

# Growing Your Monthly Donors



# In this Guide

## Introduction

What is Monthly Giving?  
Your Biggest Challenges  
Monthly Giving to the Rescue!



## Monthly Giving is Donor-Centric Fundraising

Monthly Giving isn't for Everyone  
So, Who Are Your Monthly Giving Prospects?  
Who is Currently Giving?



## Your Monthly Giving Plan

Before You Start  
Some Essential Questions  
Determining Your Monthly Giving Prospects  
Determining Your Offer  
What's Your Goal?  
Who is Your Project Lead?  
To Brand or Not to Brand?



## Best Practices in a Monthly Giving Strategy

Converting Your Donors  
When to Ask  
How to Ask  
Retaining Your Donors  
Upgrading Your Donors



## Wrapping It Up





# Monthly Giving

## Introduction

You've heard the unsettling news. Donor retention is low. There's an increased demand on donors by a growing number of organizations. Donors want more from the organizations they support. And your organization needs to do more to foster strong, memorable relationships.

The good news is there is hope.

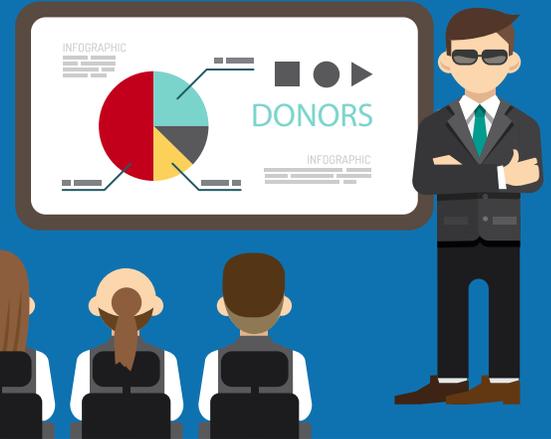
And it's already waiting for you in your donor database!

Monthly giving is an incredibly powerful way for you to kick-start your fundraising program's earning potential. Cultivating relationships with donors who are already connected to your cause by asking them to make smaller, ongoing gifts means more money for your organization today, and a strong list of prospects for upgraded and larger gifts in the future.

This guide will help you learn more about what Monthly giving is (and isn't), how to get started, and how to sustain your Monthly giving program by focusing on relationships.

There's no silver bullet when it comes to fundraising, but it doesn't take a rocket scientist to implement and maintain a successful Monthly giving program!

# What is Monthly Giving?



A rose by any other name would smell as sweet...  
and strengthen your fundraising!

Recurring gifts, sustainer donors, pledge program, or committed giving... Monthly giving is known by many names, and programs come in a variety of shapes and sizes.

It's a simple concept: donors commit to giving an amount that is paid on a monthly schedule. But Monthly giving is so much more than automated payments. It is a program that **will help your organization create strong, lasting relationships with committed donors who care most about your cause.**

Monthly donors come in all shapes and sizes, falling somewhere between your occasional or one-time donor and major gift donors. It is a fundraising technique that works for both small and large organizations.

There is no one size fits all in Monthly giving, and this versatility is what makes it a powerful fundraising tool.

No one ever said fundraising is easy, but implementing a Monthly giving program at your charity can help to combat some of your toughest fundraising problems. Monthly giving programs take time, patience and a commitment to your donors.

# Your Biggest Challenges

Before we get into why Monthly giving is so important for charities to implement, let's take a look at some common pain points that are likely all too familiar to you and your team.



1

## Ineffective fundraising

Forty-three per cent of development directors feel their fundraising efforts aren't overly effective.<sup>1</sup>

2

## Low donor and gift retention

The average retention rate is 43%. This means for every 100 people who donate to your organization, 57 of them don't come back.<sup>2</sup>

For every \$100 gained, \$92 is lost in gift attrition.<sup>3</sup>

3

## Increased competition

There are over 170,000 charitable and nonprofit organizations in Canada.<sup>4</sup>

86,000 of these are registered charities

(recognized by the Canada Revenue Agency).

4

## Rising postage rates

Cost of a single stamp jumped 35% from .63 cents to .85 cents in 2015.<sup>5</sup>

5

## Rising cost of fundraising

Cost of new acquisitions from direct mail is \$1.00-\$1.25 per dollar raised.<sup>6</sup>

6

## Increased public scrutiny of charities

Social sector advocates like Dan Pallotta have stepped up to rally non-profit workers and educate the public about the truth of "the overhead myth".

7

## Aging and shrinking donor base

As our current donors age, and as we face increased competition to acquire and retain new donors, we need to think deeply about how we fundraise.

# Monthly Giving to the Rescue!

The good news is that Monthly giving can help combat these all too common fundraising challenges.

