



DONOR EXPERIENCE REPORT

National Education Foundation

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Introduction

If there's anything we're not ambivalent about, it's a great customer experience.

Making a donation is no different. An easy, seamless donation experience followed by prompt and meaningful acknowledgment and thoughtful stewardship makes us feel like our gift made a difference and determines whether we'll ever give again.

The Association of Fundraising Professionals (AFP) has found that only 19% of first-time donors will give again.

According to the most recent stats from their [Fundraising Effectiveness Project](#), which spans over 8,000 nonprofits, year-to-date donor retention was 30%. This statistic only runs through Q3 2023, so it doesn't include end-of-year fundraising stats, which would likely increase it.

But what about Education Foundations?

How did your fundraising results compare to other Education Foundations across the country?

This Donor Experience Report seeks to address that very issue amongst Educational Foundations.

It starts with the donor's online gift and follows the next 30 days of their journey.

Crafting more seamless and meaningful donor experiences can help you retain more donors. [Studies show](#) that if you can get a donor to make three or more gifts, your odds of retaining them skyrocket as high as 60%.



What we researched and why

This detailed analysis covers two primary areas: the online donation process and the 30-day donor journey following the gift.

This research aims to help you determine how you stack up to your peers in your space and understand how factors like your donation process, gift acknowledgment, and follow-up communications influence donor behavior and repeat gifts.

We reviewed the following areas:

- Was the donor given the opportunity to cover transaction fees?
- Were the transaction fees included without a choice?
- Did the donor have options to pay with various payment types (Google/Apple/Venmo)?
- Was there an option to pay towards a designated fund?
- Was there an option to give as a tribute or memorial?
- Was there an option to join a newsletter or other email communication?
- Did the donor receive a receipt for their donation via email?
- Did the donor receive a personalized or customized donation receipt?
- Did the donor receive a thank you letter in the first 5, 15, and 30 days after their donation?
- Did the donor receive a thank you call after their donation?
- Did the donor receive a personalized thank you email?
- Did the donor receive a newsletter in the first 30 days?
- Did the donor receive an ask to become a recurring donor?



What did the data show?

In this study, we donated \$25 to 50 Educational Foundations across the US. This study examined the giving process and donor interactions across this segment to gain insights to improve the donor experience.

Online Giving Experience

94% of Education Foundations did ***NOT*** offer multiple payment options for donors.

52% of Education Foundations do ***NOT*** give donors the option to pay the transaction fees associated with their gift.

20% of Education Foundations set the default option to cover transaction fees.

Even though credit cards are good for several years after they are issued, according to Harvey McKinnon in his book, [How to Create Lifelong Donors Through Monthly Giving](#), “3% of credit cards expire every month, and they are canceled when lost, stolen or hacked into.” In addition to accepting credit cards, this educational foundation should offer donors multiple giving options, including PayPal, Venmo, Apple Pay and Google Pay, as well as EFT (bank transfer).

✗ Don't do this: Limit donors to giving only by credit card.

Payment Information

Amount*	\$ 0.00
Card Type*	Visa
Name on Card*	
Card Number*	
CVV2*	<input type="checkbox"/> CVV2 information
Expiration Month*	01
Expiration Year*	2018

What's lacking? Why should I be concerned?

Not offering multiple payment methods (like PayPal, Venmo, Apple and Google Pay, credit card, and bank transfer) is a missed opportunity. By limiting payment options, 94% of educational foundations are leaving money on the table and making it harder for donors to give.

All education foundations should offer donors the option to pay the transaction fee if they wish to. Not doing so is a missed opportunity since over half of donors opt to cover the fee, and in some cases, it goes as high as [65–92%](#).

To avoid any controversy, make sure it's optional and include a rationale for how donors' covering the fee helps you save on admin costs and increases the impact of their gift. For example: "Make my gift go further by adding 3% to cover processing fees," or "By opting to cover this small transaction fee, you'll be helping make an even bigger impact."



Gift Designations

90% of Educational Foundations did ***NOT*** offer donors the option to make a memorial or tribute donation.

