E-BOOK

Nonprofit storytelling

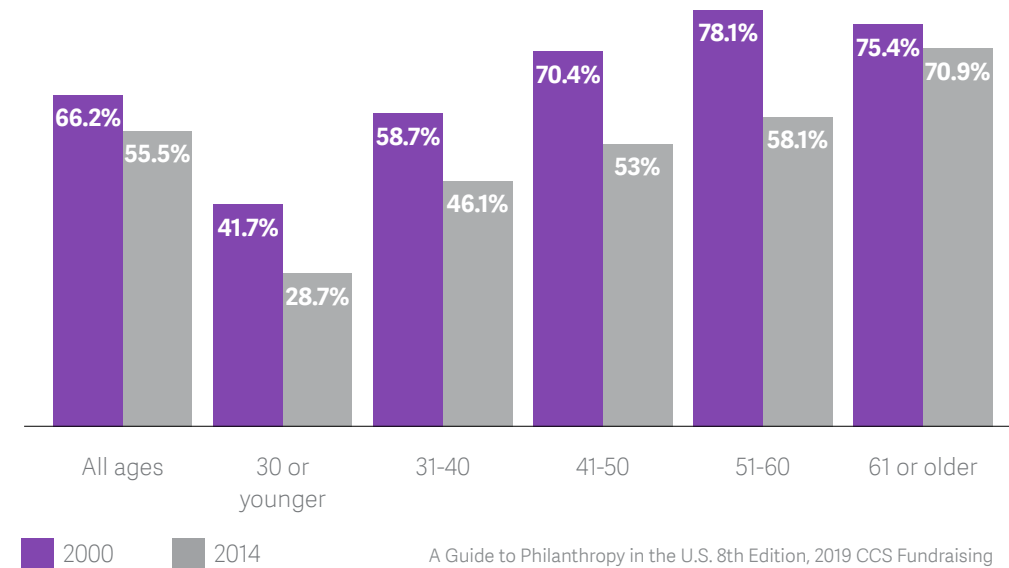*Using data and performance metrics wto motivate donors.*

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Contents

Introduction: Giving insights your organisation needs to know

Nurturing your donor base is important

With fewer individuals donating to charitable organisations, 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 organisation remains top of mind when those individuals or organisations budget for their charitable contributions.

Household percentage of giving has decreased in each age group

Age group	2000	2014
All ages	66.2%	55.5%
30 or younger	41.7%	28.7%
31-40	58.7%	46.1%
41-50	70.4%	53%
51-60	78.1%	58.1%
61 or older	75.4%	70.9%

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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 UK has been wealth concentration, and the rate of decline in the number of low sum 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]

Long-term trends in key giving behaviours

	2016	2017	2018	2019
Percentage who donated money in last four weeks	33%	32%	31%	32%
Average monthly donation amount	£18 median	£20 median	£20 median	£20 median
	£40 mean	£40 mean	£40 mean	£40 mean
Top cause areas	26% Medical research	26% Medical research	26% Animal welfare	27% Animal welfare
	25% Animal welfare	24% Animal welfare	26% Children and young people	26% Children and young people
	24% Children and young people	23% Children and young people	25% Medical research	25% Medical research
		23% Hospitals and hospices		
		23% Overseas aid/disaster relief		
Most popular way of giving in last four weeks	45% Cash	42% Cash	41% Cash	39% Cash

Most donors research organisations 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 organisations 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 organisation'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 organisations while the Silent Generation gives to the highest average number of charities.

