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The role of public relations strategies and tactics in building symmetric donor relationships

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THE ROLE OF PUBLIC RELATIONS STRATEGIES AND TACTICS IN BUILDING SYMMETRIC DONOR RELATIONSHIPS

by
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Dedications

I would like to dedicate this thesis to my parents, Michele Kozlowski Spack and John Alexander Spack. Thank you for the sacrifices you've made, your support and your unending love, which have allowed me to pursue all of my dreams.

Throughout my life, and especially over this past year, you have demonstrated the great acts of selflessness, patience, perseverance and love. It was within those moments that you taught me the greatest lesson of my life.

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Abstract

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This study researched relationships between nonprofit organizations and their donors. The researcher looked into the different public relations strategies and tactics that nonprofits use to build and maintain relationships with their donors, and then examined the effectiveness of those strategies and tactics. The study required a content analysis of nonprofit websites to determine the strategies and tactics that nonprofit organizations use to build relationships with their donors. It also included a focus panel of nonprofit donors who discussed which strategies and tactics donors need to establish and maintain and mutually beneficial relationship with a nonprofit organization and which strategies and tactics donors feel are ineffective at creating relationships. The study supported the hypothesis that certain public relations strategies and tactics cause beneficial donor relations particularly among donors considering lapsing. The study also found that the strategies and tactics that best fulfill donor needs either do not appear or lack salience on nonprofit websites.

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Chapter I

Introduction

Problem Importance

"The nonprofit organisation-donor relationship is vital to the maintenance and longevity of the nonprofit sector," (Waters, 2008, p. 84). Nonprofit organizations need to understand these words and operate in a way that builds the nonprofit organization-donor relationship. Stronger relationships will prevent donor lapsing and result in more net income for a nonprofit organization.

Sargeant and Jay (2004a) state that while nearly 90 percent of Americans donate to nonprofits, most of these donations are small and not planned. Only 20 percent of the donating public contributes almost 80 percent of the total income for nonprofits. There is also an increase in the number of nonprofit organizations. All of these factors add to more competition in the nonprofit industry.

Sargeant and Jay (2004a) state that communicating with a new donor can cost a nonprofit organization ten times as much as communicating with an existing donor. According to Reichheld and Sasser (1990), retaining five percent more customers can result in increasing an organization's profits by nearly 100 percent. Sargeant and Jay (2004a) found that over a 10 year period, a 10 percent reduction in donor attrition rates would result in 50 percent more profit for a charitable organization.

Waters (2008) states that it is important for organizations to use resources to cultivate relationships with donors instead of focusing on marketing the organization. Sargeant and Jay (2004b) state that a long time donor will cover the costs of his recruitment and provide additional income. Because of this, organizations should focus on donor retention.

It is also important to note that Sargeant and Hudson (2008) found that donors who were recruited in door-to-door fundraising value ongoing communication from an organization, and their recruitment experience has no impact on their decision to continue donating to a charity. These findings support the need to study post recruitment communication as opposed to studying ways to market to potential donors.

Reichheld and Sasser (1990) state that an organization can increase its profits by increasing the length of the relationship between an organization and the customer. Besides continuing to earn a profit from the customer, the amount of profit will increase. They found that in one company, a customer will provide the company with more than triple the profit in their fourth year as a customer as compared to their first year as a customer.

A major problem exists with maintaining good relationships between organizations and their donors. Reichheld and Sasser (1990) report that the normal lapsing rate for an organization’s customers is 15% to 20% each year. Sargeant and Jay (2004a) state that nearly half of first time donors will never give to that organization again.

O’Neil (2007) found that developing strong relationships with donors will increase the length of time a donor continues to contribute to an organization and how likely they are to recommend the organization to others. Reichheld and Sasser (1990) also report that long-time customers of an organization provide free advertising because they are likely to speak highly of the organization to others.

Light (2003) states that donor confidence in a nonprofit will directly effect the amount of time the organization operates as well as how much money it will receive. Also, O'Neil (2008) found that, "communications make a significant difference in predicting long-term attitudes among donors," (p. 271).

Nathan and Hallam (2009) investigated the donor lapsing experience and discovered that donors leave a nonprofit organization because the relationship is not mutually beneficial. While the donors are giving the nonprofit money, the nonprofits are not fulfilling the needs of donors. Donors are not loyal to organizations because the organizations are not properly communicating with them.

Studies have suggested strategies to improve communication between a nonprofit organization and its donors. Specific examples include reciprocity, responsibility, reporting and relationship nurturing (Waters, 2008). But so far few studies have examined the ways nonprofits implement these strategies.

This study will contribute data to inform nonprofit public relations practitioners the best strategies and tactics to build donor relations. Practitioners can implement these tactics into their public relations plans for their organizations to improve donor relations and therefore prevent donor lapse. As previous studies have shown, preventing donor lapse will increase a nonprofit's revenue.

While this focus of this study is on nonprofit organizations, the results can also contribute to relationship-building tactics in for-profit organizations.

Problem Statement

What communication strategies and tactics are nonprofit organizations using to build relationships with donors?

Nonprofit organizations need funding to continue their existence, and preventing donor lapsing will increase an organization's net income. Previous research has discovered what organizations are doing, or not doing, to cause donor lapsing. A majority of the time missteps in nonprofit organization's communications are the reasons for donor lapsing.

