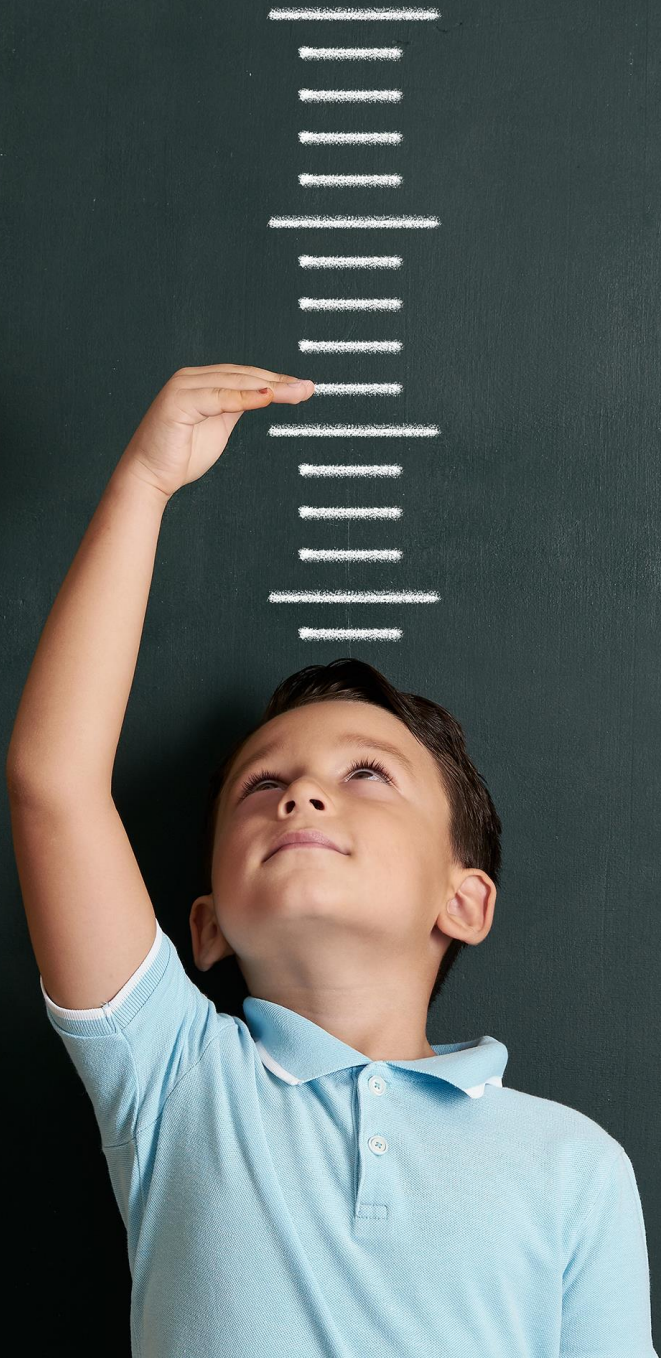


Using Metrics to Boost Your Fundraising

Measure, Improve, Repeat

Jonathan Helder, CFRE, ECRF

the**TIMOTHY**group



About Jon

- Consultant & Data Specialist
- 10+ years of fundraising experience
- **Crazy about data!**
- Experience in 25+ donor databases/CRMs.
- Certified Fund Raising Executive (CFRE)
- Executive Certificate in Religious Fundraising (ECRF)



About The Timothy Group

The Timothy Group comes alongside values-based organizations to implement best practice fundraising and capacity building strategies.

We're your mentor, coach, advisor, and partner in connecting people to support your God-given dreams.

For over 40 years, the Timothy Group has served, and delivered results for values-based organizations including K-12 schools, Colleges/Universities, Seminaries, Churches, and more...

Together we dream

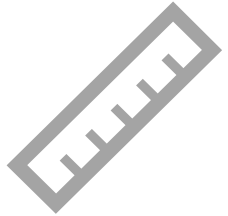
Learning Objectives & Outline

- Key Data Points
- Top 10 Data Metrics
- Case Study
- Additional Resources
- Q & A



Note: Becoming an expert on every topic in this presentation *is not* a learning objective.

Presentation Outline



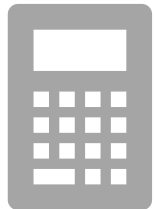
Top 10 Fundraising Metrics

What are they and what do they measure?



Case Study

What metrics tell us about your fundraising program?



Calculate

What tools are available?

So, how well did you do last year?

How would you answer that question?

- Amount raised vs. previous year?
- Amount raised vs. budget?
- Number of new donors?
- Average donation amount?

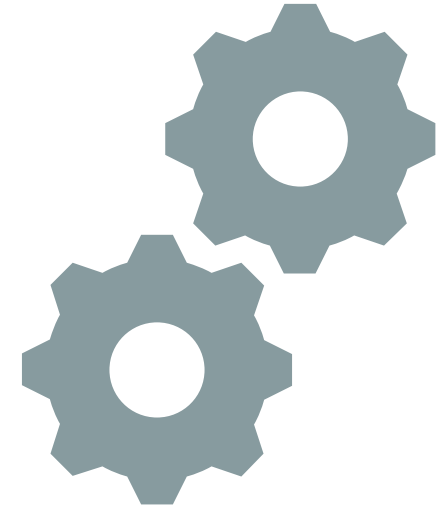
Do these metrics...

- inform your work for this year?
- convey the true health of your fundraising program?
- pinpoint the areas that need the most improvement?



Key Data Points

- **Amount (\$)** of Gifts Received
 - **# of Gifts Received**
 - **2021 Total # of Donors**
 - **2022 Total # of Donors**
 - **# of New Donors in 2022** (*gave in 2022, but not in 2021*)
 - **2022 # of Retained Donors** (*gave in both 2021 & 2022*)
 - **# of Lapsed Donors in 2022** (*gave in 2021, but not in 2022*)
 - **Actual Fundraising Expense**
(include your best guess of the salary costs associated with employees' time spent fundraising)
 - **Total Organizational Expenses**
 - **2022 Total Amount (\$)** Received from Top 5 Donors
- Average Annual Gift = Amount of Gifts Received / # of Gifts Received**
- Net Profit = Amount of Gifts Received – Fundraising Expense**



Metrics #1 & 2: Retention & Attrition



Donor Retention Rate =

2022 # of Retained Donors

2021 Total # of Donors



Donor Attrition Rate =

2022 # of Lapsed Donors

2021 Total # of Donors



But we need
more *new*
donors!

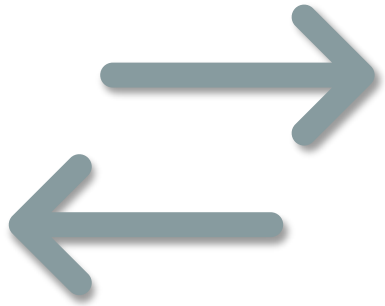
You're likely to raise more money from existing donors than by acquiring new donors.

