

## **DONOR CULTIVATION (Covid19/GivingTuesdayNow edition)**

### **Bloomerang Academy May 2020**

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This is a relatively new class for Bloomerang Academy, developed in response to requests for an offering that fell in between the “List Segmentation” class, and the “Using Bloomerang as a Major Gifts Officer” class, to talk some more about the PROCESS of identifying prospective major donors and then working WITHIN EVERYTHING ELSE YOU’RE ALREADY DOING to move those donors from the big pool of regular donors to the smaller pool of major donors.

This month, we've decided to rework this class a bit, and tweak our suggestions for what may be your current reality. Most of us are now two months into some kind of lockdown, probably working remotely, almost certainly having had to cancel in-person fund-raising opportunities.

We at Bloomerang are now eight weeks into working remotely, and, speaking just for myself, I will say I've been amazed and gratified at how busy you've kept us. I have to admit, I was worried that some people would just go home and pull the blankets over their heads, and I would be sitting here in my home office sending out emails to people that never responded. That hasn't happened. The vast majority of you have pivoted to doing online and direct-mail communications more aggressively. Congratulations, and bless you.

In fact, some of you probably experienced the "downtime" issues that we had here at Bloomerang last Tuesday and Wednesday, which were created by the unprecedented number of outgoing emails and incoming donations caused by GivingTuesdayNow. When the traffic began to overwhelm our servers, we didn't want to cut everyone off by "re-booting," so we turned off all other functionalities so the donations would still come in and be acknowledged. We know that caused lots of problems for many of you, and we apologize again.

Our agenda for today will look like this:

\* First, five minutes on some communication resources we've added to Bloomerang in general.

- Demonstrate some reports to see all your gifts from the past two months, then to identify those from new
- we'll spend a few minutes on the prospect research tool called Donor Search, which is a separate Database with which Bloomerang integrates and to which you can subscribe through Bloomerang at a significant discount. Recently, Bloomerang has arranged to make a bit of data from DonorSearch available to ALL of our customers, whether they subscribe to DS or not, through the new feature called the Generosity Index.
- Twenty minutes on how to making sure that any new donors from the past two months get thank you letters and other follow-ups with a DIFFERENT MESSAGE from your repeat donor.

- Then, we'll look at the reports to see your donors from the past two months that AREN'T new donors, and look for signs of increased commitment. We'll spend 30 minutes on some strategies for FINDING those prospective major and mid-range donors and getting the extra "touches" with them that are necessary to get them thinking about turning their \$50 or \$100 gift into something much bigger.

**part one.** So, first, let's talk about some of the new resources we've added to Bloomerang. For the past few weeks, we've been collecting and customizing some of the best blog posts and other advice we've seen. These are located in two places.

1. You don't even have to have a Bloomerang account! Just go to the public Bloomerang.co website, click on Freebies in the upper right corner, and click on Covid19. Templates, success stories, lists of funders.

2. In Bloomerang itself, within emails, we've even been collecting the best outgoing email messages that we've seen, and adding them as email templates. Demonstrate. Just pick one, replace the logo at the top with our own, keep the language you like and edit the rest, save, filter, and send.

**part two.** Three key reports. First, very simply, let's just look at your transactions from the past 60 days -- the current duration of this crisis, essentially, although you can set any date range you want. This is simply --

1. Create New Transaction Report from Scratch
2. Add Filter for Date > is During > Previous Number of Days = 60
3. Save And > Name this report (

This will give you a reverse-chronological list of all of your most recent gifts. Hopefully, you've had Appeals set up, so you can see which gifts were in response to a Covid-specific solicitation mailing or mass email, or #GivingTuesday. You may want to click on the blue Column Header and Group by this column. If you didn't get unique appeals set up in Bloomerang for recent events, consider adding a column for "Transaction Created By." This will at least let you separate your online donations (they show up as "API") from ones entered manually by staff.

Next, let's create a report to identify **NEW DONORS**. For this,

1. Create a new CONSTITUENT report from Scratch
2. Click on the green word Constituent at the top and flip it to Household
3. Add Filter for "Has Transaction," and change Has Any to Has At Most 1. This will give you ALL your one-time donors, ever.
4. Now click the green AND button to add another filter for "Has Transaction," and click the black word Transaction to flip it to Specific Transaction.

