



M E Y E R
P A R T N E R S

5 Keys

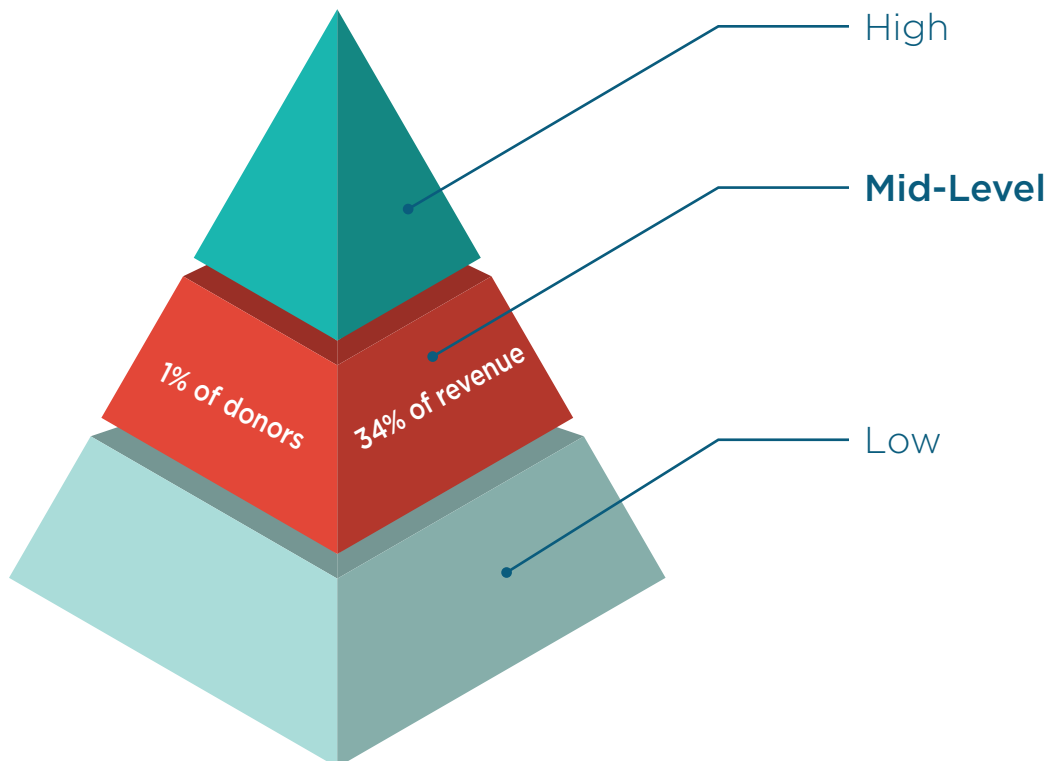
**to Successfully
Cultivate
and Upgrade
Mid-Level Donors**

5

Keys to Successfully Cultivate and Upgrade Mid-Level Donors

At a time when donor attrition is outpacing new donor acquisition, mid-level donors represent the biggest opportunity for growth. “The Wired Wealthy” study conducted by Sea Change Strategies, Convio and Edge Research shows that annual giving donors at the \$1,000 to \$10,000 levels represent only one percent of the donor population, but were giving more than a third of the dollars. This is a tremendously valuable group of donors that frequently doesn’t receive the attention it warrants. And this means we’re leaving a lot of potential value untapped.

Investing in a mid-level donor strategy is a long-term play, though, so it should be evaluated more like a major donor program than a direct-mail-based annual campaign. Strategically, it’s a hybrid of the two - a program that runs efficiently with direct response tools and best practices, while infusing more personalized content and high-touch contacts. As you consider how to best build the mid-level donor strategy for your organization, keeping these five key principles in focus will ensure your success.



1



Identify the right donors for upgrade

It's tempting to want to put as many donors as possible into a mid-level program, especially if you're looking to fill your major gift pipeline as quickly as possible. But it's important to stay focused on those donors who will yield a good return on this increased investment, and who actually have the potential to upgrade.