Prove it for yourself!

Calculate the attrition rate of the average first-time donor vs. the other existing donors.

This data can be helpful to share when you would rather prioritize your existing donor group.

Metrics #3 & 4: Churn & Frequency



$$\text{Churn} = \text{New Donors} - \text{Lapsed Donors}$$



Donation Frequency =

Number of Donations

Number of Donors

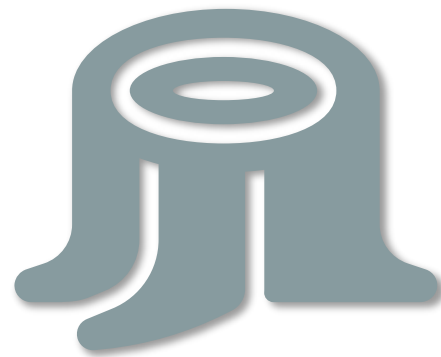
Metric #5: Donor Lifetime Value

$$\text{Donor Lifetime Value} = \frac{\text{Average Annual Gift}}{\text{Attrition Rate}}$$



Metric #6: Lost Potential

$$\text{Lost Potential} = \text{Donor Lifetime Value} \times \text{\# of Lapsed Donors}$$



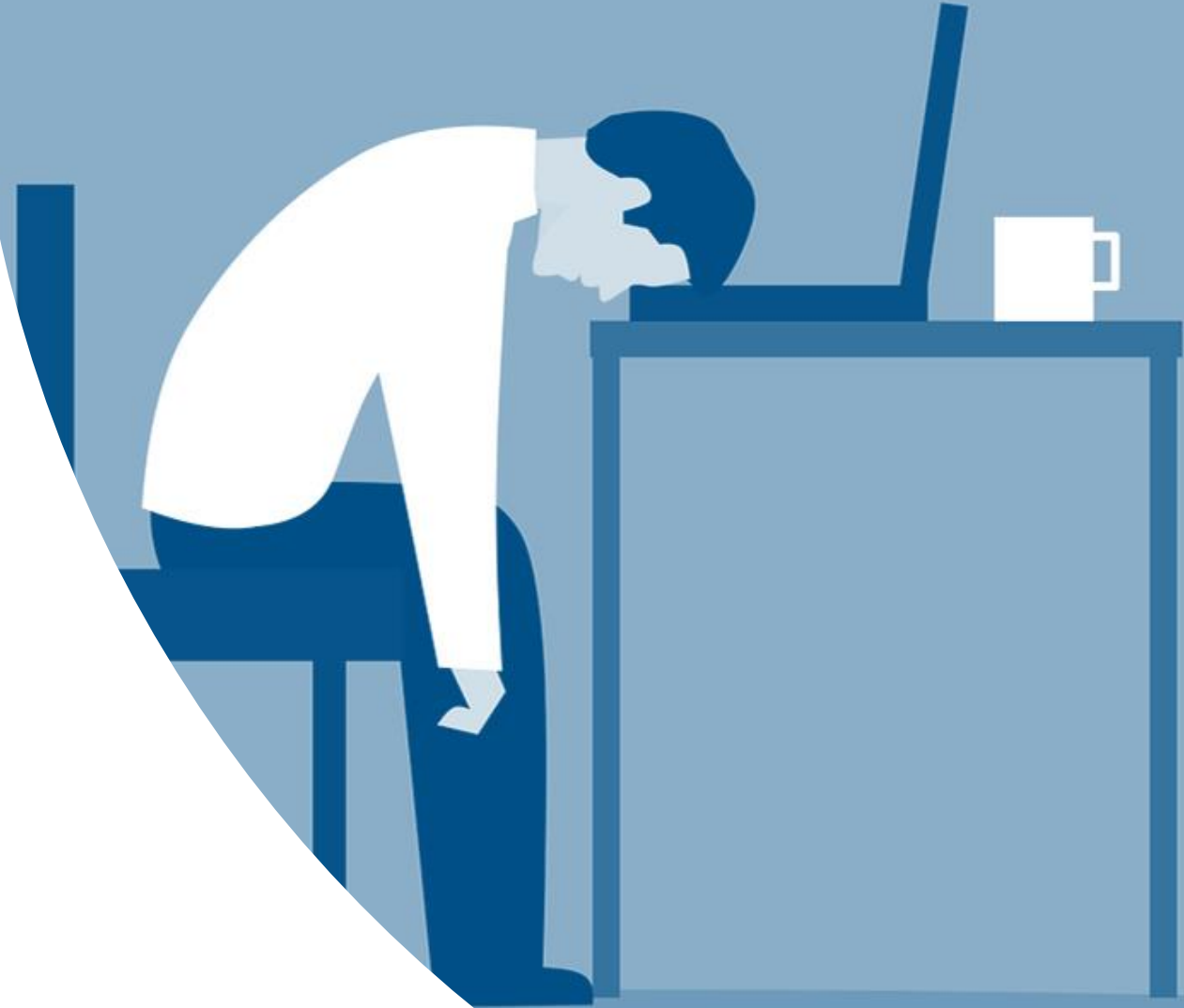
Do I hear snoring?

Have I lost you yet?

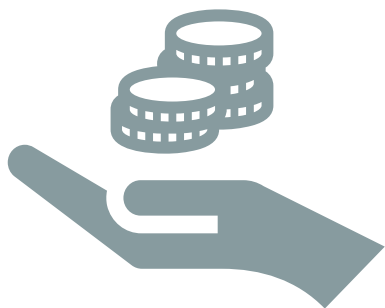
If this were easy or fun, you would already be doing this!

Only 4 more to go.

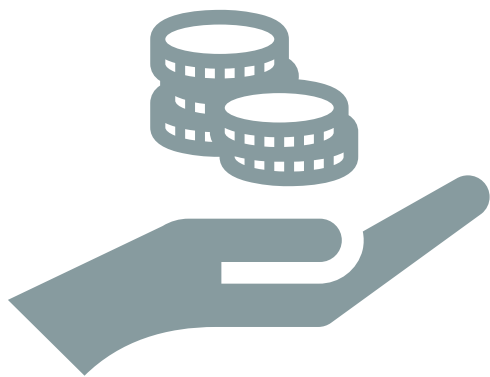
You can do this!



