CRM BUYER'S GUIDE

The Ultimate Guide for Choosing the Best CRM for Your Nonprofit

keela

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Welcome

The idea of buying nonprofit technology can be a daunting task.

When you consider keeping track of donors, potential donors, volunteers, staff members, supporters, and all the other assorted characters that are associated with your nonprofit, sometimes it’s easier to just stick with the devil you know.

Wrong.

A good CRM has the power to completely revolutionize how your nonprofit operates (for the better, we promise).

By giving a complete and aligned understanding of your donors and their needs, a well-implemented CRM will help you convert, nurture, and retain your most loyal supporters.

So how do you get started evaluating the CRM market?

This guide will describe the benefits of a CRM software and help you determine whether your nonprofit organization needs one.

It goes on to provide a framework for finding the right CRM for your organization's needs. We cover best practices about researching CRM options and shortlisting vendors, as well as provide you with checklists to support you on this journey.

Part 1

What is a CRM and Why Do You Need One?

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What is a CRM?

As your business grows, managing donor data on spreadsheets becomes tedious.

Data entry mistakes, poor reporting capabilities, and the inability to centralize your data can quickly turn into a nightmare for your organization, holding you back from growing your impact.

CRM stands for Customer Relationship Management. It is a software tool that captures, stores, and tracks key information about your constituents.

Put simply, **a CRM is a database or "digital spreadsheet" that holds all of your contact information in one place**. You can sort, search, and add elaborate, custom notes for each contact, but that's just the beginning, a CRM can do much more. It's in these additional features that a CRM can truly make your life easier and your nonprofit grow more quickly.

In fact, the goal of any good nonprofit CRM is to retain current donors, convert potential donors into new ones, and work to boost the average gift size. At any given moment, you should be able to quickly assess where your organization is measuring up against your goals and identify strategic opportunities through easy-to-understand analytics.

Put simply, a CRM is a database or "digital spreadsheet" that holds all of your contact information in one place.

The 3 goals of a good nonprofit CRM:

1. Retain current donors
2. Convert potential donors into new ones
3. Boost the average gift size

7 signs it's time to retire your spreadsheet

1 You don't have a single view of your donor database

Your donor data is spread across multiple spreadsheets, software, and devices.

The problem: Your relationships are constantly evolving. A volunteer can become a donor, a donor can upgrade to monthly donations. Tracking this information across multiple locations makes it very difficult to cultivate relationships.

2 You're losing opportunities

Your contact list is bigger than you think. And as you spread the word about your mission, it will get even bigger.

The problem: Using spreadsheets, you can't efficiently set up follow-up reminders or assign opportunities to your major gift officer. Plus, because there is no unified system between the departments of your organization, your supporters are being contacted by multiple people, causing confusion.

3 You don't know when and how to engage donors

You might be losing out on donations because you lack sufficient information to be strategic with your fundraising asks.

The problem: Spreadsheet functionalities are limited, so you can't properly search and segment your donor database based on how much, and when, donors are giving to your organization.

4 You're struggling to retain donors

You rely on your donors to thrive. But donors stop giving if they don't feel involved in your work.

The problem: Your donor database is disconnected from your communication tools. You don't know who opens your emails and who is interested in your campaigns.

5 Your staff spend a lot of time doing administrative work

Administrative tasks need to be done for your organization to function properly. But manual work is time spent away from pursuing your mission and achieving your goals.

The problem: Your staff is spending hours completing hundreds of small tasks that could be automated, like tax receipting.

6 You aren't able to measure success

Understanding the overall health of your nonprofit is key to planning for the future.

The problem: You don't have a good understanding of what works and what doesn't because you can't analyze and leverage data effectively.

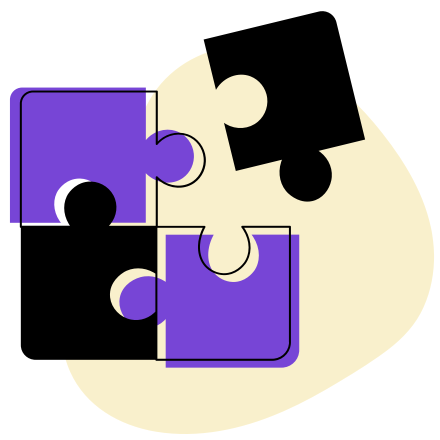
7 You're not as productive as you want to be

You're losing precious time because you have to switch between multiple tools for each task.

The problem: You're using a combination of free tools that don't integrate with one another. While this might work for a time, as you grow, using three different tools to complete one task will slow you down.

What are the benefits of a CRM?

