



Increasing Individual Giving

Illinois SSO Conference – November 2019

A RESOURCE DEVELOPMENT EXPERTISE HUB PRESENTATION

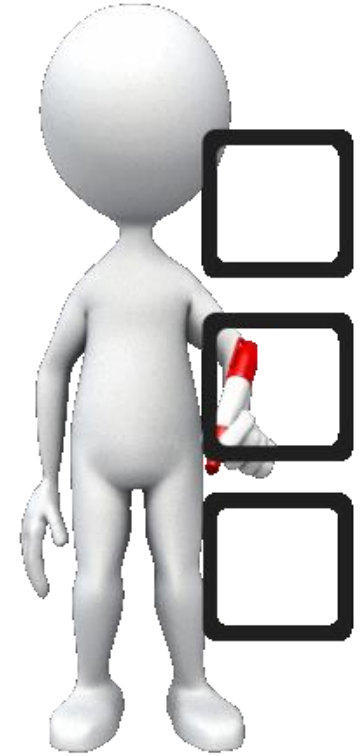


Learning Objectives

- Understand the basic philanthropic landscape in the United States
- Strengthen stewardship activities to foster key pieces of a positive donor experience
- Identify warm leads for new donors

Today's Agenda

- Philanthropic landscape
- Donor retention and stewardship
- Donor acquisition

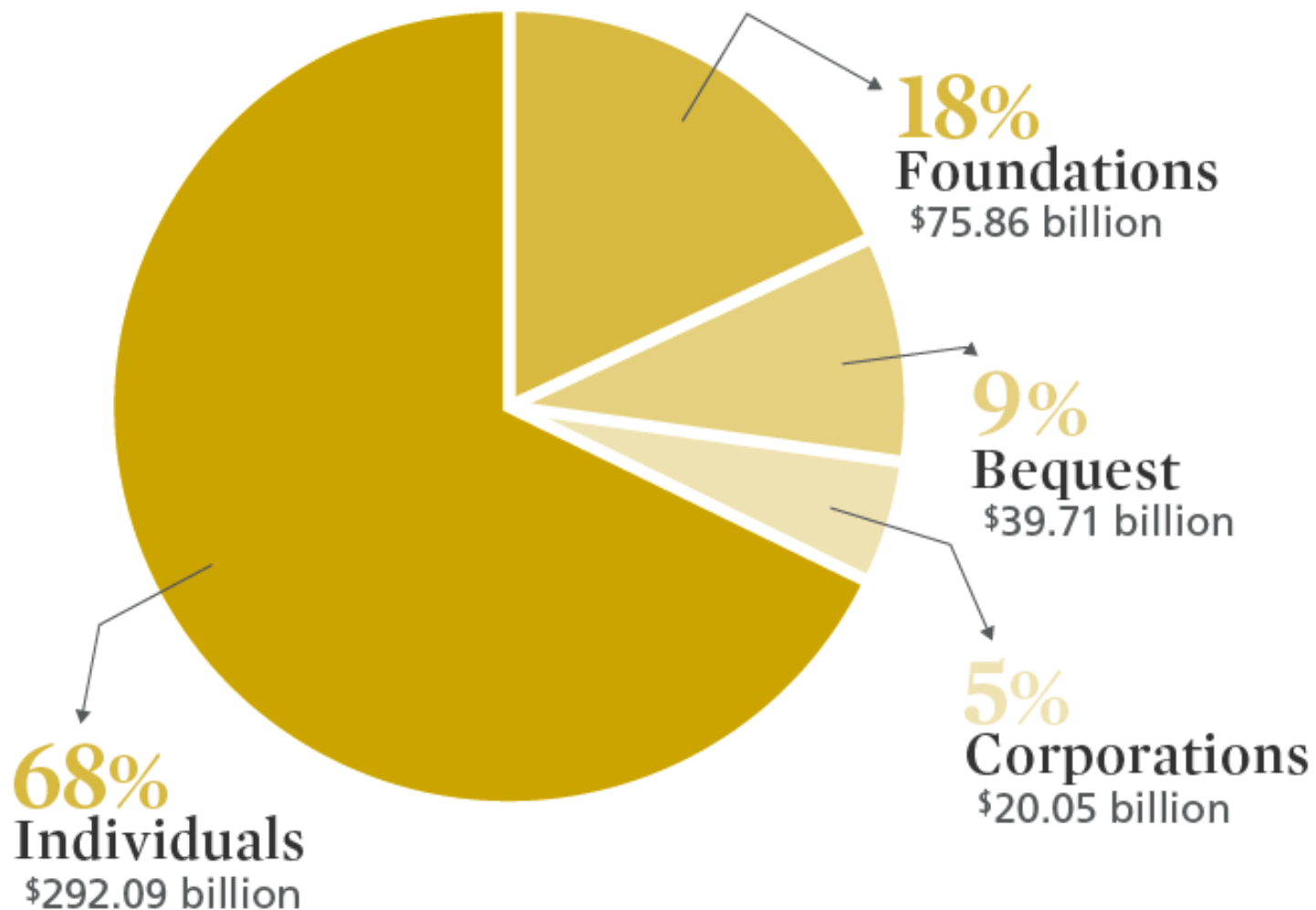


Zooming out: Industry Trends in Fundraising



Giving USA 2019

2018 contributions:
\$427.71 billion by
source



Giving USA 2019

2018 contributions:
\$427.71 billion by
recipient organization



* Estimate developed jointly by Candid (formerly Foundation Center) and Giving USA
** Includes gifts to non-grantmaking foundations, deductions carried over, contributions to organizations not classified in a subsector, and other unallocated

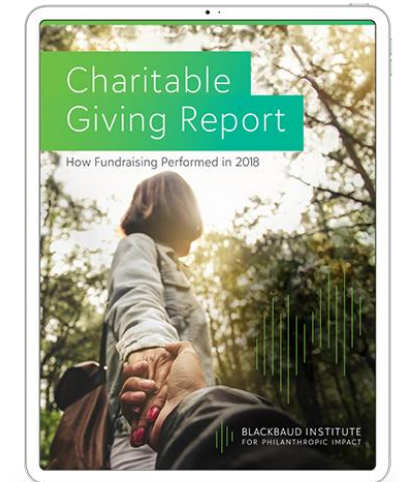
