Add a global pandemic and its resulting economic strain to the standard challenges of fundraising as a small nonprofit, and you have a cocktail of anxiety.

Small nonprofits face a particularly frustrating catch-22. They don’t have the budgets to run wide-scale media campaigns or the reputations to attract big grants or many major donors. So they struggle to raise funds for budgets that would support these campaigns and grow their reputations.

But there’s a way out of this catch-22, and it’s accessible to nonprofits of any size: individual giving. In 2019, giving by individuals totaled an estimated $309.66 billion, rising 4.7% over the previous year. Individual gifts made up just under 70% of total giving, a prime opportunity for small nonprofits.¹

This opportunity is being overlooked by many small nonprofits, however. When we surveyed nonprofits about their efforts across a variety of fundraising activities, the least sustainable forms of revenue generation – special events and grants – rose to the top. In comparison, little emphasis was placed on individual gifts.

¹ Giving USA 2020
We asked nonprofits to rate themselves on a variety of fundraising activities.

Of the small nonprofits who are focusing on individual giving, many aren’t approaching it in a sustainable way. They’re attracting one-time individual gifts, but failing to convert those donors to monthly supporters. If you’re following the playbook of larger organizations that can afford to invest in large-scale strategies, you’re probably spending more than you need to, while getting subpar results. Their playbook isn’t designed for you. You need your own, focused on strategies designed with your strengths and limitations in mind.

In this guide, we share a more sustainable framework for small nonprofit fundraising that focuses on individual giving. We cover what makes donors give and how you can attract them, and we offer three strategies you can use to raise more with less.

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Results from Network for Good’s nonprofit survey.
Top Reasons Why Donors Give

It’s easy to forget that donors don’t need to be cajoled to give. They want to give to causes they care about when they know they’re an important part of a solution to a specific need. The task of nonprofits is to communicate the need in a compelling way, show donors that they CAN make a difference, and share the impact of their gifts. Let’s take a deeper look at why donors give — according to data collected in a Network for Good survey of 3,000 year-end donors.

**Most important reasons for donating**

- **Know someone who benefited from non-profit’s work**
- **Believes non-profit will use gift to stabilize or expand programming**
- **See organization online and on social media**
- **Non-profit communication about impact of giving by sharing program outcomes**
- **Know there is a need for non-profit’s mission in a community and it does good work**
- **Desire to be associated with organization and its brand**
- **Tax deduction**
- **Know someone on Board of Directors or who volunteers**

**Connection to the Mission and Cause** — It’s obvious that donors need to understand the importance of a nonprofit’s work before they’re motivated to give. Donors report that a connection to the mission or cause of the nonprofit is the single most important factor in giving.

**Belief that the Nonprofit Will Use Gifts Effectively** — Almost as important as a nonprofit’s mission is confidence in the organization’s ability to use a gift wisely. Donors want to make a meaningful impact on a need.

**Seeing the Impact of Gifts** — A general thank you by the nonprofit isn’t enough. To continue giving, donors want to see specific outcomes that their gifts have made possible. They want to hear the inspiring stories of how they’re helping to make a difference.

The factors that don’t matter to donors may surprise you. Those who participated in our survey reported that the ability to claim a tax deduction or personally knowing someone on the Board of Directors didn’t much influence their desire to give. This is good news for small nonprofits since the current tax law has disincentivised itemizing for most individuals, and highly-influential board members with large social networks are rare.
How to Connect with Donors’ Desire to Give

Knowing what donors care about provides a clear roadmap for how to attract and motivate them to give. Here are five key actions you’ll want to take when formulating your fundraising plan.

**Segment Donors by Cause or Program for Communications** — If your nonprofit serves different communities or has multiple programs, you’ll want to segment donors by the cause or program that they’ve donated to. When you do this, you can more easily follow up with information you know they’ll be interested in, report the progress or results of the program they donated to, and share the most relevant impact stories. It also helps you to better target future invitations to give.

**Network for Good makes it easy to segment donors to uncover:**

- **What projects and programs a donor is most interested in?**
- **How much a donor has given to specific projects and programs?**
- **What types of campaigns a donor has been most responsive to?**
- **What time of year a donor is most likely to give?**

**Communicate Exactly Where Their Donation Went** — Trust involves more than donors believing you mean well. Donors need to know that your organization is diligent about tracking and ensuring that gifts go where they were intended to go. Keep good records and follow up with donors to give them confidence that their gift was used as directed.
Share Impact Stories — Speaking of impact stories, share them! You may worry about over communicating, but it’s impossible to share too many impact stories. These stories give donors concrete examples of how their gifts are making a difference.