Centralize your data



A CRM begins and ends with your contacts. Knowing their journey inside and out is instrumental in cultivating personalized relationships. Those relationships are where you want to spend your time, energy, and focus.

With a unified system, all the relevant information you need and want is readily available and easily identifiable. You can keep track of all your conversations and interactions in one place, and get your team on the same page.

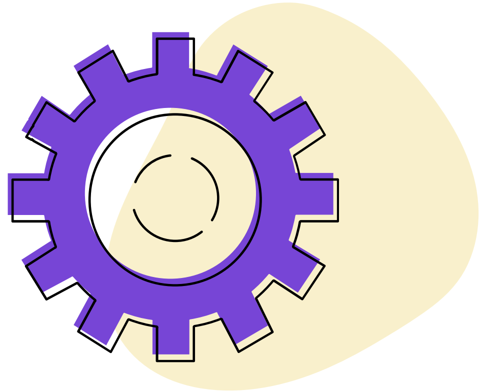
Be donor-centric

The ability to create personalized communications tailored to your donor interests is key to create meaningful relationships. These can take the form of letters, email campaigns, fundraising campaigns, or any other interactions.

A CRM will give you the tool to gain insights into your donor database and understand what your donors care about. And that's how you'll be able to create deeper connections between your donors and your work.

Streamline administrative processes

An effective nonprofit CRM should make your administrative processes a breeze by pairing automation with a simple, easy-to-use interface.

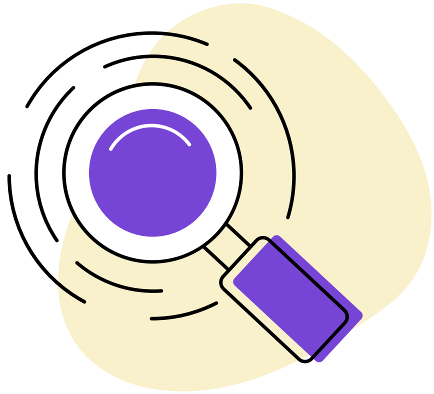


For instance, you can automate donation receipts. Once a donation comes in through an online donation form, a receipt is automatically generated and emailed to the donor.

This is a time-saver, stress-saver, and ensures that you don’t make human errors while issuing compliant receipts.

Improve decision making

Most CRMs include reporting tools that give you insight into what has been done, what remains to be done, and what needs to change.



This helps you see information like:
- Who is donating to your organization?
- What is your donor retention rate?
- Where should you focus your fundraising efforts?

Reports will provide important details that can be used to develop successful fundraising campaigns and improve decision-making.

Part 2

How to Choose a CRM

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Getting started

Finding the right CRM for your organization can be tricky.

Every organization has different needs, and there is no such thing as a one-size-fits-all nonprofit CRM. This is why the market is saturated with software specializing in donor management, fundraising management, events, or volunteer management and range from bare-bones in terms of features, to all the bells and whistles.

You'll need to prioritize your organization's needs, make sure those features align, and make sure the product is going to remain financially viable in the long run.

The following steps will help you better understand your priorities and shortlist the CRM vendors that fit your needs.

Step 1

Define a Goal

Step 2

Gather CRM Requirements

Step 3

Explore the CRM Market

Step 4

Build a Document to Compare CRMs

Step 5

Test the Product

Step 1 - Define a Goal

To get the most from a CRM system, you have to set clear objectives and goals.

Every organization has its own goals. For instance, you might want to improve your donor retention rate by 10%, or maybe you want to increase your volume of online donations by 5%.

Analyze the different areas of your organization and define what you should prioritize.

A few examples of CRM goals to pursue:

- Get organized!
- Create organized reports for the board
- Consolidate software into one system so you don't need to manage multiple platforms
- Set up an effective email marketing practice
- Communicate better with donors

After you have come up with a goal, ask yourself, “Why?” at least 3 times to reach a more specific goal.

For instance: Get organized! *Why?* So I can find data in my database when I need it! *Why?* So I can use it more effectively to reach donors. *Why?* So I can communicate our message more effectively and engage donors better. *Why?* So I can raise more money and make a bigger impact! So here we can see, getting organized is important, but **your real goal is better fundraising.**

So you should be looking for a software that can facilitate fundraising, give you the tools you need now, AND offer the tools you will need as your fundraising efforts evolve. You have to understand your end goal to understand which tool will get you there.

Once you have developed your list of goals, which may look like this:

1. Fundraise more effectively
2. Professional reporting to maintain confidence of board
3. Save time by consolidating tools
4. Better donor engagement & communication

You can now begin your research.