		% that gave	Number of donors	Average giving per person	Average number of charities	Total giving*
	Silent Generation (1928-45)	78%	23.5m	£896	6.3	£21.06bn
Nearly 2 in 3 charitable dollars came from Baby Boomers & Generation X.	Baby Boomers (1946-64)	75%	55.3m	£770	4.2	£42.5bn
	Generation X (1965-80)	55%	35.8m	£668	3.8	£23.8bn
	Millennials (1981-96)	51%	34.1m	£429	3.5	£14.59bn
	Generation Z (1997-early 2010s)	44%	9.3m	£253	4.6	£2.32bn

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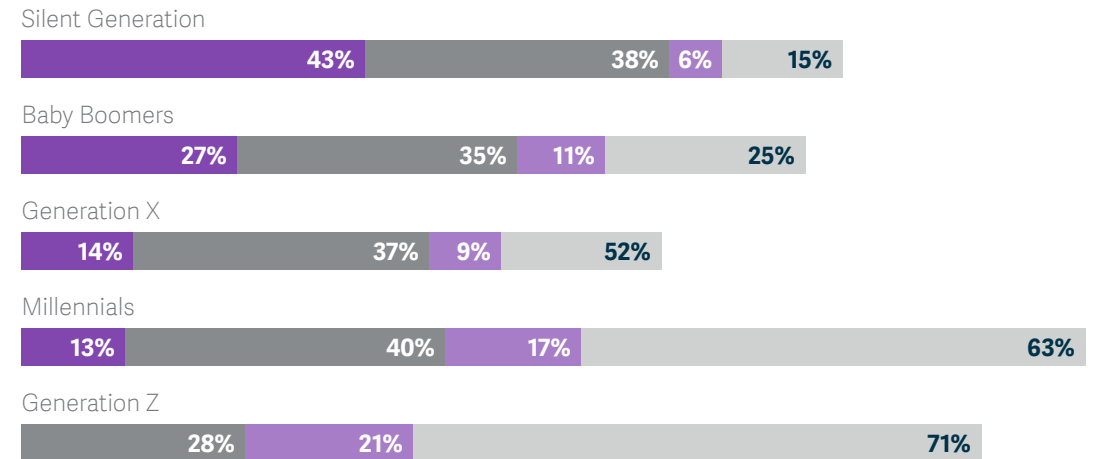
Map communications to generational differences

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.

Your website is your most important fundraising communication tool because websites are popular across every generation.

How they gave in 2017

Silent Generation
| 43% | 38% | 6% | 15% |

Baby Boomers
| 27% | 35% | 11% | 25% |

Generation X
| 14% | 37% | 9% | 52% |

Millennials
| 13% | 40% | 17% | 63% |

Generation Z
| 28% | 21% | 71% |

■ Direct Mail: Still favoured 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 money they donate. They also want to see a compelling case for each mission and proof that charities can affect positive outcomes.

Donors want nonprofit organisations 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]

Storytelling best practices: How to tell your story

Help donors connect emotionally with your mission.

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

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.

Home > Make a donation > Koala Crisis

BUSHFIRE EMERGENCY

Australia is recovering from a nationwide bushfire emergency. Can you help us save wildlife, and restore what has been lost?

World Wildlife Fund

Make them remember you

Your website and donor communications should reflect your brand.

