

Why Your Nonprofit Needs a Sustainer Program (And How To Get Started)

8 min read



Key Takeaways

- The Benefits Of A Sustainer Program: Donors who belong to sustainer programs give 42% more annually compared to one-time donors. The average monthly donation in a sustainer program rings at \$52 (\$624 annually) compared to the average one-time donation of \$128.
- **It Starts With The Data:** Make sure you have the proper data governance and documenting policies in place. Use this checklist...
- Stay Engaged, Show Impact, and Appreciate: Once a donor becomes a sustainer of your
 organization, you must make an effort to stay connected and keep them engaged with your
 organization and your mission.

Building and managing a sustainer program for your nonprofit can be complicated, and if not done right, may yield less than desired results.



As an Executive Director, you likely spend so much of your time focused on fundraising events, resource management, networking, executing your mission, and working with the board that you may not be thinking about yet another program.

However, we see amazing results for many nonprofits and (as number crunchers and being obsessed with improving cash flow), we can validate that sustainer programs are well worth doing.

The primary reason why having a sustainer program is so important to nonprofit organizations is that sustainer programs create predictable, recurring revenue.

You can count on this fundraising tactic to help you better manage cash flow, budget and plan more effectively, raise money more consistently and serve more people.

Plus, a smartly designed sustainer program will basically run itself once you get started.

The Benefits Of A Sustainer Program

Sustainer programs not only offer your organization a more predictable revenue stream that makes cash flow forecasting a breeze, but they can also bolster your nonprofit with many other benefits.

Sustainer programs provide the following additional benefits to nonprofit organizations:

Generate More Funds and Improve Return on Investment

A sustainer program will generate more revenue and increase donor lifetime value when you convert one-time givers into recurring donors.

Donors who belong to sustainer programs give 42% more annually compared to one-time donors. The average monthly donation in a sustainer program rings at \$52 (\$624 annually) compared to the average one-time donation of \$128. [1]

Although the bells and whistles required to develop a successful sustainer program might cost you more than sending out a few seasonal mailers, the increase in predictable revenue will offer you a much greater return on investment. Additionally, you'll be generating



unrestricted funds that can be put toward overhead costs associated with furthering your cause.

Improve Donor Retention

With donor retention rates of 80% in the first year and 95% after five years of giving, monthly sustainer programs offer better donor retention rates than one-time giving (23% retention). [1]

These retention rates only grow stronger over time. The numbers reveal that once a donor decides to become a sustainer in your organization, they'll stick with you for at least three times longer than the average one-time giver.

Appeal to a New Demographic

In terms of population numbers, millennials have overtaken the Baby Boomers and now make up the largest living generation of adults [2].

According to the Millennial Impact Report, 52% of millennials are more interested in donating monthly as a way to give back than they are in offering up large, one-time donations [3]. This means your nonprofit stands to benefit from regular, predictable giving from the majority of the largest portion of the population.

6 Steps to Creating a Successful Sustainer Program for Your Nonprofit

1. It Starts With The Data

Before you do anything, you must get the right data at your fingertips.

As you begin preparing to build an effective sustainer program, make sure you have the proper data governance and documenting policies in place.

Here is an example checklist to ask yourself before creating a new sustainer program:



- How will you set criteria in your CRM to identify monthly givers?
- How will you activate sustainers?
- (and on the flip side:) How will you deactivate sustainers?
- How will you accept payment? Credit card? Direct mail?
- What happens if a sustainer's credit card is declined?

A thought-through and meticulously planned data flow is the first step before launching a sustainer program.

2. Make It Easy for Donors (and You)

One of the major appeals of a sustainer program for donors is that it should simplify giving. Donors shouldn't have to commit to remembering to write and mail a check every month; they should be able to sign up online or in-person for automated giving through a secure donation processing system.

Nowadays, everyone has become accustomed to automated payment systems. They transfer to savings automatically, have their utilities debited from their checking accounts, and pay for streaming subscriptions, gym memberships, and pretty much everything else electronically. So, adding a weekly, bi-weekly, monthly, or quarterly donation to your nonprofit to their list of automatic payments feels natural and easy.

The first step in creating a sustainer program is to choose a donation processing system. This processing system should provide donors with an easy fillable form that comes with plenty of prefilled and customizable options for giving and scheduling donations.

Here are some of our favorite donor management tools!

Additionally, look for an option that also features donor management tools so that you'll be able to maintain your list of donors along with their information (contact and payment details) on the back end. Most donation management systems will also automate donation receipts and feature reporting capabilities that will allow you to more easily track donor data.

