

Webinar

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# From One-Time to Lifetime

Turning Year-End  
Donors into Recurring  
Supporters



# Speakers



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Director,  
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**GivingTuesday**



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**Nonprofit Solutions by  
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**GiveSmart by  
Momentive Software**



# Agenda

- The Lifetime Value of a Donor
  - What is Average Lifetime Value?
  - Crafting a Year-Round Campaign Strategy
- Reengaging Year-End Donors
  - Donor Segmentation
  - Stewardship
- Know Your Donors
  - Meet Donors Where They Are
- Q&A



# Poll

How confident are you in your current reengagement strategies for one-time donors?



- Very confident
- Confident, but open to ideas
- Our strategies need some help
- Not very confident



# The Lifetime Value of a Donor



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# What is Average Lifetime Value (ALV)?

- ALV is the predicted contribution amount from a donor over time
- Calculations help with planning and forecasting
  - More attainable and realistic goals
- Financial and operational stability long-term

## Formula

$$\text{Average Annual Donor Contribution} \times \text{Average Donor Lifespan} = \text{Donor Lifetime Value}$$

## Example

$$\$312.75 \times 4 \text{ years} = \$1,251$$



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Average Lifetime Value

# Reengaged or Recurring Donors

- The cost of acquiring a new donor is **5X** greater than retaining an existing one
- Over **1/4** of nonprofits raise between **26-50%** of annual funds via year-end asks
- **30%** of annual giving occurs between GivingTuesday and December 31



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## Average Lifetime Value

# Crafting a Year-Round Campaign Strategy

- Plan ahead with a long-term perspective in mind for each campaign or event
  - Long-term planning will impact the ALV of your donors
  - GivingTuesday and year-end fundraising should be connected to existing efforts
- Includes more than just fundraising
- Offer your donors multiple entry points
- Diversify your asks and appeals

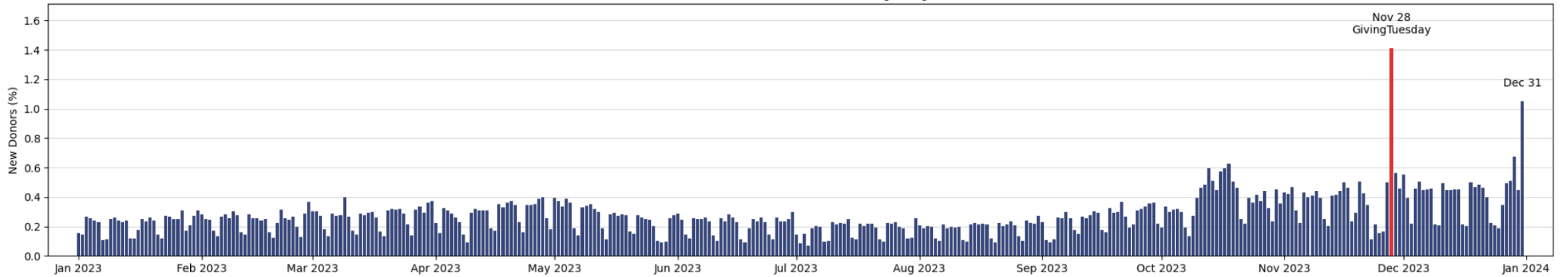


Average Lifetime Value

# Leveraging Giving Moments



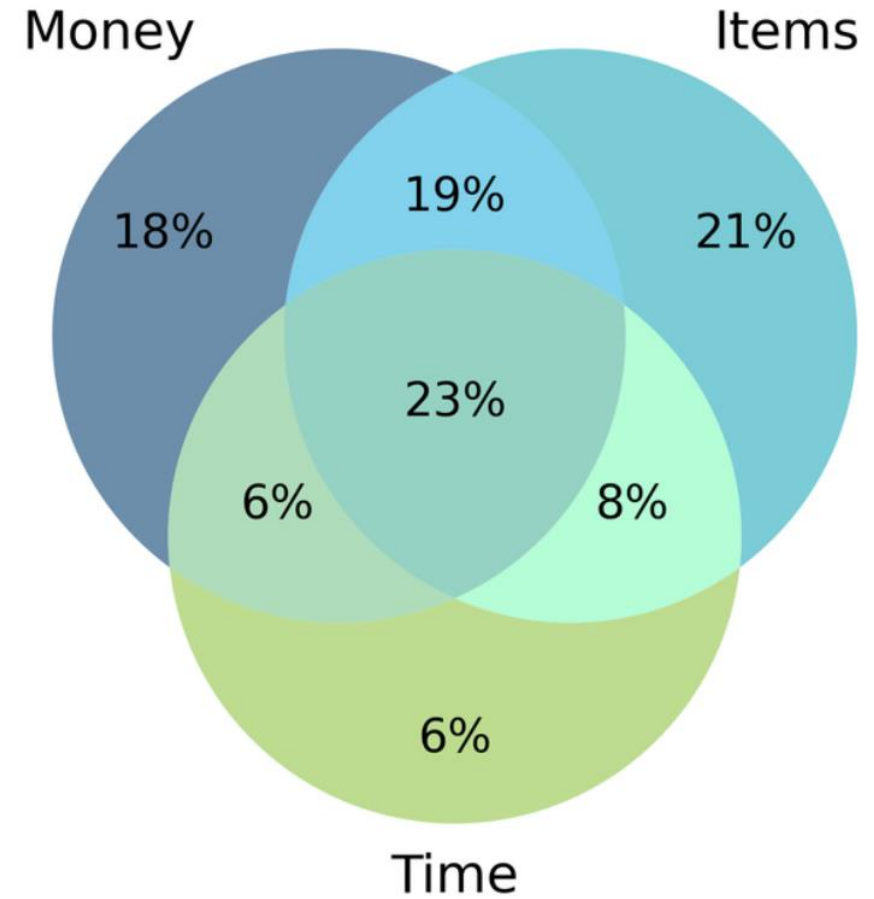
Percent of Year's New Donors by Day - 2023