- 1** Monthly giving helps you fundraise more effectively.
  - a** Increases annual income by converting small one-time gifts to ongoing contributions.
  - b** Grows income over time because on average, monthly donors give for five to seven years, instead of just once and then not again at all.
  - c** Monthly donors will usually upgrade over time if you ask.
  - d** Monthly giving integrates with other methods of individual giving, helping you to diversify your funding stream.
  - e** Monthly donors usually make great planned giving prospects.
- 2** Monthly giving helps to strengthen both donor and gift retention by focusing on keeping the donors you already have, not solely on acquiring new ones. Your donors will stick around, and stick around for longer.
- 3** There is less need to worry about “the other guys” when you foster strong, long-lasting relationships with your donors through Monthly giving. These donors not only care about your cause, but share your concern in providing programs and services that are sustainable in the community.
- 4** Monthly giving means sending less solicitations, and online Monthly giving means no postage at all! This all adds up to much lower fundraising costs.
- 5** Monthly giving helps your organization attain predictable income and lower the number of fundraising requests you receive from donors, cutting back on administrative costs. This constant income stream means less worry about cash flow, and more focus on long-term programming and initiatives.
- 6** For donors concerned with transparency, clarity, and excessive costs, a well-executed Monthly giving plan helps to combat these concerns.
- 7** Because Monthly giving is convenient and customizable to a donor’s budget, it is a great option for a broad base of donors — young and old alike! We increasingly live in a subscription culture, and monthly donations fit right in.

# Monthly Giving is Donor-Centric Fundraising

Monthly giving isn't just great news for your development office – it's also a win for your donors.

## Convenience

Donors who want to commit to making big change alongside their favourite organization are able to provide their information once. They can set it, and forget it!

## Less solicitation

Monthly giving decreases the need to solicit donations through direct mail or telemarketing. No more being interrupted during supper!

## Cost-effective

Donors want bang for their buck! Lower fundraising costs mean more money going directly to programs and services.

## Smaller donations with big results

Donors who love your organization want to be your partner in creating change. Let them know that small contributions on a regular basis really add up!

## Support the cause you care about

Donors truly want to help, regardless of how much they can afford to give. Monthly giving makes philanthropy easy!

## Noteworthy

Don't focus too much on Monthly giving being "cheap and easy". Certainly, it's convenient and cost-effective, but at the end of the day, donors want to know they are making a difference. Your solicitation and stewardship should offer something of emotional value to your donor.



# Monthly Giving isn't for Everyone

Not every donor in your database will want to switch to Monthly giving. Here are some reasons why they may say “no”.



Some donors just won't be ready for the commitment. Not everyone who gives to your organization is deeply invested in the cause — yet!



While many people use online banking and make purchases online, there are a small group of people still don't trust the technology.



Donors are people, and people have complex lives. Things like job insecurity, being in the middle of moving to a new home, not being able to afford another monthly payment, or being in some other state of transition are just some issues that may make donors think twice about signing up.



The most common reason why people don't give is because they simply haven't been asked! They may also not have been asked properly — either too soon, or not in a compelling way.



The average person gives to 4-10 charities, and would commit to giving to 2-4 charities monthly.<sup>7</sup> The important thing to keep in mind is that donors may not necessarily give monthly to their favourite charities — they may have simply said “yes” to those who asked first, and asked well!

# So, Who Are Your Monthly Giving Prospects?

Here's the good news AND the tricky part — almost anyone could be a great candidate for Monthly giving. There are really no clear demographics. Monthly donors could be young or old and from a variety of backgrounds. They may not be able to write giant cheques, but they do represent the most loyal and productive donors on your file.<sup>8</sup> The best place to start is in your database, and segment based on recency, frequency and monetary value.<sup>9</sup>

**Monthly donors are those who have given to you in the past.** They may or may not have long-term giving goals with your organization, but something clearly piqued their interest in your mission.

**Monthly donors have given to you recently.** Often they are regular annual donors, or donors who have made two gifts in the last six months.<sup>10</sup>

**Online one-time donors are great candidates for Monthly giving.** They have already shared their credit card information with you, and they trust the technology.

**Monthly donor candidates have given a single gift between \$5-\$99.**<sup>11</sup> While this doesn't mean that donors who have given larger amounts wouldn't be interested in giving monthly, it is these smaller gift givers who make the best candidates because the low monthly cost fits into what may be a smaller monthly budget.

**Monthly donors are those who feel appreciated.** They were thanked well, thanked promptly, and want to get closer to your organization.

**Monthly donors were asked!** As was previously mentioned, monthly donors may not be giving to their favourite charities — they are giving to charities that thanked them promptly and asked at the right time.

**There is no clear data on how many times a donor would give a single gift before making the switch to Monthly giving.** Some donors will give annually for years before making a monthly gift, and others may start their relationship with your organization through Monthly giving. Every donor will have a different reason, and just because they've given consistently before, it doesn't mean they'll be ready. Timing and getting to know your donors are key!



# Who is Currently Giving?

The Next Generation of Canadian Giving has great information about donors based on generational demographics.

