



Week 5: How to Upgrade and retain monthly givers
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Week 5: Upgrading and Retaining Monthly Donors

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Introduction

Here we are, at the end of our five weeks together.

What have you accomplished so far?

Here's a checklist.

Have you

	Made a donor survey?
	Made an FAQ about your monthly giving?
	Made a monthly giving appeal letter?
	Decided what premiums to give to monthly givers?
	Decided what to name your monthly giving circle?
	Decided what sort of different logo or branding this exclusive club will have?
	Decided how to recognize these donors in a special way?
	Decided who you can start cultivating to be a monthly donor?
	Created a case for giving monthly?

If you've done all of these things, then you are ready to move on to how to retain and upgrade your monthly donors.

Let's get started with a story about why I started, and stopped my monthly giving.

Why do people stop monthly giving?

Let me tell you a sad story.

I moved from New York City to Portland, Oregon in the winter of 2001. It was really easy for me to find jobs in New York and I figured it would be a breeze to find a job in Portland. I didn't research the region's labor statistics at all. How wrong I was!

I had no friends, no family, and I was staying in a weird household with people who didn't like me. I basically stayed inside all day and applied for jobs. It was so grey and it just rained for 6 straight months. I thought I was going to die. I was so sad and lonely.

Then one day I took a walk and a friendly person approached me and asked if I'd like to give a monthly donation to ChildAid. I was so happy to see a friendly face that I said YES! Of COURSE! And signed up on the spot.

They sent me a picture of the child I was supporting, and I was grateful to be able to help someone go to school even as I felt pretty wobbly. Helping someone else made me feel good.

Of course, since I didn't have a job, I couldn't really afford to even give \$20 a month, which is what they signed me up for, and soon I had to cancel my monthly giving membership. When I had to stop giving to that child, they sent me another picture of her and asked me to reconsider, but I just couldn't find a job. I eventually moved to Korea to teach English, but that's another story. I felt really bad about having to cancel, but that time of my life was really difficult.

So why do people stop giving monthly?

Perhaps because, like me, their life situation changes. When I started giving monthly, I thought I would find a job in no time. But I was wrong.

What I hope my story illustrates to you is that face to face fundraising really does help you get monthly donors. And sometimes when people stop giving, it has NOTHING to do with your cause and everything to do with their life situation.

Other times people stop giving monthly because their credit card expires, and they just forget to give you their new credit card number. Before their credit card number expires, there should be a reminder in your system to remind them to update their credit card number two months out.

Sometimes people stop giving monthly because they forget that they authorized the gift. This can be a lack of communication on the nonprofit's part. If you don't communicate at least monthly with your monthly donor, they might forget about you altogether.

Or they didn't feel properly thanked for their gift. Maybe they got a form email from you, and then never really felt thanked after that.

Maybe they don't feel a connection to your cause. What if they gave on a whim, or gave because they knew someone who was helped by your program, and a few months later, they are not friends with that person anymore, or they didn't really connect with you personally? Maybe they'll just stop giving. Maybe no one made the effort to get to know them, as donors, to try to figure out what their real motivations to give to you were.

How can you avoid these pitfalls?

Avoiding the pitfalls of monthly giving

You can't avoid people's life situations changing.

Maybe when they joined your monthly giving program they were in an unstable place. If they do fall off in their monthly giving, and their card gets declined, you might want to give them a call and ask them if they're having any issues with their lives right now, and ask them if they'd like to give a smaller amount per month, like \$9.

What if their credit card expires?

This is scary. All this work, and then their credit card expires! You need to follow up before it expires and ask them if they'd like to put a new card into your system. If you have a good database, it should help you remember which donors are getting close to their expiration date. If there's nothing in your database to remind you of this right now, consider making a tag or field in your database that you can put monthly donors credit card expiration date in, so that you can run a report every month and see who is expiring and send a reminder note to them.

According to Erica Wasdorp, one of the ways you can mitigate their credit card expiring is to have a strategy and a process for every time this occurs.

Plan A:

1. Credit card expires or bank transfer stops
2. Email or Letter to monthly donor asking for updated information
3. Updated information received
4. Enter into donor database.