Studies have suggested what nonprofit organizations should focus on in their communication. There are certain stewardship strategies that nonprofit organizations should use to build relationships with their donors.

Waters (2008) states that an organization should use the four stewardship strategies: reciprocity, responsibility, reporting and relationship nurturing in their communication with donors. Light (2003) found that stewardship is a strong predictor of donor confidence in a nonprofit organization.

Grunig, Grunig and Eling (1992) state that relationship quality between an organization and its publics can be measured through, "reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding," (p. 83). Ledingham (2006) reports that reciprocity affects the relationship between an organization and its publics.

Metrick (2005) states that using effective stewardship can bring many positive changes to a nonprofit organization. Besides reducing donor lapsing, it can also increase revenue. It can lower overall spending in the organization as well as decrease cost per dollar raised. Increased donation amounts from current donors is another positive result of effective stewardship.

Waters (2008) states that a nonprofit organization should increase its communication to its donors about the organization’s goals and success. He also believes that a nonprofit should communicate in an open and accurate way to its donors how it is using donations in a socially responsible way. Organizations should also thank donors in a timely manner.

Nathan and Hallam (2009) say the best ways to prevent donor lapsing include re-affirming a donor’s decision to give, discussing the positive impact that the donation makes rather than the problems that still need to be solved, using communication messages that are relevant to the donor, using communication channels that the donor prefers, thanking donors in a timely manner and treating a donor as a person and not data.

Studies have demonstrated the importance of nonprofit organizations developing strong relationships with their donors as well as what communication strategies nonprofits should focus on in order to build these relationships. However, there has been little research on the tactics used to implement these communication strategies.

There is a possibility that organizations are attempting to implement the strategies, but using the wrong tactics to do so. Their tactics could be adding to donor attrition instead of preventing it. There is a lack of research on nonprofit organization communication tactics with donors, especially in regards to building relationships and preventing lapsing.

This research will examine what communication tactics, if any, nonprofits are using on their websites to build relationships with their donors. According to Ingenhoff and Koelling (2009), nonprofit organizations can “particularly benefit from the Web’s relationship building potential,” (p. 66).

However, Yeon, Choi and Kiousis (2005) note a lack of research on how nonprofit organizations use the web to communicate with donors and suggest that future research look into how organizations websites fulfill donors’ needs especially in relation to principles of excellence theory of public relations. “Such research is crucial for adding greater depth to our limited knowledge of how nonprofits use the Internet to support their various public relations efforts,” (p. 80).

This study seeks to fill this gap and contribute to the practical applications of public relations. The researcher will examine the communication tactics on nonprofit organizations’ websites and determine which stewardship strategy(ies) each tactic attempts to implement. Then using a focus group, the study will determine which tactics are most favored by donors, which tactics best contribute to relationship building and which tactics are most likely to prevent lapsing.

Delimitations

This study will not analyze all communication tactics by nonprofit organizations. Many forms of public relations communications will not be examined including newsletters, letters, emails and face to face communication. This research will not exam all types of nonprofit organizations.

Hypothesis

H1: It is expected that certain public relations strategies and tactics cause beneficial donor relations particularly among donors considering lapsing.

Previous research has looked into what strategies nonprofit organizations should use to build relationships with donors; however, few studies have examined the tactics used to implement these strategies and which tactics donors value. Ledingham (2006) states that, "the immediate challenge for scholars is to validate the value of effectively managing relationships around common interests and shared goals, over time, to generate mutual understanding and benefit for interacting organizations and publics," (p. 479).

O'Neil (2008) states that there has been little attention given to the effect that public relations tactics have on long-term nonprofit organization-donor relationships. She suggests that future research "qualitatively investigate the communication needs of donors and how they relate to greater trust, satisfaction, and commitment," (p. 271).

Boton and Hazelton (2006) note that while fundraising and social responsibility are essential parts of public relations practice, there has been little attention given to them in research.

Using websites to examine nonprofit communication tactics will add to the field of public relations because according to Yeon, Choi and Kiousis (2005), future research on nonprofit organization's websites "should factor in the questions of visitors needs..." and

> monitor how nonprofit organizations use their websites for the practice of excellent public relations with other characteristics of excellence theory. Such research is crucial for adding greater depth to our limited knowledge of how nonprofits use the Internet to support their various public relations efforts, (p. 80).

They also indicate the need for future research because researchers have neglected to examine how nonprofit organizations utilize websites to communicate with donors.

Method

The researcher will conduct two studies to examine the use of public relations tactics in nonprofit organizations to build relationships with donors and prevent donor lapsing. First, the researcher will do a content analysis of six nonprofit organizations websites. Three well constructed, user friendly websites will be analyzed. Three additional websites that lack effective relationship building techniques will be examined. This content analysis will provide the researcher with strategies and tactics that nonprofit organizations are using, or not using, to try to build relationships with their donors.

The collected data will then be analyzed through a focus group of nonprofit donors. Six to eight participants will comment on which tactics they prefer, do not prefer or find irrelevant. They will also discuss which of the tactics best achieve the stewardship strategies necessary for nonprofit organizations to use in order to build and maintain mutually beneficial relationships with their donors.

