

New Donor Acquisition

Acquisition Investment

Generating Sustainable Growth

- Requires consistent investment in new donor acquisition supported with effective cultivation to maximize retention and donor value.
- Optimizing reactivation programs.
- Maximizing retention and donor value among current donors.

5-Year Projection for 1 Time Investment

- Conservative projection parameters
 - \$75,000 investment assuming a cost/new donor of \$70.00
 - Retention
 - Year 2 32%
 - Year 3+ 60% – 66%
 - Average donor value – does not include impact of donors converting to major donors or implementation of sustainer program
 - Year 1 \$68.75
 - Year 2 \$126.69
 - Year 3+ \$182.71
 - \$5.00/year cultivation

5-Year Projection for 1 Time Investment

- Does not include the impact from:
 - An intentional mid and major donor program
 - Implementation of a successful sustainer program

5-Year Projection for 1 Time Investment

Acquisition investment	\$75,000
Cost/acquired	\$70
New donors acquired	1,071
Retained after 5 years	223
% Retained after 5 years	20.8%
Total 5-year value	\$230,445
Acquisition Cost	\$75,000
Total 5-year cultivation cost	\$16,880
Total Cost	\$91,880
5-year ROI	2.51
Total 5-year net income	\$138,565

5-Year Projection for 1 Time Investment

	Year 1	Year 2	Year 3	Year 4	Year 5
Acquisition Investment	\$75,000	\$0	\$0	\$0	\$0
Cost/Donor	\$70.00				
New donors acquired	1,071	0	0	0	0
Cume File	1,071	343	315	248	223
% Retained		32.0%	29.4%	23.1%	20.8%
Income	\$73,661	\$43,371	\$45,685	\$35,658	\$32,070
Cultivation Costs	\$2,679	\$5,464	\$4,626	\$2,217	\$1,894
Net income	\$70,982	\$37,907	\$41,059	\$33,441	\$30,175
Acquisition Investment	\$75,000	\$0	\$0	\$0	\$0
Net after Acquisition	(\$4,018)	\$37,907	\$41,059	\$33,441	\$30,175
Cume Net	(\$4,018)	\$33,889	\$74,948	\$108,389	\$138,565

Consistent 5-Year Investment

Acquisition investment	\$375,000
Cost/acquired	\$70
New donors acquired	5,357
Net Active	2,260
Total 5-year value	\$795,028
Acquisition Cost	\$375,000
Total 5-year cultivation cost	\$57,065
Total Cost	\$432,065
Total 5-year net income	\$362,963

Consistent 5-Year Investment

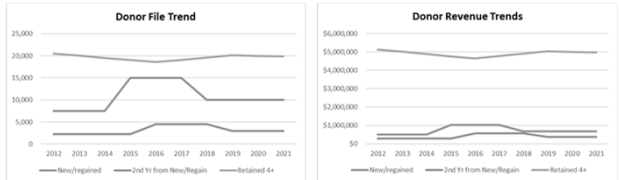
	Year 1	Year 2	Year 3	Year 4	Year 5
Acquisition Investment	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Cost/Donor	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00
New donors acquired	1,071	1,071	1,071	1,071	1,071
Cume File	1,071	1,414	1,729	1,998	2,260
% Retained		132.0%	161.4%	186.5%	210.9%
Income	\$73,661	\$117,032	\$162,717	\$201,487	\$240,131
Cultivation Costs	\$2,679	\$8,196	\$12,986	\$15,463	\$17,740
Net income	\$70,982	\$108,836	\$149,731	\$186,024	\$222,391
Acquisition Investment	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Net after Acquisition	(\$4,018)	\$33,836	\$74,731	\$111,024	\$147,391
Cume Net	(\$4,018)	\$29,818	\$104,549	\$215,572	\$362,963

