#### How to Apply Dr Adrian Sargeant's Essentials of

#### Donor Loyalty

Presented by Tom Ahern

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#### Why bother?

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Cost to acquire a new donor:

\$52

Average new gift:

\$25

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## LTV

Lifetime value

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"Most donors make their largest gift between the 7<sup>th</sup> and 9<sup>th</sup> donation."

Source: Harvey McKinnon

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"...dead people, through their estates, give away more money year after year than all U.S. corporations combined."

Source: How to Raise \$500 to \$5,000 from Almost Anyone, Andy Robinson

A 10% improvement in your donor retention improves your revenue 50% immediately.

And that's just the beginning....

Source: Adrian Sargeant, 2010

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#### Loyalty factor #1

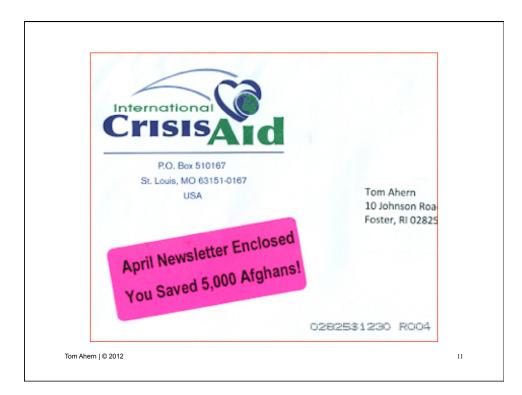
#### Your "service quality" is good

Do you anticipate questions, for instance? Do you acknowledge gifts promptly?

#### Basic stuff

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"What's this?"



"Did they get my gift?"

First-time donors who receive a personal thank you within 48 hours are 4 times more likely to give again.

Source: Damian O'Broin via Bluefrog presentation at IFC

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#### An annual thanks increases the annual haul

- 25,000 of highest donors received a simple thank you at the beginning of the year, for their past generosity; no reply device included
- 25,000 did not

Both groups gave the same number of gifts during the year. But the group that received the simple thank you note was more generous: they gave almost \$450,000 more that year.

Source: from Angel Aloma, Food for the Poor, reported by The Agitator, May 2012

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#### "Can I give online?"

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#### What Will Your Legacy Be?

Be inspired by the stories of alumni and friends who have made bequests and other planned gifts to Princeton. <u>Learn more</u>.

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What Will Your Legacy Be?

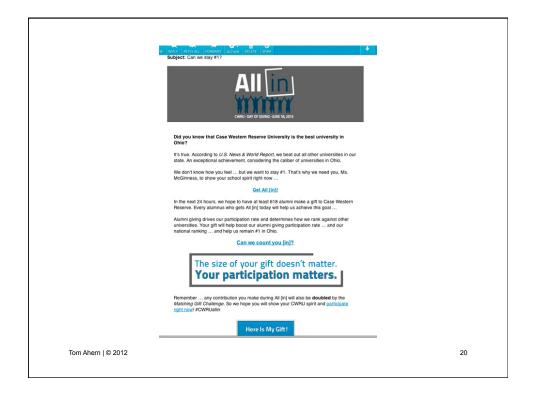
Social information

Be inspired by the stories of alumni and friends who have made bequests and other planned gifts to Princeton. Learn more.

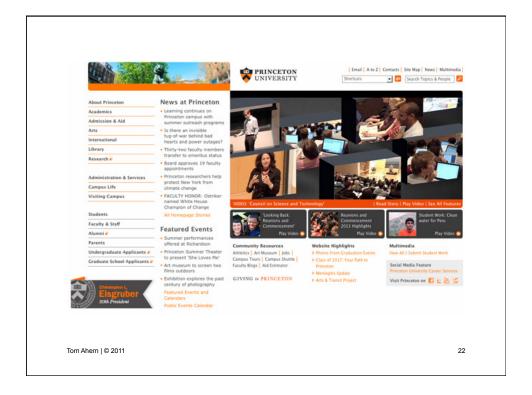
Next step

### "What do you want me to do next?"

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"Why do they need my money?"

