

RETENTION

**Keep your supporters engaged,
taking actions and giving gifts.**



ANTHONY FAWKES

Co-founder of Actually Data Analytics

Love drives so much of what we do as people. Love pushes us to care for others when individualism is all the rage, it urges us to make sacrifices, to look beyond ourselves and our own needs, it keeps you there when times are tough and it empowers you to speak up when others may stay silent.

Our sector's currency is love. We connect causes with people who truly care, who are driven to make our world a better place, who feel deeply about the issues we champion. But too often, I see organisations who take those who care deeply and neglect them. **Your supporters should mean the world to you**, why is it they're so often just a line on a spreadsheet or a record on a database?

“Before you recruit a single supporter, you should have a plan for how you’ll keep them engaged and keep them giving”

Actually Data Analytics is not a data company. We're a people company. Our core purpose is to help you understand the people who care so deeply about your cause that they sacrifice their time, money, energy and emotion to help you advance it, and then to help you deepen that connection.

I believe that through that, we will not only help incredible charities thrive, but we can help connect people to a cause, issue or campaign they truly love, helping them find purpose and meaning through the causes they care about.



To do that effectively you need to build a connection with your supporters, to keep reminding them why they came to you and reinforce the sense that you are the partner to help them create the change they want to see in the world.

To achieve that across thousands of people, you can use data as a tool to help understand when and why people engage, take action, give - or do the opposite. By being curious and testing messages and actions that you believe will make your supporters feel something, you can drive them to further deepen their engagement and to do more to help you deliver your mission.

“Recruiting new supporters is an expensive thing to do. Retaining them is comparatively cheap.”

I often come across organisations who invest lots of money growing a new audience, but stop caring - or forget to do anything but demand more - after a new supporter has signed up.

What we should be doing is opening ourselves up to our supporters, presenting them with the breadth of what we do, connecting them with opportunities to engage with different areas of our work and saying thank you - over and over again - for choosing us.

By understanding the people who care about you today, and working to build deeper, more meaningful connections, you can create an audience who will stand by you when times are tough, support you in ways you've not imagined yet and walk with you every step of the way as you work to change the world.

Anthony



THE TIME IS NOW

Right now, **charities invest up to 90% of their fundraising budgets in supporter attraction and acquisition⁽¹⁾**. At a moment when budgets are stretched, times are tough for your audience and some areas of our sector are reporting that for every 100 new donors recruited, 100 are lost⁽²⁾, **a focus on how we keep more of our supporters engaged and motivated feels more important than ever**.

Outside of the charity sector, businesses understand that **acquiring a new customer is between 5x and 25x more expensive than retaining an existing one⁽³⁾**, while the success rate of selling items to an existing customer is 60-75%, compared to just 5-20% for someone engaging for the first time⁽⁴⁾.

By thinking about how you invest your time, money and energy in retaining your supporters, and developing long-term plans for how you keep new supporters when you do invest in growth, you can have a dramatic impact on your performance. **Companies who invested in retention found that increasing their retention rate by 5% led to a 25-90% increase in profits**.

The best part about investing in audience engagement and commitment is that people's support will grow over time⁽⁵⁾. As people engage more deeply with the work you do, they take different kinds of action, donate at higher levels and in new ways and advocate for your brand and your cause.

As our sector moves forward and adapts to a challenging economic period, its time to invest in loyalty, building an audience who'll stand by you as you continue to deliver your mission and change the world.

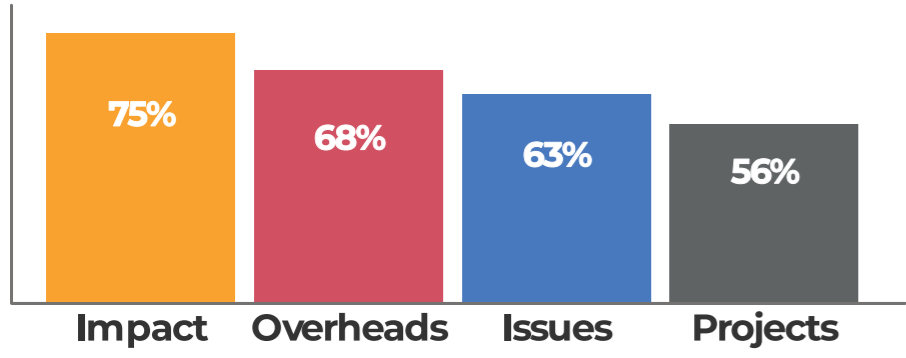
¹UK Giving Behaviours Tracker, Bluestate, 2023. ²'For every 100 donors gained, 100 are lost,' report warns, Charity Times, 2023. ³The Value of Keeping the Right Customers, Harvard Business Review, 2014. ⁴Customer Retention Marketing vs. Customer Acquisition Marketing, Outbound Exchange, 2022. ⁵Donor Acquisition and Retention - How to Deliver More for Less, Torchbox, 2023.

