

Turning Data into Donors

**Maximize Your Data to Find New
Donors and Improve Fundraising**

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Learning Objectives

- What is data and what tools do nonprofits use to manage their data?
- What are the common data related struggles for nonprofits?
- How can we improve our data/tools?
- 5 ways we can maximize our existing data/tools
- Q & A

Note: becoming an expert on every topic in this presentation *is not* a learning objective.



What is Data?



Definition of “data” (Merriam Webster)

Information in digital form that can be transmitted, processed, and used as a basis for reasoning, discussion, or calculation.

Examples: names, addresses, donation information, retail transactions, interactions, relationships, ID's, amounts, etc.

Good Data: digital, uniform, sortable

Bad Data: a note on a piece paper, spoken words, text in a Word doc

Common Nonprofit Data & Tools



CRM (Customer Relationship Management) Software

Kindful, Bloomerang, Salesforce, Raisers Edge



Email Marketing

Mailchimp, Constant Contact, Hubspot



Payment Processors / Retail Sales

Classy, Network for Good, Fundraise Up, Square



Wealth Screening

Donor Search, iWave, Wealth Engine

For Most Nonprofits, Data is a Four-Letter Word

Many data tools can feel like a

**BIG
BLACK
BOX**

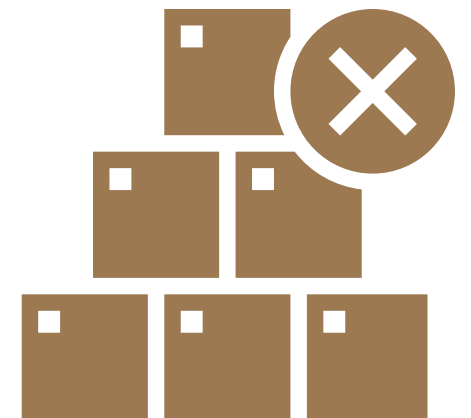
Bad Data → Bad Results

- Difficult and time consuming to run quality reports
- Lack of transparency on your donors and their engagement with your nonprofit
- Inability to effectively measure and track your fundraising performance
- Leads to adoption of “all-in-one” tools that do most task unexceptionally?

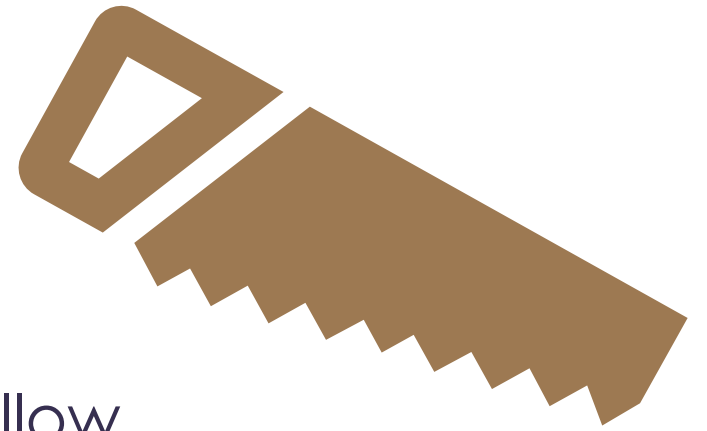
For Most Nonprofits, Data is a Four-Letter Word

Communications can be a nightmare:

- Have you ever sent a letter to a donor that included their deceased spouse's name?
- Do you cringe whenever you pull a mailing list?
- Do you get way too much returned mail?
- Are most of your emails/letters addressed to “friends”?



Data is a Like a Saw...



- If well maintained, and used with care, it should allow you to “cut through” the noise, make you more productive and provide a better final product
- When dull, (a.k.a. poorly maintained/bad data) you get poor results and a lot of wasted effort
- Used recklessly, data can be costly to your mission
 - Data breaches
 - Mailings to dead spouses...

How Do We Clean Our Data?



Start by exporting your existing data into a spreadsheet!

- Sound intimidating? Start with top donors and donors from the last 3-5 years
- Sorting, filtering, and conditional formatting will help you find 98% of issues
- When in doubt, export all available columns
- Make sure to include the unique ID's when exporting
- Either manually update your systems or learn how to import updates
- Merge duplicate accounts*
- Run NCOA's (USPS National Change of Address List)*
- Make cleaning "new data" a quarterly task and mass data cleans a summer project

**some CRM's have these tools built-in*

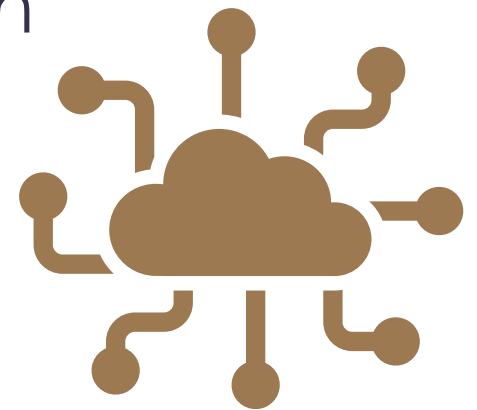
We've Cleaned Our Data. Now What?

