Three Ways the Back End of Donation Processing Keeps Donor Relationships Afloat

When an iceberg floats in the water only a small portion is seen, the majority lying beneath the surface. Just like the foundation of an iceberg goes deeper than meets the eye, much of what’s necessary to build and maintain strong donor relationships is less visible and on the back end of donation processing. Nonprofits need to consider what lies beneath the surface – or in this case, on the back end – to cultivate donors into loyal, long-term supporters.

Of course there’s an important baseline all nonprofits need to establish on the back end, focused on accuracy, timeliness, efficiency and security of donation processing. These elements are the cornerstones of strong donor relationships. However, here are three considerations that go beyond these basics of donation processing to improve donor retention.

Use the first gift as a relationship-building opportunity and identify lifetime giving potential.

Successful fundraising relies on long-term donors, but all supporters start with a first gift. How you respond to that first gift sets the trajectory for your success in securing a second, which is critical to improving donor retention. Sending a timely and personalized acknowledgment with relevant information on how the gift will be used is paramount. Additionally, a brief phone call just to say thank you has proven to increase average gift and retention rates.

Another way to capitalize on the first acknowledgement is with a welcome kit. While the option is not for all nonprofits and should be tested, a welcome series can foster stewardship and actively show donors how their gifts make a difference. Whether through a welcome series or a one-time acknowledgement, the interactions following the first gift should be leveraged to present the option of a recurring gift program. Sustainer programs offer donors flexibility and convenience, while also creating a fairly predictable stream of funding to your nonprofit. The earlier the donor is introduced to these programs and their giving potential is realized, the sooner both parties begin to see the benefits.

Provide individualized care through exceptions handling. Exceptions handling identifies non-standard transactions and approaches these pieces in a customized way. How these are handled has a significant impact on
donor relationships. Exception handling can include managing rejected responses, attending to hand-written notes, addressing special requests or inquiries from donors and updating their information in the donor management system. While donors may not consider the attention to detail beneath the surface, what’s at the tip of the iceberg matters.

One of the most important considerations for a donor is whether or not they’re being heard by the nonprofits they support. Continually ignored mailing list removal requests are common issues. Back end exceptions processes account for and address these details, alerting nonprofit employees of comments they need to respond to in an organized way. An immediate response to a request or problem builds trust with donors, increasing potential lifetime value.

These transactions can be stored and easily accessible electronically, allowing nonprofits to find what they're looking for through an efficient image search and retrieval tool. This technology simplifies managing and promptly addressing requests, while also making information available in a cost-effective manner.

Keep donor data up to date.
If a donor moves most nonprofits don’t have a reliable method of tracking contact information changes or finding alternative opportunities to contact these individuals. This results in recurring – and expensive - undeliverable mail, a major cost for nonprofits, which continue to incur related expenses from the cost of campaign materials themselves to postage stamps.

With proper support on the back end, nonprofits can keep an accurate database of donor information, immediately noting rejected mail or other contact changes. As a result, your organization can ensure all fundraising efforts are received as intended and divert otherwise wasted funds to other programs.

Overall, solutions that start from the back end of donation processing can prevent issues from arising in the giving cycle, enhance donor relationships and turn new donors into dedicated long-term supporters of your mission. Through timely and meaningful acknowledgements, prompt handling of exceptions and well-maintained donor databases, lifetime donor potential is maximized so nonprofits can focus on their missions. What donors see supporting them is just the tip of the iceberg, but as a nonprofit, much more is needed to keep donors afloat.