

## **Keeping your donors for life: How to make the most of donor renewal mailings**

**Redina Kolaneci**  
**Senior Consultant**  
**McConkey • Johnston international UK**

Recently, I conducted a basic *Fundraising Fitness Test* for a charity client – one of the issues highlighted by that test was that the charity was losing 60% of its donors annually! This meant that all the hard work and financial resources they invested in finding new donors were not paying long term dividends. That's because the charity wasn't doing anything to encourage donors who had stopped giving for a year or more to renew their support.

What this charity needed and, what you might consider also if your charity is losing donors at similar rates was a donor renewal series. This is a series of targeted fundraising appeals to donors who have not given for 12 months or more, in addition to the usual appeal mailings, etc.

In many charities today, donor renewal mailings are either non-existent (the charity has not done them) or, they are a victim of neglect, because new donor acquisition or, major donor fundraising activities have taken higher priority.

### **What are donor renewal mailings?**

Donor renewal mailings are not your 'cull' letters to in-active donors asking them whether they want to continue to receive your charity's mailings.

Renewal mailings are simply designed and straightforward fundraising appeals. They remind past donors that they made a gift (say) a year ago, give them reasons why they should give again and invite them to renew their support.

Our analysis of direct mail activities often shows that renewal mailings have high response rates and are cost-effective fundraising tools for generating income. So, as you plan your fundraising activities for 2011 you might want to include some donor

renewal mailings to keep past donors giving to your cause.

### **What makes donor renewal mailings work?**

First of all, *it is the fact that you let your donors, or members (if your charity is running a membership scheme) know that it has been a year (or almost a year) since you have received a gift from them.*

Often donor research shows that the majority of past donors are not aware of the fact that they have not sent a gift to the charity recently. They have seen the charity's appeals and have probably thought about making a donation, and they somehow assume that they have done so.

An effective renewal mailing makes it very clear to the donor that it is time for them to make that annual gift or to pay the membership dues.

Secondly, *renewal mailings work because you send follow up letters to those who did not respond.* Another useful insight we have got from donor research is that the main reason why donors don't send a gift is because they haven't got around to doing so.

Busyness, lack of time, holidays, big happenings in their lives - all these things can hinder people from giving. That is why most donors need multiple reminders. It is good to remember at this point that, your renewal mailings are going to people who have already given to your charity's work. They already like what you do and want to support you. Thus, each renewal mailing is a gentle reminder that enables donors to act on their best intentions.

Thirdly, *renewal mailings work best when they highlight additional reasons for sending a gift – especially, when they make a strong case for making a gift right now!*

Simply saying *'you gave last year – can you give again?'* - is not enough to prompt a response. Therefore, it is important to make a case for a new gift by reminding the donors what their last gift made possible, by including a story or a quote from a beneficiary, by inviting the donor to repeat the gift and by showing how will that money be used.

### **How many of those renewal mailings should you send?**

In my opinion, a charity that is already doing some renewal activities should not send fewer than four renewal letters – a stronger first renewal letter followed by three gentle reminders. You should make sure you leave a gap of four to six weeks between the letters.

However, if you are just starting to do renewal mailings you might want to do a shorter renewal series with just two or three letters.

Generally, the best way to determine the actual number of renewal reminders is to compare the response rate of renewal mailings and new donor acquisition rates. *If you are doing better at renewing donors than getting new ones then keep doing more donor renewal activities.*

An interesting thing to note, as you mail the second and the third reminder, is that the response rates to the early renewal letters will go up. Why? Well, you have done this and I have done this also. Most of us don't like to admit that we need to be reminded three or four times to do something so we tend to 'dig out' that response form we received with the first renewal letter and use that to send our gift in.

Another thing you might want to do is send a series of e-mails as well as letters to remind donors to renew their support. This is likely to be more cost-effective for your charity but you have to make sure that donors can renew their support with just 'one click' rather than have to go through a long process.

### **What donor segments should receive renewal mailings?**

If your charity has not done renewal mailings lately your first renewal letters should go to a large pool of people – including, say, donors who have made only one gift, donors who have given £10 or less, and donors who have donated more than once in the past but have not given for 18-24 months.

As you analyse the returns of the first and second renewal letters you should consider mailing donors who have made multiple gifts and those who have contributed within the last 14 months. These are donors who have already shown loyalty to your cause, and you don't want to lose them.

To conclude, as you prepare your fundraising activities and initiatives for this year, plan now to add a few renewal mailings to your schedule. And when you see those gifts come in and those donor renewal rates go up, you will know it was worth it!

