

What Donors Want

Research conducted by Cygnus applied Research, Inc./Burk & Associates LTD.

With recent research pointing to a 90% attrition rate after an initial gift to a charity, Penelope Burk launched a study to learn how charities could retain and build their donor base. In interviews with 267 charities of all disciplines, regions and sizes, the researchers found that charities are spending \$.30 on recognition and \$.19 on communication with donors. But what really influences donor loyalty and increases the level of giving faster?

The responses reported below are based on interviews with 155 donors (80% individual; 20% corporate) who were asked 212 questions in 17 areas. The information was used to develop a methodology that challenges accepted fundraising practice and raises much more money—donor-centered fundraising.

What donors want most:

- Acknowledgement that the gift was received and you were pleased to get it. Private, direct, one-on-one communication is best, usually following a gift. 92% of those surveyed said that acknowledgement is critically important
- Assurance that the gift was “set to work” as intended.
- Confidence that the project or program to which the gift was directed had/is having the desired effect

If these conditions are met:

- 87% would give again
- 64% would give more
- 74% would continue to give indefinitely

Why donors stop giving:

- 46% of donors stop due to the charities’ “failure to communicate”
 - charity not fulfilling its mandate
 - disagree with a change of focus
 - Lost interest in the cause
 - Believes the charity no longer needs their support
 - Feels there are more compelling causes
 - Charity has not kept in touch
- 41% stop giving due to over-solicitation
 - Too many charities asking
 - A single charity asking too many times
 - Being asked to give again before I’m satisfied with what the charity did with the last gift

Noteworthy findings:

- 41% of people with a will said they would give a portion to a charity IF asked. Only 9% list a charity in their will.
- 71% of respondents said they have much more money to give but are holding back due to fundraising practices

The Power of THANKS!

- 95% of respondents would be very appreciative if a member of the Board called within a day just to say thanks
- 85% would definitely or probably support the charity again if this happened
- 86% would definitely or probably give a larger gift

When making thank you calls:

- Answering machines count—call once, follow-up and leave a message
- Callers don't need to know the amount of the gift
- Leadership volunteers are the most effective callers

What makes a great thank you letter?

- 51% personalized—feels like it was written to the donor
- 33% acknowledges how the gift will be used
- 16% hand written
- 13% signed personally by a member of the Board

Should we solicit another gift when we say thanks?

- 7% of charities ask for a gift outright in thank you letters
 - 21.5% include a pledge form or return envelope
 - 33% include a survey or other enclosures
- 66% of donors acknowledged receiving requests for another gift in thank you letters
 - 53% don't like this
 - 7% won't give again if this happens

Consider:

- The *Thank you* is the beginning of the next solicitation
- *Communication* impacts the decision whether or not to give again and how much
- The actual *solicitation* may be when a gift is given but the amount has been predetermined by the previous communications

Donor Communications

Donor views on newsletters as a method of communication

- 68% of donors would prefer to receive a short, one-page bulletin that concerned itself specifically with the program or service to which their donation had been targeted
- 12% would prefer the one-page bulletin most of the time, rounded out with an annual newsletter that was more comprehensive
- 19% are satisfied with the current length of charities' newsletters (59% are 8 pages or more)

Percent of donors that agreed with the following statements

- 91% say newsletters provide information on charities they support
- 71% agreed that newsletters provide useful information on specific programs/services to which their contribution was directed
- 64% said they are too long
- 60% don't have time to read newsletters thoroughly
- 31% believe there is too much fundraising content in newsletters
- 53% are concerned about the cost of newsletters

How could newsletters be improved?

- 54% said provide more targeted information on how donations are being used
- 12% Said include more human interest stories
- 9% encourage charities to reduce newsletter size

E-mail

47% of individual donors & 59% of corporate donors would like to receive information from charities on their gifts at work by e-mail

Invitations to visit charities

- 72% of study donors have been invited on site to one or more charities they support to see their work first hand
- 77% of this group said that this is appealing and that the invitation is appreciated even when they are unable to go

Communications with planned gift donors

- 54% of charities make personal calls
- 61% make personal visits to keep planned gift donors informed about their work

Versus

- 26% make calls to other donors
- 19% make personal visits to other donors on a regular basis

Donor Recognition

While 66% of charities publish lists of donors' names in their newsletters:

- 81% of individual donors and 71% of corporate donors say that having their names published has no influence on whether or not they will give again.
- Donors disliked categorizing by gift value—platinum level givers hated it most.

Recognition donors like to receive:

76% of individual donors and 94% of corporate donors say that photographs or personal letters from people who have benefited from the charity's work are very meaningful and play a role in maintaining their support.

When asked to comment on gifts given to donors for the contributions they make:

- 28% of individual donors say they are inappropriate under any circumstances
- 21% felt they were appropriate in cases of exceptional giving
- 17% said that gifts are acceptable if they are obviously inexpensive

Among corporate donors:

- 79% felt they were always inappropriate
- 14% felt they influence future giving in a positive way

Token gifts such as address labels or fridge magnets:

- 86% of individual donors expressed negative views about token gifts. These included comments that token gifts were worthless, not an incentive to give, a waste of money, and that they sent the wrong message to donors.
- 100% of corporate donors agreed

Plaques or certificates

- 76% of individual donors receive plaques or certificates that acknowledge their philanthropy
- Only 5% display them
- 73% either throw them out immediately or store them in a cupboard and dispose of them later
- 12% keep a few and throw the rest away

Among corporate donors:

- 72% display them
- 71% are displayed in high traffic areas
- 29% are displayed in Executive offices

The most attractive things about donor recognition events are:

- Learning more about the charity's work (28%)
- Seeing others who support the same cause (20%)
- Socializing or networking with other guests (19%)