



Reasons Your Sustainer Program Hasn't Taken Off

DMAW Sustainer Day: September 2022

Itinerary



Sustainer 4.1.1.



Topline Industry Trends



10(+) Factors Inhibiting Growth



Wrap Up & Questions



Monthly Giving: A Different Kind of Program



Audience



Channel Mix



The Sell: Offer, Ask & Benefits



The Message



Payment Method Nuances



Outcome Measures & Analysis



Navigating the Unknown



1

**Offset Anticipated
Reduction in OTG
Donors**



2

**Better ROI, LTV &
Planned Giving
Prospects**



3

Supply Chain Buffer



4

**(More)
Inflation/Recession
Resistant**



Industry Trends

What are other earthlings seeing as it relates to monthly giving fundraising?



More Donors = More Money!



- Over the last two years of the pandemic, the industry as a whole experienced an overall increase in revenue generated.
- As reported in the M+R 2022 Benchmark Study, the majority of the increase generated in 2021 was due to monthly giving:
 - Overall monthly giving increased by 24%, while one-time revenue declined by 1%.
 - Monthly giving accounted for 22% of all online revenue in 2021.
 - Monthly average gift increased to \$25, vs. \$24 in 2020, an average increase of \$300 a year!



Moving Donors from Single to Monthly



- **Conversion from One-Time Gift to Monthly donors**
 - Converting OTG donors to monthly was a big focus in 2021, and is expected to continue
 - 61% of organizations in the benchmarking increased the number of 1st time monthly donors (via conversion)
- **Overall observations:**
 - Biggest conversion source from OTG to monthly was digital ads and email
 - Conversions from TM declined for the second consecutive year
 - Surround Sound is Key!
 - Direct mail strategies included open monthly ask in majority of efforts, and within acknowledgements
 - New Donor Conversion (in 1st 30 days) included sustainer ask
 - Successful 'monthly first' offers

***Information above according to Blackbaud's 2022 donorCentrics Sustainer Summit*



Channel Diversification as an Imperative

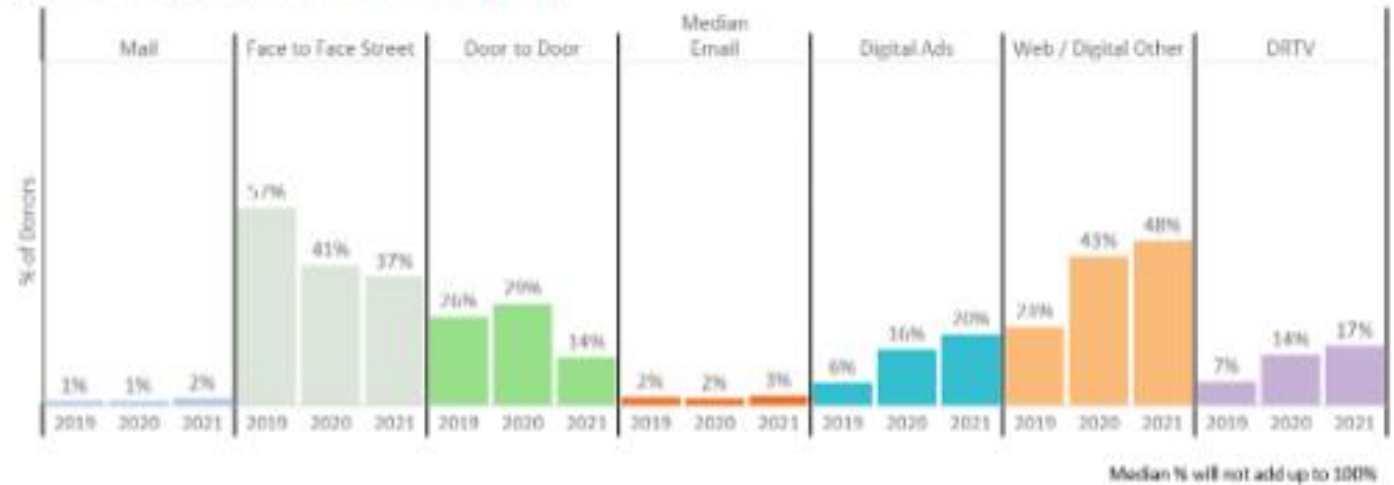


**CHANNEL
DIVERSIFICATION IS
KEY!**

→

Figure 2

Trends in Distribution of New Donors by Origin Source
(Donors Acquired with a **Recurring Gift**)