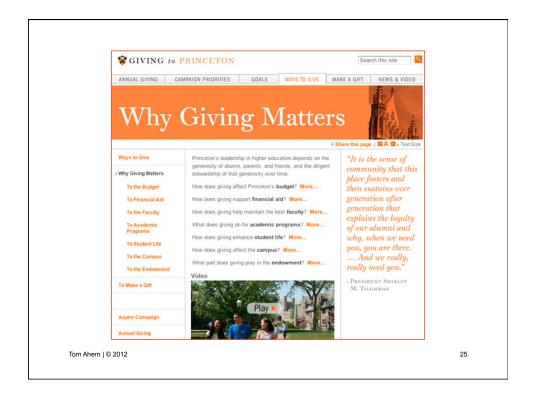
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# I want to know how my money will be used and what difference it will make.

Source: Key donor desires, from Ken Burnett's The Zen of Fundraising

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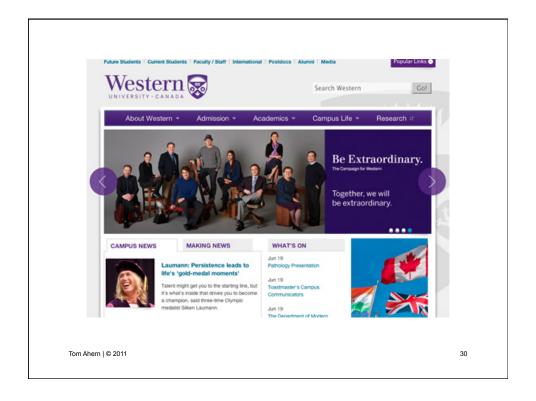


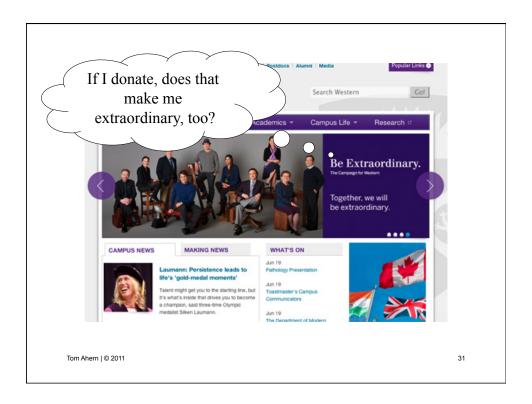
"Do they care about me?"