- 20% of Canadians are monthly donors <sup>12</sup>
- 14% Gen Y
- 18% Gen X
- 22% Boomers
- 28% Civics

Since donors who have already given online are great Monthly giving prospects, it's also useful to note who is giving online.

- 41% of Canadians have given online <sup>13</sup>
- 45% Gen Y
- 56% Gen X
- 35% Boomers
- 31% Civics

## Some Other Interesting Facts

- Nine out of ten donors who are interested in making a major gift will check out your website before writing a cheque. Ensure that Monthly giving is a visible and compelling option on your donation page!
- Monthly donors, if treated well, also make your best legacy prospects.<sup>14</sup> Keep them happy, and you could keep them for life and beyond!
- Look for monthly donors in unsuspecting places. A donor who calls your office to complain about getting too much mail could be a great Monthly giving prospect. If they care enough to make a call, it may be something that is of interest to them.<sup>15</sup>
- A Monthly giving ask in your regular direct mail appeal could work if you give the donor a variety of options to give, both one-time or on a recurring basis. A great variable ask is worth a shot!

# Your Monthly Giving Plan

You've now gained further insight into Monthly giving — what it is, why it works, and who is most likely to give. Now it's time to put all that good information to use by creating your Monthly giving plan!

The greatest thing about Monthly giving is there is no one-size-fits-all approach. Small shops, larger charities, and everything in between are great candidates to implement this adaptable program.



## Before You Start

First thing's first. As with any fundraising activity, you need to ensure your team, your executive director and your board members are supportive. Without their buy in, it will be difficult to implement a successful program.

In his book *Hidden Gold*, Harvey McKinnon outlines some common misconceptions and obstacles you may face in convincing your team that Monthly giving is the right fit for your organization.<sup>16</sup> Some of them include:

- Not having the resources or authority to implement a large Monthly giving program
- Perceived competition with other internal fundraising program departments
- Thinking your donors are too old or wouldn't be interested in Monthly giving
- Not recognizing the power of many small gifts adding up over time

Harvey's advice is to start small and arm yourself with good information (like this document!)

## Some Essential Questions

Once you have buy in from others on your team, it is important to consider some other factors that will play into the success of any Monthly giving program you implement.

**Is your mission appealing?** As with any type of fundraising, you need to make sure your foundation is strong. Is your mission compelling? What is your Unique Sales Proposition – that is, why are you the best choice for donors looking to create change? Why should anyone consider giving to you in the first place?

**Is your communication effective?** Do you have a clear case for support? Do you make a clear call to action when asking for donations? Do you promptly thank donors for their gifts?

**Do you have a strong back-end system in place, and someone to manage it?** You will need a way to not only process donations, but a place to track important donor data. Monthly giving is convenient because it utilizes technology to help process regular donations – but this won't work if you don't have the technology or someone who knows how to use it!

**Do you invest in donor stewardship?** Relationships are key! Monthly giving is a great way to strengthen relationships with one-time donors who want to get closer to your organization. If you aren't willing or able to show your donors the love and appreciation they deserve, your program will fall flat!

If you've answered "yes" to all of these questions, you're ready to start!



## What is a Call to Action?

A call to action is a clear instruction to perform some kind of an action, such as Donate Now, Read More on Our Blog, Follow Us on Twitter, Download the Toolkit, Learn More, etc.

Calls to action are critical and so are the pages that you're directing the traffic to. Through testing, you'll get to know what works for your audience and what doesn't.

Have a clear call to action in every communication including your emails, social media posts, on your website, etc.

### The Do's of Using a Call to Action in Your Online Communications

- Make it prominent and easy to spot. Have white space around it and place it in a button if it's the primary action you want them to perform, but don't clutter your communication with buttons.
- Use links instead of buttons when it's a non-crucial action.
- Focus on only one call to action per email or communication.
- Use clear language that is persuasive and compelling.
- Use command verbs.
- Link directly to the page where you want them to perform the task.
- Clearly explain the benefits of completing the action in the content that's directly related to the button or link.

## Determining Your Monthly Giving Prospects

After reading this far, you now know who your monthly donors could be. But it's time to mine your data and find out who your organization's best Monthly giving prospects are!

- Start simple. Figure out who your donors are, why they give to you, how they give to you, and what their giving patterns are.
- Segment based on recency, frequency, and gift amount. Remember: donors who have given between \$5-\$99 a few times a year, especially those who have given recently, are your best candidates.
- Get ready to test! Select a small sample of your Monthly giving prospects to begin testing on.

## Determining Your Offer

So what is it that you have to offer donors? Before you begin any fundraising program, it is important to figure this out. This is especially crucial for Monthly giving, where donors need to understand that even their small monthly contributions have a big impact.

"Why should I give to your organization, and more specifically, why should I commit to being a monthly donor?" These are questions that you need to answer. What is your donor's "Unique Reason to Give"?<sup>17</sup>

Some things to keep in mind when you are considering your offer are:

- 1 What is the right donation amount?** Will you have a fixed Monthly giving option, a list of options, or do you have the ability to make a variable ask based on a donor's past giving amounts?

