



Six Steps to Bring in Donation Dollars This Giving Season



Here's a Hint: It's all about Impact

We [know](#) that donors don't do a lot of research before they give, but we also know that an overwhelming majority – nine out of ten donors – care deeply about the impact that their donations are having. **Information about impact and performance is the greatest unmet need in the sector.** So what exactly should nonprofits do to better demonstrate their impact?

[Money for Good II](#), a research project by [GuideStar](#) and Hope Consulting, set out to dig deeper into donor behavior. We found that many donors *want* information to inform their philanthropic choices, particularly on the effectiveness of nonprofits they have never before supported. But they have specific desires and needs around what that information is and how it is delivered.

Not surprisingly, donors are pressed for time. Giving them only what they need and not making them wade through information they don't care about is critical. They care about your impact. Over two-thirds of those we surveyed are very interested in effectiveness and they want the full picture, not just the ratio of overhead to direct program expenses. More than half of the respondents were looking for roughly ten pieces of information in four categories: **impact, use of funds, legitimacy, and mission.** And they want this information delivered in transparent ways, preferring "Consumer Reports-style" reviews and information portals over "simple ratings" by a 2:1 margin. The vast majority of donors who research get the information from the nonprofit itself. But 53 percent of donors say that in the future they would like to get data from an intermediary, such as GuideStar.

GuideStar recommends you follow six steps to bring in the most donations this giving season:

1. **Update your [GuideStar Exchange profile](#).** Keep your profile on GuideStar up-to-date and complete through our GuideStar Exchange program. Not only are growing numbers of donors and advisors looking for this information, but GuideStar also powers other increasingly [influential portals](#) and is the basis for the internal research tools many philanthropic advisors and community foundations use today.
2. **Chart your impact.** Overwhelmingly, donors embraced initiatives like Charting Impact that provide them with answers to questions they care about in a consistent format. Complete your Charting Impact report at www.chartingimpact.org as soon as possible and then let people know about it. Reference the report in your year-end mailing. Feature a link on your home page. Include it in your email signature. And promote it in your end-of year appeals.
3. **Focus on outcomes.** While some donors have been conditioned to care only about overhead ratios, [we know](#) from our research that they are interested in a fuller picture. Shift the conversation from overhead to impact by focusing on how you're achieving your mission. Give your donors simple statistics or stories about the breadth (e.g., the number of people you reached) and depth (e.g., the change you had in a community) of your impact.
4. **Share accolades!** Seek reviews from the experts and from individuals, and share those accolades, especially if your organization is not yet a household name. Start with the platform that's best for your nonprofit: [GuideStar](#) (GuideStar Exchange seal/transparency), [GreatNonprofits](#) (user reviews), [Charity Navigator](#) (ratings), [Philanthropedia](#) (expert reviews), [BBB Wise Giving Alliance](#) (seal of approval).
5. **Connect the right way.** Even for donors taking a more critically informed approach, giving remains for the most part an emotional experience. It is therefore as important as ever for you to know and to understand the motivations of your donors. Our new, free guidebook, [More Money for More Good](#), offers a comprehensive examination of individual motivations and donor types.
6. **Follow-up.** Donors want to ensure that nonprofits are using their donations appropriately. Following up with them on how you have used the funds will help you continue to engage with donors and provide them useful information.

Check out our [infographic](#) about what nonprofits can do to increase their fundraising and send us your [15 second video](#) about why this time of year is important to your nonprofit.

Season's Greetings from GuideStar!