Summary

This research will bring new evidence to help solve the problem of donor lapsing. Previous studies have shown how much donor lapsing costs nonprofit organizations. Research has also indicated that donor lapsing is caused from a lack a strong relationships between nonprofit organizations and their donors. To develop these relationships, nonprofits need to do a better job of communicating information with donors that will meet donors' needs. This research will examine the ways nonprofits are trying to communicate with donors through their websites and which of these communication strategies and tactics donors value in the building of relationships.

Chapter Two will examine previous research on nonprofit organization-donor relationships, relationships and donor support, donor lapsing, strategies for building donor relationships and nonprofit websites.

Glossary of Terms

Annual donor:	A donor who gives less than $10,000
Donor lapsing:	When a donor stops donating money to a nonprofit organization after one or several donations
Major donor:	A donor who gives $10,000 or more
Nonprofit:	An organization whose goals are to aid a cause not to earn a profit
Reciprocity:	Thanking donors in a timely manner for their donation
Relationship Nurturing:	Contact with a donor that is not soliciting a donation
Reporting:	Communicating open and accurate information about the organization to their publics
Responsibility:	Organizations doing what they say they will do, acting in a socially responsible way
Stewardship:	Symmetrical strategies that organizations use to build relationships with their publics
Strategy:	Overall concept, approach or general plan for the program designed to achieve a goal
Tactics:	The specific activities and outputs through which strategies are implemented-the doing or technical aspect of public relations

Chapter II

Literature Review

Theories on Organization-Public Relationships

According to Grunig (1992), organizations have key publics that can aid the organization in achieving its goals or prevent it from accomplishing its mission. An organization's public relations efforts need to incorporate strategic planning, execution and evaluation of its communication with these publics.

Ledingham (2006) states that currently the main focus of public relations is managing the relationship between an organization an its public. This is a change from the former functions of public relations that mainly concentrated on an organization's communications. With this change, organizations need to be aware that maintaining good relationships requires the organization and its publics to fulfill the needs of the other. This is because the goal of public relations efforts should be to create mutually understanding and beneficial relationships. The relationship between an organization and its public will only continue and succeed if they feel they are receiving what they desire out of the relationship.

Grunig, Grunig and Ehling (1992) state that there is an interdependence between organizations and their publics. Building good organization-donor relationships is the best way to manage that interdependence, and this should be the focus of public relations efforts.

According to Ledingham (2006) an organization can meet its needs and the needs of its publics by properly managing its relationships with those publics. He believes that relationship management will change the focus of public relations from the amount of communication that an organization produces to quality communication that impacts the organization-public relationship. Grunig, Grunig and Ehling (1992) state that organizations need their communications personnel to manage organization-public relationships and do so in a way that will develop and sustain excellent relations.

According to Grunig (1992), in order for an organization to practice excellent public relations, it needs to build long-term relationships with its strategic publics because they can help or hinder the organization's impact. Similarly, Gruning, Gruning and Ehling (1992) state that organizational relationship theories "support the idea that there is a functional connection between the quality of communication - the excellence of public relations - and the nature of relationships between organizations and their stakeholders," (p. 82).

Grunig, Grunig and Dozier (2002) state that:

> Public relations contributes to organizational effectiveness when it helps reconcile the organization's goals with the expectations of its strategic constituencies. This contribution has monetary value to the organization. Public relations contributes to effectiveness by building quality, long-term relationships with strategic constituencies, (p. 97).

Grunig, Grunig and Dozier (2006) discuss how public relations programs operate in the best way when they cultivate strong relationships with publics that are crucial to the success of the organization.

Nonprofit Public Relations

Materick (2005) states that for a nonprofit organization to succeed it must recognize the necessity of its integration of strategic public relations. All public relations work needs to reflect the organization's mission and the importance of donors.

Light (2003) reports that it is necessary for nonprofits to create confidence in their donors. However, his study found that since the 9/11 terrorist attacks, American confidence in nonprofits has declined and the public believes that nonprofit organizations are not operating in the best ways. Results indicate serious concerns in how nonprofits "deliver services, help people, work, and spend money," (p. 3). Many Americans are unhappy with how organizations spend donor money. Nearly half of respondents felt that nonprofit leaders' salaries were too high, while more than half said that nonprofits waste a great or fair amount of money.

According to Waters (2008), now more than ever before, donors are demanding that nonprofit organizations be accountable for their actions. They also need organizations to be transparent. An organization should use the four stewardship strategies: reciprocity, responsibility, reporting and relationship nurturing in their communication to describe how the organization is accountable for its actions.

Nonprofit Websites

According to Kazoleas and Teigen (2006), the increase in technology has forced organizations to have an online presence. To meet the needs of their publics, organizations need to have websites that provide information and services. "An organization's Web site (and the degree to which it meets expectations) will be the primary communication vehicle that carries and promotes the image of the organization," (p. 423).

Information that organizations post on their websites should fulfill the needs of their target audiences. Another function of an organization's website is to make people feel as if they are part of a community. This will build loyalty to the organization (Haig, 2000).