Step 2 - Gather CRM Requirements

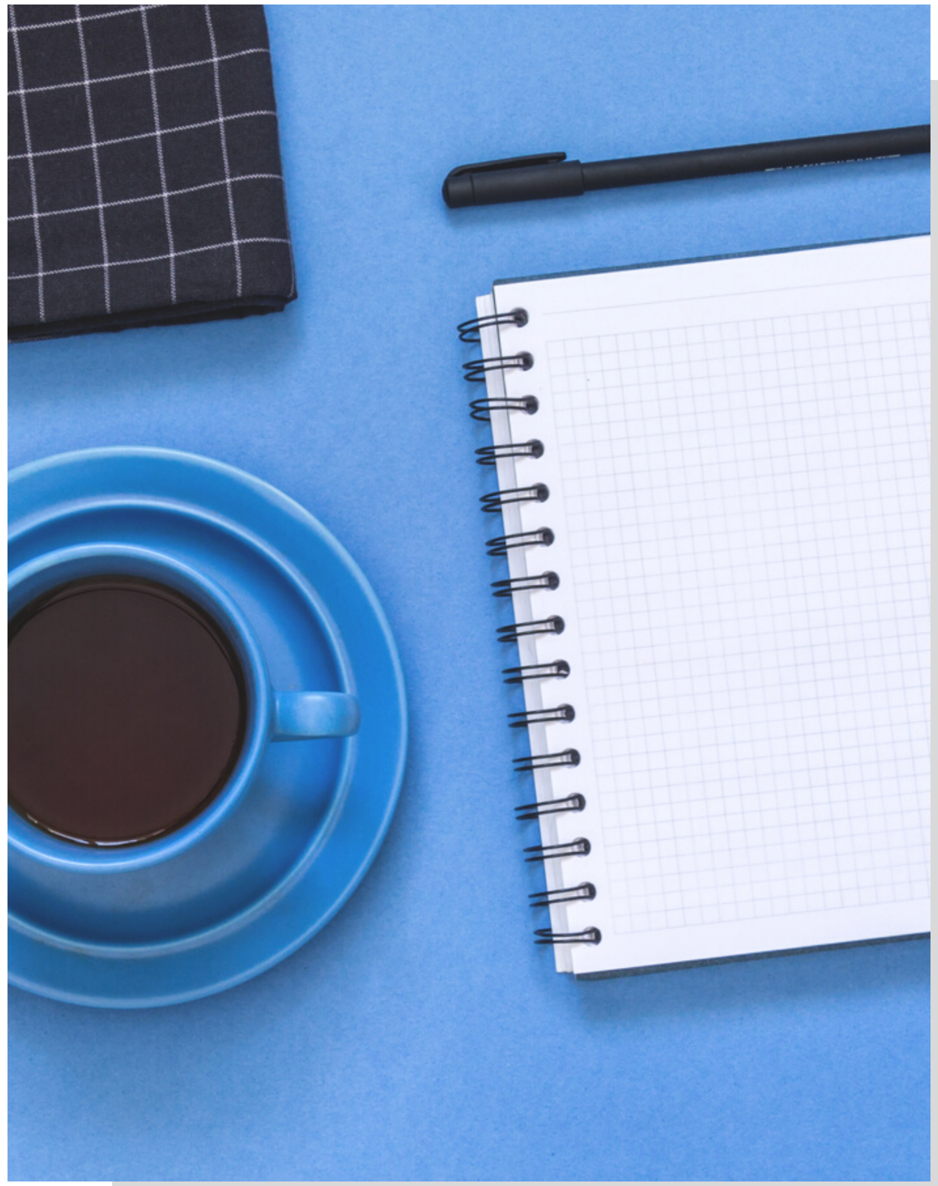
Now, the next step in choosing the right technology for your organization is to list your CRM requirements.

There are key features that your CRM simply CAN'T be missing. And, there are key features that YOU need to put your organization on the right track.

Understanding these core features requires consulting with your whole team. You're about to invest in the most important piece of technology for your organization - this system needs to be adopted and fully integrated across every department.

In other words, your CRM should benefit all areas of your organization.

It's difficult to start a CRM requirement document from a blank slate. You can use the following guidelines as a starting point. Then, you can add your own, personalized requirements to this excel template.



Must-have features

Contact Management:

This is the core of your CRM. In addition to managing your constituent data, the software should offer basic tracking and customization capabilities like setting up custom fields and tags and recording contact interactions.

✔ Store and manage constituent data
✔ Custom fields and tag
✔ Track contact interactions

Fundraising:

Your system should store accurate and complete donation records - from both online and offline sources. Make sure donation forms can be easily customized to match your brand. You should also be able to embed donations forms onto your website.

