

WHY DONOR RETENTION MATTERS

DONOR RETENTION MATTERS BECAUSE

New Donor Acquisition is Costly

60%-90% 1st Year Donors Don't Renew

Only 10%-15% of Donors Give 5 Years

Higher Donor Attrition Lowers LTV

Repeat Donors Support the Big Stuff

HELPFUL FUNDRAISING FORMULAS

Donor Acquisition Cost:

$\$ \text{ Spent to Acquire New Donor} / \# \text{ of New Donors}$

Donor Retention Rate (a.k.a. Renewal):

$\# \text{ of Renewal Donors Current Year} / \# \text{ of Unique Donors Previous Year}$

- New – count only new donors from previous year
- Repeat – count only donors giving 2+ years from previous year

Donor Attrition Rate (a.k.a. Churn or Loss):

$\# \text{ of Non-Renewal Donors} / \# \text{ of Unique Original Donors}$

Average Donor Lifetime:

$1 / \text{Donor Attrition Rate}$

Donor Lifetime Value (a.k.a. LTV):

$\text{Average Donation Amount per Donor} / \text{Donor Attrition Rate}$

RETENTION CASE STUDIES

ORIGINAL RETENTION RATE = 50%				IMPROVED RETENTION RATE = 60%				
Year	Donors	Avg. Gift	Total	Year	Donors	Avg. Gift	Total	Increase
2014	11670	\$ 254	\$ 2,964,180	2014	11670	\$ 254	\$ 2,964,180	\$ -
2015	5835	\$ 264	\$ 1,540,440	2015	7002	\$ 264	\$ 1,849,648	\$309,208
2016	2918	\$ 275	\$ 802,450	2016	4201	\$ 275	\$ 1,154,126	\$351,676
2017	1459	\$ 286	\$ 417,274	2017	2521	\$ 286	\$ 720,289	\$303,015
2018	729	\$ 297	\$ 216,513	2018	1512	\$ 297	\$ 449,282	\$232,769
2019	365	\$ 309	\$ 112,785	2019	907	\$ 309	\$ 280,290	\$167,505
2020	182	\$ 321	\$ 58,422	2020	544	\$ 321	\$ 174,837	\$116,415
2021	91	\$ 334	\$ 30,394	2021	327	\$ 334	\$ 109,299	\$ 78,905
2022	46	\$ 348	\$ 16,008	2022	196	\$ 348	\$ 68,133	\$ 52,125
2023	23	\$ 362	\$ 8,326	2023	118	\$ 362	\$ 42,660	\$ 34,334
2024	11	\$ 376	\$ 4,136	2024	71	\$ 376	\$ 26,695	\$ 22,559
2025	6	\$ 391	\$ 2,346	2025	42	\$ 391	\$ 16,423	\$ 14,077
2026	3	\$ 407	\$ 1,221	2026	25	\$ 407	\$ 10,167	\$ 8,946
2027	1	\$ 423	\$ 423	2027	15	\$ 423	\$ 6,344	\$ 5,921
2028				2028	9	\$ 440	\$ 3,959	\$ 3,959
2029				2029	5	\$ 457	\$ 2,287	\$ 2,287
2030				2030	3	\$ 476	\$ 1,427	\$ 1,427
2031				2031	2	\$ 495	\$ 990	\$ 990
2032				2032	1	\$ 515	\$ 515	\$ 515
		Total	\$ 6,174,918			Total	\$ 7,881,547	

IN THE EXAMPLE A 10% INCREASE IN RETENTION

- 1. ENGAGED ORIGINAL DONORS FOR 5
ADDITIONAL YEARS**
- 2. INCREASED AVERAGE GIFT RATE WITH
ORIGINAL DONORS BY 103%**
- 3. INCREASED OVERALL GIFT YIELD FROM
ORIGINAL DONORS BY 27%**
- 4. RAISED \$1,706,629 IN ADDITIONAL FUNDS
TO IMPACT THE COMMUNITIES WE SERVE**

DONOR LIFETIME VALUE (LTV)

Avg. Gift	Attrition	LTV	Impact on LTV
\$254	50%	\$508	Current
\$254	45%	\$564	11%
\$254	40%	\$635	25%
\$254	30%	\$847	67%

Inc. 5%			
\$267	50%	\$534	5%
\$267	45%	\$593	17%
\$267	40%	\$668	31%
\$267	30%	\$890	75%

Inc. 8%			
\$275	50%	\$550	8%
\$275	45%	\$611	20%
\$275	40%	\$688	35%
\$275	30%	\$917	80%

INCREASING DONOR RETENTION RENEWAL STRATEGIES THAT WORK

- Have a plan!
- Use metrics to track success.
- Focus less on short-term fundraising strategies and more on strategies that build donor relationships and loyalty
- Regularly communicate your Y's achievements and the impact of contributions
- Increase opportunities for two-way communication and direct interaction with donors, specifically major gift donors