**PRO TIP**

*Network for Good allows you to create and re-use email and letter templates, making communications simple and efficient. Or, choose from one of our expertly-written templates to take your emails up a notch!*  

Focus on Building Digital Relationships with Donors — While in-person events are energizing (minus COVID-19!) and snail mail is always nice, small nonprofits can generate goodwill for a fraction of the cost by focusing on digital relationships. Social media and email are ideal ways to share behind-the-scenes views of your staff at work, personal stories, milestones reached, and other relationship-building content. Invite donors to share their personal reasons for giving or why they connect with your cause.
Sustainable Virtual Fundraising Strategies

Now let’s dive into the creative ideas for virtual fundraising that will help you raise more with less! We’ll start with two strategies to attract new donors and then show you how to convert one-time donors to monthly giving partners.

1. Social Media Marketing

Even though you may not have a large following on your social media pages, social media marketing is still an effective strategy you can take advantage of. When you post engaging or interactive content regularly, your supporters will “like,” comment on, and share your posts with their connections, spreading awareness. And over time, this strategy will grow your following.

Additionally, you can expand your reach by engaging with others’ posts. You may want to follow local businesses that are mission-minded or that share a similar audience, liking or commenting on their posts. Engaging with other organizations and businesses helps build relationships that can lead to support or collaboration later on.

What type of content should you post? The possibilities are limited only by your imagination, but consider the following:

- “Meet the Staff” features
- Impact stories
- Project updates
- Campaign/appeal announcements
- Quote graphics
- Infographics
- Quizzes
- Polls
- Live Q&A sessions
- Video messages from your leadership, staff, or community members
Checklist for More Effective Social Media Marketing

Approaching social media marketing with a plan will make it more effective. Here's a checklist you can use to create a plan.

☐ Choose one or two channels to focus on at first. Consider Facebook, Instagram, YouTube, and Pinterest.

☐ Optimize your social media pages by telling your story in the About section, including photos and videos, and linking to your website.

☐ Use consistent branding and imagery so people will be able to easily recognize your posts.

☐ Follow businesses and organizations that may be interested in your work.

☐ Focus on storytelling. Create posts that share your origin story, impact stories, the stories behind your programs, and the stories of your staff members.

☐ Engage your audience by asking questions and creating quizzes, polls, and other interactive content.

☐ Reply to those who comment on your posts.

☐ Thank people who share your posts.

☐ Create a content calendar to organize your posts and plan ahead.

☐ Use hashtags to make your posts more discoverable.

☐ Include visuals to attract attention and make your posts more engaging.

☐ Ask your donors to share your content on their social pages.

☐ Invite donors to host a Birthday Fundraiser and promote it on social media. (Network for Good’s donation page builder makes it easy to implement peer-to-peer campaigns like these!)

Download 6 Simple Ways to Turn Your “Likes” Into Donations for more ideas on how to make the most of your social media efforts.
2. Local Business Partnerships

Local businesses can serve as an ideal funnel for new donors, particularly if your work benefits your local area. And while you may not realize it, you have a lot to offer these businesses in return — a boost to their brand image, greater employee satisfaction, and a concrete way to implement their corporate social responsibility policy. Here are just a few ideas.

**Local Media Partnership** — Partner with a local media outlet like a community magazine, newspaper, or radio station for free or reduced-cost advertising to promote a specific project. This coverage will help improve awareness and drive interested traffic to your website (and fundraising pages!).

**Grocery Store Partnership** — Traditionally, this partnership has taken the form of checkout-giving. But this tactic isn’t likely to get much traction during the pandemic. Take it virtual by asking the grocery to promote your nonprofit via their social channels. If your nonprofit could use donated grocery items, and ask them to match customer gifts with an equal value of donated products.

**Remote Volunteer Day Partnership** — This idea plays well with the fact that so many people are working from home right now. Since companies are eager to build their employer brands, looking for ways to attract new talent and retain the people they have, they’re likely to welcome a Remote Volunteer Day. This strategy requires you to come up with an idea for a volunteer opportunity that people could participate in remotely, but the reward for your work will be a waterfall of social media posts on the official company social pages and likely many of the employees’ personal pages. And if you engage employees in a compelling way, you can motivate them to become recurring donors.

