



Donor Engagement in the New Normal

5 Key Strategies for
Fundraising Success



Donors Have Changed, and It's Time For Fundraising to Transform

How much have the global pandemic, shifts in technology, and a challenging economy transformed philanthropy over the past three years? Consider these key aspects of the new normal of fundraising:

- Gift officers now regularly Zoom with donors and secure big gifts virtually. Many of your events have also successfully transitioned to online events.
- Technology like P2P texting at scale, AI-driven personalization, and digital wallets have migrated from the commercial world into the fundraising ecosystem.
- Donor-advised funds (DAFs) have grown massively. Both an uncertain economy and tax policy changes make DAFs attractive to donors, but they pose challenges for stewardship in many shops.
- Other alternative giving options like crypto are expected to grow in the coming years.
- Whether it's labels like "effective altruism" or "impact investment," there is a growing movement for donors to see return on their gifts and stay involved, rather than just leaving a check and trusting the organization.
- Amidst this change, three-quarters of fundraising shops have at least one open position. Turnover will continue to be a major challenge for fundraising operations and strategy for the foreseeable future.

The new environment for philanthropy provides both challenges and opportunities, and we believe that fundraisers who can embrace change and think differently will be the most successful. Using data from both RNL platforms and national research, this paper outlines five key ways your fundraising can flourish in this new environment.



STRATEGY 1

Big Gifts Don't Grow on Trees, so Invest in Engagement

**19.6
months**

average time to
secure a principal gift

Source: CASE

A recent CASE report shared that principal givers—our most generous donors—are most commonly engaged for 11 to 40 years with us prior to making their biggest investments. On average, the principal gifts that CASE studied took 19.6 months to secure from initial donor conversation to final agreement. While a small number (21 percent) of principal donors were engaged three years or less, it's clear that big gifts don't grow on trees, you are not going to stumble upon them, and you need to work to build relationships that drive transformative giving.

The fundraising world is waking up to this reality, with over half of new fundraising positions now including the word “engagement” in their title or description. Fundraisers are all now engagement professionals, and every way that you talk with donors (and more importantly, listen to them) builds toward this transformative investment.

54%
of new fundraising
positions have
“engagement” in their
title or description

Source: RNL review of [higheredjobs.com](https://www.higheredjobs.com),
January 2023

RNL data support an engagement-first strategy as well. We looked at nine institutions (six public, three private) through our RNL360 analysis to explore the average path to a major gift. We found that the average \$25,000 donor takes nearly 12 years from first gift to reach this level.

STRATEGY 1 (continued)

Activity prior to the first \$25,000+ gift

**11.9
years**

time lapsed
from first gift

**7.3
years**

average years
giving

**13.8
gifts**

average number
of gifts

Source: RNL analysis of 3,044 major givers

We believe that these data signal a shift in major donor behavior. With numerous competing causes and so many ways to give, how you engage donors personally will matter greatly for major gift success. That's why a consistent, broad-based strategy across channels is crucial. Let's explore that further.

“We can't assume that even our most loyal donors with wealth will automatically give big to the next major campaign. We have to do better at consistently engaging donors on a personal level. There are so many places to give, and keeping our constituents engaged is what will boost major gift results in this competitive environment for donor attention.”

—*Greta Daniels, Senior Vice President, RNL*

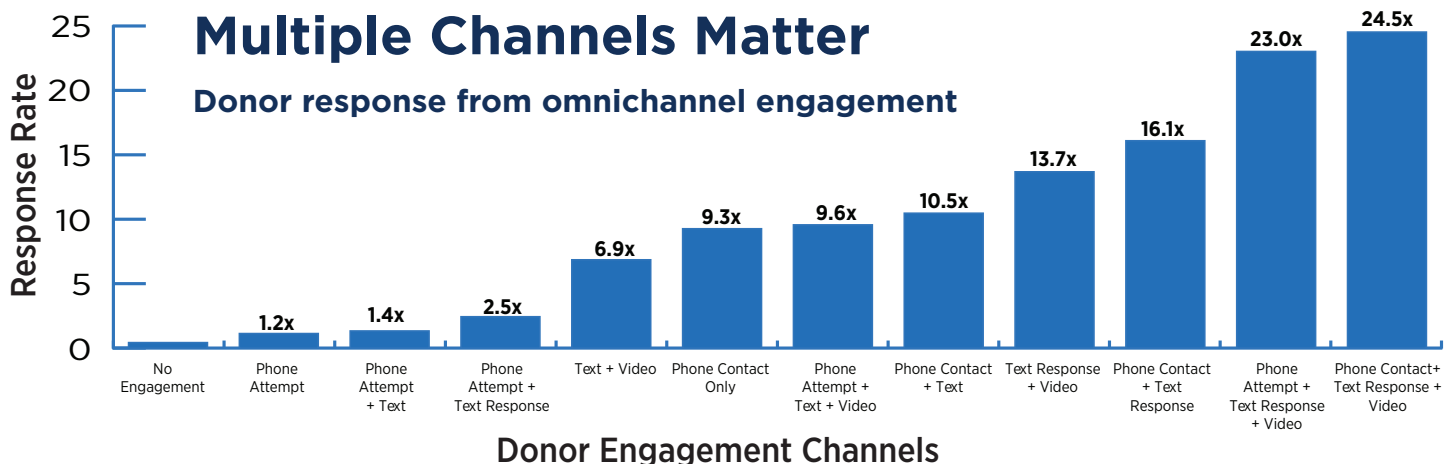
STRATEGY 2

Coordinate Multiple Channels to Maximize Giving

The technology to engage donors across numerous channels—email, phone, texting, video messages, social media, and digital advertising—has evolved dramatically in the advancement world. You now can engage donors in the same ways major commercial organizations do, and in a cost-effective manner.