****Information above according to Blackbaud's 2022 donorCentrics Sustainer Summit**





Failure to Launch

Factors that inhibit sustainer growth



Sustainer Terminology



- Recurring v. One-Time Giving (OTG)
- Monthly Statements
- Pledge vs. Fulfillment
- Fulfillment Strategy
- Delinquency Strategy
- Recapture Strategy
- Payment Processing
- Donor Class
- Pledge Table



Factors Delaying Space Exploration

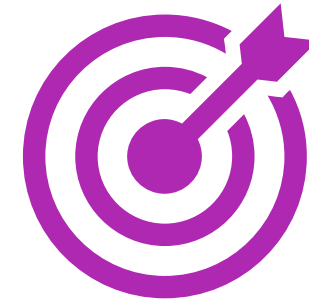
...AKA full sustainer program optimization



BACKEND PROCESS



CREATIVE, OFFER &
MESSAGING



ANALYSIS & OUTCOMES



Understanding the Backend Process Process



1 EXPERIENCE



- Business Rules & Attribution
- Pledge v. Fulfillment
- Statement vs. No Statement
- Communication Diet

2 VALUE



- Credit Card Conversion
- Upgrade

3 RECAPTURE



- Delinquency
- Recapture



A Word About Monthly Statements



- “Anatomy” of a Monthly Statement
- Monthly Statements as a Reminder/Retention Strategy
- Widely used for Check donors, however some utilize for all payment methods
 - Test, Test, Test
- Consider donor experience with and without monthly statements
- Watch for short- and long-term implications

DAV Disabled American Veterans
Honor Guard

HONOR GUARD GIFT DATES	AMOUNT
MARCH 12 2021	\$19.00
FEBRUARY 12 2021	\$19.00
JANUARY 12 2021	\$19.00

Thank you, L. C. Jamieson!

Dear L. C. Jamieson,

Veterans like Phillip make extraordinary sacrifices for America. I am so thankful they have extraordinary friends — committed Honor Guard members like you — on their side.

Phillip was deployed overseas when he started to have issues with his shoulders, arms, and hands. After he returned to the United States, the cause was finally discovered: a broken neck. One of Phillip's vertebrae was cracked, and the broken bone was putting pressure on his spinal cord. Surgery allowed him to function, but the damage was permanent. Yet Phillip only received 20% disability benefits when he applied through the VA.

Two decades later, a chance meeting with another veteran led Phillip to DAV. In a matter of weeks, one of our National Service Officers got Phillip the 100% disability rating he should have received years ago — and the benefits he earned through his service.

Phillip says DAV and your support have been “life-changing.” He adds, “If it wasn't for DAV, I would have not even known what help there is for vets.” Thank you for changing lives every month with your Honor Guard membership!

With deepest gratitude,
J. Marc Burgess
J. Marc Burgess
DAV National Adjutant/CEO

L. C. Jamieson, your extraordinary commitment as an Honor Guard member makes a life-changing difference for veterans like Phillip.

We have charged your credit card for your monthly pledge. If you have questions or need to update your credit card, please contact Brittany, your Honor Guard advisor, toll-free at (833) 829-7066. Thank you for all you do for America's ill and injured veterans!

Disabled American Veterans • P.O. Box 145447 • Cincinnati, OH 45260-5447

DAV Disabled American Veterans
Honor Guard **HONOR GUARD MONTHLY STATEMENT**

Donor Since	Donor ID	Statement Date	Pledge Amount	Reference Number
2002	033271462	4/8/21	\$19.00	69160

I would like to make an ADDITIONAL GIFT of \$ _____
To make your additional gift by credit card, please use CREDIT CARD information section. To donate via check, please enclose and return with this form.

I would like to INCREASE my monthly gift amount to \$ _____

PN 71 *****ALTO**MIXED AADC 450 UNK000000
L. C. Jamieson
PO Box 4023
W. Brookfield MA 01585-0403

001700001700033271462767160C



Payment Method 4.1.1.



