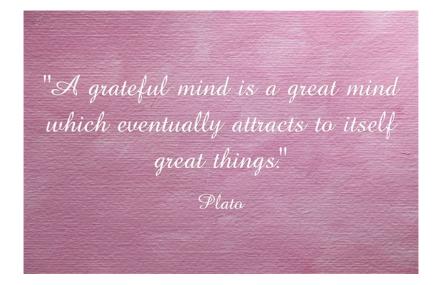


ANATOMY OF A NONPROFIT THANK YOU LETTER

That Inspires Future Passionate Gifts

A Checklist of Key Elements + Samples

Includes a Link to a Free Gift + Free Quick Consult



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A first-time gift is often made as a test. It's a spur-of-the-moment decision... or a favor to a friend... or a "let's see what they do with this/how they treat me" sort of transaction.

A second gift is often made from habit. It's an "I did it before, so I must've been right" type of action. No real decision-making involved.

Giving can be a rut. A semi-passive endeavor.

But creative, personal, awesome thank you letters can get your donors out of their ruts and move them towards active, *thoughtful*, and even *passionate*, giving.

Let's begin with reminding yourself of the purposes of your thank you letter.

- To promptly let the donor know the gift was received.
- To show how deeply appreciative you are.
- To be clear about what the gift will accomplish.
- To demonstrate that you're an organization that pays attention to detail (include in the letter any personal information, such as the fact the donor would like the gift (1) earmarked for a particular purpose; (2) kept anonymous; (3) dedicated to someone's memory or honor, etc.).
- To warmly welcome the donor into your family a group of people with shared values.
- To make the donor feel a part of something larger than themselves.
- To validate the donor; let them know they made a great decision to give to you.
- To reconnect the donor with your mission, vision and values.
- To show the donor some love it's not just about their money; let them know other ways they can be involved with you.
- To help the donor learn a little bit more about you.

Thank you is the beginning of the donor relationship, not the end. The gift is simply a business transaction.

- If you simply enter the gift into your database and generate an automated receipt, you're not doing anything to transform this one-time action into an *ongoing* relationship.
- If you simply spew forth a one-size-fits-all letter, you're not doing anything to build a *personal* meaningful relationship.

Effective thank you letters are thoughtfully designed to create a lasting bond that will bring in funds year after year.

- Thank you letters are not a place to talk about your needs or reiterate
 mind-numbing statistics about the numbers of people, places or things
 that still need help. These letters only make the donor feel hopeless –
 as if what they did was too little to ever make a dent in the problem.
 Worse yet, they often are perceived as second appeals for money.
- Thank you letters are a place to tell inspiring stories. Particularly the story of one person, child, or animal whose life was made better through the donor's help.

A whitepaper from Burk's Cygnus Applied Research notes that the 1997 National Survey of Giving, Volunteering and Participating study found that up to five out of every ten donors stop giving – or give less – because they feel, in part, that their giving isn't appreciated. Research by Adrian Sargeant reveals that if you can increase donor retention by just 10% you can increase the lifetime value of these supporters to your organization by 200%. That's whopping!

So... let's take a look at some simple things you can do to capture your donor's attention and captivate their emotions.

THE "SWEET 16 "KEY ELEMENTS OF EFFECTIVE THANK YOU LETTERS

There are certain elements every thank you letter must include. Think about the best ones you've received when you've given a birthday or wedding present. Chances are the most memorable ones were heartfelt, emotional, tangible and original. They made you feel glad you gave the perfect gift. Good thank you letters to donors are no different. I've heard them described as 'a smile in an envelope.' Basics are:

1. Date

This seems obvious, but don't forget it. In other words, even if you have a pile of pre-fab letters sitting around (which I don't advocate!) make sure you add in the date. I'm also hoping that the fact you're including the date will make you embarrassed if you get the letter out too late.

2. Personal salutation

¹ Penelope Burk is author of <u>Donor-Centered Fundraising</u>. It's a must-read for any fundraiser who aspires to be worth their salt. I completely changed the way I did fundraising after hearing her present her research and reading her book.