Looking for more?



Year to Date Fundraising Performance.



CFRE Leading Edge Brief



Burk's Blog

Donor Retention



Why Focus on Retention?

- Easier than never-ending acquisition
- Board members often more comfortable with stewardship activities
- Acquiring a new donor costs six to seven times more than it costs to retain an existing donor
- Improves the lifetime value of donor database
- Most Major Gifts are made after 5 years of giving

Source: bloomerang: 3 Reasons Why Donor Retention Trumps New Donor Acquisition, Nov. 2017 and Donor Retention Math Made Simple

What's your retention rate?

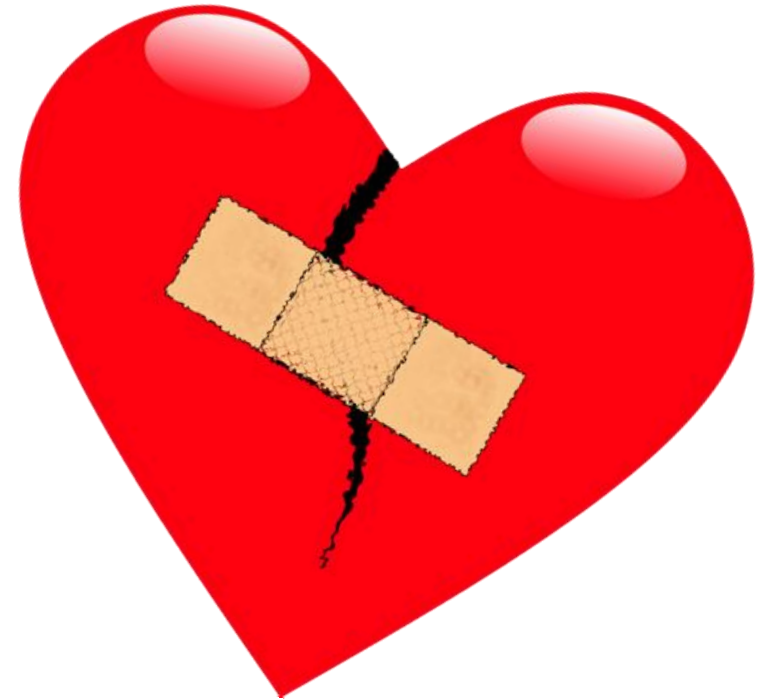
ROW	YOUR ACTION	DATA	SAMPLE
A	Input data	Donors last year	1,200
B	Input data	Donors who gave last year but not this (aka LYBUNTs)	720
C	Subtract B from A	Donor Retention	480
D	Divide C by A and multiply by 100	Donor Retention Rate	40%

50 ways to lose your lover (or Habitat donor)?

