




6 Ways To Segment Your Donors



Segmenting donors is the process of sorting your donors into groups based on similarities and then marking these donors in your database as a member of that specific group.

But why do nonprofits need to segment their donors?

The answer is simple: by segmenting your donors, you can better understand who your donors are, why they give to you, and how you can best communicate with them.

Segmenting also allows you to approach your donors in a more personalized, meaningful way. If you are currently employing a “one size fits all” communication strategy, you need to keep reading!

Before jumping right into some of the different ways to group your donors, you need to understand a few important criteria for creating useful and successful segments...

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- People in the segments need to be very similar to one another.
 - The different segments must be distinct from one another based on different preferences/needs/behaviors.
 - Over time, the segments are relatively stable.
 - The number of segments you create is manageable with your current resources.

Keeping all of this in mind, we've laid out 6 common ways to segment donors that might work when you break down your donor database. Don't fret if some of these won't work for your nonprofit — it's ok! The most important thing that you can remember when choosing segment categories is that they must be based on their ability to help you personalize a message to your constituents.

Read on!



1) By preferred communication method

Different donors prefer to be contacted in different ways, and your nonprofit should respect that. Keep track of whether your donors prefer direct mail, email, or phone communications, and then stick to reaching out in those ways. One benefit to adding a communication preference segmentation is that you can save on costs and will most likely have an improvement in response.

2) By preferred giving channel

This almost always directly correlates with how people prefer to be reached. If a donor prefers email communications, chances are they won't appreciate receiving a solicitation for a donation and a pre-addressed, postmarked envelope in the mail. Same goes for the opposite. Don't send people who prefer direct mail a letter that then asks them to go to a website to donate. Allow your donors different options of giving that best align with their preferred giving channel.

3) By annual giving level

Segment your donors by how much they have donated per donation period. If someone has made a substantially larger donation than others, they deserve specialized communications. You can also use this segment to identify which donors may be best to solicit for major gifts.



4) By new donors vs. recurring/monthly donors

Both of these segments need a little extra love in your communications, but for different reasons.

New donors might still be on the fence as to whether or not they will give again, so you need to be sure to effectively communicate how much your organization appreciates their gift as well as how exactly their gift will be used to improve the community.

On the other hand, recurring/monthly donors need to receive steady acknowledgment and thanks for their commitment to supporting your organization in an ongoing way.

5) By demographics

It should not come as a big surprise that donors of different generations have different giving tendencies or that those of any other demographic segment are inspired to donate for different reasons. Break out your donors by age, gender, income level, etc. to get a better idea of who your donor is “on paper.” You can then use this information to tailor your communications. Not sure how? Say you have a donor’s address — it tells you what neighborhood they live in. You can then send them specific messages and invitations about events that are happening near them.



6) By donation frequency and timing

Try segmenting donors by those who have (and have not) given in last six months or have (and have not) given in last 30 days. Sometimes lapsed donors have become lapsed because no one from the organization reached out to them for another ask. Re-engaging donors (both those who have and have not given recently) can yield not only additional gifts for your organization but also helpful insights into why donors have decided to not return.

