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EBOOK

Nonprofit Storytelling

Using data and performance metrics to motivate donors

Nonprofit

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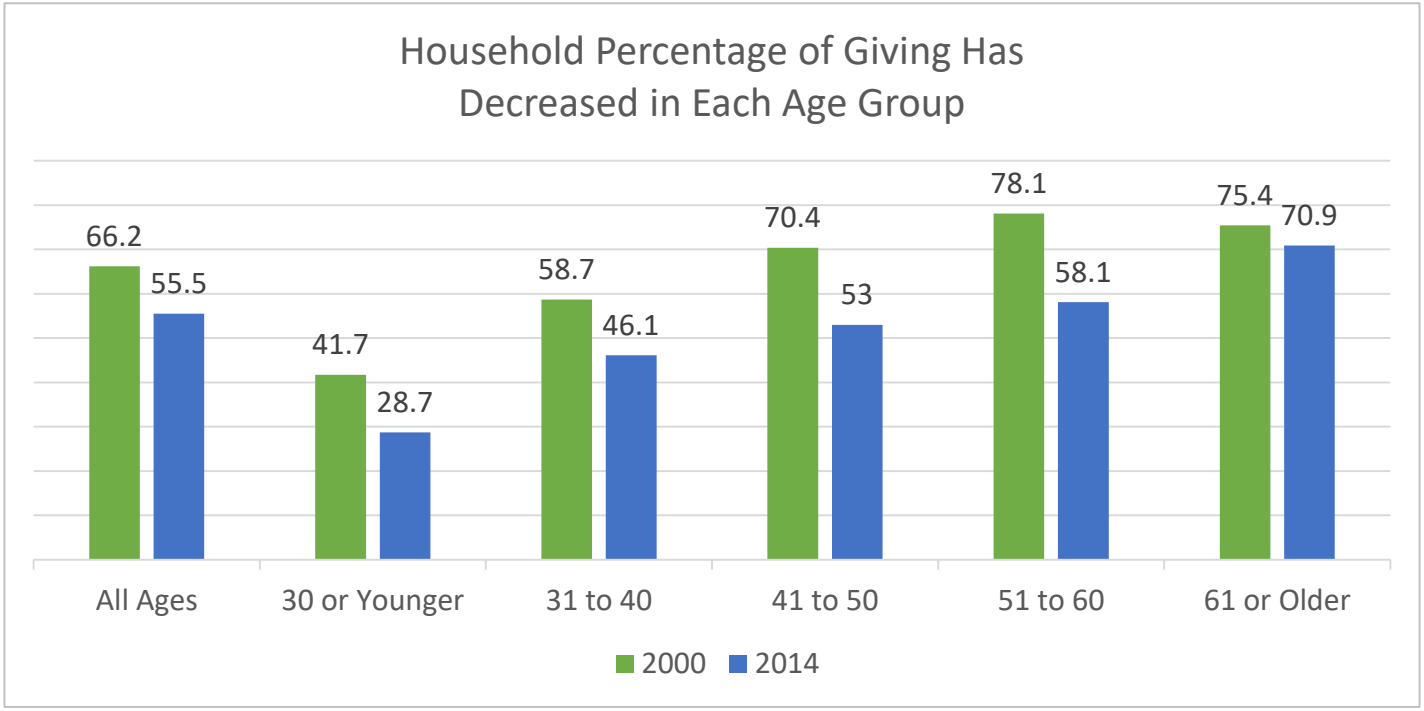
Nurturing Your Donor Base is Important

With fewer individuals donating to charitable organizations, the need to engage and nurture your donor base is more important than ever.

The best place to raise additional funds is often your existing donor base. Staying connected to your donors and communicating your impact can help ensure your organization remains top of mind when those individuals or organizations budget for their charitable contributions.



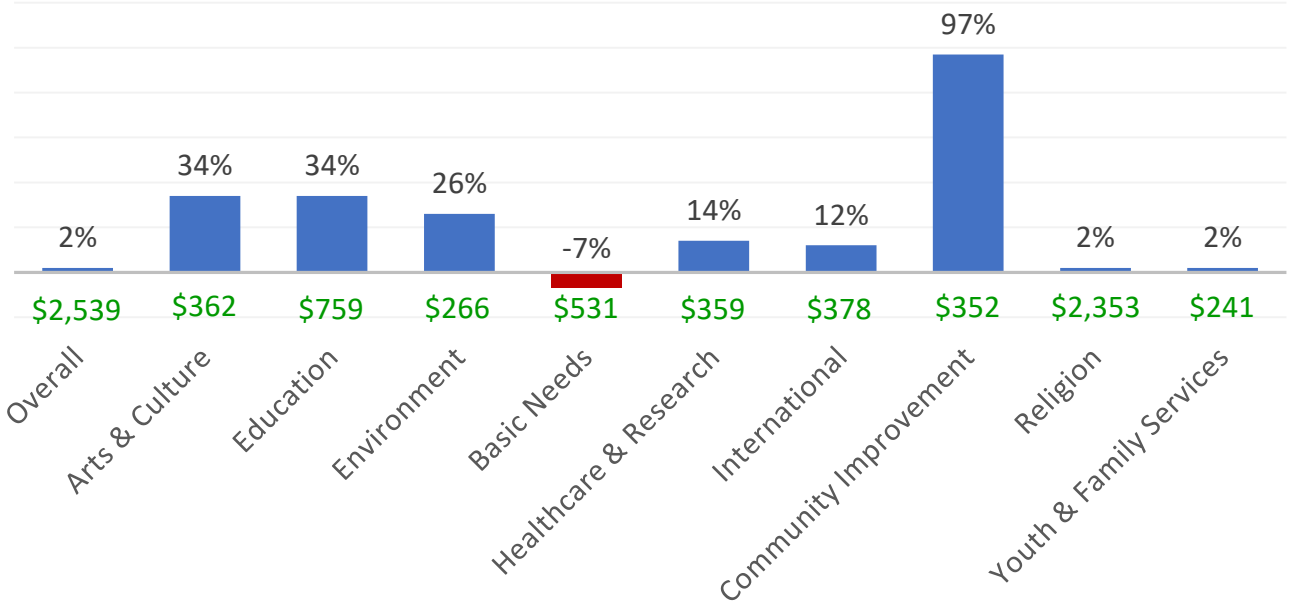
A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

How to Become a Data-Driven Strategist

Fewer donors remain, but their giving has increased. Relationships Matter.

