

7 Key Drivers of Retention

Most fundraisers are good at measuring donor **behavior**. RFM, up-grades/downgrades, almost anything related to transactions the donor makes with the organization.

Few fundraisers are familiar with the importance of donor **attitudes**, ***Yet it is the donor's attitude that influences the donor's behavior.***

Most importantly the creation of good or poor ***donor attitude is the one factor the non-profit itself can control and influence.***

Until non-profits focus as much on donor attitudes as they do behaviors, they will never fix the retention problem. And until retention is addressed, non-profits will forever be dealing with a leakier bucket, one that cannot be re-filled fast enough.

Why Attitudes?

- Donor attitudes dictate why donors behave as they do.
- You cannot understand the “why” by looking at RFM segments or other behavioral markers.
- The only way to strengthen the donor relationship and retention is by focusing on the “why”.

For nearly 30 years the commercial world has understood the importance of ‘attitude’ and has spent literally billions of dollars in understanding what and how to drive customer attitudes toward greater and greater customer loyalty and commitment.

The result? The commercial world enjoys customer retention rates approaching 90% while the national average of non-profit retention rates is only 41%.

Concepts of “Attitudes” Not Fuzzy; It’s Math-based

Over the past three years [DonorVoice](#), a firm I co-founded to deal with retention, has combined experience in the commercial world while building on the donor loyalty work of Professor Adrian Sargeant.

In a series of intensive studies in the U.S. and U.K. of hundreds of non-profits DonorVoice has proven :

- There is a link between donor attitude and behavior and,;
- Identified the key actions non-profits can take strengthen donor attitudes and relationships.

The Executive Summary of a U.S. national survey we conducted and which goes into great detail on the “proof” side) can be found [here](#).

Actions You Can/Should Take

In addition to empirically proving the link between attitude and donor behavior we identified the key seven (out of 32 possibilities) fundraising, marketing, communication and operational activities a non-profit should engage in to increase donor retention.

In addition we answered the question of “now what do we do?” that invariably arises when looking at the seven drivers, by providing a myriad of ideas, tactics and just good fundraising know-how for each of the seven.

In reviewing the work of our studies Ken Burnett, author of the classic *“Relationship Fundraising”* points out that “For those who might suggest this is all common sense I would only point out that it is common knowledge the value of a retained donor is ten times that of a newly acquired one and yet, the retention rates for the non-profit sector have only worsened. It would seem a little more common sense is in order.”

We have grouped the actions that can be taken to influence the 7 Key Drivers in an “Idea Bank”. Before reviewing the Idea Bank for each driver it is worth reviewing the long list of POSSIBLE drivers of Donor Commitment (the DonorVoice model for retention and a proven predictor of behavior). What is important is to recognize, despite the opinions of those in your organization , **that most activities performed by non-profits DO NOT MATTER to the donor.**

That is a stark but very true reality, validated not only in the DonorVoice studies but also in reams of social science research on this topic, that comes from knowing about how people process and retain information. Even if donors wanted to (and they don't), they, as people, simply cannot be expected to mentally process the massive amount of information presented by a non-profit in its communications.

To deal with this information overload donors create mental shortcuts or filters that together, form their collective framework for your organization. Some people might (correctly) refer to this framework as your "brand. "

The key driver analysis [in box at right], identifying the seven activities, in yellow, among 32 that form that mental framework, is as important as knowing donor RFM--recency, frequency and dollar amount.

Personal

1. Timeliness of their thanking you for your support
2. Sending a personalized thank you for your support
3. Thanking you for your support in a way that makes you feel good about your donation
4. How regularly they thank you for any ongoing support
5. Providing you with a feeling of accomplishment made possible by your support
6. Providing you with a feeling that your involvement is appreciated
7. Providing you with a feeling of being part of an important cause
8. Being an innovative charity
9. Being focused on their mission
10. Being a well respected charity
11. Providing opportunities to take action for the cause (e.g. sign petition, organize others, attend rally)
12. Providing opportunities to get more involved (e.g. see the organization's work first hand, meet staff, volunteer time)
13. Providing opportunities to make my views known (e.g. solicit your opinion on where they should focus their effort, easy to make suggestions)
14. Publicly recognizing my contribution

Functional

15. Informing you how your donation was used
16. Explaining the tax benefits of your donation
17. Knowledge of issues they are focused on
18. Efficiently spending their money
19. Effectively trying to achieve their mission
20. Using donations ethically
21. Asking you for appropriate donation amounts
22. Keeping me informed about how organization is getting results
23. Sending information that shows who is being helped
24. Sending information that makes me glad I support it
25. Sending information that reflects my specific interests
26. Providing readable information
27. The frequency of requests for donations
28. The frequency of information not requesting donations
29. Creating a sense in me that they would do a good job of responding to a complaint or question if I had one.
30. Knowing what to expect from the organization each time you interact with it
31. Communicating with you in the way you prefer (e.g. by mail, email, phone, mobile device)
32. Having a similar look and feel to all communications with you (e.g. by mail, email, phone, mobile device)

This is particularly true when the key drivers are identified using a model PROVEN to predict key behavior.

