

YMCA

ANNUAL GIVING COHORT

SUMMARY



DB
DBD Group

OVERVIEW

2016

In 2016, three YMCAs and DBD Group began a discussion about revitalizing annual giving in the YMCA movement. While the YMCA “Red Book” methodology had supported YMCA annual giving for generations, it wasn’t meeting the needs of YMCA donors and volunteers in the 21st century.

With more than 22 million YMCA members, participants and alumni across the country, but only 5% on average donating to the Y, the disconnect was clear. **To grow annual giving in the YMCA, we had to find new ways to engage with members and donors.**



COHORT GOAL:

to accelerate annual giving to YMCAs and increase mission impact in our local communities.



Those first three Ys explored three primary tactics:

- Using **social and digital strategies** to educate YMCA members about giving
- Restructuring **staff** to focus on major gifts
- Employing **direct response** (both digital and traditional mail) to renew gifts and acquire new donors.

As the work of the first three Ys progressed, we realized we were on to something. It was time to test and refine these strategies across more YMCAs of varying sizes. From there, with the help of Y-USA, the first Annual Giving Cohort was conceived.

2017

In September 2017, 18 YMCAs gathered in Chicago to kick off the cohort with the following objectives:

- **Enhance** major gift work by empowering branch/center executives to build relationships with major donors using DBD’s Cause Card™ and major gift methodology
- **Acquire** new member donors and renew donors via year-round direct response
- **Facilitate** learning through shared data analysis as well as group learning sessions



DATA
ANALYSIS



MULTI-YEAR MAJOR
GIFTS STRATEGY



DIRECT
RESPONSE



COHORT
LEARNING MODEL

2018

In 2018, 24 YMCAs formed a second cohort to continue refining these processes, this time without the financial support of Y-USA. Since participating Ys had to bear the full cost of the cohort, several small and mid-size Ys were unable to participate.



2019

In 2019, the cohort evolved to include the following:

Two new YMCAs and five returning YMCAs participating in DBD coaching through the major gift enhancement process.

20 Ys taking part in the direct response co-op.

WHAT HAVE THESE THREE YEARS TAUGHT US?



1. **Direct response works.** With one exception in one mailing, all Ys in the cohort made back their investment in direct mail, most many times over. Consistently, we saw strong new donor acquisition, lapsed donor renewal and multiple gifts throughout the year from the same donors. Our results met or beat industry averages mailing after mailing.



2. **For those staff and volunteers who put the time and effort in to learn new major gift strategies, the results were very good.** Not only did YMCAs receive new or upgraded gifts, the executive directors reported very positive discussions and stronger relationships with these donors that should continue to benefit the community for years.



3. **These strategies enhance and strengthen the traditional “annual campaign” model.**



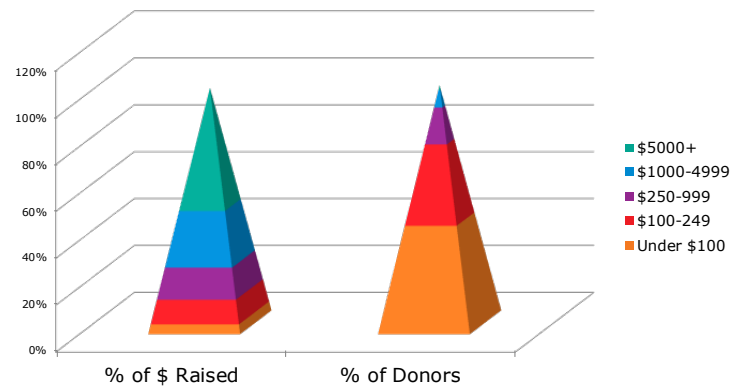
4. Engaging in this type of skill-building and donor cultivation is **a powerful way to prepare a branch or association for a future capital campaign.**



5. **Providing accurate data is difficult for nearly all YMCAs,** regardless of size or platform.