OR

Plan B:

1. Credit card expires or bank transfer stops
2. Email or Letter to monthly donor asking for updated information
3. No information received

4. Try calling at least three times
5. No response to phone calls.
6. Type stop date and reason for stopping into database
7. Put donor on reactivation campaign list.

How can you make a persuasive mailing to win them back again if their credit card expires?

According to research from the DMA marketing conference, Habitat for Humanity tested two letters and one letter outperformed the other.

One letter looked like a normal letter, with just a standard greeting, paragraphs, and the obligatory signature.

The other letter had a column down the side of first names and initials, as well as locations, of people who left the monthly giving program and then came back. It then said, “Can we add your name to this important list?”

Which letter was the winner?

The letter that shared “These are the names of “former monthly givers who left and then came back”

Why would this letter win?

Because people like to do what their peers are doing. Your nonprofit is applying subtle social pressure when you publish the names of people who go away and come back.

It’s a bold move. It’s usual for a nonprofit to hide the names of people who leave, but this list leaves it out for everyone to see.

Publishing this list makes the lapsed monthly donor feel better, that the nonprofit doesn’t hate them, and they know sometimes we have ebbs and flows in our lives, and that they’re welcoming them back with open arms.

What do you think of this method?

What are you going to do if someone's credit card expires?

Write your process here.

How can you help monthly givers feel more connected to your cause?

**Create inspirational
instead of
transactional moments
to keep your donors.**

**- Devin Kelly, Founder and Director, Oregon
Active**

Creating those inspirational instead of transactional moments.

What's an example of this?

Take a page from Oregon Active, a new, small nonprofit run by Devin Kelly. I interviewed Devin a few months ago and here's what he said.

Mazarine: What are some of the ways you engage Gen X and Gen Y to be loyal donors?

Devin: Through our adventure therapy programs. So for instance, we just finished a stand-up paddle-boarding expedition, a disabled athlete named Nathan paddled from Eugene to Portland over 3 days, and we took our donors to celebrate at the end, to participate at the end, in a hands on way, and Nathan is going to lead everyone on a stand up paddle-boarding adventure for someone else who



has a disability.

People don't just see where their money goes, they actually get to be a part of it. That's where the disconnect is with a nonprofit, if you truly want to get involved, hands on where you're a part of the adventure, that's really helped us. Getting their donations by inspiring instead of soliciting. We'd rather just inspire them.



MT: I think it's innovative that you're doing this. I think a lot of nonprofits struggle to engage younger donors and make them care. It seems like you're doing this without a map. Have you ever heard of anyone else doing this?

DK: No, I haven't heard of anyone else doing this. That's why it is exciting and unique, and what we find that if they come on our adventure therapy programs, that might inspire them to become a big brother or a big sister or do more. It changes their perspective

on their lives as well. If you spend an afternoon white water rafting with someone who is blind, it allows you to look at what you thought your excuses were. It inspires you, but on the flip side,

It inspires the person you're helping, because they are helping too. When they come on the trip, with someone with a disability, they help the next person on that trip. They're a part of the adventure therapy team. That's what I needed. I learned that when I was sick, I got over the fact that I might not be able to walk. But the part that killed me more than that, I couldn't do anything. I never felt like I was helping somebody.

Everyone wants to help.

We don't just want to give you a rafting trip because you deserve it, but we want to get you involved as well. The people with disabilities feel like they're helping. And they are. Everyone is helping. We all have our issues, our life challenging conditions.

Ask someone in a wheelchair if they want to go rafting, and all the programs available are with 10 other people in a wheelchair, if they don't define someone by their disability, the only thing they have in common is that they are all in wheelchairs. We want to break down that wall. We are all here to whitewater raft.

We are not here to fix anyone, we are trying to provide an opportunity to go on outdoor adventures. They then get to help someone else instead of getting helped all the time. Not that they don't need it or deserve it, that's another way we look at it differently, we know that everyone wants to help. We decided to provide that platform for people who are disabled to help others if they want to.

MT: What have you noticed as particularly successful fundraising efforts with these younger donors?

DK: People do have to fundraise to go on these trips. That's a newer thing. We have to worry about donor fatigue, with the younger generation they don't have a lot of extra income, when

they come on the trips it's successful. But if we don't align our brand with the fundraiser, if it doesn't have to do with adventure, it's harder to cultivate that inspiration to want to give. Versus if we do an event that they're working with an individual with disabilities.