Don't need to be coy, Roy, just listen to me

Make a new plan, Stan

Just drop off the key, Lee, and get yourself free



Why organizations lose donors and money?

- Ignore Them
- Lie to Them
- Fail to Return Calls or Emails
- Fail to Deliver on Promises
- Act uncivil
- Don't turn up on time
- Don't invest in relationship
- Don't thank them
- Not explaining/showing impact of their investment
- Over soliciting
- Bad volunteer experience
- Not listening to them

Retention: from the donor's perspective

Donors were asked...

“Once you have made a first gift to any not-for-profit, what would cause you to remain indefinitely loyal to that organization while giving at an increasingly generous level over time?”

Source: Burk, Penelope. Being Donor-Centered in Changing Times, Association of Fundraising Professionals International Conference, April 2019

...their response

Receiving prompt and meaningful acknowledgement whenever they made a gift

Having their gifts assigned to a specific end purpose such as a program, project or initiative narrower in scope than the mission of the entire organization

Receiving a report, in measurable terms, on what was accomplished with their (and other donors') donations before being asked to give again

Stewardship is a key to retention



**Receiving prompt and meaningful
acknowledgement whenever they
made a gift**

Initial Acknowledgment: Focus on being donor centric

- Treats donors universally as heroes
- Gives the donor credit for achieving the organization's mission and vision
- Use 'you' language instead of 'organization'
- Treats donors like invested partners
- Foster dialogue and deeper relationships

In Action: being organization centric

Dear Mrs. Smith,

On behalf of X Habitat for Humanity, I want to thank you for your gift of \$50.

For more than 25 years, X Habitat has been committed to helping low-income families achieve their dream of owning their own home. Through the kind-hearted generosity of donors like you, X Habitat has built more than 100 homes and repaired more than 50...and there's much more to be done to end poverty housing in the X community.

Please use this letter as a receipt for your gift to X Habitat for Humanity. As required by federal law, this letter acknowledges that no goods or services were provided to you in exchange for your contribution.

Thank you for helping us build a better community.

Sincerely,

Based on an actual thank you note from a Habitat affiliate. Names and identifying details have been changed to protect the well-intentioned.

In Action: being donor centric

Dear Sally:

They dreamed of a better life, and you made it happen.

In January, five families—six adults and eight children—were selected to partner with Habitat for Humanity to become first-time homeowners. Your gift of \$50 (received March 10, 2014) will help them build their homes.

As the construction season kicks into high gear, you can expect regular updates from me on each family's progress toward homeownership. In the meantime, should you have any questions or would just like to talk, please contact me at development@hfhorg.org or 555-555-5555 ext. 105.

Thank you for your partnership in this life-affirming work.

Based on a thank you note used by HFH of East Jefferson County in Washington state.

Further Recognition

Donor Recognition Programs

Giving societies and circles

Celebratory Cards

Birthday, Anniversary, Volunteer, Thanksgiving, Philanthropy Day

Commemorative Items

Donor plaques, simple certificates, awards ceremonies



How does your affiliate provide donors with meaningful recognition?

Having their gifts assigned to a specific end purpose such as a program, project or initiative narrower in scope than the mission of the entire organization

Donor Intent

“Your donation will be used to purchase construction materials for the Smith family home, located at 123 Main Street, Anytown.”

“Your donation will support resident engagement and community beautification projects in Cooltown Neighborhood.”

Receiving a report, in measurable terms, on what was accomplished with their (and other donors') donations before being asked to give again

Reporting Impact

Ways to share impact with donors:

- Impact calls/letters
- Social Media
- Website/blog
- Impact Reports
- Newsletters
- Annual Report

Multiplying the Impact

Campaign Progress Report

Records Shattered

You've done it again. As we hit another milestone – year three of the *Multiplying the Impact* campaign – your support means more families have bought homes with Habitat than we even thought possible.

The goal for fiscal year 2019: 100 families buying a home with Twin Cities Habitat.

The actual result? **114 families** bought a home with Twin Cities Habitat. *Incredible!*

Even more impressive is the total impact you've created throughout this campaign. Since July 2016, **228 families** have closed on a Habitat home—that's **602 children** who are now growing up in safe, stable, affordable places to call home. That's about 12 school buses full of happy kids.