To come full circle, if you deliver on these seven key drivers (the donors' mental framework for how they feel and think about you then the behavior you covet –retention --will come to pass. It is that simple and complicated all at once.

The Idea Bank

We created a list of actions in generic terms applicable to virtually all organizations those activities that will impact Donor Commitment and therefore improve retention.

To identify those actions that truly matter we performed a series of statistical analyses, often referred to as "key driver analysis". Importantly, the master list and key drivers for any specific organization would be more specific and tailored to that group. However, absent a custom study, any organization is well served in focusing its efforts on the actions set forth below.

Idea Bank for "Effectively Trying to Achieve Mission "

- Exceptional storytelling. Creates a collective experience better than anything
- Use of donor engagement language that gives ownership to them for the impact of programs. ("Thanks to you..." "your help did xxxx"..., "you accomplished xxxxx")
- Allow donors to express their reasons for supporting the cause so they feel part of a larger community and establish a social norm.
- Make donors the voice of the organization--invite champions to write the appeals, do fundraising among their friends and family, etc.

- Continual reminder and updating on importance and urgency of the cause or issue
- Frequent progress reports on movement toward solution along with reminder of urgency
- Tell/show the other donors, volunteers, experts, etc who have joined in the cause
- Use third party testimonials/endorsements from impressive/relevant people including celebrities
- Tell the commitment stories of donors, volunteers and staff
- Tell the commitment stories of donors, volunteers and staff
- Use pins, decals, certificates and other indicia of 'belonging.'

Idea Bank for "Knowing What to Expect from the Organization with Each Interaction"

- Overhaul broken, lame acknowledgement system making it much more than just a 'receipting' program.
- Send 'thank you' from beneficiaries or in voice of the beneficiaries.
- Thank you directly from beneficiaries is best. Thanks from program staff at front lines is second best. Thanks from 'membership or development director' is marginally better than no thanks at all.

- Communicate sense that the donor has become an owner or integral part of the program and its successes
- Use technology. Videos of communities helped...pictures of people whose lives were changed...first-person emails from volunteers on the frontline.
- Send a special note of recognition and thanks on the anniversary of their first gift, their birthday or other special occasion.
- If appropriate, recognition in 'honor rolls', special recognition clubs, annual reports and features in newsletters
- "Insider" memos shared from the executive director, members of the board or key staff indicating progress and noting that this wouldn't be possible without donor's support.
- Send postcards or photos from the field with note recognizing support
- Certificate of recognition at key anniversaries or annually
- Packet of newspaper clips with cover note indicating the donor's help made this possible
- Occasional email alerting donor to special events or recent developments
- Invitations to telephone briefings

Idea Bank for “Timeliness of Thank You’s”

- Thank new donors promptly and personally. Speed and personalization key to a second gift.

- Thank all donors personally. Personalization more important than speed for most donors. In DonorVoice studies 30% of donors want a prompt thank you, but 50%+ say personalization more important than speed. In short, you don't get points for speed if the quality of the thank you is not personalized.
- A telephone thank you is likely to produce huge dividends in terms of a second gift and also longer-term retention. It's timely, personal and because it's two-way you can often find out a lot about the donor.
- An occasional postcard or photo from the field, a project or perhaps even a birthday card is an 'evergreen' way of letting the donor know she/he's appreciated and that the organization is grateful.

Idea Bank for "Providing donors opportunities to make views known"

- "Meet and really listen to your donors at regular intervals."
Ken Burnett
- Use the inexpensive and readily available teleconferencing technologies for donor briefings.
- Invite donors to your office or to a project site for an on-site briefing by key staff or program personnel.
- Make wide and effective use of the many inexpensive online survey tools available. See www.donorvoice.com for a set of inexpensive widgets and feedback tools

designed to help monetize your website, get the most out of your online communications and boost donor commitment.

