Large Health Nonprofit with High DRR

Context: A large health nonprofit with a $10M budget focuses on medical research and has a diverse donor base, including many recurring donors and a robust major gifts program. It uses Salesforce Nonprofit Success Pack and has a data analyst on staff.

Starting DRR (2024): 52% overall (above the industry average of 35-45%), with 30% for first-time donors, 70% for repeat donors, 85% for major donors, and 90% for recurring donors.

Challenge: Maintaining a high DRR is difficult due to sector-wide retention declines (e.g., -2.6% in Q4 2024 per FEP), and first-time donor retention lags behind other segments.

Growth benchmark: Maintain overall DRR at 52% or increase to 54% by the end of 2025 (a 0-2% increase), with first-time donor DRR increasing to 35% (a 5% increase) and recurring donor DRR maintained at 90%.

Strategies:

- ☑ **AI-Driven first-time donor retention**: Use predictive analytics (e.g., Dataro or Fundraising KIT) to identify first-time donors at risk of lapsing and target them with personalized emails and calls within 60 days.
- ☑ **Recurring donor engagement**: Send quarterly "Insider Updates" to recurring donors with behind-the-scenes research stories and host an annual virtual thank-you event.
- ☑ **Major donor cultivation**: Invite major donors to exclusive in-person lab tours and pair them with a board member for ongoing engagement.
- ☑ **Donor feedback surveys**: Survey all donors to understand retention drivers, using insights to refine communication (e.g., reducing email frequency if requested).

Tracking methods:

- ☑ Use Salesforce to run automated DRR reports monthly, segmenting by donor type and acquisition channel (e.g., online, direct mail, events).
- ☑ Integrate predictive analytics data into Salesforce to monitor at-risk donor engagement rates.
- ☑ Create a Tableau dashboard to track DRR trends, survey responses, and recurring donor program growth.

Progress (Mid-2025):

- ☑ First-time donor DRR rises to 33% as AI-targeted outreach prevents 10% of predicted lapses.
- ☑ Recurring donor DRR holds steady at 90%, with minimal cancellations due to enhanced engagement.
- ☑ Overall DRR remains at 52%, with slight gains in repeat donor retention (71%).

Outcome (End of 2025):

- ☑ Overall DRR increases to 53%, slightly below the 54% target but above the starting point.
- ☑ First-time donor DRR reaches 35%, driven by AI-driven personalization and a 10% increase in new recurring donors.
- ☐ Recurring donor DRR stays at 90%, with a 5% growth in the recurring donor base.
- ☑ Major donor DRR improves to 87%, with three donors upgrading to $10,000+ gifts.

Takeaway: Large nonprofits with high DRR can maintain or achieve incremental growth by leveraging advanced technology and focusing on first-time donor retention to offset sector-wide declines.