✔ Record online donations
✔ Allow users to manually enter cash and cheques donations
✔ Custom donation forms

Email Marketing:

When looking at different CRM options, consider the robustness of their email marketing tools: Can you create your own email templates? Are emails mobile-responsive? Can you track basic email metrics inside the software?

✔ Well-designed, professional email templates
✔ Easy-to-use email template builder
✔ Report on email metrics

Reporting and Analytics:

The ability to produce reports is one of the most important features of a CRM system. You need a powerful reporting tool that will give you the ability to gain insights into what works and what can be improved.

✔ Ability to easily create and visualize reports
✔ Pre-built reporting tools to track key nonprofit metrics

Administrative Tasks:

Last but not least, consider how the software will help you complete your administrative tasks. Can you automatically generate thank you letters and donation receipts for all gifts? Can you do batch receipts at the end of the year?

✔ Automated tax receipting functionality
✔ Option to issue donation receipts right away or send batch receipts at the end of the year

Basic functional requirements

Permissions:

The option to have different user roles is important. You don't want everyone to see your donors' payment information.

The right people should have access to what they need within the platform - no more, no less. Permission functionalities allow you to keep valuable donor information safe and to set responsibilities boundaries.

Integrations:

Integration among software tools are essential for your organization. Each integration connects the tools you use everyday to your CRM, so you can keep everything in one place.

Make sure to consider what integrations you need to be successful - for instance, accounting, calendar, or event ticketing tools.

De-Duplication:

Duplicate data creates confusion and inefficiency. Your fundraising and marketing team are in touch with the same donor, but none of them are aware, because the same contact was recorded twice in the software.

But, more importantly, duplicates cost money. Think about it, most CRMs based their pricing on the number of contacts you have in your database. You don't want to be charged extra money because of bad data.

A tool that automatically detect duplicate data is a must-have for your CRM.

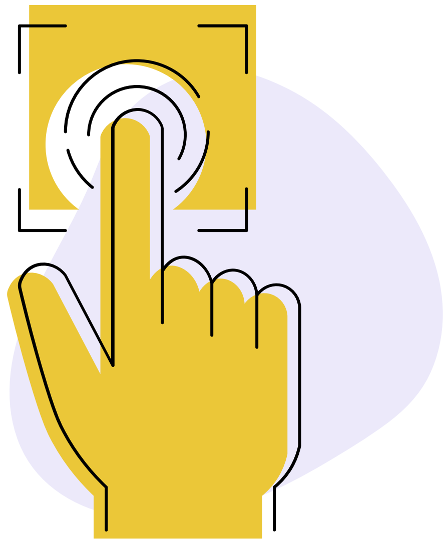
✔ Option to manage different permissions for different staff members and volunteers
✔ Compatibility with tools you commonly use
✔ Automatic detection of duplicates

Application hosting, security, and compliance

Your donor and volunteer data are the lifeblood of your organization. Protecting your records is an absolute necessity.

Your CRM should protect your data in a safe storage location, ideally in your own country. Also, check that it creates routine backups to protect against data loss.

This is often forgotten, but make sure your CRM platform of choice generates tax receipts that are compliant with your local charity laws.



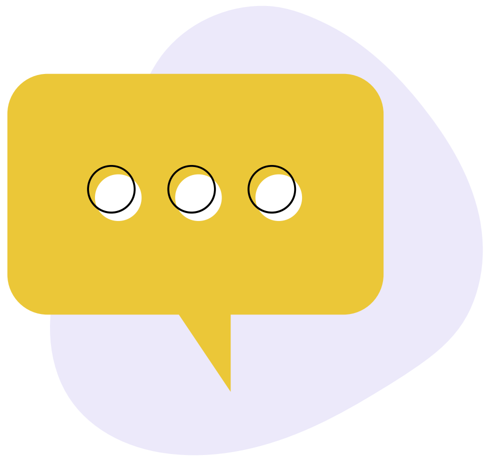
✔ The data is safely stored
✔ The software meets basic data security and privacy requirements
✔ Tax receipts are compliant with your local charity laws

Support

Implementing a CRM system will bring a lot of changes to your organization. To ensure a smooth transition, most software offers personal support, training, and resources to walk you through this journey.

Depending on the CRM provider, support can take very different forms. Before making a buying decision, you should know what type of support is offered.

Support will play a key role in helping you implement your new software and grow with it. Some CRMs will only offer dedicated support for an extra fee, be aware of it.



✔ What does basic support cover? Any extra fees?
✔ How is the CRM implementation is handled?
✔ How is data migration supported?
✔ Does the CRM provider offer a knowledge base or other online resources?
✔ How long is the average wait response time for support?

Pricing

Last but not least, consider software costs.