BENCHMARKS

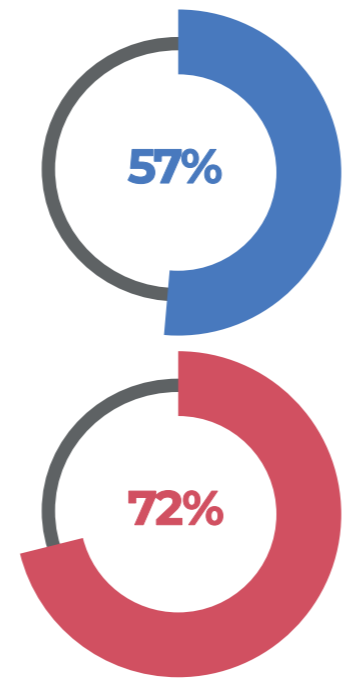
Building relationships is a hard thing to do, but its vital if you're going to develop an engaged audience, motivated to support your cause.

With charities investing so much into the recruitment of new audiences, its important that you benchmark your retention rates and focus your stewardship content on what matters to your supporters.

What your supporters want to hear about

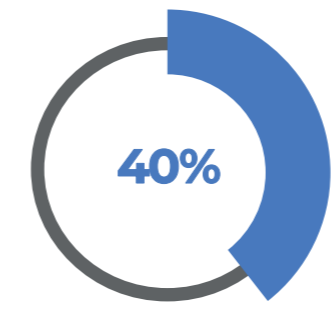


Of the people who regularly give to causes, **75%** want to know more about the charity's impact, **68%** want to know about the cost of fundraising or overheads, **63%** wanted to know more about the issues the charity addresses and **56%** want to know about specific projects they help fund⁽¹⁾.



What new donors want to understand

When you recruit a new donor, **57%** want to know more about the cause, while **72%** want to understand more about the charity they've chosen to support. Donors are particularly interested in understanding impact and long-term benefit⁽¹⁾.

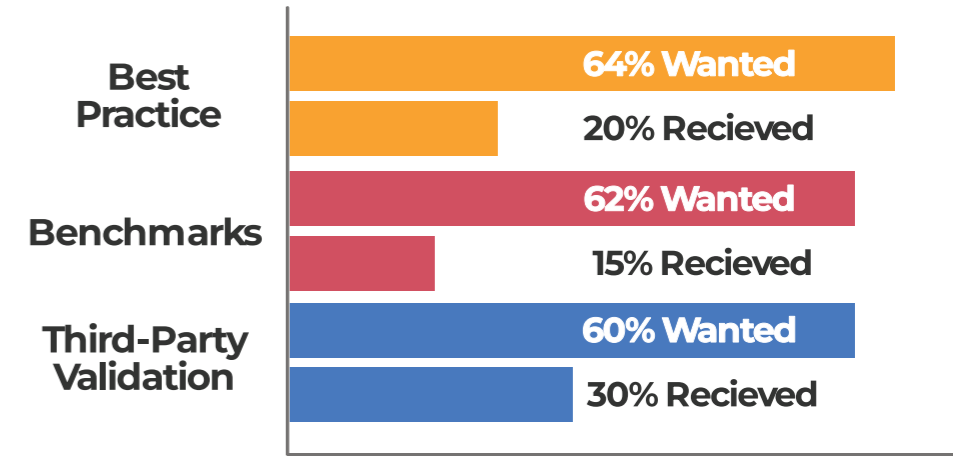


Attrition rates

On average, **40%** of new donors will lapse within 12 months. 10% lapse before ever giving and 64% will lapse within 5 years.⁽²⁾

Lifetime Value

The average 3 year value of a regular donor is £170. The average 5 year value is £250.⁽²⁾