No 'Dear Friend' please. And no 'Dear Mr. Donor' either. Wasn't the donor's name on the check they sent or the credit card they used? Use the donor's first name unless they (1) are clergy; (2) are a political figure, or (3) have made it clear they prefer a formal salutation. Again, don't argue with me. Informal is the way of the world in the 21st century. And use a comma after the name rather than a colon. The latter is for formal business letters; not for warm thank you letters.

3. Catchy opening line

"On behalf of ____, thanks for your gift." This makes me cringe! If you use this tired, boring opener chances are your donor will read no further. They'll file or toss the letter. You've lost your chance to inspire and bond. The thanker thanks. Not on behalf of someone else. Here are some much better examples:

"You remembered, because they couldn't." (Alzheimer's charity)

"Children will sleep safely tonight, because you care." (Women and children's shelter)

"Hunger shouldn't be an option; thanks to you it won't be." (Food bank)

"This year's lunch program is safe. Because of you. (Senior center)

4. Feedback on how donation will be used

Per research by <u>Penelope Burk</u> in <u>Donor-Centered Fundraising</u>, keeping donors informed about how their money was used is one of the most important ways to ensure future gifts. One of the most effective ways to communicate this information is to share a good success story. Stories are more memorable and more powerful than a recitation of a bunch of facts and figures (and when you do that the letter begins to be perceived as another solicitation). <u>Human beings are naturally wired to pay attention to storytelling</u>. Also, be sure to tell a story that relates to the purpose for which the gift was designated. Tip: Keep an inventory of stories about the good things your charity accomplishes; drop these into your thank you letters as appropriate. Make a note of which stories have been used so that you don't repeat them to the same group of supporters.

5. Verification of amount of donation

You always want to let your donor know that you know how much they gave. If the donation represents a significant increase, it's nice to mention this. If it's enough to enroll them into one of your Gift Societies, welcome them to the club! Plus, folks want to save these letters and file them away for tax purposes. Generic "thanks for your donation" won't cut it.

6. Acknowledgment of any special instructions

If they asked for the gift to remain anonymous, make sure you reassure them that it will be. If they earmarked their gift specifically, make sure to mention this. If they ask not to be solicited more than once a year, acknowledge this too. If they enclosed a matching gift form, thank them again for this additional gift.

7. Acknowledgment of any special connection with your organization

If they're a board member or volunteer, thank them also for this service. If they're an alumna, mention this connection. If they've increased their gift or made an additional gift, let them know you noticed.

8. Invitation to get involved

Your goal is to build a relationship with your donor. Everything shouldn't be about their wallet. Encourage them to get involved in other ways. Let them know how they can volunteer, join a committee, help out in the office, participate in an advocacy campaign or attend an interesting lecture. And invite them to subscribe to your newsletter or blog and follow you on social networks to receive timely updates and useful information.

9. Contact information of a real person

Give the name, phone number and email of someone the donor can contact if they have any questions about the letter or how to get more involved.

10. The right messenger

Your letter must come from someone important or authentic. In other words, from your E.D or board president or Gala chair or program director. Or even from a client. What donors really don't want is a letter from a development director. There, I've said it. (If you know the donor personally, however, it's great to hand-write an additional thank you note on the face of the letter).

11. Number of signatories

One. This is a one-to-one endeavor. Keep it believable. No one believes that two or three people actually sat down and wrote a letter together.

12. P.S.

If you're familiar with principles of direct mail you know that often the P.S. is the first or second thing read. So take advantage of this valuable real estate for something really compelling or useful (e.g., an invitation to tour your facility or join you for tea; contact information of a warm body they can reach, etc.). And never make this an invitation to join a gift club or otherwise ask for another gift!

13. Language on tax deductibility

This is the least personal part of the letter and is really a housekeeping detail. I like to put it at the very bottom, underneath the signature and P.S., in a somewhat smaller font size. But don't forget it, as <u>donor disclosure</u> is required by law and is a true courtesy to the donor.

14. Tribute envelope

I do not advocate asking for another gift in your thank you. However, I do think it's a good idea to include a tribute envelope for the donor to use at his or her convenience. I think of it as a 'gift' to the donor. Perhaps they'll have a gift-giving opportunity soon, and it will be particularly convenient for them to be able to simply make a donation in their friend's honor (this is why I suggest a tribute envelope rather than a generic remit that is used for your annual campaign). Having the envelope on hand makes it simple.