MAJOR GIFTS

While gifts of all sizes are welcome and contribute to a strong YMCA, major gifts are the driver of growth and mission impact. In larger associations, that major gift activity is often centralized at the association level.



Sample fundraising fitness test result, typical of all Ys in the cohort.

In order to increase the number of major and mid-major donors, and also to teach crucial relationship building and financial development skills to our center executives, the cohort activities focused on:

- 1. Telling your better story.** Refining and expanding the case for support beyond financial assistance and beyond this year.
- 2. IDing and cultivating prospective donors.** While some center executives were reluctant to ask, others rushed the process, only connecting with a donor to ask for a gift. The cohort taught a year-round, donor-centered methodology that opened the way for multi-year gifts and greater engagement by donors in the mission of the Y.
- 3. Using Cause Cards™ to identify donor passion.** DBD's Cause Cards™ helped local Y leaders to share their YMCA's current impact in the community and their vision for solving critical community needs. This tool also allows donors to identify the community needs that most concern them, creating a richer dialogue for both parties.

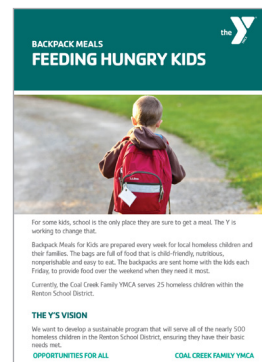


PROGRAM OVERVIEW

- 2 or 3 branches within an association were identified to work on these new strategies each year.
- Developed the moves management skills of branch executives through one-on-one coaching and peer learning sessions, including:
 - Identification of Top 10/20 major gift prospects
 - Cause Card™ visits
 - Documenting visits and the knowledge gained through visits
 - Stewardship
 - Art of the Ask
- Monthly video conferences with DBD Coach and Association CDO.
- Major gift activity (Cause Card™ visits, prospect identification and asks) tracked as part of the cohort.

LESSONS LEARNED

- ✓ **Donors are looking to solve community issues, not just fund the Y's annual campaign goals.** They are excited to talk about the larger trends and challenges facing the local community, and to partner with the Y to address those needs.
- ✓ **The Y has a strong brand and, in many markets, a strong history to tackle these challenges.** But donors are often surprised by the work the Y is already doing to address community needs, or that the Y is interested in addressing needs outside of what it is more commonly known for.
- ✓ **Y leadership must learn to balance short-term goals (budgetary) with long-term vision (strategic).** The role of CEO/COO in helping to set this tone with center executives cannot be underestimated.



Sample Cause Cards™. (All were customized for branches.)

- ✓ **Frequent staff transition is an impediment to major gift fundraising, which is built on relationships, not just transactions.**
- ✓ **Tracking and measurement is surprisingly difficult.** Ys are good at tracking dollars, but not the behaviors that will lead to those dollars.

ASSOCIATIONS	2018-2019 ANNUAL GIVING COHORT			
	# of Major Donor Prospects	# of Cause Cards Visits	# other Visits (Education, Tour, Stewardship, etc.)	# of Upgraded Asks
YMCA of Metro Atlanta	55	8	40	0
YMCA of Greater Birmingham	30	1	0	0
YMCA of Greater Brandywine	70	0	4	0
YMCA of Central Massachusetts	40	0	8	10
YMCA of Coastal Georgia	78	24	28	18
YMCA of Metropolitan Fort Worth	45	0	5	0
YMCA of Honolulu	44	0	0	0
YMCA of the Inland Northwest	120	8	0	0
YMCA of Northwest North Carolina	84	0	0	0
Old Colony YMCA	91	26	26	15
Olympic Peninsula YMCA	58	1	9	0
YMCA of the Pikes Peak Region	50	24	15	7
YMCA of Rock River Valley	142	85	55	24
YMCA of Greater Seattle	245	87	60	94
YMCA of Greater St. Petersburg	28	0	5	0
Greater Wichita YMCA	50	17	29	44
TOTAL COHORT	1230	281	284	212

Behavior tracking in Cohort 2

DIRECT RESPONSE

YMCAs have traditionally been reluctant to use direct response as a strategy in financial development. Beyond an end-of year solicitation, a kids to camp letter, or perhaps a campaign “clean up” letter, Ys have not solicited new gifts, renewals or upgrades via direct response in a strategic, programmatic way. Perhaps this was due to the uniqueness of the Y’s “Red Book” model that emphasized face-to-face asks, or it may have been due to the campaign model that made many volunteers and staff reluctant to ask outside of certain prescribed times of year.

