

The Development Learning Collaborative Helps Colby College Improve the Effectiveness of its Annual Fund

Challenge:

Sensing an opportunity to increase the return on its annual campaign, Colby College wanted to improve its ability to turn occasional donors into consistent donors.

Solution:

The Development Learning Collaborative (DEV-LC) research team conducted a survey of Colby alumni that examined the experiences and perceptions of donors and the impact of both on annual fund participation. Respondents were segmented by giving history and comparisons were made between each segment in areas such as:

- Barriers to giving
- Attitudes towards Colby
- Communications preferences

Results:

Based on the analysis of the survey responses, Colby has embarked upon improving its stewardship efforts for donors making smaller gifts to better demonstrate the school's appreciation for their contribution and has also developed a new strategy for segmenting its potential donor base.

About Colby College:

Location: Waterville, ME

Carnegie Classification: Baccalaureate

Ownership: Private Institution

Size: 1,846 students (2007)

About the Development Learning Collaborative:

(DEV-LC) assists colleges and universities in improving the effectiveness of their institutional advancement efforts by helping them generate new ideas, prioritize investment decisions, benchmark staffing and productivity levels for discussions with internal stakeholders, and improve the professional development of their staff.

Closing the Opportunity Gap

In the autumn of 2007, Colby College was looking to improve the return on its annual campaign. Based on past experience it knew that Colby alumni were very loyal and past research had demonstrated that donor attrition was very low once donors had participated in the annual campaign for a few consecutive years. As a result, the Office of The Colby Fund knew that it could improve the effectiveness of the annual fund if it was able to transition occasional donors to regular donors. If it was able to close this self-described "opportunity gap" it would represent a boost in both participation rates as well as dollars raised.

However The Colby Fund realized it first needed to improve its understanding of these occasional donors, in particular their perceptions of Colby and the impact of their Colby experiences on their decision to participate in the annual campaign. To help them with this analysis, they turned to the Development Learning Collaborative (DEV-LC) for assistance.

Leveraging Experience in Analyzing Donor Motivations

To help Colby College in this effort, the DEV-LC research team worked with the Offices of The Colby Fund and Operations & Analysis to develop a survey to be sent to Colby's donor base. According to Joe Medina, the Assistant Vice President and Director of College Relations Operations & Analysis, the past experience of the DEV-LC team in conducting donor surveys was a big help. Said Medina "We had an idea of what we wanted to include in the survey but the Eduventures analysts provided us with some related surveys they had previously conducted to help us get started, which was very helpful in refining our thinking. In addition they provided insight on everything from how to phrase questions to how to better understand the psychology of survey participants."

Once the survey was finalized it was sent to a portion of Colby's alumni and generated a 13% response rate or almost 1,300 total responses.

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of Operations & Analysis
College Relations
Colby College

The responses were first divided into five donor segments based on giving history:

- Consecutive Donors
- Lybunts (gave last year, but not this year)
- Sybunts (gave two years ago, but not last year)
- Lapsed and Occasional Donors
- Long-Term Lapsed and Sporadic Donors

The different segments were then examined with responses compared in several areas such as motivations and barriers to giving, attitudes towards the college, communications preferences and logistics of gift giving and recognition.

Data and Insight to Inform Decision-Making

While the survey confirmed the strong sense of attachment its alumni felt towards Colby, the analysis of non-consecutive donors produced some interesting results. The research uncovered that donors making smaller gifts felt their contributions were unappreciated and also occasional donors did not see the need to give when the school was also soliciting larger gifts from wealthier donors. In addition, the research demonstrated that communication needed to be improved as over 40% of non-consecutive donors said they didn't know how Colby would use their gift and this was creating a barrier to giving. Most importantly however, Colby realized that its stewardship activities for donors making smaller gifts was lacking and needed to be improved. For example, the impersonal nature of the receipts being sent to these donors was discouraging further contributions and was a lost opportunity to further the sense of attachment alumni felt towards Colby.

Improving Targeting and Stewardship Abilities

As a result of the research Colby has made several changes to its solicitation strategy which now is focusing more on giving history and affinity and less on class year.

In addition, a new strategy has been developed to improve stewardship with donors making smaller gifts to better demonstrate their importance to the school and better convey a sense of appreciation for their contribution. As an example, Colby recently kicked off its solicitation season with a “thank-a-thon” where donors were called by current students and personally thanked for their support for the school. In addition the receipting process is being completely revamped with more personal messaging developed to show donors that their gift is important and matters to Colby. Said Medina, “The research has been very helpful for us in terms of developing a strategy of how to make donors feel appreciated and educate them on where their money is going. It has allowed us to improve our ability to state why that \$25 gift counts when we may be getting a million dollar gift from another donor and we expect this to improve the effectiveness of our annual fund in the years ahead.”

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