We're starting to see that it is hard to get to that annual budget with 25-30 year olds, so we are starting to work with corporations, so their employees get that hands on engagement and with our members not everything we have to do they have to fork out money. It's a learning process.

We have no map. We have to listen to the donors, listen to the athletes and the participants that help us, we learned that the more you engage, the more they're going to give. The less you engage, the more we have to sell it. We're trying to engage them to want to give.

A lot of our events are free. These are some of our best turnouts, and they get engaged and they end up donating on the back end because they were excited to be a part of it.

MT: Do you have any advice for people who want to keep their donors?

DK: Not to beat a dead horse, it is that engagement, find out why they are so passionate. Find more people to do what they're passionate about. **Include those people who are passionate in the part that makes them passionate.** If you're an animal nonprofit, look for volunteers, people who already love animals, identify and align with your demographic. Find people who are as passionate about the cause as you are. Don't just give them a paper pushing job. Find out why they wanted to get involved. Instead of giving them a task, listen to what they want and involve them and engage them. Sometimes that younger generation wants instant results. Often times those cans need to get sorted, but people say, that didn't do much for me. Or people want to see where their money goes.

Identify with them, listen to them, find out why they wanted to give in the first place.

If I never got to work with the athletes, *I* wouldn't be as inspired to help. That's my reward for all the work! I can't hog all that inspiration! I want to share it. I have to include people in on that, that's what keeps me going. If there's someone who just updates our Facebook page, and they never get to go on a trip, they are going to get really bored.

Find the root of why you do what you do, and include EVERYONE in on that part. If you can do that, that's how you create that loyal following.

How can you start to connect the beneficiaries of your programs with your monthly donors?

Can you make an event focused around your mission? What would that look like?

An event that focuses on _____

Who could tell a story _____

Who could host this event? _____

Other details: _____

How can you help remind people that they authorized the gift?

Other times people stop giving monthly because they forget that they authorized the gift. Here are some creative ways to remind people that they are valued members of your monthly giving club:

- Send them a little note every quarter telling them thank you for their monthly gift, and update them on what they've helped accomplish.
- Send them an invitation to a monthly givers only thank-you event
- Send them a t-shirt or bumper sticker 6 months after they started giving, to thank them for becoming a monthly giver, and to encourage them to share their decision with their friends and family.
- Send them a pen with the logo of the monthly giving program
- Send them a coffee cup with the logo of the monthly giving program
- Call them and say thank you at their 6 month-a-versary and 1 year-a-versary of being monthly donors to your nonprofit.
- Create a separate newsletter that shares what their gift is accomplishing, and send it out every month.

What are you going to do to remind your donors of their gift?

How can you help people feel properly thanked for their gift?

You can do a lot of small things that turn into big things. For example, you can create a certificate for monthly donors that acknowledges their gift and their membership in your special monthly giving club.

You can offer a coffee chat with your executive director for new monthly donors.

You can make a thank-a-thon for your monthly donors, and call directly after you receive the gift, or a week later

If the transaction takes place online, an automatic email should go to the donor.

You should send out a personalized thank you letter within 48 hours.

What will YOUR process be to make sure people feel thanked after giving a monthly gift?

Step 1: _____

Step 2: _____

Step 3: _____

How much should you communicate with monthly givers?

As Adrian Sargent says, each of your communications with your monthly givers should:

- ***Clearly articulate your organization's values.***
- ***Make clear to donors the difference their support is or has been making and therefore the consequences to the beneficiary if they were to withdraw.***
- ***Consider the "journeys" that you will take supporters on. This might be as simple as considering what "a year in the life" of each category of supporter might look like, or it may be more sophisticated, looking at how each segment of donors will be educated about the cause (and brought closer to it) over time.***
- ***Actively encourage donors to interact with the organization. In the electronic environment, for example, this is relatively easy. Supporters can be asked to sign up for specific forms of communication, to offer recommendations or suggestions, to take part in research, to "ask the expert," to campaign on behalf of the organization, to "test" their knowledge in a quiz, etc. The more two-way interactions that are engendered, the higher the level of loyalty achieved will be.***

Survey your monthly donors and ask them how often they want to hear from you. If you don't hear back from them, what's a good rule?

