



StoryCause Update | Q2 2026

The face of donor acquisition has changed more in the last 5 years than in the previous 20. Every industry report is showing the same consistent trends; donor counts continue to decline while overall dollars continue to increase. While rising dollars is a good thing, declining donor counts point to an unsustainable model. **The decline is especially steep for donors giving under \$100.** Traditional donor models which were optimized to identify and acquire these donors are becoming less relevant today. Acquisition through digital channels has also become more challenging due to increased costs, privacy changes, decreasing email deliverability, fragmented donor attention, higher email volumes and younger audiences seeking creator-driven content.

The result of this downward pressure on acquisition is increased costs, longer windows to reach break-even on acquisition, and the aforementioned declining donor counts. In short, it is now harder than ever to acquire new donors.

We are working with our partners actively to combat these market trends. Some areas where we have seen important – and meaningful – shifts in strategy include:

- 1. Optimizing acquisition candidates based on expected lifetime value vs. campaign.** For example, in our grateful patient program design, we model based on a projected 5-year value vs. one. Taking a longer view means you must implement strategies immediately upon acquisition to focus on retention. Steps as simple as thanking a donor authentically and in a timely manner. Creating donor journeys that begin day one. Consistent and continued reporting of impact of that first gift. Timed personal outreach to make the second gift happen. Capturing, understanding and focusing on donor preferences. To accomplish this requires budgeting for the next steps as part of the acquisition process.
- 2. A core strategy to acquire and keep monthly donors.** We have found that the best opportunities to move a donor to a sustaining relationship are at the first gift and then again at the second gift. Direct mail is not a strong channel for acquiring sustainers. Focus your energy and resources on digital and telephone.

3. Consider using telephone but don't be a telemarketer. Telephone is a higher-level investment but allows you to build a connection or relationship, before a telephone ask. Deliver meaningful content in the form of newsletters and digital channels. Track who is consuming what you are sending, and trigger phone outreach with someone you have started to build a relationship with. Audiences like grateful patient, alumni, parents, or "like" donors represent strong audiences. Focus on conversations and not scripts. Predictive dial pauses will kill a conversation before it starts. Donors that engage by phone show higher initial gift rates, increased sustainer behavior, and give you the opportunity to learn about donor motivation at the point of acquisition.

4. Take time to learn about your donors after the first gift. Understand what inspired that gift and use that to personalize and align future reporting of impact as well as subsequent asks. Understand your donor's timing and giving preferences. These conversations will help reveal who are the more sophisticated donors who prefer giving through DAF's, family foundations, or from their IRA/appreciated assets. Models may tell you when to ask, donors will tell you when they prefer to give. Create a better donor experience by following their wishes.

5. If you are investing more in acquisition, you should also be asking for more. If your acquisition models shift to focus on lifetime value, you will ultimately be more successful. A donor leading with a \$100 or \$250 initial gift is going to retain better than four \$15 donors. They are more invested, more capable and show a faster velocity to upgrade. A quick check of your retention data will tell you all you need to know. Don't be afraid to push up those ask strings on acquisition.

What is most important is that your acquisition strategy matches your organizational strategy. If your long-term growth depends on mid-level donors, planned giving, relational fundraising and portfolio management, you need to invest in these types of donors beginning at acquisition.

It should also go without mentioning that you can't increase asks without first increasing trust, perceived value and emotional clarity. You also need to make the shift to become a storytelling (and story-capturing) organization.

Higher asks only work when donors feel:

- Trust
- Urgency
- Specificity
- Identity alignment
- Emotional resonance
- Confidence in impact

Without all of the above being part of the DNA of your campaigns, higher ask amounts will only suppress conversions.

Organizations that successfully raise acquisition asks usually also improve:

- Retention (higher first gifts = greater retention)
- Storytelling
- Donor experience
- Proof of impact
- Personalization
- Audience targeting

Donor acquisition is hard work, and the immediate ROI is negative. However, **not bringing in new donors is not an option.** By bringing in more engaged new donors, whose beliefs and passions align with that of your organization's, and then quickly connecting with these new donors in more personal ways, you can more quickly boost long-term value. This won't make acquisition any easier, but it increase return on investment, the number of engaged donors you have identified and, over time, boost things like your mid-level and major donor pools.

Next quarter we will tackle why having a solid mid-level strategy will build a reliable pipeline for the future.