Metrics #7 & 8: ROI & CRD



$$\text{Return on Investment} = \frac{\text{Net Profit}}{\text{Fundraising Expenses}}$$



$$\text{Cost to Raise a Dollar} = \frac{\text{Fundraising Expenses}}{\text{Net Profit}}$$

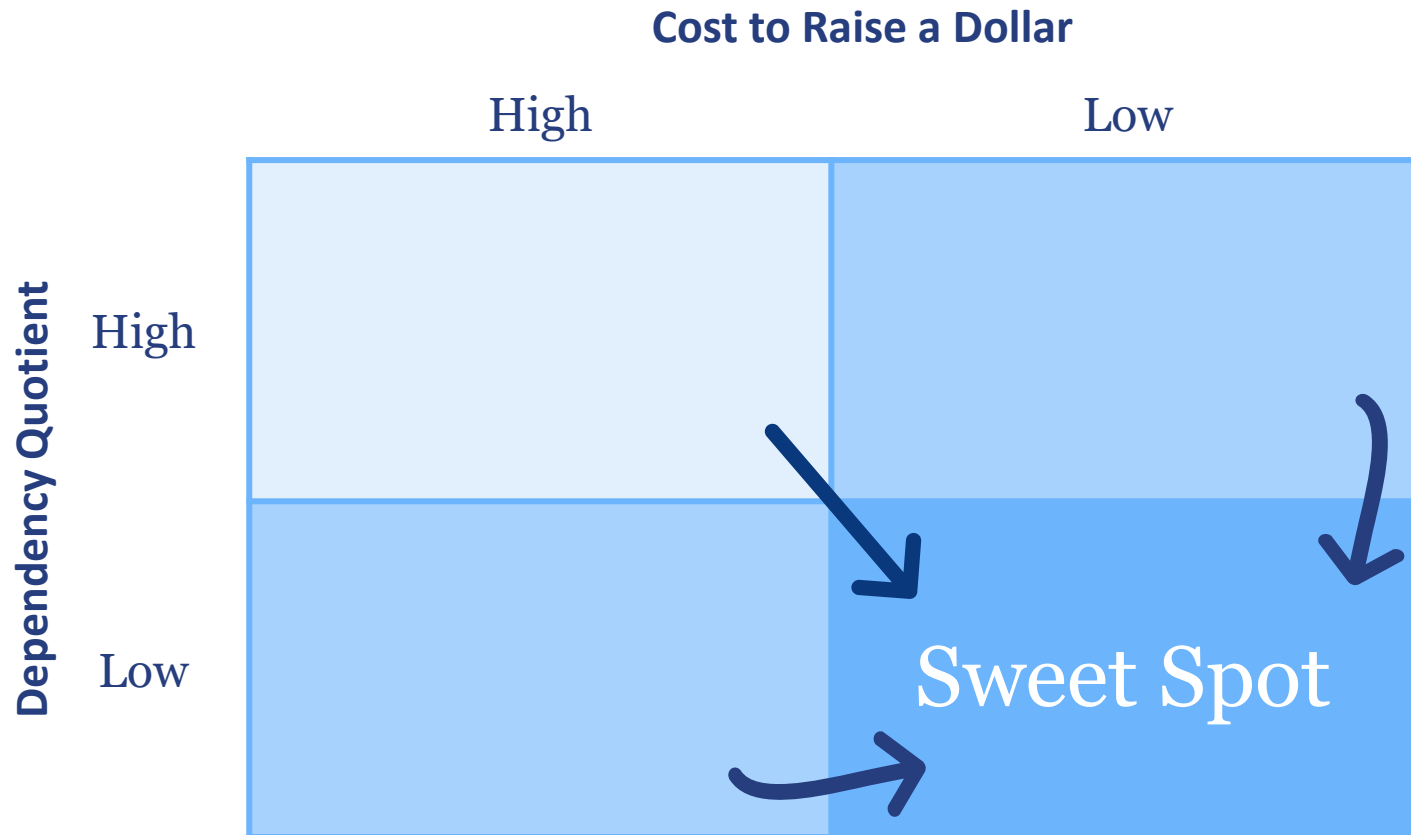
Metric #9: Dependency Quotient



Dependency
Quotient

$$= \frac{\text{Total Amount (\$) Recieved from Top 5 Donors}}{\text{Total Organizational Expense}}$$

Dependency Quotient vs. Cost to Raise a Dollar



Source: Bloomerang, [3 Metrics to Help Measure Fundraising Effectiveness](https://bloomerang.co/blog/3-metrics-to-help-measure-fundraising-effectiveness)
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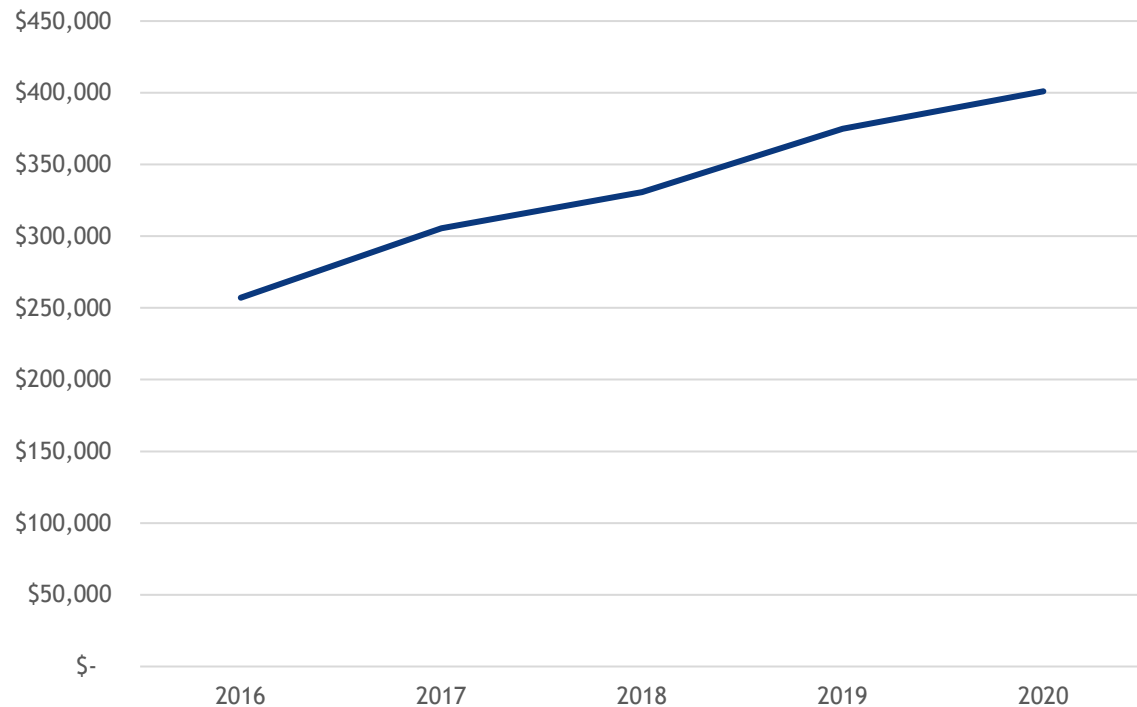
Metric #10: Donation Page Conversion Rate

$$\text{Conversion Rate} = \left(\frac{\text{Number of People Who Donate via the Donation Page}}{\text{Total Number of Donation Page Visits}} \right) \times 100$$

