

The Blueprint for Engaging Modern Donors

Responsive Fundraising

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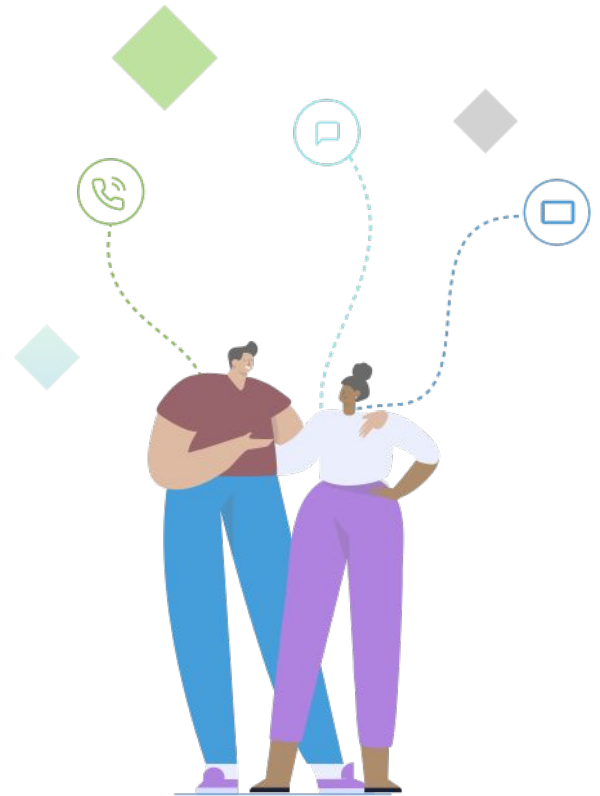
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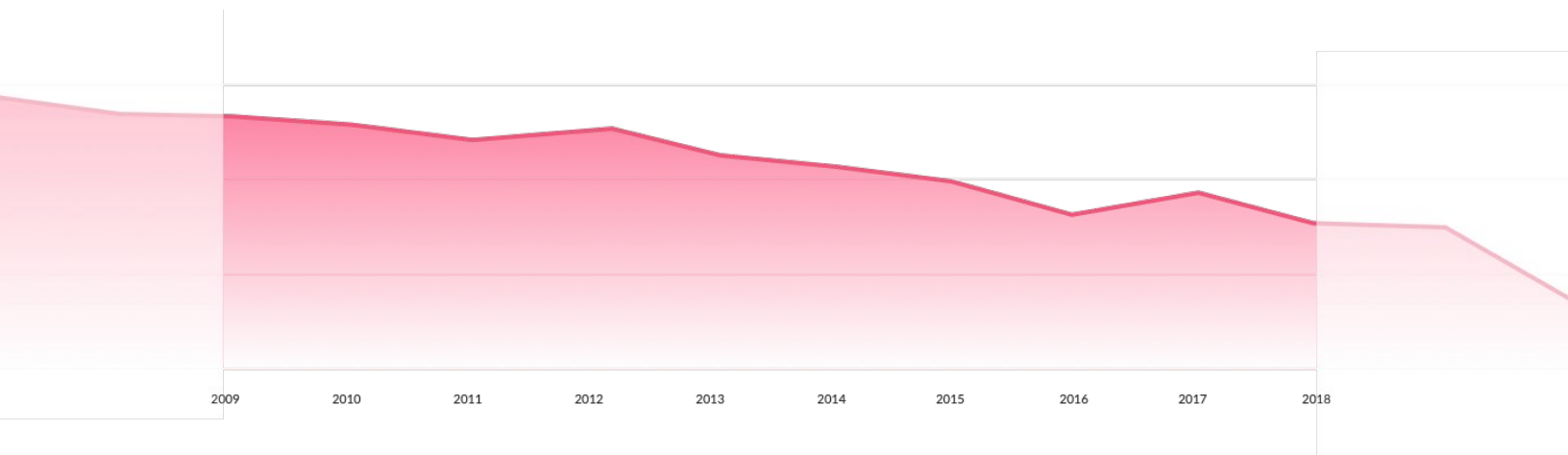
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Introduction:

We Have A Problem

We are in the middle of a generosity crisis. Despite growing revenue, nonprofits are finding it increasingly difficult to inspire generosity from individual donors. Year after year, individuals give less to organizations in every vertical. **In fact, we've seen a 25% decline in the number of low and mid-tier donors in the last decade.** Now this doesn't mean people are losing interest in giving. Quite the opposite, in fact. It turns out that people are more aware than ever before about the causes that need attention.



The problem is with how nonprofits connect with the supporters who wish to join them in the cause.

The strategies that fundraisers have been using with a degree of reliable success, are now failing to resonate with donors in the way they had in the past. Today's donors expect more from the organizations they support. They want to be included and informed about the meaningful work they are giving to. In short, donors giving even as little as \$100 want to be treated in the same kinds of ways major donors get treated. What's more, they will move away from nonprofits that fail to do this and toward those nonprofits that do.

Unfortunately, nonprofits aren't equipped to meet this new challenge. So, rather than adapt to meet the new standards of modern donors, fundraisers have been turning their attention to major-gift donors, where their development strategies work.

Nonprofits looking to grow in the next 5 years cannot afford to ignore the demands of the modern donor any longer. Your organization must evolve to focus on a more personalized development strategy that puts each donor at the center of your efforts. You must embrace experimentation, change and sometimes even failure.

