



ASSOCIATION OF
DONOR RELATIONS
PROFESSIONALS



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PROFESSIONALS

BUILDING
RELATIONSHIPS
FOR GOOD

Donor Relations Metrics to Impress Your Boss, Your Colleagues, and Even Your Dog

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Hackensack Meridian *Health* Foundation

Why Chloe?



February 2021

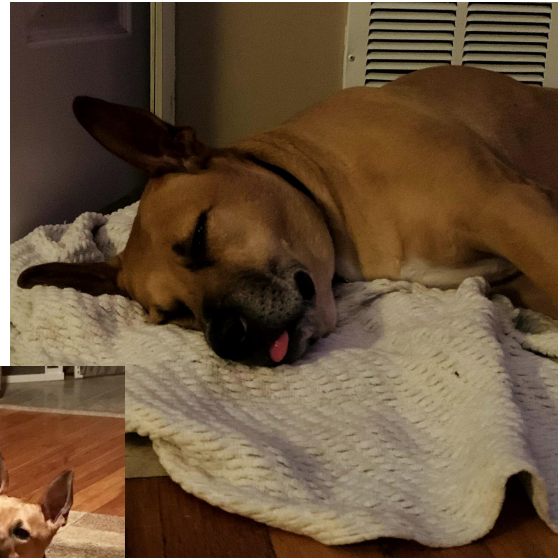
Employee of the Month

- #bestcoworkerever
- Metrics is hard
- Doggos make everything better



Captions courtesy of this guy

What Does It Take to Impress?



- Proving the value of donor relations is not easy
- **Bigger, Better, More Model**
 - ◆ Works for dogs and humans!

Tools vs. Metrics



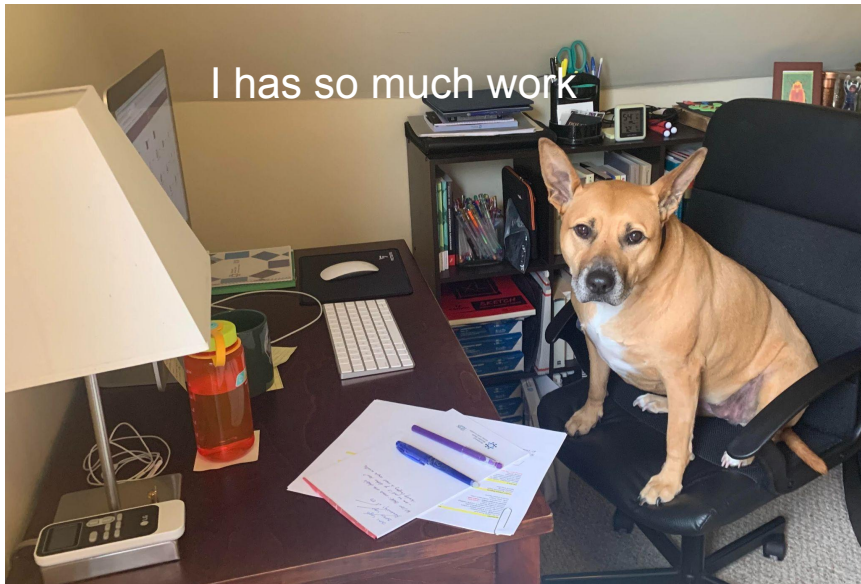
- Tools are what we use to get the desired outcome
- Metrics analyze the **effect** of using those tools
- ◆ We want to measure the outcome and not just the actions

Causation vs. Correlation



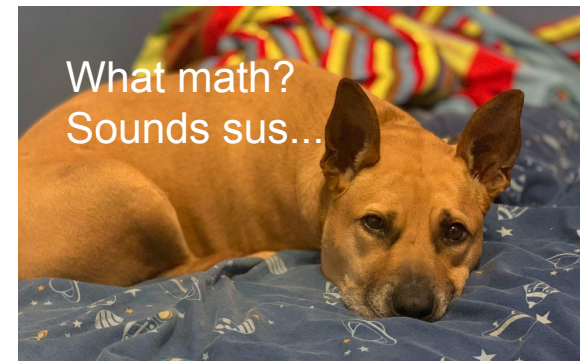
- “Dog Owners Live Longer, Healthier Lives”
- Causation is hard to prove
 - ◆ But we can show **correlation**

Three Key Metrics: Bigger, Better, More



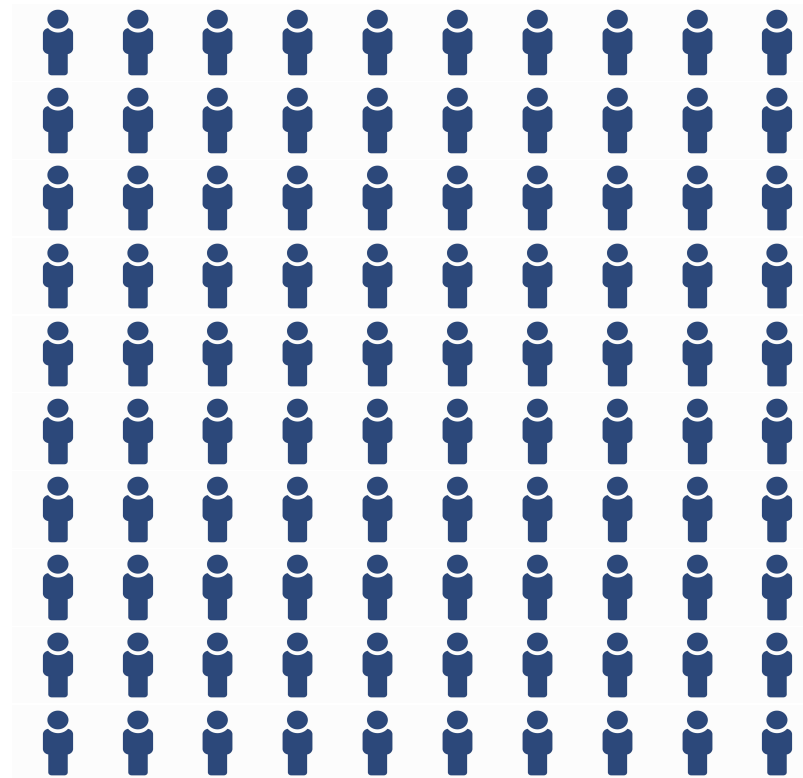
In dog terms: Bigger, Better, More
In human terms: Quantity, Quality, Value

1. Donor Retention
2. Increased Donor Giving
3. Donor Lifetime Value



Donor Retention: Quantity Metric (Bigger!)

