

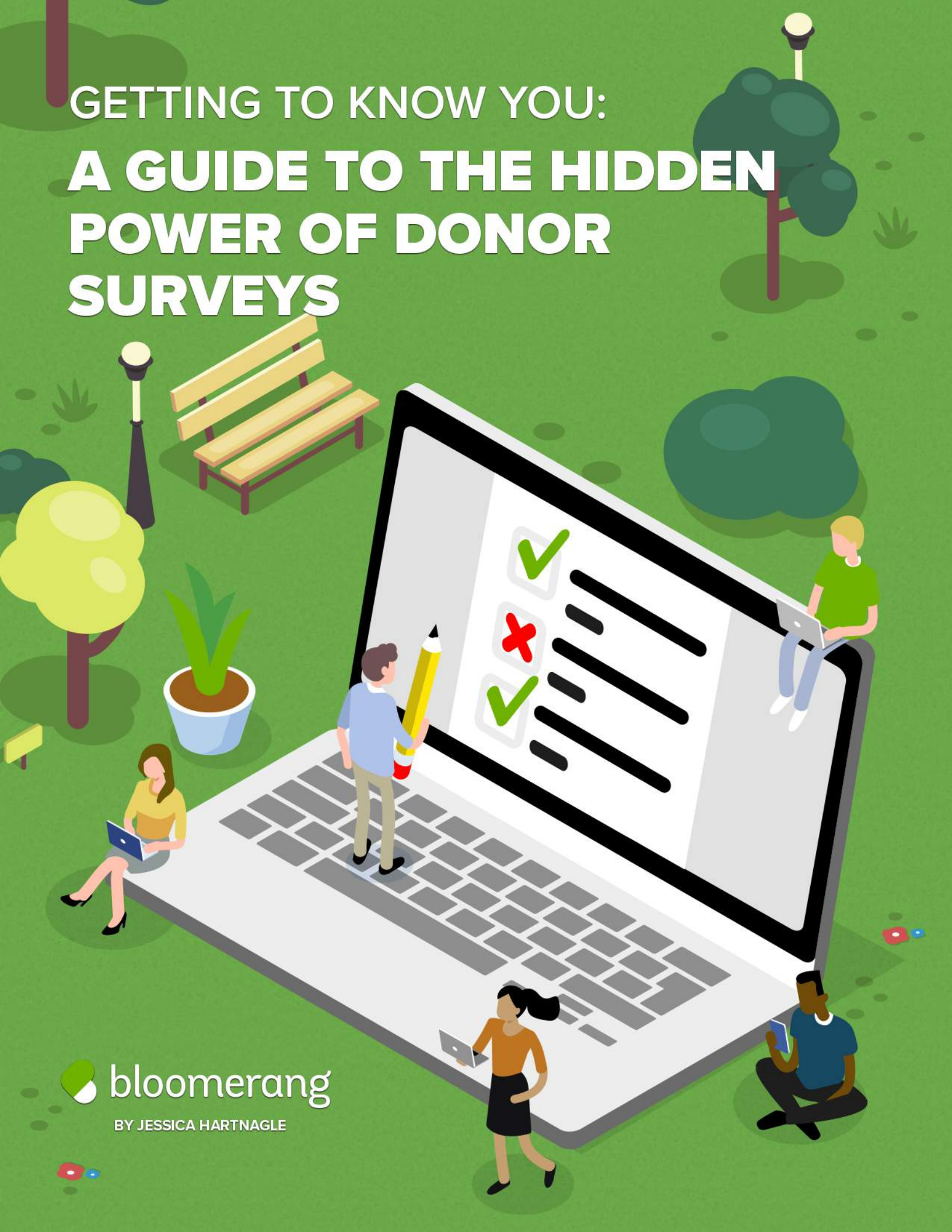


Bloomerang is powerfully simple donor management system that makes it easy for fundraisers to find out how their donors feel about them.