If it sounds intimidating, don't worry. You've already taken the first step by downloading this blueprint. In the following pages, we'll outline exactly what's happening with the modern donor and what they need from your organization. Then, we'll reveal the solution including a proven framework for becoming a modern, responsive nonprofit that can thrive in 2020 and beyond.



Chapter 1:

The Evolution of Modern Donors

Until recently, the evolution of donors occurred slowly. In general, nonprofits were able to adapt to the new expectations and trends using existing resources. They could improve tactics by adding a little more staff time and expanding their tech stack. Subtle shifts in strategy were enough to appease donors and grow generosity. But in the last 5 years, expectations have evolved at an exponential rate. Now, even the most agile nonprofits struggle to find meaningful ways to engage the modern donor.

At a macro level, we see a pair of specific changes that add to the velocity of this evolution.

1

First, attention is fractured. Large events and broadcast-style communication that used to capture the attention of individuals across the nation no longer have the same pull. Outside of professional sports, the singular experience of broadcast media is nearly gone.

Even the most agile nonprofits struggle to find meaningful ways to engage the modern donor.

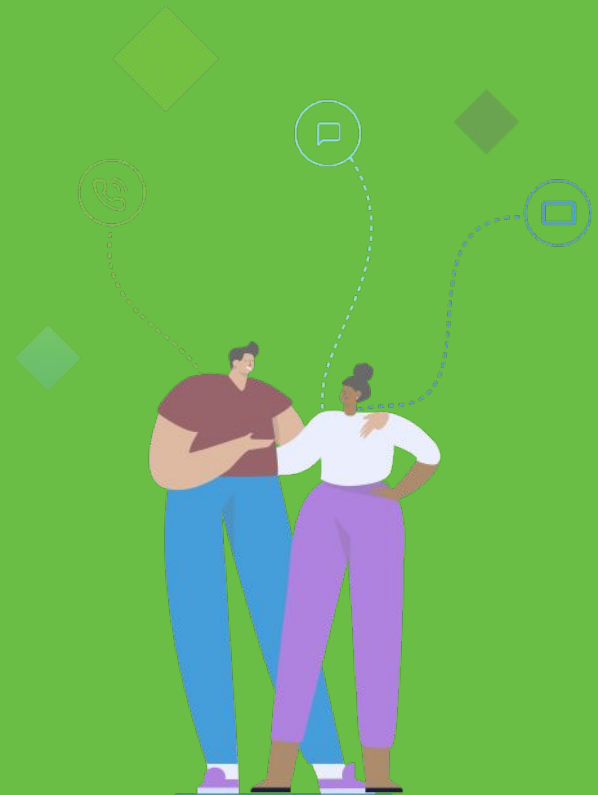
Instead, individuals stream entertainment on their own schedule, decide their own news sources and curate their own media experiences. Your donors live in a world that is almost completely personalized to their tastes and preferences. This means that your donors are going to curate the content your organization produces in the same way. To infiltrate their personalized feeds, your organization needs a comprehensive strategy that considers how your information resonates at the individual level.

2

The second macro trend happened when technology advances enabled companies to leverage behavioral data to create better experiences for customers. Without the promise of undivided attention, brands had to find a way to keep individuals engaged with their products and services. That meant giving everyone, each individual, the personalized experience they wanted. Facebook, Netflix and Amazon are three of the most popular examples, using data to cater to the individual needs of a combined total of 594 million users. More recently, less dominant companies like Stitch Fix applied this to fashion, Spotify to music, and Chewy to pet supplies. Each have gain grow customer adoption and loyalty through treating people less like segments and personas and more like people.

As more and more organizations adopted a customer-centric approach, people realized what is possible, and quickly began to expect transparent, personalized experiences everywhere. **Modern donors expected authentic engagements with the causes they supported. They were no longer happy opening the same direct mail piece their neighbor received.** Today, the supporters who care about your cause (and are most likely to give more than one time) want to be included in your mission. Donors need proof that they are part of your success and not simply another name in your contact list. **Nonprofits have no choice but to adapt or risk stifling their growth.**

Brands had to find a way to keep individuals engaged. That meant giving everyone, each individual, the personalized experience they wanted.

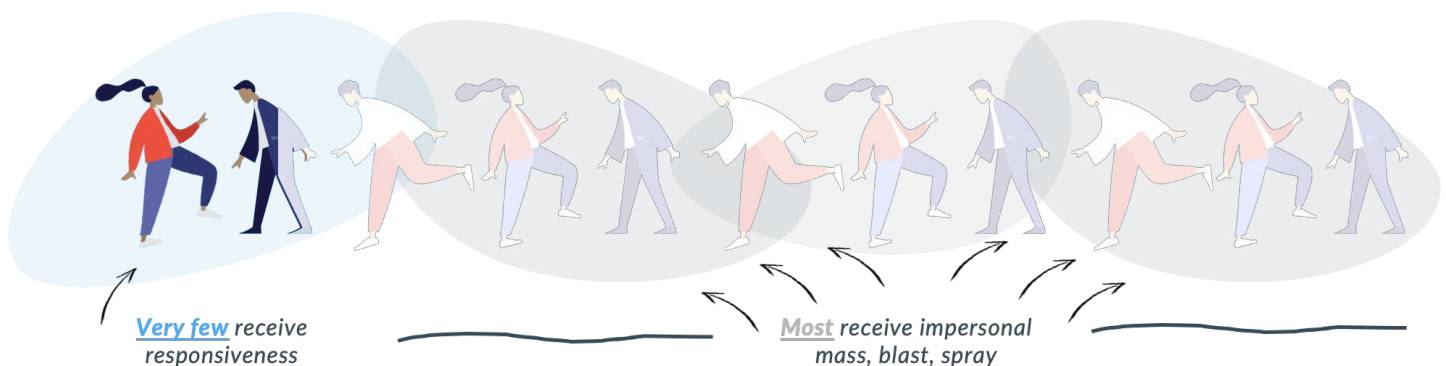


We've already seen it happen. From 2006 to 2015, there was an **18% drop** in the number of individuals who chose to give to nonprofits. According to [The Fundraising Effectiveness Project](#), nonprofits lose more than half of their donors each year, with 76% of new donors never giving again. But major gift donors? They continue to be a constant source of reliable fundraising.