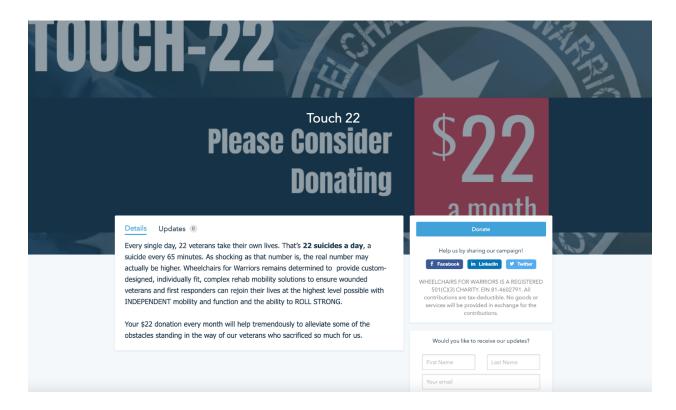
3. Brand Your Program to Sell It



A great strategy to help your sustainer program take flight is to name it. Think carefully about your mission and tie your sustainer program's branding into your goals and existing nonprofit brand.

Here's a great example: Wheelchairs for Warriors is a Nonprofit organization that provides custom-fit, complex-rehab mobility solutions to injured veterans and first responders. They run a monthly giving program called Touch 22, where donors give \$22 every month. The name behind the program has a powerful meaning: the sad truth is that every day 22 veterans take their own lives. Not only does this raise awareness to a daunting statistic, but it also shows the donor the exact cause they are supporting.

We encourage every reader to consider donating by clicking here: https://donorbox.org/touch-22



Naming yours helps build your overall nonprofit brand and also increases donor engagement by emphasizing the element of community within your organization and



helping donors understand that recurring donations make them a part of something bigger than themselves.

To read the Case study of how we support Wheelchair for Warriors - click here.

4. Identify Potential Sustainers

Certain donors are more likely to sign up for sustainer programs than others. Recent donors, donors who have given using various channels, and even donors who have recently lapsed are all more likely to convert to sustaining donors than others.

We recommend using your CRM to <u>segment</u> your donors. This can be done by multiple different thresholds (example: gift size, geographic area, etc.). Once your donors are segmented, this will help you set guidelines on how to recognize and tailor your outreach.

It's important to maintain data on all your organization's past and present donors through a donor management system so that you're able to quickly identify and target sustainer campaigns to your supporters who fall into the previously listed categories.

5. Spread The Word: Prominent Placement on Multiple Channels

When you invest in the software to create a sustainer program, you'll want to make the most of it. So, be careful not to bury it beneath paragraphs of information on your website or printed donor materials.

Your sustainer program and donation access should be easy to find. Place it prominently on your website and post access to it on your social media channels as well. It's also smart to advertise your sustainer program on all mailable materials you send out.

6. Stay Engaged, Show Impact, and Appreciate

Arguably one of the most important steps: Acknowledge your sustainers.

Once a donor becomes a sustainer of your organization, you must make an effort to stay connected and keep them engaged with your organization and your mission.



Donors want to know their gift is making a difference. The number one reason why donors leave an organization is that they fail to understand if the organization is accomplishing its mission.

Every communication you have with your donors (sustainers or one-time givers alike) should communicate both your appreciation and the direct impact of their donations.

What does a donor stewardship program look like? See an example here...

Do your best to use donor data to personalize the communications. Keep track of each donor's ROI on their gifts, and make a point to include the information in each donor's personalized hero story that you include in your follow-up donor messaging.

Donors who give \$5 a month and those who give \$100 a month should receive communications that explain the impact that those different levels of giving have. This information can also be included on your sustainer program information and webpage to entice donors to sign up for higher levels of giving. For example, in an organization that provides meals to homebound individuals, \$5 a month might provide a week of meals to a senior in need while \$100 a month could help fund the vehicles that make delivery possible.

Measure the Success of Your Sustainer Program and Continue Improving Donor Retention

To continue increasing the ROI on your sustainer program and your recurring revenue stream, you'll need to measure the success of your sustainer program. Select a few key performance indicators (KPIs) to monitor on an ongoing basis.

Some of the most important metrics for gauging your sustainer program's performance will include:

- Donor Lifetime Value
- Donor Retention Rate
- Response Metrics (clickthrough rate and email opens)



- Recurring Donation Signups vs. One-Time Gifts
- Gift Upgrade Rates

As you watch your revenue and donor value increase, you can make changes to your sustainer program, offer new giving options, and even run seasonal promotions to encourage gift upgrades and/or new sustainer program signups.

As you grow your sustainer program, your financials will stabilize enabling you to grow your organization's impact and enjoy having the ability to scale your nonprofit's mission.

[1] https://www.networkforgood.com/lesson/why-recurring-giving-matters/

[2]

https://www.pewresearch.org/fact-tank/2020/04/28/millennials-overtake-baby-boomers-as-americas-largest-generation/

[3] http://www.themillennialimpact.com/