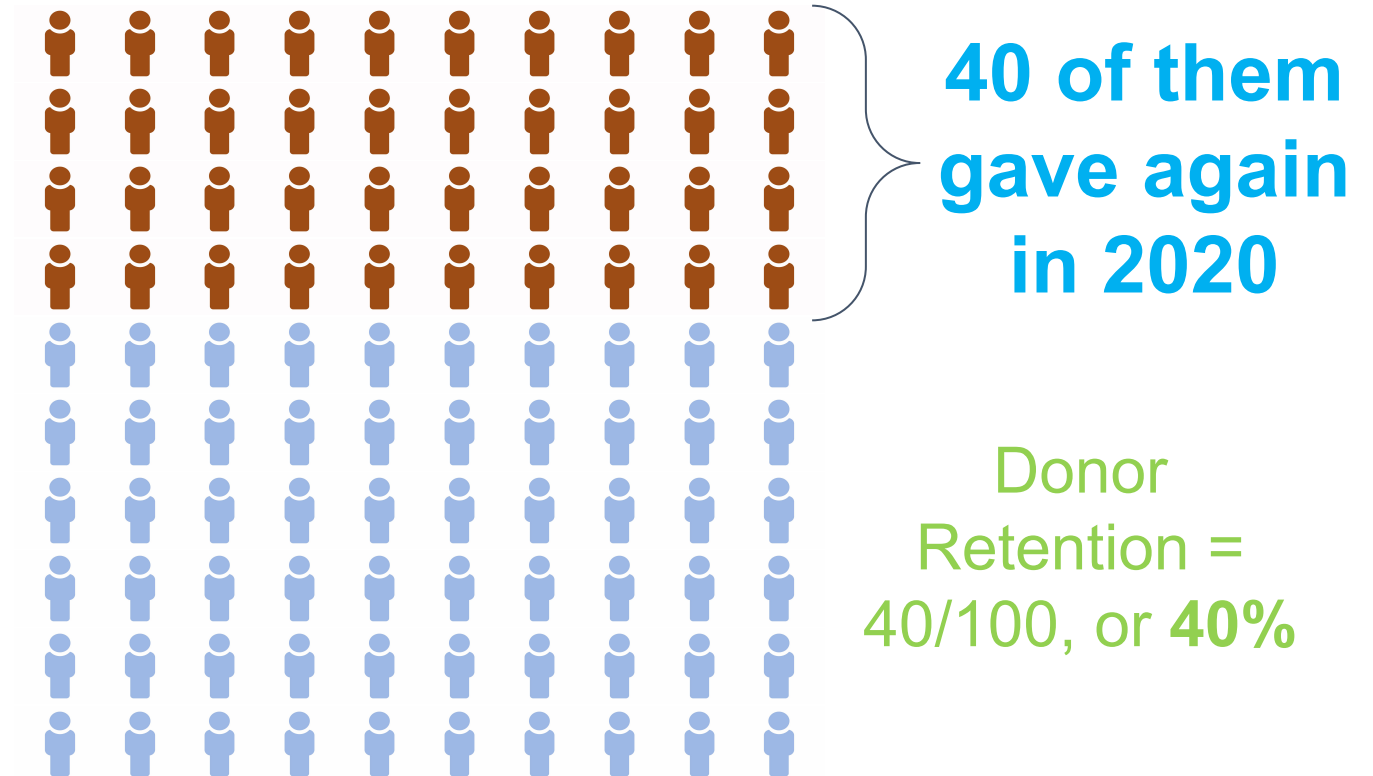
Donor Retention Rate = # of donors
who gave both last year AND this
year / # of total donors last year



**100
Donors
in 2019**

Donor Retention: Quantity Metric (Bigger!)

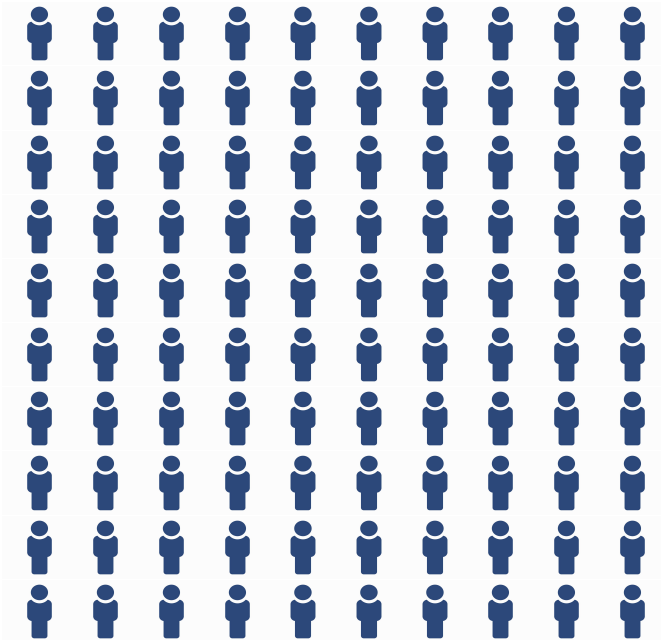
Donor Retention Rate = # of donors
who gave both last year AND this
year / # of total donors last year



Donor Retention: Quantity Metric (Bigger!)