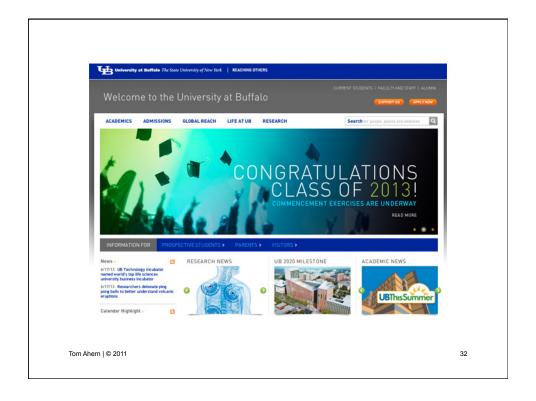




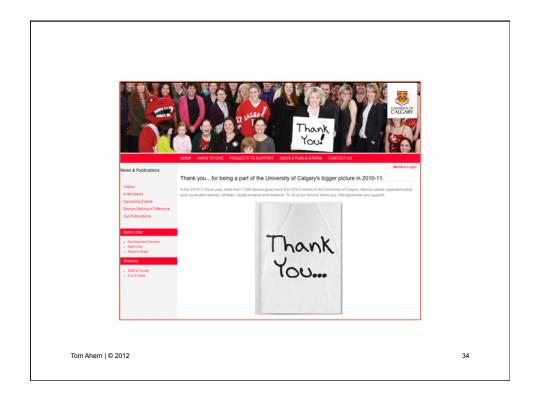








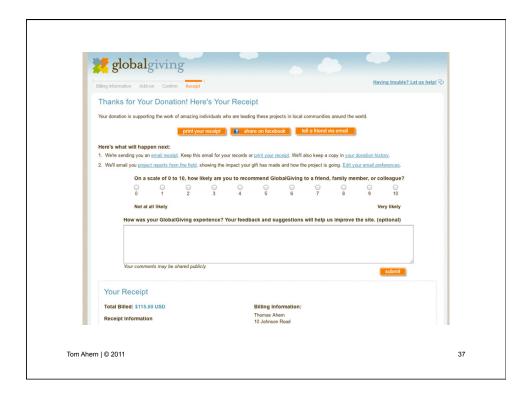






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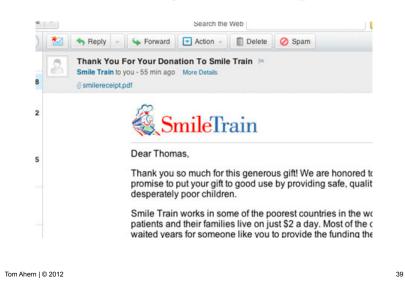
The most important things you can get right:

- my real name
- my current address

Mistakes dramatically reduce response.

Source: The Agitator, May 2012

#### What's wrong with this picture?



# "Tom" not "Thomas"

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### You don't have to use ALL words well.

You have to use SOME words well.

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# 90% more response! Start your free trial Start my free trial

#### Loyalty factor #2

#### They're aware of consequences

Believing "Someone might be hurt if I don't give."

Believing "Someone will be helped if I do give."

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"If we show them how great we are, they'll support us."

Wrong.

You've got to connect just 2 dots: (#1) the donor and (#2) the outcome. And you've got to get out of the way.

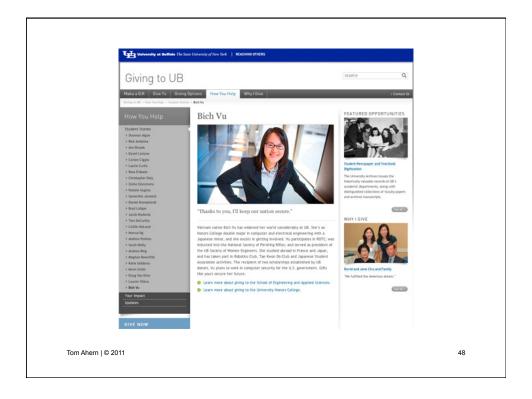
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"We support a charity or a soccer team or a perfume because it gives us a chance to love something about ourselves."

Source: Seth Godin

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# Nicky Hamilton, MPS Senior Development Officer Arkansas Children's Hospital Foundation 1 Children's Way | Slot 661 | Little Rock, AR 72202 501.364.2093 office | 931.636.9080 cell | 501.364.3644 fax HamiltonN@archildrens.org UNTIL NO CHILD NEEDS US, WE NEED YOU giving.archildrens.org © 2013 Tom Ahern 47



Vietnam native Bich Vu has widened her world considerably at UB. She's an Honors College double major in computer and electrical engineering with a Japanese minor, and she excels in getting involved. Vu participates in ROTC; was inducted into the National Society of Pershing Rifles: and served as president of the UB Society of Women Engineers. She studied abroad in France and Japan, and has taken part in Robotics Club, Tae Kwon Do Club and Japanese Student Association activities. The recipient of two scholarships established by UB donors, Vu plans to work in computer security for the U.S. government. Gifts like yours secure her future.

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#### I want to be inspired.

Source: Key donor desires, from Ken Burnett's The Zen of Fundraising

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#### The Importance of Gifts to Stony Brook

Private gifts received by the Stony Brook Foundation provide direct benefit to Stony Brook University. Gifts do not replace other sources of revenue for the University (such as tuition and State appropriations) but rather serve as a catalyst for improving the quality of teaching, research and service mission.

The University currently receives less than 20% of its annual budget from New York State appropriations. Thus, in order to keep tuition and fee structures at a level that does not restrict access to higher education opportunities for students from all economic backgrounds and maintain a high-quality learning environment, **private gifts are invaluable**.