Over the same period that total individual donors declined, their average donation size increased. Another trend in the U.S. has been wealth concentration, and "the rate of decline in the number of low-dollar donors has an extremely strong correlation with indicators of economic inequality and insecurity."[1] Nonprofits must invest more time and effort into relationships with key donors. Charities should create specific, measurable objectives around key donor engagement to ensure they remain in the top three philanthropic priorities of their donors.[2]

Those donating are giving more, as average donation size has increased since 2002



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Most Donors Research Organizations Before Giving

It takes more transparency and better communication to earn a donor's trust.

Thanks to the internet, prospective donors enjoy easy access to research that helps them select gift recipients. Donors care deeply about finding organizations that best reflect their values and priorities. They want evidence of solid financial stewardship and strong mission impact. If they can't easily understand your organization's story, their donations may go somewhere else.

Prior to making contributions, donors consider the following factors:

TOPIC	% OF DONORS WHO RESEARCH BEFORE GIVING
Overall Efficiency	70%
Philanthropic Impact	59%
General Reputation	54%
Operating Costs	53%
Mission and Services	53%
Executive Salaries	43%
Funding Sources	31%

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Account for Generational Differences

Two generations make roughly two-thirds of donations.

Know the ages of your current and prospective donors so you can create successful fundraising strategies. While the total amount of giving is highest in the Baby Boomer generation, the percent of individuals who donate is highest in the Silent Generation. The Baby Boomers also have the largest number of donors of any generation by far. The average giving per person trends down from the oldest generation to the youngest. Millennials divide their giving among fewer nonprofit organizations while the Silent Generation gives to the highest average number of charities.

Nearly 2 in 3 charitable dollars came from Baby Boomers & Generation X.

	% THAT GAVE	NUMBER OF DONORS	AVERAGE GIVING PER PERSON	AVERAGE NUMBER OF CHARITIES	TOTAL GIVING
SILENT GENERATION	78%	23.5M	$1,235	6.3	$29.0B
BABY BOOMERS	75%	55.3M	$1,061	4.2	$58.6B
GENERATION X	55%	35.8M	$921	3.8	$32.9B
MILLENIALS	51%	34.1M	$591	3.5	$20.1B
GENERATION Z	44%	9.3M	$341	4.6	$3.2B

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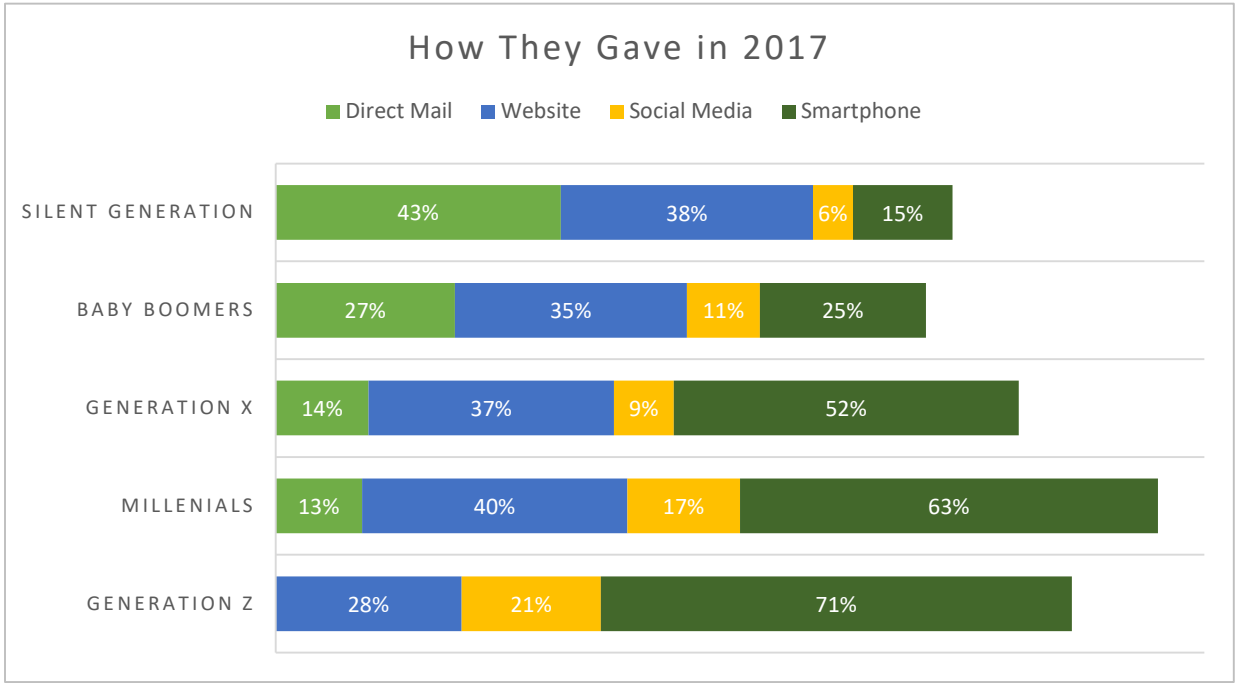
Map Communications to Generational Differences

You won't reach the Silent Generation through the same channels as Millennials.

As you plan your communication strategy, keep this chart in mind and map your communication styles onto it. For example, the Silent Generation still appreciates direct mail communications while Millennials and Generation Z will rarely respond to it. You can reach Millennials and Generation Z more effectively through social media and mobile campaigns. Your website is your most important fundraising communication tool because websites are popular across every generation.



