

The Ultimate Guide to Recurring Giving



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Introduction

Whether your organization needs to create a recurring giving program from scratch, or strengthen and grow its existing community, a well-developed program and strategy can protect the long-term financial health of your organization and help you scale.

What is Recurring Giving?

A recurring gift is when a donor signs up to make gifts automatically at a given interval, commonly at a frequency of once per month. The donor chooses how much they contribute, and they can suspend or end their donations at any time. Many nonprofits also refer to recurring giving as monthly giving or subscription giving.

Why is it Important?

Part of what makes recurring giving so important is that it provides a predictable stream of revenue. Recurring giving frees your organization from reliance on fundraising that ebbs and flows seasonally, as well as the constant demand to apply and reapply for grants. The impact of COVID-19 on event fundraising has underscored this need. Nonprofits often can't count on the same large disbursements year over year, which is where a recurring giving program can offer support.

The lifetime value of recurring donors is 440% greater than one-time donors.¹ The aggregate amount of their recurring contributions almost always adds up to more than just a one-time gift, and the higher retention rates of recurring donors allow your nonprofit to improve its long-term planning and decision-making.

It's also important to note that recurring donors typically show additional support in other ways throughout the year. In fact, of all one-time donors who return to start a recurring giving subscription, **25% go on to make another one-time gift on top of their recurring gift.**² It's clear that recurring donors are willing to go the extra mile for your organization.

Recurring Giving:

- Provides predictable income and helps you sustain and grow your work over time
- Maximizes annual contributions and increases donor lifetime value
- Boosts donor retention by strengthening your connection with supporters and establishing a heightened sense of community

25%

Of all one-time donors who returned to start a recurring gift, 25% went on to make another one-time gift.

1 Classy, *The State of Modern Philanthropy: Examining Online Fundraising Trends*.
<https://go.classy.org/reports/the-state-of-modern-philanthropy>

2 Classy, *The State of Modern Philanthropy: Trends in Return Donor Behavior*.
<https://go.classy.org/reports/the-state-of-modern-philanthropy-2019>



01

Planning: Goals, Audience, and Launch

Recurring Giving Goals

An important step to building your recurring giving program is to set goals and make a plan to achieve them.

Some ways to measure success include:

Monthly Recurring Revenue (MRR)

This is the income you can expect to receive each month from your recurring giving program. Additionally, you can track lost MRR, also called “churn.” This is the monthly income you lose when people cancel their recurring gift.

Number of Active Donors

The total number of supporters who make recurring gifts.

Recurring Gift Increases

Over time, you want recurring givers to increase the size of their donations, even if it’s just by a few dollars. Track the number and percentage of recurring donors who increase their gift size each year. You can also track how large these increases are.



We like that Classy has a mechanism to organize a specific campaign for recurring donations. Between our switch to Classy and our promotion of this initiative, we’ve seen greater success in securing monthly gifts.

Audience

Spend some time studying your donor base to determine whom to target, how to appeal to them, and how much to ask for.

When looking at your audience, there are several factors to consider:

- Donor personas
- Past gift sizes
- How they give (in person, online)
- Donor surveys

Taking the time to better understand who you're talking to will allow your nonprofit to craft more effective donor appeals. By knowing their preferences, motivations, and giving patterns, you can segment your audience into a few groups and tailor your messaging to align with each.

It's also important to identify the right amount to ask for when appealing to each donor segment. Expect recurring gifts to be substantially smaller than your typical one-time gift, and think about gift levels that make sense for different cohorts of your audience.

recurring

\$36

one-time

\$125

Due to the increased frequency of recurring donations, the suggested gift size should be substantially less than a one-time gift. On the Classy platform, the average one-time gift is \$125, compared to the \$36 average recurring gift.

Launch

Create a promotion plan and calendar for your recurring giving campaign.

Soft launch

If this is a brand new recurring giving campaign, first reach out to your most committed supporters and ask them to be the first to contribute to the campaign. This helps build momentum.

Contact existing recurring donors

Let them know their gift is appreciated. Ask them to spread the word, share a quote about why they give, and consider increasing their regular contribution.

