



IMPROVING DONOR LOYALTY WITH A WINNING SUSTAINER PROGRAM

THE AVERAGE SUSTAINER GIFT IS BETWEEN \$24 AND \$36 A MONTH.

BY ERICA WAASDORP



Sustainer programs have grown substantially over the past few years, especially for those organizations that took advantage of generating new donors before, during and after the 2016 elections.

In this article, I'm going to address two questions:

- Why has sustainer giving become so popular?
- How can you create a winning sustainer program?

WHY HAS SUSTAINER GIVING BECOME POPULAR?

It's all around us: subscription programs, small amounts taken automatically from bank or credit card, from desktop, laptop, tablet, smart phone. It's easy. It's convenient.

In general, people in the U.S. have become more comfortable making au-

tomatic payments, and donors are no exception.

This is great news because sustainer programs can increase your donor loyalty by a lot.

If you're able to get your sustainers to give through automatic bank withdrawal — also called electronic funds transfer (EFT) — you're looking at 94% retention rates on average. That's double the current donor retention rate. If you're able to get monthly donors to give by credit or debit card, you're typically looking at 75% to 85%. And if you have a mailed check statement program, you're looking at about 62% retention on average.

But there's more to sustainer giving than just retention alone. Those donors who give monthly care about your organization. They care about your cause, the people, the clients, the animals you serve.

They want to give, and they want to give more than they'd be able to without the sustainer option. These donors understand the need for ongoing income for your organization. Just like they budget for expenses, they understand that you must plan your expenses as well.

And giving more money they do. Often to three to five times more than if they were giving a one-time gift. The average sustainer gift industry-wide is between \$24 and \$36 a month.

You may say, "I'm convinced. This is all great, but how do I go about building a winning sustainer program?"

WHAT IS A WINNING SUSTAINER PROGRAM?

The definition of a winning sustainer program is a program that's growing!

Some organizations may be great at generating new sustainers, but they can be horrible at keeping them (and I see

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this more often than I like to see it). A winning sustainer program must hit on all cylinders: commit, acquire, keep, reactivate and upgrade.

A winning sustainer program permeates all donor levels and uses all channels available, aimed at communicating monthly giving to its donors. A winning sustainer program may or may not use incentives. Let's look at different types of organizations with a varying focus on sustainers.

The most successful sustainer programs I've seen over the years are built by those nonprofits that are absolutely committed to it and always put sustainers first. They have "sustainers on the brain" in everything they do.

The fundraising departments there are often less siloed. Everybody knows what happens when a sustainer is acquired, the processes in place to keep them and how to reactivate them if they do lapse and, finally, how to upgrade them to higher levels. There are regular meetings and communications. Everybody is focused on growing the program.

Some of the "big guys" started many decades ago. I'm not going to name names, but you know who they are.

Many are focused on children and animals. You see them with monthly donor commercials on TV. You see them on the streets and malls. You see their ads when you're surfing the web. Many of them generated monthly donors from direct mail and telephone fundraising campaigns. They are always asking donors, and even prospects, to give monthly.

They often use incentives and backend premiums to convert donors to become sustainers. This is not because it's crucial to use a "carrot," but it's simply because that's what many of their donors are used to getting in their direct mail and other channels.

I do see a trend of giving the donor the option to opt out of those premiums, and more and more donors are doing this. I also see that challenge matches often work better or the same as incentives, so I recommend starting there first.

For these organizations, sustainer giving permeates all channels. They have a plan. They implement it, and everybody is moving in the same direction. They are always testing to improve their results further.

The second group consists of what I call the "newbies." Most of these nonprofits are active in human rights, the environment and international development. These organizations came up

through the monthly donor ranks, especially after the 2016 election when there was a lot of outrage, and the nonprofits could demonstrate that sustainer giving would really help make a difference in the long run.

Most of these organizations started out building their sustainer programs online, and they grew fast, but they didn't necessarily have all the keep/reactivation and upgrade processes in place yet. They often had a plan, but are struggling with adding some of the proven channels, like direct mail, because they didn't believe these channels were worth investing in.

With the decline in email results and an average donor age of 62, they see that they must start adding direct mail and phone to the mix, especially for retention and reactivation purposes, but also to bring new sustainers in.

Then there is a third group of organizations that have generated new sustainers in the past, and they were growing for a while, but then they stopped focusing on it. (Trust me, I get it. Life at a nonprofit is busy, and fundraisers are pulled in many directions all the time).

These organizations are somewhat committed, but not all the way. They know they could use more sustainable revenue, but they're simply not 100% willing to go the extra mile (yet).

They do some channels well. They use direct mail and phone and are adding other ways to market their sustainer program, but only to a certain extent. They are willing to do some tests, but then they give up too soon. Or (and this is a sad reality) systems are changed, people leave, junior people come in or the new regime doesn't think these small regular donors are important. And there's nobody telling them otherwise.

Finally, there's a group of organizations who's just starting out. They have historically focused on some of the traditional channels, like direct mail and email, but they've simply not asked donors to give monthly yet. The opportunities are endless.

So how can you create a winning sustainer program for your organization?

I recommend you first look at the value of your current sustainers. How many do you have? How much money do they give on an annual basis? How did they come to you? Did they tick a box on your appeal reply form? Did they go online and hit the "make this recurring" button? Did they write in something on their own accord? What have you done

to get to this stage? Then I suggest you look at your current overall communication plan and identify where you can fit in sustainer asks, remembering that the more committed you are to grow, the more you can do. Remember, it's about growing sustainable revenue for your organization. It may jeopardize your single gift income, but that's offset by sustainer growth.

Here are a few things most nonprofits could test at virtually no expense and in very little time:

- a tick box on your appeal reply form
- a special invitation right after a new donor comes on board
- a P.S. or monthly giving button in every email
- a monthly giving ask in every appeal
- a welcome email message to new donors and those who ticked the "sign up for our e-newsletter" box
- a sustainer ask on the back end of another activity
- a phone call with an ask to give monthly
- a quiz or survey with a sustainer ask on the backend
- a challenge match

I see great success for organizations at virtually no expense in doing just some of these simple things. Creating a winning sustainer program is all about the commitment you have.

I realize putting sustainers first is not always possible for every organization. I suggest taking a lesson from those organizations that have gone before you and paved the way.

They've done the hard work of marketing sustainer giving through all channels (direct mail, phone, online, social media, TV, face-to-face), so donors now know what sustainer giving is and how it works.

Join a few organizations as a sustainer yourself, and see what they do. (That's how I learn a lot!) Look at every direct mail piece you get, every phone call you receive, every email you get and see what you like, but most importantly, which ones are being repeated over and over. Why? Because that means those approaches work!

Creating a winning sustainer program means making it hit on all cylinders: commit, acquire, keep, reactivate and upgrade. The more committed you are, the more likely you'll be able to build a winning sustainer program and the more likely you are to keep these loyal donors for much longer. Isn't that the best win you could have? Good luck! **AFRO**

