A Nonprofit’s Guide to Recurring Giving

Maximize Your Online Fundraising Results with Continuous Donations
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What’s a recurring gift?

It’s a donation that you automatically receive each month—no need to process checks or ask one-time donors for more funds, a donation goes directly into your account.

Sounds pretty great, right? Recurring giving makes donations convenient for your supporters, so don’t miss out!

A monthly giving program can benefit your organization in other ways:

• Recurring donors give more over time.
• They are more loyal and easier to retain.
• They are more engaged, often giving additional gifts and volunteering.
• Recurring donors can be steered toward higher giving levels.
• Enabling recurring giving online makes administering giving easier.

In this guide, you’ll learn:

• Why you should encourage recurring giving
• Why recurring giving leads to big rewards
• How you can convert one-time donors into monthly givers
Research and Statistics

Want to enable your donors to give more and stop consistently asking them for support? Create a great online donation experience that makes it easy to give a monthly donation.

Well-positioned recurring giving options allow you to increase the size and volume of your donations. Remember, even smaller recurring gifts can add up over time.

The average monthly recurring gift is $52. Over 1 year, that’s a $624 donation!

On average, donations are 43% larger on a branded online giving page that includes suggested donation amounts.

Donors are 31% more likely to initiate a recurring gift on a branded page versus unbranded page.
Why You Should Embrace Recurring Giving

Recurring gifts help donors fit giving into their budgets and allow you to collect more over time. If donors feel like they can’t give enough to make a difference, they may not give at all.

Here are two examples of how recurring giving can help you:

1. **Pledges from last year don’t always turn into monthly gifts this year.**

   **The Problem:** Mr. Smith’s family pledged $200 a month during our organization’s annual stewardship campaign but it’s March and they haven’t sent any checks. That expected $600 was built into our budget to cover expenses for a youth retreat, and now we won’t be able to send four participants.

   **The Solution:** Online recurring giving is easy for nonprofits and supporters to set up. Supporters can set up a monthly donation that’s automatically taken out of their account and sent to the nonprofit of their choice. Donors can also log in at any time to change their donation amount and can always add an extra gift.

2. **Tax receipting takes up way too much time.**

   **The Problem:** Jane and John Doe donate to us at the local animal shelter each month. Unfortunately, they also request a receipt and our financial assistant doesn’t have the capacity to do this. She only does this type of reporting once a year, right before tax season. How can I politely tell Jane and John that we won’t be able to give them monthly tax receipts?

   **The Solution:** Nonprofits who encourage recurring giving can benefit in so many ways—even when it comes to administrative costs. A comprehensive online donation tool (like Network for Good’s DonateNow) automatically sends tax receipts so donors who’d like to update their tax records every month can do so with ease. Plus, nonprofits don’t have to take on time-consuming tasks like resolving expired credit card issues. Reporting and exporting donation details is easy!
Retain More Donors with Recurring Giving

With 70% of donors never returning to make a second gift, it’s more important than ever to capture the loyalty of one-time donors and keep them engaged. Here are the four keys to building and retaining a large sustaining network of recurring donors:

1. **Start donors as recurring donors.**

A small, monthly recurring gift is an easy entry point for donors. A gift of $10 or $15 a month is easier to budget for than a gift of $50, and with services like DonateNow, those donations can be automatically processed—no extra effort for you or your donors. Our data shows that recurring donors give 42% more over the course of 1 year than a one-time donor does. In addition, your recurring donors will likely do more than just make a recurring gift. For many nonprofits, recurring donors make additional one-time gifts throughout the year, attend events, and encourage their networks to support and donate. In short, these recurring donors are the most loyal and generous supporters over time.

2. **Thank donors within 48 hours.**

In addition to any automatic tax receipts you send after every donation, thank your donors for every gift within 24 to 48 hours. A thank-you letter, hand-written note, or phone call within that time frame is one of the easiest things you can do to keep a donor giving. However, for recurring donors especially, listen to the donor’s feedback. If a donor doesn’t want an acknowledgement every month, don’t send one. Listening and responding to a donor’s wishes makes him or her feel heard and appreciated—and more likely to give for longer! Make thank-yous a team effort and involve everyone in their organization. Remember, it’s your donors who allow you to continue your mission.
3. Have a plan to engage donors once they get in the door.

