

Sustainers: How to Get the Gift that Keeps on Giving!

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Presenters

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Session Objectives

- How do you target the best prospects
- Does communication change once they have become sustainers?
- Understand pros and cons of different channels
- Review different approaches to “measure success” of sustainer programs
- Consider Long Term Value of Sustainers
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Why Do You Need a Sustainer Program

- Build lasting relationships
- Explore different channels
- Retention of committed, passionate donors
- May be a small, but important expansion of your fundraising portfolio
- Planned Giving
- Explore measures of success that make sense for your organization





"By God, gentlemen, I believe we've found it—the Fountain of Funding!"

**Sustainer Giving is a great addition to your portfolio...
more of a foundation, than a fountain...finding the fit for
your organization is the trick**

Some Benchmarks

- Target Analytics Inaugural Monthly Giving Benchmarking Group (February 2009)
- Anne Morrison and Carol Rhine, Target Analytics facilitating
- 14 organizations participating
- Established and emerging programs
- Sharing some initial benchmarks



Some Benchmarks

- Committed donors can give to both sustainer program and additional gifts (direct, events, online and more)
- Currently a small portion of donors give at this “multi level” ... but they are significantly more valuable.
- Sustainer growth is slow and steady
- Retention metrics range from 80%-95%



Some Demographic Benchmarks

- Sustainers tend to be younger than donors
- Sustainers who are also giving to other channels are more often female
- Sustainers have a higher proportion of the “on file 15+ years” universe
- Most sustainer giving, for this benchmark group, was through credit card, 2nd most EFT.



Some Retention Benchmarks

- First year donors who also became sustainers had an avg retention rate of 70%-82% compared to 27% for 1st yr donors
- Multi year sustainer retention avg. were 83%-89% vs 60% for individual donors
- Most donors originate or convert to sustainers in year one... a much smaller % convert in their second year. (could be marketing driven



Things to Consider

- Donor lifestage – when to try sustainer conversion
- I've tried it before and it hasn't worked... revisit options with online/phone and enhanced analytics
- Be creative... try conversion from non-transactional, yet passion-based beginnings (advocates, volunteers, purchaser's, members, online groups and more)
- If regular or monthly giving isn't a fit are there other social networking opportunities for passionate and mission committed donors (friend get a friend, online networks... committed donors may try new things on your behalf if



Things to Consider

- Sustainers are passionate about your mission, DO engage them in other ways
- What are your measures of success for Sustainer programs... yr 1 only or yr 1 & yr2?
- Donors who have had many sustainer offers and not responded are less likely to convert
- Donor profile for sustainer conversion may vary by organization and investment abilities
- Sustainers are strong Planned Giving prospects



Why use the mail?

- Least expensive option: contact with your donor can occur for under \$1 compared to \$4 to \$6 for telemarketing
- You will reach everyone who you want to target unlike phone where you will not reach those with unlisted numbers, those not at home, etc.
- Sign up forms can be provided right away



Why use the mail?

- You can offer sign-up for each means of donating including credit card, electronic funds transfer (EFT), and bill me
- You can encourage EFT as the first choice since EFT has a much higher retention rate than other methods: no credit card expiration dates to deal with or ignored bills
- Response for EFT will include first check and sign up information



Who to target?

- Best results occur with donors who have shown a propensity to make multiple gifts per year
- We typically choose donors who have made at least three gifts in the prior 12 months
- Response for two-time givers falls dramatically
- We typically restrict the offer to \$10 to \$99.99 donors



When to mail?

- Sustainer mailings can be mailed whenever you want
- We've had good luck mailing in the middle of the summer (July and August) with excellent results
- We typically mail once or twice a year in an open slot



What to mail?

- The sustainer can include a single mailing or an original and follow-up
- If schedule permits, original and follow-up typically has the best response
- Program support can include inserts in newsletters, slips in acknowledgments, and landing pages on your website



What to mail?

- Ongoing “marketing” and multiple modes of sign-up will help build the program faster
- The gift ask is typically built on the donor’s cumulative annual giving with an upgrade factor built into the monthly gift ask
- A single gift is offered as an option which helps to increase response rate and net income



St. Francis House

- St. Francis House is a day shelter for the homeless located in Boston
- Founded in 1984 by a Franciscan priest, they provide food, shelter, showers, medical care, and mail and e-mail services to those that visit them each day
- Their monthly giving program mailed in July with a follow-up three weeks later



Results

- Results from this type of appeal typically range from 15% to 25% for the original and about the same for the follow-up
- Results are so good because the selected prospects (3 plus donors) tend to give at a much higher rate than regular donors
- Typically two to three percent of the prospects actually sign up to become sustainers during each cycle