Share your brand

Your brand helps donors remember your organisation 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 British Heart Foundation website immediately tells you what this organisation dedicates itself to every day. Who would not want to be a part of that brand?
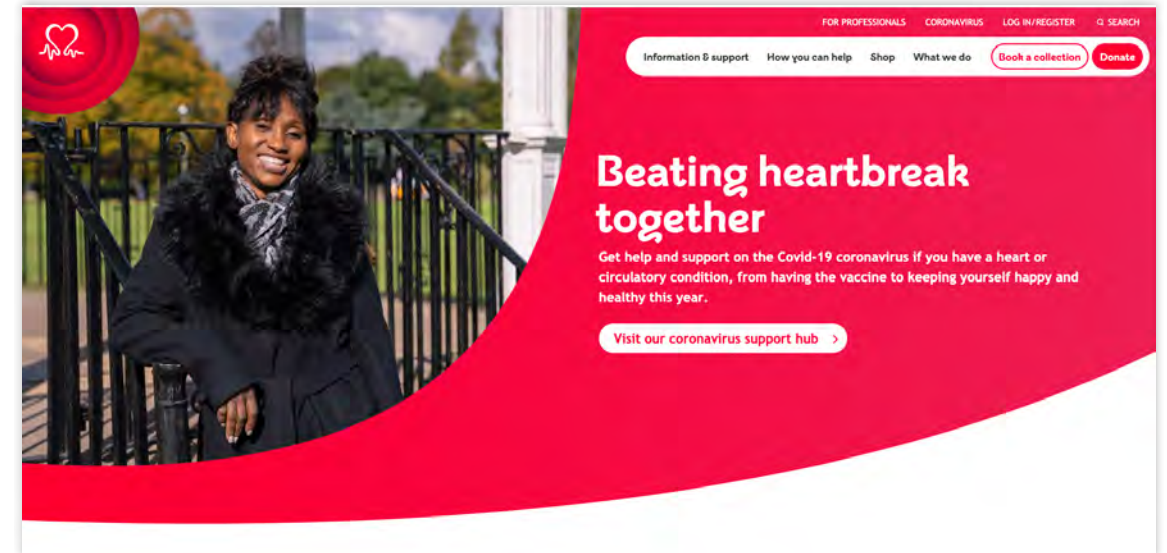
British Heart Foundation

Bring donors into your story

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

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.

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
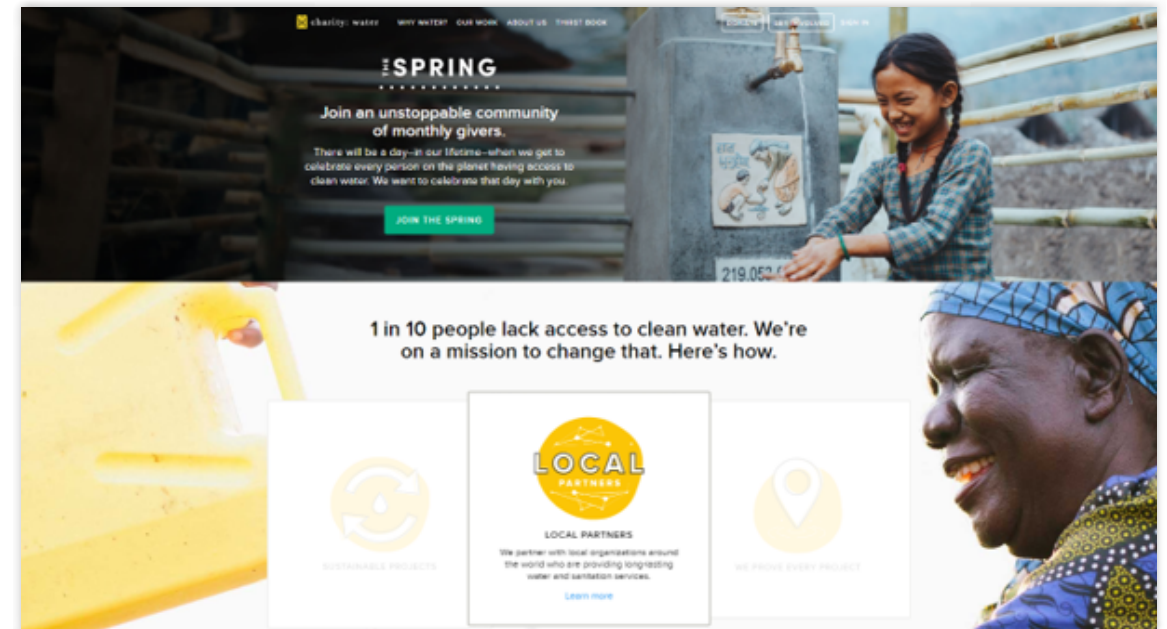
charitywater.org/uk

Reach out to expand your donor base

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

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.