The difference lies in the way nonprofits treat major gift donors.

Nonprofits have perfected the art of building relationships with major donors. Personal connections flourish. With good reason: there's a high ROI on those relationships, so nonprofits can devote their time and resources to growing those few sustaining relationships. But they do so at the expense of every other relationship in their donor database.

The everyday givers are left with impersonal, unresponsive tactics. Fundraising to this segment is reduced to a numbers game, which is a terrible replacement for relationship building. Every donor deserves a relationship with the causes they support. To treat them as a number pushes the modern donor away and dramatically reduces (if not eliminates) the chances of them ever giving again.



The problem isn't just a strained relationship – it's the degradation of trust between people and the nonprofits. The more you treat them like a number, the more they'll see you as another untrustworthy institution. And in our age of fractured attention, trust is the most valuable asset in terms of loyalty, commitment and generosity. [Accenture](#) reports that, "Poor personalization and lack of trust cost U.S organizations [\\$756 billion](#) last year, as 41 percent of consumers switched companies." Give.org [reports](#) that trust in nonprofit organizations decreased by 16% between 2017 and 2018.

“Poor personalization and lack of trust cost U.S. organizations \$756 billion last year as 41 percent of consumers switched companies.”
– Accenture

The negative impacts of being unresponsive will not slow down any time soon.

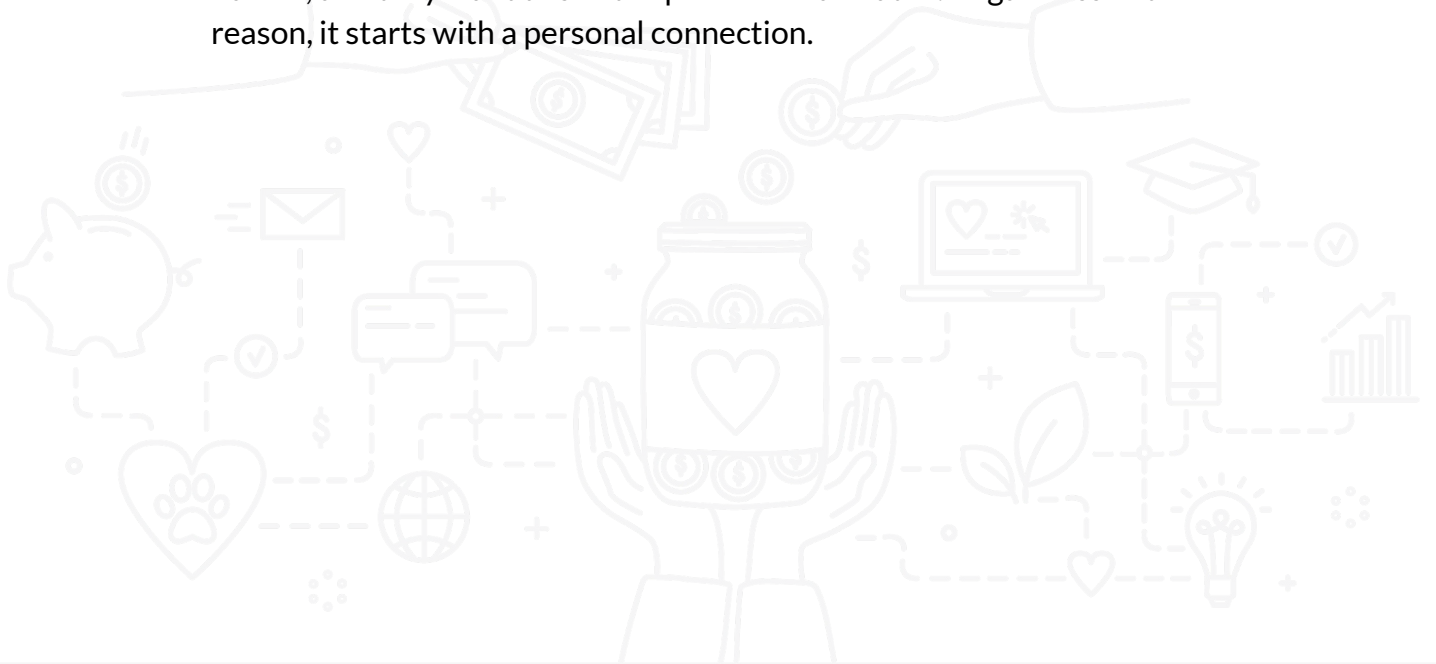
Instead of continuing to compromise growth and impact with strategies that aren't designed to build trusted relationships with today's donor, nonprofits need to rethink the entire model to mirror what they know works. In short, nonprofits need to treat every donor like a major donor. The solution is responsive fundraising.

Chapter 2:

Responsive Fundraising: The Answer to New Expectations

Responsive fundraising puts the donor at the center of your fundraising. Rather than focus on your organizational needs or the statistics about why your work is so important, the donor's needs are the driving force. Generosity grows through personalization of the donor journey, where each engagement brings the donor closer to the cause.