Announce and promote

Appeal to your larger audience across your channels.

Thank, nurture, and steward

These donors have chosen to invest in your organization, so recognize and treat this special cohort as such. Crafting a welcome email for new recurring donors is a must, and you should also send regular updates on the tangible impact of their gifts. These are the things that will set you up for success in 12 months when you are asking them to increase their gift size.



02

Branding and Presentation

Treat your recurring donors as a special group investing in your success. Set them apart by giving your program its own name and distinct branding elements.

Launch

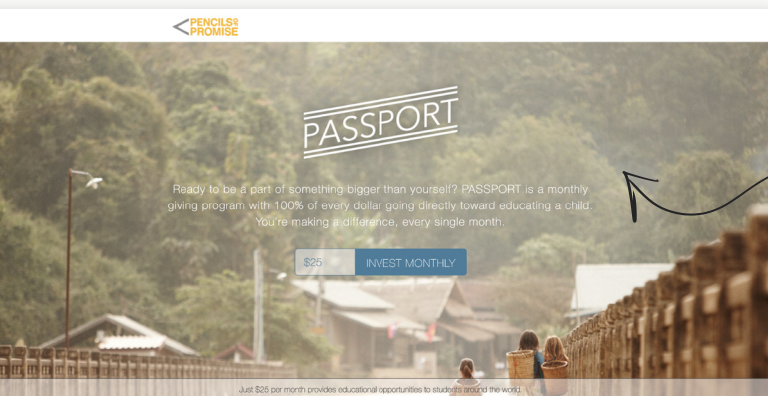
To identify the story or theme of your program, start by establishing the long-term purpose of your recurring giving program.

- What is the impact of these recurring gifts?
- How is recurring support different from other contributions to your organization?

These details can inspire the name and branding elements of your program.

Branding and Imagery

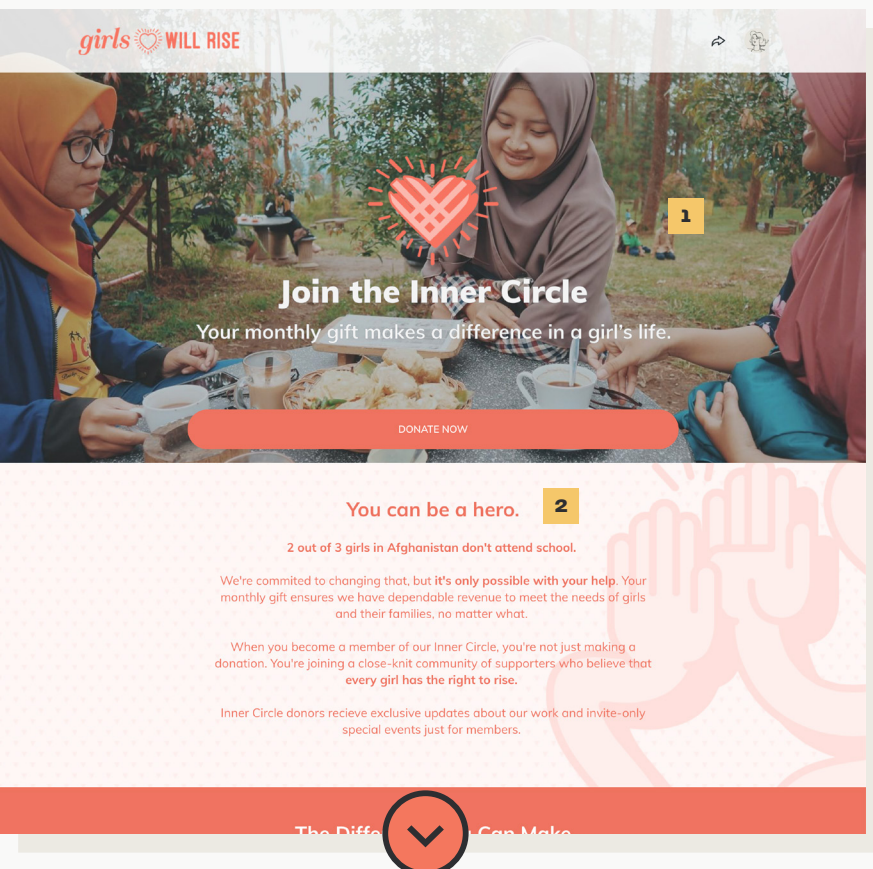
In addition to assigning a name, design a logo or images to represent your program that complement your overall branding, but also distinguish it from your other fundraising efforts.