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GETTING TO KNOW YOU: A GUIDE TO THE HIDDEN POWER OF DONOR SURVEYS



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BY JESSICA HARTNAGLE

Intro

Think of the last time you went out for groceries, stayed at a hotel, rented a car or downloaded an app.

Chances are you received a customer satisfaction survey.

Businesses in the for-profit sector understand that they need to continuously collect and act on feedback in order to retain customers and improve their offerings. That's why so many send surveys.

They also realize many customers won't respond to their surveys. Yet, the ones who do offer valuable feedback and present themselves as highly engaged.

Unfortunately, the nonprofit sector's equivalent – donor surveys – are not as ubiquitous. Picture this:

It's your birthday week. You're sitting at home and the doorbell rings. A package has just arrived!

You don't recognize the name or address of the sender, but inside you'll find your favorite brand of loose leaf green tea (Jasmine Pearls, of course!).

What would you do next? Would you ...

- Brew a pot of tea and think nothing of it?
- Send a short thank you note and move on with your life?
- Show up at the sender's house and try to figure out why they're randomly sending you tea?

Maybe the third choice is a bit extreme, but most people would succumb to at least a little bit of curiosity. How does this person know me? How do they know I like tea? How do they know that's exactly what I wanted? Why do they like me enough to do something so nice?



As fundraisers, we sometimes suffer from a lack of curiosity about our donors. Sure, the birthday present analogy isn't exactly the same as receiving a donation, but we are getting donations from many people we know nothing about.

- Why did they donate to us?
- How did they hear about us?
- What do they expect from us?

We're even less curious about existing donors in terms of the current state of the relationship:

- How do they feel about what we're sending to them?
- Do they consider us their favorite charity?
- Are they still passionate about the cause?

Not only can the answers to these questions prove invaluable in guiding our efforts, donors actually like it when we ask them questions, according to research conducted by organizations like DonorVoice.

Whether you're just now discovering the power of donor surveys, or you're looking to up your game, this eBook is for you!

What insights you can gain:



- Why you should send surveys
- Which donors you should send surveys to
- What type of surveys you should create
- What to do with the information you receive from surveys



The case for surveys

Just as engagement and communication are important factors for customer retention so, too, are they for donor retention.

Research by Dr. Adrian Sargeant, who literally wrote the book on donor retention and loyalty, shows that surveys are effective in measuring a donor's satisfaction, commitment, intimacy and trust for the organizations they support.

They provide a vehicle for constituents to make their voices heard, while also offering nonprofits invaluable information regarding how they are perceived by their constituents.

Sargeant speaks to the power of donor surveys in his [7 Principles of Donor Commitment](#):

1. Your “customer service” is good.
2. They share your beliefs.
3. They're aware of consequences.
4. You've connected.
5. They trust you.
6. Multiple engagements.
7. They're learning. (Are you taking them on a journey?)

The good news is you don't have to wonder if any of the above seven are in place. You can ask!

In 2011, [a Donor Voice study](#) of more than 250 nonprofits found that the fourth-highest driver of donor commitment directly relates to soliciting feedback from donors.

When 1,200 long-time loyal donors were asked to rank, by order of relevance, why they kept giving to 250 nonprofits, they responded with 32 reasons.



Here are the top seven reasons donors give:

1. Donor perceives your organization to be effective in trying to achieve its mission.
2. Donor knows what to expect from your organization with each interaction.
3. Donor receives a timely thank you.
- 4. Donor receives opportunities to make his or her views known.**
5. Donor is given the feeling that he or she is part of an important cause.
6. Donor feels his or her involvement is appreciated.
7. Donor receives information showing who is being helped.

It shouldn't surprise you to see that thanking donors quickly and communicating the impact of their philanthropy keeps them around.

But were you surprised to see feedback opportunities were ranked so highly?

It makes sense. Donors give because they want to change something they don't like about the world. So why wouldn't they want to express those feelings in other ways besides their hard-earned dollars? And why wouldn't they want to provide feedback on the organizations they've chosen to funnel those dollars through?

Not only can surveys make donors feel like you care about them. They also can be used to leverage the information needed to predict future giving and alter your communications to make them more effective.

