



Week 1: Starting monthly giving

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Fantastic Monthly Giving Week One

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Introduction

Thank you so much for joining me in Fantastic Monthly Giving!

Over the next five weeks, we'll be going over monthly giving in depth. We'll be looking at marketing your monthly giving program, what your reports about monthly giving should say, how to get more monthly givers, and how to reduce the drop-off in monthly givers over time.

Your monthly giving program may be slow to start, but after we get these processes down, it will start to become easier and easier to encourage people to give monthly to your organization.

In this first week, we're going to be looking at

- How can you create a monthly giving program?
- Convincing the boss that monthly giving is a good idea
- Identifying potential monthly givers
- What giving levels should you have?
- What premiums can you offer?
- Making sure you can track and process monthly gifts in your donor database AND
- Setting up reports in your database to track monthly giving

As you read through the class materials, special ebooks and bonus materials, if you have any questions on how to apply this to your nonprofit, please don't hesitate to email me at info@wildwomanfundraising.com and I will get back to you with answers and ideas as soon as I can.

Let's get going!

How can you create a monthly giving program?

Monthly giving is simply a donation that automatically occurs once a month to your cause.

Your monthly donor can give through EFT, (Electronic Funds Transfer) directly from their bank account, from their credit or debit card, or through the mail via a check. The first two options are the most common and the easiest for a donor to do.

People who give online first are most likely to be able and willing to give through their credit or debit card, and this is one place to start your monthly giving program.

So, are you able to take monthly donations or pledges on your website yet? If not, when can you contact your donation processing company to make sure this happens?

Now that you've got that figured out, you should start incorporating monthly giving into your other materials, such as your quarterly appeal letters. You can do this through adding a monthly giving option to your remit envelope, and as a bucksliip (a piece of paper that is roughly a third of the size of a regular 8 x 11 or A3 sheet of paper). The bucksliip can be enclosed in every mailing to remind people of the benefits of monthly giving.

Here's your first checklist to see if you're starting to be ready for monthly giving: Is this done yet?

Yes/No	Task
	Your online donation form allows for a monthly gift.
	Your remit envelope asks for a monthly contribution.
	You have a bucksliip for each direct mail appeal that illustrates the impact of a monthly gift to your nonprofit.
	You've got the budget to create little rewards for monthly donors.
	You've got a special name for your monthly giving

program.

These are the first steps to make sure you're ready for monthly giving.

As much as I'd like to say that you'll get hundreds of monthly donors off the bat, this is a long process. You know they say it's a long way to the top if you wanna rock and roll? It's a long way to the top with monthly donors too. You really have to invest in this process. It's not a quick money fix.

It's a slowly building money avalanche.

If you send out your first monthly giving mailing and you get two donors, don't despair. The more you emphasize your monthly giving, (even putting it above one-time giving on your website can result in 100% increase in monthly giving, according to Erica Wasdorp) the more it will naturally grow. This course will help you grow your monthly giving processes so that every year you will see an increase in your monthly givers.

What methods will you use to recruit monthly donors? Check the method you'll use and when you'll do it.

Method	Who is in charge?	When we'll do it
Email		
Mail		
Phone		
Door-to-door		
Volunteers		
Speaking engagements		
Special events		
Other		

Getting Ready to Grow!

Fantastic Monthly Giving Master Worksheet

Here are some questions you need to answer as you go through this course.

Who will get asked to give monthly?

What list segments of your donor file will you approach to invite to join your monthly giving club?

Given in the last two years _____

Given multiple times in the last year _____

Given multiple times in the last two years _____

Other _____

Monthly Giving Logistics

Is there organizational support for the program? Yes/No

Is there a staff person or dedicated volunteer who can devote time to this program? Yes/No Who? _____

Do you have the ability to manage a pledge program with your current software, or can you afford software that integrates pledge information? Yes/No

Will you offer a credit card payment option? Yes/No

Will you offer the option of Electronic Funds Transfer ("Pre-Authorized Chequing" in Canada)? Yes/No

Marketing your program

Do you have a compelling reason for people to join a monthly program?