**Remember, if the average donor makes 2 gifts of \$26, this adds up to \$52 a year. At this rate, even a monthly contribution of \$5 or \$10 means more money at the end of the year.**<sup>18</sup>

- 2 What will the donation "buy"?** In Monthly giving, it is incredibly useful to offer this information to your donor.

Will \$20 a month provide school supplies to an inner city child? Will \$15 a month help provide vaccinations to stray animals?

It's not just about determining what "product" you're "selling", but also which product is going to be the best sell to your donors. The best way to figure this out is to test your offer!

**3 What else do you have to offer?** What other perks, if any, will you offer donors who upgrade to your Monthly giving program?

Think of these as your customer guarantees. Some things to consider are:

**Premiums** — sometimes organizations offer special gifts for enrolling as a monthly donor. Is this something that your donors would be interested in, and does it make sense for your organization to offer this?

**Designated funds** — will the money you raise from your Monthly giving program be designated to a specific program area?

**Payment options** — will you offer flexibility to your donors in terms of how they can pay?

**Exclusivity** — some of the best Monthly giving programs are communicated in ways that make the donor feel like a trusted and valued insider. How can you make your Monthly giving program feel special?

**4 How will you offer it?** Email, direct mail, and telephone are all different ways you could offer, but a mix of all three works best.<sup>19</sup>

- Those who have already given online with their credit cards are your best bets. Start with an email campaign targeted at these donors.
- Look for donors who have already given by credit card and target a direct mail campaign at them.
- If it is possible, select a group of donors who you could follow up with by telephone. No need for a robust telemarketing budget — just test a few to see how it works for you.

## What's Your Goal?

Monthly giving will increase your revenue and help create stronger bonds with donors who are committed to your cause. But be warned — results vary and it does take time.

## What is a realistic goal?

In his book "Hidden Gold", Harvey McKinnon suggests that between 3-5% of your current donors will convert to Monthly giving.<sup>20</sup> However, results will grow over time and will vary depending on your organization. In Europe, close to half of all donations are monthly, and in North America, Monthly giving accounts for 95% of donations for child sponsorship organizations.<sup>21</sup>

Whatever your goal, make sure it is realistic and manageable – start small, ensure you have all the right systems in place, and plan to grow your goal over time. Monthly giving programs are a long term investment, but they are well worth it!

## Who Is Your Project Lead?

Monthly giving requires oversight. With so many moving parts, you should have one person in your organization dedicated to ensuring the program works, and will continue to do so in the long term. If you don't have the capacity within your staff to have a dedicated project lead, consider recruiting a volunteer with the skills necessary to manage the project.

### Desirable Skills for a Monthly Giving Lead

- Knowledge of the organization and its fundraising goals
- Strong copywriting skills
- Understanding of donor stewardship practices
- Strong communicator
- Experience with an email platform like Mailchimp
- Familiarity with e-commerce best practices, such as using calls to action, and tracking metrics like open rates, click rates and conversation rates
- Ability to track and report on key information to internal stakeholders, such as other development departments, management and leadership
- A team player that is committed to championing your cause

## To Brand or Not to Brand?

Should you have a special brand for your Monthly giving program? You'll notice that many large charities have separate and distinct branding for their Monthly giving programs. Big names like "charity: water" have had hugely successful Monthly giving programs that stand out with a look and feel

that is different than their other fundraising programs. The difference between your organization and theirs is likely a very large budget. But some of their key branding principles can be implemented at any organization.

- 1 Make Monthly giving stand out as an option for donors.** In your print and digital communications, make sure that Monthly giving is as prominent as other choices.
- 2 Consider giving your program a special name.** Instead of just "Monthly giving program", why not call your program "Hospital Heroes" or "Friends of Literacy"? Brainstorm ideas and be sure to test your selection.
- 3 Think of how you may set your program apart visually.** No need to pay for a pricey new logo if you can't afford it. This could be as easy as adding your program name to an existing logo, or perhaps bringing a new colour to your branding palette.
- 4 Use urgency in your language.** Compelling Monthly giving copy often uses a sense of urgency for immediate and ongoing funding to make the case.
- 5 Ensure you create room in your ongoing communication to share impact and gratitude focused on monthly donors.** Whether this is a special newsletter, page on your website, or regular email updates, this communication will ensure your monthly donors feel like "insiders" and see the ongoing change their regular gifts are making.
- 6 Start simple.** One of the most compelling arguments for Monthly giving is its cost-effectiveness. Going overboard with branding makes your program look and feel too costly.