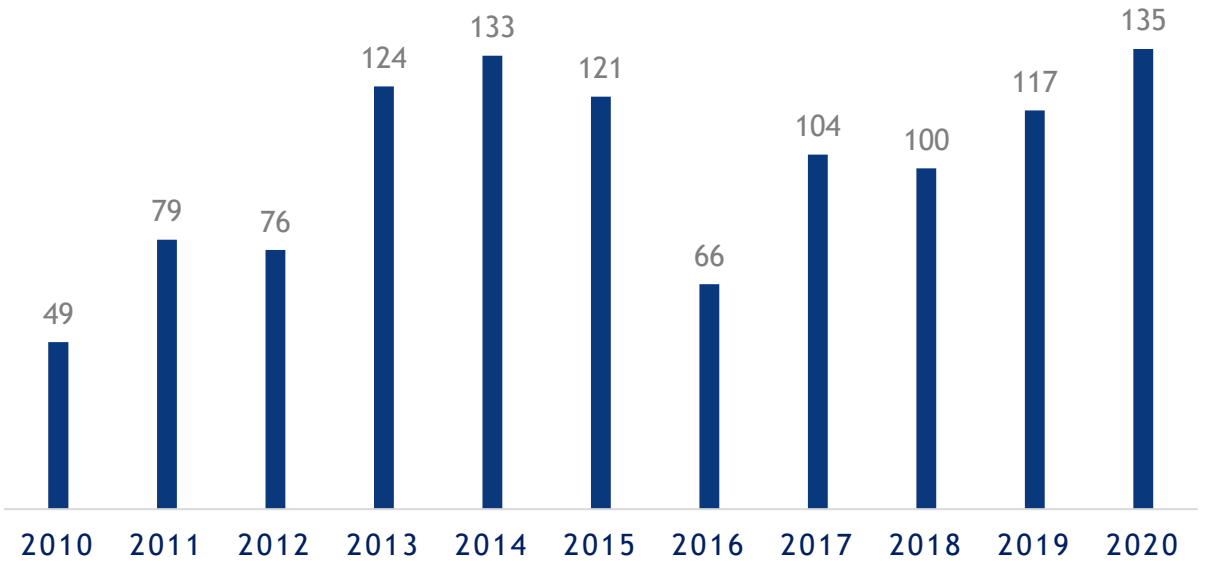
- Watch out for recurring donations (remember, it's the number of people who donate)
- Industry Benchmark: 15-20% Conversion Rate
- Great resources at donationpagefriction.com
- Why do realtors prioritize upgrading the front entry door? First impressions are everything.
- Processing fees aren't a tax, they're an investment

Case Study

Total Contributions Raised

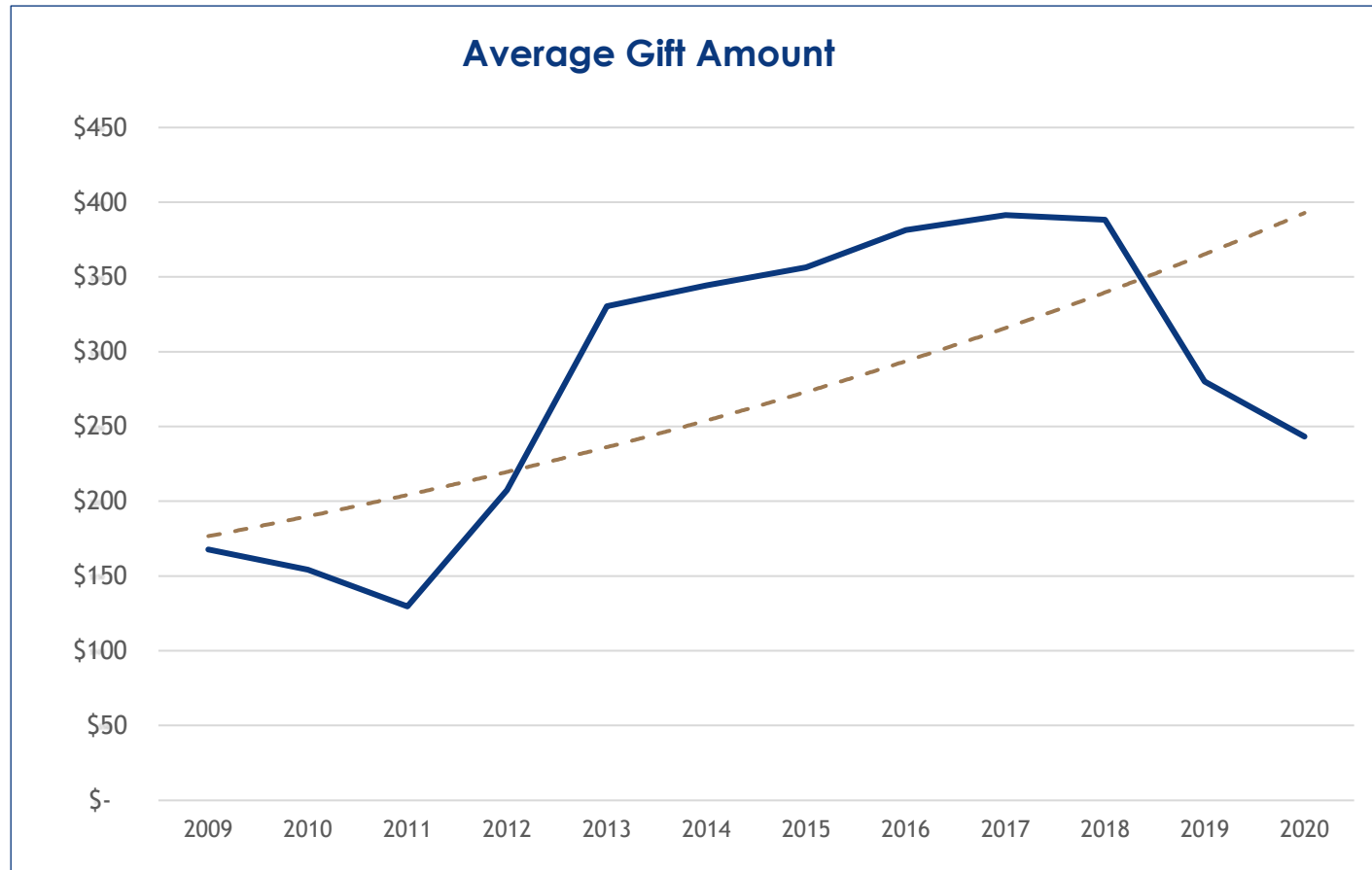


Total New Donors



Before: “We raised more money & had lots of new donors!”