5. This brings up a new green Add Filter button. Click it and select Date > is During > Previous Number of Days = 60.

6. Now let's add some columns for Latest Transaction Amount, Latest Transaction Date, and Generosity (more on that last one in a minute).

7. Save and > Name this Report (First-time Donors in Last 60 Days)

Now, let's create a report to identify people who JUST became REPEAT donors.

*This is a constituent report, set to one per household. We're going to set two filters: the first is to add a filter for "has transactions," and then change "has any" to "has at most 2". Then we'll save that filter, and add another new filter, for "has transactions" -- then, Has any SPECIFIC transactions -- where date is - during previous sixty days. So what we see here is a list of people in your database who gave given only once before, and in the critical last 60 days have been motivated to give that all-critical SECOND gift.*

*Let's add some columns to this report. Add columns for first transaction date and amount, latest transaction date and amount, and, while we're here, generosity score.*

*Save and Keep Editing. So now what we have is a list of new repeat donors, where we can see whether they are someone who's given \$10 twice (that's nice); or whether they're someone who gave \$50 once and then \$100 with their second gift. (that's very nice).*

Finally, let's create a report to find those donors who have made recent gifts that **are significant upgrades**. This one is both a bit tricky but also kind of nifty.

1. Create a New Report with the "Start with a Template" button

2. Select "Downgrades."

3. Click on the gray box that contains the description of the existing pre-built filters.

4. The template is built to show you a list of everyone who has a total donations from this fiscal year that are LESS THAN the total donations from last fiscal year. (Since we're in mid-May, this report is going to work especially well if you are in the majority of customers who are on a June 30 fiscal year-end). All we need to do to turn this from a Downgrade report to an Upgrade report is click on those words "Less Than" and change them to "Greater Than."

5. Now, if we want to focus in on people who's recent gifts have put them in this category, click the green "And" button to add another filter for "Has Transactions" and then change "Transactions" to "Specific Transactions" > where Date > is During > Previous Number of Days = 60.

6.. Note the built-in columns for most recent gift, and this year's total and last year's total. Let's add one more column for Generosity.

**PART THREE.** Before we get into strategies for these two groups of donors, let's review what that Generosity Column tells us.

This data comes from a third party with which Bloomerang integrates called Donor Search, that pores through public records to assemble information about the wealth (real estate and stock holdings) and charitable giving (from annual reports) of millions of Americans. Even if you don't pay to subscribe to Donor Search (essentially, it increases your Bloomerang license by 15%), Bloomerang still gives you access to a teaser of information available there.

The Generosity score (On Fire, Hot, Warm, Cool, Cold, Not Scanned) refers, down the scale to people who have significant wealth AND a track record of five-figure gifts, down through other markers of wealth with or without giving histories; but even "Cool" means that this is a person with a proven history of making gifts of \$500 or more.

**PART FOUR.** Okay, now let's start with what we can do to improve our odds of turning a first-time donor into a repeat donor.

Our biggest single mantra here at Bloomerang is the importance of donor retention; and we talk all the time about how only 20-25% of first-time donors ever make a second gift, but then that once someone has become a repeat donor, the odds of getting them to make additional gifts moves up to 60% or more.

So, I'm going to talk for a bit here about processes you can put into place to send a different message to those first-time donors. And again, a couple of these ideas come from you – from cases where our customers have contacted our support desk and said, "Here's what I want to do ... can you show me how to do it?"

So we have a couple of different classes in Bloomerang Academy about streamlining your acknowledgement process. And I want to start, here in my sample database, with a look at a Basic Acknowledgment letter that you might have.

We set this letter up with filters so that whenever you do your acknowledgments – whether that's the almost-unattainable goal of every day, or once a week, or even more sporadically, with these filters you can get every DONATION since the last batch of letters acknowledged in one batch. The key filters are Transaction Type is Donation (because you want to acknowledge pledges, pledge payments, and new recurring donation schedules differently); Amount is >.01 (because you want to treat inkind donations differently); Date is (between the last time you ran letters and today); and ACKNOWLEDGMENT STATUS IS NO.