Supporter expectations

64% of supporters want to know that the cause they are supporting is following best practice to deliver better outcomes in their work, **only 20%** feel they're receiving that information. **62%** want to see benchmarks showing the work they're funding is successful when compared to other organisations, but **only 15%** feel they're receiving these. **60%** of supporters also wanted to see third-party ratings, reviews and recommendations of the work they were funding, with **only 30%** saying that they received that insight.⁽¹⁾

With almost half of new supporters lost within a year of sign-up and the majority of supporters saying that they aren't receiving the content that matters to them, **there is an opportunity to increase income and engagement by developing more focused, relevant and responsive stewardship content.**

¹What Nonprofit Donors Want to See From Their Contributions, Campaign Now, 2022. ²State of the Sector Report,

Wood For Trees, 2022.

“People from all teams come together as a think-tank to come up with solutions to mobilise our supporters..”

Yael Nahome, Four Paws



WHICH?

Building an engaging stewardship journey

Which? the UK's not-for-profit consumer champion, has worked over several years to increase engagement and boost retention among their supporters. *"After someone signs a petition we send them on a 2 week welcome journey, contacting them every 4 days with a different topic"* explains Katie Bannister, Senior Supporter Engagement Manager.

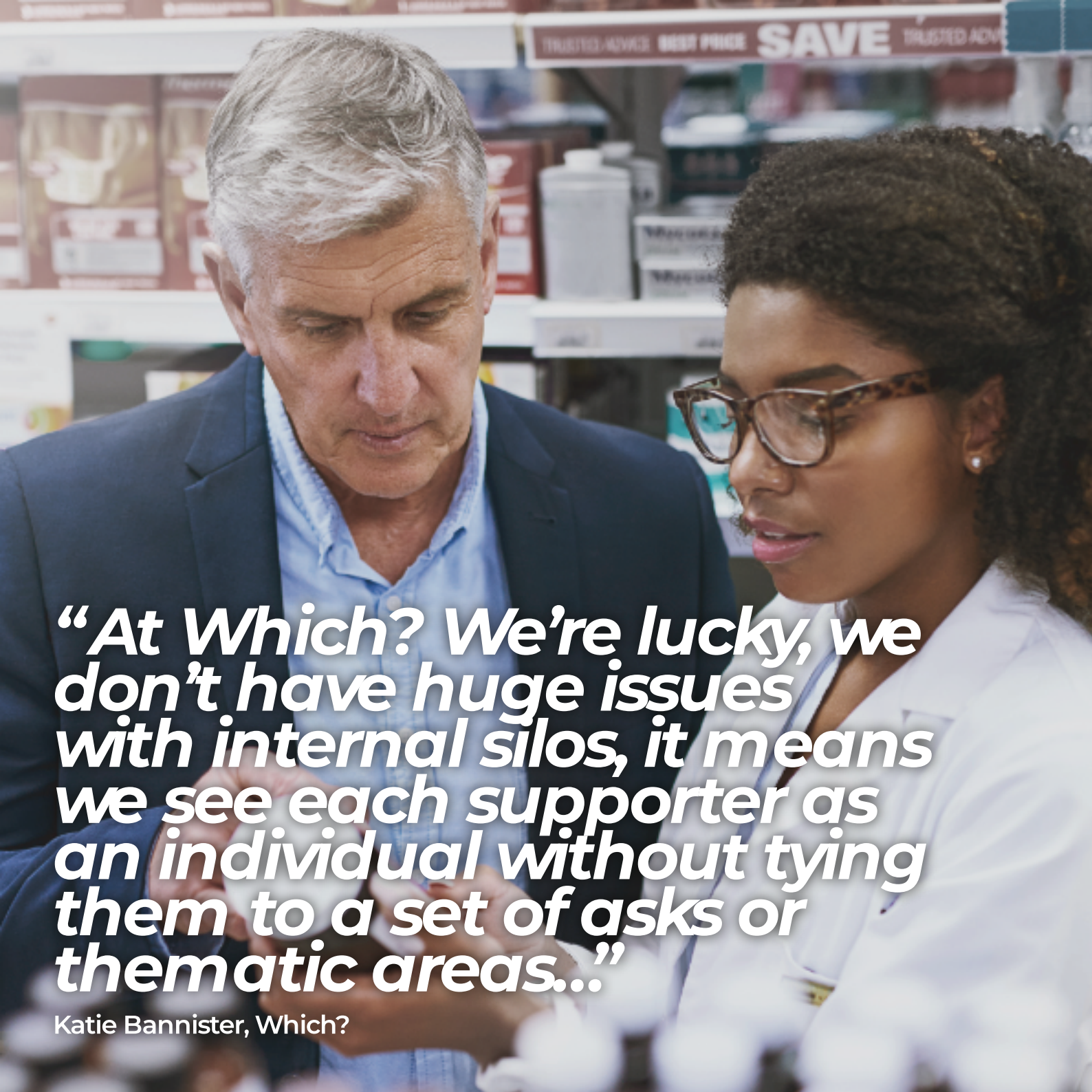
The team at Which? vary the actions they share with new supporters frequently, keeping their welcome journey topical and relevant while swapping out quizzes, polls and petitions to help build engagement. New content is tested with their existing audience, when it does well, it's swapped into their welcome journey where it might be used for a few months.