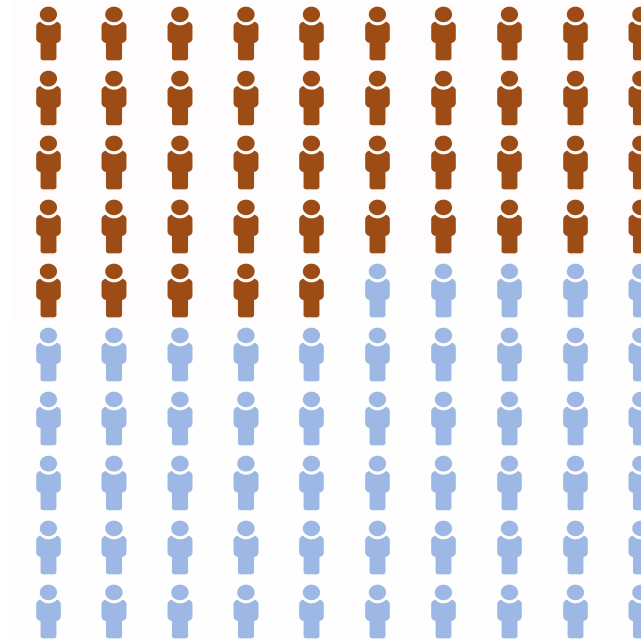
5,000 Donors in 2019

 = 50



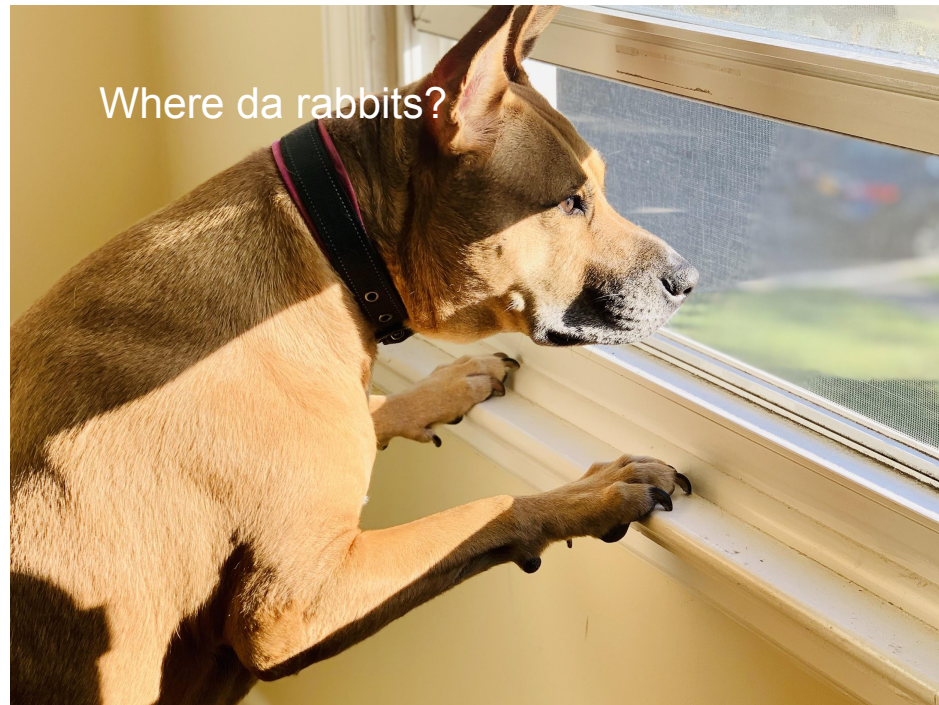
2,250 gave again in 2020

 = 50



Donor
Retention =
 $2,250/5,000$, or
45%

Donor Retention: Who is Included?



- To include or exclude, that is the question
- How might results be skewed?
- Be consistent!

Donor Retention: Quantity Metric (Bigger!)