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- **Direct Mail** – Still favored by the oldest donors
- **Website** – Popular with all generations
- **Social Media** – Preferred by Generation Z and Millennials
- **Smartphones** – Popular with Generation X and younger donors

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What Donors Want (and Don't Want) from Nonprofits

Results from two recent donor surveys present a clear vision of what donors want when it comes to fundraising and stewardship—and what they don't want.

Whether it's saving a stamp by sending thank you emails or reducing overhead costs, donors expect excellent stewardship over the hard-earned dollars they donate. They also want to see a compelling case for each mission and proof that charities can affect positive outcomes.

Donors want nonprofit organizations to…

- Thank donors by email (69%)[3]
- Accept credit card payments (54%)[4]
- Make a compelling case of extraordinary need (38%)[5]
- Reduce overhead costs (21%)[6]
- Offer matching gifts (19%)[7]
- Not send an excessive number of appeals (19%)[8]

Stop sending small gifts

- Donors want nonprofits to stop sending unwanted trinkets (28%)[9]
- Donors are NOT any more likely to give after receiving a gift (80%)[10]
- Donors view these trinket gifts as a waste of money (68%)[11]

Help Donors Connect Emotionally with Your Mission

In this dynamic giving environment, it's vital to build and share your organization's most powerful story.

World Wildlife Fund, photo by Julie Fletcher

Share Your Vision

Cast the vision quickly with powerful images that grab attention, connect with potential donors, and clearly highlight your mission. Images can resonate with donors on an immediate, emotional level. When you see this Koala in the middle of a burnt forest, you immediately feel its need and understand World Wildlife Fund's mission.

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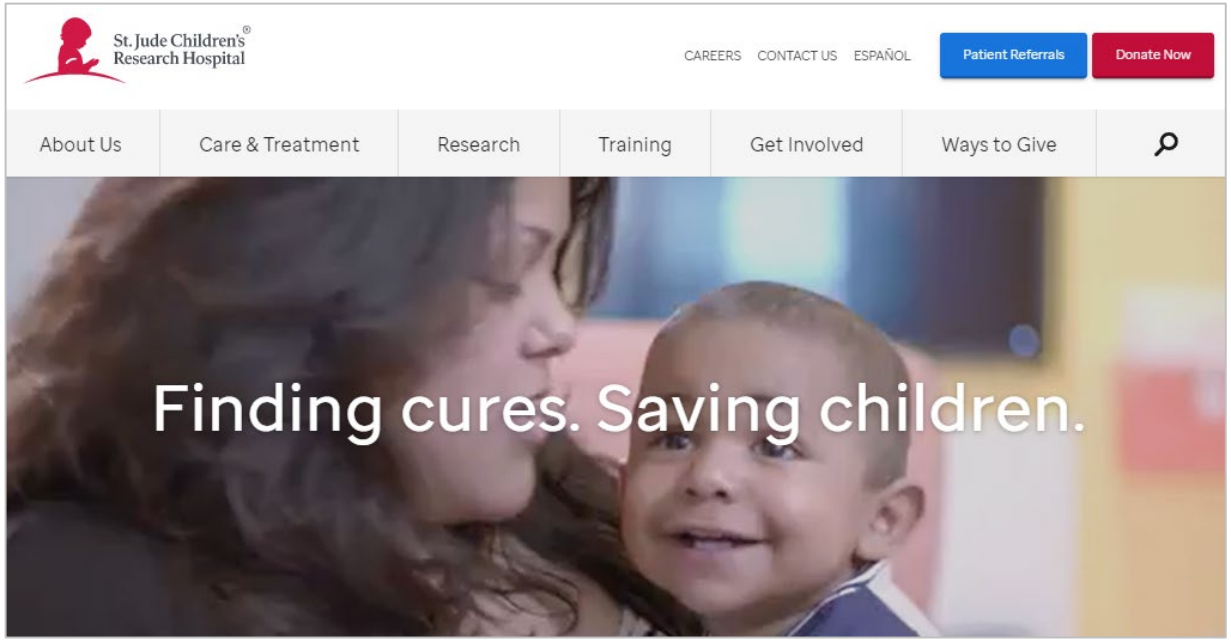
Make Them Remember You

Your website and donor communications should reflect your brand.



