How to Find the Annual Giving Donors You’ve Been Missing
Working Hard for Limited Results
Annual giving teams around the country are noticing that they are working harder for the same or slightly diminished results. In the rapidly changing annual giving environment, the traditional playbook is no longer delivering the results that teams expect. We'll dive into the data to highlight two key indicators of changing donor behavior and then offer you actionable strategies to find the donors and the dollars that you've been missing.

Donors No Longer Prefer to Give Over the Phone
In 2017, only 23% of donors gave over the phone. In 2007, that number was closer to 50%.

Blackbaud research backs up what annual giving teams are noticing with their phone programs. Donor preferences are shifting away from traditional phone solicitation. Once the most powerful channel for converting donors, charitable giving over the phone has taken a nosedive over the last decade. By 2022, Blackbaud analysts predict that only around 11% of donors will respond to phone solicitations.

HOW YOUR TEAM CAN RESPOND
Phone programs are in decline, but they’re certainly not dead. The secret to phone’s effectiveness has been its ability to facilitate direct, personal connections between prospects and student callers. The key to maximizing your annual giving phone program’s ROI is to make the most of phone’s ability to forge personal connections, while mitigating the costs and risks associated with a legacy program. Here’s what we suggest:

Develop a multichannel strategy to maximize your fundraising effectiveness.

Since it’s an expensive channel, phone is most effective when leveraged as part of a larger strategy involving all your channels. Traditionally donor outreach has been siloed by channel, but this lack of coordination fails to take advantage of the power a unified channel strategy could provide. Using your phone program as part of a multichannel strategy reduces the risk of relying on one channel and gives your other channels an opportunity to work together to attract donors.

Use the phone as an engagement tool—especially with parents.
Blackbaud research shows that 32% of parent donors gave over the phone, compared to just 24% of alumni. However, people give smaller donations over the phone which indicates that it’s more of an engagement tool than a money-maker. Phone calls are especially effective at soliciting first-time gifts from parents. Thirty-nine percent of parents make their first donation via phone—more so than any other group. Using your phone program to drive parent engagement should be part of your overall donor acquisition strategy.
Only call the annual giving prospects with the highest probability of donating.

While the phone is great for engagement, it doesn’t bring in large dollar amounts. To get your highest ROI per phone call, you need to be calling the prospects—parents, alumni, friends—who are most likely to donate and have the resources to do so. Algorithm-driven, predictive modeling can help you find these high-affinity, high-value donors and incorporate them into your outreach strategy. Even if they don’t donate this time around, a well-executed phone call builds relationships with key prospects. Following up with relevant, valuable multichannel messaging paves the way for future donations from these prospects.

Emerging Channels Have Not Been Able to Replace Lost Phone Donors

For the average institution, phone’s declining effectiveness has resulted in a loss of 3,477 donors over the past 10 years. These donors have not been regained through crowdfunding, events, or social media fundraising.

Phone’s high-quality, personal nature is what made it an integral component of annual giving strategy. Its declining effectiveness means annual giving teams have lost out on the power of a direct, person-to-person appeal. No one channel has stepped up to fill the void.

HOW YOUR TEAM CAN RESPOND

Annual giving professionals need to consider additional factors beyond finding one new channel to replace the donors lost via phone. Here’s what we suggest:

Put the donor experience first.

It’s happened before: one arm of your fundraising team starts soliciting repeat donors as another part of the team struggles to get thank you notes out to the same group. When your fundraising channels are not working together, they will unintentionally alienate key prospects.

Your prospects are savvy consumers and they are accustomed to ignoring marketing messages that miss the mark. Make sure they have a logical, personalized experience by designing your channel strategies to work together. The cohesive message you deliver will increase your odds of catching prospects at the right moment and through the channel that they want to donate through.

Hit pause on endless testing.

As the search for the best emerging channel continues, annual giving teams risk becoming distracted from big-picture strategy by the effort needed to plan, test, and execute new outreach methods. In the long-term, continually testing new channels will begin to affect annual giving ROI. This isn’t permission for your team to stop innovating; it’s simply an invitation to pause and maximize the effectiveness of your current strategy. For example, if you’ve been experimenting with crowdfunding for a few years, take the time to codify what works and what doesn’t work for your organization. Then use that knowledge to help you integrate your crowdfunding projects into your overall multichannel strategy for annual giving.

Harness the power of personalization.

You can no longer rely on the phone alone to drive large numbers of donations. However, you can distill its unique, person-to-person appeal and use it to enhance the effectiveness of your overall strategy.

For example, if your institution employs student gift officers, coordinate your email and phone solicitations so that they come from the same student. Connecting a student name and story across channel types helps reinforce the direct, personal impact of a donation.

Schools have also experimented with content and storytelling that delves deep into the personal experiences of a student or a group of students. Institutions have long known that direct, hyper-focused stories help donors form a personal connection that motivates them to give.
This strategy can be expanded to bridge multiple channels so that whether a donor hears from your organization by direct mail, email, phone, or SMS, they’re getting a continuation of a personal story.

Crafting Your New Annual Giving Strategy

The decline of phone programs and the rise of multiple new outreach methods has drastically altered donor behavior. Tried-and-true approaches to annual giving are no longer delivering the returns they once did. Luckily, with the right strategies, your annual giving program can profit from the changing landscape and increase your ability to speak directly to the right prospects and convert them into donors. Developing a new strategy to acquire donors and dollars takes a tremendous amount of your time, energy, and money. But we’re here to help. Discover the tools and research you need at Blackbaud’s higher education hub.

Research Source: Reeher, Powered By Blackbaud.

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