15. Thank you 'insert' testifying to impact of gift

I like to include one-page with excerpts from client thank you letters. If the gift was earmarked for a particular program, you can include one longer letter from a beneficiary of this program. This is not the place to include more data about your programs, additional stories about clients or information about numbers of people helped or in need. Why? Because it can begin to appear like you're asking again for another gift. Too often, insert pieces read almost exactly like solicitation pieces. This is a thank you. Mostly, just include more thanks. You can also include involvement opportunity dates (e.g. for tours, lectures, coffee, office hours, etc.).

16. Reply envelope

This one is a little bit controversial. I certainly would not advocate asking for another gift in your thank you letter. However, making it *easy* for your donor to make their next gift is quite a different thing! For that reason I advocate enclosing a tribute envelope – something that makes it clear this is for the donor to use as a convenience. I've had so many donors thank me for these envelopes because it makes it easy for them to send gifts to friends and family by making a donation in their honor or memory. In fact, I've had folks call me to tell me they've run out of these and "could you please send me some more?"

GENERAL RULES:

- Keep the letter short definitely just one page. Folks don't want you to kill a lot of trees to thank them. * In fact, I advocate that your insert piece be 'virtual' and copied onto the reverse side of your letter.
- Stay away from vague "thanks for your help" and steer towards specificity as to how the donor's gift helped.
- Proof read, especially for spelling of donor's name and amount of gift.
- Read again to make sure you've used "you" much more than "I" or "we."
- Sign them by hand.
- Try, whenever possible, to add a brief personal note.

LETTER SAMPLE #1

(Use an easy-to-read serif font, like Times New Roman, Garamond or Palatino).

Date

[ADDRESS BLOCK]

Dear ______, (first name and use comma!)

(Indent paragraph; begin with a punchy first line)

You didn't ignore our letter when you received it, thank goodness, and because of that no senior will go without lunch this year.

(Thank for specific amount and purpose of gift; show impact)

Your [Amount] gift to our [Name of program] will assure a warm, nutritious lunch for 86-year-old Max and 92-year-old Sophie six days a week, all year round. Because you care, dozens of other vulnerable seniors who would otherwise not eat will also get a hot daily meal.

(Embrace the donor as part of a larger community of like-minded givers)

I can't tell you how much it means to folks to know our community is here to support them, because there are people like you. It's not just the food; it's also knowing they are not alone. Thank you for being such a good neighbor and friend.

(Acknowledge special instructions or special connection)

As requested we will keep your gift anonymous. We will also take your husband's name off of our list, and extend our sincerest condolences on your loss. If there is any way I or anyone here can be of help to you during this difficult time, please let us know.

(Mention if this is an upgrade, additional, milestone or otherwise special gift)

Again, thank you for you long-time support. I noticed this is your 10th consecutive year of giving –You're a [name of organization] rock star!

(Invitation to get more involved)

I'm having a series of intimate brown bag lunches where I love to meet and chat with dedicated supporters like you. If you're interested, please call [staff name] at [direct number] (Can also refer to dates/times on insert).

(Closing)

Your gift will be put to work immediately, making a real difference. Thank you!

Warm, personal regards, (Hand-written signature)

(P.S.) The words of some of the people helped by your gift express more eloquently than can I how much your support means. Please <u>see reverse</u>.

(Tax disclosure)

No goods or services were provided in exchange for this donation, which is tax-deductible as provided by law.

LETTER SAMPLE #2

[ADDRESS BLOCK]

Dear _______, (first name and use comma!)

(Indent paragraph; begin with a punchy first line)

Did you know you're a hero to six-year-old Jesse? Seriously, you are!

(Thank for specific amount and purpose of gift; show impact)

Your [Amount] gift to our [Name of program] will make it possible for him to learn to read next year, and also to spend the day with warm and caring teachers. The difference from where Jesse comes from and where he's going, because you care, is absolutely huge.

(Embrace the donor as part of a larger community of like-minded givers)

Children are our future, and it takes a community of people like you to assure they get a good start in life. Thank you for nurturing hope and health.

(Acknowledge special instructions or special connection)

Of course, as a volunteer you know better than most how much these children need you. But not everyone gives both time and money, and those who do truly mean the world. We simply couldn't do this work without you.