Remember: generosity is a deeply personal act. Most often, giving starts with a relationship. Someone was moved by the living conditions of a sweet tour guide they met in another country during their summer vacation. A loved one beat a rare disease despite little research. The rival school of someone's alma mater upgraded their library. Their child was bullied, and they want to see the problem eradicated. Regardless of the reason, it starts with a personal connection.



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Responsive fundraising builds on that relational connection; it doesn't exploit it. Responsive nonprofits provide donors with relevant information to elicit a commitment to the work, beyond their personal story.



A few questions to ask yourself if you were hoping to implement the responsive fundraising model are:

- *What stage of life is this person in? How does that affect their generosity?*
- *What interested them in your cause the first time they gave? Has anything changed?*
- *What does your nonprofit know about their passions, interests, talents and experience?*
- *Where are they in the donor journey?*
- *What do they want to know about you? Have you found a good way of*
- *In what ways do they engage with your nonprofit? Are there any channels we aren't monitoring that they may be using to talk about our organization?*
- *When was the last time you gave back to the donor? Are you matching their passions with your cause?*
- *Do your donors naturally create communities around your cause? Can you connect them with other like-minded donors in your network?*
- *What is the next best step for them?*

The answers to these questions will reveal paths to reach your donors in a more purposeful way. If they sound too simple, that shouldn't surprise you. Responsive fundraising strategies mimic the steps we all take to create lasting relationships with everyone in our lives. From siblings to spouses, each meaningful relationship we have follows a similar pattern.

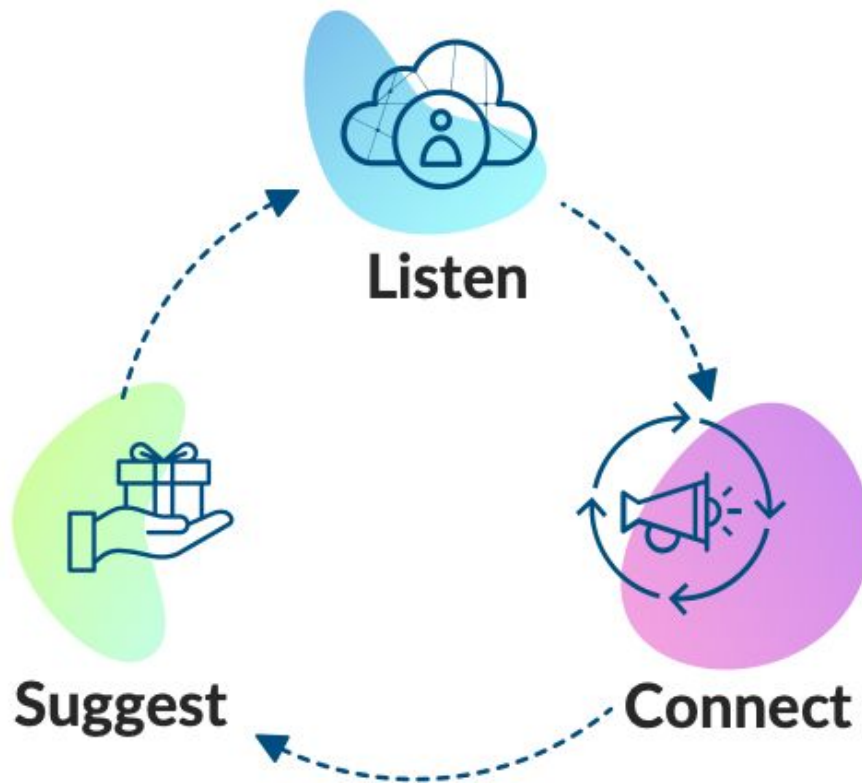
First, we listen to learn details that aren't obvious. Next, we consider what we've learned and use that knowledge to connect in a meaningful way. Finally, we share a new experience based on all the new information. Successful relationships are a never-ending cycle of learning new things, contextualizing it and responding in a way that proves we not only understand, but also care deeply.

It's worked for families and friends for centuries, and it works with your modern donors.

Generosity grows through personalization of the donor journey, where each engagement brings the donor closer to the cause.

The Responsive Fundraising Framework

While the fundamental functions of relationship may seem obvious in your personal life, it makes sense that those same functions would seem too complicated for your organization to execute at scale. After all, how can you truly engage in a relational way thousands of contacts in your donor database? Here's a simple way to think of the responsive fundraising cycle.



**Listening to donors
involves using the same
behavior-based data
insights that created the
modern donor in the first
place.**

Listen



Responsive fundraising begins with listening. Of all 3 steps, this is perhaps the most counterintuitive one, but also the most important. The current state of marketing and fundraising for nonprofits has settled into rote operations of sending the same information to the same people more often in the hopes of squeezing just a little more from the base. But as we've mentioned, and we all know, that doesn't work (at least it's not going to continue to work). Listening first is the radical change you need to see different results.

Listening to donors involves using the same behavior-based data insights that created the modern donor in the first place. Of course, you can always listen during in-person conversations or on the phone. But the most scalable way to listen to each individual donor's needs is to gather data and pull insights.

Leverage all available data to reach a comprehensive understanding of what each donor cares about, what they currently feel about your nonprofit and the best way to motivate them into their next act of generosity.

