

WHO ARE INDIVIDUAL DONORS?

Individual donors vary greatly. They may be one-off donors giving in response to a campaign, at an event or through a crowdfunder, or regular givers donating periodically over a long period of time. They may give small amounts or large (often referred to as 'major donors'). And some may even leave your charity a bequest/legacy in their will.

With the right tools and systems in place what may start as a one-off donation can lead to a lifetime of support. For some charities, individual donors can be a major source of income particularly if they have a large network of contacts. For others, it can be more challenging. This can be due to a number of reasons, including not having the right processes in place. This Handy Hints gives a general overview of individual donors/giving.

+PROS

- A one-off donation can lead to a lifetime of support
- Donors can help promote your charity leading to new supporters through their networks
- Donors may also volunteer or organise events
- Many small donations from lots of people can be more sustainable than a large grant from one funding source as it is unlikely that all your individual donors will stop giving at the same time

-CONS

- Initial investment of time and resources vs. initial return
- Ongoing time required to manage/steward donors
- Resources required to recruit new donors and grow individual giving as a key income source

GET READY – PLAN & PREPARE

Review your current position and set targets

It can be a useful exercise before launching into any area of fundraising to review your past and current experience in the area so you can then set realistic targets for the future.

Current situation

- How many individual donors do you have and how much do you receive from them?
- What is the minimum, maximum and average donation?
- How do people normally donate (direct debit, one-off online payments, cheques, cash, at events, etc.)?
- Do you know why and when they started donating?
- What else do you know about them (age, gender, location, profession, etc.)?
- What happens after they donate (the “donor journey”)?

Past

- In the last three-five years, how has your income from individual donors changed?
- Has it increased or decreased in number of donors and in total income received?
- If there has been a substantial increase or decrease, do you know why?
- Has the way people donated changed over recent years? For example, do more people now donate online instead of by cheque?
- How many donors have stopped donating and do you know why?

Future

- What is a realistic target based on your current position, existing resources, experience and networks?

Planning: Some key questions

- **Who?** Make a list of potential targets. Start with who you know. Have you ever asked your volunteers, board, staff, friends or family to donate? Could you approach current donors and ask them to consider increasing their donation and/or help to share a specific message/event/campaign with their contacts?
- **How?** How will you approach your donors/potential donors? By email, phone, social media, at an event, etc.?
- **Why and where?** Why do you need support and where will the money go? The more specific and transparent you are the better. Give examples of what specific amounts will support.

- **When?** Make a plan for the next 12 months of what you will do and when, where and how you will communicate this. Keep in mind other projects and events that could affect this timing or that you could leverage to your advantage.
- **What?** What happens next after someone donates? This may depend on the amount donated. At what level are they classed as a 'major donor' and what happens in that case? Is there a process in place to record donations and ensure donors are thanked quickly and sent updates, as appropriate?

Remember

- It's easier to keep a donor than secure a new one
- It takes time to develop
- Listen – how often do they want to hear from you, in what way, etc.
- Be personal
- Be transparent, honest and open

Key things to consider/put in place

- **Existing resources/systems:** What is currently in place (database, payment options, donation information on website, etc.)? What improvements are needed and/or other resources? What is your budget?
- **Team:** Who will lead on this work? Do they have the time, experience and resources they may require?
- **Are you registered for Gift Aid?** As a charity registered in the UK, it's easy to register for Gift Aid with HMRC and it's definitely worth doing as it allows you to claim an extra 25 pence on every pound donated by a registered UK tax payer. For example, with Gift Aid, a donation of £10 from a UK tax payer becomes £12.50 at no extra cost to the donor. For more information on Gift Aid visit gov.uk
- **Legal issues to consider:** Make sure your fundraising activities follow the [Code of Fundraising Practice](#) and [OSCR guidelines](#).

- **Data legislation:** Effective from the 25th May 2018, the current Data Protection Act in the UK will be changed to be in line with the new EU GDPR (General Data Protection Regulation). All organisations handling data, including charities, must ensure they comply with these changes. There are various resources and guides online to help you understand what the changes mean for your organisation, including on [NCVO's website](#).
- **Database:** It is important that you have a database in place (compliant with GDPR and other legislation) to record donations.
- **Payment options:** Make it as easy as possible for donors to donate. Give options, including cheque, bank transfer, mobile, Direct Debit and online payments. Make sure to give the option to make the donation recurring. If you don't, this is a missed opportunity. Also, make sure to ask for Gift Aid, if eligible (refer to the HMRC website for guidance on requirements around this).
- **Website:** Is your website up-to-date? An out-of-date website can put off prospective donors. Is it clear how to donate from your website? i.e. Do you have a donate button that is easily visible and appears on all pages of your website? It can be a good idea to make this a different colour so that it stands out. Is your website mobile friendly? Test it for free [here](#).
- **Online payments:** How many steps are required between the home page and the payment page. The less steps the better. Make sure it is clear that your donation page is secure. It is important that donors trust the online payment process. If possible, set up a branded automatic thank you and receipt.

Different ways individuals give

- At events
- Online (through your website, social media, emails, etc.)
- Mail-outs and phone
- Face-to-face fundraising
- Collection tins
- Community fundraising and sponsorship
- Targeted research (more relevant for major donors)
- Workplace giving
- Legacies/bequests

Your message is key

Create a communications plan. It is worth putting time into understanding your target audience and getting the messaging right from the beginning. This will ensure your message is clear and consistent and will save time in the future.

Some tips:

- **Target and tailor** messaging where possible.
- **Be personal:** Use first names, “you”, “our” and “we”
- **Get your readers’ attention** at the start. Don’t waste words and lose attention through uninteresting first sentences, such as “I’m writing from CHARITY to ask...”
- **Tell a story**
- **Use images, case studies and quotes**
- **Be positive**
- **Be specific:** What do you do? What would you do with the money? Use numbers. Avoid using grand general statements that can’t be quantified.
- **Reader friendly:** Make it easy to read by using headings, short paragraphs, bullet points and white space. Also, don’t use small hard-to-read fonts and make sure to include an ask (also known as a “call to action”)
- **Edit:** For any text going out, make sure to edit it several times. Check and check again for typos and grammar mistakes. Ideally don’t try and do it all in one day. With a fresh head you’ll spot things you hadn’t noticed before.
- **Review:** Ask someone else to review the text: If possible, ask a colleague and a friend or someone else external.
- **Don’t overcomplicate** things with crazy design and colours. Simple can be more effective.

Build a community

- **Make people feel part of something:** Encourage donors to connect with you on social media and through your events. The more involved and appreciated people feel the more likely they are to continue to support your work.

- **Use social media** to create an online community and engage with current and potential donors.
- **Content creation:** Create useful, relevant and interesting content to generate interest, raise your profile and increase engagement. A blog connected to your social media can be a good platform for this. Video can also be a very powerful tool.
- **Ask supporters to share** content/events etc. and make it as easy as possible for them to do so with template messages and shareable links.

Say thanks and keep in touch

An obvious but sometimes overlooked step. Make sure to thank donors and make them feel appreciated. If they donated to a specific project, update them on progress. Otherwise provide updates, where relevant.

GOOD LUCK!