Yes, it's _____

What is your marketing proposition? What do you offer a prospective monthly giver?

Will you offer monthly reminders? If so, will you do it in-house? Yes/No _____

Monthly Giving Projections

Have you done the financial calculations to determine the long- and short-term potential net income from a Monthly Donor Program? Yes/No

If we solicit _____ people on our list, and 3% of people give

monthly, that's _____ giving monthly.

If _____ people give _____ per month, in 1 year the total income will be _____.

If _____ people give _____ per year, in 5 years, if this number stays steady, that income will be _____ for this monthly giving program.

Monthly Giving Market research

Do similar organizations have monthly giving clubs? Have you researched their programs and promotions?

1) Similar Org _____

Their website: _____

Option to give monthly on their website? Yes/No

2) Similar Org _____

Their website: _____

Option to give monthly on their website? Yes/No

3) Similar Org _____

Their website: _____

Option to give monthly on their website? Yes/No

BONUS Credit: Did we give a donation?

Were we solicited to give monthly?

What did that look like?

(SPECIAL BONUS! I took screenshots of online materials/kept a folder of offline materials, and started a swipe file!) Y/N

Tell me if you did your extra credit at info@wildwomanfundraising.com and you will get special recognition at the end of this course.

Convincing the boss that monthly giving is a good idea

Investing in monthly giving takes time. You will have to invest in a special mailing, take the time to do email followups, maybe even a phone-a-thon or special remit envelopes or premiums. All of this costs money. How can you get your boss on board?

Hard Data:

According to the Nonprofit Times, “*monthly donors have some of the strongest retention rates in the business. Retention among donors giving one-time gifts is between 41 and 50 percent, while donors enrolled in a monthly giving program are retained 70 to 80 percent of the time.*”¹

Anecdotal evidence: Colleen Lukoff writes on LinkedIn,

“Monthly giving can be an incredibly powerful tool. People will make their own decisions about getting involved. These become prime prospects for planned giving and bequests. I started a program many many years ago, and was just told that - 19 years later - **it has grown to 1,120 donors providing \$70K PER MONTH in revenue.**”

I personally have chatted with a board member for an environmental nonprofit here in Portland, Oregon, (And if you've ever worked for an environmental nonprofit, you know it's difficult to get donations when human services needs seem more pressing), and they make over \$20,000 per month with their monthly giving program, started 15 years ago.

¹From The Nonprofit Times <http://www.thenonproffitimes.com/news-articles/keeping-monthly-donors-is-worth-the-effort/>

Identifying potential monthly givers

Target your best prospects. Who are your best prospects? You need to look at *Recency, Frequency and Monetary* value. All that means is

1. Have they given to you recently? Within the last two or three years?
2. Frequency. Have they given to you more than once a year?
3. Have they given you a small donation each time they give, but a large amount over time?

These are your best prospects for monthly giving.

Other things that make them good prospects? According to Erica Wasdorp's *Monthly Giving, The Sleeping Giant*, donors who give between \$5 and \$99 for the first donation are the best prospects for monthly giving.

People who have given in the last 0-6 months.

Families or older donors on fixed incomes.

Sanaya Kaufman, director of individual giving for Friends of the High Line (FotHL) in New York City says that, “Recently acquired donors are newly dedicated and excited, and multi-year donors have demonstrated commitment and dedication to FotHL.” She cautioned... not to accidentally downgrade that last group of donors: “If you have a donor giving \$300 a year, don’t ask for \$20 a month.”²

Look at your database now and run a report on donors who have given under \$99 in the last two years. How many potential monthly givers do you have? Write that number here. _____

2 Ibid.

What giving levels should you have?

\$19 per month, like the Humane Society of the United States, one of the most successful nonprofits in the world, with hundreds of millions of dollars in revenue every year, starts with a \$19 ask on the front page of their website.

What should you offer as a low end beginning monthly donation? \$6 per month? \$9 per month?

How low is too low?

You can really start at very low levels, to get people to start giving to you. You can upgrade them very soon! So just get them in the habit of giving monthly.

