



The Subscription GivingSM Method: Start Raising 2x More

Table of Contents

Introduction.....	3
How to Implement a Subscription Giving SM Program	4
Subscription Giving SM Works Even for Small Nonprofits: The Pilot Program	19
Key Learnings and Outcomes	20
Acknowledgements.....	23

Introduction

Over the last decade, consumer buying has shifted towards subscription-based purchasing. Companies like Netflix, Amazon, Blue Apron, and Dollar Shave Club have changed consumer behavior to expect instant, curated, and relevant content or products that can be accessed anywhere at any time. We believe savvy nonprofits can take advantage of this movement by offering subscription-based giving to donors and prospects.

Through a partnership with the Bill & Melinda Gates Foundation, Network for Good launched a pilot program on January 1, 2020 to test a new methodology for subscription-based recurring giving, known as Subscription GivingSM. The program was designed to not only guide the participants to grow their fundraising through Subscription GivingSM, but to identify best practices that small nonprofit organizations can implement in their own fundraising.

Subscription GivingSM draws from the best of traditional recurring giving programs while incorporating new customer engagement methods tested by high-performing subscription-based companies to engage and sustain today's busy, impact-driven donors.

If this is your first introduction to the concept of Subscription GivingSM, we recommend you start with why it works by downloading our introductory white paper [*The Guide to Subscription GivingSM*](#).

In this guide, we'll share the results of our pilot program and teach you how to implement a Subscription GivingSM program in your own organization.

How to Implement a Subscription GivingSM Program

We know *why* Subscription GivingSM helps nonprofits retain more donors, raise more funds, and increase sustainability. But just how effective is it? We'll dive into the results later, but here are a few key findings from our pilot program to keep in mind when you consider implementing a Subscription GivingSM program into your own organization.



That's a pretty compelling argument for starting your own Subscription GivingSM program. But before you dive in, you should acknowledge two important facts:

1. Subscription GivingSM is not the same as traditional recurring giving.

Too many monthly or recurring giving programs treat donors like a "one-size-fits-all" form of revenue. Monthly donors probably get special acknowledgements, but otherwise generally receive the same newsletters or programmatic updates as any other type of donor.

Subscription GivingSM is different. These donors have subscribed to your organization, and in exchange for their donation they expect to receive special content created just for them. That means you'll probably be sending a lot more communications to this audience. Before getting started, you may want to consider getting fundraising software like Network for Good's that can make this easier for you.

2. You may need to spend more to raise more.

For-profit companies will pay more to acquire a retaining customer. Shouldn't you? For example, many subscription-based companies today would happily pay \$1 of expense to acquire \$1 of new revenue - if that customer retains for five or six years, it's a good investment.

Today, most nonprofits try to spend less than \$0.20 to acquire a donor. That makes sense for a one-time donor, but with increased donor retention rates that come with Subscription GivingSM, nonprofits should expect to invest more in donor acquisition. The lifetime value of the Subscription Donor will still be higher.

With that in mind, let's get started!

Subscription GivingSM Pilot Success Stories

The Team at Volunteers for Youth Justice Prove Their Passion for Helping Kids in Need

Organization: Volunteers for Youth Justice (Louisiana)

Mission: To provide a community caring for children, youth, and families in crisis.

Fundraiser: Amie Baham, Development Director

Starting Point: 2 subscription donors.



"We were really honored to be selected to participate in the Subscription Giving Pilot Program. When you're in a smaller city, you don't always have as many opportunities as you would in a larger city. We were thrilled!"

"Subscription giving was something we were already interested in. We had two donors who preferred to give this way, but we wanted to encourage others to get involved to create a sustainable revenue stream for our organization. Our goal was to secure at least 30 subscription donors in 2020."



"We decided to launch our new subscription giving program with a staff contest in September 2020. Staff contests are popular at our organization for Halloween, Christmas, etc. We sent out several emails and reminders

and let our staff know about the contest during meetings as well. We encouraged our staff to break up into teams. Points would be earned when team members signed up to be a subscription donor themselves based on how much they were giving, as well as the number

of people they encouraged to sign up in the community. Everyone on the winning team received an extra day off."

"The response to our staff contest was incredible! The majority of our staff wanted to participate and become subscription donors themselves. They worked very hard to encourage their friends and family members to get involved as well. We now have 73 subscription donors! Most of these are brand new donors to the organization, so it has been a great way to engage new people and let them know about the work that we do."

Progress as of December 2020: 73 subscription donors.

"We are focused on keeping in touch with our new subscription donors. We send out a monthly acknowledgement email and let them know what's going on at the organization and what we are working on. We keep them short and sweet!"

Any advice? "Think about who you can get involved to help promote your subscription giving program. In 2020, our staff were a huge help! In 2021, our board members are planning their own peer to peer campaign to grow our subscription giving program even more."

