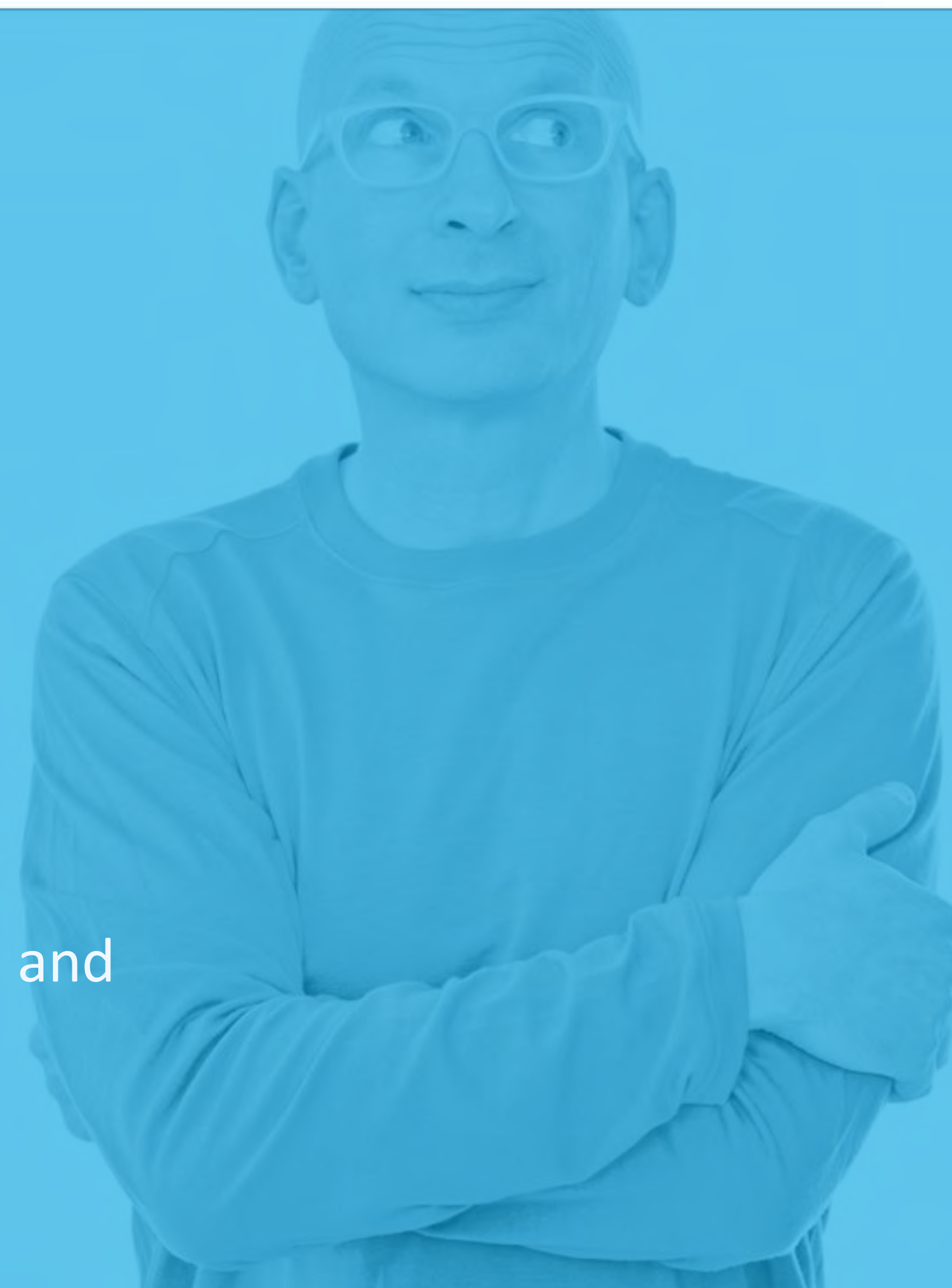






“Some organizations will thrive from this increased chaos, some will be unprepared, and some will merely fight it and lose.”

Seth Godin | Marketer, Innovator, Author



Responsive Mindset

View Generosity Beyond A Transaction

Responsive nonprofits need to embrace a shift in mindset that moves away from treating generosity as a transaction and instead recognize it for the meaningful experience it is.



01

Listen

Identify key signals and learn why supporters give



02

Connect

Connect personally and automate touches as needed



03

Suggest

Suggest next right step with personalized asks



04

Learn

Test and validate to become even more responsive



A better approach *responsive* fundraising

Flourishing nonprofits are using responsive fundraising to connect personally with each supporter and unlock holistic generosity.

The Technology

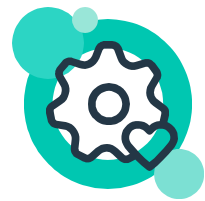
Virtuous CRM

Cloud-based volunteer management platform and designed to advance your mobilization efforts.

- CRM
- Online Giving
- Automation Workflows
- Email Marketing, SMS
- Events
- Wealth & Social Signals

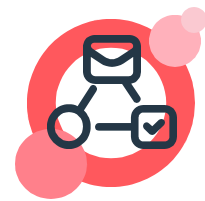


The Responsive Fundraising Platform



Nonprofit CRM

- Donor Management
- Gift Pipeline & Forecasting
- Dashboards & BI Reporting
- Email Integration
- Query & Data Health Tools
- Grant Management
- Volunteer Management
- Custom Fields & Objects
- API and Integrations



Automation

- Email Automation
- Letters/Postcards on Demand
- SMS Automation
- Donor Journey Builder
- Process Automation
- Best Practice Templates
- Automate Tasks, Notes & Calls
- Real-Time Segmentation



Giving

- Personalized Donation Forms
- Integrated Payments
- Landing Pages
- Smart Gift Arrays
- Self-Service Donor Portal
- PCI Compliance & Security
- Premium & Lead Forms



Signals

- Wealth Data
- Lead Scoring
- Pre-Lapse Predictors
- Personalized Emails
- Social Integration
- Actionable Data Insights
- Web & Email Tracking



Events

- Ticketing & Registration
- Branded Event Pages
- Event Management
- Day-Of Attendance Tools
- Reporting & Dashboards
- Sponsorships & Donations
- Flexible add-ons & custom fields



Marketing

- Email Marketing
- SMS Marketing
- Marketing Analytics
- Receipting
- Direct Mail Segmentation
- Template Library
- Campaign Management

**Virtuous is a software
company committed to
helping nonprofits
grow *generosity.***



Enterprise Ready

Built for Scale



Advanced Security

- Two Factor
- Full Encryption
- HIPAA
- 3rd Party Audits



App Marketplace

- 20+ Integrated Apps
- Zapier Integration



Customizable

- Custom Objects
- Custom Fields
- Permissions-based Configuration



Reporting/BI

- Report Writer
- Customizable Dashboard
- Integrated data analytics



API

- RESTful endpoints
- Full app coverage
- Web hooks



Payments

- Online/Offline processing
- Reconciliation
- Custom rules

Cliff Notes Summary



Get to know who your donors are—build your annual plan on regular engagement



Develop the discipline of using metrics to guide your performance evaluation



Don't send blanket asks...ever



Segment and personalize your asks to encourage upgraded giving



Sharpen your signal to the lead with your “why”

01

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Erik Tomalis

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Questions?