Yeon, Choi & Kiousis (2005) found that donor relations pages on organizations' websites had more salience than volunteer relations or media relations pages and that out of three, donor relations pages had the most interactive features. They believe that a nonprofit organization using interactive features on its website provides a potential form of two-way symmetrical communication.

However, Ingenhoff and Koelling (2009) state that most nonprofit organizations do not use the web to its fullest potential. They see the internet as a tool for building relationships. In their research, they found that while nonprofit organizations' websites fulfill the information needs of donors, the websites do not feature enough options for donors to provide feedback and to communicate with the organization in order to cultivate the nonprofit organization - donor relationship.

Nonprofit Organization-Donor Relationship

According to Waters (2008), the nonprofit organization-donor relationship is crucial to the survival of nonprofits. Sargeant and Jay (2004b) report that the nonprofit sector has changed since the 1980s and the focus of nonprofit public relations has transformed from transactional to relationships. Therefore, nonprofit public relations should concentrate on building and sustaining long-term organization-donor relationships.

Sargeant and Jay (2004a) found that donors dislike how nonprofits use transactional approaches to interact with them. Donors would rather have organizations develop a relationship with them through interactions that meet donor's needs.

According to Sargeant and Jay (2004b), once a donor is recruited to a nonprofit organization, a relationship can develop between the organization and the donor. This should create continued and increased monetary support by the donor. According to Sargeant (2001b), donors who receive communication that meets their needs are likely to remain with an organization for a longer time. Donors want their communication to be “informative, courteous, timely, appealing, and convenient,” (p. 189).

Gruning (1992) reports that one way for organizations to develop long-term relationships is to use symmetrical not asymmetrical communications with their publics. More specifically, his research suggests that two-way symmetrical is best of the four models of communications for organizations striving to achieve excellent public relations. Using this model aids organizations in using communication to “manage conflict and improve understanding with strategic publics,” (p. 18).

Waters (2008) states that organizations have a variety of ways that they can cultivate relationships with their donors, and while it takes time and effort to accomplish these tasks, it will payoff because of continued donor support.

Relationships and Donor Support

Many studies have found a positive relationship between public relations and donor support (O’Neil, 2007; Sargeant, 2001a; Waters, 2009). Sargeant and Jay (2004a) state that the quality of service that a nonprofit organization provides to its donors has a major impact on donor loyalty. Sargeant and Jay (2004b) report that most donor income in a profit organization comes from donor retention instead of during recruitment. O’Neil (2008) states that a nonprofit organization’s communication affects donors’ long-term feelings about the organization.

Bennett and Barkensjo (2005) found that cultivating relationships with donors increases donor retention, the length of time a donor will donate to a charity, positive discussion about the nonprofit to others and donation amount and frequency. Similarly, O'Neil (2007) found that a nonprofit's public relations activities impact the length of time a donor will stay with a charity and a donor's happiness in donating and recommending the nonprofit to others.

Light (2003) found a positive relationship between confidence in a nonprofit organization and people's beliefs that the organization was benefiting society. People who had high confidence in an organization thought it was doing a good job in its philanthropic efforts, while respondents with low confidence in a nonprofit organization thought it was doing a bad job in helping people.

Respondents who felt nonprofits do not properly spent money were nearly four times more likely to have low confidence levels in nonprofits than people who believe that nonprofits spend money wisely. In fact, the study found that, "spending wisely is the top predictor of confidence in charitable organizations, followed by charitable performance in helping people and in running their programs and services," (Light, 2003, p. 6).

Light (2003) found a relationship between donor confidence in a nonprofit organization and the amount of time the organization will operate as well as how much money the organization will receive from donors. He believes that if nonprofit organizations take action to positively change public opinion about how nonprofits spend money, help others and operate, the organizations will see beneficial long term results.

Similarly, Metrick (2005) states that there is an increasing number of donors who demand that nonprofit organizations act in ethical ways. Donors need to ensure that their investments are used in the best possible way and not spent frivolously. They also need to know that the organization is using the donations to provide valuable services.

According to O'Neil (2008), nonprofit organizations' communication increases trust, satisfaction and commitment in donors and these result in larger and more frequent donations. Waters (2008) also found that donors who trusted a nonprofit organization are more likely to have long terms relationships with that organization. This is especially true in donors' confidence that an organization would act responsibly in carrying out its philanthropic efforts. Long term donors do not believe the organization would try to take advantage of them, but rather believe that the organization would make decisions that would benefit the organization-donor relationship.

Waters (2008) also found that long term donors were pleased with the progress of the nonprofit organization. The organization makes them feel valuable and appreciated. Nonprofit organizations need to build relationships with all their donors, not just major donors who donate the largest amounts. But organizations should be aware that that major donors value certain nonprofit stewardship strategies more than annual donors (Waters, 2009).

Cost of Donor Lapsing

Reichheld and Sasser (1990) state that an organization can increase its profits by increasing the length of the relationship between an organization and the customer. Besides continuing to earn a profit from the customer, the amount of profit will increase. They found that in one company, a customer will provide the company with more than triple the profit in their fourth year as a customer as compared to their first year as a customer.