1. Get your tools to talk to each other
2. Improve your communications
3. Learn more about your donors
4. Identify donor prospects
5. Measure, Improve, Repeat

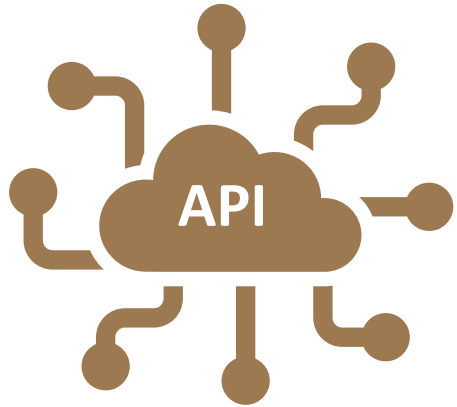


1. Your New Favorite Word: *Integrations*

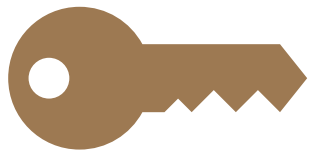
- Integrations are links between multiple tools which allow them to speak in the same language
- They enable you to use the best tools available instead of settling for “all-in-one” products.
- Integrations make things happen automatically which saves time and money for your organization (hint: bosses like that)
- Integrations should be thoroughly researched when assessing your current or prospective data tools



Want Data tools to talk? You'll need a link



1. Integration – a.k.a. API or Application Programming Interface
 - Most modern data tools play nicely with each other
 - Most software companies openly share their integration options
 - When in doubt, go to Zapier (Integration Wizard)



2. Unique ID – a.k.a. Primary Key
 - When integrations aren't available, find/create common unique IDs
 - Often CRM's have their own internal alpha-numeric codes for each unique profile.
 - Email addresses are a great back up option

2. Improve Your Communication: Segment is Key

Too many nonprofits use the *Buckshot Method*: Sending Everything to Everyone



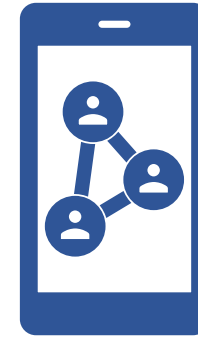
Remember the 6 Rights

When asking for a gift...

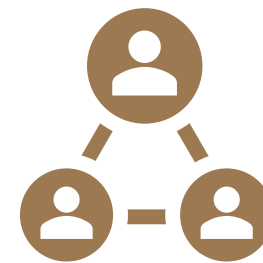
- Right Donor
- Right Solicitor
- Right Amount
- Right Project
- Right Time
- Right Method



The Power of Segmentation



3. Get to Know Your Donors



Make sure you are capturing and leveraging data for all the ways your donors interact with your organization.

Donor Database ↔ Mailchimp

- ID highly engaged MailChimp donors who are giving in small amounts (potential recurring gift candidate)
- Assess the Mailchimp engagement of your top donors
- See in your CRM if donors are reading their emails.

Donor Database ↔ Retail Sales/Client Software

- ID frequent shoppers/clients that are also donors and send them a thank you gift card or special promotion

4. Identifying Prospects

When identifying potential donors, you need to employ LIA:
Linkage, Interest/Inclination, Ability



Here are some examples of how data can help:

Donor Database ↔ Mailchimp

ID highly engaged MailChimp users who haven't given.