Katie Matney, Director of Development for The Women’s Fund of Central Ohio, says to plan for the relationship you want with your recurring donors: How are you going to pick up these donors and take them with you on this ride towards social change? Keep your donors involved with frequent email updates, but pepper in personal touches. Take your recurring donors to coffee, write them a quick email, hold special events for them, and ask them for their feedback. Giving is highly personal, so make sure you understand what inspires your donors to give.

4. Make it manageable.

The above advice may sound like it requires a lot of effort. Follow these tips to make it manageable:

- Have a plan.
  Recurring donors are your most loyal supporters and they should be treated like it! Map out how your organization interacts with recurring versus one-time donors. Those with recurring gifts should receive more frequent communications. It’s easier to save time if you’re following a thought-out strategy and process, so set aside some time upfront for planning.

- Make sure your plans allow you to achieve success.
  Don’t promise you’ll send hand-written thank you notes to each donor if you don’t have the resources. Instead, strive toward a signed letter from your executive director within 24 hours.

- Make small but regular progress.
  By making a habit of doing something small every day to improve either the number or loyalty of your recurring donors, you’ll create a habit that allows you to be more effective and successful over time.
How to Encourage Recurring Giving

Thinking about monthly giving is one of the smartest things you can do as a fundraiser. At Network for Good, we find that 30% to 40% of the online donation volume coming from a nonprofit’s website is monthly giving. Wouldn’t it be wonderful for nonprofits to thank people every month instead of asking them for donations every few weeks?

To get started, here’s how to turn your annual givers into monthly supporters:

1. Frame your ask

When you ask donors for money, how are you phrasing the question? Instead of asking supporters to give just at year-end:

- Ask for a monthly pledge instead of just a one-time gift. When you ask for a one-time gift, that’s what you’ll get! Refocus your ask to encourage donors to set up recurring donations.

- Don’t be afraid to ask for a monthly gift after someone completes a one-time transaction.

- Celebrate why recurring giving is a win-win! For donors, it’s convenient and it’s not one big hit to their pocketbooks at the end of the year. Recurring giving also gives your nonprofit a steady stream of support that can lead to better budgeting and more help for other year-round programs.

Bonus: Since it’s easier to spread gifts out over time, some donors may even give more! On average, recurring donors who give through DonateNow pages give 42% more per year than one-time donors.
2. Make the case

Describe the good that you do in a way that relates to a monthly gift and show a tangible tie to the idea of giving every month.

- Matthew 25: Ministries uses “Levels of Hope” to encourage monthly giving by showing that even gifts as small as $12 a month can make a big impact in their humanitarian aid programs.

- Show how much more recurring gifts can do. Give a concrete example that compares what a one-time donation can provide versus 12 donations throughout the year.

3. Make it easy

The good news is that online giving makes it easy for donors to make a monthly gift, and collecting monthly gifts online cuts down on your administrative efforts.

- When your donor chooses recurring giving, your donation page should allow them to automatically give throughout the year without returning to your page.

- Launch a campaign just for recurring giving and center all of your messages on why recurring giving is great for you and your donor. Set up a second online donation page with only recurring options just for this campaign! Donors will be thrilled to see different giving levels over different time frames and think more seriously about becoming a regular contributor.
4. Provide rewards

Consider giving your recurring donors a special status, a special name, or a unique recognition on your website. You can reserve special perks for these loyal supporters, such as a sneak peek of your newsletter, first dibs on event tickets, or invitations to an open house. Here are some ways other nonprofits have recognized their most loyal donors:

• Feature their stories in your newsletter or on your website. Each month, Sacramento Food Bank & Family Services features a different volunteer. Highlighting the people you support along with the people who support you keeps your mission front and center for everyone.

• Host a special event. Giving donors a behind-the-scenes experience or hosting programs for them is an exclusive experience that shows your gratitude. The Barter Theatre in Abingdon, Virginia, hosts donors for a quarterly luncheon and discussion series, as well as special tours.

Bonus: A compelling recurring giving campaign gives your nonprofit a new offer to promote and can become a signature program for your organization.
Getting Started with Online Giving

Whether you’re not currently raising money online or you’re not seeing the results you want, having the right online giving program in place will help you encourage more recurring gifts, as well as help you raise money for targeted campaigns, especially at year end.