However, the one thing that always stays the same, is the first email, where they ask new supporters what matters to them. *"It's like getting to know someone"* says Katie *"you don't just talk about you, you listen, find out about someone and treat them as an individual."* That first email also plays an important role more broadly at Which? feeding into their topic modelling process, helping influence their communications and messaging.

"After those 2 weeks are up, we focus on enabling and empowering our audiences with actions we share at least once a fortnight" explains Katie *"we KPI ourselves on deeper engagement, not clicks or opens; for example in our Affordable Food campaign we asked people to share their stories with us and received over 20,000, with almost half agreeing to a follow-up, giving us a huge bank of potential case-studies!"*

The team at Which? can also predict the long-term return from an acquisition channel through the level of engagement an audience has over their 2 week welcome journey *"We use those KPI's to decide which acquisition channels we're going to invest in, supporters from sources like Care2 have performed really well, which is why we do so much work with them."*

As well as helping develop a more efficient and effective acquisition process, the journey supporters go on is helping drive retention and engagement across Which's? supporter base *"Right now, out of the hundreds of thousands of campaign supporters around 80% engage regularly with our emails"* says Katie *"we're currently exploring a more multi-channel approach to push that number even higher."*



"At Which? We're lucky, we don't have huge issues with internal silos, it means we see each supporter as an individual without tying them to a set of asks or thematic areas..."

Katie Bannister, Which?

FOUR PAWS

Data driven retention

Four Paws is a global animal welfare organisation aiming to rescue and protect animals and reveal the suffering that animals endure at the hands of people. Yael Nahome, Senior Digital Officer - Engagement and Retention, is working across multiple teams to help better retain and mobilise Four Paws' supporter base.

"Data and insight are our bread-and-butter, we make sure all decision making stems from data backed analysis, using set KPIs to optimise our journeys" shares Yael, "we work with a segmentation matrix, supporter profiles and queries to identify segments and then use this data to define how we speak with different supporters".

By working in this way, the team are able to provide supporters with different prompts and variable content that matches their interests. *"We've seen the number of lapsed donors decline by 17% in 18 months"* says Yael, "now we're looking to implement the approach for all our audiences".

Working across teams' to mobilise supporters has proved to be a key part of Four Paw's approach; *"By sharing different actions we increase the Lifetime Value of each supporter, but also strengthen our relationships with them, which is evident from the feedback we receive"*.

Content is also a vital part of Four Paws' success; *"One of the greatest assets we have is our sanctuary content... using sanctuary videos is a top driver for calls to action. By utilising more video content we've seen email engagement increase from under 5% to 25% - when it comes to retention you want to know that supporters are not just opening emails, but are engaging with them as well!"*

Yael is passionate that charities should be doing more to retain their supporters; *"The fact that retaining a supporter is so much cheaper than acquiring a new one sounds old but, you still see charities not even acknowledging donations or support"* says Yael as she thinks about the sector more broadly. *"I notice many charities just talk about themselves rather than their supporters... I believe that - especially when it comes to retention - you need to focus your messaging on your supporters, the change they are making possible and how vital they are to your cause"*.

"We treat all our supporters as individuals, ensuring that when they first engage with us they get a warm welcome and that the rest of their experience is consistent and tailored to their interests."