Some CRM software will offer a basic plan that might not include the features you need. Make sure you ask the right questions to your CRM vendor.

In addition, CRM providers process donation transactions differently - they may or may not charge a fee per transaction.

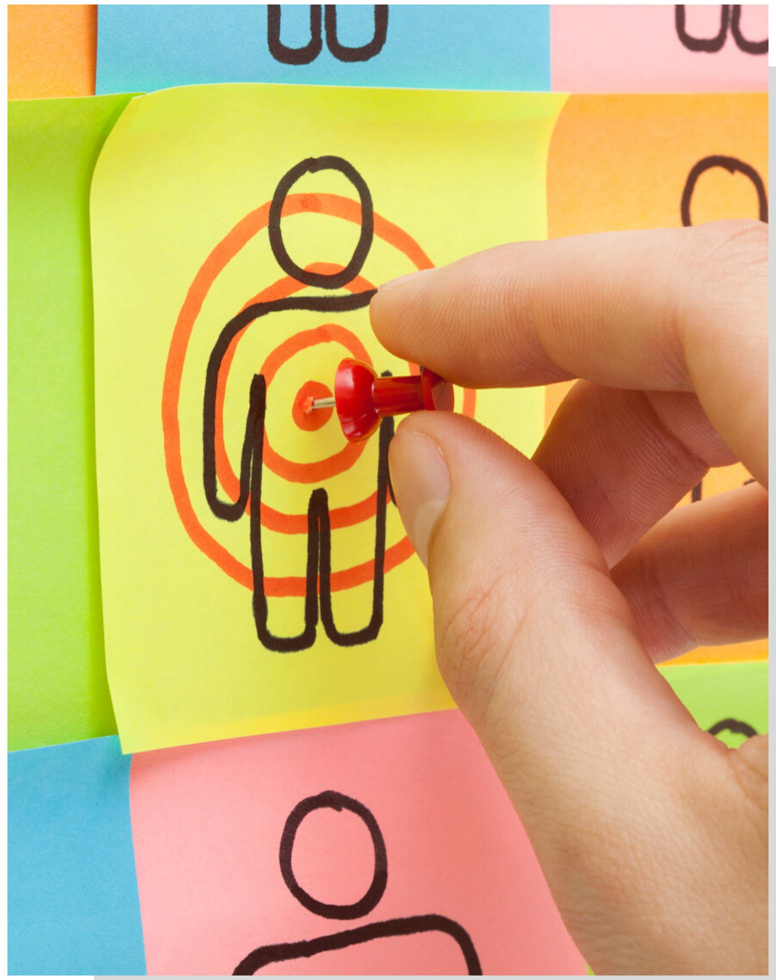
✔ What's the pricing model?
✔ Consider upcharges, additional product charges, or any maintenance costs
✔ Does the platform charge donation transaction fees?
✔ Does the platform charge set up or data migration fees?

Step 3 - Explore the CRM Market

1 Google

Let's say you google "best CRM for nonprofit fundraising". This seems logical and we assume it will return the best results. But keep in mind the following:

The companies with the biggest budgets will be the first results you see. Denoted by the word "Ad", getting these spots on Google is expensive! While this may be the best CRM for you, it very much may not be. Review these critically.



2 Nonprofit Blogs

Lists can be wonderful, but they are often written by someone who knows less about CRMs for nonprofits than you do!

Remember, the list was created as a piece of content to drive traffic, don't consider these lists credible. Check who it has been written by to ensure you understand their angle. Lists can be valuable, but they are simply a starting point. In our experience, these lists include a few of the biggest players in the space and a few very odd additions that have little to no value based on your search term.

3 Directories

Capterra, Software Advice, G2, Finances Online are all directories whose main business is to help you compare software and then connect you with the provider that is the best fit.

These can be great but remember, these directories are paid to offer this information by each software provider. You may be missing out on the best software if you use only directories.

4 Social Media Forums and Groups

This is a great source of information. Did you know with Facebook groups you can search for topics and read old threads?