Average Lifetime Value

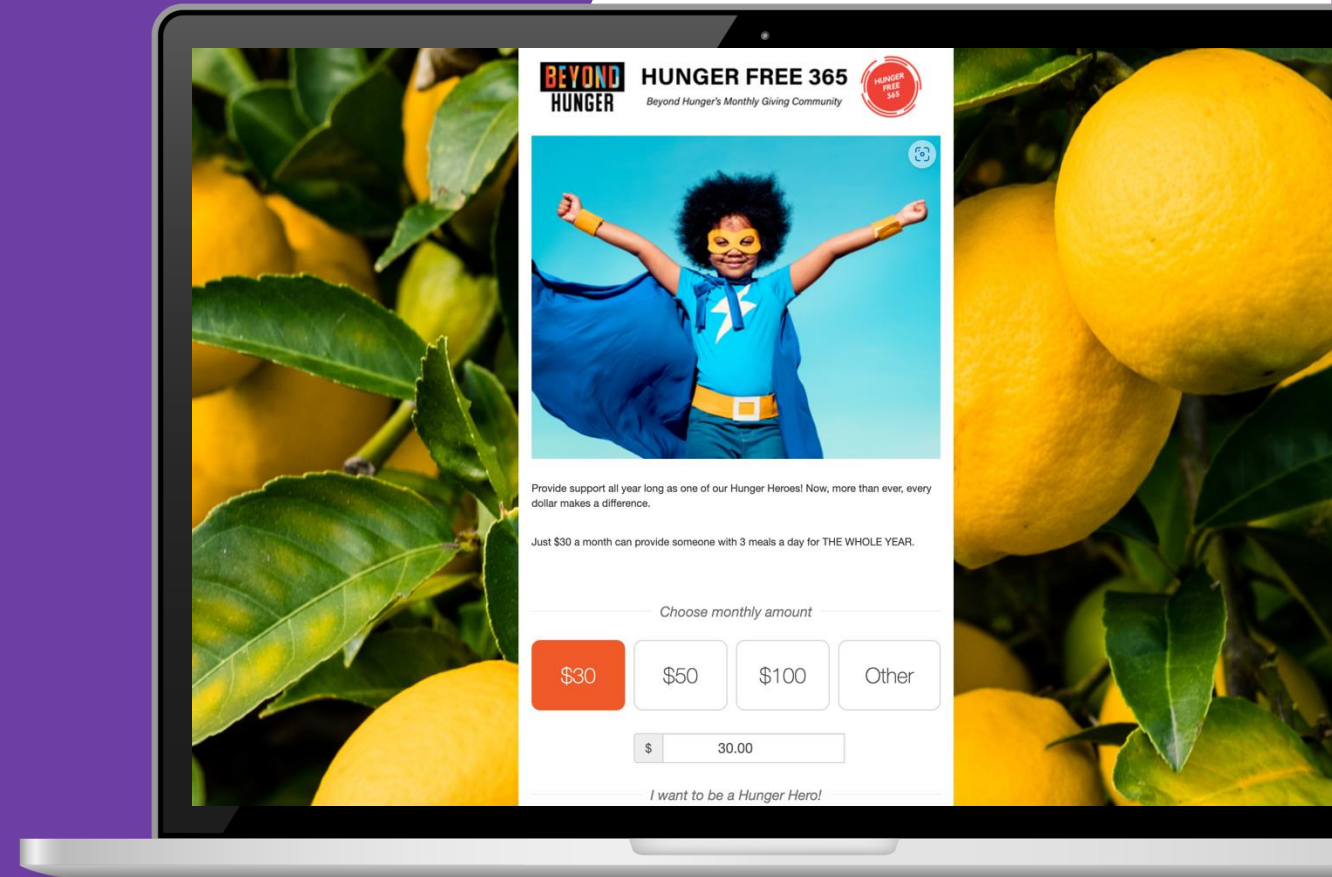
# Giving is Diverse



## Average Lifetime Value

# Recurring Giving Programs

- 30% of annual revenue is raised between GivingTuesday, December 30, and December 31
- 12% of recurring gifts are placed on GivingTuesday
- The average recurring donor gives 42% more in one year than one-time donors
- Recurring revenue increased by 6% in 2023 and accounted for 31% of all online revenue
- Recurring donors average an 80% retention rate



# Poll

If you do send GivingTuesday or year-end appeals, what do you ask for?