redcross.org.uk
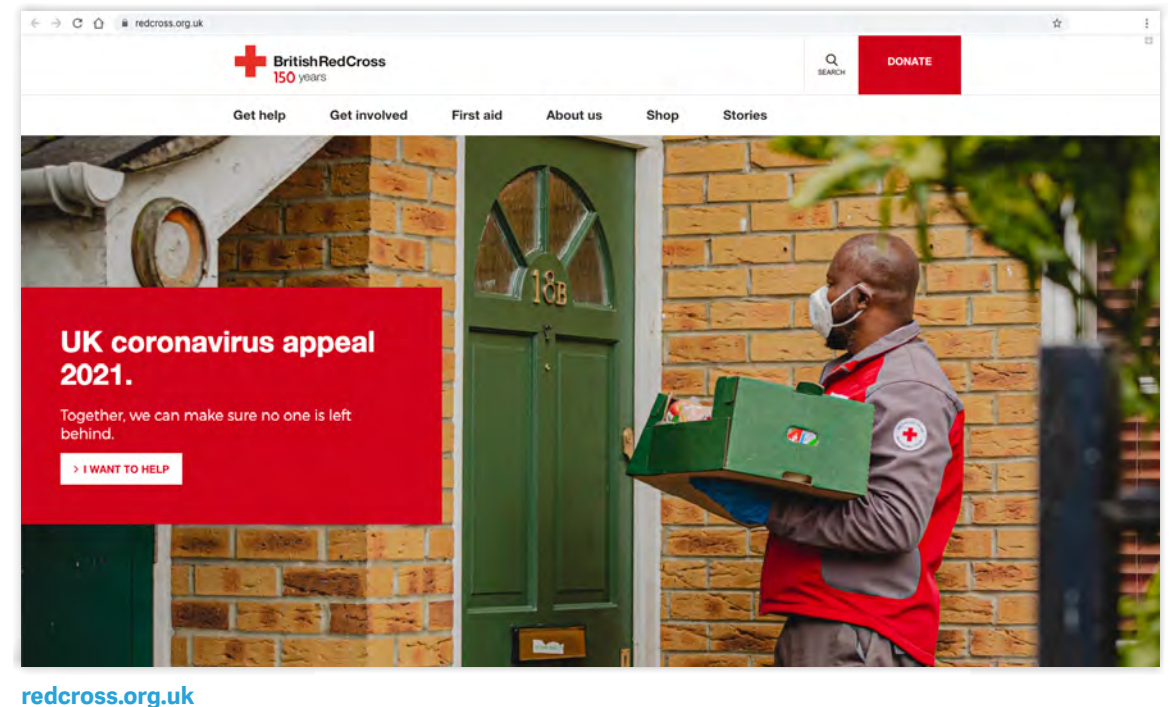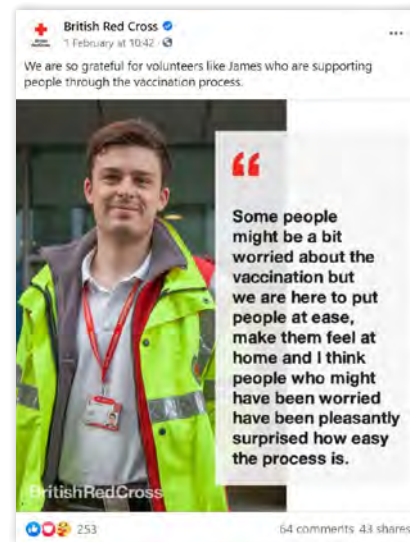
Strengthening your story: Using data to motivate donors