Criteria for mid-level donors will vary from one organization to the next, but tend to range anywhere between \$250-\$9,999.

Your major donor giving level is best defined by your organization's capacity for portfolio management. Fewer dedicated gift officers means you'll likely have a fairly high qualifying gift amount such as \$10,000. Mid-level donors will then be defined as the group just below that - in this case, up to \$9,999. The lower end of the range may be calculated by a simple rule of thumb of 5x the average gift. For example, if the average gift within your annual fund is \$50, your mid-level donors would be those with gifts of \$250 or more, excluding higher value donors in portfolios.



	Immediate Upgrades 702	Special Development 4,565	Worth the Work 3,181
	Lifetime Performance Metrics:  Revenue per Donor \$1,773	Lifetime Performance Metrics:  Revenue per Donor \$764	Lifetime Performance Metrics:  Revenue per Donor \$406
	 Gifts per donor 26	 Gifts per donor 22	 Gifts per donor 25
	 Years of Giving 16	 Years of Giving 15	 Years of Giving 14
Expense Budget	% of budget to allocate: 60%	% of budget to allocate: 26%	% of budget to allocate: 14%
HPC	\$125 - \$250	\$50 - \$125	< \$50
Channels	  	  	  

Predictive modeling helps prioritize your budget, time, and other resources on those donors who are most likely to upgrade their giving.

Once the mid-level range is defined, it's important to qualify and rank donors currently giving at this level, as well as those who are ready to upgrade to that level. Predictive modeling can identify those who have the greatest potential for increased giving to your organization.

TIP

Don't overlook your higher-value monthly donors who at first pass may not look like a mid-level donor, but over the course of the year — and with their expected multi-year giving — certainly warrant a more personalized cultivation strategy.

2

Maintain a solid base of cultivation

Mid-level donors are effectively cultivated by channels to which they originally responded, typically mail. So don't stop mail appeals altogether, but rather consider your desire to engage the donors more deeply. Creative content is key to that deeper engagement level, and it is more than just a first-class stamp or closed face envelope. Your correspondence should be warm and donor-affirming; asks should be infused with the language of respect for the donor. While it is a balancing act, meaningful and engaging mailings become more important than the frequency. You can actually raise more and mail less often.



Enhance the current lineup of appeals with affirming and engaging content, as well as more personal features such as a first-class stamp and live handwriting.

3

Enhance donor engagement with personal touches

Think outside the mailbox for ways to enhance engagement with these mid-level donors.

Email provides a great way to provide real-time, “insider” updates to this group. A more personal and/or formal design (think copy only or very light graphical touch) may also be more appropriate for this segment of donors. And a customized landing page with relevant information for these valuable supporters could prove to be a worthwhile investment.

While significant, the revenue mid-level donors contribute to the organization isn't large enough to warrant full-time gift officers - but a phone-based representative can really add a valuable relational touch. These reps can follow up on specific marketing initiatives, or simply say thank you. The calls are also a great opportunity for your organization to learn more about each donor to help further tailor the communication and cultivation strategy.



4

Give donors a reason to upgrade

Donors quickly establish giving habits so it's important to build into the fundraising strategy opportunities and reasons for them to give more. Mid-level donors tend to gravitate towards special projects. Integrated, multi-channel, multi-touch campaigns provide a deeper view into the organization with an opportunity to personally make a significant impact. Once or twice a year, present mid-level donors a tangible goal, with price points that offer compelling reasons to consider larger gifts. The strongest offers are urgent, solvable, and include a match or multiplier whenever possible. By targeting donors most likely to upgrade, you can be confident in asking for two or three times their previous largest gift.



DOING THE
MOST GOOD®

Triple Impact Campaign

The Salvation Army - Massachusetts Division

The Massachusetts Division of The Salvation Army is one of the largest nonprofit organizations in New England, serving approximately 500,000 individuals and families each year through the broadest array of social services.