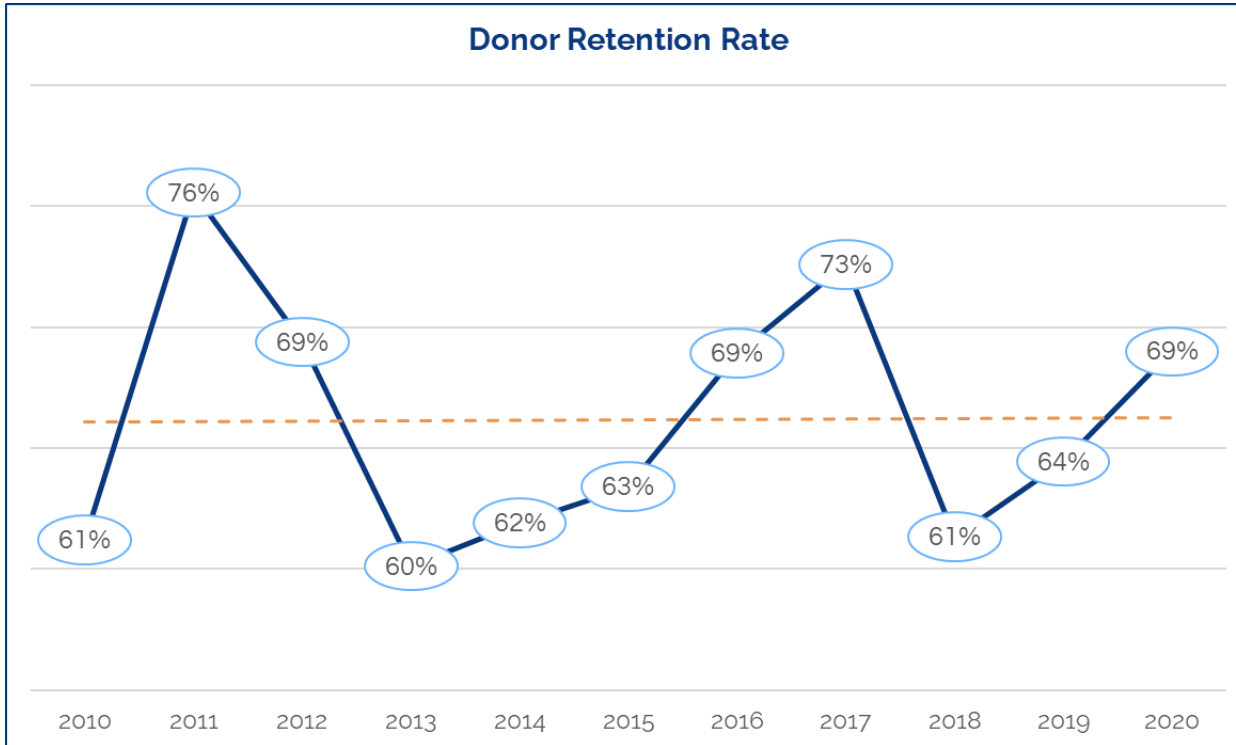
Case Study



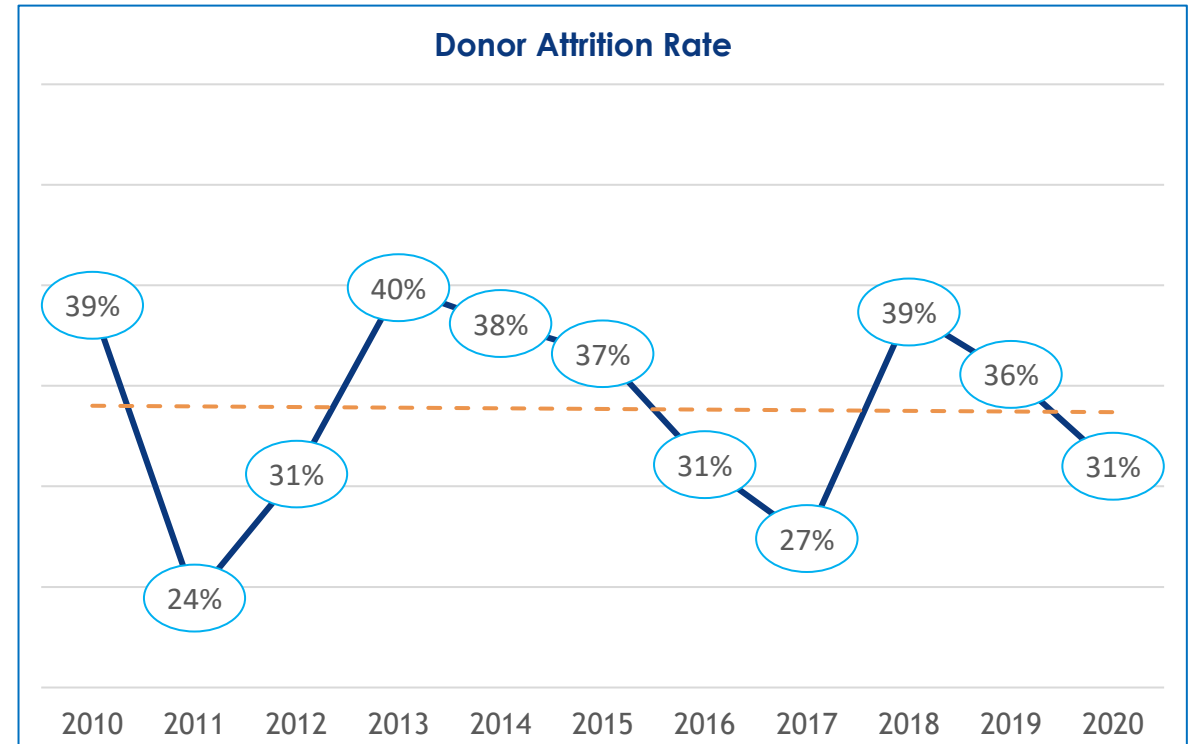
Before: “Our average gift went down?!”