- Include short surveys, questionnaires or referenda in your acknowledgements, newsletters and as part of your on-going email communications
- “Make it as easy as possible for donors to recommend and introduce your cause to their family and friends. Not by promoting your organization, but by circulating and sharing their experience and sense of fulfillment.” Ken Burnett
- Encourage donors to rank different aspects of your mission. Ask donors to provide input about their priorities, not yours. This adds to sense of participation and stands as a powerful expression of your interest in them. Experiment with online and paper surveys. You may find that the older donors may prefer or be more responsive to paper, but that’s not always the case.
- Give donors the opportunity Allow donors to express their reasons for supporting the cause so they feel part of a larger community.

Idea Bank for “Providing donors with feeling they are part of an important cause”

- Request a special gift—a monthly commitment, a larger than normal contribution – to emphasize the importance of involvement.
- Third party reports/testimonials indicating why the organization is important and what it’s accomplishing.
- Gather, photocopy, and clip together a fistful of news clips and send to donor with a simple note (“I thought you’d like to see what your support makes possible.”)
- “Develop strategies for building the trust of your donors. Practice transparency, accountability and consistency and promote these openly. Always keep your promises and show that you have and do keep them.” Ken Burnett
- Use stories to help convey the connection between the donor and the cause. Stories about specific donors and what their help accomplished...stories about beneficiaries and how their lives were changed improved by the generosity or involvement of donors and volunteers.
- Consider placing “best” (most frequent, highest \$, longest tenured, etc.) donors in special groups or ‘clubs’ that recognize and reward their special nature.

Idea Bank for “Providing donors with feeling their involvement is appreciated”

- Send a ‘Welcome’ package to new donors that contains story or statement on how donors’ funds are making a difference in the world.
- “Learn to really see what you do as if through your donor’s eyes. Cultivate and teach this obvious but rare talent in all your donor facing colleagues. Practice this together until you really mean and walk the relationship talk.”— Ken Burnett
- Letter, note or email from ‘outside’ or third party commending donor for supporting this worthy and effective cause.
- Create a ‘memorable moment’ for the donor to strengthen her/his emotional connection to your organization. Perhaps it’s a note congratulating the donor on a promotion...perhaps a birthday or anniversary card...or perhaps a personal video from a beneficiary or staff showing the donor what her/his contributions make possible.
- Engage and treat the donor as ‘special’ in every encounter she/he has with the organization. This means phones get answered politely and enthusiastically...letters of complaint –and praise—are responded to promptly and inquiries promptly answered.
- Work hard at producing compelling content that reflects the donors interests and, as much as possible, target

your emails, postal mail, newsletters and social media to reflect program/mission accomplishments in those areas the donor has supported.

Idea Bank for “Send Information Showing Who is being Helped”

- Welcome package and thank you communications should tell a story about who is being helped.
- Consider direct communications (letters, videos, photos) from beneficiaries of the organization.
- Newspaper, magazine and digital clippings provide powerful third-party testimony to the effectiveness of the organization.
- Consider the use of video, audio, or photographic reports from the field. Reports that show the organization in action and provide a picture of those being helped.
- Take a leaf out of the communications book of child sponsor organizations where the sponsored child writes directly to the donor. There are countless variations of this that an organization can use.

Resources

TheDonorVoice.com This website contains a treasure trove of research and 'how to' information on both theory and practice. Pay particular attention to the "Blogs and Resources" section.

"Relationship Fundraising: A Donor-Based Approach to the Business of Raising Money", Ken Burnett, 2nd Edition Jossey-Bass.

"Building Donor Loyalty: The Fundraiser's Guide to Increasing Lifetime Value", Adrian Sargeant and Elaine Jay, 2004, Jossey-Bass.

About Roger Craver and DonorVoice

Roger is a pioneer in advocacy and compassionate cause fundraising . Over the past 52 years he helped launch and sustain some of the household names in American and European philanthropy. He is the Founder of Craver, Mathews, Smith & Company (www.cravermathewssmith.com), and the Co-Founder and DonorVoice (www.thedonorvoice.com) the independent research specializing in donor retention.

Among the organizations whose fundraising programs Roger helped build are Amnesty International, Habitat for Humanity International, Handgun Control, Greenpeace, Common Cause and the American Civil Liberties Union, World Wildlife Fund International , the Heifer Project International and The International Campaign for Tibet.

Roger is also the Editor of The Agitator (www.theagitator.net) the daily online information service providing fundraising advice and insights each morning to thousands of fundraisers around the world.

Roger holds an A.B.,degree Summa Cum Laude from Dickinson College in Carlisle, Pa. and a Doctor of Jurisprudence, Summa Cum Laude, from the George Washington University National Law Center.