Transparency matters

charitywater: our work

Donors care deeply about your return on mission

The top question on most donor's minds: How much of my money will go to programmes? 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 programmes (private funding covers administrative expenses) and that over 11 million people have benefitted from clean, safe water in 28 countries.
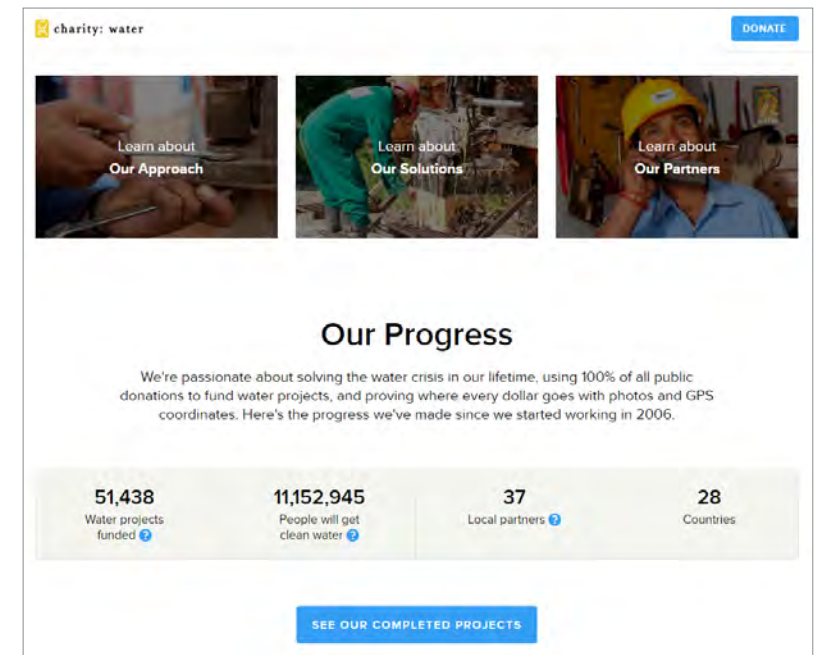
Data and metrics strengthen your story

Elevate your organisation'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 organisation'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.

Demonstrating impact:
Financial technology that helps

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 prioritise 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.

Seattle Indian Health Board
Increased finance team productivity by 50%

Accelerated growth to deliver critical health services to Native peoples

Case study

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 programmes.


Case study

Data and metrics strengthen your story

Sage Intacct helps nonprofit organisations track all the data and metrics that matter most, from financial performance to outcomes and impact.

Role-based dashboards give stakeholders across the organisation access to key performance indicators, outcome metrics, and scorecards that are relevant to their programmes and responsibilities.
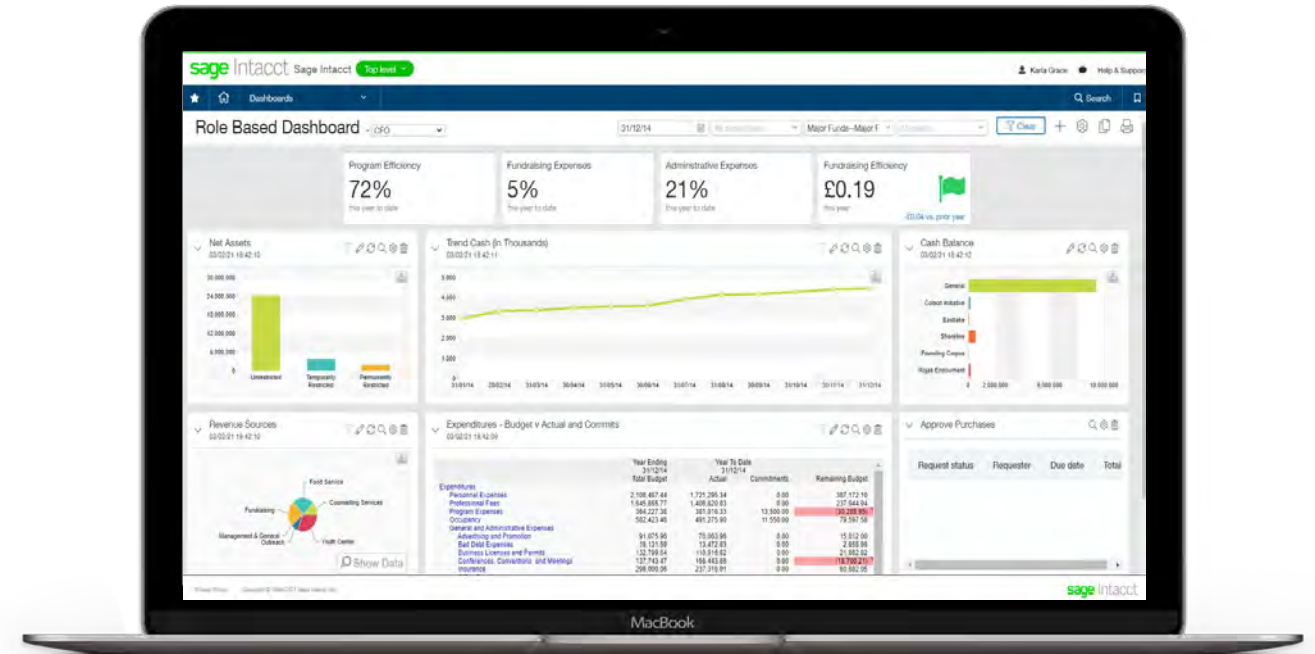
Metrics that matter—in real-time