Now, you can create a separate letter for first time donors without changing this letter or this process AT ALL, because of that last Ack Status filter, PROVIDED that you simply run your new First-Time letters (or emails) FIRST.

So, first, let's create a REPORT that we will use over and over again – including as a FILTER for our new letter. Demonstrate # - 1-time donors.

Then, create a new new acknowledgment letter that we'll call NEW DONOR BASIC ACKNOWLEDGMENT. And we'll do that by making a COPY of our BASIC ACKNOWLEDGMENT, because we're going to keep those four filters, and add one more.

The filter we're going to add, with the green AND button, is "Transaction > has a specific CONSTITUENT > who is IN A CONSTITUENT REPORT." And that report is, "First-Time Donors"

Generate –

Now – there's one more group of new donors who we MIGHT be missing – IF you use online giving forms, and you have a custom acknowledgement email for that form, that's going to have marked those gifts as YES to the Acknowledgment status question. And the form has no way of knowing whether someone is a first-time donor or not; so they've already been thanked with a standard thank you. But, we don't want to MISS welcoming them as new donors.

Another set of filters, using the green OR button: Date is since last time you sent letters; Constituent is in a Constituent Report; Acknowledgment Status is YES, and CREATED BY is API.

Now, let's work on the content of that letter:

Thank you for your first-time gift, AND WELCOME TO OUR FAMILY OF SUPPORTERS.

Reiterate your mission, with an emphasis on how much good a single gift can do (the Impact Statement) --

And TELL THEM WHAT TO EXPECT in terms of how you'll be communicating with them. "You can expect to get our quarterly newsletter, quarterly email blasts in between those, and email and print invitations to four special events over the course of the year, as well as a year-end appeal." If you want to go to the extra expense of including a response envelope, you could even ask them to tell you their preferences here (email only, no phone calls, etc.). It could pay for itself in donor loyalty and reduced expenses.

Email – how to set this up as an EMAIL -- that can include a LINK to a Constituent Information Form that you can set up on your website that asks them "how do you want us to communicate with you?" (Show sample.)

Additional follow-ups – phone call from a board member? See our new First Time Donor Calls feature in the upper right-hand corner. Now, obviously, these will only show up IF THE DONOR GAVE YOU A PHONE NUMBER. Of course, if the reports we ran earlier show us a donor without a phone number who made a gift of, say \$500 -- well, that would be worth looking up in the phone book.

Welcome packet? -- You can send these with filters for Constituent > Has Interactions > where date is (since the previous follow up) and Subject is "Name of the New Donor Letter." Some organizations use this communication to send out, once a month, a copy of the most recent newsletter or last year's annual report, a pair of guest passes to your programs, etc.

Engagement Surveys. This is a relatively new feature launched last year. Go to Emails > Engagement Surveys. This is a tool that you want to read up on before you launch it; but once you've got a good communication plan in place, it lets you automatically send an email to first-time donors 15 days after their first gift, directing them to a survey instrument where they can share their perspectives on your organization, how they heard about you, and how they feel about how they were thanked. Don't turn this on if you aren't getting people thanked within ten

days! There are also versions of these surveys that can go out after six months, and to lapsing donors.

Standard quarterly communications. Hopefully you're doing something -- an e-blast if not a printed newsletter -- once a quarter. Let a full three months go by after a first-time gift to make sure that your new donors have received their first standard communication as a donor.

Now -- if you've done two or more of the above tasks, our research is now indicating that the best time to ask for a second gift is about four months after their first gift, assuming they've had two or more touches since the first gift. Don't treat this like a "membership" where you wait a year for a "renewal!" By the same token, don't spend too much time agonizing over how MUCH to ask for. The purpose of a mailing or email to a first-time donor asking for a second gift after four months isn't to maximize that one ask, it is to get them over that huge hump from one-time donor (25% retention rate) to repeat donor (60% retention rate).

## **Part FIVE:**

So now let's talk about what we DO with these repeat donors who have upgraded.