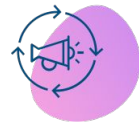


Common ways you can listen to donors for signals about their interests and preferences include:

- **Website Forms** - Don't just rely on giving forms to listen for donor feedback. Drive new traffic to landing pages with gated white papers and long-form videos that can indicate what initiatives they're most interested in. Gather information about people before they even give for the first time.
- **Social Platforms** - Listen to how your constituents talk about your organization, both directly and indirectly. Notice what influencers they engage with. Look for the connections between their followers and other donors in your organization. .
- **Content Engagement** - Track donors engagement metrics whenever possible. Look for trends in their behavior and opportunities to introduce new programs or connection opportunities.

As with all data-driven insights, the more you know, the faster you can act. Loyalty, advocacy and generosity will all happen faster because you have a full picture of both the work your nonprofit is doing and the ways it will resonate with each donor.

Connect



If listening is the most *drastic* change from past fundraising strategies, connecting is the most *important* change. Connection is what transforms you into a donor-centric, responsive nonprofit. Regardless of the channel or medium you use to communicate with donors, you have all the information you need to appeal to the desires and passions of donors directly.

Think about direct response fundraising tactics of the past. A fundraiser would mail a broad appeal to their entire contact list asking everyone to give the same exact way. The information might resonate with a few, but there was no useful way to validate why. The response to each appeal continues to be shockingly low. The only way to make up for that low response was to increase the frequency of the appeal. Most nonprofits continue this same process year after year, despite lackluster results.

In that example, the nonprofit is not building a relationship with their constituents. They're barely having a conversation. They say the same thing to the same people and hope to see different results. The only thing that changed was the rate at which they were alienating donors and losing individuals from their network.

On the other hand, with responsive fundraising tactics, you meet each donor where they are and you work to create the right message by learning about what they want, what they need, what they respond to. The connection deepens with each engagement because the conversation evolves. Every touchpoint is new, different and valuable to the modern donor because you took the time to personalize your message for them. A deep, relational connection results in a commitment to your cause. Modern donors who feel included in your work will do what they can to make sure you succeed because they believe in what you're doing, and they will recognize that their generosity is moving the needle.

**Connection is what
transforms you into a
donor-centric,
responsive nonprofit.**



Suggest



The third part of the responsive fundraising cycle is suggesting the next best action. By intentionally building trust with the modern donor, listening to their subtle and obvious signals, your organization can be more strategic about the generosity requests. Knowing that your donors are capable of a variety of modes of generosity, your team can differentiate between when to recommend a monetary donations, when a donor would prefer to give time or advice and when they can simply spread the word. Any suggestion to your donor will, in this case, be the result of an understanding of what your donors want to do in support of your cause.

It's important to note that it is not enough to only adopt the Listen and Connect portions and then suggest the same giving opportunity as before. You won't be a responsive fundraiser if you exclude the Suggest step. It helps to look beyond your immediate needs and see these donor relationships as ever-evolving. If your data directs you to hold off on a donation request and encourage a video view instead, you should be diligent about following the data. Even if it is late in December and you aren't on target to reach your goals.

Why? Because you wouldn't risk injuring your relationship to a major donor by making an ask that's out of sync with their relationship with you, so it's time to start thinking the same about your everyday donors. The long play is that they, too, will give more over the course of their relationship when they're more engaged.

Remember, you are building a culture of responsive behavior. You are cultivating donor relationships that will extend beyond the first gift. Committing to the responsive fundraising framework means that you won't be part of the group who loses 76% of first-time donors. Your process is different because it prioritizes longevity, donor relationships and meaningful engagements that grow your organization.

Responsive Fundraising Examples

Now that you understand the Responsive Fundraising Framework, let's see how you can apply it. Your responses will likely fall under two different categories: reactive and proactive. Here's how they might look at your organization.

Reactive Response

Reactive responsive fundraising is just what you might expect: you use donor input as the basis for your outreach strategy. Your organization outlines what you know about the donor, considers what else you could learn and combines that with their most recent action to create an engagement strategy.

Imagine a new person donates \$500 to your organization. The first action your organization should take is to acknowledge their generosity and express gratitude. So, you send a thank you email.

Hallie,

Wow! Thank you for your donation. \$500 is enough to buy all the bricks we need to provide a clean water well in Uganda. With your help, 200 people outside of Kitgum will have improved health and quality of life, no longer having to travel hours for water.

We are incredibly grateful you chose to give today and can't wait to learn more about what else you're passionate about. Keep an eye out for updates from our field team about the impact your generosity has made. In the meantime, you can check out our YouTube channel to see the incredible Ugandans people like you have helped in the past!

*Thank you again,
Sam*

You've directly responded to Hallie's action and set yourself up for a few learning opportunities without asking for more from her. You've provided her entertaining videos, transparency around her impact and a personal contact at your organization, should she want to reach out about doing more.

Depending on Hallie's actions, you can follow up in two weeks with personal stories from beneficiaries, social media initiatives she can share or information about your process of building new wells. If you've focused on delivering value to Hallie, she's far more likely to share her stories about her new passions in conversations with friends. Based on Hallie's behavior after your first email automatic next steps might include:

- If she has a big Twitter following she should be sent a series of emails that explain how to enroll in a peer-to-peer fundraising program.
- If she clicks on content in the email she should be sent 2 more emails over the next week with similar content.
- If she gives again in the next 60 days she should get a phone call to thank her plus answer all her questions about the organization, the cause and your different programs.
- If there's an update from the fields related to the project she gave to (i.e. progress on the well), that update should automatically be emailed to her. Closing the loop on generosity gives donors a tangible result to share with their closest friends.