Your generosity allows the University to nurture academic achievement among our students and faculty, encourage excellence in research and public service, and excel with integrity in all our endeavors. There are a number of <a href="ways of giving">ways of giving</a>. Your support can help attract and retain exceptional faculty, equip laboratories and libraries, fund construction of cutting-edge facilities, provide financial aid to deserving students, and improve programs throughout Stony Brook.

Reading ease: 23 out of 100 | Grade level: 12 | Deflation factor: HIGH

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#### The opportunity to...

Help someone who is struggling.

Pay back. Contribute to something that matters to them personally. Learn something. Memorialize a loved one or themselves. Change lives. Save lives. Relieve pain. Right a wrong. End injustice. Add to the world. Give back. Feel good. Feel useful. Feel important.

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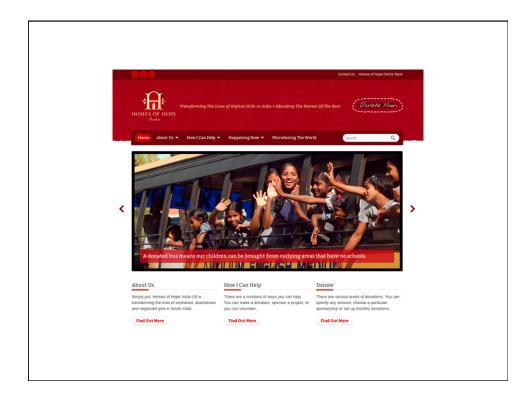


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If they believe they are doing good

If they believe they are making progress

They will stay and continue to ACT



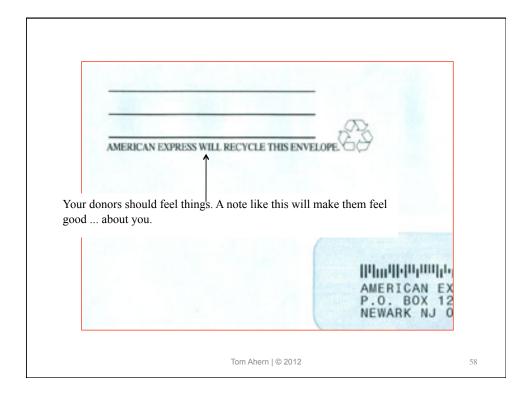
#### Loyalty factor #3

#### They trust you

Oddly, if you're seen as smart in one area, people assume you're smart in all.

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Authenticity (confession, in this example) builds trust fast.

2007 press release. But it's worrying, she conceded. At the same time, unmarried childbearing reached a new record high, rising nearly 8% in one year. Tell Me Your Story We invite women who've come to Planned Parenthood for abortions to share their private thoughts anonymously in a book titled Tell Me Your Story. Here's an entry from 2007: This is my decision, and I am making the best most compassionate one I can. It is sad to have to come into world with an already hurt mother/child relationship. It is unhealthy for a child to be brought here after nine months in a hostile environment. It is selfish to bear a child I am not prepared to take care of when I don't really know how to love with the capacity a child needs. I am 24. This is my first time. And I will do ALL I CAN to make it my last.

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Can students from disadvantaged backgrounds anonymously tell their full, true stories?

#### Loyalty factor #4

#### They share your beliefs

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#### Why donors really give...

- They're seeking personal significance by helping change the world.
- They're finding spiritual strength by following the calls of their spiritual tradition. And other heartfelt values.
- They're assuaging guilt.
- They're comforting fear.
- They're proving to themselves or others that they're good people.
- They know it feels good to give.
- They might even be seeking a tax deduction.

Source: Future Fundraising Now/Jeff Brooks

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Get them into a fight that they want to win.