At RNL, we have advocated for the power of omnichannel engagement for years. This past fall, we looked deep into donor response data to prove the point that multiple, coordinated channels make a difference. We looked at results from more than 500,000 constituents at five institutions partnering with RNL for omnichannel engagement. Each institution adopted different engagement strategies in terms of how they used phone calls, texting, and video messaging, but the impact of multiple channels was clear.

25X
RESPONSE
with donors engaged
across 3 or more
channels



RNL Analysis of 506,050 constituents during 2022, with engagement completed in the RNL Engage platform and integrated technologies across phone call attempts, completed calls, texting and response, along with views of video messaging.

STRATEGY 2 (continued)

Coordinate Multiple Channels to Maximize Giving

“What we learned from this research is that in order to attract donor attention in a competitive environment, institutions must adopt strategies that embrace a variety of outreach. With every institution we analyzed, the combination of a personalized video, a phone call, and a text message led to astonishingly higher giving rates. These effects were prominent even in those groups that had no history of giving or had not given in many years.”

**—Asher Champeau,
AI and Data Analyst, RNL**



“Organizations often operate their fundraising channels in silos. You have an email campaign, a texting campaign, a phone campaign, and they don’t talk to each other or coordinate much. This is a huge miss for donor engagement. Drop the silos and operate your outreach across channels more like a symphony, letting multiple engagement ‘instruments’ truly surround your donors with something incredible.”

**—Justin Marquart,
Vice President and Consultant, RNL**

STRATEGY 3

Boost Response With Personal, Peer-Supported, and Impact-Driven Communication

According to key national research from both Gallup and Pew, trust in major American institutions has declined in recent years, and higher education and charities are part of this phenomenon. That leaves fundraisers in an uphill battle with the largest organizations to energize donors. Young donors are a key part of this trend, and Gen Z and Millennial alumni lag behind Gen X and remaining Boomer donors at most higher education institutions.

There is hope for the future however. Over three years, RNL (with generous support from the Schuler Education Foundation) partnered with five institutions to transform their young alumni engagement. The process included surveying alumni, engaging peer volunteers for advice and advocacy, creating actionable personas to target outreach, and adding new technology. The result of transformed strategy was record-setting young alumni giving, with 70 percent donor retention in the second year of giving.

So how do you engage young donors? From the *2020 National Young Alumni Survey* of 40,000 alumni at 36 institutions, it's clear that younger donors want to give to areas of defined impact, and few (especially those not yet giving) are excited about just giving to an "annual fund."

AREA FOR DONATION	Donor Since Graduation	Non-Donor
Scholarship and financial aid budget	66%	54%
Specific department or major	45%	52%
Initiatives to assist first-generation students	44%	37%
Mental health services	43%	48%
Initiatives that build an inclusive campus environment	37%	28%
Programming that supports sustainability/environment	33%	31%
Specific student club/organization	28%	29%
Institution's annual fund	27%	6%

Source: 2020 National Young Alumni Survey

STRATEGY 3 (continued)

Boost Response with Personal, Peer-Supported, and Impact-Driven Communication

After listening to alumni through surveying and amplifying the impact of solicitation with peer volunteer outreach, we believe that investing significantly in describing the impact for giving is key.

These strategies have shown great success with young alumni givers, but they are also great strategies for all generations of donors. To boost your participation in giving, it's time to think differently about your donor outreach messaging. Institutions that have made an impact-driven transformation are bucking the trend of declining alumni participation.

“When we worked with schools to truly listen to young donors, personalize outreach using personas, and engage peers to help boost the relevance of the message, we saw extraordinary success. Young alumni giving is a challenge for many institutions, but those who invest in doing it right have broken records for response and donor retention.”

—*Sarah Kleeberger,*
Senior Vice President, RNL



STRATEGY 4

Use AI to Help You Personalize at Scale

Artificial intelligence (AI) drives the personalized experience of successful platforms such as Netflix, Amazon, and Spotify, which all use AI-driven algorithms to deliver personalized recommendations on what to buy, watch, and listen to. This technology is now available for donor engagement. You can use AI to customize the donor experience, offering giving opportunities, content, and events based on what donors have viewed in the past.

How AI Personalization Works in Donor Engagement



1 ANALYZE

The artificial intelligence system **analyzes your great content** including stories, web pages, giving opportunities and events.

