



# Optimizing Donor & Impact & Loyalty

Sustainability Improvements  
for Faith-Based Organizations

**A CASE STUDY**

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## BACKGROUND

This case study is based on the work conducted by GM&F Partners in 2022-2024 for a faith-based nonprofit client (registered charity) in Western Canada. At the request of the client, the organization name has been redacted and instead presented using a fictitious organization name. All statements have been verified as accurate and true.



## INTRODUCTION

Warren Jones, Director of Finance at Voyage Alliance Canada, had spent the last decade integrating his business acumen and pastoral background to amplify Voyage's mission impact—to provide coaching and leadership training for Christians to live godly lives. Despite his efforts, Voyage experienced year-over-year revenue declines.

Increasing donations and reducing donor attrition became critical priorities for the organization, especially in the post-pandemic environment of donor fatigue among widespread need. In response, Warren engaged GM&F Partners to develop and implement a fund-development plan.

### About Voyage Alliance

Voyage funds its operations primarily through the donations it collects from diverse revenue streams including mail-outs, events, digital marketing, and telemarketing. Modest revenues are obtained from event ticket sales. However, because of their long history, Voyage has secured a significant number of preauthorized monthly donors. Nevertheless, donor attrition in that category was also a significant problem prior to GM&F's involvement.

### Challenges

For several years Voyage Alliance faced a continuous decline in preauthorized donors, a trend worsened by the pandemic (Exhibit 1). COVID-19 stalled donor acquisitions while the attrition rate continued to rise. Warren recognized that his team of 14 employees and over 50 volunteers lacked the expertise to implement substantial changes independently.

### GM&F Partners

George Glover, President of GM&F Partners, agreed to undertake the project with his team and began regular monthly meetings with the executive team at Voyage Alliance to provide an external perspective on Voyage's needs and to plot a strategic solution to the core issue of donor retention and loyalty.



## CLARIFYING THE PROBLEM

Several in-depth meetings with management and key leaders were held with GM&F's representatives to identify reasons for the donor drop-off rate since the end of 2019.

**During the discovery phase, the following themes were observed:**

- Drop-off rates correlated to changes in the economy and donor demographics
- Donor acquisitions were heavily dependent on seasonal events
- Best practices were either unknown or inadequately applied
- Absence of a structured fund development plan.
- Ineffective donor communications

### Drop-off Rate

GM&F identified the pandemic and national economic changes as significant contributors to the declining donor base. Inflation and affordability pressures had put a strain on donors who donated monthly, especially for smaller donors, whose aggregated donations were significant to Voyage's operating budget.

Many of these donors contributed via credit cards that frequently resulted in declined transactions. There was no clear data on whether the credit card declines were caused by expired cards or were donor-initiated cancellations, which suggested to GM&F that there were likely gaps in communication with donors.

GM&F also identified that an aging donor base was causing a natural decline in monthly donations. This prompted a re-evaluation of donor acquisition strategies.

### Donor Acquisition

Voyage is entirely donor supported (revenue streams: direct mail, online giving, and events). However, the aging donor base was not being adequately replaced. GM&F highlighted the need for strategic planning to invigorate donor interest among the next generation to replace the aging demographic.

### The Importance of Monthly Donors

Monthly donor acquisition is a strategic priority broadly among North American non-profit organizations. Recent research indicates that the retention rate for monthly donors is approximately 79% year over year, compared to one-time donors, who typically have a retention rate of around 35% year over year (Exhibit 2)<sup>1</sup>.

Recurring donors not only have higher retention rates compared to non-recurring donors, but they also remain active for significantly longer periods. Research shows that recurring donors in midsize organizations have an average engagement of 8.89 years, while those in large organizations stay committed for an average of 7.20 years. In contrast, non-recurring donors typically remain active for approximately 1.70 years (Exhibit 3)<sup>2</sup>.

1. Neon One, Recurring Giving Report, (Neon One, 2023), 48, 61, accessed August 15, 2024, [https://www2.neonone.com/neon\\_one\\_recurring\\_giving\\_report\\_2024](https://www2.neonone.com/neon_one_recurring_giving_report_2024).

2. Neon One, Recurring Giving Report, (Neon One, 2023), 49, 62, accessed August 15, 2024, [https://www2.neonone.com/neon\\_one\\_recurring\\_giving\\_report\\_2024](https://www2.neonone.com/neon_one_recurring_giving_report_2024).

Most importantly, monthly donors mitigate financial risk for charities and provide greater stability for budget planning. Additionally, monthly donors are five times more likely to leave an estate or willed gift to the charity they support monthly, compared to one-time donors. They also give approximately 35% more annually than their one-time donor counterparts.

### Best Practices

Voyage Alliance conducts annual high-quality, large-scale events across Canada and a significant part of its workforce includes dedicated volunteers. Given its extensive presence and diverse range of activities across Canada, the organization successfully offers events tailored to most demographic groups.

The events are consistently exceptional. However, volunteers lacked training in critical areas such as presenting a well-defined monthly donor program to attendees. GM&F identified an opportunity to significantly enhance staff training in key areas, including effective audience presentation and improved donor communication, both prior to and following donor acquisition.