Each of Hallie's choices infers the next response from your nonprofit.

You can define, create and send these responses automatically so Hallie is never left without a path to follow.

Proactive Response

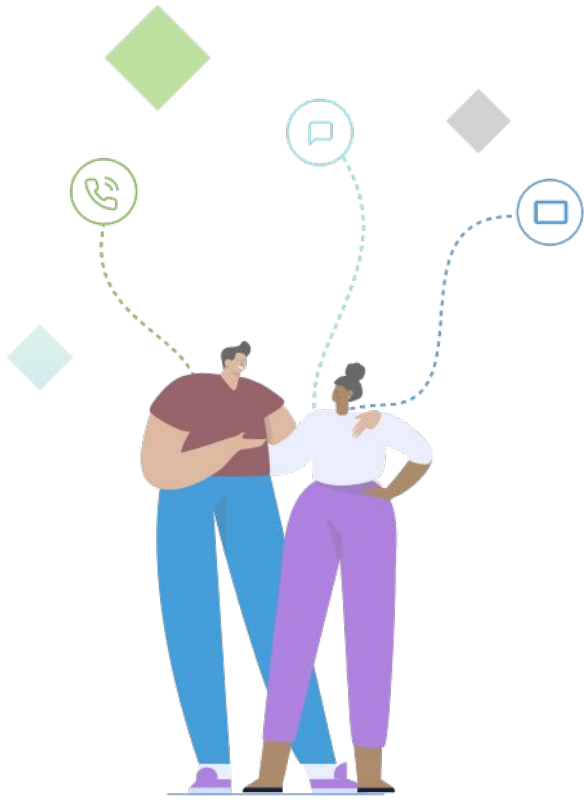
Proactive responses are slightly different in that they rely on sophisticated donor profiles. **Your organization uses what you've learned from past donors to build comprehensive, responsive engagement tracks based on their most likely behaviors.**

Let's say a current donor, Conor, introduces you to another alumnus, Jess, at the first tailgate of the season. You have Jess' contact information, but she's never engaged with your communications, let alone donated. She's part of a contact list that (at the moment) you have no plan for.

However, you do know that Conor is very close to Jess and can provide a few new details about her interests, her career and her best memories at your university. After a quick conversation with Conor, you realize that Jess fits your Uninspired Alumnus donor profile. You've been running an engagement campaign for this group for over a year and earned a 70% conversion rate.

Now, you can enroll Jess into your engagement campaign knowing there is a 70% chance she'll give. You can also gauge Conor's interest in helping you build a relationship with Jess outside of your campaign. But, you have a proactive way to nurture Jess back into the donor journey by providing materials you have verified that people like her care about.

The first time she engages in a meaningful way (with email opens or clicks, shares or responses) you can transition into a mix of reactive responses and proactive responses. The point is to follow wherever the modern donor leads so that you can inspire generosity in an authentic way.



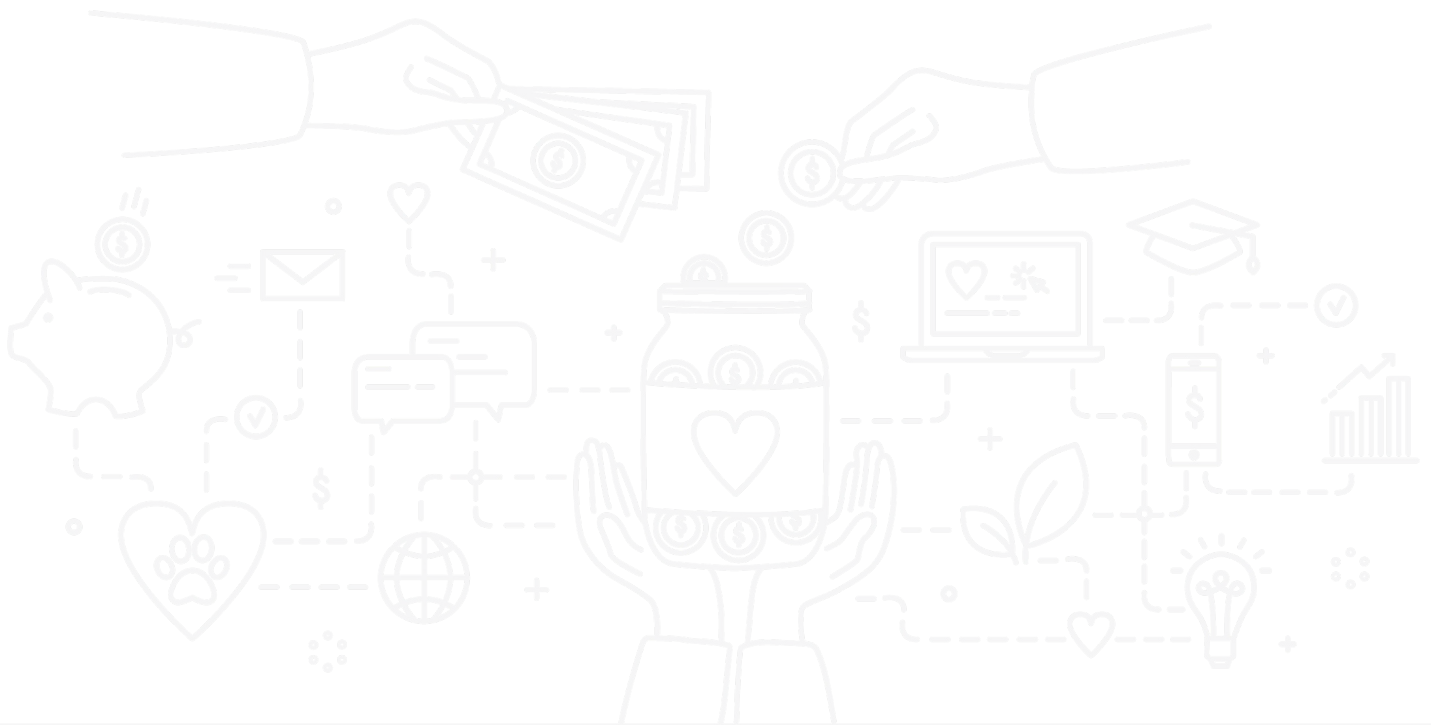
Your process prioritizes longevity, donor relationships and meaningful engagements that grow your organization.