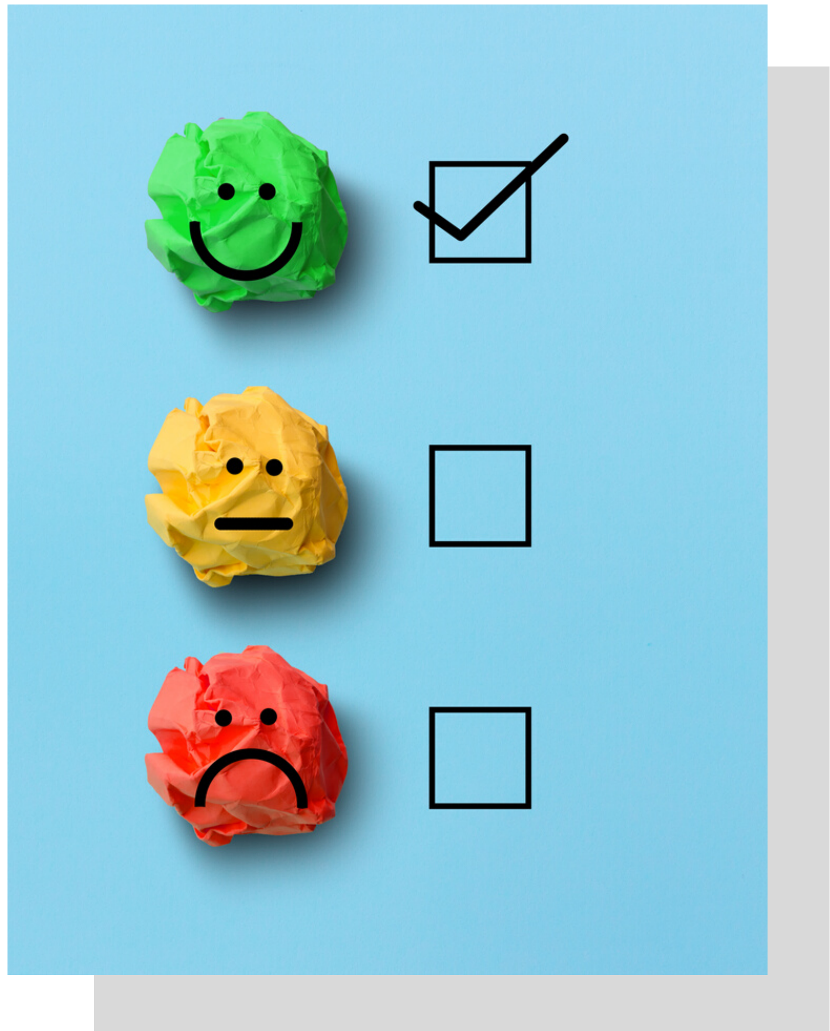
Take a look at one popular Facebook group, Nonprofit Happy Hour, and there are hundreds of comments where people weigh in on their favorite CRM.

Keep in mind one person's experience could be completely different from another's. However, if you start to see the same comments appear again and again, take note. These are the details you won't get from sales material or a demo.

Step 4 - Record and Compare CRMs

Whether it's Google Docs, Excel, or *gasp* a piece of paper, develop a framework for recording your notes.

If you don't do this ahead of time you will get halfway through and forget much of what you learned about the first few CRMs you researched.



Here is a format you can follow:

- List your goals at the top
- Build a table with the names of each CRM
- Add each of the key features you want to look at along the top
- Add a column for things that matter to you: Simplicity? Support? Company?
- Don't forget a column for price
- Other notes is always a good catch-all
- Finally a column on the overall grade. This will be a grade you give the software after reviewing all the elements that matter to you

Step 5 - Test the Product!

Sandbox or Free Trial? What's the difference?

You have shortlisted your favorite CRMs and now it's time to dive in and try them.

A free trial is simply access to the software for a set number of days, usually a week or two. In a free trial you will be offered a blank canvas in which you can begin entering your data.

While this sounds great, most software is pretty useless until it's populated, so you may spend your entire trial period entering data before you can really use it or see how it functions.

A sandbox on the other hand, offers you private access to an account that has been pre set up, with data, campaigns, projects, contacts and everything else.

You simply walk through each feature and try things, everything should work since the dummy data is already in place. You can spend your time trying things rather than entering data.

A Free Trial offers a blank canvas in which you can enter your data.

A Sandbox offers a private access to an account that has been pre set up.

How to get the most of a product testing

1 Check out the dashboard

Click on a few things in the dashboard. Does it feel welcoming, easing, intuitive? Or does it feel complex, challenging and intimidating?

Keep this in mind, while feelings may shift as you learn your software, make note of your first impression.

2 Go through the main features

Go through each feature section one by one to understand what it offers and how it works.

3 Try a few specific things

Start with “Adding a contact”. This is simple, but see how easy this is for you. If it’s not intuitive for you, the odds are good that doing more sophisticated things will be extremely challenging.

More elaborate features may have a small learning curve, so don't get discouraged if you need to read a help article or watch a quick video to learn exactly how it works. In fact this is recommended.

4 Check out the help centre

If your software is worth its fee, it will have enough power and features that you will need to learn how it works. If it’s too basic, you will grow out of it in no time. There will be a learning curve and this is something you must be prepared to commit to.