Credit Card

- Highest Fees
- Change more often than bank account
- Require systems in place to address decline rates
- Donor more familiar than with ACH

Check

- No Fees/Minimal
- Relies on Donors to send gift each month
- Generally lowest LTV

ACH

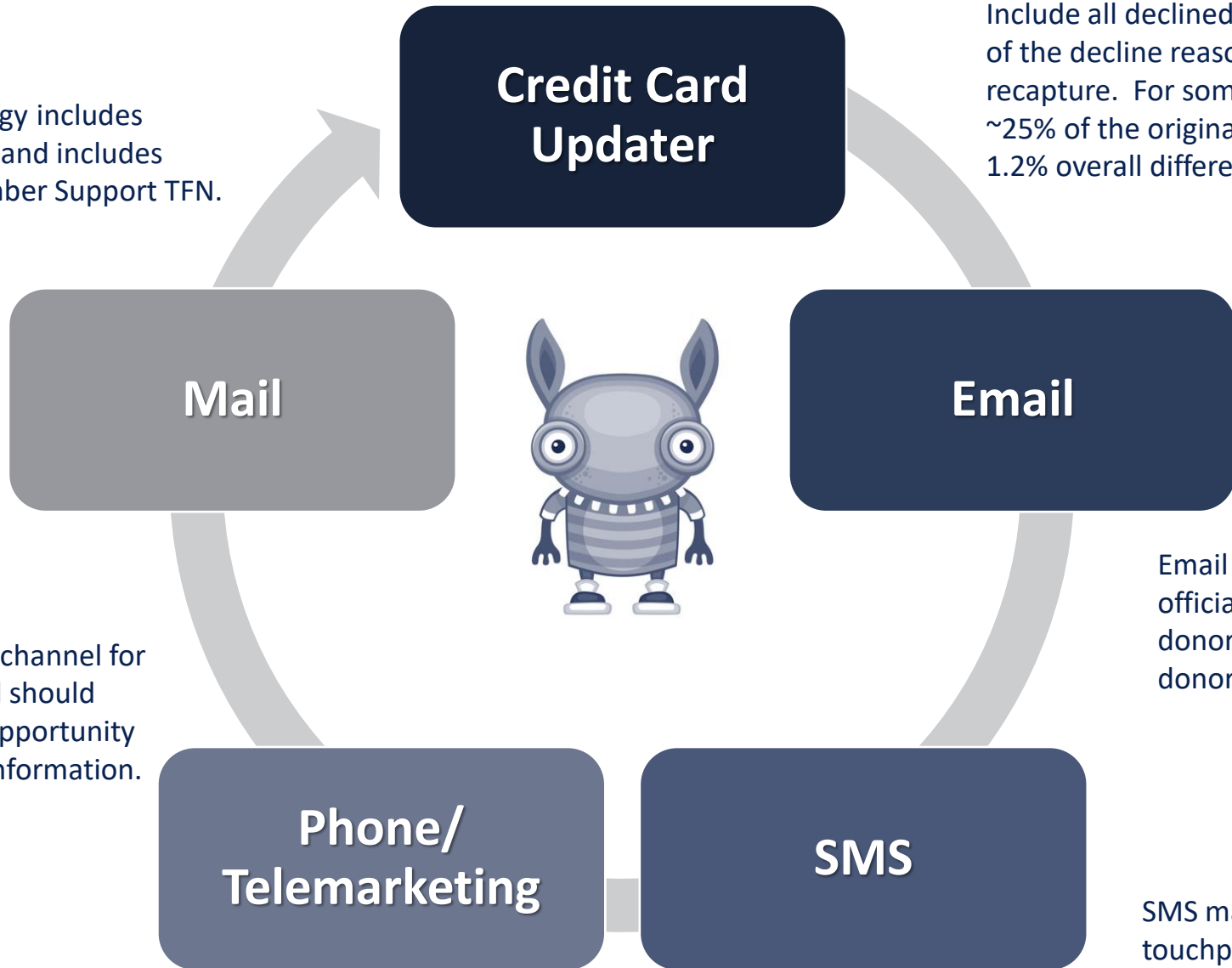
- Minimal Fees
- Donor less likely to change bank account
- Harder to “sell” to donor

PayPal

- ‘Meet the donors where they’re at’
- Offers a sense of security and convenience
- Requires additional operational ‘leg work’ on charities end

CROSS-CHANNEL RECAPTURE EFFORTS

Recapture mail strategy includes multiple touchpoints and includes unique URL and Member Support TFN.



