

Digital Donor Retention in 2021



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Vision:

We envision a society in which all Canadians are committed to giving and participating in the charitable sector, and in which all charities, regardless of size, have the capacity to increase their impact.

Mission:

To inform, inspire, and connect donors and charities, and to democratize access to effective technology and education in the charitable sector.

For charities, CanadaHelps builds effective and affordable fundraising technology, and provides free training and education so that all charities, regardless of size, have the capacity to increase their impact and succeed in the digital age.

For Canadians, www.canadahelps.org is a convenient, safe and trusted, one stop destination for donating to (once, monthly, or gifts of securities), fundraising for, or learning about any charity in Canada.

TRUSTED SINCE
2000

\$1.6 BILLION
RAISED

2.9 MILLION
DONORS

24,000 CHARITY
PARTNERS

Agenda

- Why Focus on Retention Now?
- Why Donors Leave?
- Your Retention Metrics
- How to Effectively Retain Donors
- Q & A



Focus on Retention, Why Now?

1. Fundraising landscape has shifted
2. Capitalize on new donors from 2020
3. Still months to go...
4. More time?
5. Retaining a doner is easier and less costly than acquiring new donors

Why They Leave?

There are four common reasons why donors don't donate again:

1. They were never thanked for their donation
2. They weren't provided with information on how donations were used
3. Poor service
4. Feeling that the charity didn't need their gift

1. Know your Donor Metrics - Retention Rate

Calculate the retention rate - Likelihood a donor becomes a repeat donor at your organization

- $2019 \text{ Repeat Donors in } 2020 / 2019 \text{ Donors} = 2020 \text{ RR}$

Scenario A: 30% Retention Rate

Scenario B: 50% Retention Rate

Y1 100 Donors, \$200 Average Donation/ Donor

	Y1	Y2	Y3	Y4	Y5	Total
A	\$20,000	\$6,000	\$1,800	\$540	\$162	\$28,502
B	\$20,000	\$10,000	\$5,000	\$2,500	\$1250	\$38,750

2. Know your Donor Metrics - Lifetime Value (LTV)

The average value of a donor over their lifetime with your organization. In a monetary sense, this is how much a donor is worth to your organization.

VERY Simple Formula:

$LTV = \text{Average Annual Amount} / \text{Attrition Rate}$

$\text{Attrition Rate} = \text{Inverse of Retention Rate}$

A: $200 / 0.7 = \$286$

B: $200 / 0.5 = \$400$

First- Know your Donor Metrics

1. Calculate the retention rate - Likelihood a donor becomes a repeat donor at your organization
 - $2019 \text{ Repeat Donors in } 2020 / 2019 \text{ Donors} = 2020 \text{ RR}$
2. Find the Lifetime Value of a donor
 $\text{Lifespan} \times \text{Average donation amount} \times (\text{Total \# of donations} \div \text{Total \# of donors}) = \text{LTV}$
3. Take stock of your current touchpoints
4. Evaluate what is and what is not working
5. Brainstorm new initiatives

How to Retain Donors

1. **Segment- How are you appealing to certain groups?**
2. **Emails/ email marketing tools- Thank you letters then follow ups**
3. **Engagement is more than asking for donations**

How to Retain Donors Part 2

**3. Convert to monthly donors -
then retain those donors**

4. Google Analytics

5. Social media & social sharing

6. Donor Management System/ CRM

CanadaHelps DMS: Key Features

All of your CanadaHelps data, and your own giving data, in one place!

Key features:

- ✓ Pulls in data from all CanadaHelps' products (website, Customizable Donation Forms, P2P, and Events)
- ✓ Record offline and in-kind donations, process payments (one-time, monthly), and issue tax receipts
- ✓ Contact and donation management
- ✓ Opportunity tracking, including grant management and large donor/major gift cultivation
- ✓ Fund attribution (for accounting)
- ✓ Built-in email platform with standard and customizable templates
- ✓ Integration with MailChimp
- ✓ Built-in standard reports (based on fundraising best practices)
- ✓ Task management
- ✓ Support: virtual, phone, email

This screenshot shows the 'New Household' form in the CanadaHelps DMS. The form is titled 'New Household' and includes a navigation bar at the top with links for Home, Contacts, Contributions, Campaigns, Opportunities, Reports, and Administrator. The user's name, Sally McLean, is displayed in the top right corner. The form contains several input fields: Household Name, Nickname, Email add, Home, Phone, ext., Phone Location, and Phone Type. There are also checkboxes for 'On Hold?' and 'Bulk Mailing?'. An 'Add another Phone number' link is located at the bottom of the form.

This screenshot shows the 'Contributions' form in the CanadaHelps DMS. The form is titled 'Contributions' and includes a navigation bar at the top with links for Home, Contacts, Contributions, Campaigns, Opportunities, Reports, and Administrator. The user's name, Sally McLean, is displayed in the top right corner. The form contains several input fields: Contact, Fund, Total Amount, CAD (C), \$ (Dollar amount), every, months, for, installments, Start Date, Source, Campaign group, Receipt Date, and Payment Processor. There are also buttons for 'Save', 'Save And New', and 'Cancel'. A note at the bottom of the form states: 'Use this form to submit a new contribution. ALIVE transaction will be submitted using the selected payment processor.' Below the form, there is a section for 'Credit Card Information' with logos for VISA, MasterCard, and American Express.

Key Takeaways

- Donor's will give again if they are properly acknowledged and stewarded
- Calculate your retention metrics- Make sure everyone in your organization knows the numbers
- Invest time in building strong relationships enabled by a good email marketing tool and donor management system

Questions?

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Thank you!