**Company Fundraiser** — Identify local companies whose employees may resonate with your mission and suggest a company fundraiser, with the organization matching employee gifts. Be sure to get donors’ contact information so you can follow up with a thank you note and add them to your fundraising software for communications.
3. Giving Club

The strategies we’ve described above are great for attracting new donors. But if you’re constantly on the hamster wheel of trying to attract new donors, you’ll quickly burn out. And according to the most recent available data, donors that set up recurring donations give 42% more annually, compared to one-time donations. The secret to successful fundraising is Subscription Giving℠. Not only will you have a stream of reliable revenue, you’ll attract more per donor when you use a subscription model.

Donors today are used to subscribing to everything from TV to monthly clothing boxes. The subscription format is convenient, removing the need to remember to re-order or make a payment. According to Network for Good’s research, 72% of donors subscribe to streaming video services, and 48% subscribe to streaming audio. Nonprofits can tap into this trend by inviting existing donors to a monthly giving club.

The key to making monthly giving clubs work to retain donors long term is to match the club’s features to the things donors want most — specifically, connecting to the mission, demonstrating that you’ll use gifts effectively, and showing the impact of the gifts, as we described above. Keep donors engaged and excited about giving by segmenting donors by interest and type. Then communicate frequently with stories, updates, and behind-the-scenes views of your work. View your monthly giving club as a subscription service, knowing that you need to deliver value to your donors in exchange for their gifts.

PRO TIP

A good donor communication strategy means sending frequent updates, but you don’t have to do all the work yourself! Network for Good’s fundraising software has expertly-written templates and engagement plans built right in.

Our software can help you segment your donor base and create targeted emails that get results. That way, you’re free to spend your time on more strategic efforts that will really move the needle.
Giving Club Email Template

You should always make monthly giving an option on your fundraising pages. But even if a donor chooses a one-time donation, they’re still a great candidate for your giving club. You can invite someone to become a subscriber shortly after you send the follow-up thank you. Here’s an effective email template that will make the process easy.

Hi {First Name},

Thank you for your support of {beneficiaries}.

Thanks to your generosity, {One beneficiary’s story [Use language that evokes emotions and empathy.]} Your support has already had an impact for {beneficiary} and others like {them/gender}. But the reality is, {two or three sentences explaining statistic of bigger problem/crisis}.

Today you can make your valuable support go even further by joining the {Giving Club name} — a monthly giving program that {explain main mission}. Your ongoing monthly support will:

• {action verb + beneficiaries}
• {action verb + beneficiaries}
• {action verb + beneficiaries}

That’s why I’m inviting you to join our {Giving Club Name}. You can easily sign up online {link here} to make an impact without ever worrying about writing another check! (Unless you want to.) Become a {Giving Club Name} member today and you’ll enjoy:

• The knowledge that your donation is put to work immediately.
• Monthly newsletters on the difference your dollars are making.
• Hassle-free automatic monthly donations from your credit card.
• The ability to change or suspend your donations at any time.
• Complete statements provided for tax purposes.
• The joy of knowing that you’re improving someone’s life.

With just {S amount} a month you can {impact of donation} and experience the joy of changing a life. Can they count on you today?

Thanks for all you do,

{Name of Founder/ED/Board Chair}

P.S. Your monthly donation of {SAmount} will go to work immediately {impact of donation}. Visit {website} to become a member today. Thanks in advance!

Network for Good is currently piloting a Subscription Giving℠ program. Once complete, this program will offer a repeatable template for nonprofits to follow. Best of all, we’ve designed it to be implementable for even the smallest nonprofits, concentrating on the donor segment with the greatest opportunity for ROI — recurring donors. To get started, download our Guide to Subscription Giving℠ here.
Focus on Your Strengths in Fundraising

As a small nonprofit, you have strengths that the big guys don’t have. You’re likely very committed to a specific cause or community, and you can communicate that quickly and clearly. You’re able to achieve a more personal feel in your communications. And you probably have a closer relationship to your donors. As a small nonprofit, you don’t need to spend a lot of money to produce a lot with virtual fundraising — especially when you use strategies that are focused on your strengths and align with the resources you have available.

Make virtual fundraising easy with an all-in-one software platform.

Request a demo of Network for Good’s simple, smart fundraising software today to get started.