There are four fundamental elements to Subscription GivingSM:

1. Segment prospects and donors into three groups; prospects, one-time donors, and recurring donors
2. Make your first ask a request for a recurring gift
3. Engage recurring donors like subscribers
4. Analyze progress using subscription metrics

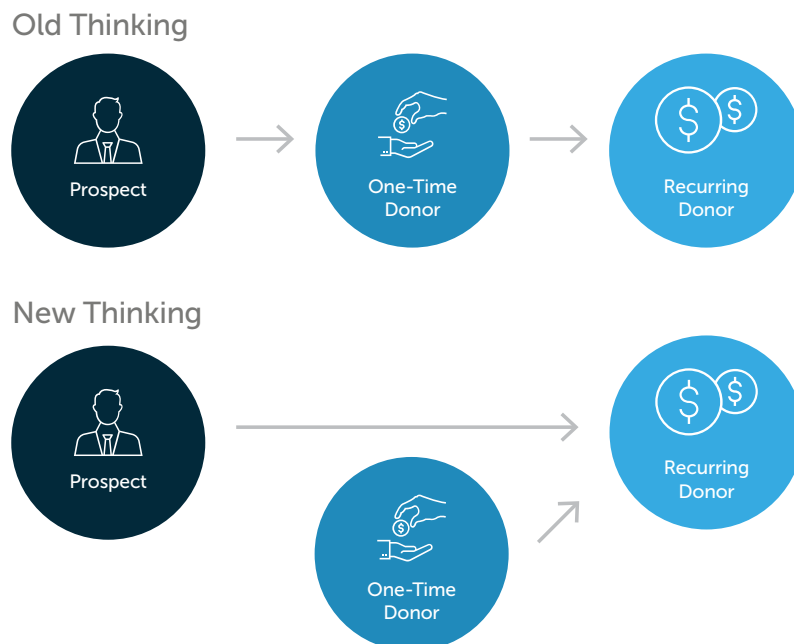
1. Segment prospects, donors, and recurring donors.

Donor segmentation is not new, but it is an essential first step for Subscription GivingSM. At a minimum, you should be segmenting prospective donors from active donors. We recommend three separate communications streams throughout the year for prospects, one-time donors, and recurring donors. If you're not already segmenting, you should start these groups now.

When looking at recurring donors, there are two subsegments: 1) "repeat" donors who give each year but have not set up an automated recurring gift, and 2) automated recurring donors who have set up a monthly, quarterly, or annual recurring gift.

The goal of Subscription GivingSM is to convert as many of these segments (prospects, one-time donors, and repeat donors) into recurring donors who are signing up to continually invest in your cause.

There are obvious benefits to segmenting your donors, but the most fundamental to Subscription GivingSM is that while it's fine to ask prospects for donations and one-time donors to sign up for recurring gifts, you do not want to continually ask Subscription Donors for money (more on this later) so it is important to track who is in each segment.



2. Make your first ask a request for a recurring gift.

Remember, most people who agree to support your cause are not doing so because they only care about it just this year. So why would we ask them to give one-time, and only this year? If a donor wants to support your organization then you should ask (at the outset) for support until they don't want to give any more, they no longer care about your cause, or you achieve your mission. Just like subscription-based companies, you can put the onus on the donor to cancel at any time.

Traditionally, nonprofit fundraisers ask for a one-time gift so that's all donors know. However, Network for Good's research shows that just over half of donors are open to or prefer to make recurring gifts.¹ The sad truth is that they are open to making a Subscription Gift, they just aren't asked to make one.

The strategies to acquire and engage prospects are the same, but we suggest shifting the ask from one-time to recurring at the outset:

- **Events**—collect contact information (including mobile) to readily solicit
- **Petitions**—leverage call-to-action or advocacy to mobilize a network and encourage giving
- **Social ads**—advertising on Facebook, Instagram, and others
- **Influencers**—befriending social media “influencers” to promote your cause
- **Challenge grants and giving days**—use community giving days and gift matching to drive subscribers
- **Peer-to-Peer campaigns**—encourage your Board, staff, and volunteers to fundraise on your behalf

Even though you may convert a lower percentage of prospects to first-time recurring donors than prospects to one-time donors, the lifetime value of a recurring donor is so much higher than the value of a one-time donor that it's worth the tradeoff. Which donation request would you make of your prospects when considering the example below?



One-time ask of \$100 to 10 prospects
50% convert to a donation

Lifetime value of gift =
 $\$100 \times 5 \text{ donors} = \500



Request for a monthly gift = \$100/year to 10 prospects
30% convert to a donation
Average retention rate of 3 years

Lifetime value of gift =
 $\$100 \times 3 \text{ prospects} \times 3 \text{ years} = \900

¹ Market Street Research. *Preference for Recurring Giving, Reasons for Giving, and Ways to Encourage Donor Engagement*. Research study contracted by Network for Good and conducted in March 2019.

Subscription GivingSM Pilot Success Stories

Subscription GivingSM as a Pathway to Sustainability

Organization: 18 Reasons (California)

Mission: To empower our community with the confidence and creativity needed to buy, cook, and eat good food every day.

Fundraiser: Allison Eckert, Director of Development and Communications

Starting Point: 0 subscribers.