DonorVoice [touts the results](#) of their own donor commitment survey, which has been shown to predict future giving from high-commitment donors (130% more net revenue over a 36-month period).

The alternative is a one-size-fits-all approach to donor communications.

You needn't spend more than a few minutes on [SOFil.org](#) — the showcase of fundraising innovation and inspiration — to see countless case studies of organizations leveraging the power of donor surveys to enhance feelings of loyalty amongst their constituents.

So what are you waiting for?



Deciding who to survey

Much like building segments of donors in your database, there's no limit to the amount of survey types you can build.

If you're just getting started, consider prioritizing these three types of donors:

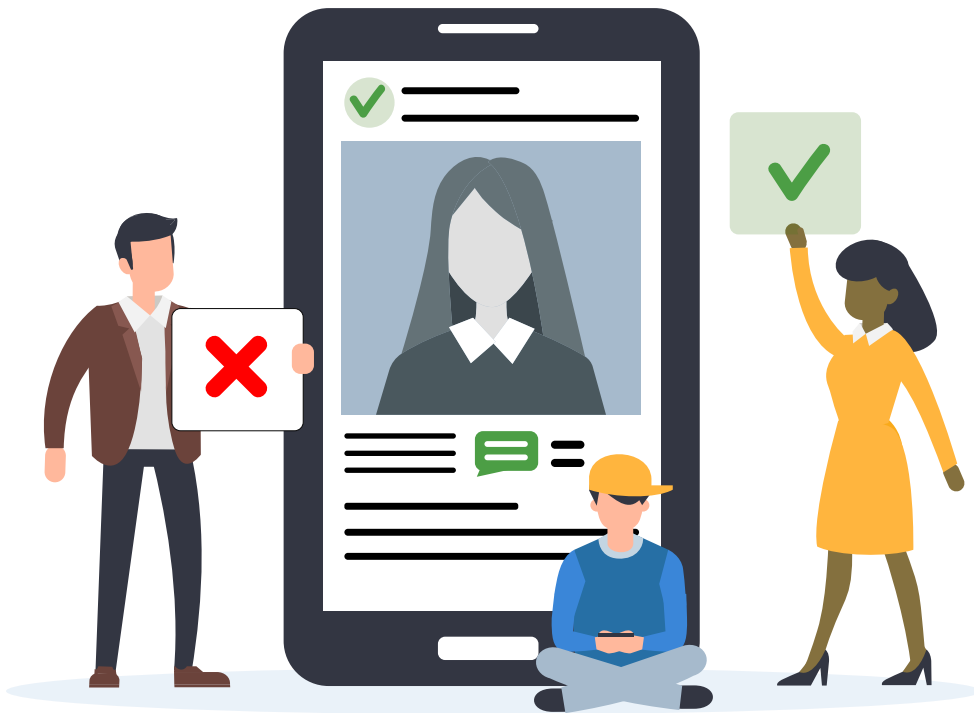
- New
- Existing
- Lapsed

Let's dive in and outline the importance of each:

New

First-time donors have the lowest retention rates of any donor frequency — 17.6% in 2017, according to the Fundraising Effectiveness Project's [Quarterly Fundraising Report](#). That abysmal rate comes in to play when you consider fundraising ROI.

For example, let's say you spend \$25 to acquire a new donor who gives you \$10. Right off the bat, you have negative ROI on that gift. If they never give again, you'll have lost \$15 on your efforts. It's imperative that you secure a second gift, and one of the best ways to do that is to find out how your donors feel about you in the first days of the relationship.





Existing

Even though retention rates are higher (45% based on that same fundraising report), you shouldn't rest easy. Not only could these seemingly dedicated donors stop giving at any point, they also represent a lost opportunity to get additional gifts and interactions (volunteerism, board or committee membership, etc.), not to mention upgrades, pledges and bequests.

With existing donors, your primary goal should be to take the temperature of the relationship.

Are you providing the types and quality of communications they want to receive from you? Do they feel your program offerings are understood and are being delivered in a way that satisfies the donor's philanthropic goals?