Donor Database ↔ Retail Sales/Client Software

ID frequent shoppers/clients who haven't given

Mailchimp ↔ Retail Sales

ID highly engaged MailChimp users and send them a special offer

5. Measure, Improve, Repeat



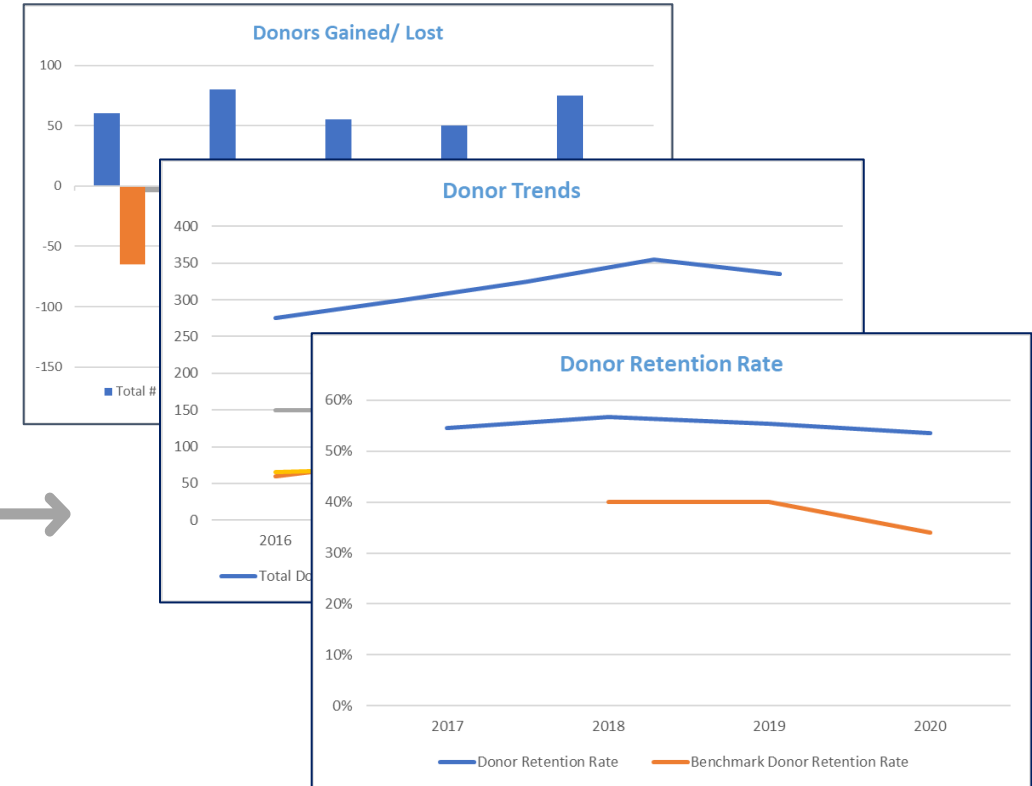
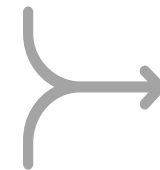
- Quality Data + Good Tools = Great Reports!
- “If you are using metrics to drive your fundraising program, you’ll be in the top 20% of all nonprofits.” Jon Helder
- Sadly, most fundraising programs are led by inertia and intuition.

We’re here to help!

Free resources are available: including a webinar, an article, and free spreadsheet tool.

Free Spreadsheet Tool

	2016	2017	2018	2019	2020
Total Actual Fundraising Expense	\$ 30,000	\$ 37,000	\$ 34,000	\$ 38,000	\$ 40,000
Total Organizational Expenses	\$ 400,000	\$ 410,000	\$ 450,000	\$ 445,000	\$ 470,000
Total Amount of Contributions Received	\$ 125,000	\$ 150,000	\$ 134,000	\$ 170,000	\$ 175,000
Total Amount Given by Top 5 Donors	\$ 36,000	\$ 42,000	\$ 37,000	\$ 50,000	\$ 45,000
Total # of Contributions Received	750	800	900	860	925
Total # of Donors	275	300	325	355	335
Total # of New Donors	60	80	55	50	75
Total # of Retained Donors	150	150	170	180	190
Total # of Lapsed Donors	65	70	100	125	70
Average Gift Amount	\$ 167	\$ 188	\$ 149	\$ 198	\$ 189
<i>*Benchmark Average Gift Amount</i>	\$ 264	\$ 256	\$ 294	\$ 267	\$ 261
Donor Retention Rate		55%	57%	55%	54%
<i>*Benchmark Donor Retention Rate</i>			40%	40%	34%
Donor Attrition Rate (aka Lapsed Rate)		45%	43%	45%	46%
<i>*Benchmark Donor Attrition Rate</i>			60%	60%	66%
Churn	-5	10	-45	-75	5
Donors Lost	-65	-70	-100	-125	-70
Fundraising ROI	317%	305%	294%	347%	338%
Cost to Raise a Dollar	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.29	\$ 0.30
Donation Frequency	2.73	2.67	2.77	2.42	2.76
Dependency Quotient	9.00%	10.24%	8.22%	11.24%	9.57%
Lifetime Value		\$ 412.50	\$ 343.59	\$ 443.06	\$ 407.04
<i>*Benchmark Lifetime Value</i>			\$ 489.53	\$ 445.00	\$ 395.45
Lost Potential		\$ 28,875	\$ 34,359	\$ 55,383	\$ 28,493



13 auto-generated charts/graphs included!

Other Free tools



- Quickly produces beautiful graphs, trend lines, and segmentations.
- Kindful & Little Green Light CRM fully integrate
- Awesome Benchmark Page: provides sector-specific benchmarks that instantly help you see how you are doing compared to your sector.



- Set of free spreadsheets
- Download spreadsheets vs. Uploading your donor data

Any
Questions?