Case Study

Donor Retention Rate

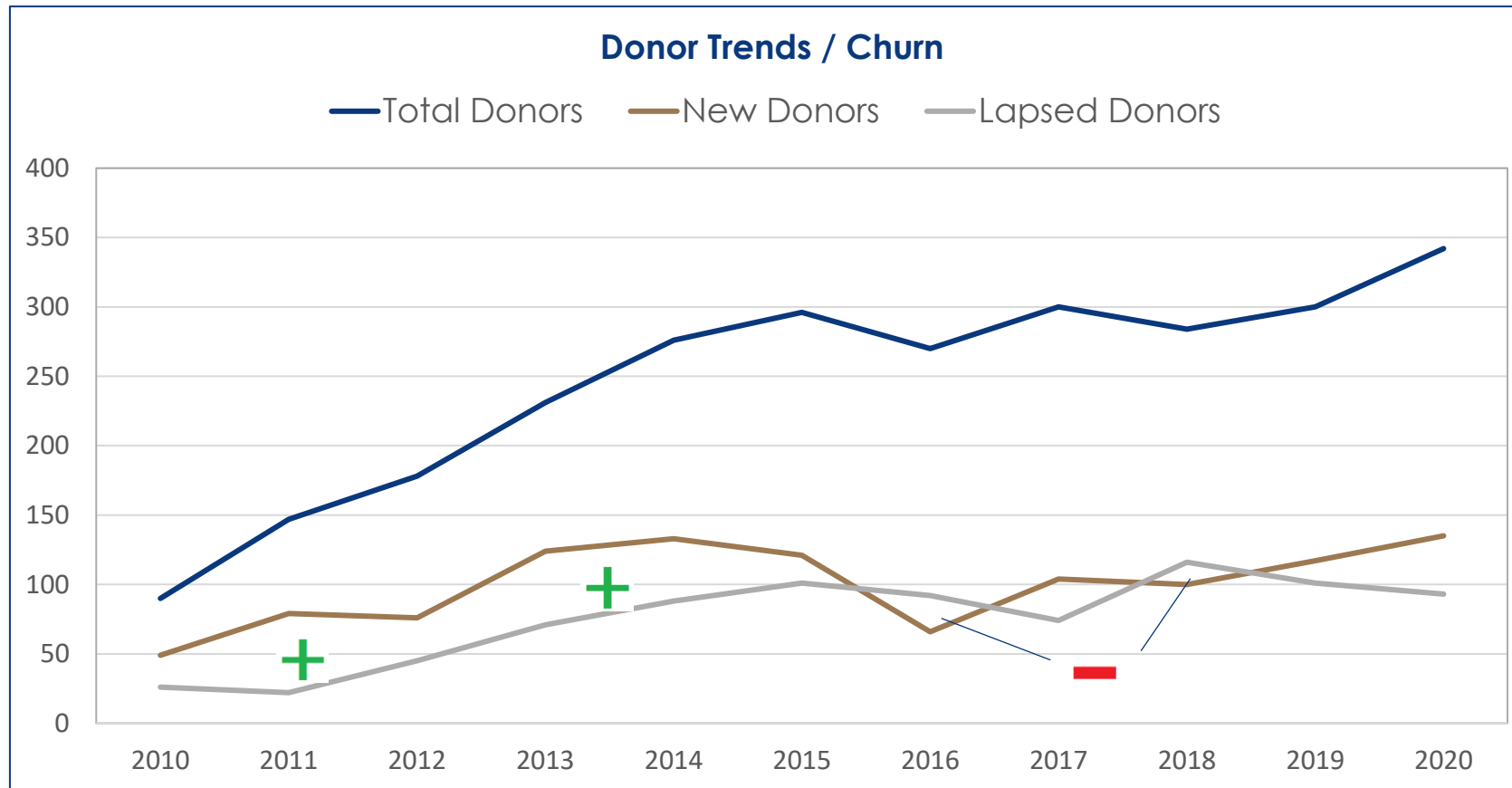


Donor Attrition Rate



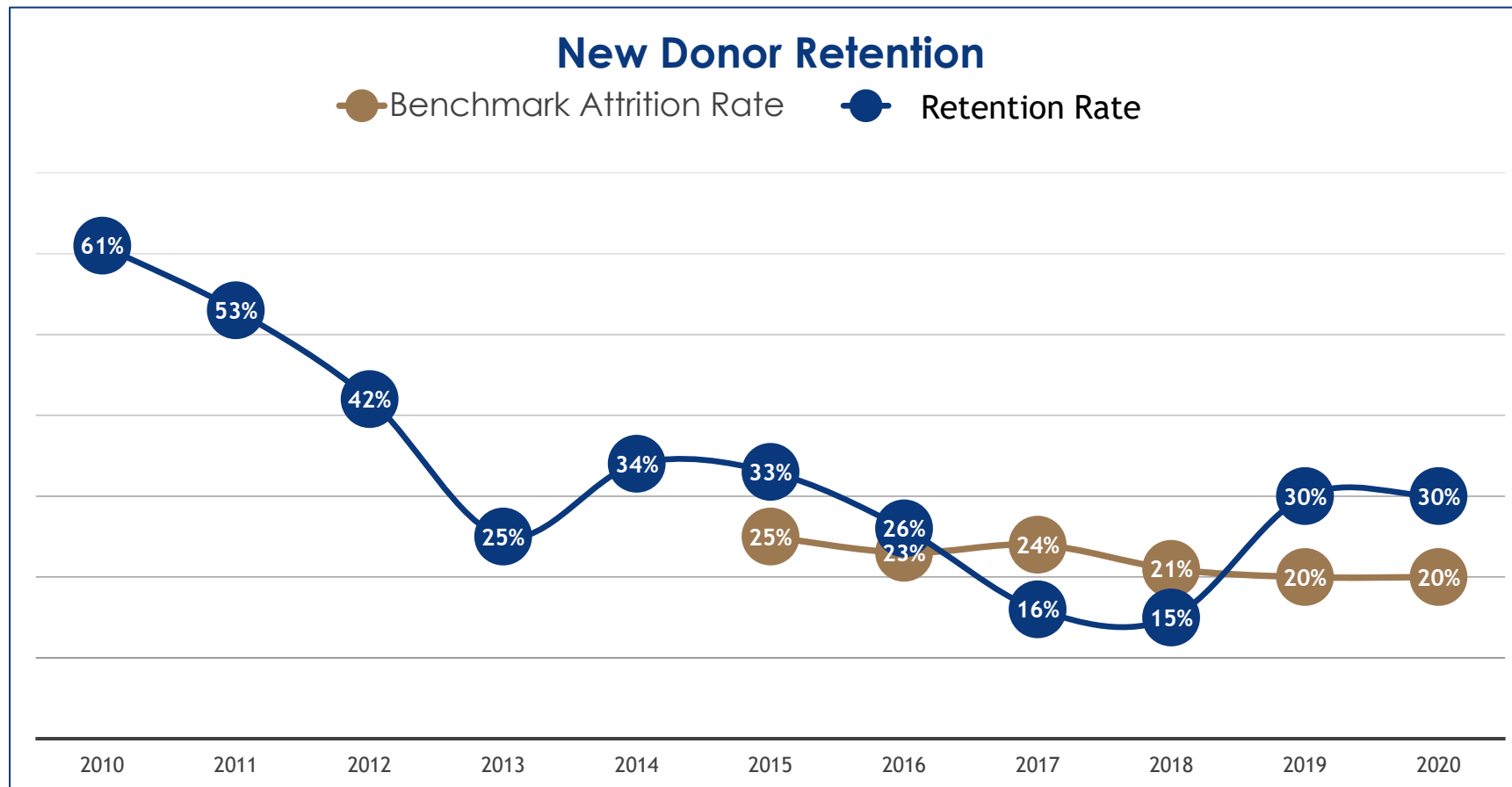
Now: “Donor Retention is heading in the right direction!”