- We only ask for money
- We ask for money and/or other things like items or volunteer time



# Reengaging Year-End Donors



## Reengagement Strategies

# One-Time Donors



- Craft compelling stories
  - Show, don't just tell
- Motivate your donors
  - Create urgency
- Segment donor lists
- Retarget donor groups
- Multi-channel marketing



# Donor Segmentation



## Gift Level or Amount

Example:

Donors who give large gifts of \$500 or more.



## Engagement Patterns

Example:

Donors who give and/or attend events multiple times per year.



## Type of Gift

Example:

Donors who give items for an event or auction.



## Age or Generation

Example:

Donors aged 28 to 43 in the Millennial generation.



## Demographics

Example:

Donors with an annual household income above \$85,000.



## Location

Example:

Donors who do not live locally and might only give or participate via online means.



## Reengagement Strategies

# Step-by-Step Process for One-Time Donors

- Connect with donors via their preferred channels
- On average, it takes **3-7** touchpoints to secure a donation
- Diversify your appeals
- Donors tend to respond to a CTA within **24-48** hours



# Step-by-Step Example for One-Time Donors



## Step 1

### Within 24 Hours of Gift

- Thank them for their contribution
- Don't include any asks or appeals



## Step 2

### ~1 Month After Gift

- Thank them again
- Communicate impact from event or campaign
- Make a soft ask



## Step 3

### ~2-3 Months After Gift

- Send a personalized appeal
- Include messaging that will motivate them to give



## Step 4

### 4+ Months After Gift

- Send a short, straightforward appeal
- Include urgency and clear CTA



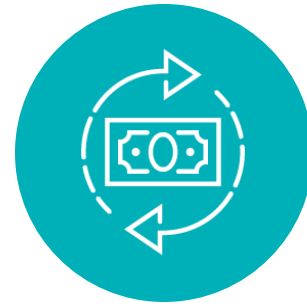
Highlight

# Pillars of a Successful Recurring Giving Program



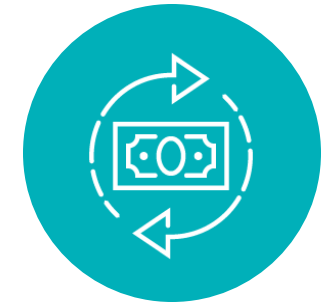
## Offer Varying Intervals

Monthly  
Weekly  
Quarterly



## Offer Tiers or Groups

By Impact Level  
By Giving Level



## Offer Diverse Payment Options

PayPal  
Venmo  
Apple Pay





## Reengagement Strategies

# Stewardship is Key for Long-Term Retention

- Three reasons donors don't give again:
  - They were never thanked for their gift
  - They were never told the impact of their gift
  - They were never asked to give again
- A thank you within **24 hours** of a gift increases donor retention by **40%**
- **91%** of organizations stop acknowledging recurring gifts by the third month



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# Poll

How well does your organization know its donors?



- We know our donors very well.
- We know our donors but could be more knowledgeable.
- We need to know our donors better than we currently do.
- We don't know our donors well.



# Know Your Donors



# Meet Donors Where They Are

Donors are most inspired to give via:

- 32% social media
- 30% email
- 17% website
- 15% print
- 3% TV or radio ad
- 2% phone call
- 1% text message





# Donors and Social Media

Of those inspired to give via social media:

- **56%** were most impacted by Facebook posts
- **21%** by Instagram
- **13%** by Twitter
- **5%** by YouTube
- **4%** by LinkedIn



## Example

# Engagement by Generation

## Gen X

- Born between 1965 and 1979
- Emails prompt 31% of their donations
- Comfortable with both online and offline giving

### Example Email:

*"I hope this message finds you well. NAME is committed to MISSION. Your support is crucial to achieving our GOAL. Your contribution, regardless of the size, can bring about positive change. Kindly consider making a donation today. Thank you for your generosity."*

VS

## Gen Z

- Born between 1996 and 2012
- 59% are inspired to donate by a message or image they saw on social media
- Prefer giving online using a mobile device

### Example Social Media Post:

*"We're on a mission to make a real difference. Our vibe at NAME is all about MISSION. Imagine being a game-changer and helping us GOAL. Link in bio to send some support our way."*





# Technology for Retention and Reconversion

- Use automation when you can
- Use free tools to help generate content and save time
- Use donor tools for insights and to fill gaps in data
- Use platforms that provide donors with easy, positive user experiences



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# Questions?



# Thank You