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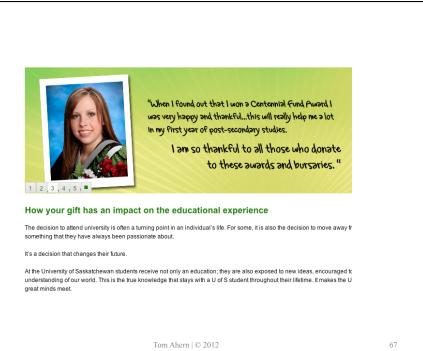


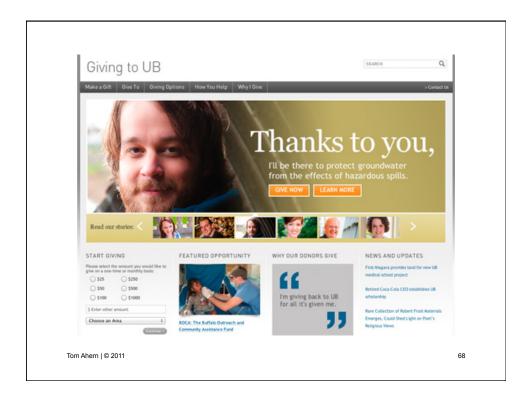
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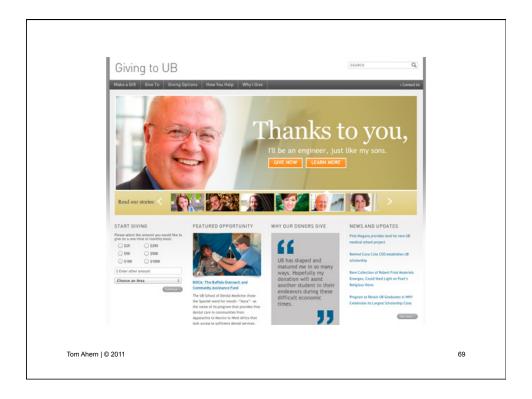
## I want to feel involved, a part of something.

Source: Key donor desires, from Ken Burnett's The Zen of Fundraising

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## Your job is to provide threat and optimism.

#### "Bad is stronger than good."

- angry
- cheated
- embarrassed

- annoyed
- cross
- furious

- appalled
- · depressed
- · frightened

- apprehensive
- delighted
- great

- ashamed
- disappointed
- happy

- bewildered
- ecstatic
- horrified

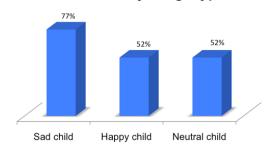
- betrayed
- excited
- confused
- emotional
- confident
- envious

Of the 24 most common "emotion" words in English, only 6 are positive

Source: Switch, Chip & Dan Heath

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#### Donations by image type



Source: Jeff Brooks reporting on AMA Journal of Marketing Research, 2011

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### Sell the threat...

... and make the donor responsible for the solution (your programs).

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America's National Parks



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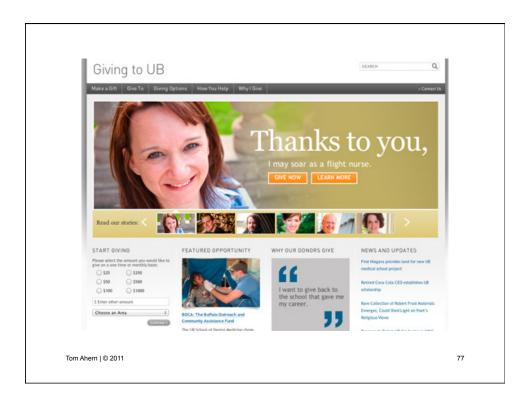
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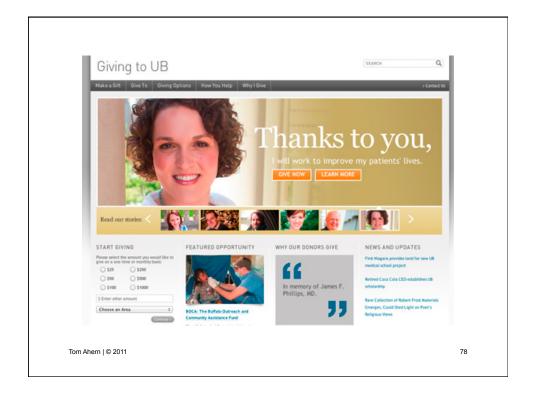
#### Loyalty factor #5

#### You've established a personal link

You give the donor credit. You speak directly - and frequently - to the donor.