## GM&F SOLUTION

George and the GM&F team realized that their success for Voyage would hinge on developing an optimized fund development plan and providing staff training on best practices to increase revenues.

### Elements of the new plan:

1. Establish a new 'challenge match campaign'—doubling donations by matching them with seed funding—focused strategically on new monthly donors and raising monthly amounts from existing donors. All monthly donations were matched, doubling their impact, for a minimum of twelve months.
2. Optimize donor communications for events and segmented lists of donors—new donors, monthly donors, planned giving, and major donors, among others.
3. Brand a name and logo for Voyage's monthly donors to rally the group as distinctly meaningful to the organization. This branding was put into use for all messaging to monthly donors and included a welcome letter of appreciation announcing the name and group formation from Warren.
4. Train staff on best practices, including improved messaging, more robust thank-you protocols, and how to deliver an event ask to a large audience.
5. Implement, review, and refine the plan continuously for improved metrics.
6. Develop new best-practice marketing collateral designed specifically for major donors, planned giving, direct mail, and texts for younger demographics.
7. Regular huddles with the team via Zoom to improve processes and address questions.



## GM&F RESULTS

*An effective collaboration with Voyage*

GM&F designed and implemented the new monthly donor acquisition campaign in November 2023, and it ran through the Christmas season. The deadline was extended in the new year through Easter because of its success, which was effectively communicated to the entire donor base, which galvanized them around the challenge.

The campaign was the most successful campaign in Voyage Alliance's history. The campaign and monthly group branding completely reversed donor attrition in this category. In fact, 74 new donors enrolled and became monthly partners—a median lifetime value of \$2,400 for each monthly donor<sup>3</sup>. Many current donors also increased their contributions to take advantage of the matching program—upgraded amounts were doubled.

The campaign represented an additional \$4,395 per month for Voyage Alliance, a significant and reliable revenue stream that enabled effective future planning across the ministry.

Staff training had a significant impact on both the number of donors and the amount donated per donor (Exhibit 5). Telemarketing led to the greatest increase in donor numbers, while mailouts and conferences saw the largest increase in monthly contribution per donor.



## CONCLUSION

GM&F's strategic collaboration transformed Voyage Alliance's fundraising models—especially in the critical area of new monthly donor acquisitions. By addressing core issues and implementing a targeted fund development plan, GM&F successfully reversed declining donations, acquired new donors, and re-engaged current and new donors through improved personalized communications. The challenge match campaign, comprehensive staff training, and enhanced donor-facing communications led to a notable increase in both new and existing donor contributions.

Through this partnership, Voyage Alliance has not only stabilized its monthly donor financial base but has also established a strong foundation for sustainable growth and continued ministry impact.

3. <https://www.donorperfect.com/nonprofit-technology-blog/monthly-giving/measure-monthly-giving-impact/#:~:text=The%20more%20regularly%20a%20donor,value%20is%20a%20more%20%2470>

# EXHIBITS

## Exhibit 1.

### ANNUAL PERCENT CHANGE IN TOTAL DONATION DOLLARS BY FISCAL YEAR END

2020	2021	2022	2023
-1.60%	-3.50%	-4.80%	-3.80%

## Exhibit 2.

### AVERAGE DONOR RETENTION RATES (MIDSIZE TO LARGE ORG COMPARISON)

	Non-Recurring Donors Midsize Orgs	Recurring Donors Midsize Orgs	Non-Recurring Donors All Orgs	Recurring Donors All Orgs		Non-Recurring Donors Large Orgs	Recurring Donors Large Orgs	Non-Recurring Donors All Orgs	Recurring Donors All Orgs
2018	39%	78%	38%	77%	2018	39%	78%	38%	77%
2019	38%	81%	37%	80%	2019	39%	82%	37%	80%
2020	37%	77%	35%	76%	2020	36%	80%	35%	76%
2021	36%	79%	35%	78%	2021	36%	82%	35%	78%
2022	35%	79%	34%	77%	2022	35%	79%	34%	77%

## Exhibit 3.

### AVERAGE DONOR LIFETIME (MIDSIZE TO LARGE ORG COMPARISON)

	Non-Recurring Donors Midsize Orgs	Recurring Donors Midsize Orgs	Non-Recurring Donors All Orgs	Recurring Donors All Orgs		Non-Recurring Donors Large Orgs	Recurring Donors Large Orgs	Non-Recurring Donors All Orgs	Recurring Donors All Orgs
2018	1.81 YEARS	9.43 YEARS	1.81 YEARS	7.85 YEARS	2018	1.79 YEARS	9.05 YEARS	1.81 YEARS	7.85 YEARS
2019	1.77 YEARS	11.02 YEARS	1.75 YEARS	8.69 YEARS	2019	1.76 YEARS	6.95 YEARS	1.75 YEARS	8.69 YEARS
2020	1.75 YEARS	11.02 YEARS	1.70 YEARS	7.94 YEARS	2020	1.72 YEARS	6.87 YEARS	1.70 YEARS	7.94 YEARS
2021	1.72 YEARS	10.17 YEARS	1.70 YEARS	8.23 YEARS	2021	1.71 YEARS	8.88 YEARS	1.70 YEARS	8.23 YEARS
2022	1.69 YEARS	8.89 YEARS	1.68 YEARS	7.71 YEARS	2022	1.68 YEARS	7.20 YEARS	1.68 YEARS	7.71 YEARS