Yael Nahome, Four Paws

RENNIE GROVE PEACE HOSPICE CARE

Reconsenting your audience

When Rennie Grove and Peace Hospice Care merged, they aimed to bring together their supporters behind the new charity. **Part of this process involved reconsenting their email list; something we should all do from time-to-time in a post GDPR world.** Planned as a twelve month process, the team have found that using a consent campaign as an engagement tool can have some unexpected results!


“We’ve done lots of work around things like tone of voice, tracking and measurement” says Abigail Mellor, Digital Marketing Manager at Rennie Grove Peace. **“One of the most surprising things we found was that images of people on forms - something that works so well on donation forms - seemed to be a distraction on a consent page.”**

“We’ve also done lots of work on segmentation” reports Abigail *“our best converting messages were personalised around the ways people have supported us.”*

Working with Actually Data Analytics, the team have been closely monitoring the impact of their activity. *“Before we ran the consent process, both Rennie Grove and Peace were getting an email open-rate of about 50%”* says Anthony Fawkes, Joint Founder of Actually Data Analytics **“Today, people who haven’t consented are still opening about 50% of their emails, but our merged database is achieving a 71% open rate.”**

As the charity continues to monitor their key performance indicators they’re spotting some exciting trends. **“Historic regular donors who engaged with the consent process are lapsing at about half the rate of those who haven’t”** reports Anthony *“This year’s Christmas Appeal was also a huge success, online giving was up 430% and over a third of all those gifts came from people who’d previously consented.”*

Moving forward Abigail has big plans for Rennie Grove Peace’s consent project *“Right now we’re working to set up a one-click consent process. I hope that will see us finish-up and retire our historic databases once and for all”*



“You have to work to take people on a journey, but after just two emails 50% of our audience had already opted-in to the new charity list”

Abigail Mellor, Digital Marketing Manager, Rennie Grove Peace

A hand is shown on the right side of the image, pointing towards a complex network diagram. The diagram consists of numerous nodes connected by lines, with some nodes highlighted in green and others in red. Several nodes are labeled with alphanumeric codes: LL-092, KP-805, TR-633, BT-900, 56.935, VA-770, and SO-209. The background is dark blue with a grid of light blue lines and scattered colored dots.

“Engagement and action is at the heart of everything we do. We use it to decide what we send and what we share. It even decides what acquisition channels we invest in...”

Katie Bannister, Which?

SAYING THANK YOU

Saying thank you to your supporters is a vital way of recognising the impact of the time, money and energy individuals and groups have given to your cause. Get it right and it will help build relationships between you and your audience that will last the test of time.

When you say thank you, it's important that you **show supporters the impact of their support**; the work they've funded, the change they've enabled and the good they've helped deliver.

Thank you messages should **feel personal, being addressed to and coming from a named person, directly acknowledging the supporters contribution.**

Most importantly, **the message should be about the person your thanking, connecting them directly with the good they've made possible.** Supporters are more likely to care about your cause than your brand, so helping feel they've made a personal impact is a powerful way of building a connection.

Ways to say thank you:

- Send an annual thank you pack, showing supporters what they've made possible.
- Spend time creating meaningful welcome journeys.
- If possible, invite supporters to see your work in action.
- Hold a thanking day, where staff from across your charity phone and write to supporters thanking them for their support.
- Send your most committed supporters handwritten thank you notes or cards.



THINKING ABOUT YOUR SUPPORTERS

Before building your supporter journeys, it's important to think about who your supporters are, why they've chosen to support you and how you're going to continue to engage them. We've worked with our friends at Actually Data to get you thinking about who your supporters are and what makes them tick..

What is the age range of this group of supporters?

What is their motivation to support you?

What is their level of knowledge about your cause?

How do they engage with you today?

What is your CRM
How are you going to transfer your data
What internal skills do you have
How frequently are you using it.

Where are we going to connect with our supporters?



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What do people need from us?

e.g - want to feel informed, need regular updates on our work.

What are their pain points?

e.g - won't engage regularly, don't like overly emotional language.

How we can help them?

e.g - offer advocacy actions to make them feel empowered, send health information

What can they do for us?

e.g - share content on social media, donate money

Our desired impact

e.g - reducing donor attrition, improving advocacy engagement

Where are we today?

e.g - your attrition rates, current opt-in rates

What resources do we have?

e.g - staff capacity, budget, actions other teams are sharing

What should we measure?

e.g - donor attrition rates, communication engagement rates

To get started with the technology tools
that can power your programme, contact
Paul Hayward on:

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***engaging* NETWORKS**