

04

First impressions count

Project 04: Thank you and welcome

John Grain, February 2017
Reviewed by: Charlie Hulme

The original brief

It's in the early stages of contact that the foundations of mutually great relationships are shaped. This project will look at all aspects of the first few days of a donor's contact with a cause, to set out – without making any assumptions as to what each individual might choose – the ideal way to get each relationship off to a good start and to show appreciation appropriately throughout it.

For senior management and trustee boards, this project will:

- Encourage them to audit (at least annually) the way new donors are thanked and welcomed to the organisation.
- Help them see the benefit of fundraisers implementing a thanking and welcoming strategy for different types and levels of gift.
- Make suggestions on how donors can be thanked in more imaginative ways than the status quo.
- Give guidance and advice on how they can evaluate the quality and impact of thanking properly.

For donors, this project will:

- Reduce the number of similar phrases that they read in charity thank you communications.
- Make them feel appreciated for their kindness in giving.
- Ensure they are thanked in a sincere and appropriate way via a variety of channels.
- Not restrict thanking to just when they make a gift. They will be delighted when they experience gratitude at other times and milestones.

Summary guidance

Thanking and welcoming are not fundraising functions. They are not about raising more money, and they should not be measured in this way. They are an essential part of any supporter care programme, where the objective should be to provide the best possible service and care for every single supporter in the most individual and appropriate way. Achieving these objectives will deliver enhanced loyalty, longer-lasting relationships, genuine supporter advocates, and ultimately a stewardship function that is the bedrock of better, more sustainable fundraising (links to CDE project 16 – *A distinct service culture*).

Thanking should not be limited to responding to donations, but can be used more imaginatively, and strategically, to provide even better supporter care and recognition: for example acknowledging donors and sharing the positive impact they have had for their longevity in supporting, for particular giving milestones they may reach (for example on the anniversary of their first year of regular giving), for project successes, for emergency or crisis responses, for sharing the charity's story, for being active on social media etc. All are excellent ways of demonstrating just how much you value and appreciate those who give freely of their money, time, influence or resources to help you.

The importance of finding better ways of saying thank you and of welcoming a new supporter (links to CDE project 4 – *The supporter's journey*) to your charity simply must not be underestimated. At the most level, being thanked imaginatively, promptly and with integrity is the very least a donor should expect from you, given that this is the only thing they receive in return for making a donation.

In many respects, showing appropriate, genuine appreciation towards our supporters is more critical for the voluntary sector than for any other sector because our gratitude is often the only collateral we have to trade with. We must get even better at giving thanks and our aspiration should always be to be the best at it – bar none.

The following are the eleven main principles and recommended actions from the project findings, followed by the twelve key conclusions.

Principles and recommended actions for thanking & welcoming

1. The sector needs to take thanking and welcoming much more seriously, rather than continually paying lip service to this area of supporter care. Many donors giving smaller value gifts are excluded from being thanked, and often content of thanking messages is dull and uninspiring. Our own examination of over 200 thank you letters and e-mails (stretching back as far as 2008) showed large numbers of similar phrases being used over and over by charities. While none of these phrases are “wrong” per se, they are so overused that they have become completely predictable and no longer carry any major impact for supporters. This is further exacerbated for many donors who are generously supporting multiple causes and therefore seeing these phrases repeated many times over across acknowledgements from different organisations.
2. First-time donors should always be thanked for their gifts irrespective of the amount unless they have specifically asked not to receive an acknowledgement. If the amount is very small, a thank you should still be sent, but should explain that normally gifts of this level are not acknowledged due to the costs involved.
3. Acquisition materials should not include a tick box option for new donors to opt out of receiving a thank you. It prevents the charity from showing any appreciation for a first time gift, making the donor feel good about what they have done, demonstrating what a difference they can make and welcoming them to the organisation effectively. All are essential foundations of a good stewardship programme. In subsequent communications options for opting out of receiving a thank you may be feasible or even desirable for some organisations, with sufficient explanation and rationale of course.
4. All new donors should receive a Welcome Pack. This need not be expensive or overwhelming, but it should introduce the donor to the wider work of the charity and set expectations for how the donor can expect to be treated and valued by the charity.

5. New donors giving online should be given the option to get their Welcome Pack digitally or via the mail.
6. Existing supporters should always be thanked for their gifts, irrespective of the amount, unless they have specifically chosen or asked not to receive an acknowledgement.
7. Thanking could be much more imaginative than it is currently. There is an opportunity to use much more engaging content through better use of case studies, quotes, testimonies and images. Handwritten thanks should be used more often, and formats could be varied much more. Thank you cards, better digital content and telephone calls would all help make a thank you stand out and be more memorable.
8. Much better use could be made of the telephone for thanking supporters – both to say thank you quickly, but also to offer a far more personal and engaging acknowledgement for those donors who have done something particularly special, unusual or significant.
9. Digital acknowledgements should not just be limited to bounce-back receipt e-mails. These acknowledgements are an opportunity to provide engaging and involving content, which can be done easily and relatively cheaply.
10. Thanking should not be confined to donations. There is an opportunity to recognise donors for the length of their support, for anniversaries (e.g. In Memoriam recognitions), for campaigning, for volunteering, and even for things like informing the charity of a change of address. All of these are ways of making the donor feel valued and demonstrating excellent standards of supporter care.
11. This area needs far better measurements and key performance indicators. Rather than simply measuring the speed of sending a thank you, charities should also measure the direct costs of thanking and introduce a process for trying to evaluate the quality and impact of thanking as part of wider satisfaction measures (see point 7 in principles and actions section, page 19).