# What You've Got So Far...

- Internal commitment at the board, management and team level
- An awesome mission
- Communication that is effective, efficient and powerful
- Back-end and technical support
- Strong organizational commitment to donor stewardship
- Knowledge of who your donors are, why they give and how they give
- A segmented pool of donors who have given between \$5-\$99
- The right set of Monthly giving amounts
- A “product” that is appealing to your donor base
- A great offer that makes your monthly donors feel like they are part of an exclusive team
- A realistic goal that focuses on starting small and growing over time
- The right person on your team to manage and make it happen
- A unique look-and-feel that sets the tone



## Best Practices in a Monthly Giving Strategy

The best Monthly giving strategy will be a three-pronged approach, focusing on **converting** one-time donors to monthly donors, **retaining** the monthly donors you convert, and **upgrading** your donors' contributions over time.

### Converting Your Donors

So you've got your list or prospects — **donors who have given between \$5 - \$99, potentially recently, and possibly online.** Now it's time to hone your ask!

## When to Ask

There are many schools of thought on when is the best time to ask someone to consider becoming a monthly donor. And as with your “who” and “how”, your “when” will depend largely on your donor base. As with all good fundraising, it will require some testing.

- Monthly giving guru Erica Waasdorp of A Direct Solution suggests the most productive time to convert a one-time donor to a monthly donor is after their first gift. This should only be attempted after the donor has been properly thanked for their first gift.
- Pay attention to your organization’s giving cycle. Do you send four appeals annually, with a large ask culminating at the end of the year? Consider using this schedule to target and test a select group from your Monthly giving prospects.
- Some organizations find that soliciting monthly donations works well right before an annual renewal – 8-10 months after the initial gift.
- You may also consider making the ask on the anniversary of a donor’s first gift. If they have had a positive experience, this may be a memorable moment for them.
- Every organization will find different timelines are successful, as long as they have done a great job at making their donors feel thanked and appreciated.

## How to Ask

There is really no such thing as “the only way” to fundraise, and of course this is also true in Monthly giving. How you ask will be determined by what has worked well for your organization in the past, and what will be the most cost-effective moving forward.

If you’ve had a successful Direct Marketing program in the past, it is prudent to use these resources to carve out space for Monthly giving. However, if you have already been using online giving and have a decent email list, this method will be a great place to start.

### Email

Personalized emails are the most cost-effective and easiest way to communicate with supporters who may be most interested in making Monthly gifts. They have already given, they trust the technology, and have already begun to build an online relationship with you.

Before you draft an email appeal, you must first have a clear idea of who you’re sending emails to, and how to segment your donors in order to personalize your emails. You should target specific groups of individuals on your list with messages relevant to them. Most email marketing platforms will allow you to do this easily, and some even provide excellent video tutorials and online support. The small learning curve is well-worth the investment and you’ll use this knowledge over and over again.

There are many ways to segment your subscribers (i.e. age group, gift size, giving timelines, or one-time vs. long-term supporters.) For example, you can segment your list by people who have donated to a specific project and send them email updates about the project’s progress and the impact their monthly donations have had. Or, you can segment your email list by people who have given to your charity over the span of three years and send them an email outlining the benefits of becoming a monthly donor.

The more relevant the email content is to the reader, the more engaged they will be, and the better results you will see from your emailing efforts.



## Donation Forms

People give because they are asked! Change your communications and donation forms to incorporate Monthly giving, helping people understand that monthly donations are a common and welcomed way of giving.

- When creating your donation forms, make monthly donations the first option listed.
- Make sure your communications include a strong call to action that helps your donor understand the impact of their monthly donations. Remember, this is part of the “product” you’re “selling.” How many school lunches does their \$25 a month buy? How much land does their \$25 a month save? Get concrete, and show their impact immediately!
- Suggest some donation amounts, with the option for the donor to enter their own amount. Your giving levels will be dependent on your organization — if initial first-time gifts are smaller, you will want to set smaller Monthly giving levels. If first time gifts are larger, you may want to consider larger. Generally, the response rate does go up as the gift amount goes down. You really want to capture as many monthly donors as possible, even at small amounts. There’s always room to upgrade later.

## Your “Ways to Give” Landing Page on Your Website

Chances are you already have a “donate now”, “support us”, or “ways to give” page on your website. Some common ways to give include one-time gifts, volunteer opportunities, donations of securities, and clothing/food drives. Be sure to include Monthly giving as an option here.

- Perhaps these points should be equally spaced to make them easier to read?
- Make sure you’ve listed the ways a donor can support your organization as clearly as possible — don’t confuse your donors, or they won’t donate.
- If possible, try testing the use of light boxes that pop up on your website asking visitors to consider making a monthly gift.

## Social Media

The various social media platforms you use can be great channels for regularly highlighting your Monthly giving program.

Take the opportunity to talk about the program, the progress you’ve made, and the impact that donors have made. Most importantly, take the time to thank monthly donors (by name if they are willing!) who have already committed to giving.

## Special Incentives

If you are just starting a Monthly giving program, or kicking it up to the next level, consider using some interesting and creative incentives to pique the interest of your donors.