72% of Educational Foundations did ***NOT*** give donors the option to contribute to a specific fund.

✗ Don't do this: Force a donor to contact you with the contact information of the person they gave to in memory or tribute.

Donate Online

Thank You for Your Contribution!

Your transaction has been processed. We are grateful for your contribution and honored to join our community in supporting our children, backing our teachers, and funding our schools. If this gift is in honor or memory of someone, send your tribute notification details to ahfoundation@ahisd.net or call our office at (210) 832-5957. Go Mules! #WeBackTeachers

✓ Do this instead: If you accept memorial or tribute gifts, use a platform that collects and notifies the honoree or honoree's family of the donor's generous gift.

The screenshot shows a web form titled "Dedicate Donation" with "CANCEL" and "SAVE" buttons. It includes radio buttons for "In honor of ..." (selected) and "In memory of ...". There are input fields for "Honoree's first name", "Honoree's last name", "Recipient's email", "Recipient's first name", and "Recipient's last name". A large text area is labeled "Your message to the recipient". A footer note reads: "Please spell check, include how you would like your name(s) signed, mention the amount if desired, and format your message as you would like it delivered."

Which gift designations are most important?

At first glance, it might seem alarming that so many educational foundations don't offer donors the option to designate a gift to a specific fund or make a gift in memory or tribute.

It's human nature to believe that the more options we offer people, the better. Practically speaking, having too many choices can overwhelm us and make us less likely to complete our gift. As long as your educational foundation makes a clear and compelling case for support on your donation form, you needn't complicate things with fund designation.

Offering memorial and tribute gifts is a nice-to-have that many donors use. Your donors might use them to honor a teacher, student, graduate, graduating class, or someone they lost. If your education foundation never receives money in this way, and you never market these kinds of giving opportunities, you may choose to exclude them from your donation form.

Invite donors to receive more communications from you

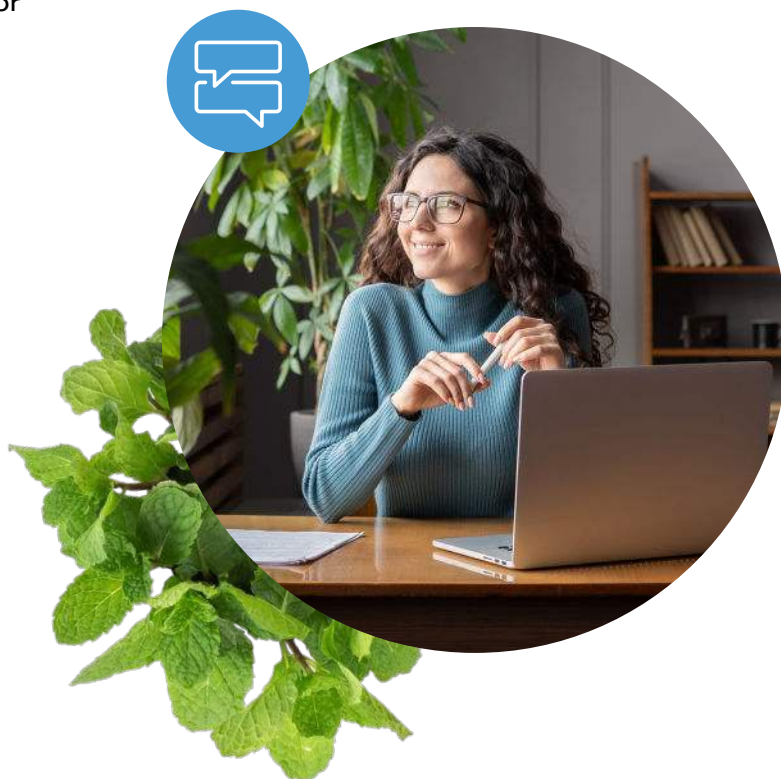
90% of Educational Foundations did ***NOT*** give donors the option to receive further communications at checkout.