Chapter 3:

Get Started with Responsive Fundraising

We know that responsive fundraising sounds overwhelming. We're encouraging you to push your organization into strategic, tactical and cultural shifts. But, we wouldn't suggest it unless it was absolutely necessary. The cultural shift has already happened for the modern donor. Unless you work quickly to catch up, you will continue to lose individual donors in droves.

To help make the transition smooth, we've compiled our best tips for adopting responsive fundraising philosophies at your organization. We've seen it work for organizations in all verticals and we know it will work for you.



1. Commit to A Culture of Responsive Fundraising

Changing a culture starts at the top. Leadership must believe in the value of responsive fundraising in order for everyone else to buy in. Change is difficult, especially without immediate guarantees. You know what? We've seen nonprofit leadership more readily talk about themselves as responsive when they understand the characteristics that go with it. Jumping from a traditional nonprofit to a responsive nonprofit is a big leap. But, when you talk about being responsive in this way, it often isn't a leap at all. The characteristics of a responsive nonprofit tend to align exactly with what fundraisers are already working to achieve.

Laid out this way, it's likely that leadership believes you are on your way to being a responsive nonprofit. Knowing that, it's easier to see the path towards becoming a responsive nonprofit. You'll see the behaviors, principles and values that you need to develop and the ones that simply need to be highlighted in a new way.



Responsive Nonprofit Characteristics

Responsive nonprofits must make deep value commitments across all areas of the organization (program, fundraising, communication). Responsiveness isn't just for your fundraising departments. The following values should permeate every aspect of your organization.

Value	Principle	Behavior
Deeply personal generosity	Personalization for all, not the few	<i>Empathetic</i>
The cause is the reason we're all here	Earn trust, don't fight for attention	<i>Humility</i>
Opening opportunities for generosity beyond money	Embrace change, innovation and failure	<i>Relational</i>
Good done together, not individually	Adapt quickly to serve all stakeholders	<i>Attentive</i>
Give more than you ask for	Be transparent and show impact	<i>Curious</i>
Understanding that listening makes you more astute	Listen more than you talk to donors	<i>Authentic</i>
For every ask, send 5 thank-yous	Show gratitude often	<i>Gracious</i>
Connecting givers to the impact	Remove silos to move donor closer to the good	<i>Collaborative</i>

2. Update Your Strategy

With buy-in from your entire team, outline a plan to audit your current fundraising strategy. Look at every touchpoint for every donor type. Identify the points in each donor's journey that you're already being responsive. What data-driven insights can you pull from those moments? What are you learning about your donors and what are you still unaware of?

Explore different touchpoints that you could apply the responsive fundraising strategies you're already executing. Start with the easiest engagements. Find ones that can be updated quickly so you can start collecting meaningful data. Tackle the areas that will require extensive updates last, so you can apply the data you've collected to your new strategies.

Most importantly, try new things. Failure is part of being a responsive nonprofit. Responsive nonprofits understand that success comes via learning both from success and failure. Experimentation, innovation and iteration are all part of relationships.



3. Upgrade Your Technology

The final piece to getting started with responsive fundraising is to upgrade your technology. Even the smartest responsive strategies will fall flat if you're not set up for scalable success with the right tools and resources.

You need a CRM, fundraising and communication platform that was created specifically for the high-touch engagements that modern donors need from their nonprofits. It should prioritize your responsive fundraising efforts over accounting information. **Make sure that you have access to data enhancement, social listening, wealth data, relational scoring, geolocation information and a comprehensive, holistic view of each donor. Without a way to quickly see the context and relational connection to each individual donor, you won't be able to meet the increasing standards of the modern donor.**

Look for a platform that can support the volume of your new responsive marketing and fundraising. Scaling a deeply personal relationship with thousands of donors is possible with the help of automation. Without it, you will fall back into the same habits of prioritizing specific donors and not everyone who gives to your cause.

Finally, connect with a partner who can innovate and evolve with you. With a network of support from companies that are focused on the future of modern donors, you will never experience the pain of falling behind on donor expectations again.

The Virtuous Pledge To Our Responsive Nonprofit Partners

Virtuous was built from the ground up to be the responsive nonprofit's growth partner.