- Contest or Giveaway — Do you have a special event or interesting prize that you could give away? Consider setting up a draw for donors who sign up to your Monthly giving program.
- Sponsorships or Matching Partners — If you have a great relationship with a corporate partner, perhaps they would consider matching monthly donations for a certain period of time. Donors really do like it when they can maximize the impact of their donations.
- Employee Programs — Do you have any existing relationships with businesses that donate to your organization via payroll deduction? Consider further developing this relationship to see how businesses and employees may upgrade their contributions.
- As with any special incentive, especially one that involves an outside business, do your research.



## Other Donor Communications Tips

It's key to remember that the general best practices in donor communications still apply to communicating with monthly donors.

Always remember:

- The donor is the hero. Thank well, thank promptly, and continue this attitude of gratitude throughout your communications.
- Keep it simple. Speak in your donor's language, with urgency, specificity and clarity. Make your call to action clear.
- Use stories to show impact of gifts. Numbers are great, but too many stats and facts can be confusing. Aim for clarity, and nothing is more clear than an emotionally compelling story of change.
- Giving is not transactional — it's relational. Monthly giving is a powerful way to creating long-lasting relationships with donors who care most about your cause.

## Retaining Your Donors

Congratulations! You've signed up your first group of monthly donors, and the numbers keep growing. Now what can you do to ensure you retain those eager donors who have committed?

### Make Your Monthly Donors Feel like the Heroes that they are

Once donors sign up, you need to keep them informed of the impact their regular gifts are making. Follow all the general best practices when communicating to donors and find special ways to thank your monthly donors on an ongoing basis.

- Send donors monthly email newsletters that thank them for their ongoing contributions, acknowledges their participation, and reports back on just what their donations are doing to make a difference.
- Use your email marketing platform to personalize emails. Ensure that this email is crafted specifically for monthly donors — it should not be the same email that you send to all of your other supporters.

- Highlight the important contributions your monthly donors are making in a communication that is sent to all of your supporters. For example, you can ask some of your monthly donors how it makes them feel to give monthly, and why they give monthly, and then feature their inspirational stories in email newsletters.

- Are there any ways that you are currently acknowledging donors that you could incorporate into your monthly donor acknowledgement?
- Could you recognize monthly donors in some special way? Consider a wall at your office, a special section of your annual report, or profiles in your newsletter.

Donors will often stop donating to an organization if they feel that their donation is not making a difference. Consistently thanking, encouraging your donors, and showing the impact they are making will help keep them committed.



## Keep Track of your Donors and their Data!

Monthly giving is a great way to consistently raise funds from your most loyal donors. But that doesn't mean you can just "set it and forget it". This is why it is so crucial that you have someone dedicated to keeping an eye on the program and its data to ensure things flow smoothly.

- Keep an eye on credit cards and follow up when they are about to expire. This is a common way to lose a monthly donor. Have a system in place to track credit card expiry dates, and follow up promptly. Whenever possible, call your donor instead of just sending an email. You may even wish to provide them with an incentive if possible, such as a matched gift on their first month's renewed donation.
- Keep track of important milestones for your monthly donors, such as:
  - When they first became a monthly donor — this is a great piece of information for a future touch point, such as sending them a note of congratulations when they've reached an important anniversary.
  - Every time they make a donation — and be sure to thank them promptly each and every time.
  - How much their contributions add up — you may consider a special note when they've reached a milestone amount, and can report back what their contributions have made possible. For example, "Over the past three years, you have made it possible for 100 children to eat a warm meal before they start school every day."
- When they stop donating — monthly donors can stay active for many years, but on average, about 30% drop off during the first year, and 48% drop off in the second year <sup>22</sup>, so ensure you have a plan in place to keep them engaged. If for some reason they decide to no longer give monthly, you'll want to follow up quickly to gain a better sense of why they decided to stop, and if there's anything you can do to continue to have their support.
- Don't be afraid to ask your monthly donors to donate on top of their regular contributions for a special program or emergency. Remember, these are your most committed donors and they want to help!
- Stay in touch with your donors and make sure that you are meeting their needs. You can do this by sending surveys or simply picking up the phone. Letting your donors know that their needs and expectations are important to you is part of a great stewardship plan.

## Upgrading Your Donors

You've converted many of your one-time gift givers to monthly, and you've treated them so well that they've happily stuck with your organization. Now it's time to ask donors to increase their giving levels.

### Why Will Donors Upgrade?

Monthly donors will generally upgrade for four reasons.<sup>23</sup>

- 1 They believe in your mission
- 2 They feel like you are making good use of their donations
- 3 They believe in your team and trust the relationship built
- 4 They are asked

If you have done a great job in showing your donors the impact they make and thanking them for their gifts, upgrading shouldn't be a problem. When you have built solid relationships with donors, they will not only understand your need for increased funds, but also your organization's desire to continue growing this relationship in new ways.

### When is the Best Time to Upgrade?

The best time to upgrade will completely depend on your program and your donors. If you are just starting out, you won't want to ask too soon. If you have been running a Monthly giving program for a while but have never asked donors to upgrade, it is likely time to try.