Sargeant and Jay (2004a) state that communicating with a new donor can cost a nonprofit organization 10 times as much as communicating with an existing donor. According to Reichheld and Sasser (1990), retaining five percent more customers can result in increasing an organization's profits by nearly 100 percent, and the normal lapsing rate for an organization's customers is 15% to 20% each year. Sargeant and Jay (2004a) state that nearly half of first time donors will never give to that organization again.

Sargeant and Jay (2004a) found that maintaining a donor is financially beneficial to an organization because not only does the donor continue to give money, but the amount of the donation usually increases over time. They also found that over a 10 year period a 10 percent reduction in donor attrition rates would result in 50 percent more profit for a nonprofit organization.

Causes of Donor Lapsing

Many studies have looked into why donors stop donating to a charity. Sargeant and Jay (2004a) state that there is no demographic characteristic that makes a donor more likely to lapse. Nathan and Hallam (2009) found that lapsing is not a character trait but rather a choice made from a person's attitude towards a charity, and people are likely to drop their least favorite charity first.

Sargeant and Jay (2004b) state that while a change in financial circumstances is a large cause of donor lapsing, many donors are also switching to another nonprofit organization. This is especially true for long term donors as opposed to first time donors.

Lapsed donors also state that poor quality service causes them to stop giving to an organization. “Many nonprofits appear not to thank the donor adequately, inform them how their monies were spent, or offer them sufficient choice in communication,” (p. 108).

They also state that donors felt a lack of respect when communication attempts with the nonprofit were ignored. Lapsed donors also felt solicited for money too often (Natham and Hallam, 2009; Sargeant 2001a; Sargeant and Jay, 2004a) or at the wrong time, especially right after giving a donation (Natham and Hallam, 2009). O’Neil (2008) found that communicating with donors at a good time for them increases commitment to and satisfaction with an organization.

Several studies have found that donors lapse because they are not thanked enough by organizations (Natham & Hallam, 2009; Sargeant 2001a; Sargeant and Jay, 2004a). However, Metrick (2005) found that some donors were bothered when they received a thank you call for their donation because they thought it was too much attention for a small gift.

Another reason for donor lapse is that nonprofit organizations did not communicate with donors about how their donations were being used (Sargeant 2001a; Sargeant 2001b; Sargeant and Jay, 2004a).

Best Public Relations Strategies for Donor Relations

According Sargeant and Jay (2004a), a donor is less likely to lapse from an organization if the donor feels that he has established a two-way relationship with that organization that meets his needs. Waters (2009) emphasizes that organizations must realize the importance of every interaction with a donor because they all present an opportunity to build a relationship. Relationship nurturing can increase donations and donor trust in an organization. No matter how large or small the exchange is, nonprofit organizations must always be thinking of their long term goals and how their actions will impact those goals.

Waters (2008) reports that nonprofit organizations must dedicate more time to communicating with their donors. Specific areas of communication should include the goals of the organization, what the organization has achieved so far and the positive impact the organization is making. Sargeant and Jay (2004a) state that nonprofits must consider the reasons why a donor gives to that particular organization and structure its communication with that donor in a way that mirrors his reasons for donating.

Nathan and Hallam (2009) also recommend treating donors as “people, not data,” (p. 329). Sargeant (2001a) found that long term donors believe that a nonprofit organization’s communication met their needs more than donors who lapse. He suggests that organizations should consider donor needs and use communication that corresponds to those needs. He believes that the benefit of creating donor loyalty will outweigh the costs of personalizing the communication.

O’Neil (2008) suggests that nonprofit organizations use various methods including phone calls, emails, newsletters and personal conversations to inform donors of how donations are being used and the impact the donations are making. Specifically, she suggests the use of personal stories from people who have benefited from donations to the organization.

Sargeant (2008) also recommends that because of the large demographic that composes an organization’s donor public, nonprofit organizations should realize that different forms of communication will work better with certain donors than others. As mentioned above, Metrick (2005) found that identifying the best way to communicate with a donor is important because donors who gave a small amount were annoyed with thank you calls. Similarly, Sargeant and Jay (2004b) state that recognition must match the size and nature of the donation.

Nonprofits should remember what types of communication donors like and respond to as well as asking them for their opinion about how they want to receive communication (Natham and Hallam, 2009; Metrick, 2005; Sargeant, 2001a; Sargeant, 2001b; Sargeant and Jay, 2004a; Sargeant and Jay, 2004b).

This is both practical and gives donors a sense of worth. Sargeant and Jay (2004a) state that besides offering different channels of communication; phone, e-mail and mail; nonprofits should offer several options of how frequently a donor would like to receive communication including no communication.

To help alleviate donor lapsing, Nathan and Hallam (2009) recommend that nonprofits remind donors of their reasons for giving. Post donation communication must focus on the donor, use the donor's preferred communication channels and show the donor the positive impact his donations are making. "Donors are motivated by evidence that their gifts make a difference," (p. 329).

O'Neil (2008) found that when donors were told how their donations are helping, donors are more likely to trust, be committed to and be satisfied with an organization. Sargeant and Jay (2004b) state that organizations should provide feedback to donors about how their previous donations are making an impact because it will prevent lapsing.

If a donor is interested in a particular project or mission of a nonprofit, communication with that donor should focus on those programs (Sargeant and Jay, 2004a).