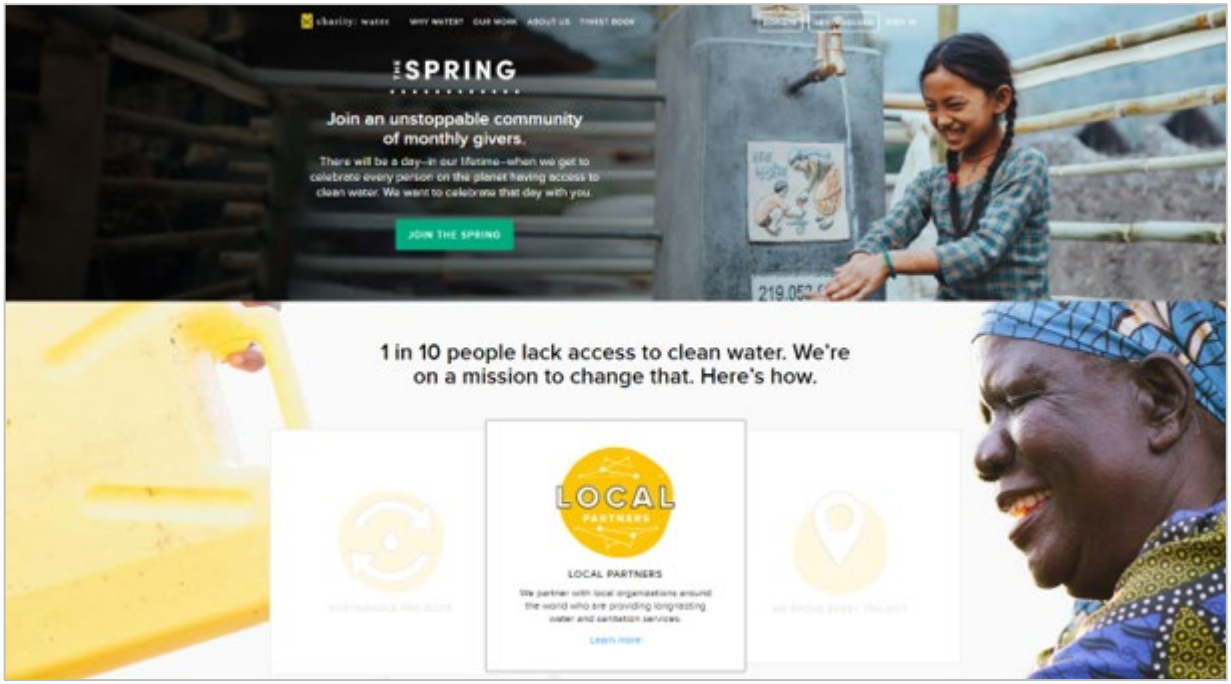
St. Jude's Children's Research Hospital

Share Your Brand

Your brand helps donors remember your organization and mission. This translates to greater responsiveness to your campaigns and your needs. Make messaging and branding a primary part of your strategic plan and integrate your brand into all of your communications. The tagline and image on the St. Jude Children's Research Hospital website immediately tells you what this organization dedicates itself to every day. Who would not want to be a part of that brand?

Bring Donors Into Your Story

Donors need to connect with your story and understand your impact.



charity: water

charity: water has built their story into every aspect of their website

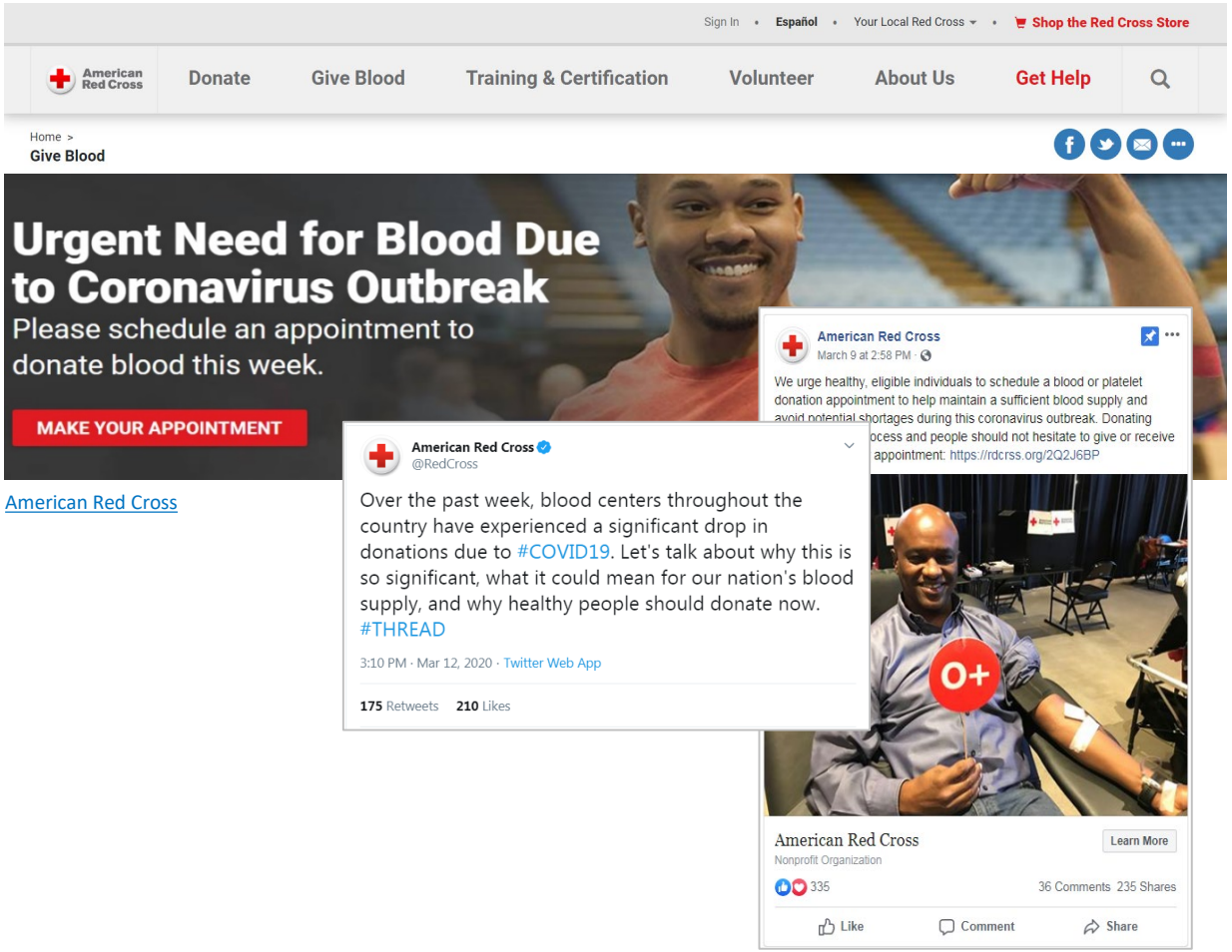
- Quick, thoughtful compelling tagline *"Clean Water Changes Everything"*
- Powerful imagery
- Metrics that reflect the urgency of the mission
- Invitation to join the mission

Communicate Your Story

Your brand, images, website, messaging—everything should work together and draw your donors into a deeper connection with your mission. Finding the best way to communicate your mission, priorities, and impact are critical elements to telling your story well.

Reach Out to Expand Your Donor Base

Your website, social media, and development campaigns should make it easy to give.