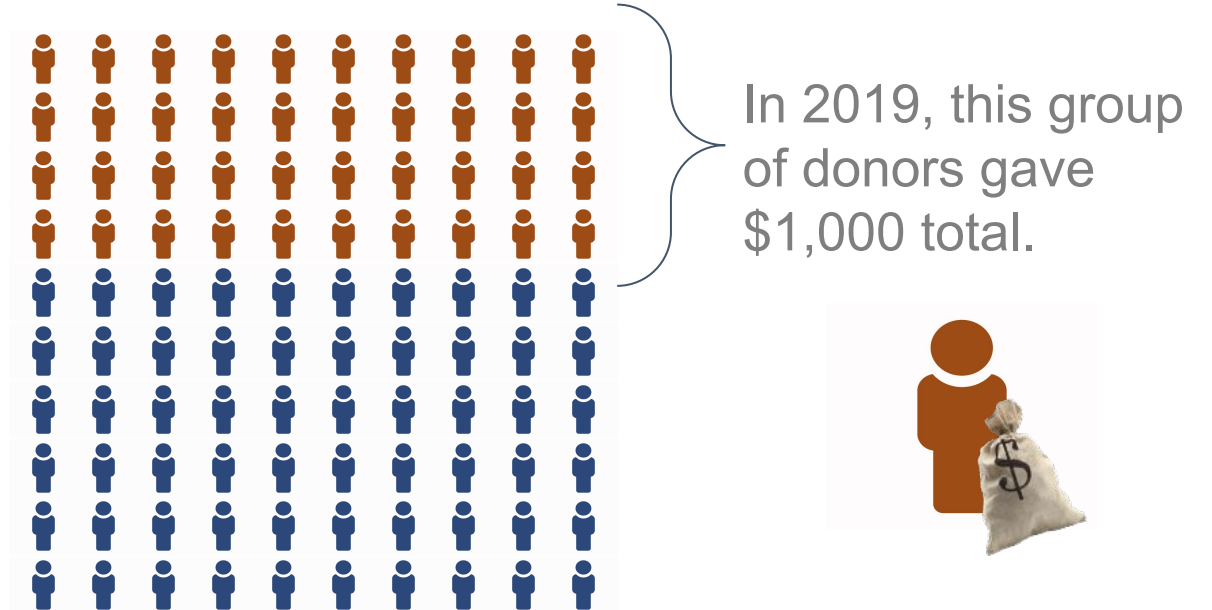
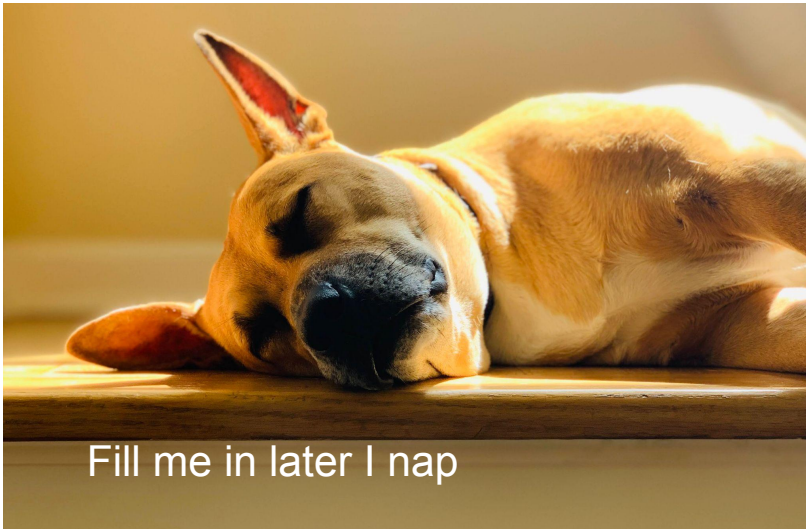


Wow my hooman is smart

Donor Retention Rate = # of donors
who gave both last year AND this
year / # of total donors last year

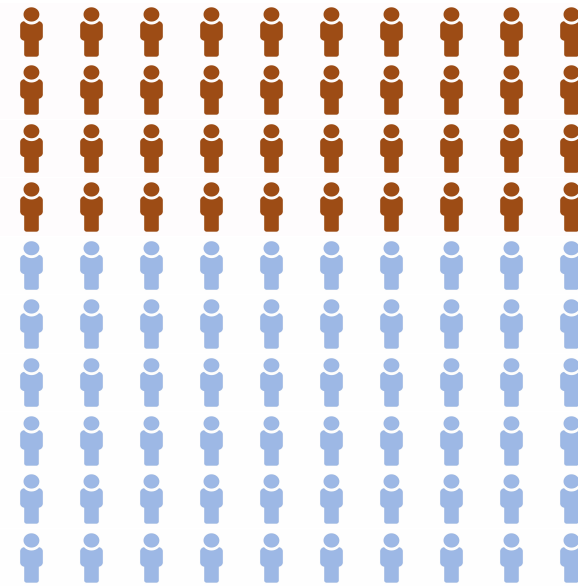
Increased Donor Giving: Quality Metric (Better!)

Increased Donor Giving = the difference between the total \$ last year and this year from retained donors / total \$ from retained donors last year



Increased Donor Giving: Quality Metric (Better!)

Increased Donor Giving = the difference between the total \$ last year and this year from retained donors / total \$ from retained donors last year

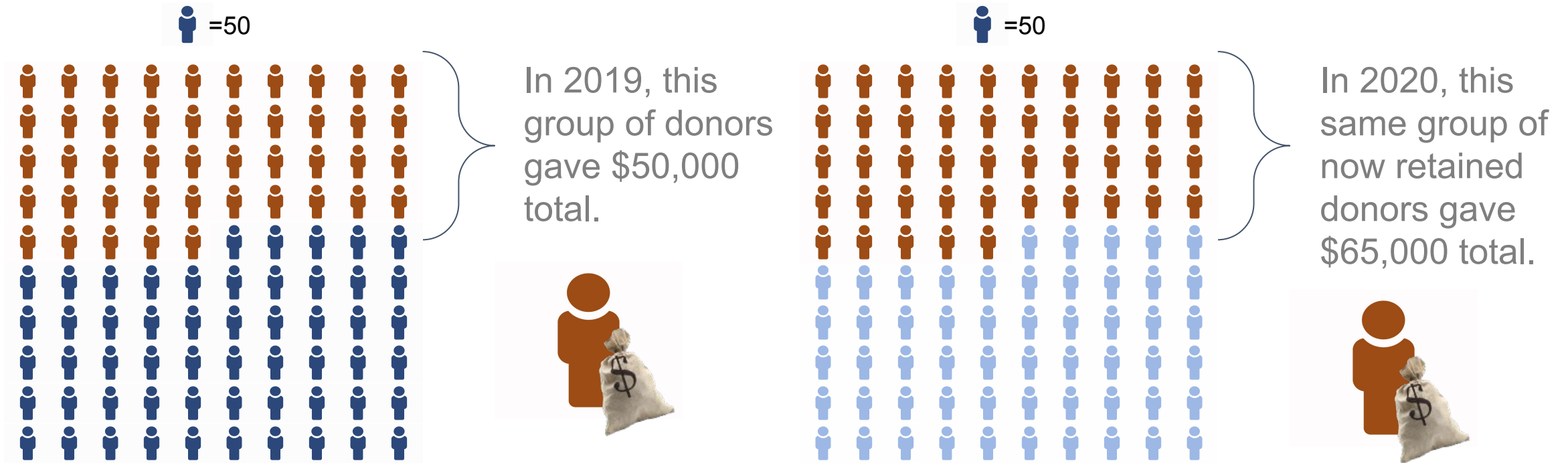


In 2020, this same group of now retained donors gave \$1,250 total.