Knowing this ahead of time, use this time to ensure your software has resources that let you learn what you want, when you want it.

5 Email the support team to say hello

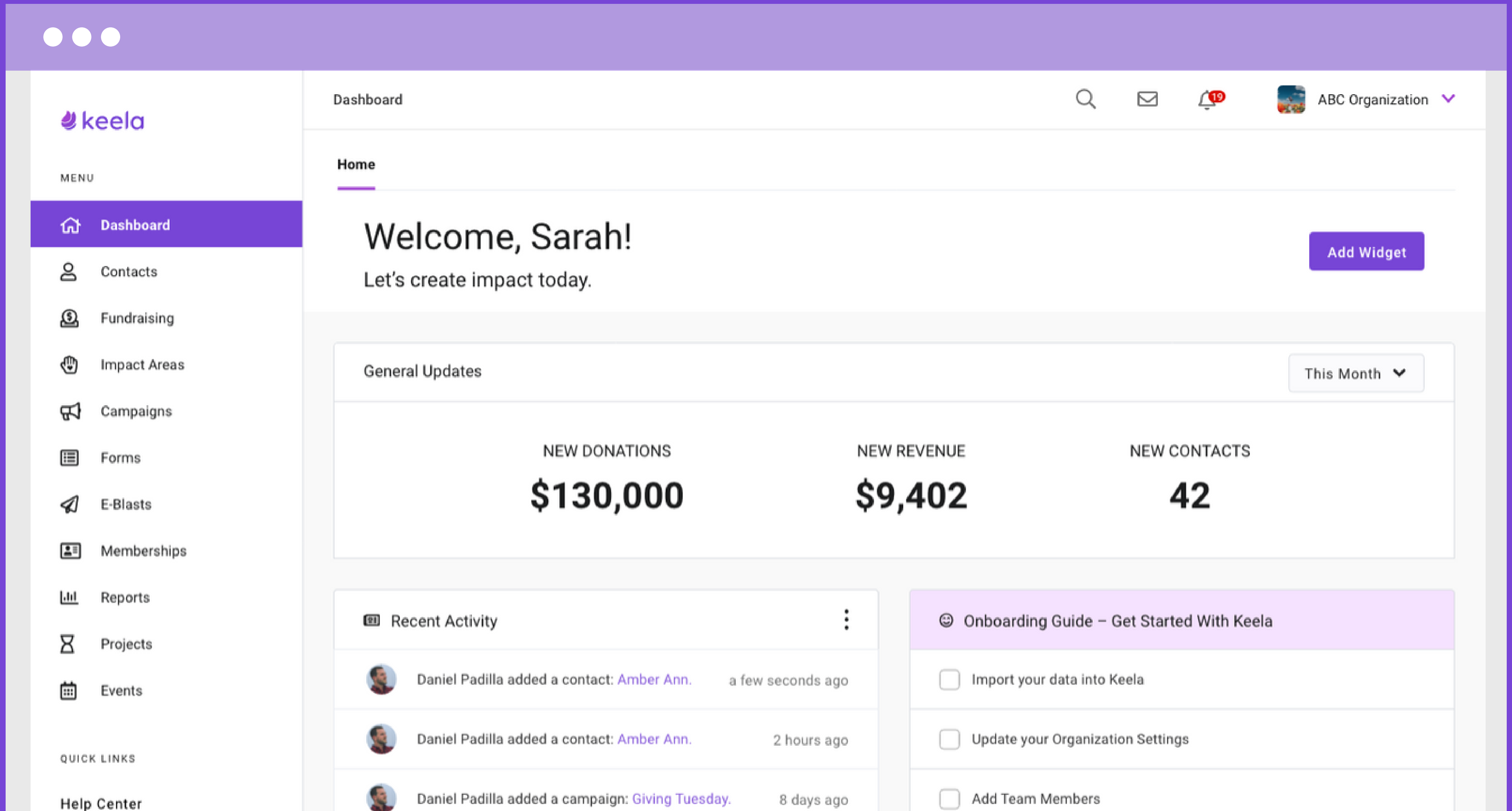
These days most software has email, live chat or phone support depending on the price range.