What levels would you like to start with?

____per month ____per month ____per month ____per month



What premiums can you offer?

What is a premium?

A premium is a reward to the reader of your monthly giving appeal to act now. Here's an example of a premium below, from Defenders of Wildlife. They offer a collapsible water bottle.

What would make sense for offering in YOUR monthly giving?

Recently I interviewed Paul Bobnak of Who's Mailing What.com. Paul has been looking at and archiving direct mail for over 15 years. I asked him what sorts of premiums he's seeing in grand controls these days.

Paul says,

“For premiums, probably biggest change is that they're on a slow decline. In the last couple years, there's been a move towards using personalized certificates, massaging the ego of the donor, it flatters them to receive something that is personalized in their name, that wasn't done 6-7 years ago.

That's been on a big upswing since then.

The other thing is that some nonprofits have been mailing a premium item like a tote bag or a blanket, and that's expensive to go in the mail. They will mail that right up front instead of waiting til they've made a donation.

Address labels have gone down because people are using mail less for payments and bills, and they were looking for something to replace it like a personalized certificate. These larger items are heavy and lumpy, a 9 x 11 envelope stands out.”

Why would you want to send a premium before the person has even given?

This comes from a concept by Robert Cialdini called “Reciprocity” which means that the person feels obligated to give you a gift if you've just given them a gift.

The example Cialdini gives is the Hare Krishnas giving out carnations to travelers just coming off airplanes at airports, and then asking for donations after the people get their flowers. The people would feel



embarrassed about taking something but not giving something in return, so they would give a donation to the Hare Krishnas. Then they would dump the flower in a trashcan outside of the airport. Then the Krishnas would go and retrieve the flowers and start all over again.

Working with Kenita Pierce-Lewis, the president of Hope Inc, here are some of the things we are offering for her monthly giving members.

\$9/month level: They get: Bumper sticker

\$27/month level: They get: T-shirt and Bumper sticker

\$47/month level: They get: T-shirt, Bumper sticker and a Friendraiser

\$100/month Level: They get: T-shirt, Bumper sticker, Friendraiser and Personal note from Executive Director

\$250/month Level: They get: T-shirt, Bumper sticker, Friendraiser Personal Note, Coffee with Executive Director and (secretly get an end-of-year gift of something nice, giftcard, fruit or something)

Here are some ideas for premiums, or things to offer your monthly givers:



Here's an example of a membership card from the National Humane Education Society.

Other ideas for premiums:

- A membership card (National Humane Education Society offers this)
- Certificate for donor (lots of nonprofits do this)
- T-shirt
- Water Bottle (Defenders of Wildlife)
- Blanket
- Magnets (Humane Society of the United States)
- Calendar (Global Autism Project)
- Tote bag (Global Autism Project)
- Gardening Bag (Nature Conservancy)
- Bumper sticker
- Friendraiser

- Socks (National Diabetes nonprofit)
- Pen (Amnesty International)
- Address labels

What would make sense for your nonprofit?

If you're a new nonprofit, why not combine getting the word out about your cause and your premium in one, with a bumper sticker?

If you're an environmental nonprofit, could you offer notecards with images of the animals or places your mission is based around?

If you're a human services nonprofit, could you offer a calendar with people you serve, reminding your donors of your mission all year long?

If you're a diabetes prevention nonprofit, could you offer red socks, to remind your constituents to do foot checks?

If you're a homelessness nonprofit, maybe you'd like to offer a blanket, to remind donors what you give to those you serve?

If you're a nonprofit focused on helping those in prison, you could take a page from Amnesty International, and offer a pen and a notecard to write a hopeful note to the prisoners.

Anyone can offer a membership card. How can you make yours stand out?

Anyone can offer a certificate. What would make yours special?

What are some ideas you have now for your premiums? Write these below.

Level 1: _____

Level 2: _____

Level 3: _____

Everyone gets: _____

Making sure you can track and process monthly gifts in your donor database

If you fundraise for the environment, you know it's a tough sell. It's difficult to fundraise for something that doesn't necessarily have a human story attached to it, and something that doesn't seem urgent. I know an environmental nonprofit that has done a monthly giving program for the last 15 years, and now they have \$22,000 in monthly donations.