Lapsed

The recapture rate on lapsed donors is typically [below 5%](#).

By no means should you stop at these three categories. Monthly donors, event attendees, volunteers and sub-segments of existing donors (based on length of giving, for example) are all excellent candidates for donor surveys.

However, focusing on new, existing and lapsed donors will give you a lot of bang for your buck.

Building your surveys

Now that you know who you will be surveying, it's time to build the surveys.

What will you ask?

Many nonprofits ask for information about the donor: why they gave, what is their connection to the cause, etc. This information can be quickly gleaned at the point of transaction (such as through an additional field on an online donation form) or in the gift acknowledgement process.

If you want to get more valuable insights, consider emulating the work of Dr. Sargeant.

Sargeant suggests four categories of surveys:

- Satisfaction
- Commitment
- Trust
- Intimacy

As a result of the research Sargeant and his colleagues have conducted over a 25-year period, we know that the following are four key drivers of loyalty that nonprofits need to address.

1. Satisfaction

When determining donor loyalty, it's important to ask how satisfied people are with how they have been treated as donors.

- Have they been properly thanked?
- Do they get a timely response to any issues or concerns?
- Are they asked appropriately for what they deem to be appropriate sums?

Clearly, we can't ask questions about every aspect of service quality, but the good news is that we don't have to. You only need to measure a few components to get a sense of how people generally feel about your service.

So, did we just pluck this idea from the ether?

No.

You'll know from the commercial world that customer satisfaction surveys are now pervasive and they are pervasive for a reason. It is now well established that satisfaction has a strong positive effect on loyalty intentions in a wide variety of product and service contexts, including fundraising.

In his first study to address donor satisfaction nearly 20 years ago, Sargeant identified a positive correlation with loyalty. Donors who indicated that they were "very satisfied" with the quality of service provided were twice as likely to offer a second or subsequent gift than those who identified themselves as merely satisfied.

More recent work by Sargeant confirmed this relationship, identifying a link between satisfaction and commitment to the organization.

Further studies support the theory that there is a significant and positive link between satisfaction and the quality of relationship marketing activity. The link in this case is between relationship fundraising and the donor's future intentions and behavior, particularly the likely duration of the relationship and the levels of donation offered. Despite the weight of evidence that donor satisfaction is the single biggest driver of loyalty, few nonprofits actually measure and track levels of donor satisfaction over time, Sargeant noted.

However, that is starting to slowly change. A number of major charities are now measuring and tracking donor satisfaction, with a handful of them constructing supporter satisfaction indices that can be fed into their organizational reporting systems (e.g. a balanced scorecard).

Managers are now being rewarded for changes in the level of aggregate satisfaction expressed.

From where we sit, this seems a long overdue practice.

2. Trust

Of course, loyalty is a function of much more than just how people feel about their experience with fundraisers. It is also a function of whether they believe they are having an impact on the beneficiaries or cause.

Many donors have no objective way of knowing whether the money they gave actually made an impact. In most cases, they can't see the service being delivered. So, they are being asked to trust that the organizations are doing what they say they are doing — and that they are spending their donations wisely.

In the commercial sector, successive studies have demonstrated how trust drives customer loyalty when other factors such as commitment are held constant.



For example, customer loyalty and positive word-of-mouth reviews by customers are positively related to a customer's trust in the service provider, according to a report published in the *International Journal of Service Industry Management*.

The authors of the study, Jaideep C. Prabhu and Chatura Ranaweera, also determined that highly satisfied customers with low trust levels have significantly lower levels of loyalty intention.

In fundraising, other studies co-authored by Sargeant demonstrated empirically the impact of trust on giving.

3. Commitment

Another driver of customer loyalty is relationship commitment. It is outlined in other literature as “a desire to maintain a relationship” or as “a pledge of continuity between two parties.”

What these definitions have in common is a sense of ‘stickiness’ that keeps customers loyal to a brand of company even when satisfaction may be low, as pointed out by author Anders Gustafsson in the *Journal of Marketing* article, “The Effects of Customer Satisfaction, Relationship Commitment Dimensions and Triggers on Customer Retention.”