1. **Use a reliable, flexible solution for online donation processing.**

   Your service should provide a seamless experience for your donors. It should also be full of your branding and language. You should be able to customize your donation form to get the information you need for targeted follow-up. When using the service, your donors should feel like donors instead of shoppers, with access to basic fundraising options like dedications, designations, recurring gifts, and e-newsletter sign-up. (Need a reliable and customizable online donation service that’s easy to use? Find out more about DonateNow.)

2. **Don’t be ashamed to get active.**

   All too often, small- to medium-sized nonprofits sign up for online fundraising services and stall when it comes to configuring their service and making the donate button live on their site. It’s time to make the leap! When your site lacks a prominent donate button, your organization is telling people, “We don’t need donations.”

3. **Leave the door open to donations everywhere.**

   Always, always, always remind the people with whom you interact that they can give. Will every donate link yield huge results? Probably not. But just like with traditional commercial advertising, the more impressions you leave, the more likely someone is to give.

4. **Track your donations.**

   You want to continually learn what is working and what isn’t when it comes to your online appeals. Take advantage of unique tracking URLs to determine which donations came from which source. Set up Google Analytics on your website so you can monitor which pages are getting the most hits and which sources are sending the greatest number of visitors to your donation page.
5. **Make giving about the donor, not about your organization.**

Whenever you request a gift, remind the prospective donor about the good she will be doing. Once she makes the leap from “prospective donor” to “donor,” make sure your thank you messaging reflects the same gratitude and appreciation for the difference she made in the world. All too often we fall into the pit of the great work our programs did. Sharing the spotlight—or shining it entirely on your donors—isn’t just good for business; it’s good for repeat business.

6. **Be transparent.**

As you reinforce to your donors the impact they made, be specific: How will the funds be used? Who will be helped? What tangible difference is being made? If your nonprofit has been rated by organizations like the Better Business Bureau or Charity Navigator, freely and proudly share that information. When possible, include testimonials, quotes, and stories from those who have made donations and those who have benefitted from them.
Encourage Recurring Giving

Now that you know how valuable monthly giving can be for your organization, it’s time to get going! Set up your recurring giving program with these key steps.

- Set up your donation platform so that your supporters feel like donors, not shoppers.
- Make the giving process obvious, easy, and transparent.
- Make sure your donate button is prominently displayed on your website and included in all of your online outreach.
- Enable recurring giving options on your online donation page.
- Illustrate the impact of a sustaining gift by adding impact labels to monthly giving levels or create a special membership program that ties back to what a gift can do.
- Make you sure your appeals ask donors to consider giving a monthly contribution.
- Create a special thank you and stewardship program for your monthly donors.
- Consider launching a dedicated recurring giving campaign to target portions of your donor base that may be more likely to give on a monthly basis.
- Remember to track which methods garnered the best results and then repeat them. Set up Google Analytics for a free way to measure your traffic.
- Continue to report on the impact of your recurring donors by regularly sharing results, stories, and updates.

Additional resources:
- How to Make the Case for Giving
- Turn First-Time Donors Into Repeat Donors
- Getting Donors to Give Again and Again: The Secret Recipe
About Network for Good

Network for Good powers more digital giving than any other platform. Since 2001, we’ve processed over $1 billion for more than 100,000 nonprofits. We are Level 1 Audited PCI Compliant and our Donor Advised Fund is accredited by the Better Business Bureau Wise Giving Alliance, meeting all 20 of its standards for charity accountability. Plus, we’re registered in every state for online fundraising.

We’re a mission-minded organization, just like you, so we understand the challenges you face. We’re here to help.

Our suite of affordable fundraising solutions helps nonprofits raise money and engage supporters online—plus we provide the training that will make you a fundraising superstar.

1. **Online fundraising:** Get an easy-to-use, branded, and secure online donation page with DonateNow. With built-in best practices and mobile-friendly giving options, you’ll raise more than ever before.

2. **Professional communications:** Email campaign and newsletter tools by Constant Contact for sending and tracking emails and telling you which messages work best.

3. **Fundraising Fundamentals premium training:** Exclusive access to Network for Good’s expert advice with personalized reviews, step-by-step tutorials, fundraising templates, and more.

4. **Online event management:** EventsNow powered by givezooks! for accepting donations, registrations, and ticket purchases online.

**Free Fundraising Tips**

Get weekly fundraising advice delivered right to your inbox.

**Create the Ultimate Donation Page**

Our free course shows you how to raise more money with your donation page.

**Let Us Help**

Find out how you can attract more donors and raise more money online.

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