Not bad for a non-urgent cause!

But how did they get there? They had to really go out and talk with people, and test their approaches, send followups, and track their monthly donors. They do a lot of face to face fundraising. Maybe you're not able or willing to make that kind of investment.

Monthly givers need special tender loving care. And imagine the day you have \$22,000 in monthly donations. That could be hundreds or possibly a thousand donors. There's no way you can keep track of all of those donors in your head.

You need a database to track these donors.

If you don't have a database, what database should you get?

If you don't have a database, if you just have excel spreadsheets, please promise me that you're going to get a database ASAP.

I am not a database expert, but I do know someone who is. Robert Weiner, of <http://rlweiner.com> has a lot of experience with various fundraising databases. There's also the NTEN report which I've detailed here: <http://wildwomanfundraising.com/donor-database>

What database do you have? Is it right for tracking monthly donations? Here's how to find out if your database will work long-term for you to track monthly donors.

Question 1: Can you run and export reports?

This database needs to let you run donor reports and export them to csv or excel spreadsheets. So if you have a salesforce database, that is not going to cut it.

Your monthly givers need to be tracked and you need to run a report on them every month. You need to see who has given you a donation this month, whose credit card was declined, or who stopped giving, so you can call, email, and otherwise follow up with these monthly donors to make sure you can retain them.

Question 2: Does the database allow you to track communication preferences?

If you're sending out a survey to 300 people or more, it's important to have a way to track that in your database. Who wants to get a thank you note every month? Who wants to only get a tax receipt in December? Whatever their preferences, you need to have a database that allows you to see this.

Question 3: Can you view a donors' giving history all in one place?

No, excel spreadsheets can't work with this. Seeing the donor history all in one place can help you track who could be approached for monthly giving.

Question 4: Can you auto-track who got thank you letters, follow up surveys, or other communications?

When you send out all of your appeals or thank you letters, is this documented in your database automatically? If not, it should be. You can't keep track of all of this in your head, and you shouldn't have to.

Setting up reports in your database to track monthly giving

What should your monthly giving reports look like? You need to be able to track:

1. How they joined: What sort of communication you sent (for example, an appeal letter), or did they join through a phone-a-thon? Face-to-face campaign? You've got to track it.
2. The number of letters you mailed.
3. The number of responses you got.
4. The amount of revenue you got in single gifts
5. The average gift
6. The number of monthly donors you got
7. The percentage of response for monthly donors
8. Anyone who stopped giving.

If you can track expenses in your donor database, excellent. If not, here are some things to track in your accounting software.

8. How much you'll make in a year from these monthly donors (gross)
9. The cost of your mailing
10. The total net revenue you have (after the costs have been subtracted)
11. The number of people who drop off and who get added each month.

You should do this for each month. This will help you track how fast or slow your program is growing, as well as which methods are the most effective for recruiting people to your monthly giving program. BARC in Portland, OR has had great success with face to face fundraising. It's definitely worth looking into this method for your nonprofit as well.

Conclusion

Monthly giving is so important to the health of your nonprofit. Whether you're a founder and executive director, or whether you're just starting this program building on an already strong and diverse fundraising portfolio, you've got a lot of decisions to make. I'm looking forward to hearing what levels you choose, what premiums you decide to create, and how many donors you've got in your potential monthly giving file!

Because I want you to not just take this e-course but really take action on it, I've sprinkled this first week with lots of worksheets, lots of actions to take. I want you to not just think about monthly giving, but get prepared to actually do it.

Please print out every week and put it in a binder and write all over it. When you write all over something, you make it your own. Correct my grammar. Whatever you do, don't just sit there!

This week, feel free to email me at info@wildwomanfundraising.com with your results, which levels you're choosing, what premiums you're creating, and your number of potential donors.

Looking forward to hearing from you,

A handwritten signature in cursive script that reads "Mazarine Truitt". The signature is written in dark ink and is positioned above the printed name.

Mazarine