“One of the main reasons that I was interested in Subscription GivingSM was to help diversify our revenue streams and create a more sustainable and reliable source of funding. Even before the pandemic, I knew that we needed to reduce our reliance on our annual gala to bring in the majority of funding. In a year when we were unable to hold our gala in person, we were pushed to try new things to reach a wider audience and improve our donor retention.”

promoting subscription giving in the fall during #GivingTuesday and our year-end campaign. Our organization has been very focused on increasing our food distribution capacity so that we can meet the growing need for emergency food donations. In addition to many one-time gifts, we secured 10 subscribers this year!”

Progress as of December 2020:
10 subscribers.

“I really believe that there was already an appetite for this kind of support. These donors just needed to be asked. They bring in around \$500 per month. This is money that we can count on, and that is really important for us.”

“To keep our new subscribers engaged, we send out exclusive monthly communications. One month it might be a group video, another it might be an email blast featuring a story about one of our beneficiaries, and another month it might be a direct mailing.

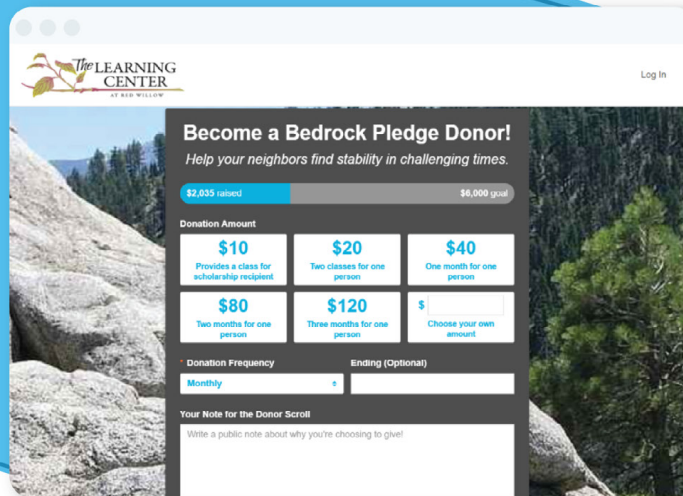
Any advice? “Plan out your communications so that you’re ready to steward them as soon as they sign up. Don’t just think about where you want to be at the end of the first year, but rather where you want to be at the end of five years. It’s about setting up a pathway to sustainability and a group of people that you’re going to be connected to for a long time.”



“We promoted Subscription GivingSM throughout 2020. We secured our first few subscribers in May during #GivingTuesdayNow. We were thrilled to see new subscribers signing up through payroll deductions and being matched by their employers. After a successful virtual iteration of our annual event in October, we continued

On Donation Pages, Ask for a Monthly Gift

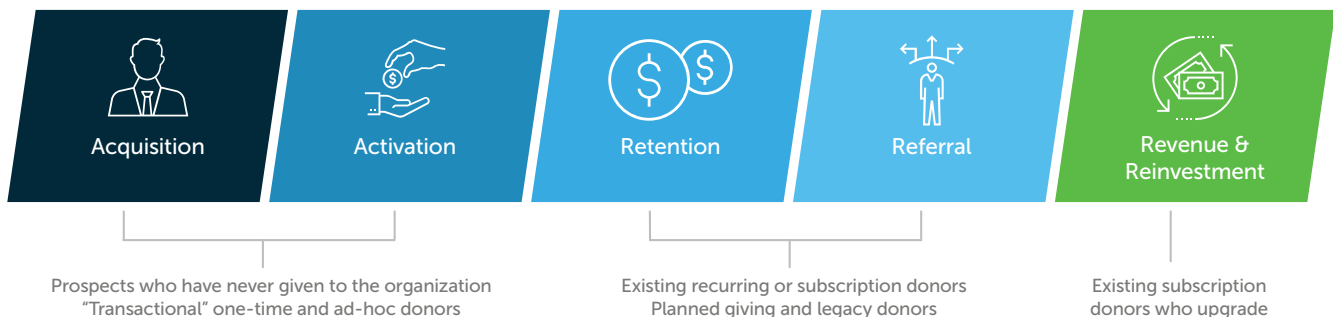
If you are fundraising via email appeals and your website (both with links to your donation page), restructure the appeal and the donation page to only ask for a recurring gift. It can be monthly, quarterly, or annual. Instead of offering the option of a one-time gift as the default as seen in the traditional giving page below, try only providing an option for a one-time gift as a last resort at the bottom of the page. Make that selection link to a different one-time gift page.



3. Engage recurring donors like subscribers.

Subscription GivingSM applies the phases developed by Dave McClure, known as “Pirate Metrics” (thanks to the sound of its acronym AARRR), for growth at subscription-based companies. They work well with nonprofits by helping you pinpoint areas of focus and engage your prospects and donors with the right messaging at the appropriate stage. We’ve adapted the Pirate Metrics stages to fit small to medium-sized nonprofits so you can jump in and begin growing Subscription GivingSM across your donor continuum.

Take a look at the chart below. Your contacts, one-time donors, and recurring donors each fit into a different category. Our goal is to move them along to the right, at which point they will reinvest in your organization. But in order to do that, we need to treat each category differently.



