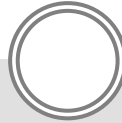


# Donor Analysis



Use donor analysis to uncover hidden trends, compare with internal and external data, and open strategy discussion.

## How to Analyze

- 1) **Use existing data**, not forecasts or budgets.
- 2) **Disaggregate**
  - a. Unpack the data
  - b. Segregate large or one-time occurrences
  - c. Footnote large, one-time gifts
  - d. Present by type of donor, and analyze within a category (e.g. what portion of grants came from: small family foundations that “send a check every year,” capital campaign or other special project, a large reliable funder, competitive applications)
  - e. “Top line” numbers all often misleading when skewed by a small number of donors or one-time events.
  - f. Yet these may make a positive presentation for the board or funder or show false trends.
- 3) **Track changes over time**
- 4) **Multiple views**
  - a. Dollars *and* Percentages
  - b. Totals *and* Segments
  - c. Sums *and* Counts
  - d. Charts *and* Tables

## What to track

- **Total Revenue**
- **Number of Contributions**
- **Number of donors**
- **Gift size**
  - Average and Median gift
  - Upgrade and downgrade counts and total amounts
- **Renewal Rates**
  - New (gave this year for first time), renew (gave last year and this year), lapse (gave last year but not this year), recapture (lapsed donor gave this year),
  - Attrition rate which tells us how many new donors needed next year
  - Overall 43 percent, new-donor retention 27 percent, and repeat-donor retention 70 percent.
- **Gifts by segment**
  - **Giving level** - typically about five levels
  - **Frequency of giving**
  - **First year/multi-year**
  - **RFM: Recency, Frequency, Monetary**
- **Analyze all funding:** individual, grants, corporate, government, fee for service

# Donor Analysis



*Use donor analysis to uncover hidden trends, compare with internal and external data, and open strategy discussion.*

## Questions to ask

- 1) **What patterns emerge?**
  - a. Where are the gains and losses?
  - b. How many new donors do I need each year? Attrition rate will drive this.
  - c. What are the outliers/exceptions?
- 2) **What factors drove changes?**
- 3) **How does this compare to other agencies?**
- 4) **How much did these results cost?**
- 5) **Why do we see changes in the future?**
  - a. Drawing a trend line on the graph does not generate cash flow.
  - b. Segregate large, one-time occurrences
  - c. Understand where the agency has a demonstrated advantage or demonstrated opportunities
  - d. Then develop a plan for how the agency will do better than historical track record, catch up with other agencies, and/or do better than the current industry standards. Explain how we will do this and produce numbers and analysis to support.

*See examples, next page*

## Donor Report Examples

Be sure to chart major findings over five years

### Donor Movement Report<sup>1</sup>

	# of Donors	\$ Given 2012	\$ Given 2011	Giving Variance	% Variance
<b>Upgrade</b>		\$	\$	\$	%
<b>Same</b>		\$	\$	\$	%
<b>Downgrade</b>		\$	\$	\$	%
<b>New</b>		\$	-	\$	%
<b>Renewed from last year</b>		\$	-	\$	%
<b>Rejoined from earlier years</b>		\$	-	\$	%
<b>Lapsed</b>		-	\$	\$	%
<b>Total Giving</b>				\$	%
<b>Total Donors</b>					%
<b>Upgrade Momentum = Upgrade - Downgrade</b>		-	-		%
<b>Growth Momentum = New + Rejoin + Renew - Lapsed</b>		-	-		%
<b>Change in Total Giving</b>	-	-	-	\$	%

Filter for All, Corporate, Individual, Major, Non-Major

### Renewal Rate Report

<b>Overall</b> next year renewal (gave in year one and next year)	%
<b>New-donor</b> retention (first agency gift in year one with renewal in year two)	%
<b>Repeat-donor</b> retention (gifts in year one and also earlier years with renewal in year two)	%

Filter for All, Corporate, Individual, Major, Non-Major

### Annual donations by Campaign

	2013	2012	2011	2010	2009
<b>Major Donor Campaign</b>					

<sup>1</sup> Based on the work of Ron Frey

<b>Annual Appeal Letter</b>					
<b>Sponsorships</b>					
<b>Events</b>					
<b>Row for each type</b>					
<b>Total</b>					

Campaigns and years can be updated and can be filtered for All, Corporate, Individual, Major, Non-Major

### 1. Annual donations by Giving Level

	2013	2012	2011	2010	2009
<b>&lt;\$100</b>					
<b>\$100-\$499</b>					
<b>\$500-\$999</b>					
<b>\$1,000-\$9,999</b>					
<b>&gt;-\$10,000</b>					
<b>Total</b>					

Campaigns and years can be updated and can be filtered for All, Corporate, Individual, Major, Non-Major

### 2. Annual donations by Segment

	2013	2012	2011	2010	2009
<b>Corporate</b>					
Major					
Non-Major					
Total					
<b>Individual</b>					
Major					
Non-Major					
Total					
<b>Grand Total</b>					

## Sources

- *Total Giving Momentum, How healthy is your donor base?* Ron Frey, 2013
- Association of Fundraising Professionals and The Urban Institute, *2013 Fundraising Effectiveness Survey Report*
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- WealthEngine: *RFM: A Powerful Segmentation Tool*
- Richard Becker, *Reactivating Lapsed Donors: How to Use Loyalty and Philanthropic Segmentation to Optimize Donor Reactivation*, Blackbaud, Target Analytics
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