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.
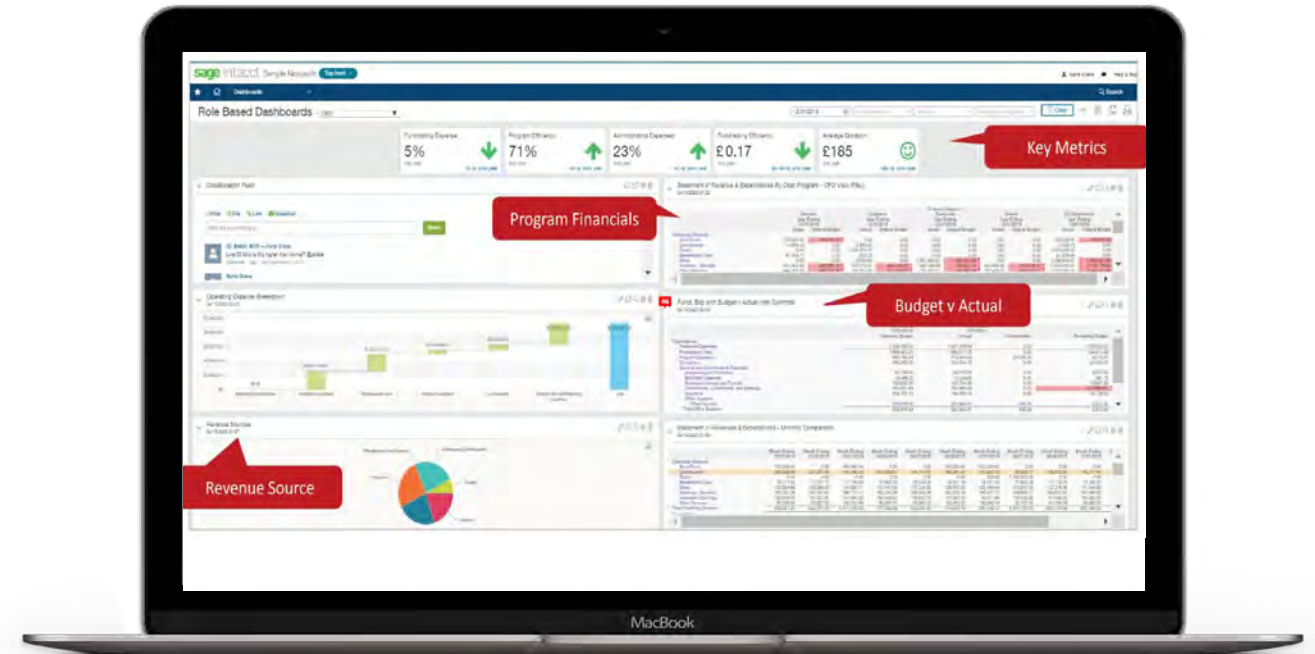
Data that transforms