The Donor Engagement Difference with Subscription GivingSM

The donor engagement approach associated with Subscription GivingSM is perhaps its biggest difference and most important element. It's why Subscription GivingSM is so named. You'll need to rethink your relationship with your recurring donors and think of them as signing up for a subscription – a subscription to regular content, which could be monthly or quarterly. This content is designed to:

- Make them feel satisfied and happy with their ongoing contribution
- Tell them the impact their money is having
- Educate them about your cause

And, ultimately:

- Renew their subscription (set it and forget it)
- Refer you to other potential donors in their network
- Increase their recurring giving to a higher level
- Strengthen the mutual commitment between your organization and your donors to your cause

Once a recurring donor has been “acquired,” the engagement stream can be thought of as fulfilling a subscription. The Engagement Stream has two basic phases, the second of which has varying goals based on the lifecycle of the donor:

1. Welcome
2. Ongoing Engagement

Welcome Phase

The Welcome Phase of Subscription GivingSM is designed to immediately provide value to the recurring donor in exchange for their subscription, just as though they're a customer. The Welcome Phase typically lasts three to six months and is measured by the extent to which the donor engages with the content provided to them (open rates, click rates, form fills, etc.). You will define your own success metrics, but success during this phase strongly correlates with donor retention down the road.

The goal of the Welcome Phase is to make your new donors immediately feel good about their recurring donation and then teach them more about your cause. A secondary goal is for you to learn more about your donors.

- It begins with a thank you as soon as they set up their recurring donation
- Followed by a 3- to 6-month stream of content

Subscription GivingSM Pilot Success Stories

Guide Dogs of the Desert Raises Powerful Paws in California

Organization: Guide Dogs of the Desert (California)

Mission: Provide mobility, companionship, and independence for the blind with custom-trained Guide Dogs.

Fundraisers: Tricia Gehrlein, Executive Director; Jennifer Heggie, Director of Development; and Courtney Romanski, Marketing and Event Coordinator

Starting Point: 31 subscription donors.



In 2015, Guide Dogs of the Desert ran a fundraising campaign that secured them 31 monthly donors. All of them have remained loyal supporters, but no new monthly donors have signed up. Network for Good's Subscription Giving Pilot Program gave them the chance to grow that number and better engage these regular donors.

Courtney shared, "We completely rebranded subscription giving at Guide Dogs of the Desert in 2020. We took it from "The Sustainers Club" to "The Powerful Paws Club," which included a variety of giving levels and fun incentives like t-shirts and hoodies. Nearly all our original subscription donors have made the switch so far, and we secured 17 new subscription donors during the first year of the Pilot Program!"

"Our new Network for Good fundraising software gave us the opportunity to send out bright-looking email blasts. Previously, we had only been sending out direct mail communication and were unsure how our older donor base would respond. We quickly found that they completely embraced this kind of communication! We use email to send out appeals and to steward our new subscription donors. After they receive a welcome kit and personal thank yous, members

of The Powerful Paws Club receive a monthly email update from us. They are the first to hear about new puppies and what is going on at Guide Dogs of the Desert."

Progress as of December 2020: 48 subscription donors.

Tricia explained the impact of growing The Powerful Paws Club in 2020. "Having these additional funds makes a big difference. We don't charge our students when they receive a guide dog, so we are completely dependent on donations and grants. Now we have more funds that we can rely on throughout the year."



*Jennifer Heggie,
Director of Development*

Ongoing Engagement Phase

Once you have acquired a subscriber and demonstrated the impact of their gift, they'll enter the Ongoing Engagement Phase of Subscription GivingSM. Some organizations think that once they have a recurring donor, they can move on to acquiring other donors. That's a big misstep because your goal with Subscription GivingSM is to continue communicating the ongoing value of their investment.

The Ongoing Engagement of your recurring donors typically involves a monthly stream of content. Once you get the hang of Subscription GivingSM, more sophisticated engagement will allow the donor to customize the frequency and the medium. Email communications are a simple place to start, but additional media and multi-channel methods are proven to have better results.

You can leverage the lessons learned by your for-profit subscription counterparts when it comes to the forms of content you use to engage your recurring donors. Instead of sending a continual stream of emails in newsletter format, consider a more varied approach that is often more engaging. For example, surveys, petitions, questionnaires, etc. are useful to foster dynamic engagement.

Some of these content alternatives include:

- Start with a welcome series of communications (preferably a mix of email, print, text, video)
- Wait at least six months before asking for an additional one-time gift (unless it is within three months of year-end). For example, the Sierra Club removes their Subscription Donors from general donor communications and only sends one-time gift appeals two or three times a year for a) year-end, b) Earth Day, and c) environmental crises
- Provide ongoing content (emails, newsletters, social, text, and video) that rewards them for their investment
 - **Storytelling** – brief videos or vignettes
 - **Educational and informative content** – “Did you know” factoids, videos, and gamification
 - **News-jacking** – taking advantage of current news or trends to promote your mission or program
 - **Quizzes** – create short quizzes to survey your base and/or test your audience's knowledge of an issue
- A/B test communication and special fundraising appeals—year-end, giving days, capital campaign, etc.