Pencils of Promise's program name and headline image are distinct from the organization's other campaigns, giving it an elevated appeal.

Basic Must-Haves for Your Campaign

The fundamentals of a successful recurring giving campaign are a powerful design and a compelling story. With these must-have components, you can elevate your branding, highlight your value statement, guide donors with suggested giving levels, and quantify the impact of their gifts. Check out how you can showcase these elements on a Classy campaign page.

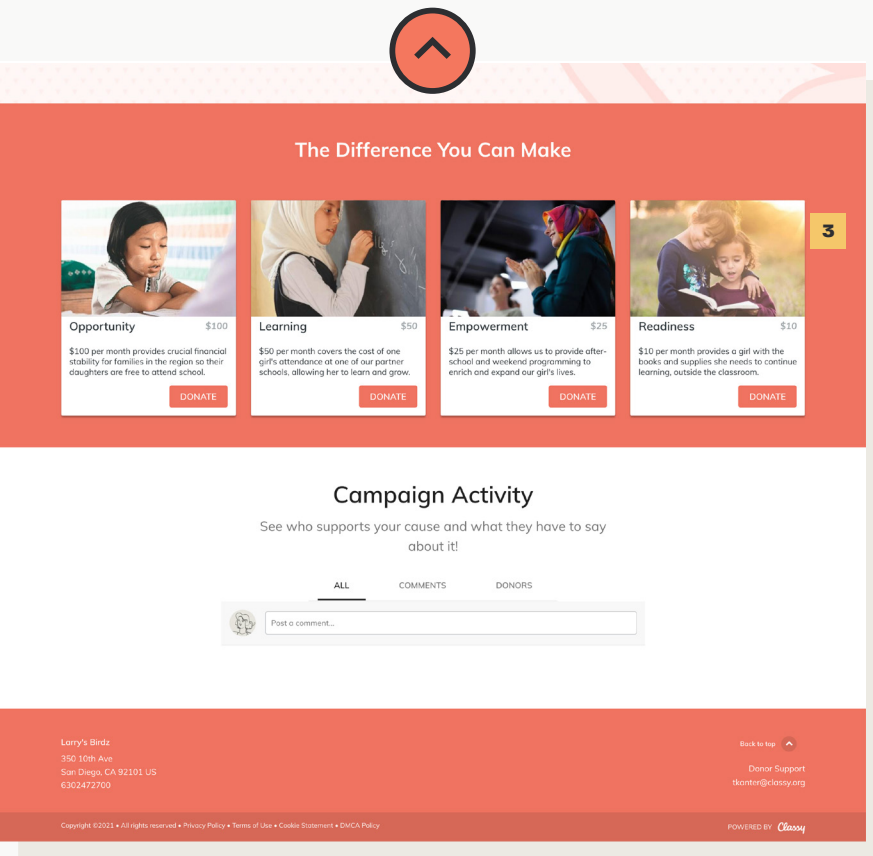


1 Align Your Branding Elements

To create consistency, carry over your organization's typical branding elements to your recurring giving page, such as colors, font, imagery, and overall style. Be sure to add unique messaging, logos, and photos or videos to make this program distinct; just remember that all elements should complement each other.

2 Define Your Purpose

Clearly explain why your organization needs the support of recurring donors and how it will help you advance your mission.



3 Use Impact Blocks

Using the impact blocks on your Classy campaign, break down the suggested donation amounts from highest to lowest, briefly explaining how each level will make a difference for your beneficiaries. Get specific with your examples and consider putting impact icons or photos right next to the suggested gift sizes.

PRO TIP

Highlight the Benefits

If applicable, Include a list of benefits your donors will receive in return for their recurring gift. Make them feel set apart by offering an elevated level of communication and connection, such as through invitations to exclusive events, quarterly reports, a monthly newsletter, community benefits, or impact pictures and videos.