Results

- Cost to raise the dollar is between \$0.10 and \$0.15
- This is an ongoing program that builds slowly through the mail
- Ultimately you can expect to convert 10% to 12% of potential sustainers to the program
- This can take three to five years



MSPCA-Angell

- MSPCA-Angell has been helping to reduce animal abuse and cruelty since 1868
- They are a state-wide organization with seven animal care and adoption centers
- They are world leaders in small animal veterinary care at their Angell Animal Medical Center in Boston
- They have a monthly sustainer program branded All-Stars



MSPCA-Angell

- The All-Star program has been in existence for more than fifteen years
- It was originally conceived as a bill me program so that animal stories could be sent to the All-Stars on a monthly basis
- As you can imagine, this proved to be very labor intensive
- This year the goal was to convert more donors to credit card and EFT to reduce staff time in obtaining stories, reduce costs and attrition



MSPCA-Angell

- The mailing also announced the move from monthly to quarterly stories, which MSPCA-Angell still wanted to mail to all the All-Stars
- But the mailing offered sustainers the choice of receiving their story via email/web
- Prior to the acquisition, the program had 1500 All Stars
- These included 58% bill me, 26% EFT and 16% credit card



MSPCA-Angell

- We tested two different packages: a traditional letter against a brochure
- As a follow-up we sent donors the appeal they did not receive originally
- Offers included EFT and credit card
- Quarterly stories would be sent to joiners either via mail or email (donor's choice)



Results

- The letter package out-pulled the brochure by 18% for the original
- The brochure follow-up performed better to the letter group than the letter follow-up to the brochure group
- Overall we were able to increase credit card participation by 25% and EFT by 26%
- Bill me sustainers decreased by 18%
- Email/Web only stories increased by 16%



2009 Annual Washington Nonprofit Conference

Environmental Defense Fund Case Study



EDF Case Study

- Program began 20 years ago as Partners for the Environment
- Promoted primarily in the quarterly newsletter, *Solutions*.
- 10 years ago the program had 400 members.
- 4 years ago the program had grown to over 1,700 members.



Who Were They

- Typically longer time givers
- Credit card (32%), EFT (11%) and Bill-me payers (57%)
- They contributed a total of \$240,000 annually.
- 32% gave additional gifts totaling \$60,000 annually.

How Do We Communicate?

- All sustainers receive a monthly statement, giving us the opportunity to communicate the latest news
- Appeals were limited to 2 per year, plus 1 upgrade ask
- Communication limited to 2 special appeals, monthly statement and the quarterly *Solutions* newsletter.

New Initiative

- In 2006 the goal was set to more than double the number of sustainers.
- The program was rebranded EcoPartners.
- It was decided that we would prospect in additional channels.
- Sign-ups could be made via the web.
- We began telemarketing to recent donors.



Telemarketing EcoPartners

- Initial audience \$20-\$100 members.
- One-time, multis, C3 donors, C4 donors
- The specific ask – support our Safe Harbor program.
- The offer – a match of their first year contributions to the program from a major donor.
- If not, then ask for single contribution relative to their MRC.



Calling Modifications

- Calling performed very well
- Target audience was dropped to \$10+.
- Decision was made to pull back to \$20.
- Lower dollar members, either because of initial gift or method of acquisition, were not candidates for the program.

Benefits of Telemarketing

- Audience can be dynamically modified.
- Obvious ability to craft the ask as the call progresses.
- Callers were asked for a commitment of \$20, a gift of \$40 with match.
- Immediate payment via credit card dramatically increased the number of credit card payers in the program.
- Single gifts were accepted as a final ask.

Results - Members

- In 2006 the number of sustainers rose 93% to 3,339.
- In 2007 the number of sustainers rose another 60% to 5,341.
- 2008 was a challenging year for fund-raising with a 8% drop in sustainers to 4,879, but.....



Results – Dollars

- In 2006 total giving rose to \$532,245.
- In 2007 total giving rose to \$792,800.
- In 2008 total giving **rose** to \$1,080,005.
- In addition, gifts from those declining the offer but accepting the invitation to make a single gift has totaled \$393,692 since the calling began.
- Higher collection rate - Credit card (77%), EFT (7%), Bill-me (16%)

Results – Donor Makeup

- Sustainers have a much higher propensity to have planned gifts.
- 0.53% of the general membership have planned gifts.
- 1.5% of the sustainers have made planned gift commitments.



The Stats from 2008

- 3 efforts generated 1,058 pledges or 1.36% response.
- Dual donors performed significantly better.
- C3 donors outperformed C4 donors.
- Prior telemarketing responsive and multi gift donors were the strongest segments.
- We tested plush vs. non-plush acquired donors. Non-plush significantly stronger.
- \$25-\$49 donors performed best.
- Appeal gift donors responded better than renewal.

Questions and Discussion



Thank You

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