Surprisingly, many educational foundations in this study didn't invite donors to share their email addresses. It's possible the educational foundations in this study already knew their donors and were communicating with them. Or they may already have email addresses for any donors who are parents since public school education foundations receive parent contact information for the students in their district.

Why (and how) should I invite donors to sign up to hear from me?

Give everyone—donors included—frequent and compelling reasons to give you their email addresses. Consider how you might entice them with an item of value, content they want, or taking an action like a pledge.

If you use an opt-in box for future communications on your donation form, make sure it appears after the donor has made their gift and that it offers value to the donor. Signing up to "receive a monthly newsletter" is not as enticing as "click here to stay updated on all the ways your gift is making a difference." If the donor doesn't elect to sign up after making their gift, make sure you take the opportunity to entice them to sign up in your thank you email.



Thank your donors

96% of Educational Foundations sent a thank you email receipt after receiving the gift.

52% of Educational Foundations personalized their email thank you receipt.

20% of Educational Foundations followed up with a thank you letter.



An immediate email gift acknowledgment is essential; it lets the donor know you received their gift. However, it doesn't tell the donor how their gift made a difference. [Research](#) on donor behavior tells us that the communications content that most influences repeat donor giving is sharing the results achieved by their gift.

It's not enough to simply thank a donor—we must report back to them to tell them how their gift made a meaningful impact.

But, of the 50 educational foundations in this survey, only 10 followed up to mail an actual thank you letter.

When you consider that just [23% of new donors will make a second gift](#)—and for donors giving less than \$100, that [rate drops to 18%](#)—you can see how following up with donors to tell them how their gift made a difference makes a significant impact on your revenue.

Not only does it cost [10 times more to acquire a new donor than it does to retain an existing one](#)—but when donors give loyally over time, their gifts increase, and they're more likely to name you in their will or estate plans.

If you dig deeper into donor retention at these organizations, you'll likely see low donor retention. When you consider how much it costs to convert a prospect into a donor, you have a solid financial case to invest in a meaningful donor appreciation strategy.

Recommended donor appreciation timeline



Since donors making a second gift to an organization are 60% likely to give another gift, you can create a new donor honeymoon program covering the first 90 days that shows your appreciation and how their gift made a difference with personal touches before you make another ask.

Below is a [timeline](#) to help, loaded with personal touches to show you care and opportunities to learn more about your new donor, from a quick donor survey to an invite for a tour. Keep in mind—the invitation is the cultivation. Even if your new donor doesn't come for a tour—and even if they don't answer your call, and you have to leave a thank you voicemail message—it still makes an impact.

New donor cultivation timeline (first 90 days)

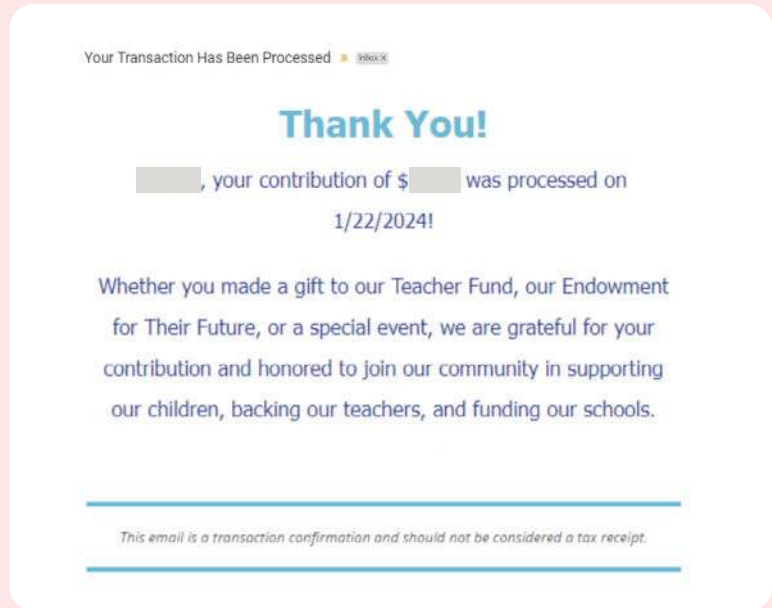


Picking up the phone to thank a new donor within 48 hours of their gift increased the odds of repeat giving [by 400%](#).

