

Donor Relations: The Key to Success in a Challenging Economy

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An Overview

- Objectives & Expectations
- Learning Outcomes
- Definitions: What is DRM?
- Five Strategies for Success
- Q&A

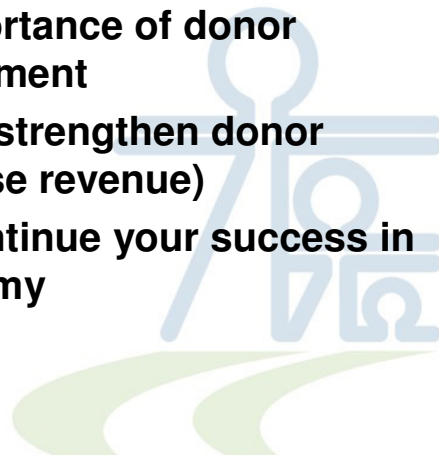
Objectives & Expectations

- **Introductions**
 - » Who are you?
 - » Where are you from?
 - » Why are you here?



Learning Outcomes

- **Understand the importance of donor relationship management**
- **Learn how to build / strengthen donor commitment (increase revenue)**
- **Learn about how continue your success in a challenging economy**



DRM: Did You Know...

- **Industry standard is 90% of donors lost through attrition**
- **Donors need results and expect meaningful updates on how their gifts make a difference**
- **What goes on and what does not go on between asks is the time when the decisions are made**

DRM: Did You Know...

- **Donors stop giving because of bad / lack of communication (there are measurable results)**
- **Donors stop giving due to over solicitation**



Donor Relationship Management

Why is it important?

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DRM: Why is it important?

- **Accountability to donors**
- **Respecting donors' wishes**
- **Promote a positive experience for giving**
- **Meaningful communication**

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DRM: Why is it important?

- **In challenging economic times, donors continue to give**
- **They are giving to fewer charities**
- **DMR can help ensure that your organization remains a charity of choice**

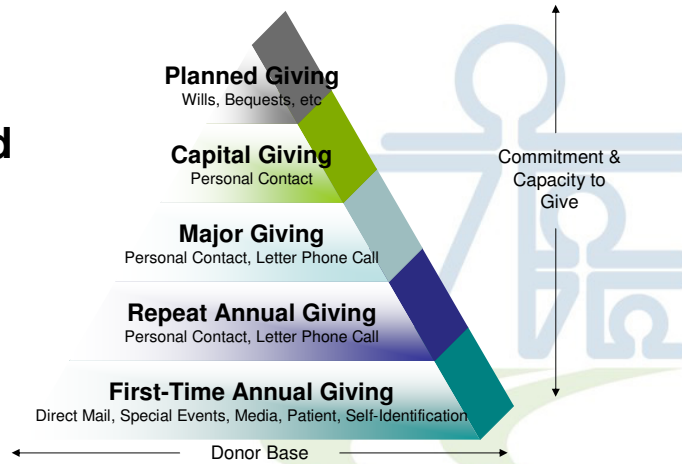
DRM: Why is it strategic?

BACK TO BASICS:

- **Retention: maintain donor loyalty**
- **Migrate donors: increase gift amount**
- **Broaden base: donor acquisition must continue**

Donor Relationship Management

Pyramid of Giving



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Raising Money In A Challenging Economy

Relevant to all revenue streams / giving programs:

- **Sharp, inspiring *Case for Support***
- **Flexible giving options**
- **Respect for donors**
- **Individual plans of action**
- **Patience**

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Raising Money In A Challenging Economy

For those with major gift programs or IN capital campaigns:

- Intensive, extended cultivation period
- Longer timelines (cultivation and pledge periods)
- Longer “quiet” phase (18-24 months)
- Flexibility with donors

It is important to continue to:

- Still book meetings
- Still make the ask (when invited and appropriate)
- Still secure gifts

5 Strategies for Effectiveness

- 1) Segment your donors and allocate resources according to segmentation
- 2) Enhance meaningful communication
- 3) Use information management
- 4) Provide accountability
- 5) Implement a comprehensive recognition program

1. Segment your Donors

- **Know your donors**
- **Balance resources with giving ranges**
- **Balance resources with giving potential**
- **In business, cost benefit and measuring ROI is vital to success**

1. Segment your Donors

Some examples for consideration:

- **Do you have the ability to laser and hand sign your thank you / gift acknowledgment letters?**
- **Do you speak differently to:**
 - » Monthly donors?
 - » Annual donors?
 - » New donors?
 - » Loyal donors?



2. Enhance Meaningful Communication

- **Do you respond to donor inquiries effectively and efficiently?**
- **What is your tax receipt turn around time?**
- **Have you ever sent out a communication without a solicitation?**
- **Do you have a regular communication that reports back to your stakeholders how their investment makes a difference?**

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3. Use Information Management

- **Are you using your database to its full potential?**
- **Your database should be your primary means to segment your donors**
- **It also provides relationship history (moves management)**

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Every activity should be geared toward making sure donors know they are important, valued and considered, which has the effect of maximizing funds per donor in the long term

4. Provide Accountability

What does this mean to you?

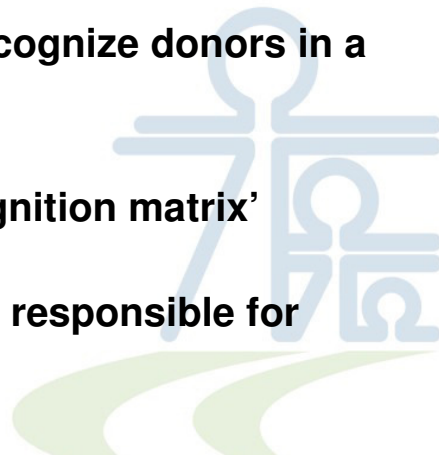
4. Provide Accountability

- **Cost per dollar ratio**
- **Donor Bill of Rights**
- **AFP Code of Ethics**



5. Implement Comprehensive Recognition Program

- **Do you thank and recognize donors in a *meaningful way*?**
- **Are you consistent?**
- **Do you have a 'recognition matrix' (handout #)**
- **Who on your team is responsible for recognition?**





Thank You

- **Questions**
- **Sharing samples**
- **Evaluate your effectiveness**



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