Ask for Referrals

- Satisfied donors will want to share news about the good they, and your organization, are doing. Leverage them to expand your Subscription GivingSM program.
- There are two periods when referrals are ripe to promote and secure:
 - Right after the first Subscription Gift is made when the donor is excited about the organization they are supporting. You can then request they share their donation (and ask for more) via social media or launch a peer-to-peer campaign.
 - When a donor is satisfied with the impact they are making and the stewardship of their funds. This ask should not feel methodical (i.e. on an anniversary date or in a regular appeal). Instead, the request should come across as critical and personal.
- Peer-to-peer campaigns work best for referral gifts

When the Time Is Right, “Upsell” Your Subscribers

- Your donors do not always have the same capacity to give, year in and out, in perpetuity. Changes in lifestyle (promotions, inheritance, empty nests, retirement, sale of a business, estate planning, etc.) can positively or negatively affect a donor’s disposable income and their ability to support your organization. That’s why it is important to regularly communicate with your donors and to track individuals ripe for upgraded gifts.
- Segment your donor list by demographics and wealth factors. When you have a sizeable base, you may want to consider conducting a wealth screening to deepen your understanding of your donor or prospect file’s capacity and propensity to give to your organization.
- Challenge grants are ideal for motivating existing donors to upgrade—offer matched gifts for anyone who increases their donation in one of three forms:
 - The gift will be matched dollar for dollar for an entire year or in perpetuity (wow!)
 - The gift will be matched dollar for dollar that month only (e.g. a generous donor has offered to match all Subscription Gifts made in September)
 - The increased portion of the gift (e.g. an increase of \$5 when a donor moves from \$25 to \$30 monthly gift) is matched for a specified period of time

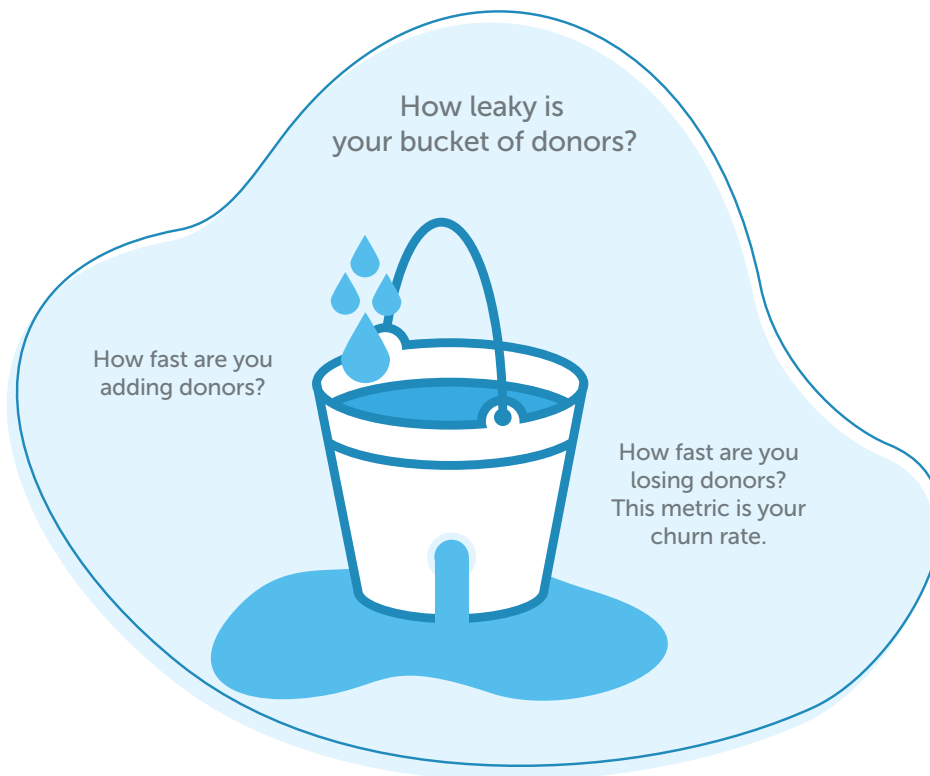
4. Analyze progress using subscription metrics.

Traditional fundraising metrics are helpful but just scratch the surface of what you can learn about your Subscription Donors. By using subscription metrics, you can evaluate performance, identify areas for improvement and continuously optimize your program.

As you evaluate your Subscription GivingSM performance, start first with collecting traditional fundraising metrics and layer on subscription-based metrics for deeper insight and clarity on where to focus and how to optimize growth. Ongoing data collection and analysis will keep you on a steady path that will be useful when communicating fundraising strategy to your board and major donors. Don't let a mindset of "I'm not good with data" or "our data is a mess" hold you back—you can start fresh today and it's less complicated than you might think!

When implementing Subscription GivingSM, think of a bucket of water and how much fresh water (new donors) you will need to add each year to keep or increase the same level of water in the bucket. Nonprofits leak approximately 57% of their donors on average each year, so just to maintain the same donor-level each year, the typical nonprofit needs to add 57% more donors. Consumer-facing subscription service companies leak only 30% of their customers on average so to maintain consumer subscriptions they need only add 30% each year.

- How many Subscription Donors will you need to add to your bucket each year?
- How can you decrease the number of Subscription Donors flowing out of your organization's leaky bucket?