You're making a difference

4

How often would you like to donate?

☐ One-time
☒ Monthly
☐ Quarterly (every 3 months)
☐ Semi-annually (every 6 months)
☐ Yearly (every 12 months)

Make your gift go further. [Give monthly.](#)

☐ Dedicate my donation **in honor or in memory** of someone

Your Information

Name*
☐ Make donation anonymous

Email*
 Your receipt will be emailed here.

Amount:
\$104.00 USD

☒ I'd like to cover the fees associated with my donation so more of my donation goes directly to Girls Will Rise.

By clicking the donate button, I agree to the [Terms of Service](#) and [Privacy Policy](#).

Payment Details

Bank routing & account number*
ABA/Routing and account numbers can be located at the bottom left of a check from your bank.

Billing name*

Country*

Address*
 Address 2*
 City*
 State & Zip*

☐ I authorize Classy to electronically debit my account and, if necessary, electronically credit my account to correct erroneous debits.

By clicking GIVE NOW!, I agree to the [Terms of Service](#) and [Privacy Policy](#)

Amount:
\$104.00 USD

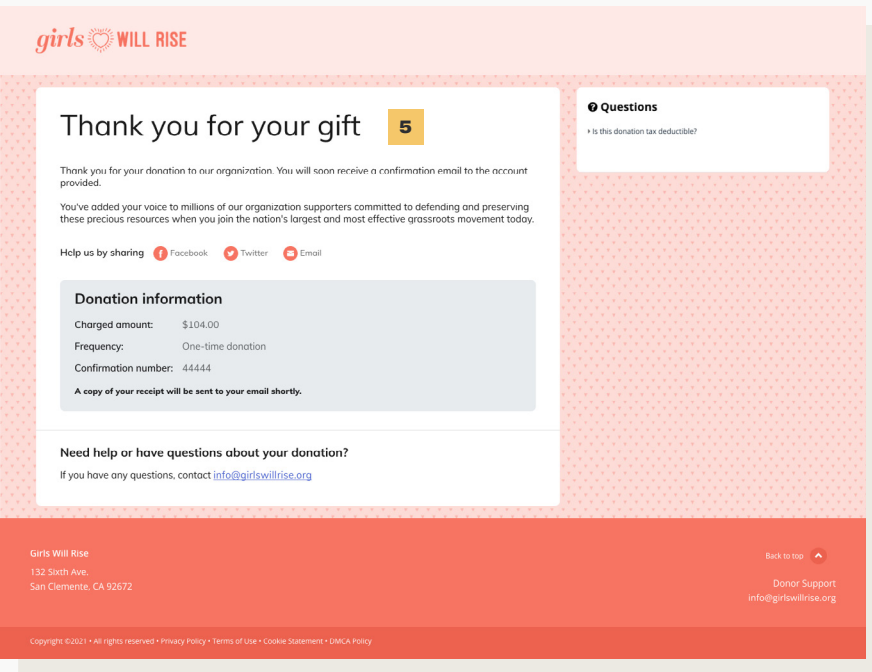
Questions

Is this donation tax deductible?

4 Donation Page

Due to the frequency of the gift, your recurring donation amounts should be lower than those of one-time donations. Consider disabling one-time gifts on your page and offering a variety of mobile-optimized payment options, including digital wallets and ACH, to boost conversion.

Custom questions are another great tool for discovering more about your donors and strengthening donor stewardship over time. Be strategic with what questions you include to avoid adding too many fields for the donor to complete, which can hurt conversions.



5 Thank You Page

Write a strong headline and message to emphasize the impact of each donation and how it will lead to lasting change. This page can also be the perfect place to add a secondary call to action, such as subscribing to your newsletter. Consider promoting channels like your blog, newsletter, or social media platforms to motivate donors to stay engaged with your organization.

These elements set the tone for your campaign, making it clear to your audience what the value is and why it matters. Leverage these tools to kickstart your efforts and generate a predictable stream of revenue that your organization can rely on.