In this cohort, DBD partnered with Gabriel Group, a national direct marketing firm based in St. Louis. Gabriel Group worked with DBD to create a program that was tailored to the YMCA mission and message strategy and that used the power of group purchasing to drive down per-piece costs and increase return on investment for all participants.

PROGRAM OVERVIEW

- Three mailings sent out each cohort year. (Year-end, Spring, Early Summer, with an optional late summer mailing)
- Mail lists were compiled by Gabriel Group based on data sent from each Y.
- Current donors up to \$1000*, lapsed donors, and non-donor members over age 55 were primary focus.
- Ys could choose between several pre-defined letters.
- The timeline for printing and mailing was consistent across the cohort for cost-efficiency.
- Variable data allowed the message to be tailored to donors versus non-donors, and to come from the association or from the local branch.*
- Email graphics and tailored acknowledgment letter were available to Ys to be sent out by their own staff.
- As we moved into the second and third year of the direct response program, Gabriel Group was able to give more specific recommendations to each Y, helping them to maximize their investment in direct response.

* YMCAs chose their giving levels and who the letters came from.



KEY MESSAGES

Y FOR ALL (GENERAL, EVERGREEN MESSAGE)

DROWNING PREVENTION

AFTERSCHOOL

CHRONIC DISEASE PREVENTION

SCHOOL SUPPLY DRIVE

SUMMER LEARNING LOSS PREVENTION

LESSONS LEARNED

- ✓ **Current YMCA members ages 55+ are a viable prospect pool for direct response.** Program members/participants and lapsed members do not perform nearly as well.
- ✓ **Direct mail can bring in \$1,000+ gifts, as well as planned gifts.** (Two Ys in the first cohort secured \$100,000 planned gifts through the direct mail.)
- ✓ **Data integrity is vital and challenging for Ys.** Multiple systems and the lack of a consistent mailing program means addresses were often incorrect or incomplete.
- ✓ **Some Ys were challenged in tracking gifts that came in and including the appropriate gift ID with it,** making reporting more difficult after the fact.
- ✓ **Strategically targeting the mailings increases ROI dramatically.** Simply mailing to all members would not be nearly as effective.
- ✓ **Using a plain outer envelope and simple letter design helped these pieces stand out from other Y communications** and helped to increase the open rate.
- ✓ **Small Ys had trouble reaching the minimum viable quantity for participation.**

2018-19 COHORT YEAR

\$1,089,042
raised from
11,522 gifts*

425
gifts came from
lapsed donors

2,406
gifts came from
new donors

Average Response Rate: **2.25%**

National Average **0.7-1%**

** Net revenue for the program beat industry standards for direct mail, thanks to the cost-effectiveness of working together as a cohort.*

**20 OUT
OF 24 YS
MORE THAN
DOUBLED
THEIR
INVESTMENT
IN DIRECT
RESPONSE.**



COHORT MODEL

Working together in a cohort was an opportunity made possible by the unique nature of the YMCA movement. By leveraging the willingness of local Ys to share and the similarities in mission and programs, the cost to implement these new strategies was much lower than it would have been had any of these Ys tried it on their own.



PROGRAM OVERVIEW

- A DBD Coach worked directly with YMCAs.
- As a group, the cohort gathered for a kickoff and at NAYDO, as well as in monthly video conferences.
- Each association focused on bringing these strategies to two or three branches rather than spreading it to all branches the first year.