**Exhibit 4.**

FISCAL YEAR	PAC AMOUNT (ACTUAL)	YEAR OVER YEAR % CHANGE	PAC AMOUNT (PROJECTED BASED ON <b>-4.7%</b> *)
FY18	\$58,867	0.8%	-
FY19	\$57,976	-1.5%	-
FY20	\$57,210	-1.3%	-
FY21	\$53,371	-6.7%	-
FY22	\$52,147	-2.3%	-
FY23	\$49,451	-5.2%	-
FY24	\$52,740	-6.7%	\$47,125
FY25	-	-	\$44,910
FY26	-	-	\$42,799
FY27	-	-	\$40,788

\*Average annual drop of -4.7 from F21 to F23, assumed to continue from F24 onwards.

**PAC TREND PROJECTION**

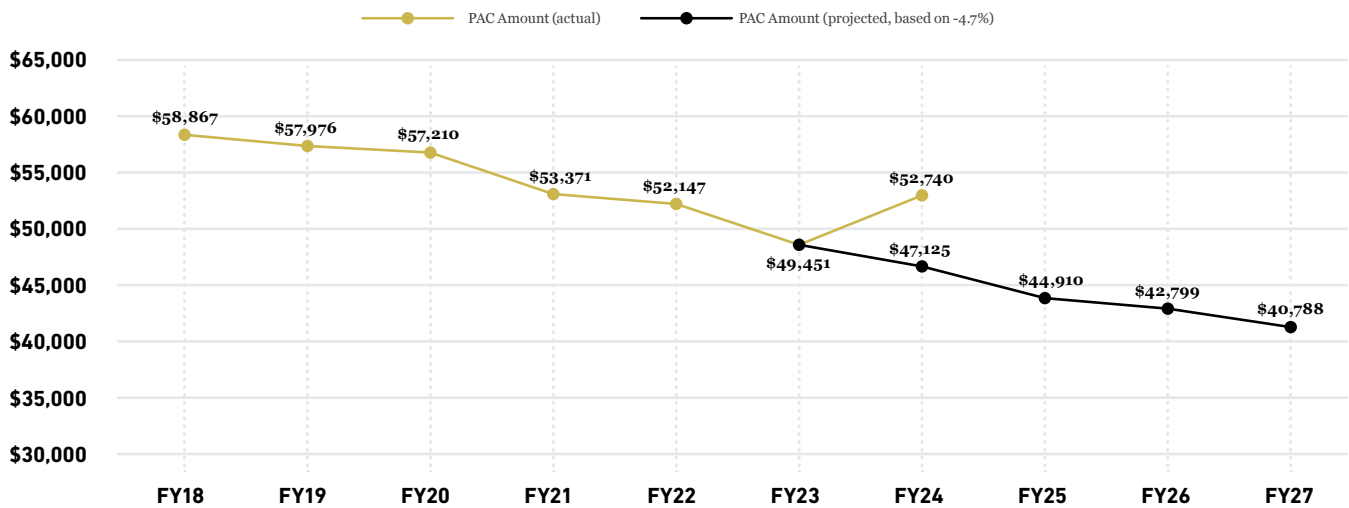
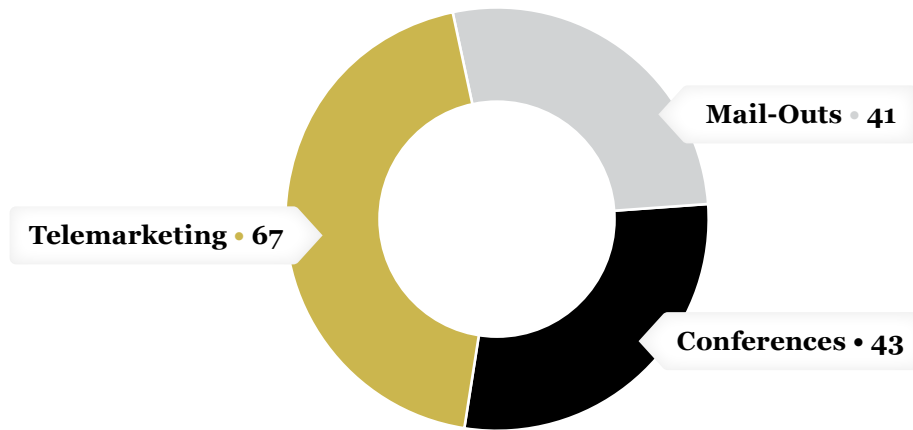


Exhibit 5.

### DISTRIBUTION OF TOTAL NEW DONOR ACQUISITION AND INCREASED CURRENT DONORS BY REVENUE STREAM



### PERCENTAGE BREAKDOWN OF TOTAL NEW AND INCREASED DONATION DOLLARS BY REVENUE STREAM