Credit Card Updater

Include all declined monthly payments, regardless of the decline reasons, as the very first step of recapture. For some orgs, the updater updates ~25% of the original declined records – or ~1.1%-1.2% overall difference in the decline rate.

Mail

Email

Email should be the first official touchpoint with the donors, and include specific donor information.

TM is another viable channel for recapture efforts and should provide donors the opportunity to live update their information.

**Phone/
Telemarketing**

SMS

SMS may be the next second touchpoint & should drive to a trackable donation form.

SAMPLE OF MULTI-CHANNEL RECAPTURE EFFORTS

“... Unfortunately, the ASPCA has been unable to process your monthly gift...”



ASPCA Guardians

We Need Your Continued Support

[UPDATE MY INFO](#)

ACTION REQUIRED

WE ARE THEIR VOICE.®

ASPCA Guardians are a critical part of all of our work to save animals' lives.

Dear Jennifer,

Your support is so important to the ASPCA's life-saving work, and we can't afford to lose one ASPCA Guardian like you. **For that reason, we wanted to let you know right away we have been unable to process your automatic monthly payment.** Your monthly gift is urgently needed to help the ASPCA continue to save animals' lives by fighting against animal abuse, helping homeless animals find loving families, and being the voice for animals in need across the country.

Your gift of \$30.00 was last processed on 3/20/2018. The most recent credit card billing information we have on file for your monthly gift is:

Credit Card Type: Visa
Last 4 Digits of Credit Card: 0023
Expiration Date: 12/2020

To update your billing information, [please visit us online](#) or call us at (800) 628-0028.

Please don't wait: Update your payment information right away. Animals in need are counting on the ASPCA, and the ASPCA is counting on you. Thank you for your continued support.

[UPDATE MY INFO](#)

P.S. If you've already updated your information, please disregard this email as it's just a reminder of your commitment to the animals we serve!

[Privacy Policy](#) | [ASPCA Website](#)
Connect with us: [Facebook](#) | [Twitter](#) | [Google Plus](#) | [Pinterest](#) | [YouTube](#)
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This email was sent to: jennifer.minogue@aspc.org

This email was sent by: ASPCA
424 East 92nd Street New York, NY 10128 United States

We Miss You!

MONTHLY DONATION

1. Gift Amount 2. Billing 3. Payment

\$30 **\$38** \$48 Other

CONTINUE

Your membership makes a difference!

This year has been a banner one for saving animals, and we couldn't have done it without you. Your monthly support is urgently needed to help the ASPCA continue to fight against animal abuse, help homeless animals find loving families, and be the voice for animals in need across the country.

Please don't wait: Update your payment information right away. Animals in need are counting on the ASPCA, and the ASPCA is counting on you.

If you prefer to update your information by phone, please call (800) 628-0028.

We miss you!

Ongoing Systems Testing



Make monthly gifts across channels to understand the donor experience across channels and payment methods.

Utilizing the data gathered during the discovery, create channel specific donor experience .

Once adjustments are made, continue to test and document, to ensure the 'loops are closed' and to confirm what we think is happening is actually happening!



Leveraging “The Sell”



1.	Clear and fair description of the issue
What's the Challenge?	Relevancy in donor's environment
	Hopeful v. Hopeless
2.	Bringing the donors into the community
Strong Storytelling	Storytelling with respect and agency to community
	Emotional, yet honest, language to elicit emotional response
3.	First and onlys
Brand's Competitive Difference	Why now? Why YOU?
4.	Together – creating change
The Role of the Donor	Part of something 'bigger' than themselves
	Support as a lasting solution



Details Matter



Utilize RFM data, relevant predictive models and program trends to streamline and standardize the **asking strings/offer** used across channels.



Consider **branding** your monthly giving program to create a deeper connection with donors, and enable a greater feeling of belonging.



Intentional, mission-specific **benefits** (which can be assets already available) increase the sense of value and appreciation between the donor and the organization.



