

# How to Attract and Keep Monthly Donors

By Sandy Asirvatham

## **Give monthly donors special attention.**

When starting a program for monthly contributors, remember that “you are starting a grand identity club,” says Matthew Rojas, a fundraiser at Lambda Legal, a New York group that provides legal services to gay men, lesbians, and people with HIV/AIDS. The group receives about \$850,000 from monthly donors, out of an overall annual budget of \$13-million.

“Be prepared to treat [monthly donors] as special members, segmenting them in most of your communications,” Mr. Rojas advises.

Remove donors who give monthly from the organization’s periodic mailings, he suggests, but thank them explicitly in annual newsletters.

## **Make a green-friendly pitch.**

Cutting down on fundraising mailings and other materials is environmentally sound, notes Mr. Rojas, and a great way to get supporters to give for reasons that go beyond just helping a single organization.

Remind supporters “we’re not going to mail you every month, so you’re [saving paper and] helping us save money,” says Mr. Rojas.

Know your donors. Always tailor appeals for monthly gifts to match a donor’s giving history, says Mr. Rojas: “You don’t want to take a \$1,000 annual donor and encourage them into a \$12-a-month program.”

## **Finalize payment methods.**

Consider whether to focus on direct debits from bank accounts (electronic funds transfers, commonly known as EFTs) or credit cards. Electronic transfers have some advantages for organizations—bank accounts don’t expire every few years, like credit cards do.

And consider that older donors may be more comfortable with direct debits than using credit cards, says Patricia Chambers Daly, director of development at the Sisters of St. Dominic, in Amityville, N.Y.

On the other hand, she says, credit-card donors often feel they can donate more, since they have more time to pay the bill.

## **Assign someone to monitor dropout donors.**

Charities inevitably lose some monthly donors whose credit cards expire. But some charities reduce the losses by assigning a staff member or someone at the payment-processing organization to follow up when a supporter’s credit-card transaction is declined.

“I absolutely believe the majority of charities do a very poor job on this task,” says Bob Wesolowski, president of Caring Habits, a processor of monthly donation programs for charities. “And I think a good part of that is that the folks who contact donors feel like they’re bill collectors.”

This is where an appropriate communications strategy helps, he says: “The best organizations will call and say, ‘I’m calling because I’m concerned. We notice you’ve been a loyal participant,’” before discussing the specific problem of the credit-card transaction.

**Keep trying to get more.**

“Donors are always open to it when we ask them to increase their gifts,” said Ms. Daly.

But, she added, “We try to be nice to our donors and do it in a subtle way.” The year-end thank-you and tax-information letter her charity sends to donors includes a line with this option: “I would like to increase my monthly donation to \$\_\_\_.” Ms. Daly said about 15 or 20 percent of recurring donors will fill that out.

“Every little bit makes a difference,” says Annalise Briggs, manager of the monthly-giving program at Mercy Corps, an international relief and development charity.

“Two, four, eight dollars more a month” added to every donor’s monthly payment over multiple years, she says, “could add up to hundreds of thousands of dollars.”