With your help, we're going to keep shattering goals. Thank you for creating a Twin Cities with strong families and thriving neighborhoods.

LeAndra's Gratitude: "Thank you is an understatement"

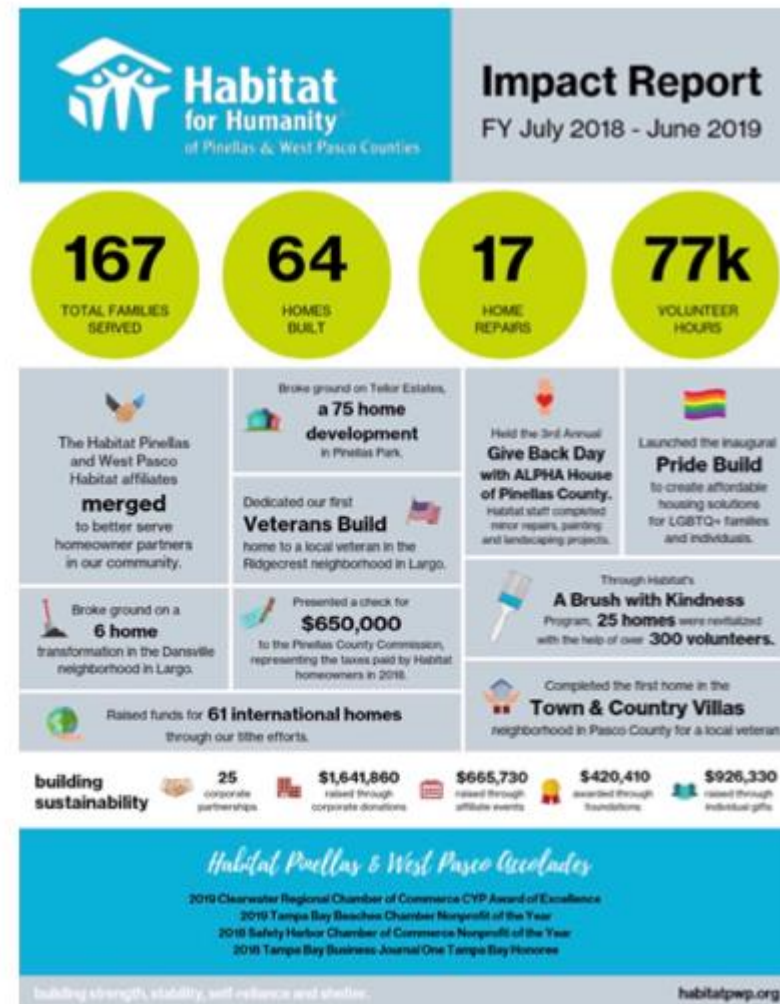


In June alone, 22 families bought homes with Habitat. Each time, the home closing table is filled with emotion – big smiles, gasps, often tears. Above is a photo of LeAndra and her daughter, Arlenna, the moment they received their keys. Look at the joy on their faces! LeAndra has this to say to you, our generous supporters:

"Thank you is an understatement for the time, knowledge, blood, sweat, and tears that you have all put into building and creating a foundation for my family and I. It is my hope, dreams, and wishes that every single person involved in the process of making my dreams come true will receive multitudes of blessings in all you want and achieve."

– LeAndra, 114th Habitat homebuyer in fiscal year 2019

1954 University Ave. W, St. Paul, MN 55104 | 651-207-1700 | tchabitat.org





How does your affiliate communicate updates and impact to donors?

Dive Deep: Where to go for more?

Resources available on MyHabitat:

- Funding Activities Page
 - Resource Development Affiliate Operations Manual*
 - Engagement Plan Examples*
- US Brand User Guide
 - Brand Management, Understanding our Donors*
- *Donor Stewardship Toolkit – Coming Soon!*



Other Resources:

- Adrian Sargeant, Donor Loyalty Research
- Penelope Burk Donor Research (*Cygnus Applied Research, Inc.*)

Photo credit: pixabay.com

Donor Acquisition



Identifying Potential Donors

- The Magic of Habitat
- Activating your team



Photo credit: pixabay.com

The Magic of Habitat

- Groundbreakings and House Dedications
- Special Events
- Faith Partners
- ReStore
- Volunteers
- Others