Case Study



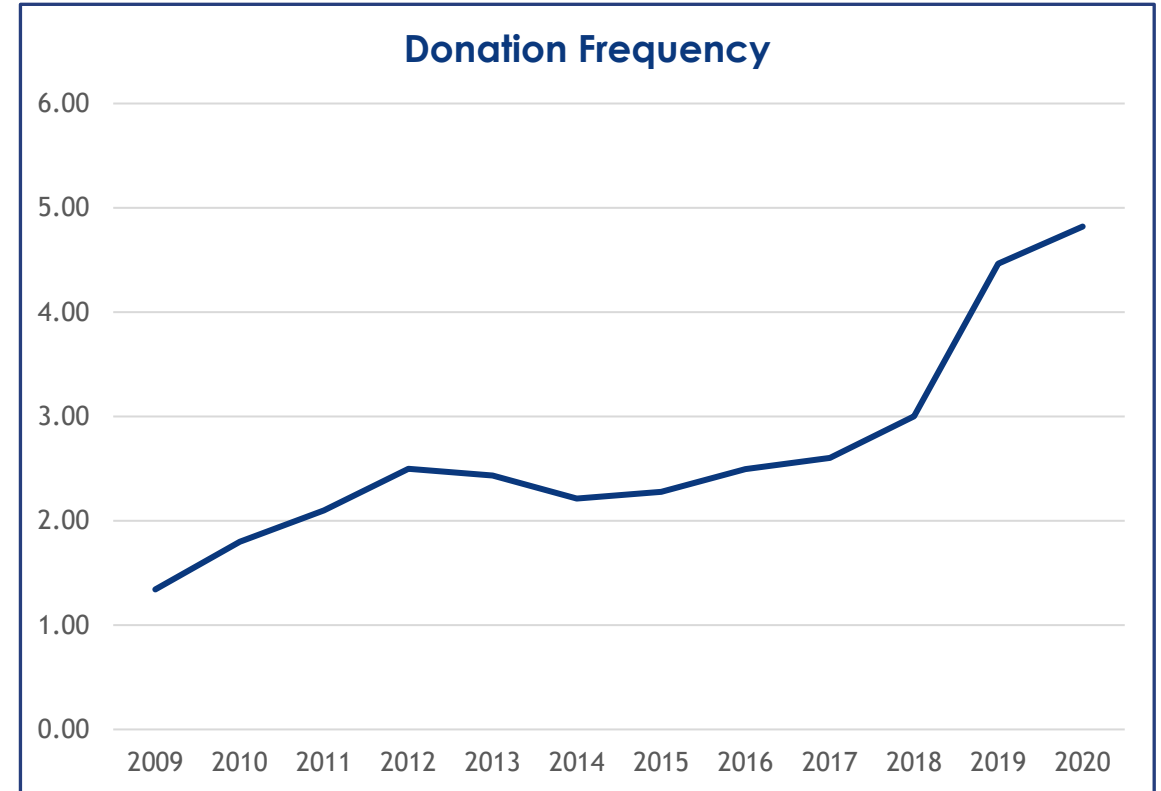
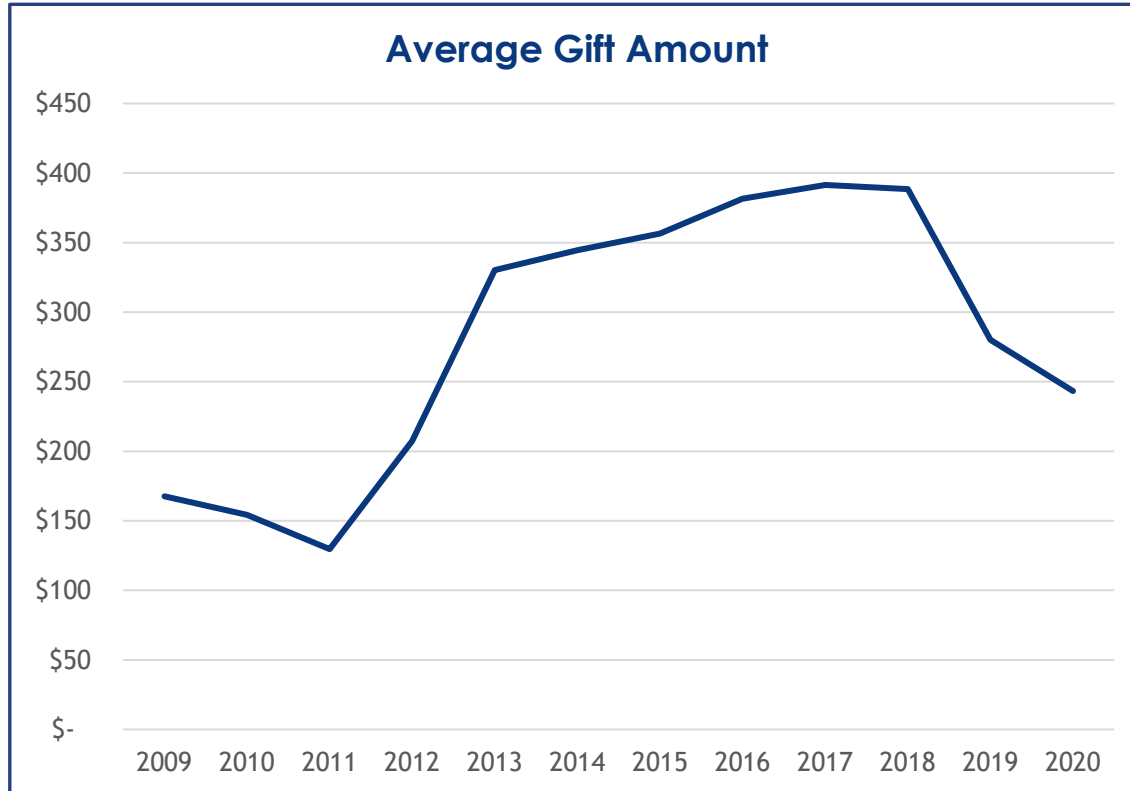
Now: “We added more donors than we lost, but more work could be done.”

Case Study



Now: “Work on new donor retention- create robust new donor intake program.”

Case Study



Now: “Keep up the great work on the monthly giving program!”