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 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.
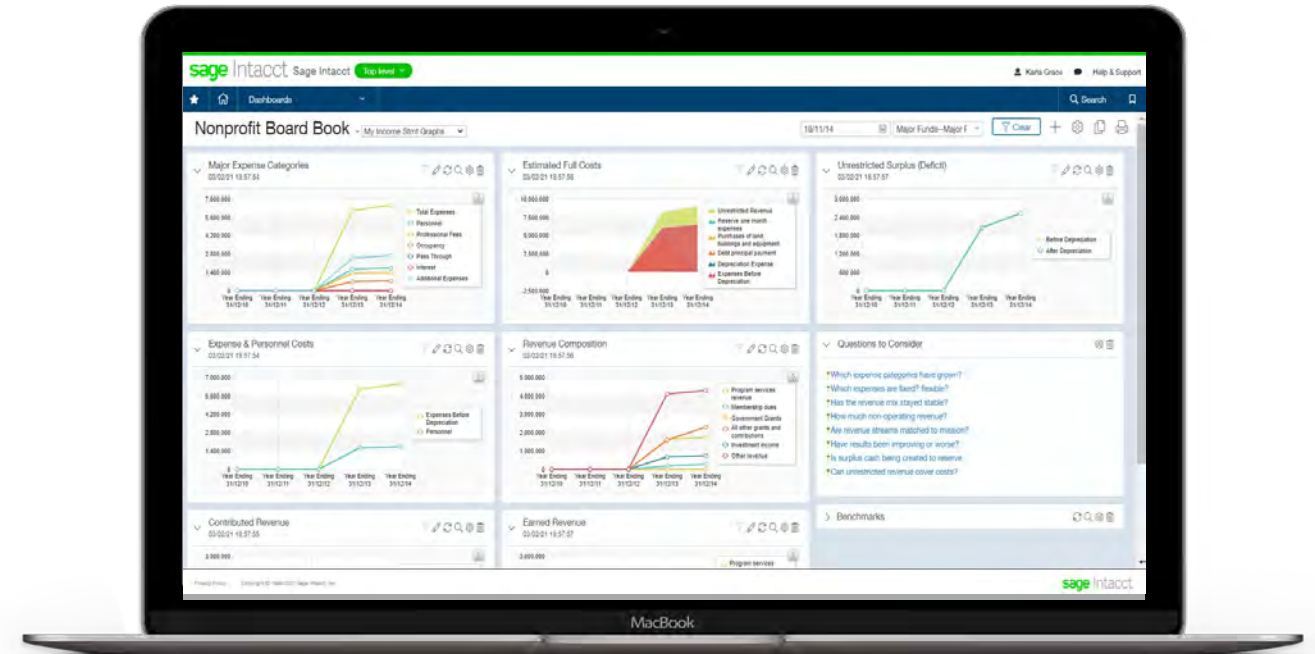
Conclusion: Spotlighting your success

Shine a light on your mission and impact

Only you can tell your story

Donors want to know more about the nonprofit organisations 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 money than other organisations 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
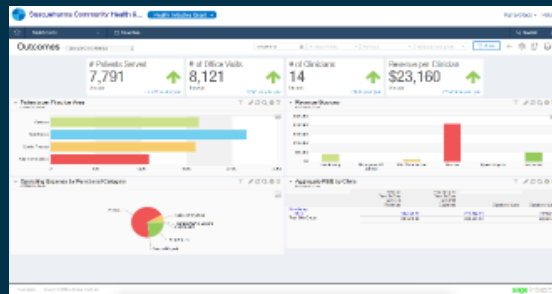
Sage Intacct for nonprofits overview video

Room to Read customer story video

Data driven nonprofit finance leader

Sage Intacct

The nonprofit financial management platform that lets you pursue your mission more efficiently

Specialising in helping nonprofits organisations 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.sage.com/uk/intacct/nonprofit

sage Intacct

[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.