Subscription GivingSM Pilot Success Stories

Heal the City Amarillo Increases Funds Raised by Subscription Donations by 278%

Organization: Heal the City Amarillo (Texas)

Mission: To provide free quality medical care and referral services with dignity and compassion to the uninsured of their community.

Fundraiser: Lisa Lloyd, Development Director.

Starting Point: 5 subscription donors.



"I understood the benefits of promoting subscription gifts for sustainability, but I wasn't sure where to begin. When I received information about the Subscription Giving Pilot Program, I knew we should give it a shot."

"At first, I was planning to promote subscription gifts at our Saddle Up and Save a Life event planned for April. However, the pandemic made us pivot and move in a different direction. Fortunately, HTC has two dedicated volunteers who have been volunteering for several years. The ladies put together a list of prospects and had letters printed with information about joining the HTC subscription giving program Partners in Hope, which asked for \$41.67/month (equaling \$500/year). The response was significant. We then reached out to lapsed donors and prior event attendees. We continued to see new subscription donors. In September 2020, we held a Ladies Luncheon. The event was impactful, and our net proceeds including their subscription gifts were over \$60,000."

Progress as of December 2020: 80 subscription donors.

"The impact of these new donations is huge. When we began the pilot program, 5 subscription donors gave a total of \$1,800/month. By the end of 2020, 80 subscription donors were giving a total of \$6,800/month. The need for services has increased significantly because of the pandemic and the subsequent economic recession. These funds will help us to keep treating the individuals who need us the most."

Any advice? "Do it! The answer is always 'no' unless you ask. Trust in the process and dive in!"



Here's a basic overview of how to think of your donors with subscription metrics:

Step 1: Tracking recurring donors.

Example	Donor Count	Year-End % Change
Starting # of Subscription Donors on January 1st	20	-
# of Subscription Donors added as of 12/31	10	50%
# Lost Subscription Donors (churn)	5	-25%
Ending # of Subscription Donors	25	25%

Step 2: Using the same table, track annual recurring revenue (ARR) from your donors.

Example	Donor Count	Annual Donor Value = \$120
Starting Subscription Giving Revenue	20	\$2,400
Annual Donor Value Added	10	\$1,200
Subscription Revenue Churned	5	(\$600)
Ending Subscription Giving Revenue	25	\$3,000

Let's assume that your average Subscription Donor gives \$10 per month. Your annual donor value is \$120.

Step 3: Calculate the lifetime value (LTV) of your donors.

Part 1: Know your annual donor value

In the example above, our donors gave \$10 per month on average, so our annual donor value is \$120.

Part 2: Know your average donor lifespan

To calculate how long donors will continue their Subscription Gift, there is a short-hand formula that helps. You simply take your annual churn rate and divide it into the number one. In our example above, our churn rate was an admirable 25%, so our average donor lifespan is 4 years.

$$\frac{1}{\text{Churn Rate}} = \frac{1}{0.25} = 4$$

Part 3: Calculate your donor lifetime value

The Lifetime Value (LTV) is a metric that is common across nonprofits and subscription-based companies. Some nonprofits measure the LTV of a donor, but perhaps not as widely or intentionally as they might need. LTV for nonprofits is the amount the donor gives each year times the number of years that they continue to give. In our example above, you simply multiply \$120 (your average donor value) times 4 (your average donor lifespan) and the LTV of our Subscription Donor is \$480.

The Impact of Subscription Giving

A Subscriber's Lifetime Value is: \$480 in total contributions

(\$120/year x 4 years)

Imagine what you can do each year with a growing, sustaining base of annual revenue that you can count on

You can view the LTV in terms of gross or net value. Gross is as described above, while net takes the lifetime value and subtracts the fundraising costs applied to keep donors giving. This is just like you would do to evaluate the net dollars raised from a special event (total revenue minus cost). Once you are successfully tracking the above metrics, you can include fundraising costs to get a better picture of your fundraising program and its profitability.

As you can see, there is lasting value in focusing on donor retention and sustaining gifts. When you apply Subscription GivingSM, note that a side effect may be lower donor conversion rates for your campaigns on the front-end. Why? More donors are open to a first-time one-time gift than a first-time recurring gift, so while you may have lower conversion rates, the lifetime value of your monthly donors is far higher long term than a one-time or sporadic donor. It is a practical investment in your organization's future.

Subscription GivingSM Pilot Success Stories

Promote Care & Prevent Harm Goes From 0 to 12 Subscription Donors in 2020

Organization: Promote Care & Prevent Harm (Virginia)



Mission: Promote Care & Prevent Harm was founded after the tragic 2007 Virginia Tech shooting. Their mission is to empower leaders to create a more proactive culture by promoting safety, wellness, connection, and peace, as well as preventing COVID-19, illness, loneliness and violence in schools and organizations.

Fundraiser: Shane McCarty, PhD, Co-Founder and Executive Director.

Starting Point: 0 subscription donors.

"I knew I needed to fundraise, but I was finding it difficult. Subscription GivingSM was really exciting because it would open up a new stream of revenue for us. I thought it would be a great way to reach younger donors who might be comfortable making smaller, more frequent donations."