A good timeline for upgrading is 9-12 months after the donor has joined the program.<sup>24</sup> In this time, they've become used to giving monthly, are comfortable with the process, and are happy with the acknowledgement they have received.<sup>25</sup>

Not every donor will choose to upgrade, but some charities will be able to upgrade as many as 1/3 of their monthly donors.<sup>26</sup>

## How to Upgrade Your Donors

It all starts with great stewardship. From their very first commitment, ensure you are thanking promptly and showing the impact of their gifts often. When donors feel like their gifts are useful, yet still understand the growing and changing needs of your organization, making the ask will be much easier.

When asking, make sure you include a strong reason why you need more money. What has changed since they first committed to giving \$25 a month? Was there a funding cut that threatens a critical program you offer? Has your mission expanded? Are you close to a goal and you feel you can count on your most loyal and generous donors to help you? Create strong communication around your growing needs and share it in a way that keeps the donor at the centre of things.





## How Much to Ask For

In acquiring monthly donors, we know that the response rate goes up as the gift rate goes down. The same is true for upgrading. You don't want to alienate your donors by asking for too much. Asking donors to increase their gift size by 1/3 is a good amount<sup>27</sup>. Increasing from \$15 to \$20 may seem like a small amount, but it increases that donor's contributions by \$60 a year, likely more than they were giving as a one-time gift to begin with!

Whatever you ask, ensure that it is concrete. Don't offer vague numbers or soft calls to action like, "We'd appreciate if you could increase your support."

And just as in acquiring new monthly donors, upgrading requires time and patience. Give your donor time to consider your request, and be quick to provide any extra information if they ask for it. Some donors will not want to upgrade, and that's okay. Be sure to take note of donors who decline upgrading and any reason they may give for their decision. If they decline Monthly giving but continue to give on a regular, one-time basis, they may still be a candidate in a year or two. Show them they are valuable team members, and most likely they will want to step up their contribution to the cause.

# Wrapping It Up

You may not realize it, but you've just been given a secret weapon. One that will help you raise more money and engage with the donors already involved with your cause.

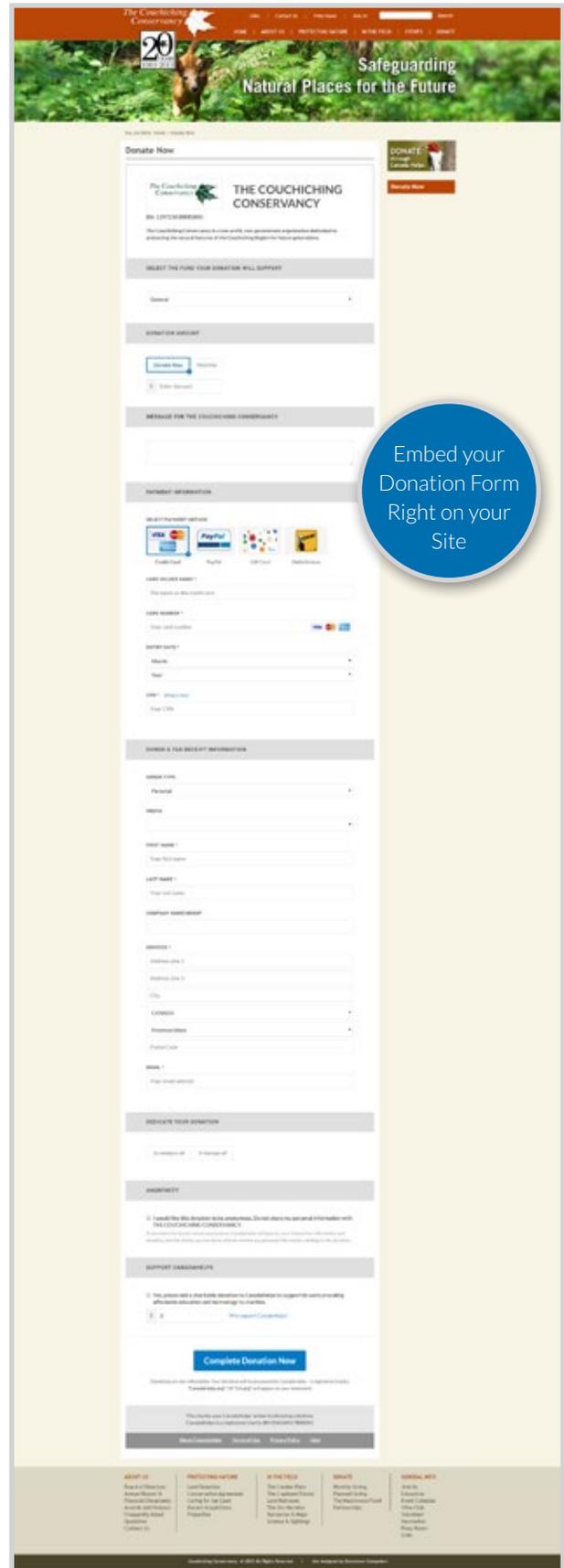
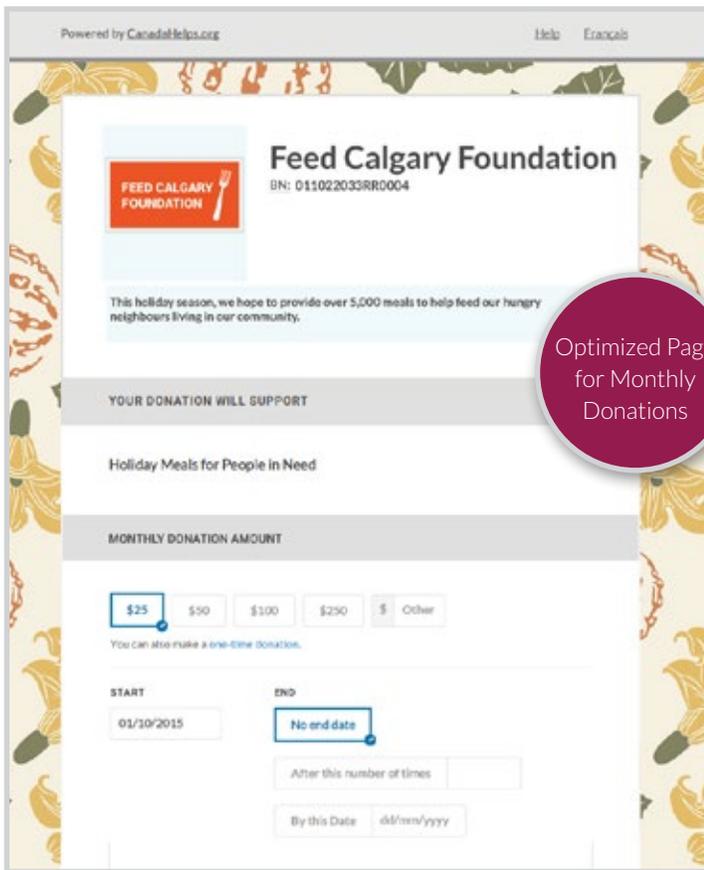
Okay, so Monthly giving isn't such a secret weapon. Many organizations have been using it for a long time to boost support for their missions. But now is your chance to integrate it into the fundraising you're already doing.