LESSONS LEARNED

- ✓ **Results varied greatly based on the level of participation at the branch and association level.** When branches were held accountable for follow-through, progress was made. Where it was not, other operational tasks often turned attention away from resource development.
- ✓ **Sharing data and activity helped to keep Ys accountable** and helped them to benchmark their own progress.
- ✓ **Ys who engaged strong volunteers in their process had greater success than those who only worked with staff input.**
- ✓ **New CDOs were often challenged by trying to influence change when they were so new to the Y.**
- ✓ **Staff turnover can stall or derail the progress of even a successful program.**

LEARNING SESSION TOPICS

**CULTURE OF
PHILANTHROPY
STARTS AT THE TOP**
**WORKING WITH
MAJOR GIFT DONORS**
BIG “L” LEADERS
**FAMILY AND PRIVATE
FOUNDATIONS**
STEWARDSHIP
**VOLUNTEER
LEADERSHIP**
ART OF THE ASK
PROSPECT
**IDENTIFICATION AND
CULTIVATION**

APPENDIX A: LIST OF PARTICIPATING YMCAS

INAUGURAL COHORT

YMCA of Greater Houston
 YMCA of Greater Richmond
 YMCA of Pierce & Kitsap Counties

COHORT 1 (2017-2018)

YMCA of Northwestern Florida
 Fond du Lac Family YMCA
 YMCA of Rock River Valley
 YMCA of Central Massachusetts
 Treasure Valley Family YMCA
 YMCA of Memphis & the Mid-South*
 YMCA of Greater Waukesha County
 YMCA of Coastal Georgia
 YMCA of Greater Kansas City
 YMCA of Greater Cleveland
 Metropolitan YMCA of the Oranges
 YMCA of Greater Charlotte
 Gateway Region YMCA
 YMCA of Greater Seattle
 YMCA of San Diego County
 YMCA of Greater Houston

Direct Response Co-op Only

YMCA of Pierce & Kitsap Counties
 YMCA of Greater Richmond

* YMCA of Memphis and the Mid-South
 pulled out of the cohort
 after five months.

COHORT 2 (2018-2019)

YMCA of Greater Birmingham
 YMCA of Greater Brandywine
 YMCA of Central Massachusetts
 YMCA of Greater Cleveland
 YMCA of Coastal Georgia
 YMCA of Greater Fort Worth
 YMCA of Honolulu
 YMCA of the Inland Northwest
 YMCA of Metropolitan Atlanta
 YMCA of the Pikes Peak Region
 YMCA of Rock River Valley
 YMCA of Northwest North Carolina
 Old Colony YMCA
 Olympic Peninsula YMCA
 YMCA of Greater Seattle
 YMCA of Greater St. Petersburg
 Greater Wichita YMCA

Direct Response Co-op Only

Treasure Valley YMCA
 YMCA of Greater Waukesha County
 YMCA of Greater Houston
 YMCA of Northwest Florida
 YMCA of Pierce & Kitsap Counties
 YMCA of Greater Richmond
 Metropolitan YMCA of the Oranges

COHORT 3 (2019-2020)

YMCA of Central Massachusetts
 YMCA of Greater Fort Worth
 YMCA of Honolulu
 YMCA of Greater St. Petersburg
 Door County YMCA*
 YMCA of Florida's First Coast
 YMCA of Northwest North Carolina

* Door County YMCA switched to an
 annual consulting contract because
 they could not meet the minimum
 requirements for direct mail.

Direct Response Co-op Only

YMCA of Greater Brandywine
 YMCA of Greater Cleveland
 YMCA of Coastal Georgia
 Olympic Peninsula YMCA
 YMCA of the Pikes Peak Region
 YMCA of Rock River Valley
 YMCA of Greater Waukesha County
 Greater Wichita YMCA
 YMCA of the Suncoast
 YMCA of the Inland Northwest
 Old Colony YMCA
 Gateway Region YMCA
 YMCA of Northwest Florida
 YMCA of Greater Richmond

(Additional YMCAs are set to join the
 direct mail co-op in early 2020)