According to Waters (2009) conversing with donors will make them feel appreciated and build loyalty to the organization. However, talking is not enough. Nonprofits need to show the public that they are dedicated "to being both socially and financially responsible," (p. 118).

He suggests that organizations use reciprocity, responsibility, reporting and relationship nurturing to build good relationships with their donors. These stewardship strategies should be used because Light (2003) found that stewardship is a strong predictor of donor confidence in a nonprofit organization.

Grunig, Grunig and Eling (1992) state that relationship quality between an organization and its publics can be measured through, "reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding," (p. 83). Ledingham (2006) reports that reciprocity affects the relationship between an organization and its publics.

Metrick (2005) states that nonprofit organizations can greatly benefit from using effective stewardship. Besides reducing donor lapsing, it can also increase revenue. It can lower overall spending in the organization as well as decrease cost per dollar raised. Another positive result of effective stewardship is increased donation amounts from current donors.

Waters (2008) states that acknowledging donors for their gift in a timely manner and demonstrating appreciation for the donation will achieve reciprocity. Organizations accomplish responsibility through operating in ways that benefit society and using donations appropriately. All reporting needs to be open and accurate and should reflect the responsible actions of the organization. This communication will help nurture the relationship. Sargeant and Jay (2004b) report that donors were less likely to lapse if they were given the opportunity to interact with the organization and help develop the relationship.

Summary

The literature review demonstrates that nonprofit organizations' public relations efforts should focus on building and maintaining relationships with donors. Creating these relationships will help nonprofits increase their profits by preventing donor lapsing. While research has shown what donors need and suggested ways that organizations can meet those needs, there has been little research on nonprofit organizations' communication efforts.

In Chapter Three, this researcher will discuss the methods planned to examine nonprofit organizations' communication to see what strategies and tactics nonprofits are implementing to develop relationships. The researcher will perform a content analysis of nonprofit organizations' websites. Previous research found that websites have great potential for building the nonprofit organization-donor relationship. A focus group will examine the results of the content analysis. Participants will discuss which strategies and tactics found on the websites best meet their needs as donors, which strategies and tactics they do not like and which strategies and tactics are missing.

This research will add to the body of knowledge by determining practical strategies and tactics that public relations personnel can implement to build relations with donors, prevent donor lapsing and further their organizations' missions.

Chapter Three

Methodology

This study will research relationship building strategies and tactics on nonprofit organizations' websites. It will also investigate donors' attitudes toward these strategies and tactics and how they affect the donor-organization relationship. The researcher will obtain primary data through both quantitative and qualitative research. The quantitative research will be completed through a content analysis of nonprofit organizations' websites. The qualitative research will be conducted through a focus group of donors.

Research Methods

Content Analysis

To better understand nonprofit organizations' use of relationship building strategies and tactics, the researcher will perform a content analysis of nonprofit organizations' websites. The researcher compiled a list of 10 nonprofit organizations' websites to potentially be part of the content analysis. To be considered for the sample, an organization had to have national appeal and not be limited to a particular area of the country. Organizations were also selected from various philanthropic types such as medical, environmental and social.

The list is divided into two categories, with each containing five websites. The researcher previously examined many nonprofit organizations' websites to determine various tactics that achieved the stewardship strategies of reciprocity, responsibility, reporting and relationship building. Based on this research, the researcher was able to determine if a website appeared to be effective or ineffective at building relationships with donors.

The first five websites are well constructed and user friendly. For this portion, the researcher has selected the following websites: the Michael J Fox Foundation, www.michaeljfox.org; Ducks Unlimited, www.ducks.org; Big Brothers Big Sisters, www.bbbs.org; the Bill and Melinda Gates Foundation, www.gatesfoundation.org; and the Natural Resource Defense Council, www.nrdc.org. These websites were selected after research indicated that they would demonstrate effective strategies and tactics for building donor relationships.

The remaining five websites were chosen because research indicated they lacked some of the necessary content to build strong donor relationships and are therefore ineffective. The websites are: the National Gallery of Art, www.nga.gov; Teach for America, www.teachforamerica.org; the Campaign for Community Change, www.campaignforcommunities.org; the Jimmy Fund, www.jimmyfund.org; and the Committee for Missing Children, www.findthekids.com.

The researcher will randomly select three websites from each category to be analyzed. Each website will be assigned a number one through five. Three will be selected using a random number generator, www.random.org.

The websites' content will be coded for strategies and tactics that aid the organization in achieving reciprocity, responsibility, reporting and relationship nurturing. Particularly, the researcher will be coding for news and events, frequently asked questions, publications, reports on how the organization spends donations, opportunity for feedback, community creation, choices on how to communicate, choices on how to donate, alternative forms of participation, and expressed donor appreciation. The researcher previously examined many websites to determine the categories for the content analysis.

An independent coder will examine the websites to achieve intercoder reliability.

Focus Group

The content analysis will be followed by a focus group consisting of six to eight participants. They will be selected using nonprobability sampling. A convenience sample of available nonprofit organization donors will be selected. The researcher will serve as the moderator and will initiate an active discussion based on the data obtained from the content analysis. The researcher will record the results in both handwritten and electronic form. The researcher will compose questions based on the strategies and tactics found during the content analysis. The questions aimed to determine how effectively various strategies and tactics fulfill the needs of donors.