A decorative white line graphic consisting of several overlapping loops and curves, resembling a stylized 'S' or a calligraphic flourish, positioned in the upper right quadrant of the page.

03

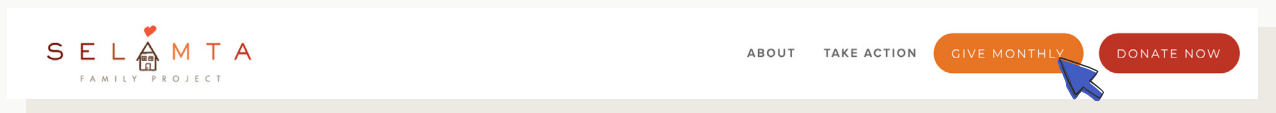
Promotion and Appeals

Like any fundraising campaign, you need to promote your recurring giving program to see results. Make sure your whole community knows about your recurring giving option.

Website

Your recurring giving program should have its own page or microsite, and be easy to find from your homepage. This is where you can explain the purpose behind the program and the impact of recurring donations. You can also highlight any special privileges for members here.

Our Classy customer, the Selamta Family Project, drives traffic from their main website to their recurring giving page with a dual donate CTA option. This elevates the recurring giving opportunity and drives more attention to the call to action.



Email

Send appeals to your donor base at least two to three times a year specifically highlighting your recurring giving program. Segment your lists to send more targeted messages.

Here are some points to cover in a recurring donations appeal:

- Why your organization **needs recurring support**
- How recurring support allows you to **create more impact**
- **The simplicity and ease** of online recurring donations
- **The special updates or access granted** to recurring supporters



DID YOU KNOW?

Remember that every time someone makes a donation to your nonprofit, your form should give them the option to make it a recurring gift.

Social Media and Your Blog

While your social media and blog should not be dominated by appeals, it's okay to explicitly ask for recurring gifts once in a while. You should, however, regularly focus on showing social proof by sharing news about the program and recognizing these special supporters.


Consider highlighting one or two of your recurring donors each month to share their stories and explain the impact of their recurring gifts. This helps to prove that your recurring giving program is a winning effort while simultaneously spotlighting some of your loyal donors, giving them the public recognition they appreciate.

If you're wondering where to start, try something like this:

Meet Michael, one of our amazing monthly supporters.

Michael set up a recurring donation to support our efforts ever since joining us at our annual 5K Fun Run two years ago.

Since then, he's funded the annual costs of school materials for five students, in addition to 25 boxed lunches and a large contribution to our scholarship fund. We are so grateful for his generosity and want to thank him on behalf of our amazing students!



Drive Donations

Whether visitors click through an email, read a blog, or are inspired by a tweet, the final step will be to fill out your donation form. After someone decides to give, you definitely don't want them to get confused or annoyed by this last step, so keep the donation page short, simple, and branded to your recurring giving program.

Here is a simple way the Classy platform can elevate the recurring option on your donation form:

Disable One-Time Gifts

By choosing this donation method, supporters can only make a recurring gift using any of the pre-set amounts or a custom amount.

Select an amount

\$50	\$25	\$10	\$5	Other
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04

Acquisition and Stewardship

A recurring giving program is most successful when you not only retain your donors and continue engaging them, but when you also grow your revenue through new donors and increased gifts.

Offer Multiple Giving Frequencies

Although the monthly giving frequency is the most common, many forward-thinking nonprofits are offering a variety of giving options. Allowing your donors to give a weekly, quarterly, or annual contribution makes their budgeting more manageable, and from the nonprofit's perspective, the timing of gift requests for each organization might be different depending on their mission.

The Classy fundraising suite offers the giving options listed here on the right.

Each frequency has its advantages, such as offering a weekly donation option for faith-based nonprofits, or a quarterly donation option for membership-based organizations like museums, zoos, performing arts centers, or cultural institutions. In addition, annual donations can be useful for nonprofits that offer memberships or pledges.

On any campaign or donation page, you can pick which recurring donation frequencies to display, making it easy to suit any case or campaign type you can dream up.