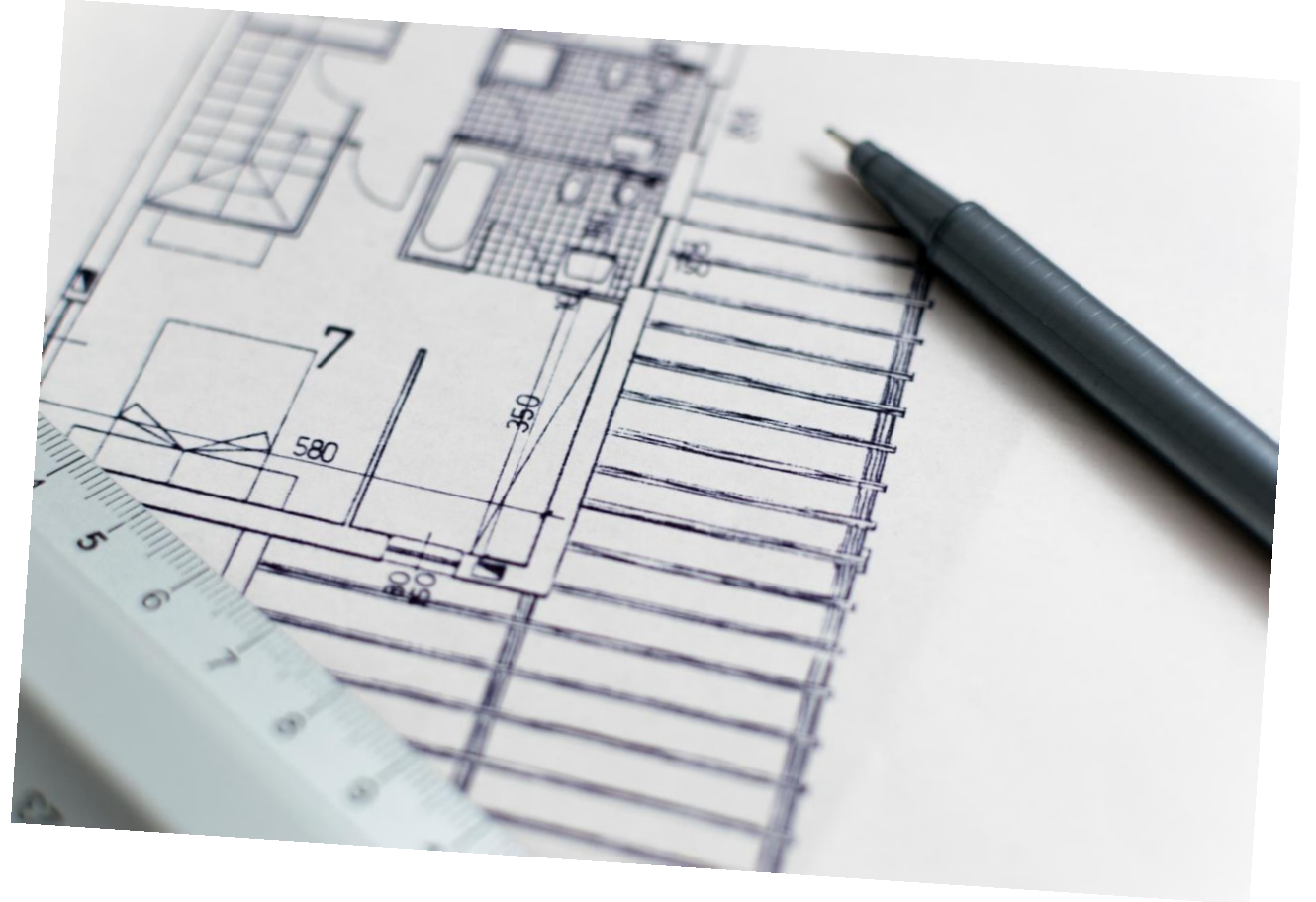


Photo credit: pixabay.com

Activating your Team

Team Huddle

“Where does my role fit into engaging potential donors”



As affiliate engagement leaders, we want to ensure our colleagues and key volunteers see their role in that process and are equipped to engage.