The objective of the focus group is to measure the donors' attitudes toward the strategies and tactics nonprofit organizations use on their websites, particularly how participants feel these strategies and tactics impact the donor-organization relationship. The moderator will ask participants questions related to the strategies and tactics found on websites during the content analysis. Participants will be asked to comment on how these strategies and tactics fulfill their needs as donors especially in relation to reciprocity, responsibility, reporting and relationship nurturing. Participants will also be prompted to discuss what strategies and tactics are not present on the website but would strengthen the donor-organization relationship. This will determine whether or not hypothesis 1 is supported.

Data Collection

The content analysis will be conducted in February 2011. A protocol sheet will be followed for each of the six websites coded. See Appendix A for a copy of the content analysis code sheet.

The focus group will take place in March 2011. See appendix B for a copy of the focus group protocol sheet.

Data Analysis

The researcher will use the computer program Numbers to analyze the data collected from the content analysis. The focus group discussion will be documented by a recorder. It will also be recorded using the computer program GarageBand so that the researcher can replay the discussion at a later time.

Summary

After completing the content analysis and focus group, the researcher will be able to support whether or not certain public relations strategies and tactics on nonprofit organizations' websites cause beneficial donor relations particularly among donors considering lapsing. Chapter Four will report the results of the content analysis and focus group.

Chapter Four

Results

This chapter reports the results of the content analysis and focus group conducted by the researcher. The researcher performed a content analysis of six nonprofit organization websites looking for tactics that would satisfy these strategies:

- Reciprocity
- Responsibility
- Reporting
- Relationship nurturing

The researcher coded the presence or absence of 78 tactics that achieved one or more these strategies.

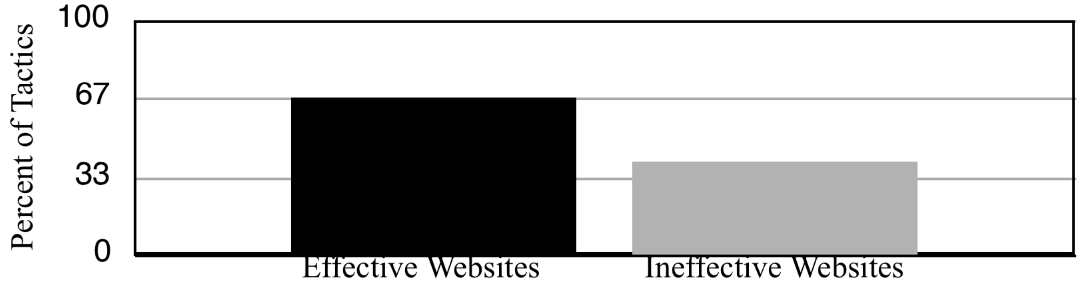
Following the content analysis, the researcher conducted a focus group in March 2011 consisting of seven participants, three females and four males, who currently donate to at least one nonprofit organization.

General Findings

Content Analysis

After examining the data from the content analysis, the researcher determined that the three websites expected to demonstrate excellent strategies and tactics for building donor relationships had more tactics than the three websites that appeared to lack these strategies and tactics. The effective websites contained an average of 67 percent of the potential tactics, while the ineffective contained an average of 51 percent. Figure 1 indicates that the websites that the researcher predetermined to be effective at building donor relationships had more tactics on their websites than the websites that the researcher predetermined to be ineffective.

Figure 1: Effective vs. Ineffective Total Tactics

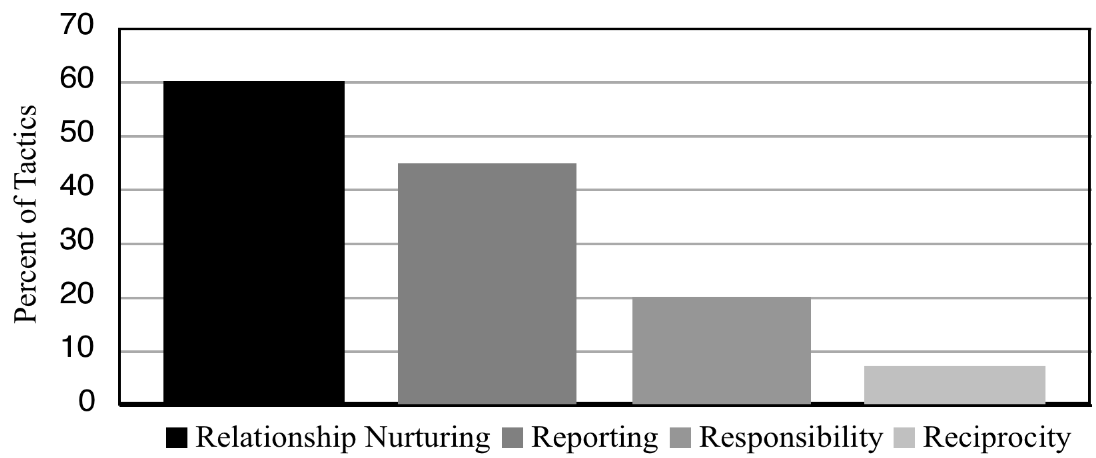


Strategies

Of the tactics coded by the researcher, 8 percent achieved “reciprocity,” 18 percent achieved “responsibility,” 44 percent achieved “reporting” and 60 percent achieved “relationship nurturing.” Some tactics achieved two strategies. All of the nonprofit websites that were coded contained some tactics that might help achieve beneficial organization-donor relationships.

