

Attrition Getting You Down? Blame it on the Donors!

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by PENELOPE BURK

I HEARD recently an interesting phrase used to describe donors who give once to an organization, and never give again. It was "crisis donors" — a label applied to those who only respond to crisis situations such as famines or earthquakes. The speaker went on to point out that these donors cannot be counted on to stay loyal to a cause. Even though a real crisis can hang on for a very long time, these particular donors will give only once or twice before disappearing.

Surely these cheeky donors must have been miscreants as children — the kind who ring your doorbell then jump giggling into the bushes when you come to the door; or phone and ask you if your refrigerator's running; or stuff your mailbox with porridge. It seems they have grown up to become adults who are no less irritating but have found a way to focus their misguided energy on the unsuspecting charitable sector. They have become donors who only give once, moving stealthily from charity to charity, wreaking philanthropic havoc.

Huge attrition rates are common

But, fundraising statistics don't lie. There is a huge and disturbing attrition rate after the first gift in all direct marketing programs (direct mail, telemarketing, canvassing), and attrition statistics after fundraising appeals for crisis situations are even worse. Blaming attrition on some quirky predisposition of donors themselves, though, is not fair nor does it solve the problem.

To understand why so many donors choose not to renew their gifts after responding to a crisis appeal requires knowing why they gave in the first place. Was it the crisis or the way the crisis was communicated? In a crisis, charity fundraising campaigns become very specific. No more the phrase, "your generous donation will help us continue our good work in the community through programs such as ..." Crisis appeals get right to the point. "Please respond generously to the X appeal for famine relief. 1000 children are dying of starvation every day. Your donation of only \$X will enable us to provide X nutritious meals for X children and their families ..." Now imagine this latter campaign surrounded by an intense media focus, with the cause in the front page headline of every newspaper and leading the nightly news. Which campaign do you think donors will support?

Specific focus and publicity have the power to generate an abnormally large number of donors in a very short period of time. This is not a philanthropic aberration but an indicator of the amazing level of generosity that Canadians display when alerted to an important issue. Non-government organizations aside (and even they are not raising money in highly publicized crises all the time), charities do not have the luxury of being

able to rely on the media to bring their cause directly to donors; they have to do it themselves.

Most charities don't have a marketing budget

But in fact they don't. Most charities do not have a marketing budget or employ professional marketing staff, and most do not have a media relations strategy, except where it concerns responding to their own internal crises (hardly a comfort to any fundraiser). Many boards and CEOs claim their fundraising is their marketing, assigning the combined fundraising and marketing responsibilities to fundraisers neither trained for this specialized work nor able to carry out such a broad job description. Unfortunately, charities that ignore the essential relationship between marketing and fundraising lose out in donor acquisition and in donor renewal.

Donors are not responsible for their own attrition

Charities are for failing to recognize how essential it is to write focussed fundraising appeals that commit to specific action and results, to surround those fundraising appeals with marketing, and to deliver on their end of the bargain after donors have made their commitments. In my national research study on donor communication and recognition, 84% of donors surveyed said they would continue to give and give more to charities that provided them with three things:

- o **prompt gift acknowledgement** (within two weeks);
- o **specific designation of their gifts** (as opposed to generalized statements that give free reign to charities to do anything they want with the money); and
- o **measurable results of their gifts at work** before they are asked for another contribution.

The *Canadian Centre for Philanthropy's National Survey on Giving, Volunteering and Participating* found that 88% of Canadians stop giving or give less than they could have for reasons that concern lack of confidence about the end use of their gifts and/or a belief that their giving wasn't important or appreciated. Attrition rates of 50% within a year after the first gift are common in the charitable sector and even higher in crisis campaigns. Instead of judging and applying labels to donors, the charitable sector should be judging its own performance in marketing and post-gift communication.

Donors are not gift amounts, gift levels or rates of attrition, but human beings who are living their lives as best they can and wanting to give generously to others. Charities that market their causes inventively and consistently and provide donors with the information they need to make future giving decisions will keep their donors indefinitely. Labels will not be necessary.

Penelope Burk is President of Burk & Associates Ltd. and author of "Thanks! ... A Guide to Donor-Centred Fundraising". For more information on her national research study on donor communication or to order the book, visit the company's web site at www.burkandassociates.com.

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