American Red Cross

Expand Your Reach

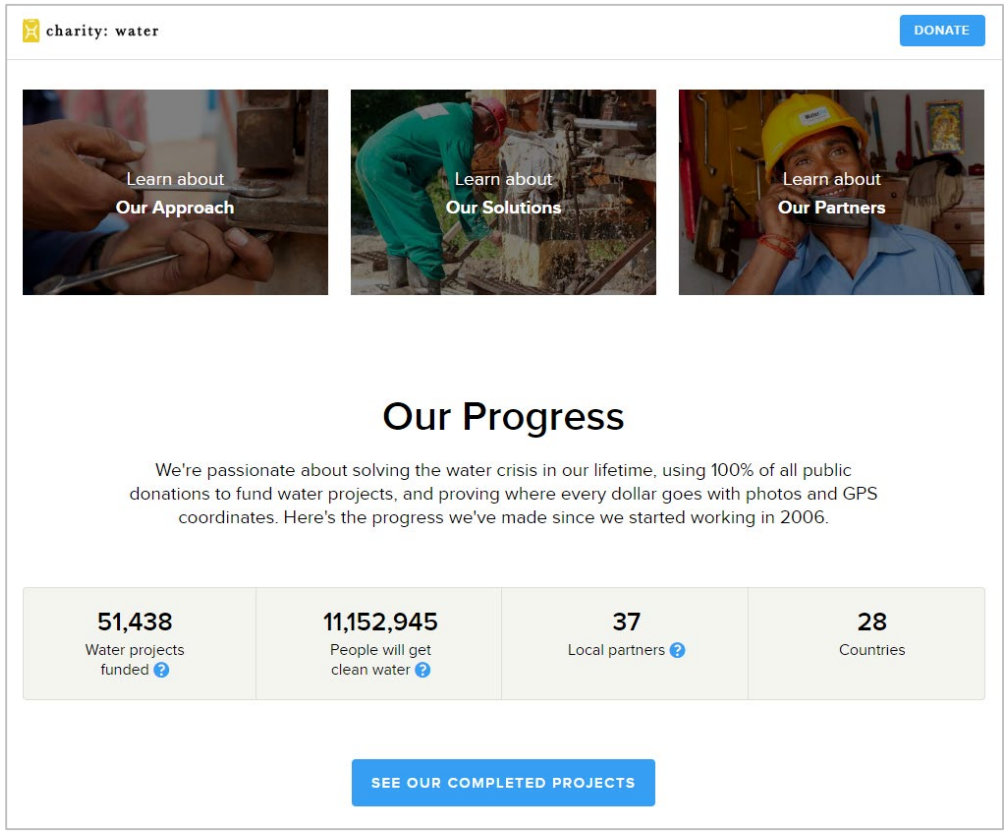
Be sure that your website and donation forms are mobile-friendly. Make it easy for prospective donors to learn more and to give. Leverage social media in all of your campaigns by planning and scheduling posts in advance. Include hashtags to increase reach and visuals to drive more traffic to your website. Engage donors with interactive content such as polls or asking for them to share stories.

Transparency Matters

Donors care deeply about your return on mission.

The top question on most donor's minds: How much of my money will go to programs? If you can't do the most good with their money, they'd prefer to give it to another charity. Clearly communicate your priorities and demonstrate your progress. Performance data and metrics provide the support for your story by showing impact, accountability and a laser-focus on mission success.

On the charity: water website, donors learn that 100% of donations go to programs (private funding covers administrative expenses) and that over 11 million people have benefitted from clean, safe water in 28 countries.



charity: water | our work

Data and Metrics Strengthen Your Story

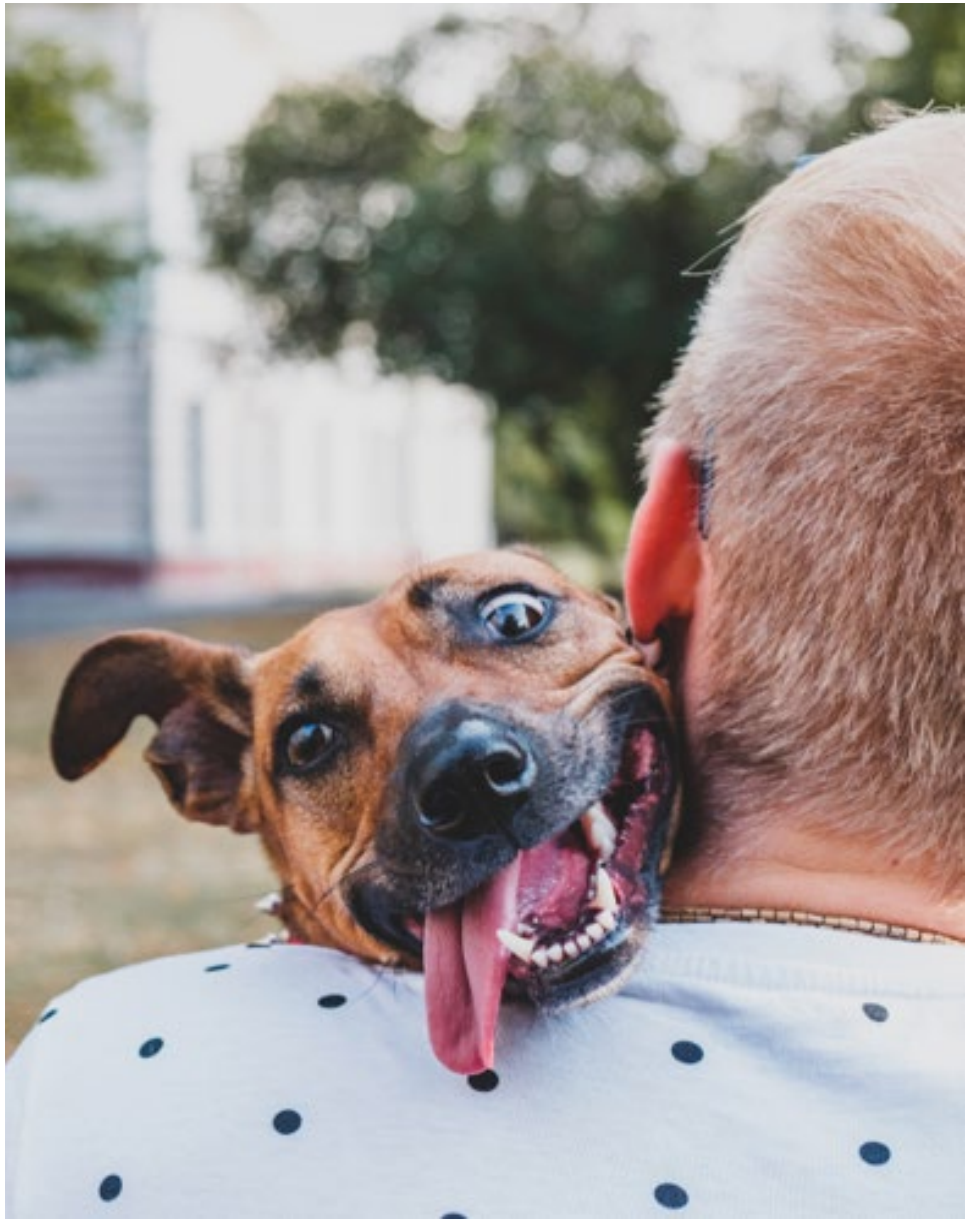
Elevate your organization's story by mapping key metrics to mission.