Increased Donor Giving = $(\$1,250 - \$1,000) / \$1,000$, or **25%**
Your retained donors gave 25% more than they did last year!

Increased Donor Giving: Quality Metric (Better!)



Increased Donor Giving = $(\$65,000 - \$50,000) / \$50,000$, or **30%**
Your retained donors gave 30% more than they did last year!

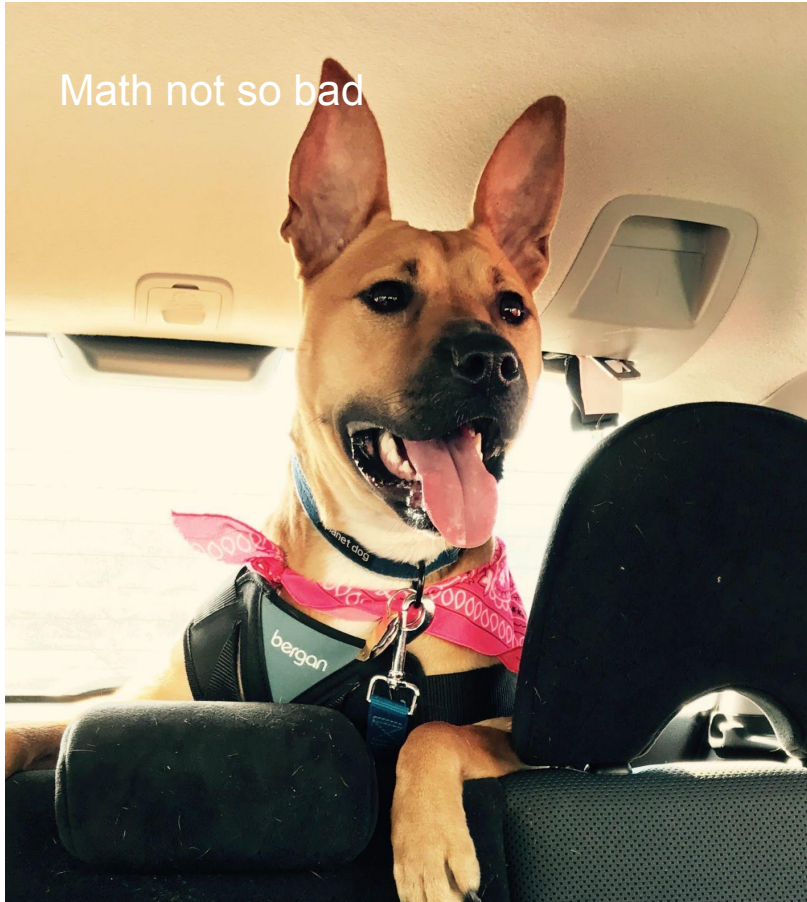
Increased Donor Giving: Some Caveats



Wonder if caveats
taste like carrots?

- What if giving decreased?
- Avoid double-counting
- Not perfect

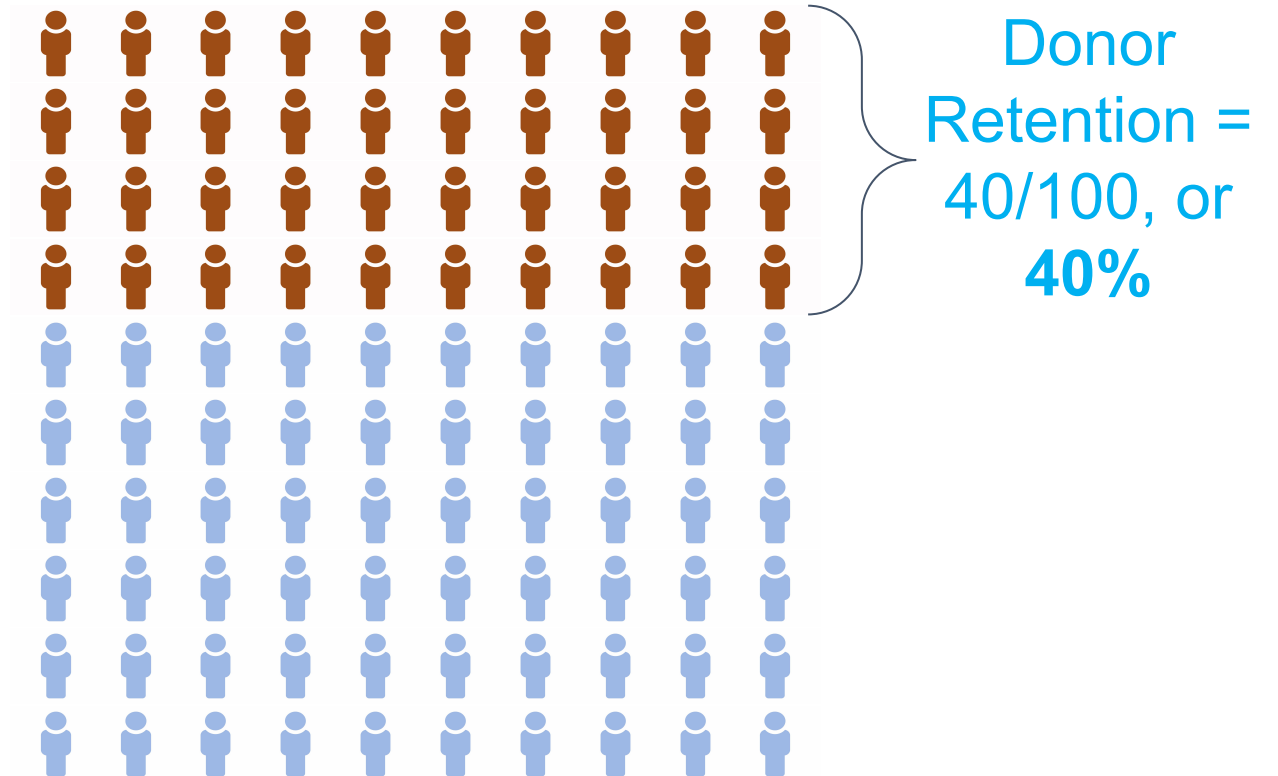
Increased Donor Giving: Quality Metric (Better!)