"I have really enjoyed working with our PFC Lea Ann Skogsberg. Having a coach is very different to trying to do everything yourself. We needed to clarify not only our fundraising strategy, but our messaging and organizational metrics."

"Lea Ann recommended that we reach out to our contacts more often. Previously, we had been reaching out quarterly. Now we are communicating more often. We are also segmenting our contacts and tailoring our messaging based on what we think people will

be most receptive to. We are keeping them updated about our work and how we foresee the pandemic developing. Our social media presence has also grown significantly. We were brand new to Instagram in March and now we have more than 700 followers."

Progress as of December 2020:
12 subscription donors.

"Right now, I'm feeling very grateful. The ability to enhance organizational capacity is often overlooked by funders. Network for Good is allowing us to build organizational capacity in a way where our values are now aligned with how we are communicating with our donors. Keeping them engaged is simple; it's sharing what good work we're doing on a more frequent basis. After going through the first year of the pilot program, we have become a more values-based and mission-driven organization."

Any advice? "It's about small steps and small wins. At first, I was overwhelmed by the idea of putting together a year-long strategy. It felt like too much. All you really need to do is focus on one month at a time and putting out quality email blasts."



Step 4: When you are ready, add on other Subscription GivingSM and marketing metrics for deeper insight.

1. Total number of one-time donors converting to recurring donors
2. Total number of existing recurring donors upgrading to a higher recurring gift amount
3. Conversion data from your fundraising and marketing activities to provide insight into specific fundraising activities and campaigns:
 - a. Total number of opens from emails promoting Subscription GivingSM
 - b. Total number of clicks on your Subscription GivingSM donation pages vs. general donation pages
 - c. Number of donations made by campaign or activity
 - d. Total dollars contributed by campaign or activity

Subscription GivingSM Works Even for Small Nonprofits: The Pilot Program

Through a partnership with the Bill & Melinda Gates Foundation, Network for Good selected a cohort of fifty small nonprofits throughout the United States to pilot our Subscription GivingSM methodology from January 1 through December 31, 2020.

The Subscription GivingSM Pilot Program was designed to offer a repeatable template for nonprofits to follow. Each charity was matched with a Personal Fundraising Coach (PFC) to help guide and train the organization as they tackled new parts of the methodology. Because we feel sustainability is essential for all nonprofits, especially new and growing organizations, the pilot program was designed to be implementable for even the smallest nonprofits, who, because of their limited resources, must focus on the donor segment with the greatest opportunity for ROI – recurring donors.

Participants utilized the following resources as part of the program:

- Our Subscription GivingSM methodology
- Network for Good's simple, smart fundraising software
- Regular one on one meetings with a Network for Good Personal Fundraising Coach (PFC)
- Group webinars for all participants to learn about the pilot and share results
- Exclusive communication templates to provide sample language for appeals and acknowledgements

Key Learnings and Outcomes

Before the Subscription GivingSM Pilot Program officially began, we selected a control group of fifty other Network for Good customers who began using our fundraising software during the same timeframe as those selected to participate in the program – August to December 2019. In early January 2021, we analyzed the fundraising results of the participants and compared it to the control group.

Due to the impressive results, Network for Good and the Bill & Melinda Gates Foundation are continuing the program into a second year, from March 1, 2021 through February 28, 2022. We look forward to sharing the year two findings in Spring 2022. Here are the results from year one:

Overall Fundraising and Subscriber Growth

Of the charities in the pilot, the results showed that:²

- Subscription GivingSM participants raised \$7.5M (2X) more total funds in 2020 than the control group.
- Subscription GivingSM participants greatly outperformed the control group in number of subscription gifts and size of recurring donation.
- On average, subscription GivingSM participants created over 6X the recurring revenue of the control group in 2020.
- On average, the subscription GivingSM group gained over 5X the new subscription donors compared to the control group.

Metric	Subscription Giving Group	Control Group	Performance Difference
Average Subscription Donation Amount	\$42.02	\$35.03	120%
Average New Subscription Donors 2020	13.7	3.7	370%
Average New Donors 2020	148	112	132%
Average Raised in 2020	\$387,453	\$178,499	217%
Median Raised in 2020	\$115,896	\$92,327	126%
Total New Subscription Donors	496	97	511%
Total Raised in 2020	\$14,605,607	\$7,136,460	205%

² Due to the challenges of the COVID-19 pandemic, there were approximately ten organizations that no longer had the availability to participate in the program. We removed extreme outliers (approximately 5 highest and 5 lowest performers) from the control group to have an equal comparison.

Key questions we hope to answer with the second year of the program include:

1. Will pilot participants retain subscribers at higher rates than the control group?
2. Will pilot participants retain a higher donation volume from all donors (one-time and subscribers) compared to the control group?
3. In year two, will participants upgrade subscribers at higher rates than the previous year?
4. Do one-time donors convert to subscribers faster when asked (A/B testing)?
5. What gets the best response out of a donor to subscribe (A/B testing)?
6. After the COVID-19 pandemic, how will pilot participants' subscriber and overall giving compare to the control group? What was unique to the COVID-19 period vs. the "new normal?"