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#### Proven retention "best practices"

- Regular, relevant content (stuff individual supporters are interested in)
- · Ongoing feedback
- Sharing human stories, of people your monthly support is helping
- The ability to look, touch, listen and feel. Content shared through video, audio, and the written word.
- It was about 'me' (the supporter). We were asked for ongoing feedback.
- Supporters were encouraged to become agents of change by advocating as well as giving.
- We shared stuff from the desk of the CEO.
- We made it mobile friendly (easy).
- The content was delivered programmatically (in other words it was automated, taking the pain out of complex retention programs).

Source: Jonathon Grapsas, May 2012

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#### St. Jude's welcome package

- #10 envelope: THANKS! Your St. Jude welcome materials are enclosed.
- Personalized, one-sided letter (for \$10 gift) gushes, "I've just received the marvelous news you're the newest member of the St. Jude family." Marlo Thomas
- P.S.: "I know there are many worthy charities that ask for your help. Please know how honored we are that you've chosen to support the work of St. Jude."
- Inserts: thank you from patient, thank you from parent, small notepad, reply slip with a gentle ask for "extra gift"

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## "Did you anticipate my age?"

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# Or do you assume donors of all ages have the same emotional triggers?

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"What psychologists refer to as 'self-grieving' or grieving for the loss of oneself is common with the elderly as they begin to experience a number of physical difficulties and limitations. (Shaffer 1970). It is interesting to note that individuals attempt to compensate for these losses by searching for new sources of self-esteem, an ego need that could clearly be borne in mind by charities soliciting gifts from this age group."

Source: Adrian Sargeant - Jen Shang; ID, Death & Bequest Giving, Sept. 2008

Marketing bequests | © Tom Ahern | © 2012



#### Ettie's will said a lot about her. What does your will say about you?

Although Norfolk math teacher Ettie Fearing Cunningham died in 1989, she and her beloved husband Robert, who died before her, live forever because of the gift she put in her will. Cunningham Scholarships are

honored as teachers of the year - are already making our world a better place. Order your free bequest guide to learn how easy it is to leave a gift for your life's passion. Call us at 757-622-7951 or visit leaveabequest.org.



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#### Loyalty factor #6

### They're learning

Are you taking them on a journey?

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# Jargon takes no one anywhere.

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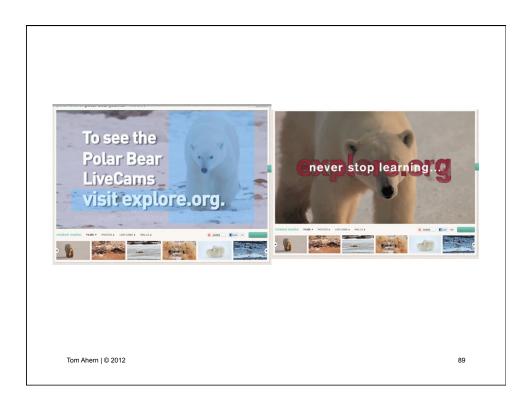


#### Helping pet owners make choices Perhaps the hardest part of owning a pet is making difficult decisions when a belowed comparion becomes seriously ill. If That's why MSU researchers are developing a new tool to help people assess their alling pets' quality of life, a key factor in decisions about when to order life-prolonging

Keeping spawning options open A lake sturgeon can live to be 150 years old. And that's a good thing, because when it comes to making baby