Sargeant noted that there are actually two types of commitment — “passive commitment” and “learning.” In the first instance, a significant number of individuals “felt it was the right thing to do” to continue their support, “but had no real passion for either the nature of the cause or the work of the organization.”

Other supporters, particularly regular givers (sustainers), were continuing their giving only because they had “not gotten around to cancelling” or had actually forgotten they were still giving.

In contrast, active commitment is defined by a genuine passion for the future of the organization and the work it is trying to achieve. Organizations can nurture this “active” commitment through one-on-one interactions and by developing shared values.

Other commitment drivers included the donor’s belief that the nonprofit wouldn’t be able to fully continue its mission if the donor decided to cancel their gift or trust.

Finally, Sargeant’s research also concluded that donors can demonstrate commitment by deepening their knowledge of the organization through the communications they receive. As a result of this “learning,” individuals will be positively influenced in their commitment to the organization and future giving.

The study pointed out this as evidence of the importance of planning “donor journeys” rather than simply a series of “one-off” campaigns.

4. Intimacy

The final driver of loyalty is the notion of intimacy. As relationships become more intimate, the breadth and depth of the bond increases. The more their interdependence grows, the stronger the emotional experience becomes for both partners.

Numerous studies are now examining the role that intimacy plays in marketing relationships. In one study, intimacy is considered an important driver of customer loyalty in consumer relationships.

That loyalty may even drive consumers to share information with service providers that they would normally not share in other relationships.

The authors of the *Journal of Marketing Research* article, “Strengthening customer loyalty through intimacy and passion,” described this type of intimacy as feelings of closeness, connectedness and bondedness. And they resulted in a positive demonstration of trust, commitment and loyalty.

Of course, it’s possible to imagine many scenarios where charitable giving is deeply meaningful for the individual.

Our early testing in fundraising suggests that intimacy should be measured alongside satisfaction, commitment and trust.



So what insights can you gain?

All of these concepts have the power to drive donor loyalty. By sending surveys, you can get a sense of how your organization is doing independently and in comparison to others.

These insights will help you understand which aspects of the relationship you're handling well and where there's room for improvement. And, of course, you can now track those improvements over time.

Let's look at our three segments — new, existing and lapsed donors — to determine which questions are best for gaining the insights we need for each.

New

Satisfaction Questions

These are your basic “customer service” questions:

- I was thanked appropriately for my gift to (Organization).
- Overall, I am very satisfied with how (Organization) has treated me as a new donor.
- I believe I've done the right thing in supporting (Organization).

Commitment Questions

Here, you're asking about the work and the cause:

- I care passionately about the work of (Organization).
- My relationship with (Organization) is something that I am very committed to.
- My relationship with (Organization) is very important to me.
- (Organization) is working to achieve a goal that I care passionately about.

Trust Questions

In this section, you're asking how the donor perceives your organization.

- (Organization) has a very high level of integrity.
- (Organization) can be counted on to do what is right.
- I trust (Organization) to deliver the outcomes it promises for its beneficiaries.

Existing

The set of questions for existing donors is the same as those for new donors, with the addition of the “intimacy” category.

Notice also that the order of categories is prioritized differently.

Commitment Questions

- I care passionately about the work of (Organization).
- My relationship with (Organization) is something that I am very committed to.
- My relationship with (Organization) is very important to me.
- (Organization) is working to achieve a goal that I care passionately about.

Trust Questions

- (Organization) has a very high level of integrity.
- (Organization) can be counted on to do what is right.
- I trust (Organization) to deliver the outcomes it promises for its beneficiaries.

Satisfaction Questions

- I was thanked appropriately for my gift to (Organization).
- Overall, I am very satisfied with how (Organization) I’ve been treated as a new donor.
- I believe I’ve done the right thing in supporting (Organization).

Intimacy Questions

Since a relationship already exists, consider asking the donor how they feel about the state of the relationship itself.