Who doesn't want donors who are four times as likely to give to you again?

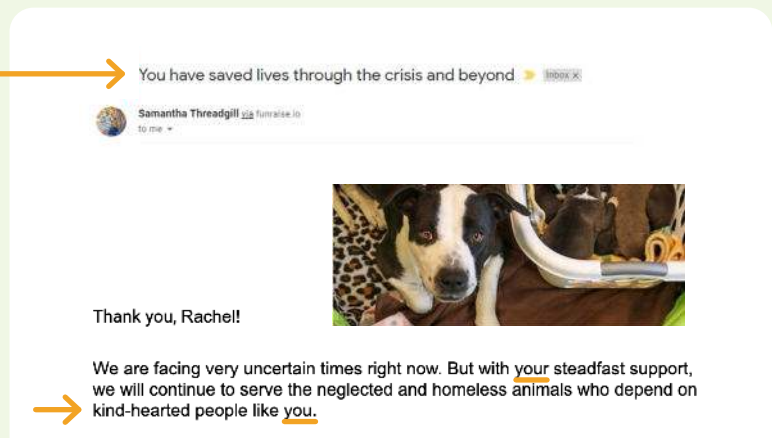


Don't do this: Send bland lifeless email thank you from an autoresponder that isn't from a human.



Do this instead:

Write a warm, personalized email autoresponder from an actual human with a positive and compelling email subject line that gives the donor credit for making something extraordinary happen. Bonus points for adding a photo of a student you serve!



You can see these elements at work in this monthly giving receipt email I received as a monthly donor to an animal care organization. I've underlined all the times they used 'you' in their copy and drew arrows each time they complimented me. Run your thank you copy through the free Bloomerang communications audit tool to get these results yourself!

The homeless animals in our community, like Maggie and her babies (pictured), needed you to provide essential care and you opened your heart. Our team is dedicated to doing all we can to help as many as we can with all the resources we have, but we cannot do our work without YOU. The majority of our financial support comes from YOU, our friends in the local community, and your support is appreciated more than ever during this time of uncertainty.

Rachel, THANK YOU SO MUCH – on behalf of Maggie and all the abandoned, unloved animals we serve – for staying the course with us. I am so incredibly grateful and humbled by your big-heart and wish all the best for you and your loved ones now and always.

Sincerely,

Sam & the Rescues!

Development Director



Samantha "Sam" Threadgill,
Development Director

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Summary



Sadly, this study revealed that most Educational Foundations don't have a strong culture of philanthropy where donors receive a meaningful welcome, thank you, and follow-up impact report that shows how much they made a difference.

The good news for any educational foundation reading this report is that you can quickly implement a new donor cultivation timeline to change all that!

As Roger Craver said,

“It is the actions of the nonprofit that cause the good (or poor) donor attitude around higher giving, retention, and donor lifetime value.”

ROGER CRAVER

Author of [Retention Fundraising: the Art and Science of Keeping Your Donors for Life](#)



About the authors



Rachel Muir, CFRE

Rachel has worked every side of the Rubik’s cube that is the nonprofit sector. When she was 26 Rachel Muir launched Girlstart, a non-profit empowering girls in math, science, engineering and technology in the living room of her apartment with \$500 and a credit card. Several years later she had raised over 10 million and was featured on Oprah, CNN, and the Today show. Today Rachel delivers workshops and offers a monthly membership, [League of Extraordinary Fundraisers](#), transforming people into confident, successful fundraisers. Learn more about Rachel at www.rachelmuir.com.



James Goalder

With almost 20 years of experience working in nonprofit technology and sales and relationship management, James brings the perfect blend of experience for his role as Partnerships Manager at Bloomerang. In addition to his work experience, James volunteers with Project Grows, a community farm in Virginia, serving on the Board and on Volunteer Nights with the organization.

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