Whatever your mission, define the metrics that best support impact and stewardship and measure them. Build them into your story. Highlight them, strengthen them, and share them. Reinforce performance measurement and transparency until metrics become part of your organization's culture.

Start by linking metrics to your mission

- Meals served – Cost per meals served
- Patients seen - Cost per patient seen per practice area
- Reading Levels Achieved – Cost per reading level achieved per child
- Animals Adopted – Cost per animal per day
- What's the key metric for your mission?

This powerful tracking and measurement will enable you to be more transparent and provide the proof and accountability donors desire.



Tell the Story | Seattle Indian Health Board

Sage Intacct shares data and metrics in our own story.

Sage Intacct is a for-profit technology company, but we prioritize understanding how our nonprofit customers leverage our solution for mission impact. Here's how we share the Seattle Indian Health Board's metrics and impact using Sage Intacct cloud accounting and financial management software, using elements like powerful images and metrics tied to impact to bring readers into the story.

Tell the Story | Room to Read

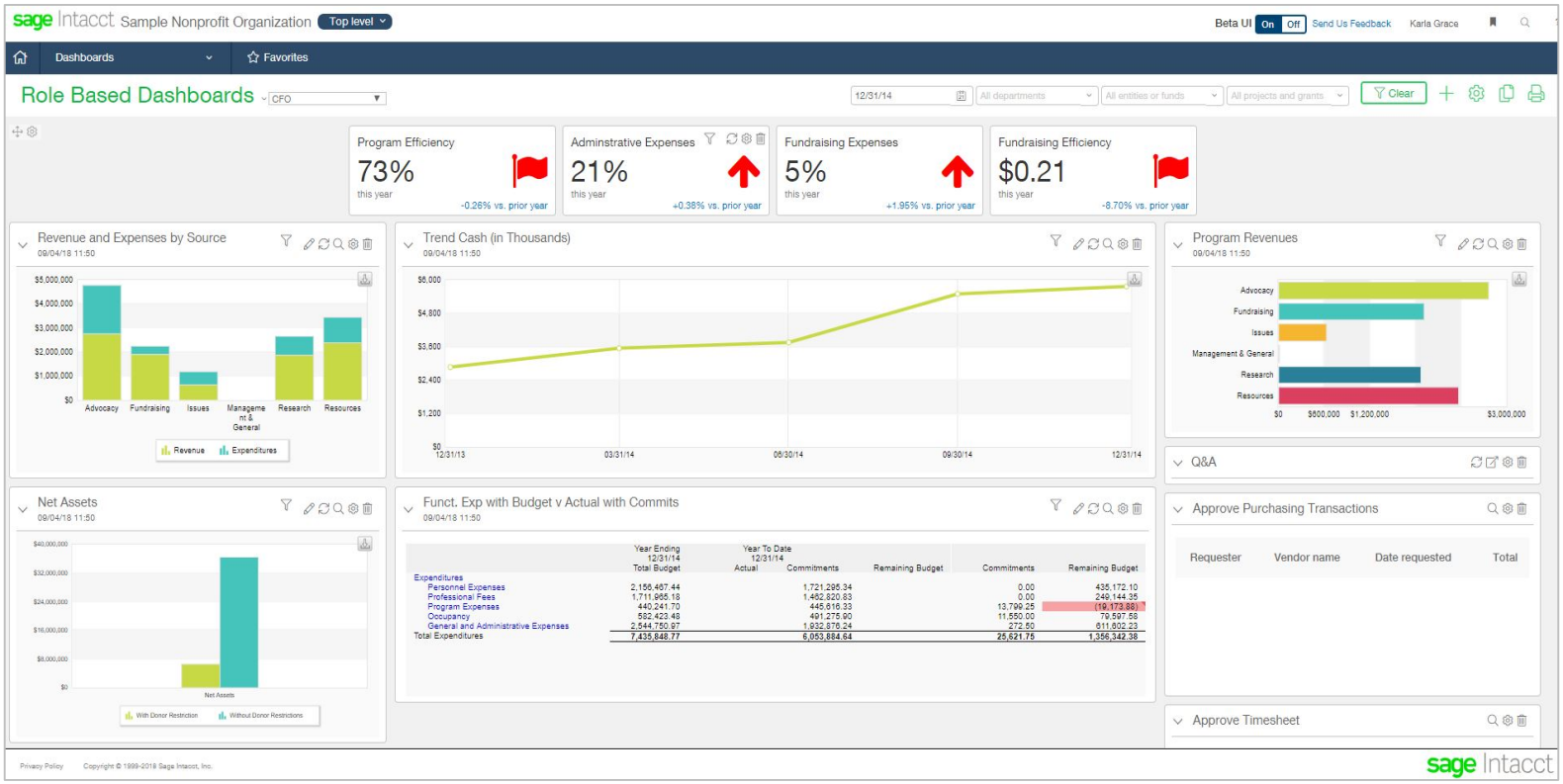
Helping nonprofits succeed is our mission—and our brand.