While Monthly giving is an incredibly powerful tool to employ, it certainly isn't a magic bullet. Before you start a Monthly giving program, you'll need to ensure:

- Your team — board, management, and coworkers — is on board.
- You have a strong mission and effective communication pieces in place.
- You're committed to communicating with your donors and showing them the impact of their gifts.
- You have a system in place to track your donors and know how to use the data you're collecting.

## One-time and Monthly Donation Tools that Save you Time and Money

With CanadaHelps, donors can easily make one-time donations and set up scheduled monthly gifts to your charity. To save you time and money in administrative tasks, CanadaHelps automatically issues and emails tax-receipts which are accessible to donors at any time in their CanadaHelps accounts. Donations are disbursed to your charity weekly via Electronic Funds Transfer. You also get full donation reports so that you can steward your donors and even import the data into your Salesforce or Raiser's Edge CRM solution.



There's a reason why over 20,000 charity clients rely on CanadaHelps for online donations and fundraising. With our customizable donation forms, your charity gets the following exciting features, and more!

- Maximize donations with streamlined donation forms based on best e-commerce practices.
- Create unlimited donation forms and customize the look and messaging on each form.
- Easily embed your donation forms in your site so that donors never have to leave it when donating. A full array of Donate Now and Donate Monthly buttons are also provided.
- Running a Monthly giving appeal? Improve results by setting your donation form so that scheduling a monthly gift is the first option your donors see.

- Increase your fundraising results by adding suggested donation amounts and impact statements, and turning on or off features like tribute gifts and free eCards as appropriate by page.
- Personalize the Thank-You email automatically sent to your donors with their tax receipts.
- All CanadaHelps fundraising solutions are fully mobile-ready and are certified to the highest-level of PCI security compliancy.
- Track your results with Google Analytics integration and effectively steward your donor with access to at-a-glance reports, detailed donor reports, monthly donor reports, a custom reporting tool, and more!

Your charity gets all this and more for one low non-commercial rate of 3.5%, including all credit card and bank fees. We never charge you to set-up or maintain your CanadaHelps account.



**Sign up for your FREE Full Fundraising Account at CanadaHelps today.**



# About the Author

Sheena Greer has been passionate about words and stories since she was a child. After she received her BA in English from the University of Saskatchewan, she decided to combine her love of language with the desire to help the community with a career in the social sector. Sheena currently works as an independent consultant for charities and community organizations across the country. Her company Colludo focuses on communications, fundraising and strategy, helping clients tell the kinds of stories they need to tell to deeply connect to the right audience.

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*This resource was brought to you by CanadaHelps, in partnership with Sheena Greer at Colludo.*

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