- I feel very closely connected to (Organization).
- I feel that (Organization) and I were really “meant for each other.”
- I feel warm when I think about (Organization).
- I feel a sense of intimacy with (Organization).

With all four categories, you’ve covered quality of service, affinity for the cause, perception of the organization and health of the relationship.

Now, let’s cover what to ask when the relationship appears to have gone sour.

Lapsed

In his 2001 study, "[Managing Donor Defection](#)", Sargeant surveyed the lapsed donors of 10 national nonprofits to find out why they stopped giving.

These were their responses:

- 5% - Thought the charity didn't need them.
- 8% - No information on how monies were used.
- 9% - No memory of supporting.
- 13% - Never got thanked for donating.
- 16% - Death.
- 18% - Poor service or communication.
- 36% - Others more deserving.
- 54% - Could no longer afford.

As you can see, the reasons closely correlate with trust, commitment, intimacy and satisfaction (with the addition of financial difficulty).

When approaching a lapsed donor survey, it can consist of simply one question, with multiple choices for an answer.

Why did you stop giving? (Select all that apply)

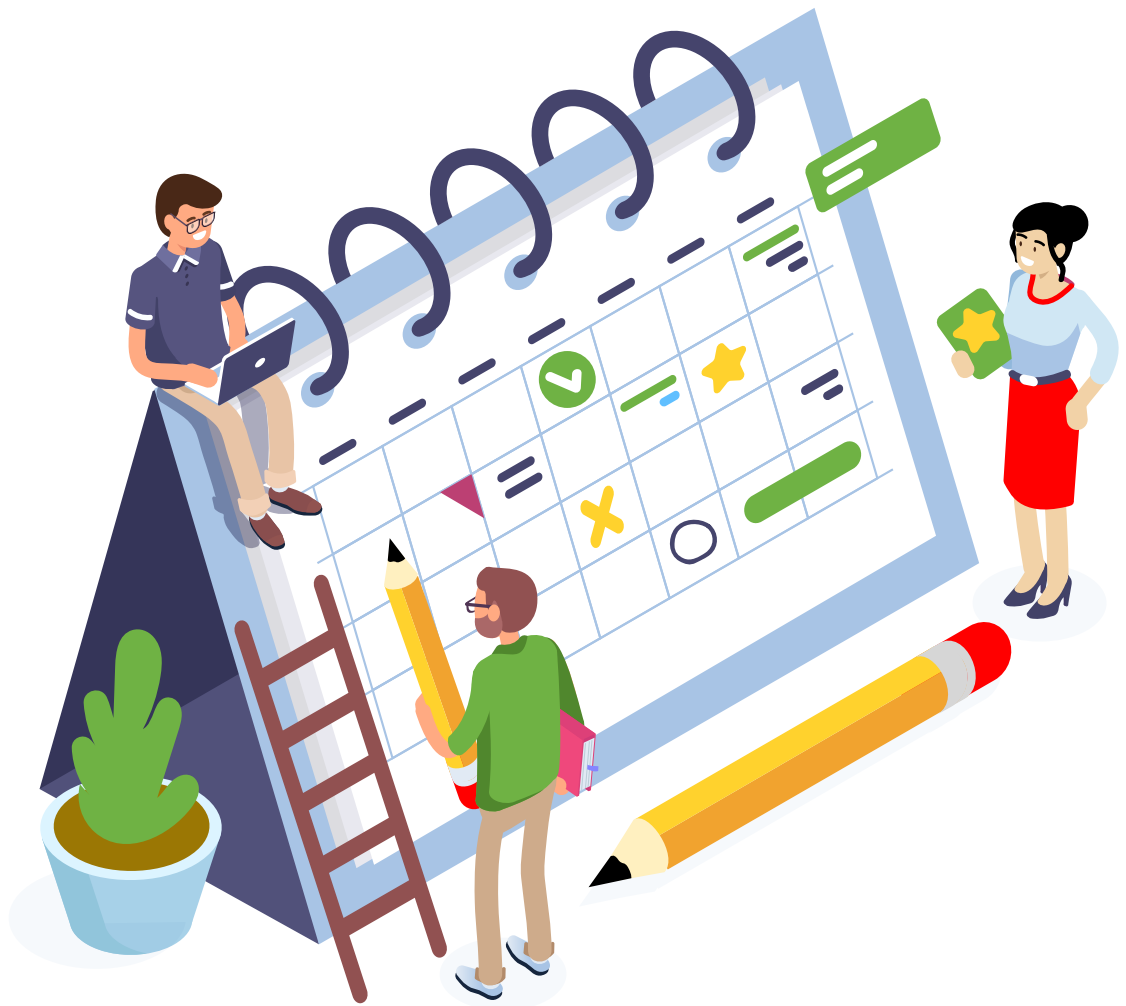
- I was not aware my donation had stopped.
- I can no longer afford to offer my support.
- There was a mistake at my bank.
- My personal priorities for giving have changed.
- I switched to support a different charity.
- I felt pressured into giving.
- (Organization) asked me for an amount I found inappropriate.
- I wasn't thanked appropriately for my gift.
- The quality of service provided to me as a donor was poor.
- I didn't enjoy (Organization)'s communications.
- This is not a cause that greatly interests me.
- (Organization) did not tell me how my money was used.
- (Organization) wrote to me too often.
- Supporting [Organization] doesn't fit with my sense of who I am.
- (Organization) doesn't seem to need my support.
- Other: (write in an answer).