This example shares the success of Room to Read, an international nonprofit focused on literacy and gender equality in education in developing countries. They used Sage Intacct to scale easily during growth and improved productivity by 25%—savings that enabled them to reach an additional 100,000 children per year with their literacy programs.

Real-Time Visibility and Transparency

Sage Intacct helps nonprofits and faith-based organizations track all the data and metrics that matter most, from financial performance to outcomes and impact.

Role-based dashboards give stakeholders across the organization access to key performance indicators, outcome metrics, and scorecards that are relevant to their programs and responsibilities.



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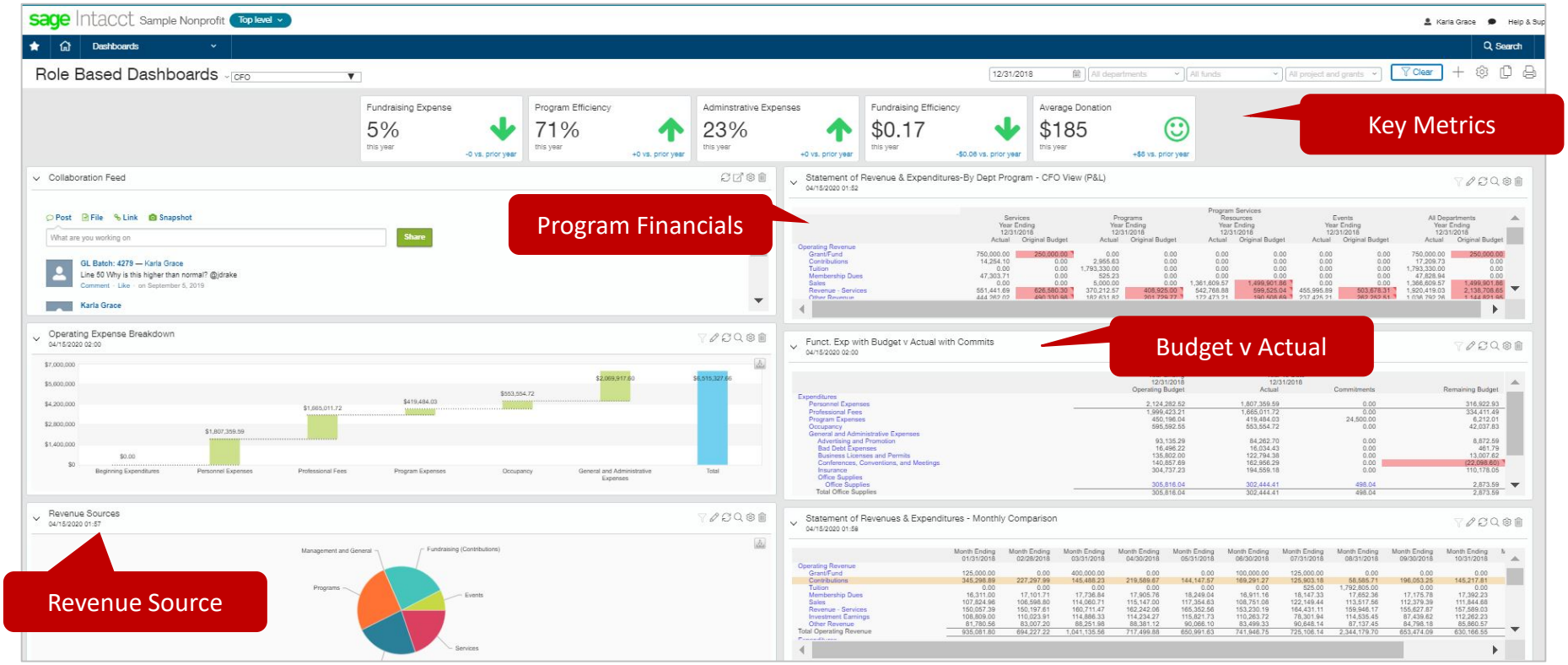
Metrics That Matter—In Real-Time

Having real-time data and metrics at your fingertips makes it easier to present a compelling story to your donors.