A Bit More About Benefits



DEDICATED CUSTOMER SERVICE

- Toll Free Number
- Email address and staff contact
- URL – updated with relevant content

SUB-BRANDED COMMUNICATIONS

- Member Card
- Emails, Cultivation Efforts
- Annual Calendar

OTHER BENEFITS

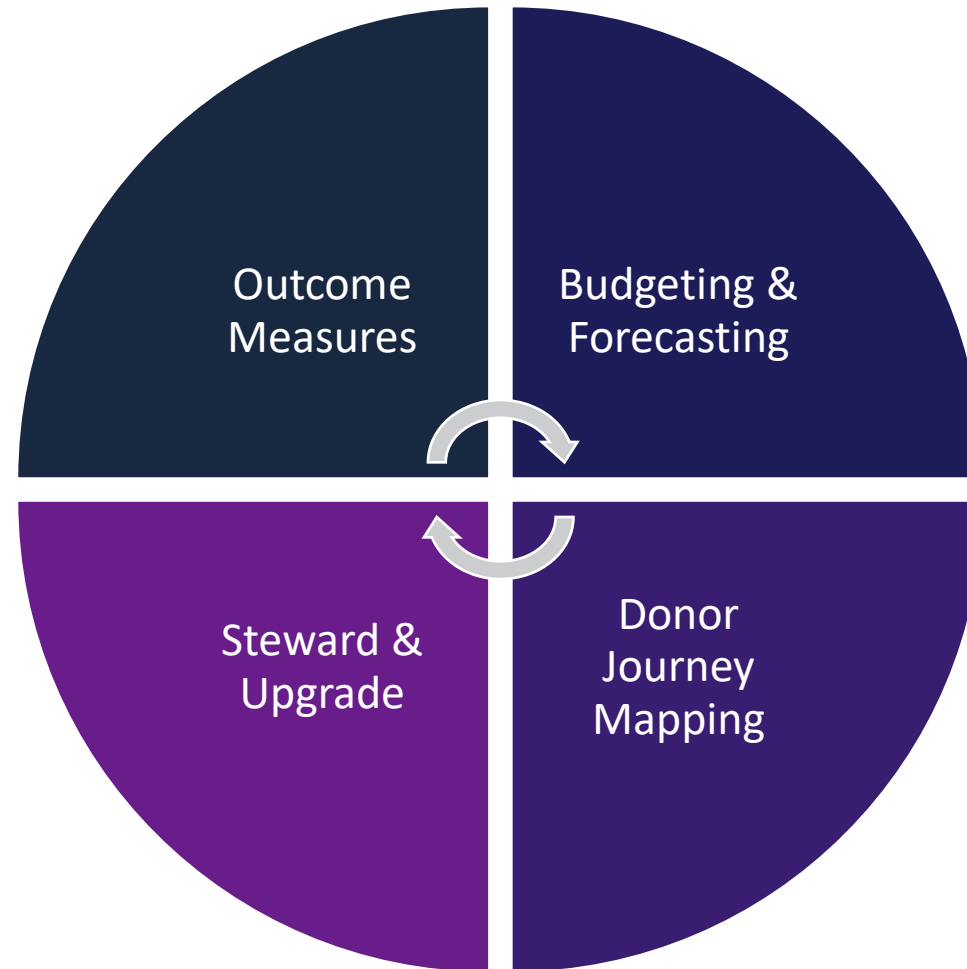
- Other premiums
- Special invitations and briefings
- Insider views
- Access and relationship building



Positioning is Everything



- "Paint Done"
- Breakeven Analysis
- LTV by acquisition/
conversion channel



- Detailed annual and monthly budget by channel
- Ongoing analysis and tracking of progress toward annual goals

- Intentionally target donors for upgrading throughout the year

- Document, understand and adjust donor journey to optimize experience and reduce asks



Measuring Success



Breakeven Analysis



LTV by Acquisition Channel and Payment Method



Retention by Acquisition Class



New vs. Converted Analysis and Impact on OTG program



Upgrade/Downgrade Analysis



Preparing to Launch



Making the Case!



“The day you plant the seed is not the day you eat the fruit.”

-Anonymous

- Create a culture of monthly giving!
- Address/anticipate concerns ahead of time
 - Initial investment costs of Monthly vs. OTG (potentially 3:1)
 - 5x ROI (compared to OTG giving)
 - 6x more likely to give a planned gift
- Create a business plan
 - 5-year growth scenario for OTG vs. Monthly
 - Include staffing needed
 - Focus on the details of business process critical paths



Thank you!

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