One word of caution: Don't let the survey recipient ever see the words "lapsed donor." In other words, don't address them as such. Words like "We miss you" or "Did we do something wrong?" can be good ways to preface the survey.

Remember: donors give based on their own schedules. Even if you consider them lapsed, they may not consider themselves lapsed.

Did you know? Bloomerang's platform allows you to send surveys to first-time, existing, and lapsed donors. The best part? Their answers will populate their constituent record, including the engagement meter.

[Learn more here](#)



Summary



As a survey of 5,800 respondents revealed, donors who expressed a high level of active commitment are significantly more likely to be loyal to the organization.

The study, which was conducted by Sargeant and other researchers, also revealed that donors who share the same beliefs as the charity as well as expressed higher levels of satisfaction were more likely to express higher levels of active commitment.

The survey also made it clear that multiple engagements, trust, learning and personal connections also are instrumental in fostering active commitment.

If you aren't surveying your donors, you could be missing out on a critical opportunity to deepen relationships, find the best prospects and raise more money for your organization.

Surveys provide a vehicle for constituents to make their voices heard, while also offering organizations invaluable information about how they're perceived.

So what are you waiting for? Get those surveys out the door!

Resources



For further information on nonprofit donor survey resources, read the following:

[Fired Up Fundraising](#)

[Nonprofit Quarterly](#)

[Nonprofit Marketing Guide.com](#)

[DonorVoice](#)

[Qgiv](#)

[SOFII](#)

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About the author

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As a seasoned professional with 14 years of experience in nonprofit technology consulting and database management, Jessica has had her fair share of experience with nonprofit software.

Before joining Bloomerang, she worked as the Database Administrator for David A. Straz, Jr., Center for the Performing Arts, and as a Nonprofit Technology Consultant at JCA, Inc.

Jessica also has had experience working with both small and large nonprofits, including hospital foundations, universities, museums and hunger relief organizations.

At Bloomerang, Jessica is dedicated to serving the technology needs of the nonprofit sector by directing how its nonprofit software can become more intuitive and relationship-focused. Before her current role as Product Manager at Bloomerang, she held the roles of Data Services Manager, Quality Assurance Analyst and Conversions Manager.

In her free time, she enjoys spending time with her growing family, volunteering and giving back to her community. She served as a Geist Half Marathon Board Member in 2017 to help raise money for Hamilton County, Indiana, and Lawrence Township schools. She is committed to advocating for nonprofits and missions that are near and dear to her heart.

Jessica holds a Bachelor of Science degree in Psychology from Florida State University.



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