Case Study

Return on Investment & Cost to Raise a Dollar

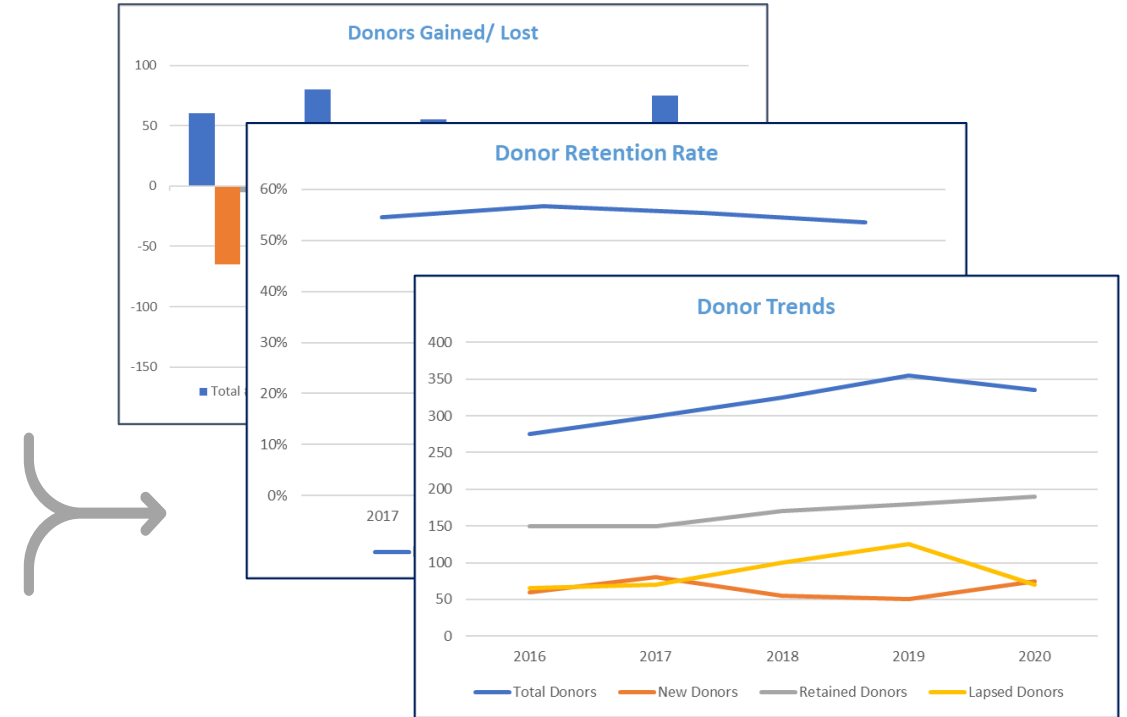
Date	Name	Type	Total # of Individuals Solicited	Total Raised	Total Cost	Net Income	Return on Investment	Cost per Dollar Raised	Amount Raised per Contact
15-Feb	Auction	Event	2500	\$50,000	\$15,000	\$35,000	233%	\$ 0.43	\$ 14.00
1-Mar	Spring Newsletter	Newsletter	3000	\$ 3,500	\$ 4,000	\$ (500)	-13%	\$ (8.00)	\$ (0.17)
1-Apr	Spring Solicitation	Mail	2700	\$ 9,000	\$ 1,300	\$ 7,700	592%	\$ 0.17	\$ 2.85
1-May	Sponsorship Drive	Online	5000	\$ 3,500	\$ 200	\$ 3,300	1650%	\$ 0.06	\$ 0.66
1-Jun	Golf Outing	Event	1000	\$30,000	\$12,000	\$18,000	150%	\$ 0.67	\$ 18.00
1-Jul	Summer Newsletter	Newsletter	3050	\$ 7,000	\$ 4,100	\$ 2,900	71%	\$ 1.41	\$ 0.95
15-Jul	Summer Solicitation	Mail	2500	\$ 4,000	\$ 1,500	\$ 2,500	167%	\$ 0.60	\$ 1.00
20-Sep	Fall Gala	Event	3000	\$75,000	\$25,000	\$50,000	200%	\$ 0.50	\$ 16.67
15-Oct	Fall Newsletter	Newsletter	3075	\$ 4,300	\$ 1,000	\$ 3,300	330%	\$ 0.30	\$ 1.07
15-Nov	YE Solicitation Letter	Mail	4000	\$45,000	\$ 3,000	\$42,000	1400%	\$ 0.07	\$ 10.50
4-Dec	Giving Tuesday	Online	5000	\$ 5,000	\$ 500	\$ 4,500	900%	\$ 0.11	\$ 0.90

Now:

1. Identify areas for increased investment in online campaigns
2. Plan early and look for ways to improve the YE solicitation
3. Develop a new strategy for the spring newsletter/solicitation

Free Spreadsheet Tool

	2016	2017	2018	2019	2020
Total Actual Fundraising Expense	\$ 30,000	\$ 37,000	\$ 34,000	\$ 38,000	\$ 40,000
Total Organizational Expenses	\$ 400,000	\$ 410,000	\$ 450,000	\$ 445,000	\$ 470,000
Total Amount of Contributions Received	\$ 125,000	\$ 150,000	\$ 134,000	\$ 170,000	\$ 175,000
Total Amount Given by Top 5 Donors	\$ 36,000	\$ 42,000	\$ 37,000	\$ 50,000	\$ 45,000
Total # of Contributions Received	750	800	900	860	925
Total # of Donors	275	300	325	355	335
Total # of New Donors	60	80	55	50	75
Total # of Retained Donors	150	150	170	180	190
Total # of Lapsed Donors	65	70	100	125	70
Average Gift Amount	\$ 167	\$ 188	\$ 149	\$ 198	\$ 189
<i>*Benchmark Average Gift Amount</i>	\$ 264	\$ 256	\$ 294	\$ 267	\$ 261
Donor Retention Rate		55%	57%	55%	54%
<i>*Benchmark Donor Retention Rate</i>			40%	40%	34%
Donor Attrition Rate (aka Lapsed Rate)		45%	43%	45%	46%
<i>*Benchmark Donor Attrition Rate</i>			60%	60%	66%
Churn	-5	10	-45	-75	5
Donors Lost	-65	-70	-100	-125	-70
Fundraising ROI	317%	305%	294%	347%	338%
Cost to Raise a Dollar	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.29	\$ 0.30
Donation Frequency	2.73	2.67	2.77	2.42	2.76
Dependency Quotient	9.00%	10.24%	8.22%	11.24%	9.57%
Lifetime Value		\$ 412.50	\$ 343.59	\$ 443.06	\$ 407.04
<i>*Benchmark Lifetime Value</i>			\$ 489.53	\$ 445.00	\$ 395.45
Lost Potential		\$ 28,875	\$ 34,359	\$ 55,383	\$ 28,493



13 auto-generated charts/graphs included!

Other Free tools

FUNDRAISING REPORT CARD

- Quickly produces beautiful graphs, trend lines, and segmentations.
- Kindful & Little Green Light CRM fully integrate
- Awesome Benchmark Page: provides sector-specific benchmarks that instantly help you see how you are doing compared to your sector.



- Set of free spreadsheets
- Download spreadsheets vs. Uploading your donor data

We're here to help!

Email me at

jhelder@timothygroup.com

to schedule a no obligation 30-minute zoom meeting or call. I'm happy to look over your metrics, help assess your overall fundraising program, digital fundraising tools, talk about year end, or any other topic.

the**TIMOTHY**group



Any Questions?

Let's Connect:

Jonathan Helder

Consultant & Data Specialist

jhelder@timothygroup.com

(616-272-5312)

For TTG's PowerPoint slides, fundraising
metrics article and tool:

timothygroup.com/fundraising_metrics