3+ Year Multi Trends Lag Acquisition Changes

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New/regained	7,500	7,500	7,500	15,000	15,000	15,000	10,000	10,000	10,000	10,000
2nd Yr from New/Regain	2,250	2,250	2,250	2,250	4,500	4,500	4,500	3,000	3,000	3,000
Retained 4+	20,513	20,025	19,538	19,050	18,563	18,088	19,613	20,138	19,988	19,838
Total File	30,263	29,775	29,288	36,300	38,063	38,588	34,113	33,138	32,988	32,838
File change	(488)	(488)	7,013	1,783	\$25	(4,475)	(975)	(150)	(150)	(150)
% Diff	-1.6%	-1.6%	23.9%	4.9%	1.4%	-11.6%	-2.9%	-0.5%	-0.5%	-0.5%

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New/regained	\$510,000	\$510,000	\$510,000	\$1,020,000	\$1,020,000	\$680,000	\$680,000	\$680,000	\$680,000	\$680,000
2nd Yr from New/Regain	\$283,500	\$283,500	\$283,500	\$283,500	\$567,000	\$567,000	\$378,000	\$378,000	\$378,000	\$378,000
Retained 4+	\$5,128,125	\$5,006,250	\$4,884,375	\$4,762,500	\$4,640,625	\$4,771,875	\$4,903,125	\$5,034,375	\$4,996,875	\$4,959,375
Total	\$5,921,625	\$5,799,750	\$5,677,875	\$6,066,000	\$6,227,625	\$6,338,875	\$6,150,125	\$6,092,375	\$6,054,875	\$6,017,375
Diff		(\$121,875)	(\$121,875)	\$388,125	\$161,625	\$131,250	(\$208,750)	(\$57,750)	(\$37,500)	(\$37,500)

3+ Year Multi Trends Lag Acquisition Changes



Acquisition Analytics

Campaign Performance

- Actual vs. Proforma
- Key metrics
 - Number of new donors required
 - Cost/new donor acquired
 - ROI (revenue/campaign costs)

Campaign Performance

- Analytical drill down
 - Total campaign
 - By offer
 - By creative execution
 - By medium (direct mail, radio, digital)
 - By "list"

Lifetime Value Key Metrics

- Conversion and retention rates
 - 30, 60, 90, 180
 - Year 2, 3
- Donor value
 - Gift frequency
 - Avg. Gift

Lifetime Value Key Metrics

- Evaluate LTV by:
 - By offer
 - By creative execution (less likely to be a factor)
 - By medium (direct mail, radio, digital)
 - By "list"

Analyzing Donor File Health

Analyzing Donor File Performance

- Metrics
- Donor segment definitions
- Report considerations

Metrics

- Universe and retained/regained donor counts
- Retention/reactivation rates
- Gifts/gift frequency
- Revenue
- Average gift
- Donor value

Donor Management Dashboard
Summary of Donor Management Metrics

Category	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	1 Yr Δ	4 Yr Δ
Universe							
Active	1,234,567	1,234,567	1,234,567	1,234,567	1,234,567	0.0%	0.0%
Retained	1,234,567	1,234,567	1,234,567	1,234,567	1,234,567	0.0%	0.0%
Regained	1,234,567	1,234,567	1,234,567	1,234,567	1,234,567	0.0%	0.0%
Retention							
Retention Rate	95.0%	95.0%	95.0%	95.0%	95.0%	0.0%	0.0%
Retention Rate (1 Yr)	95.0%	95.0%	95.0%	95.0%	95.0%	0.0%	0.0%
Retention Rate (4 Yr)	95.0%	95.0%	95.0%	95.0%	95.0%	0.0%	0.0%
Gifts							
Number of Gifts	2,890	3,221	5,542	3,125	1,599	-48.8%	-44.7%
Average Gift	\$118.80	\$101.15	\$127.06	\$136.13	\$136.50	0.3%	14.9%
Donor Value	\$244.19	\$256.75	\$299.52	\$337.10	\$301.89	-10.4%	23.6%

- Includes summary of donors by life cycle
- Separate summary of \$10K+ and others
- Total for the universe