Conclusions

1. Overall, there was a slightly disappointing response to the project. Whilst one view may be that there is a continued apathy to the importance and value of thanking, it was clear from the responses we did receive that better appreciation of supporters at key points can go a long way to creating hugely positive and long-lasting relationships with donors.
2. In the majority of cases we reviewed through our mystery shopping, there continues to be a lack of imagination and effort put into most charitable thanking, with the approach generally being to take the path of least resistance – re-using or minimally updating existing letters, using basic bounce-back receipt e-mails with no follow-up, and rarely employing other formats and mechanisms such as cards with images or the telephone.
3. However, there is strong anecdotal evidence that high quality, inspiring content in all the main thanking mechanisms (online, print and face-to-face) can motivate supporters to become better advocates of the charity – sharing their stories and the charity's – and can often inspire them to give again as a result of their thank you.
4. Our survey revealed that only two thirds of charities said they thank new donors for every single gift. While we salute those organisations for their efforts and commitment to supporters, it also means a significant opportunity is being missed by the remainder. That is a large number of organisations who are failing to get relationships with new supporters off to a good start. We would strongly recommend reviewing any policy of this kind, and we certainly question the wisdom of any approach that excludes new donors from getting any kind of acknowledgement for their first-time support. Showing genuine appreciation for a donation, or any other kind of contribution, should be a basic tenet of any supporter care programme.

5. Are the short-term cost savings in not thanking supporters risking potential longer-term damage in terms of the relationship with these supporters? We are very concerned about the possible long-term consequences of many charities choosing to never acknowledge a gift of £5 or less, and around one in eight charities choosing to never thank donors giving £10 or less. This fails to take into account the donor's wishes or expectations and could easily be perceived as arrogant and unappreciative. The incentive for someone to keep giving if they never receive an acknowledgement of any kind, or learn how their gift is being used, is questionable at best. It is also entirely possible that a donor may be 'testing' a charity before committing to any further support, so the consequences of not thanking such donors could be potentially very significant.
6. Speed of thanking continues to be the main measurement used in terms of any quality control. Whilst turnaround times appear commendably quick, we do question whether this has sometimes become the main priority, to a point where quality is being sacrificed for speed. Clearly the ideal would be to thank donors promptly with high-quality content, but it should not be forgotten that the latter is certainly far more memorable than the former! Providing engaging, interesting and informative thanks should always be the primary objective of any acknowledgement process – even if mass produced.
7. Handwritten acknowledgements such as letters or cards, either written in full or simply topped and tailed, are appreciated by donors and considered to be much more personal. It can be the single most effective way of making a thank-you communication stand out and be more memorable from the donor's perspective.
8. The proportion of online thanking that consists solely of automatic receipt e-mails is disappointingly high, with the thanking survey showing that over half of all online acknowledgements are done this way. Our own mystery shopping exercises indicate that these are generally of much lower quality than bespoke thank-you e-mails and letters, and could potentially leave the supporter feeling very underwhelmed. This is an area that could be easily improved upon at low cost and with little impact on resources and time, but could greatly enhance the donor experience.
9. We were surprised by the survey finding that only a tiny proportion of charities thanking new donors online sent a digital Welcome Pack. Only 1% said they send an online version of a Welcome Pack, although 16% said that a Welcome Pack was sent via the post. Even so, less than one in five new online donors received any kind of dedicated welcome to the organisation. This seems like another missed opportunity for engaging new supporters with involving and inspiring content delivered quickly online.
10. We were also surprised that the survey suggested that a greater proportion of follow-up contacts to a donation online were delivered via print rather than digitally for both new and existing donors (23% to 22%), which also seems surprising and certainly more costly.
11. There is a great opportunity for more imaginative thanking that is genuine and authentic. It does not always have to be linked to a donation. We found some good examples of thanking supporters on specific milestones and anniversaries (for example, after giving a regular gift for a year or maintaining membership for five years, on the anniversary of an in-memoriam gift being received, or after a project has been successful or a particular programme goal has been achieved).
12. There is not enough measurement of thanking – in our survey fewer than four in ten responders actually measured thanking as part of any management information or key performance indicators, and over one third of responders to the survey had no idea what a thank you cost to produce. Speed is the main measurement used in thanking, and we believe much more could be done to more effectively measure the impact, benefits and costs of thanking supporters – particularly at a time when charity fundraising practices are under scrutiny like never before. Again, this seems to reflect the overall lack of value placed on this activity by the sector as a whole.

In addition to explaining and justifying the above principles, actions and conclusions. The full project provides several instructive case histories, plus links to a number of informative articles on thanking and welcoming, all with instructive examples and useful advice.