# Fundraising Do's and Don'ts for Your Nonprofit

6 min read



When you run a nonprofit, you know just how vital fundraising success is. After all, your organization depends on it.

**Key Takeaways** 

Don't Start With the Ask: The most successful nonprofit fundraising isn't about the ask; it's about the relationship...

Do Incentivize Giving: Your donor can show off their altruism while carrying a tote bag at the farmer's market. Then others will see your organization's logo and name and be inspired to give, too...

How to Raise More Money in Your Nonprofit With Your Back Office: Another major "DO" of nonprofit fundraising is using your back office to measure success and improve the ROI of future fundraising campaigns...

When nonprofit fundraising can be both expensive and time-consuming, it's important that you make the most of the resources you expend on your fundraising campaigns to maximize ROI and ensure that your nonprofit organization can continue operating and making a difference for another day.

To boost your efforts and maximize your returns, add the following nonprofit fundraising dos and don'ts to your list of fundraising best practices.

# NPO Fundraising Best Practices (Top 8 DOs and DON'Ts for Nonprofit Fundraising)

## 1. Do Make Giving Easy

If donating to your organization is complicated, feels like work, or seems insecure to your donors, then they are not going to donate. Facilitating easy giving is essential. This means providing plenty of simple ways for people (of all ages) to give to your organization such as a post office box, a secure website, a dedicated donation phone line, and booths at events.

#### 2. Don't Start With the Ask

The most successful nonprofit fundraising isn't about the ask; it's about the relationship. Before asking a potential donor to donate, first work on developing a relationship with them. Dedicate time to getting to know your potential donors and letting them get to know you, your organization, and your impact. Once you've developed a relationship and they see all of the good that you have done, do, and continue to do, they'll be more likely to trust that their money will go to good use in your capable hands.

Read More: Why Isn't My Nonprofit Successfully Raising Money?

#### 3. Do Keep Track of Your Donors

In a nonprofit, your donors represent your <u>revenue channels</u>. Their contact information, history of giving, and record of volunteering with your organization are valuable resources for future fundraising campaigns. Be sure to keep an organized (and updated) list of your past, present, and potential donors along with a record of their history of giving so that you can appropriately thank them, stay in contact, and involve them in future fundraising campaigns.

### 4. Don't Hide Your NFP's Impact

No matter how your nonprofit operates, transparency is vital in gaining the trust of donors. You should be open about impact, the cost of your mission, and your overhead expenses.

Use your <u>financial data</u> to tie donation levels to impact results. For example, you can include information such as what your organization can do with \$20, \$100, or \$1,000 dollars such as feeding someone meals for a week or housing a family for a month. This is a great way to help your donors understand how they're making a difference because this information allows them to concretely see how impactful their money can be.

As a result, donors feel more ownership in the positive impact and are then more likely to give and/or increase their donation level.

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### 5. Do Incentivize Giving

Doing good in the community already provides donors with an incentive to give. However, you can sweeten the pot by offering a takeaway in exchange for a gift. This could be any kind of token such as a sticker, a membership, treats, a discount, or any kind of gift.

In addition to incentivizing donations, these kinds of gifts can also be advantageous marketing opportunities if you give away branded swag. Your donor can show off their altruism while carrying a tote bag at the farmer's market. Then others will see your organization's logo and name and be inspired to give, too.

Today, Survivor Ventures's accounting function and development team now work together to show the donors the tangible result of their gift. Read the full case study <u>free</u>.

#### 6. Don't Be Afraid to Get Creative

Modern technology has brought about new, innovative ways for organizations to accept donations. Consider employing donation tech like SparkVirtual to enable mobile and online donations or DipJar which is an electronic, credit-card-accepting version of the traditional "donation jar" seen at grocery store checkout counters.

These kinds of donation pathways can provide fun, novel experiences for donors and be a wonderfully simple way to make first contact with donors who might have previously had no contact with your <u>organization</u>.

#### 7. Do Remember to Recognize All Donations

All types and sizes of donations deserve a heartfelt thank you and recognition. No matter how an individual or business supports your nonprofit's mission, you should be appreciative and be sure to show your thanks with an official thank you that comes in the form of a letter, email, token, or gift.

#### 8. Don't Fundraise Alone

Fundraising is not solely the responsibility of the executive director. While you might be responsible for directing fundraising efforts, everyone on your team should be involved, including your staff, volunteers, and board of directors. They can get their networks, contacts, and communities involved in addition to helping you hit the pavement, lick envelopes, or otherwise participate in fundraising events.

Read More: What Financial Reports Should My Nonprofit Program Director Look At?

No matter how motivated you are, you will always be able to raise more money when you involve more people than just yourself in your fundraising campaigns.

# How to Raise More Money in Your Nonprofit With Your Back Office

Another major "DO" of nonprofit fundraising is using your back office to measure success and improve the ROI of future fundraising campaigns. Your nonprofit's back

office should be carefully tracking all expenses associated with each fundraising effort and carefully recording the campaign source of each donation you receive. With this careful record keeping, you can then calculate the ROI and actual financial success (i.e. profit and loss) of each fundraising campaign you carry out. Make note of which tactics work the best and pivot your future fundraising focus toward the highest-performing donation channels, campaign types, and donor types.

In a nonprofit organization, every penny counts. So, it's essential that you spend responsibly – especially when it comes to spending on efforts like fundraising. This ensures that as much money and resources as possible can continue going toward furthering your cause, expanding your impact, and achieving your mission.