New Donor Performance

	Fiscal Period: July 1 - June 30						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	1 Yr Δ	4 Yr Δ
New							
New Donors	1,406	1,269	2,351	1,282	723	-42.7%	-48.6%
Multi Gift Donors	380	447	773	461	215	-53.4%	-43.4%
Number of Gifts	2,890	3,221	5,542	3,125	1,599	-48.8%	-44.7%
Gross Revenue	\$343,337	\$325,819	\$704,166	\$425,418	\$218,266	-48.7%	-36.4%
% Multi Gift Donors	27.0%	35.2%	32.9%	36.5%	29.7%	-18.6%	10.0%
Gifts Per Active	2.06	2.54	2.36	2.48	2.21	-10.7%	7.6%
Average Gift	\$118.80	\$101.15	\$127.06	\$136.13	\$136.50	0.3%	14.9%
Donor Value	\$244.19	\$256.75	\$299.52	\$337.10	\$301.89	-10.4%	23.6%

Lapsed Donor Performance

Lapsed 1 Year	Fiscal Period: July 1 - June 30						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	1 Yr Δ	4 Yr Δ
Beginning Universe	2,161	1,609	1,881	1,696	2,544	50.0%	17.7%
Reactivated Donors	226	228	188	158	217	37.3%	-4.0%
Number of Gifts	439	522	453	352	478	35.8%	8.9%
Gross Revenue	\$50,130	\$47,821	\$46,855	\$52,864	\$45,923	-13.1%	-8.4%
% Reactivated	10.5%	14.2%	10.0%	9.3%	8.5%	-8.4%	-18.4%
Gifts Per Active	1.94	2.29	2.41	2.23	2.20	-1.1%	13.4%
Average Gift	\$114.19	\$91.61	\$103.43	\$150.18	\$96.07	-36.0%	-15.9%
Donor Value	\$221.81	\$209.74	\$249.23	\$334.58	\$211.63	-36.7%	-4.6%

Multi-Year Performance

Multi Year	Fiscal Period: July 1 - June 30						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	1 Yr Δ	4 Yr Δ
Beginning Universe	4,029	3,769	3,649	3,555	3,689	3.8%	-8.4%
Retained Donors	3,228	3,062	2,885	2,842	2,911	2.4%	-9.8%
Number of Gifts	33,633	32,096	29,622	28,017	27,189	-3.0%	-19.2%
Gross Revenue	\$1,669,842	\$1,620,698	\$1,543,165	\$1,431,487	\$1,435,444	0.3%	-14.0%
% Retained	80.1%	81.2%	79.1%	79.9%	78.9%	-1.3%	-1.5%
Gifts Per Active	10.42	10.48	10.27	9.86	9.34	-5.3%	-10.4%
Average Gift	\$49.65	\$50.50	\$52.10	\$51.09	\$52.80	3.3%	6.3%
Donor Value	\$517.30	\$529.29	\$534.89	\$503.69	\$493.11	-2.1%	-4.7%

\$10K+ Donors Performance

High SLG Donors Only	Fiscal Period: July 1 - June 30						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	1 Yr Δ	4 Yr Δ
Beginning Universe	67	68	71	72	73	1.4%	9.0%
Active Donors	15	15	15	11	7	-36.4%	-53.3%
Number of Gifts	193	193	252	164	113	-31.1%	-41.5%
Gross Revenue	\$325,988	\$215,059	\$238,512	\$844,677	\$126,191	-85.1%	-61.3%
% Total Revenue	12.3%	8.7%	8.3%	26.5%	5.9%	-77.7%	-52.1%
Gifts Per Active	12.87	12.87	16.80	14.91	16.14	8.3%	25.5%
Average Gift	\$1,699.05	\$1,114.30	\$946.48	\$5,150.47	\$1,116.73	-78.3%	-33.9%
Donor Value	\$21,732.51	\$14,337.28	\$15,900.80	\$76,788.82	\$18,027.22	-76.5%	-17.0%

Donor Segment Definitions

- Total file
- General, Mid-level, Majors
- Portfolio, Non-portfolio
- Sustainer, Single-gift
- Staff only, Org only, Staff and Org
- Demographics

Gift Considerations

- Exclude estate gifts
- Excluding organization and foundation
- Impact of soft credit giving
 - Donor Advised Funds
 - Business gifts