Increased Donor Giving = the difference between the total \$ last year and this year from retained donors / total \$ from retained donors last year

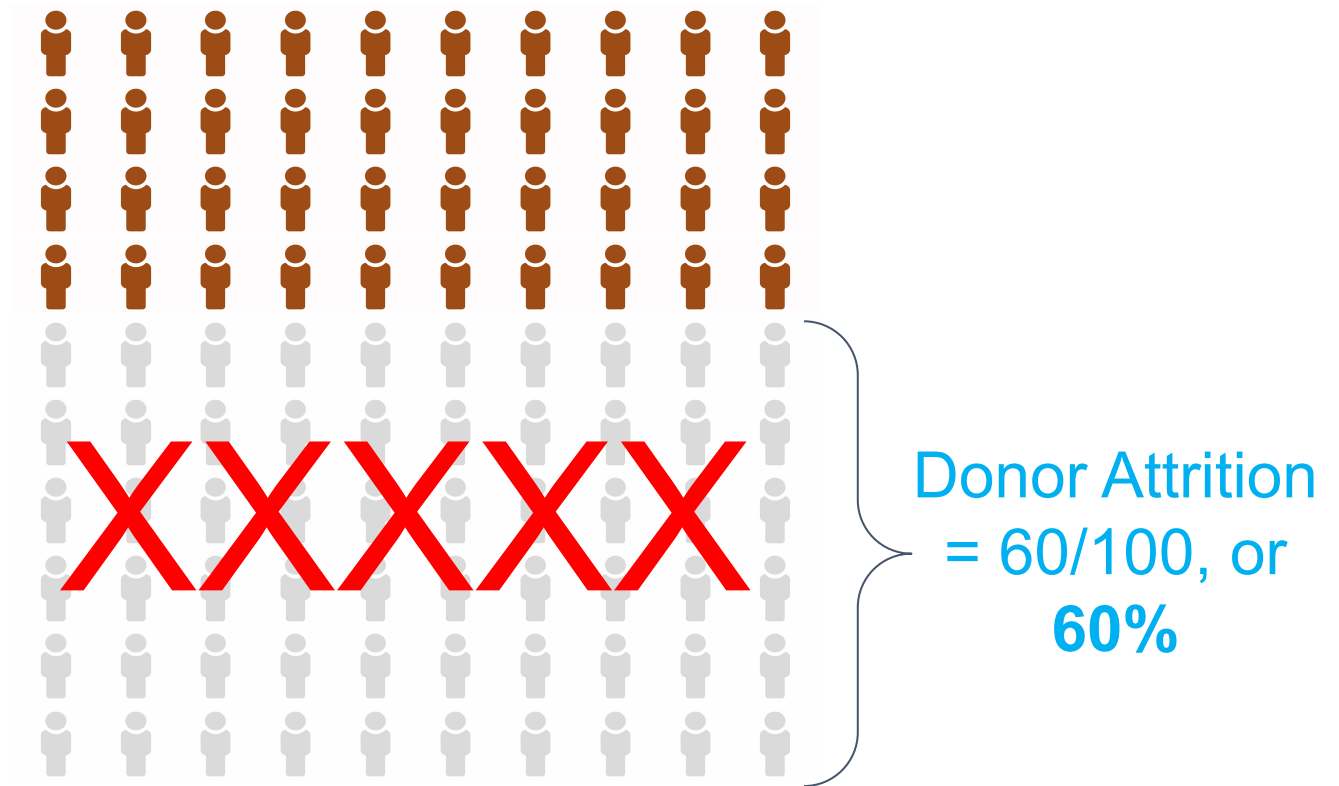
Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate



Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate

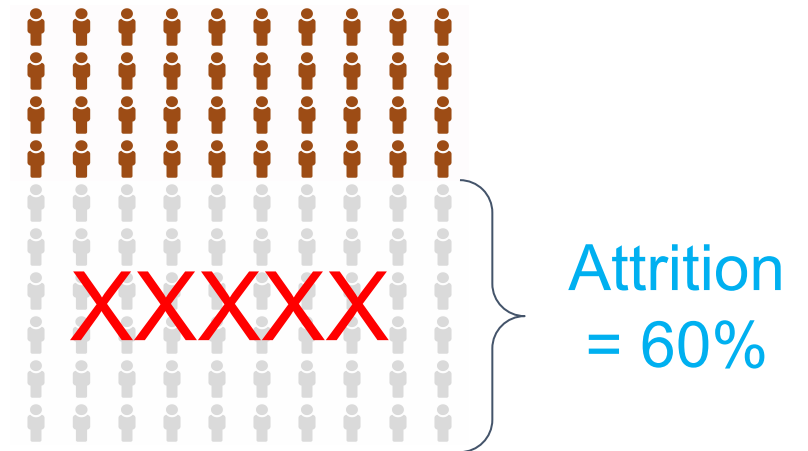


Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate



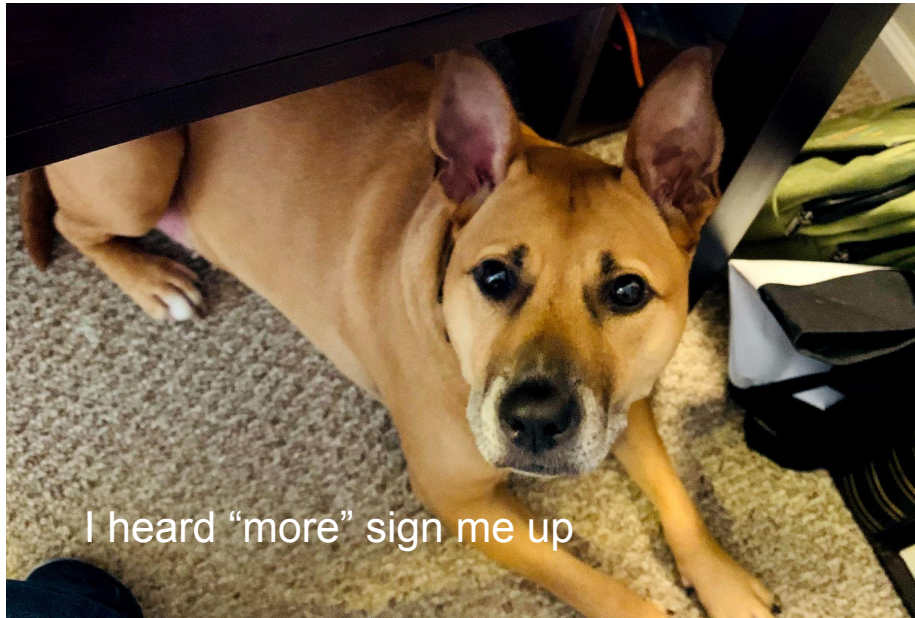
Average gift = \$50



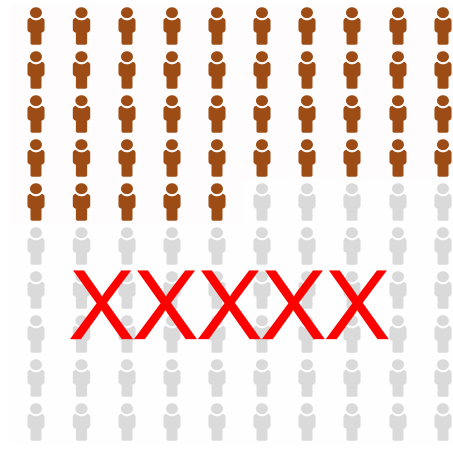
Donor Lifetime Value = \$50/60%, or **\$83**

Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate



Average gift = \$50



What if...
Attrition
= 55%

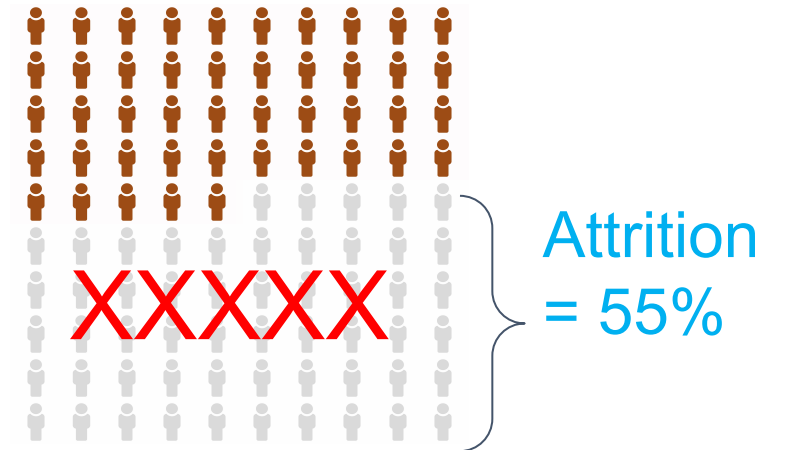
Donor Lifetime Value is now = $\$50/55\%$, or **\$91**

Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate



Average gift = \$2,000



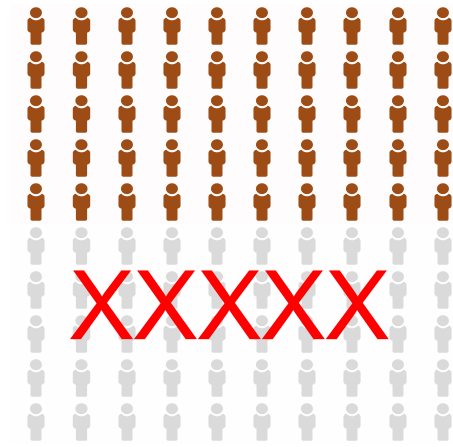
Donor Lifetime Value = \$2,000/55%, or \$3,636

Donor Lifetime Value: Value Metric (More!)