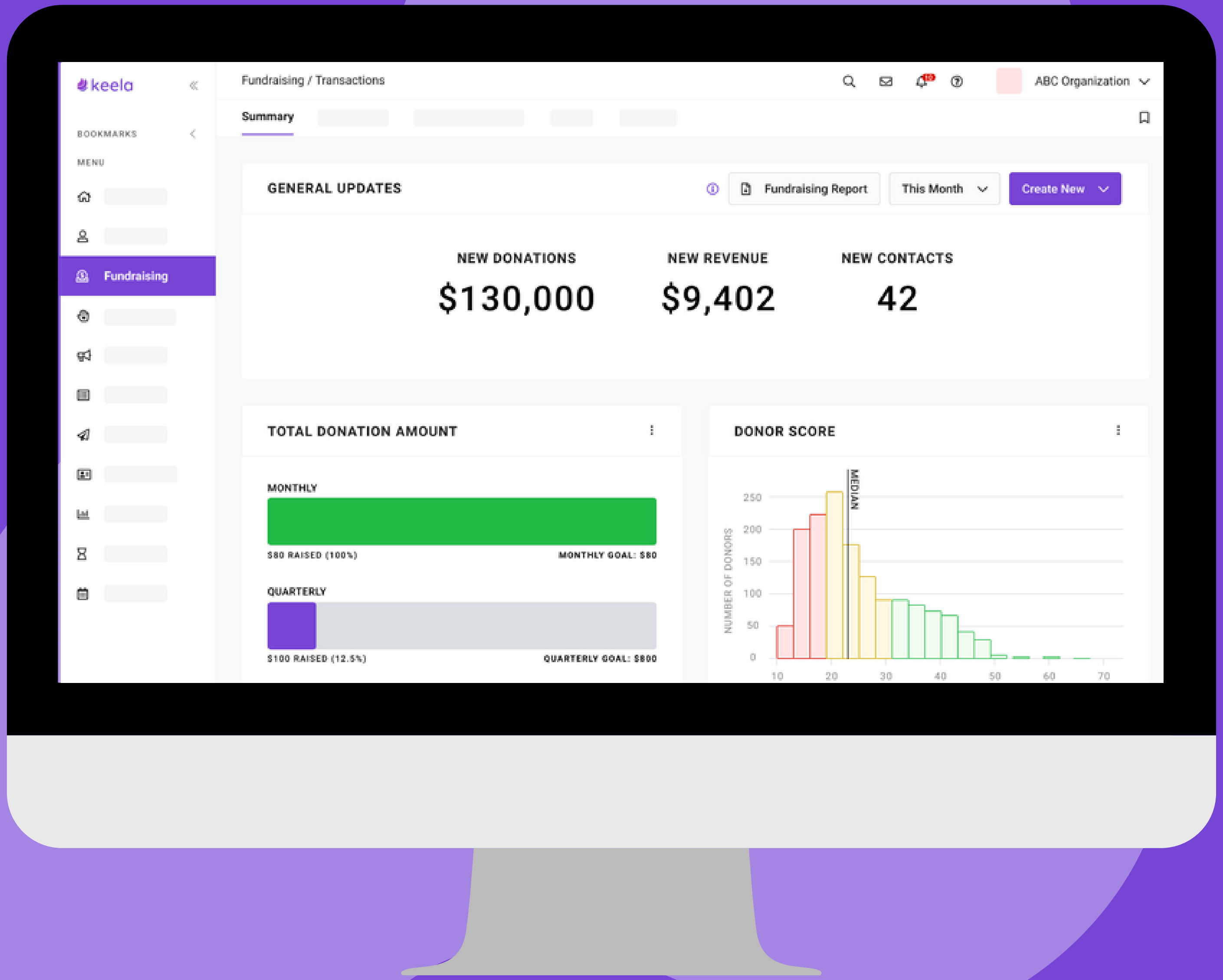
Check how well this works, how quickly you get a response, 3-12 hours is decent, and how personal or friendly the response is.

This will be the level of service you can expect once you are a customer so getting to know who this team is and how they work can give you insight into your experience, should you purchase this software.

About Keela

Keela's complete nonprofit management software gives you powerful, intelligent tools to manage your donors, mobilize your volunteers, market your nonprofit, and raise more money.





With Keela you can:

- ✓ Manage every contact, donor, volunteer, or member in one comprehensive system
- ✓ Get insights into how and when to connect with donors using nonprofit-friendly artificial intelligence tools
- ✓ Spread the word about the work you do every day and inspire your supporters with easy-to-use, powerful email marketing tools
- ✓ Experience growth while streamlining tedious administrative tasks

Book a demo today →

Wrapping Up

Purchasing a nonprofit CRM is no easy feat. As you've seen, there's a lot that goes into the decision - and even more that rides on you making the right choice.

The more you know about your current workflows and how you want to change them, the better off you'll be when diving deeper into the current software offerings on the market.

Are you ready to move beyond spreadsheets and take advantage of everything a nonprofit CRM has to offer?

We hope this guide has provided you with the framework needed to sit down, assess your needs, map out your wants, determine the possibilities and ultimately push you into the waiting arms of your perfect CRM software.