Frequency ▼

Annual

Semi-Annual

Quarterly

Monthly

Optimize Your Checkout Flow for Mobile

Fifty-seven percent of Classy platform traffic is from mobile devices, proving that a mobile- optimized checkout isn't a nice-to-have, it's a necessity. By using a mobile-first platform like Classy, your donor can avoid the endless rows of checkout fields included on a typical payment form.

The average monthly recurring gift made with an ACH bank transfer (giving directly from a bank account) is **55% larger** than the average recurring gift made with a credit card, and monthly recurring donors who give via ACH are retained for **20% longer**, on average, than donors who give via debit or credit card.³ Ensure the ease of your mobile payment process to capture donors, finalize their gifts, and retain them for years to come.



**DENVER
RESCUE
MISSION**

We say, 'did you know you can give directly from your bank account and it lowers your processing fee?' The pitch to the donor is that we take Visa out of the equation, and our organization gets more of the donation.

³ CNACHA, "A Public Radio Station Uses ACH to Build One of the Nation's Top Sustaining Donor Programs." https://www.nacha.org/system/files/resources/NACHA_NonProfit_CaseStudy_Final_Updated.pdf

Growing Your Program

When trying to identify potential new candidates for your recurring giving program, start with the donors who have returned to make one-time donations on multiple occasions. The [Returning One-Time Donors Report](#) on Classy is built with input from our data science team to show who gave more than one donation to your organization, and therefore who your best candidates are.

Once or twice a year, it's also beneficial to ask your active recurring donors to increase their gift, even if it's only by \$5. That's an increase of \$60 a year. Always tie your ask back to the impact it could make, reminding them of the incremental work they could fund with that gift increase. Even if they decide not to, it's likely they'll continue their monthly donation and consider giving more later.

Another strategy is to ask these monthly donors to fundraise. This group has already shown an ongoing interest in your work, so they may be excited to share the cause with their social network.

Initial Thank You

Even if you can't send a handwritten note, remember to include these elements in your thank you letter:

- Name of donor
- Size of gift
- Name of campaign
- Signature from a staff member

You should also make sure that donors can easily share their experience. Include social sharing buttons on their confirmation page and follow buttons in your emails.

Ongoing Engagement

Consider creating a monthly email or newsletter specifically for recurring donors. Gather the most important, compelling updates for your supporters and share your best content, like videos and blogs.



05

Retention and Growth

The first step to growing your recurring giving program is making sure that your retention strategy is solid. You can't fill a bucket that's leaking.

Offer the Option to Pause

For donors who are looking to cancel their subscriptions, offer the option to pause instead. Although it's a small loss to put their gift on hold, your organization will save much more than if they were to cancel altogether.

Emphasize how valuable they are to your mission, and remind them of how much their generosity is appreciated. Come from a place of understanding and empathy and your donor will be much more likely to return when they're financially ready.

Creating a Lifetime Partnership

Continually express your gratitude

The majority of your communications should not be appeals and asks, but rather messages of appreciation.

Look out for any dissatisfied monthly donors

Respond promptly to any messages to show how much you value their support.



Check credit card expirations

That way, you can get in touch to update their information.

Classy offers two ways to stay on top of card expirations:

- **Classy Pay Automatic Credit Card Updater.** This feature works with card networks to update card information behind the scenes after it expires or is replaced so your fundraising won't miss a beat.
- **Upcoming Expiring Recurring Plans Report.** See recurring donations with upcoming credit or debit card expirations so you can reach out to supporters to update the payment information.

Follow-Up

After a gift has been active for about a year, reach out and ask if an increased commitment is possible. Explain how their current giving level has impacted your mission, and remind them that even a small addition could dramatically help your organization achieve its goal.

Conclusion

Recurring giving is a tried and true path to sustainability, but you have to work for it. It starts with creating an exciting program that people want to be a part of. Then you must deliver the communications and appreciation to keep donors engaged and involved.

Whether you're starting from scratch or revitalizing a dormant program, investing in recurring giving is necessary to set your nonprofit up for long-term sustainability and growth.



8 Email Templates to Upgrade Recurring Donors

Encourage recurring donors to give higher amounts, add a one-time gift, or both.

[Get the email templates](#)

Classy