YMCA of Silicon Valley - Annual Donor Stewardship Strategy

	January	February	March	April	May	June	July	August	September	October	November	December
Total Combined Annual Giving \$25,000+	Annual Report Hard Copy & President's Letter	Announcement of or invitation to Branch AC Kick-Off	Asset Breakfast VIP Invite (no cost to donor)	Branch-Specific Event Invitation (i.e. wine taste, lunch, etc.)	Seasonal Donor Appreciation Newsletter	Thank You Phone Call from CEO & ED	Branch Kid-Made Thank You	President's ONE-Y Newsletter & Donor Wall Placement	Annual Giving Report (formerly Endowment Report)	Red Triangle Dinner VIP Invite (no cost to donor)	Seasonal Donor Appreciation Newsletter	Hand Signed/Written Holiday Card & Branch-Specific Holiday Event
Total Combined Annual Giving \$10,000-\$24,999	Annual Report Hard Copy & President's Letter	Announcement of or invitation to Branch AC Kick-Off	Asset Breakfast Invite	Branch-Specific Event Invitation (i.e. wine taste, lunch, etc.)	Seasonal Donor Appreciation Newsletter	Thank You Phone Call from ED	Branch Kid-Made Thank You	President's ONE-Y Newsletter & Donor Wall Placement	Annual Giving Report (formerly Endowment Report)	Red Triangle Dinner Invite	Seasonal Donor Appreciation Newsletter	Hand Signed/Written Holiday Card & Branch-Specific Holiday Event
Total Combined Annual Giving \$5,000-9,999	Annual Report Hard Copy & President's Letter	Announcement of or invitation to Branch AC Kick-Off	Asset Breakfast Invite	Branch-Specific Event Invitation (i.e. wine taste, lunch, etc.)	Seasonal Donor Appreciation Newsletter	Thank You Phone Call from ED	Branch Kid-Made Thank You	President's ONE-Y Newsletter & Donor Wall Placement	Annual Giving Report (formerly Endowment Report)	Red Triangle Dinner Invite	Seasonal Donor Appreciation Newsletter	Hand Signed/Written Holiday Card & Branch-Specific Holiday Event
Total Combined Annual Giving \$1,500-4,999	Letter Highlighting Online Annual Report	Announcement of or invitation to Branch AC Kick-Off	Asset Breakfast Invite	Branch-Specific Event Invitation (i.e. wine taste, lunch, etc.)	Seasonal Donor Appreciation Newsletter	Thank You Phone Call from ED (not AO)	Branch Kid-Made Thank You (not AO)	President's ONE-Y Newsletter & Donor Wall Placement	Letter Highlighting Online Donor Giving Report	Red Triangle Dinner Invite	Seasonal Donor Appreciation Newsletter	Hand Signed/Written Holiday Card & Branch-Specific Holiday Event
Total Combined Annual Giving <\$1,500	Letter Highlighting Online Annual Report	Announcement of or invitation to Branch AC Kick-Off			Seasonal Donor Appreciation Newsletter			President's ONE-Y Newsletter & Donor Wall Placement	Letter Highlighting Online Donor Giving Report		Seasonal Donor Appreciation Newsletter	Pre-Printed Holiday Card
Heritage Club Members	Annual Report Hard Copy & President's Letter	Announcement of or invitation to Branch AC Kick-Off	Asset Breakfast Invite	Branch-Specific Event Invitation (i.e. wine taste, lunch, etc.)	Seasonal Donor Appreciation Newsletter	Optional Thank You Phone Call from ED	Branch Kid-Made Thank You	President's ONE-Y Newsletter & Donor Wall Placement	Heritage Club Dinner Invite & Annual Giving Report (formerly Endowment Report)	Red Triangle Dinner Invite	Seasonal Donor Appreciation Newsletter	Pre-Printed Holiday Card & Branch-Specific Holiday Event
Who's Responsible?	AO will design, print, and mail to all donors except <\$4,999 AO will draft letter template for Branch to distribute to donors <\$4,999	Branch	Project Cornerstone will design invitation Branch will distribute	Branch	AO will design template Branch will customize and distribute	AO CEO and Branch ED will call all \$25,000+ donors Branch ED will call all other donors	Branch	AO	AO will design, print, and mail to all donors except <\$4,999 AO will draft letter template for Branch to distribute to donors <\$4,999 AO will design and distribute HC invitation	AO will design invitation and do initial distribution Branch will do follow-up and targeted distribution	AO will design template Branch will customize and distribute	AO will design holiday card Branch will distribute
Cultivation Opportunities For Top Donor Prospects		VIP Day at YG		VIP Day at Campo Alegre Asset Breakfast		Summer Program Site Visits	Summer Program Site Visits	Summer Program Site Visits	Heritage Club Dinner	Red Triangle Dinner SV Golf Tournament		Branch-Specific Holiday Event

YMCA OF SILICON VALLEY

2014 Annual Campaign Dashboard



ONE Y Goal \$3,324,000

\$2,323,944
Raised

70%
of Goal

YMCA of Silicon Valley - Sequoia

Members as Donors 199 Gifts from Members 12% of Members Donated	Major Gifts 25 Gifts of \$1,500+ 63% of Total Raised
\$125,000 Goal	
\$131,219 Raised	105% of Goal
Donor Renewals 201 Renewal Gifts 49% Renewal Rate	Staff and Volunteers 100% of Board Donated 59% of Staff Donated

18
Days Until Annual Campaign Close
March 31, 2014