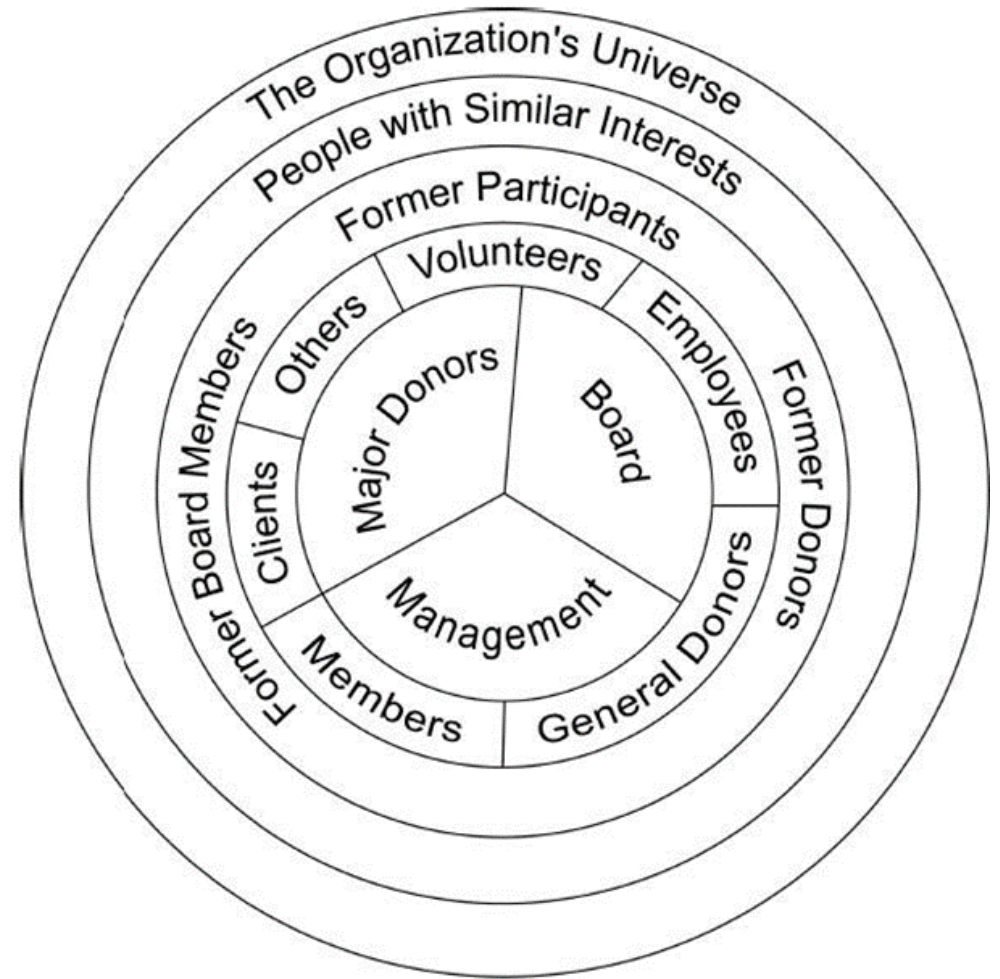
- Equip your construction team with talking points for morning circle at the job site
- Ensure your volunteer coordinator is ready to answer – how do we deepen our involvement?
- Empower your ReStore team to share the impact of donations and how the store supports the mission
- Entice your board of directors with a branded polo shirt (and talking points of current needs from case for support) so they can share at the grocery store or company meeting.
- Entrust all team members with updated talking points for speaking opportunities on behalf of your affiliate

Photo credit: pixabay.com

Constituency Model

When we look to identify potential donors, we want to look with individuals closest to our affiliate and expand out.

This is the industry standard constituency model. How would we make this Habitat specific? What groups would we add to our own constituency model?



Who's lurking on the job site...

(and other key opportunities)

- Employer
- Church, synagogue or mosque affiliation
- Civic organizations
- Referred by
- Special skills
- Interests



Photo Credit: HFHI Digital Asset Network, 2019

Putting Acquisition into Action



Let's brainstorm:

- As a small group, talk through the acquisition opportunities we highlighted today
- Identify 1 or 2 missed opportunities within your affiliate
- Establish 2-3 steps to strengthen acquisition of potential donors in the opportunities identified

Photo credit: pixabay.com

Dive Deep: Where to go for more?

Resources available on MyHabitat:

- Fundraising Cycle Step 2: Prospect Research

Additional resources:

- Activating your team exercises:
 - Circles of Influence
 - Who do you know in this category?
- New Donors: Getting the Ungettable Get Network for Good eGuide
- Screening and Prioritizing Potential Donors:
 - RFM Analysis (Recency, Frequency and Monetary Value)
 - ABC (Ability, belief and contact)



Photo credit: pixabay.com



Questions?





This presentation has been made available to affiliates through Habitat's Resource Development Expertise Hub.