The Challenge

Coming off of a soft Christmas fundraising season, the Division was facing an income shortfall that challenged its ability to continue providing critical services.

The Opportunity

With excellent timing, a business-minded donor offered to contribute \$3 for every \$1 given by other donors, up to a ceiling of \$200,000. And an analysis revealed about 5,000 mid-level and major donors who weren't upgrading significantly, and it appeared there was potential to generate more gift revenue, with minimal investment, by presenting a compelling way for these donors to make a bigger impact.



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DOING THE MOST GOOD®

Meyer Partners Solution

We proposed a holistic and ongoing stewardship and cultivation strategy for these high-value donors, to be kicked off by a multi-touch campaign with a powerful offer. The Triple Impact Campaign goal was to raise \$66,667 in order to secure the full \$200,000 from the matching gift donor and fund critical programs that year.

The Audience

The Triple Impact Campaign focused on roughly 5,000 donors who either had a Highest Previous Contribution of \$1,000+ or were scored by predictive modeling as likely to upgrade to that level.

The Offer

There is power in a matching gift offer. More importantly, we focused on the Triple Impact a donor would have. With their gift to the campaign, they would:

- 1. Fight hunger**
- 2. Provide help**
- 3. Restore hope**

The Results

During the course of the campaign, the Massachusetts Division received more than \$210,000 in gift revenue at a cost of only \$.08 to raise \$1.00. In addition, another donor was inspired by this campaign to contribute \$200,000, essentially matching the original Challenge Donor's \$200,000. When everything was counted, the campaign far exceeded expectations, more than made up for the revenue shortfall, and built momentum for continued mid-level donor engagement.

The Marketing & Creative Strategy

Over a five-week period, donors received a fully-integrated, multi-touch campaign that included the following:

- 1. Campaign Mailing:** A letter introduced the campaign and invited donors to participate. As part of the case for support, it shared the story of a single mom who needed help for herself and her baby daughter, and an Impact Report outlined the array of services provided by The Salvation Army. The reply form for donors who had not yet given \$1,000 as a single gift included a stretch ask and was anchored with a suggested gift amount 3x larger than their highest previous contribution.
- 2. Email:** 10 days after the initial appeal mailed, donors received a supporting email integrated with the print piece.
- 3. Follow-Up Mailing:** A reminder of the campaign mailed three weeks after the initial appeal.

5

Thank and repeat

It's critical to follow up a gift with a personal and prompt thank-you letter, handwritten note - even a personal email and phone call if you have that contact info. Mid-level donors want to make a significant impact and receiving a report on that impact can be an emotional and life-changing experience that dramatically deepens the relationship with your organization. This sort of information should be infused throughout the strategy and across all communication channels. Additional stewardship touches can include VIP event invitations, birthday cards, a token gift, etc.



Whether you're just getting started with mid-level donors or are looking to enhance your existing program, keep these five key principles at the center of your strategy and you're sure to see the impact:

1. Identify the right donors for upgrade
2. Maintain a solid base of cultivation
3. Enhance donor engagement with personal touches
4. Give donors a reason to upgrade
5. Thank and repeat.

Mid-level donors represent the single greatest opportunity for growth for your nonprofit. Investing in a thoughtful and engaging strategy will generate significant benefits for your organization, including:

- Increased donor engagement
- More revenue today
- Better stewardship of resources
- Improved fundraising efficiency
- Healthy pipeline for major gifts

As you intentionally steward, cultivate, and invite these valuable supporters into deeper and more meaningful relationship with your organization, mid-level donors can fuel growth to fund your nonprofit's mission for years to come.

We'd love the opportunity to help you achieve the fundraising success you desire. If you'd like to learn more about the ways Meyer Partners can help engage your mid-level donors, contact us at info@meyerpartners.com or (312) 635-7001.

www.MeyerPartners.com



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