Donor Lifetime Value = average
donation / attrition rate



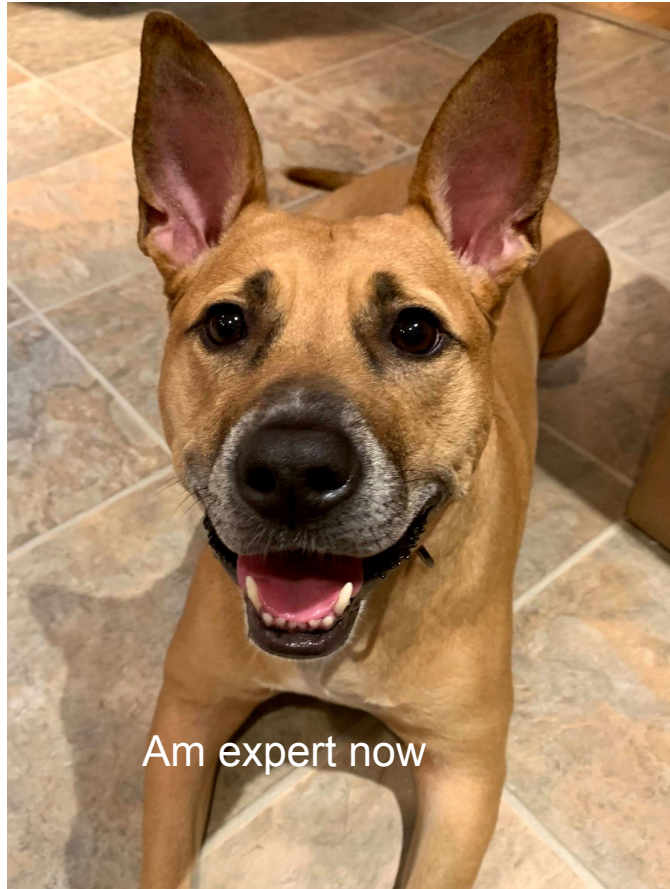
Average gift = \$2,000



What if...
Attrition
= 50%

Donor Lifetime Value is now = $\$2,000 / 50\%$, or **\$4,000**

Donor Lifetime Value: Value Metric (More!)



Am expert now

Donor Lifetime Value =
average donation / attrition rate

Better Retention = Lower Attrition = Higher
Donor Lifetime Value

Three Key Metrics: Bigger, Better, More



1. Donor Retention
2. Increased Donor Giving
3. Donor Lifetime Value

In dog terms: Bigger, Better, More
In human terms: Quantity, Quality, Value

Show How Metrics Change Over Time



- What changed in your program?
- What was the impact on these three metrics?
- Can you show growth, stasis, or decline?

Bigger, Better, More Model of Donor (and Dog) Relations



- Simple
- Tangible
- Correlated

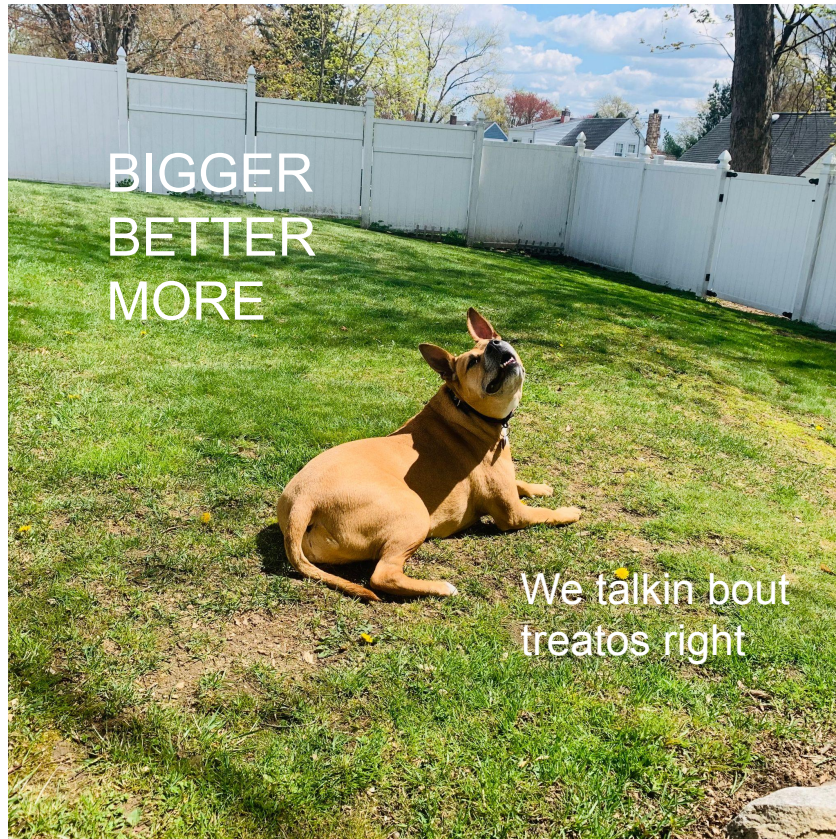
Next Steps: Dig Deeper



- Track your stewardship actions
- Correlate with retention
- Evaluate specific projects
- Question timing

**More data = more questions =
(hopefully) more answers**

Recap: When You're Out of Dog Treats



Donor Retention demonstrates a BIGGER pool of donors.

Increased Donor Giving demonstrates BETTER and larger gifts.

Donor Lifetime Value demonstrates MORE value to our organization in the long-term.

Questions?



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Hackensack Meridian Health Foundation



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or connect with me on MyADRP!

Metrics Resources

Calculating a Single Donor's Lifetime Value – And Why It Matters (Jon Biedermann March 2021):

<https://www.simplyfundraisingcrm.com/calculating-an-individual-donors-lifetime-value-and-why-it-matters/>

5 Metrics Every Development Director Should Know (Page Piccinni c. 2019):

<https://www.classy.org/blog/5-metrics-every-development-director-should-know/>

Donor lifetime value is key to sustainable fundraising organizations (Causeview Dec 2019):

<https://blog.causeview.com/blog/why-donor-lifetime-value-is-a-north-star-metric-for-fundraisers>

A Guide to Donor Retention (Bloomerang c. 2019):

<https://bloomerang.co/retention>

Can the Performance of Donor Relations Staff Be Measured? (Penelope Burk June 2015):

<https://www.burksblog.com/does-donor-relations-matter/>

Chloe Outtakes