*Let's run a report that finds our recent donors, and figures out which ones of them are NEW repeat donors, and which are long-term donors.*

*This is a constituent report, set to one per household. We're going to set two filters: the first is to add a filter for "has transactions," and then change "has any" to "has at most 2". Then we'll save that filter, and add another new filter, for "has transactions" -- then, Has any SPECIFIC transactions -- where date is - during previous sixty days. So what we see here is a list of people in your database who gave given only once before, and in the critical last 60 days have been motivated to give that all-critical SECOND gift.*

*Let's add some columns to this report. Add columns for first transaction date and amount, latest transaction date and amount, and, while we're here, generosity score.*

*Save and Keep Editing. So now what we have is a list of new repeat donors, where we can see whether they are someone who's given \$10 twice (that's nice); or whether they're someone who gave \$50 once and then \$100 with their second gift. (that's very nice). And regardless, we can see -- if their generosity score is COOL or above, we're dealing here with someone who has a history of giving gifts of at least \$500, elsewhere.*

What are some of the ways we can cultivate these people for another gift? I'll start off with a couple of suggestions that don't require Bloomerang (other than remembering to record these as interactions in Bloomerang when they happen). Most of these won't work right now, but put them in your back pocket for when they will, again ...

- Join Rotary, Kiwanis, Chamber of Commerce. Different staff member or board member in each. Of course I'm not telling you anything you don't already know, but I do want to make sure to remind you to use "new interaction" button to note any face-to-face exchange that advances your cultivation. Ideally, you'd like to have three or four face-to-face interactions that AREN'T solicitations in between every major solicitation.

Don't fail to use your 20 minutes over lunch to, within both party's comfort level, find out more about them, AND tell your story – then document it!

- Find another local entity – community theater, opera, symphony, minor league baseball team – and find a way to trade corporate sponsorships with them. Or get a board member to help. Use your tickets to take prospects with you. Enter as interactions.
- Use your own programs as opportunities to add a private reception/cocktail party TO the existing program, and make your prospects (as well as your existing major donors) the guest list. Example of Public Library Foundations. CONSTANTLY bringing in notable authors for lectures and book-signings. Don't create a whole new event – just ask or pay the author a bit more to come early or stay late and mingle with your donors and prospects.

## **MEANWHILE**

It's early May. Many of you are 7 weeks away from the end of your fiscal year. Here's a suggestion for getting a boost of revenue, while moving a group of donors up the giving pyramid.

Assuming you have a June 30 fiscal year end, and assuming that you do some kind of annual report (it doesn't have to be its own 32-page glossy four-color publication; maybe it's just an insert in a September newsletter); many organizations list their donors in categories by cumulative giving in that report. (\$1000 and up, \$500-999, \$250-499, etc.)

Let's run some reports that identify people who have moved past the \$100 cumulative fiscal-year-to-date threshold, but aren't at the \$250 threshold yet, and invite them to make another gift by June 30 "so we can include you among our loyal donors in the Silver Circle in our annual report."

1. To get this list, create a new Constituent Report from Scratch.
2. Change the green word "Constituent" to "Household."
3. Add a filter for "Has Transactions" and change the green words Has Any to Has the Calculated > Sum > of the Revenue Amount > of Specific Transactions.
4. This will bring up a new green add filter button and an amount range. Use the add filter button to add a filter for Date is during this fiscal year, and use the amount range to enter, say, \$125 to \$249.
5. Add a column that replicates the criteria from your filter > Has Transactions > show the Sum > of the Revenue Amount > where date is during this fiscal year.
6. This column will show you the fiscal-year-to-date revenue from people who are halfway to the next giving level. You COULD export this report to excel, then add a column that calculates the difference between their given amount and your goal, then import that new column back into a custom field called "Ask Amount," and insert that into your letter. But that is a good deal of work and runs the risk of getting a SMALLER gift than you might otherwise get.

I would consider, instead, language to the effect of "thank you for your generous support this past year, totalling \$(Amount) since the start of our fiscal year last July 1. Your contribution has helped us continue to provide service during a challenging time. As we close our fiscal year on June 30 and prepare the annual report that will demonstrate to major funders the depth and breadth of our support, I hope you would consider an additional gift so we could list you among our Silver Circle of donors of \$250 and above."

And of course, do the same thing for \$300-\$499; and \$700-\$999; even \$50-\$99. Save each of these reports, and use the report as the filter in a constituent-based letter.