

Past "thank you" to satisfaction

Why a tax receipt won't keep your donors

Three stages, not one

When a donation comes in, most charities do step one: gratitude. They send the tax receipt, the templated thank-you. *"Thank you for your generous gift."*

It's a perfectly fine first step. But it's also where most charities stop. And that's the problem.

Donor stewardship has three stages, not one:

Gratitude — "thank you very much." Most charities stop here.

Appreciation — a warmer, more human response. Personal, not templated.

Satisfaction — knowing the gift actually mattered to the mission.

Each stage answers a different question for the donor. Gratitude says *"we received your gift."* Appreciation says *"we noticed it was you."* Satisfaction says *"here's what your gift did."*

"Gratitude is the first stop on the bus. You can keep a donor for that moment. You can't keep them for a lifetime."

The further you take a donor along that path, the longer they stay engaged. Stop at gratitude and they're gone in a year. Get them to satisfaction and they're with you for life.

The \$150,000 that walked away

I know a donor who decided to back a charity with a \$150,000 commitment over several years. He sent a \$10,000 first gift — a kind of pilot, a way to get to know the organization.

He got nothing back. No phone call. No personal email. No acknowledgment beyond the automated tax receipt.

So he went elsewhere. The charity didn't know he had \$140,000 more behind that first gift. They didn't know they had lost it. From their CRM's perspective, they had a \$10,000 donor who didn't return — one of many.

From his perspective, they had told him exactly what he needed to know: his money was processed, not valued.

The annual report that arrived six months too late

Here's another one. I gave \$20,000+ over a few years to a charity I believed in. I knew the executive director personally. When I told him I was moving on, he was confused: *"Haven't you seen our annual report?"*

I had not seen their annual report. It wasn't sent to me; it was published online. And it was published in June — for a fiscal year that ended in March, six months after my December gift.

Even if I had seen it, what would I have learned? The report covered \$2.5M in total revenue. My \$10,000 was a slice of that pie, indistinguishable from every other slice. The report was for the organization, not for me.

Timing matters. Specificity matters. Both have to happen, and both have to happen close to the donation, or the donor concludes their gift was a rounding error in someone else's annual.

The corporate-giver dimension

I had a conversation recently with a partner at a law firm who's responsible for the firm's annual charitable donation. She told me she dreads the decision every year, because she has to justify the choice to her partners.

"I get scrutinized," she said. "I'm taking the whole firm's pile of cash and I have to decide which charity. If I don't have a justification, a reason, something to show for it, I get grilled."

Most charities never realize their donors face this. The corporate giver isn't just being thanked — she's accountable to other people for her choice. The charity that gives her timely, specific impact she can quote back to her partners gets the gift again next year. The charity that doesn't forces her to start her search over.

The fix

- **Move past the templated thank-you within a week.** The tax receipt is step one. It is not the relationship. Within a few days, send a personal follow-up that does one thing: tells the donor what their specific gift did.
- **Compress your time-to-feedback.** An annual report that lands six months after a December gift won't carry the relationship. Aim for satisfaction within the same calendar quarter as the gift, not the same fiscal year.
- **Match the report to the donor.** A \$10,000 gift slot inside a \$2.5M annual report is invisible. Send each donor what their specific dollars accomplished — *their* portion of the impact, not the aggregate.
- **Anticipate the corporate-giver question.** If your donor is going to be asked *"what did our money do?"* by their board or their partners, give them the answer. Don't make them guess.
- **Add a cumulative view for repeat donors.** *"Over the past three years, your gifts have funded X."* Compounding satisfaction is what turns one-time donors into lifetime supporters.
- **Donors aren't asking for thanks.** They're asking whether their hard-earned money mattered. Satisfaction is the answer to that question, and it's the thing that keeps them with you year after year.

Brandon Farr is the founder of Goodfinity (www.goodfinity.ca, www.goodfinity.com), software that helps charities stop losing donors by automating personalized impact reports. After 18 years as a charity donor through his construction company, Brandon built the tool he wished his charities had used with him.