Once a month is good to communicate with monthly givers. When a person becomes a monthly donor, it's good to get them to give you their email address, so you can make sure they are also getting updates from your nonprofit on a regular basis. You can also send out an automated thank-you email every month to your monthly donors when their transaction goes through. What could your

monthly email say?

“Thank you for your recurring gift of \$25.00 to our nonprofit. Here’s exactly where it goes. When you give \$25 to our programs, we use it to help our parents afford transportation to school. Some parents have to take a combination of buses, trains and taxis to get to school, and finding money for transportation can be a huge barrier.

You make our services possible. Because of you, this gift allows us to erase a small speed bump in their progress towards getting a college degree.

You will continue to make a difference with your next gift of \$25.00, scheduled for <date>. We simply could not provide these services without your generous support.

Thank you again,

Signature of your leader”

Q: Should you send your monthly givers an appeal mailing?

A: YES.

But do it delicately. What does this mean?

It means you can send them this letter, and then include a bucksliip that acknowledges their previous gifts, and offers the opportunity to take part in this particular project.

It might say: *“Thank you so much for your support as a Ruby HOPE donor. I hope you enjoyed this special update. While you already support us with your monthly donation, perhaps you’d be interested in giving a special donation to support program X today. Thank you again!”*

Upgrading, when to ask, how to ask

The biggest mistake is not to ask.

If you can come up with a compelling reason, a new challenge or a particularly poignant new program, then ask six months or one year after the donor has started giving monthly.

Try to start with one upgrade campaign per year.

Nonprofits usually ask for upgrades over the phone, and then send an acknowledgment of the new amount immediately afterwards.

You can magnify your impact by combining a personal email to the monthly donor with a phonecall.

The upgrade amount is usually modest, perhaps no more than a few more dollars per month, (from \$9 per month to \$15 per month) but added up over time, this technique can make exponentially more for your organization.

The donor must feel there is a REASON that you need more money monthly, so you need to be able to provide that compelling reason.

You can include an ask for your monthly program in each appeal letter that you send from now on, to new and old donors alike.

You can add a premium such as a calendar, a pack of notecards, a t-shirt and more as an incentive to get your monthly donor to upgrade to a higher level.

You can add a reminder to each of your appeal letters and pledge reminders, calculating how much you could save if EVERY donor was a monthly donor to your organization.

You can also remind people here's what we could do with the money that we would save if everyone were a monthly donor.

What could you say on the phone to help upgrade your donors?

“I’m calling you today because you are a treasured member of our Ruby HOPE monthly giving program. Thank you for everything you do., <firstname>. Ruby HOPE members are transforming the future of single parents finishing college. You have helped our parents with transportation to school for the last six months. If you’re in a position to do even more, consider increasing your monthly amount today. Just a modest increase of \$3 or \$5 a month makes a big difference for our nonprofit.”

Monthly giving is an opportunity to build loyal donors who see themselves as partners of your organization and mission. They become your champions, your volunteers and sometimes your best planned-giving candidates.

What are you going to do to create a process to upgrade your monthly donors?

Example:

Phone-a-thon Date: _____

Potential phone-a-thon volunteers: _____

Conclusion

Thank you so much for participating in Fantastic Monthly Giving!

What have you learned?

What do you still have questions on?

Is there anything I can do better?

Thanks for coming on this journey with me. Even though our course is over, I'd be honored if you'd email me and let me know what you thought, and what actions you're going to take. My email is info@wildwomanfundraising.com.

I'd love to hear from you!

A handwritten signature in black ink that reads "Mazarine Frey". The script is fluid and cursive, with the first name "Mazarine" being larger and more prominent than the last name "Frey".

Mazarine



Extra Credit

Adrian Sargeant Donor Retention, What do we know and what can we do about it?

<http://www.nonprofitquarterly.org/philanthropy/22708-donor-retention-what-do-we-know-what-can-we-do-about-it.html>

Books to read about monthly giving:

Monthly Giving, The Sleeping Giant, by Erica Waasdorp

Hidden Gold by Harvey McKinnon

Retention Fundraising by Roger Craver