Nonprofit Pilot Participant Growth and Confidence

In addition to tracking growth from individual gifts, we evaluated each participant's confidence with fundraising. The participants were either Executive Directors who wore the "Chief Everything Officer" hats at their organization or Development/Administrative Officers with both marketing and fundraising responsibilities. At the end of the first year, participant confidence grew in every area—attributable to 1) working one on one with their fundraising coach, 2) testing/learning from ongoing fundraising tactics and 3) creating discipline and repeatable workflows for fundraising.

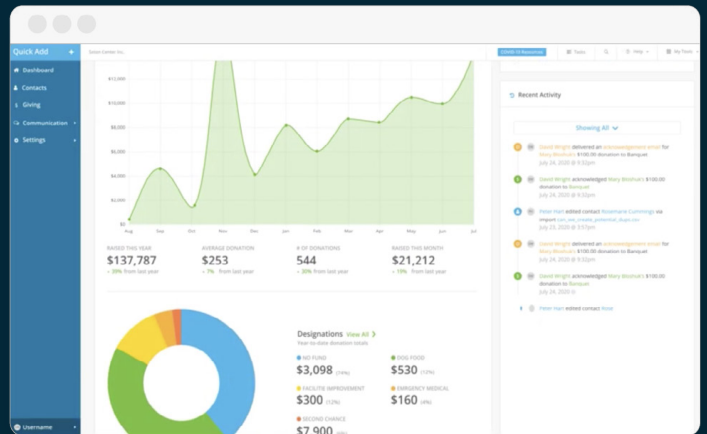
Participant Growth and Confidence	Start of the Pilot	End of the Pilot	Growth
	Scale: 1 (low) – 10 (high)		
I am confident that my nonprofit peers see me as a successful fundraiser.	5.5	7.3	25%
I know how to prioritize the fundraising work that I do.	5.6	7.6	26%
I believe my donors understand the contribution they make to our mission.	7.2	8.4	14%
I understand and use standard metrics to track and report my fundraising success.	4.8	7.5	36%
I'm confident that my organization can increase year over year (YOY) giving.	7.7	8.5	10%

An interesting finding from the confidence survey is that despite significant fundraising growth, and the fact that participants felt more confident about their fundraising ability, participants were only ten percent more confident that they could increase their year over year giving. This may be due to the COVID-19 pandemic—participants may feel uncertain about short- and long-term impact on the economy and individual giving. However, this may also be due to a lack of confidence across the nonprofit community, particularly among small nonprofits—that they are in control of their destiny and can continue growing their year over year giving in a repeatable, consistent fashion. We are interested to see if participant confidence improves in the second year of the pilot.

Whether you have zero recurring donors or one hundred, Subscription GivingSM can work for any nonprofit willing to invest the time and follow the tactics. We're excited to share these results and methodology with you. We wish you the best of luck putting our learnings to work in your own organization!

Network for Good[®]
Simple. Smart. Fundraising Software.

Subscription GivingSM can't be done without an all-in-one fundraising platform. Request a demo of Network for Good's simple, smart fundraising software today to get started.



Acknowledgements

Special thanks to the Personal Fundraising Coaches participating in the Subscription GivingSM pilot:

Janet Cobb, CFRE, CNP

Andrea Holthouser, CFRE

John Gilchrist, CFRE, FAHP

Paige Jarrett, MS, MSc

Cindy Harris

Lea Ann Skogsberg, MS

And the Network for Good staff who produced this eGuide:

Bill Strathmann, Chief Executive Officer

Kimberly O'Donnell, CFRE, ACC, Vice President, Fundraising and Professional Services

Carrie Saracini, Content Marketing Manger

Congratulations to our pilot program participants:

18 Reasons

Garden Terrace

Lower Cape TV

Sylvia Center for the Arts

Academy for Exceptional Learners

Gilda's Club Kansas City

Maliheh Free Clinic

The Automotive Training Center

African Middle Eastern Leadership Project

Guide Dogs of the Desert

Mansfield Mission Center

The Clothesline for Arlington Kids

Airline Ambassadors International

Heal the City Free Clinic

Michelle's Place, Cancer Resource Center

The Inner Pup

Amity Teen Center Inc.

Historic Marion Revitalization Association

Mighty Writers Inc.

The Learning Center at Red Willow

Asian Pacific American Dispute Resolution Center Of Los Angeles

Inner Explorer, Inc.

Missouri Press Foundation Inc

The Outlet

Base Academy of Music

Institute for Healing of Memories - North America

North Star Initiative

The Spectrum Works

Books for Development

Journey House Foundation

Pop Culture Hero Coalition

VASI (Amazonian Vision for An Integrated Sustainability)

Concord Conservatory of Music

Kingdom Kidz Inc.

ProjectArt

Volunteers for Youth Justice

FEJ - USA

League of Women Voters of Pennsylvania Citizen Education Fund

Promote Care & Prevent Harm

Yes She Can Incorporated

Filipino Migrant Center

Long Island Housing Services

Scholarship Fund of Alexandria

Youth Action Programs and Homes, Inc.

Free All Captive Elephants

Studio ACE

Sun Cities 4 Paws Rescue Inc.