

Essential Fundraising Metrics Cheat Sheet

Understanding donor data is key to making smarter fundraising decisions. This guide will help you track six essential fundraising metrics using donor IDs, donation dates, and donation amounts.

Key Fundraising Metrics

1. Donor Retention Rate

Why It Matters: Measures how many donors continue giving. A higher retention rate indicates stronger donor relationships and more sustainable revenue.

Formula:

$$(\text{Number of donors who gave in both this year and last year} \div \text{Total donors last year}) \times 100$$

Best Practice: Thank donors promptly and provide impact updates to encourage continued support.

2. New Donor Acquisition Rate

Why It Matters: Tracks how many first-time donors contribute to your organization.

Formula:

$$(\text{Number of first-time donors this year} \div \text{Total donors this year}) \times 100$$

Best Practice: Engage new donors within 30 days of their first gift to increase retention.

3. Average Donation Amount

Why It Matters: Helps assess donor generosity and giving trends.

Formula:

$$\text{Total donation amount} \div \text{Total number of donations}$$

Best Practice: Use suggested donation tiers to encourage higher contributions.

4. Donation Frequency (Gifts Per Donor)

Why It Matters: Indicates how often donors give within a specific period. Frequent giving leads to higher overall donor value.

Formula:

$$\text{Total number of donations} \div \text{Total number of unique donors}$$

Best Practice: Offer recurring giving options to increase donation frequency.

5. Donor Lifetime Value (LTV)

Why It Matters: Predicts the total revenue a donor is likely to contribute over time.

Formula:

$$\text{Average donation amount} \times \text{Donation frequency} \times \text{Estimated donor lifespan}$$

Best Practice: Strengthen donor loyalty through personalized engagement and consistent outreach.

6. Reactivated Donors

Why It Matters: Measures how many lapsed donors return to giving.

Formula:

(Number of donors who gave this year but not last year ÷ Total lapsed donors) × 100

Best Practice: Reconnect with past donors using personalized messages and updates on the impact of their past gifts.

Strategies to Improve These Metrics

- **Increase Retention:** Send thank-you messages and regular impact reports.
- **Grow Average Gift Size:** Use suggested donation amounts and matching gift campaigns.
- **Encourage Frequent Giving:** Promote recurring donation options.
- **Boost Donor Lifetime Value:** Strengthen engagement with personalized outreach.
- **Re-engage Lapsed Donors:** Launch targeted reactivation campaigns.

By tracking and optimizing these key metrics, organizations can build stronger donor relationships, increase fundraising revenue, and create a more sustainable donor base.