The system **creates a profile of your constituents**, from what you already know about them. *This is done by the AI through natural language processing (NLP), and no tagging is required.*



2 LISTEN

You continue sending out messages and content. **The AI “listens” for where each individual clicks, reads, attends, and donate.**



3 PERSONALIZE

You begin offering portions of messages that are **personalized by the AI for each donor.**



The same type of AI technology used by Amazon, Netflix, and Spotify to personalize our experience is now available for donor engagement.



4 MATCH

The AI matches **what the donor actually cares about** right now to your content.



5 SUCCEED

Open rates, engagement and the total experience improves, leading to **more gifts and happier donors.**

“It’s time to serve up to your prospective donors the stories, events, and giving opportunities that they actually care about. Artificial intelligence can help you do that at scale, and it’s never been easier to use.

—Solomon Grey, Senior Project Manager, RNL QuadWrangle

The results from AI-driven personalization are incredible. We’ve seen double (or greater) click rates after platform adoption, and your profile of a donor’s real interest only improves over time. Since AI-driven suggestions are so common to today’s donors, many are likely asking why they’re not receiving better communications from you.

How do digital wallets transform giving?

Can your donors give in less than a minute? Find out how one institution used digital wallets to drive a record-breaking giving day.



Read the case study at [RNL.com/SantaClara](https://www.rnl.com/SantaClara)

STRATEGY 5

Maximize Response With Coordinated, Urgency-Driven Campaigns

Once you've engaged, emphasized impact, and provided a personalized donor experience, it's time to answer the question, "Why give now?" Here are some key strategies to make giving more urgent and encourage donors to take action.

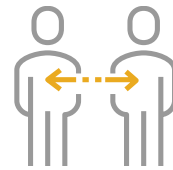
Expand giving day efforts

to spotlight impact in a time-sensitive way. Consider adding a second giving day.



Make it competitive

by including specific challenge, match, and competition activities that excite constituents.



Adopt crowdfunding "seasons"

by launching multiple campaigns simultaneously, engaging your organization, and providing a menu of impact-driven giving opportunities.



Coordinate channel outreach

to follow up direct mail and emails with texting and social media outreach.



The advancement appeal calendar is now as much about providing real experiences as it is getting solicitations out the door. Giving days, crowdfunding, and micro-campaigns provide the opportunity to break these experiences into pieces that donors can wrap meaning around, and time-sensitive solicitation encourages donors to do what we really need them to do: take action now.

"For #GivingTuesday, we hosted 75 impact-driven crowdfunding campaigns. The response was incredible. This was a ton of work by everyone involved, but my opinion is that the best strategy is to multiply your network as far as possible and engage more people in donor engagement."

**—Jason Brown, Assistant Director of Digital Philanthropy,
San Jose State University**

Key Takeaways

Driving Donor Engagement and Giving

To engage donors, you have to keep up with their expectations and priorities. Donors now want purpose, meaning, and impact along with their support of a charity's brand or "alma mater." In this changing environment, RNL recommends the following key strategies to maximize donor engagement and results:

- 1 Adopt new tech and strategies.** Whether it's P2P texting, a new engagement platform, digital advertising, or AI-driven personalization, choose several areas of innovation and do the work needed to adopt something new. The time for fundraising to be 10 years behind commercial engagement has passed, and we need to catch up with the technology that donors expect.
- 2 Know how to optimize your fundraising tools and platforms.** With fundraiser turnover at an all-time high, software alone won't do the trick. Look for fundraising platforms and solutions that will also provide the expertise you need to get the most out of your investment. Without that, you will likely be spending money on tools that do not deliver the results you hope for the greatest value.
- 3 Survey your donors and take action based on the data.** When in doubt, ask your donors. Every organization can benefit from actionable research—mostly in the form of donor surveys, exploration of your data, and direct donor response to questions. Make sure you act on the results so donors feel like they were heard.
- 4 Answer key donor questions about urgency and impact.** Donors need to know why they should give now and how their gifts will make a difference. Approach your outreach with creativity to get attention. Along with that, make sure that urgency and the actual good that giving does are key parts of your messaging. Impact-driven engagement will create the most loyal and generous pipeline of donors.

We're here to help you increase engagement and reach your goals

RNL's team of experts is ready to help put these strategies into practice, take the next steps with donor engagement, and create a robust pipeline for giving. Let's talk about a partnership that will transform the donor experience and get you the results you need with high ROI.

Ask for a free donor engagement consultation at RNL.com/DonorEngagement.

About RNL

RNL is the leading provider of higher education enrollment, student success, and fundraising solutions. More than 1,900 colleges, universities, and nonprofit organizations rely on RNL for advanced analytics, personalized engagement, and industry-leading insights to achieve their missions. The firm is distinguished by its powerful portfolio of solutions focused on the entire lifecycle of enrollment and fundraising, assuring students find the right college or university, graduate on time, secure their first job, and give back to support the next generation. RNL conferences, research reports, papers, and articles help clients stay on top of current trends.

Visit RuffaloNL.com

Ask for a free donor engagement consultation

Talk with our experts about increasing donor engagement, optimizing your outreach, and creating a sustainable pipeline of loyal donors.

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Email ContactUs@RuffaloNL.com

Call **800.876.1117**

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