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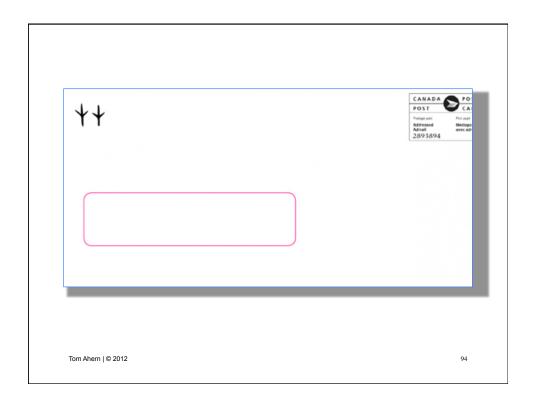












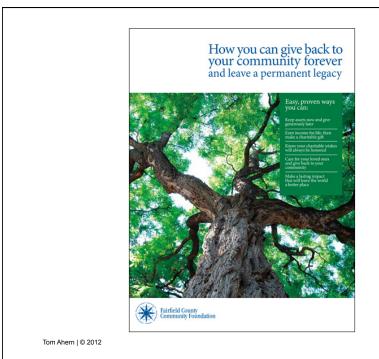
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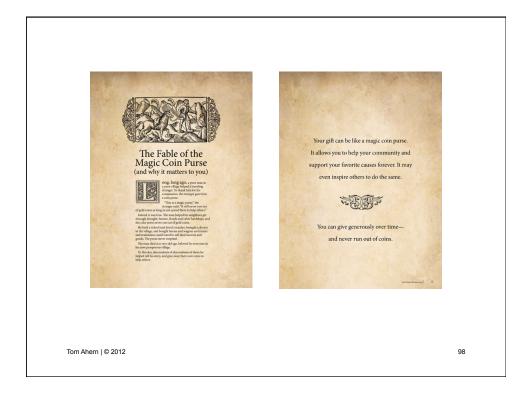


'The Ruby mailing felt really risky. It's good to feel that way a few times a year.'

-- Kimberley MacKenzie, Ontario Nature

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#### Loyalty factor #7

#### Multiple engagements

## Every two-way interaction such as a survey significantly improves retention

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Become a Guiding Star in Someone's Life



United Way is currently in need of several mentors for our pilot schools. If you can give a little time to make a whole lot of difference, CLICK HERE

Please remember United Way of Anchorage in your will or estate plan. (And tell us if you have already - we want to recognize you!)

- 67% of volunteers are also donors.
- Volunteers donate 10 times more money to charity than people who don't volunteer.

Source: Fidelity Charitable Gift Fund and VolunteerMatch, December 2009

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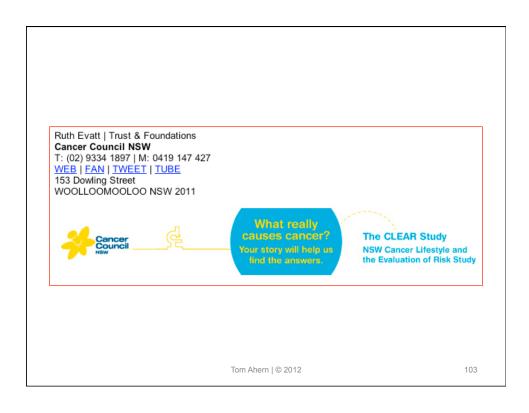
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#### Donors who get email give more.

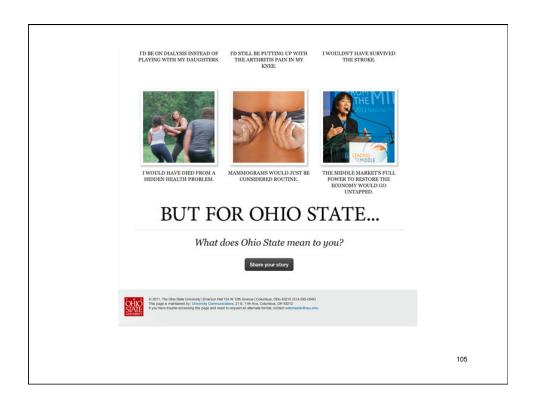
ASPCA donors receiving email gave \$68/ average vs. \$32/average for those donors w/o email.

Source: Ted Hart, May 2010

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My
free
how-to
e-newsletter...
www.aherncomm.com
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