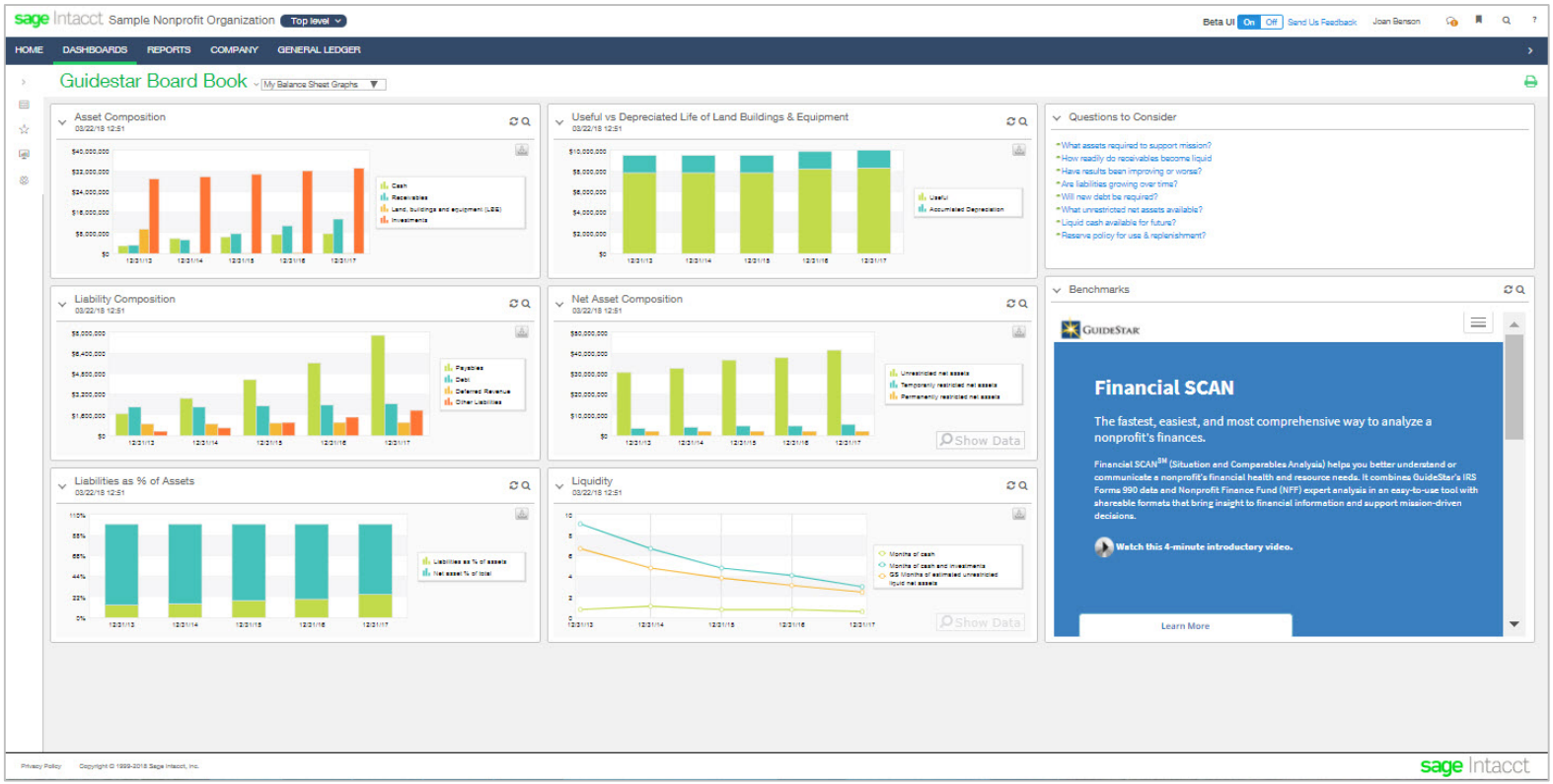
This CFO Dashboard displays important performance metrics for financial executives.



Data That Transforms

Thanks to best practices from GuideStar (Candid), the Sage Intacct Nonprofit Financial Board Book provides best practice metrics to deliver real-time insights into your mission's impact.

Financial board books like the one below provide instant actionable insight to key stakeholders. By automating the tracking and management of industry-wide best practice metrics, these dashboards deliver real-time insights to help you benchmark financial health and sustainability.



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Shine a Light on Your Mission and Impact

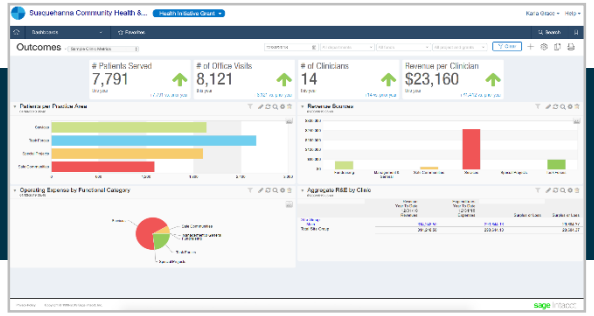
Only you can tell your story.

Donors want to know more about the nonprofit organizations they give to so they can feel good about their contribution to your cause. It's your job to tell them your story in a compelling and urgent way.

To encourage more giving, nonprofits need to elevate their ability to tell their stories by learning to identify, track, and measure the performance indicators that tie directly to mission impact. Donors want to know that you're getting more for their dollars than other organizations might. And they want to be drawn into your story—to care about the people and values you serve.

Consider investments in infrastructure that supports fundraising, including donor databases and donor management solutions, as well as cloud accounting and financial management solutions that help you demonstrate financial performance, efficiency, and outcomes.

Educational Resources to Help You Make the Right Decision



Sage Intacct for Nonprofits Overview Video

Watch Now

Room to Read Customer Story Video

Watch Now

Nonprofit Accounting Software Buyer's Guide

Download

Sage Intacct

Sage Intacct is the AICPA's preferred provider of cloud financial applications

Specializing in helping nonprofits and faith-based organizations of all types, Sage Intacct's modern solution and open APIs streamlines grant, fund, project, and donor accounting—while delivering real-time visibility into the metrics that matter. At Sage Intacct, we help nonprofits strengthen stewardship, build influence, grow funding, and achieve mission success.

For more information, visit: www.sageintacct.com/nonprofit

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[1] Institute for Policy Studies, “Gilded Giving: Top-Heavy Philanthropy and Its Perils to the Independent Sector and Democracy,” Chuck Collins, Josh Hoxie, Helen Flannery, 2018.

[2] Campbell Group, “2020 Fundraising Trends: The Forecast from Our Executive Team,” January 27, 2020.

[3] Nonprofit Tech for Good, “Global Trends in Giving Report,” 2018.

[4] Nonprofit Tech for Good, “Global Trends in Giving Report,” 2018.

[5] A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

[6] A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

[7] A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

[8] A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

[9] A Guide to Philanthropy in the U.S. 8th Edition, 2019 [11] Nonprofit Tech for Good, “Global Trends in Giving Report,” 2018. CCS Fundraising

[10] A Guide to Philanthropy in the U.S. 8th Edition, 2019 CCS Fundraising

[11] Nonprofit Tech for Good, “Global Trends in Giving Report,” 2018.

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