



Year-end fundraising in a down economy

presented by

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Fundraisers during last depression





**Consumer spending
dipped at a 3.1%
annual rate between
July and September,
the largest three-
month drop since
the second quarter
of 1980**



Target Analytics FR index Q1-2

- 31% of orgs had positive donor growth
- Continuation of declining trend over the past 2.5 years.
- Revenue per donor continued to increase (68% of orgs)
- Real revenue declined a cumulative 5.8% in past 3 years
- Especially hard hit:
 - "societal benefit" orgs – advocacy, civil rights, human rights, voter ed
 - health and human services



Factors

- Economy
- Fear itself
- Political fundraising
- Obama September: \$150 million, 600k new donors
- Focus, worries on Dow and Presidential campaign



Convio report from Sept. survey

- 51% intend to give online
- 24% of these say will give \$100+
- 46% who say their financial situation is worse plan to donate
- 61% say will give about the same amount as last year, 6% say more, 33% say less.



Who will they give to?

- 53% to faith-based charities
- 43% to human and social services
- 37% to disease research and health services
- 37% to animal welfare
- 31% to international relief and disaster assistance



What to worry about

- Less revenue, fewer gifts, lower average gifts, fewer conversations and reactivations
- How will your CEO and board react?
- How do you file for unemployment?



What to expect

- Fewer whitemail donors in Dec.
- Lower average gifts
- Less revenue from search
- Fewer conversions to monthly giving
???



Which donors affected

- Banks, hedge fund managers
- 65+ retired (pension, portfolio)
- Middle donors, \$50-\$100
- Remember 80/20 rule



“Re-project and take it upstairs”

- Denial got Wall Street in trouble and it'll do the same to your organization. So face reality and let management know you're probably not going to make the numbers for 2008....giving drops like a rock in economic slumps like we're in now. -- Roger Craver



Invest in the best prospects

- Major donors
- Long-time donors
- Multi-donors
- Monthly sustainers
- Multi-channel donors



Engage your core donors

- 80/20 rule
- Be in touch!
- Your cause is just, the need is the same or greater
- Emphasize why your org is important, especially now with economy, Obama, 21st century
- We are counting on you to...



- Don't be desperate, but tell them why you need them now more than ever
- Call them on the phone
- Invite them to conference call



Worst prospects

- Non-donors (subscribers, advocates)
- One-time donors
- Lapsed donors
- Low-dollar donors
- Mid-level donors (\$50-\$100)??



How to talk to donors

- Reference the economy or not?
- Don't bring it up if you can't answer it
- Not how crisis is affecting your org; how it's impacting your beneficiaries
- If you can, recast your case to emphasize how much more urgently your donors' gifts are needed now
- "Sure your 401k is down, but people in the Congo don't even have 401k"



Last week of the year

- 2/3 of December revenue
- Most long-time donors
- Most \$100+ gifts
- Most 50-59 year-olds



Change the calendar?

- Last week provides 50-66% of year-end revenue
- 50-somethings, multi-donors
- Should you engage donors earlier?
How?



Improving response rates

- Compelling mission and project
- Great copy
- All the “best practices”
- Short, sweet, simple
- Multiple messages, esp. last week



Tactics

- Test subject lines
- Test "from"
- Test gift string in message
- Test gift string on landing page
- Optimize landing pages
- Customize landing pages



Ideas and inspiration from...

- Frank O'Brien, OMPdirect.com
- Roger Craver and Tom Belford, TheAgitator.net
- Mal Warwick, malwarwick.com



Resources

- TheAgitator.net
- Donor Power Blog
- Convio.com report on holiday giving
- Search “fundraising economy”
- Blackbaud.com Target Analytics
“nat’l fundraising index”



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