We equip nonprofits with 1) an integrated software **platform** built by fundraisers for fundraisers, 2) modern fundraising **playbook** designed to build lasting relationships with today's donor and 3) hands-on coaching and insights delivered by real **people** who deeply care about your success

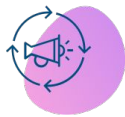


Responsive CRM

Data-driven CRM that moves from “managing” to building relationships

Popular Features

- Donor scoring
- Social listening
- Email integration
- Wealth and location data
- Suggested best next moves
- Predictive data analytics
- Personalized user dashboards
- Insight-rich reporting



Marketing Automation

Build relationships with every donor like a major donor

Popular Features

- Automated emails and follow-up
- Dynamic donor journeys
- Triggered data updates
- Multi-channel automation
- Continued innovation
- Campaign builder
- Email builder



Responsive Giving

Build relationships with every donor like a major donor

Popular Features

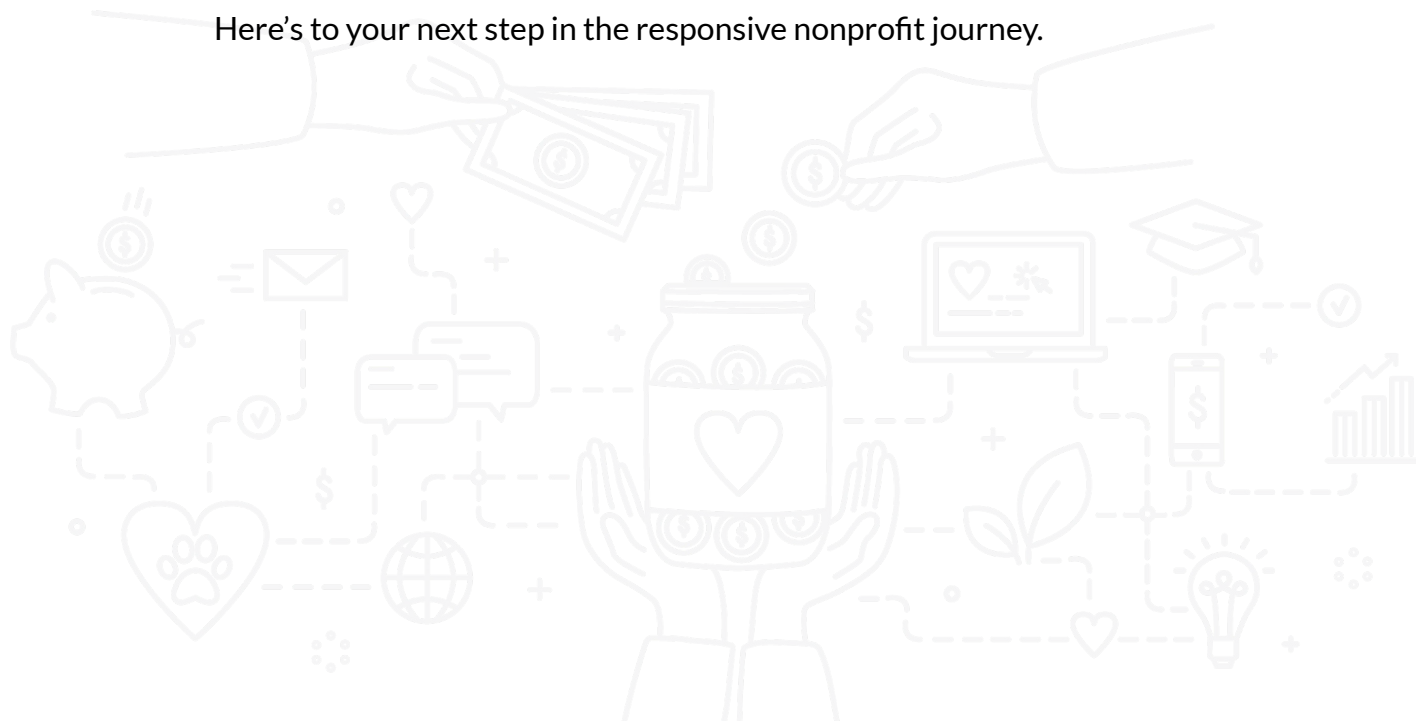
- Easy giving form builder
- Suggested gift amounts
- Dynamic gift arrays
- Frictionless giving experiences
- Donor portals
- Lead forms
- Behavior tracking
- Engagement analytics

Conclusion

Innovation can be difficult. No matter how often you've tried to execute on an innovative idea, inevitably, there will be growing pains and obstacles. But the alternative is always worse. Staying stagnant, ignoring the most important people or pushing your team to the point of burnout without results? None of those are real options for you or your organization.

If you're willing to push your team towards more meaningful, authentic donor relationships, we'll be your partner in the execution of responsive fundraising. Our team will equip you with the software solutions you need to be effective, the resources you need to innovate in an intelligent, data-driven way and the hands-on support you need to reach your next goal. We are real people, dedicated to your success.

Here's to your next step in the responsive nonprofit journey.



Appendix

Additional Resources

[The Donor Journey Explained: Connecting with Generosity at Scale](#)

Download a step-by-step guide to outlining the donor journey at your organization and creating engagements at each stage to push donors towards generosity.

[Nonprofit CRM: The Complete Guide](#)

Read through the features that a responsive nonprofit needs from their CRM tool and why.

[Creating a Personalized Donor Journey with Virtuous](#)

Watch an on-demand demonstration of how Virtuous can help your organization scale generosity by creating personalized engaged with their donors.



**Scaling a deeply
personal
relationship with
thousands of donors
is possible with the
help of automation.**

Get More Help from The Virtuous Team

Virtuous is the responsive CRM and fundraising platform that helps your nonprofit easily create personalized donor experiences at scale and grow giving.

For more than five years, Virtuous has been helping nonprofits build lasting relationships with all their donors.

To get help leveraging your CRM data and tools to execute effective responsive fundraising, contact our team. We can give you insights on automated workflows, reporting and more!

**Give us a call or
schedule a demo today!**
1-866-329-4009