(Mention if this is an upgrade, additional, milestone or otherwise special gift)

Thank you, also, for enclosing a matching gift form from your employer. My heart is overflowing with gratitude for all your support.

(Invitation to get more involved)

I hope to see you at our upcoming Volunteer Recognition Event. Please call [staff name] at [direct number] to reserve your space. I really hope you'll attend!

(Closing)

Your gift will be put to work immediately, making a real difference. Thank you!

Warm, personal regards,

(Hand-written signature)

(P.S.) I've enclosed a snapshot showing how happy Jesse is with his teacher. Please see reverse to hear how much it means to his Mom to have him included in the program. There's also a note from his teacher. It's inspiring stuff – made possible by you!

(Tax disclosure)

No goods or services were provided in exchange for this donation, which is tax-deductible as provided by law.

What about donors who give to you online?

I'm a firm proponent of sending online donors a mailed thank you letter in addition to an immediate emailed thank you.

Yes, I know this is expensive and many nonprofits are moving to online as much as possible. Personally, I think this is penny-wise and pound-foolish.

When you mail a letter you have so much more opportunity to win your donor over with personal touches.

You can hand write a personal note. You can insert a token gift (grab my <u>Creative Ways to Thank Your Donors</u> with 35+ ideas of ways to wow your supporters). You can enclose a list of volunteer opportunities or events.

I don't believe you can thank supporters too much.

Sending a mailed letter on top of your email note just creates an extra engagement point with your donors, showing you care about them for more than just their money.

If you can't get your "powers that be" to go for this, at least make sure your online donor receives a powerful thank you letter, and not simply something that looks like a receipt. You still want your donor to read it and feel warm and fuzzy! Here are some basic rules:

Pay attention to your subject line so it doesn't end up in your donor's spam folder or look like something they can simply delete.

Put your organization's name in the "From" line of your email. The donor wants to know who you are if she is going to consider even opening your thank-you. Be clear in the "Subject" line. Say exactly what this is about. Something like "A warm thank you!" works. Or, "Thank you for your donation." Don't use more than 45 characters so it will show up well.

Get personal. Start your message with the donor's name. First names are powerful, so use them. "Dear Joanne" or Dear Fred and Louise." Use a comma rather than a colon. You want to be informal.

Please note: If you search the web you're going to come across lots of sample thank you letters that are simply dreadful. The ones I'm sharing with you aren't.

Check out these donor-centered thank you letter examples:

Nonprofit About.com, Joanne Fritz 5 Thank You Letters Donors Will Love

<u>Kivi's Nonprofit Communications Blog</u>, Kivi Leroux Miller <u>Creating More Donor-Centered Thank You Letters: One Nonprofit's Success</u> [Examples]

Sumac

How to Write the Perfect Thank You Letter

<u>Lisa Sargent Communications</u>, Lisa Sargent How to Write a Better Donation Thank You Letter (And Why it Matters)

Check out these donor-centered email thank you examples:

Pamela Grow "What's in my Inbox" - Merchant's Quay, Ireland

<u>Clairification - A Guide to Really Making Donors Your Heroes [Case Example]</u> – One Justice, California

REMINDER as to why the thank you is so important: According to Penelope Burk's *Donor-Centered Fundraising*, **only four in ten donors say they always receive a thank you letter after they make a donation**. Whoa! Are nonprofits really that ungrateful? My hunch is that many of you are sending letters that are so perfunctory as to not even be perceived by the donor. If it's a receipt... or a mailer that appears to be another solicitation... or something that looks so computer-generated that the donor throws it right into the trash... well, then you've missed your golden opportunity to begin building a relationship.

The relationship is what will get you a future passionate gift.

This E-Book is excerpted from the Clairification <u>Attitude of Gratitude Donor</u> Guide (which includes "Creative Ways to Thank Your Donors".

Keep going...

Two more free gifts!

If you subscribe to my free Clairification newsletter I'll send you my free **Donor Thank You Calls + Sample Script E-Book**. Have new posts and other goodies delivered straight to your inbox.

If you grab this free E-Book you'll also find a link for a **free 15-minute consultation** enclosed. We can talk about any issue you wish. No strings. Honest. I'm just paying it back.

Hope you have a very happy season filled with many blessings. And thank you for all you do to bring blessings to others.

Best personal regards,

Claire Axelrad

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