On the coded websites, the researcher found 60 percent achieved “relationship nurturing,” 45 percent achieved “reporting,” 20 percent achieved “responsibility” and 7 percent achieved “reciprocity.” Some tactics achieved two strategies. When examining these totals, “relationship building” tactics were most prevalent followed by “reporting” then “responsibility” and “reciprocity” as depicted in Figure 2.

Figure 2: Total Tactics Grouped by Strategy



Focus Group

Nonprofit donors composed a focus group who discussed their needs as nonprofits donors. They answered questions about strategies and tactics the researcher found during previous research to determine the effectiveness of those strategies and tactics. In general, the donors reported needing three aspects of the nonprofit-donor relationship more than others. Donors want the organization to:

- Thank them for their donations
- Demonstrate that it uses donations responsibly
- Show where the organization applies its donations

Strategies and tactics that accomplished these aspects produced more positive reactions from the groups than strategies and tactics related to reporting and relationship nurturing.

H1: It is expected that certain public relations strategies and tactics cause beneficial donor relations particularly among donors considering lapsing.

Content Analysis

The content analysis conducted by the researcher and independent coder revealed the following data. The researcher found the following tactics on all websites.

- Stories about the organization
- Press releases about the organization
- Financial statements
- Charts/graphics how the organization spends donations
- Sections for programs, projects, etc.
- Phone-contact information on the website
- Address-contact information on the website
- Emails- choice to recieve communication via
- Amount- offer choice on how much to donate
- One time- offer one time donation
- Scheduled donation
- Online-donate on website

Most tactics on nonprofit websites relate to reporting and relationship building. For example, most websites contained newsletters, stories, and related media coverage about recent happenings in the organization. Many also report information about the company in the form of an annual report, strategic plans and tax forms. Table 1 reports on tactics found on two thirds or more than two thirds of the websites. Tactics are listed in rank order by those most frequently used on top to the tactics found on only two thirds of websites.

Table 1: Frequently Found Tactics

Tactic	Percent of websites with tactic
Annual report	83
Email-contact information on website	83
Organization tax forms	83
Photos	83
Positive impact	83
Publications- choice to receive communication via	83
Reports/statistics how organization spends donations	83
Social media	83
Symbols-repeated use throughout	83
Text explanations how organization spends donations	83
Section for donors on website	83
Volunteer- alternative participation (not donations)	83
Internal event coverage	67
Media coverage of organization	67
Reports related to organization	67
New findings	67
FAQ	67
Newsletter	67
Strategic plans	67
Charts/graphics how organization applies donations	67
Photos how organization applies donations	67
Stories (personal testimonies-text)	67
Local impact	67
Gifts for first donation	67
Publications- benefit for donors	67
Events-host, creates community	67
Videos	67
Direct mailings-choice to receive communication via	67
Direct donation to specific program/area	67
Calls-call to donate	67
Mail- mail in donation	67
Fundraising - alternative participation (not donations)	67
Other ways to support the organization	67

There were also tactics that appeared on half or fewer than half of the website including tactics that explain or illustrate how an organization applies donation, personal testimonies, thanking donors and ways for donors to provide the organization with feedback. Table 2 reports on tactics found on half or less than half of the coded websites.

Tactics are listed in rank order by those used on half on top to the two tactic not used but searched for on the bottom on the table.

Table 2: Tactic Found on Half or Fewer Than Half of the Coded Websites

Tactics	Percent of websites with tactic
Event coverage outside the organization	50
Fax-contact information found on website	50
Gifts for continued support-benefit for donors	50
Key word - repeated used, creating a community	50
Large donations section of website	50
Organization updates-benefit for donors	50
Text on how organizations applies donations	50
Thank you message on website	50
Videos on how donations are applied	50
Why donors matter message on website	50
Calls-receive as benefit of donating	33
Direct submission-ask question/submit feedback	33
Member forums	33
Other publications	33
Photos of how donations are used in organization	33
Photos of personal testimonies	33
Political action-alternative participation	33
This size donation =___	33
Videos of how donations are used in organization	33
Videos of personal testimonies	33
Where your donation goes section of website	33
Blogs-ask question/submit feedback	17
Donor’s bill of rights	17
Media coverage about cause but not organization	17
Personal stories-ask for/encourage feedback	17
Tax deduction information for donors	17
Why more donations are needed	17
How to improve org.-ask for/encourage feedback	0
Text message to donate	0

Focus Group

Participants discussed questions that the researcher composed based on results from the content analysis. The questions are in appendix B.

Respondents reported that when they visit a nonprofit organization's website they often look for how long the organization has existed; how the organization spends donations, particularly administrative costs versus money applied to causes; and if the organization uses secure payment methods. Respondents do not visit a nonprofit website to read newsletters or other publications.

Reciprocity: The importance of thanking donors

Participants said that it is very important that an organization thank its donors. "I like a good thank you," said one respondent. While respondents reported that organizations should thank their donors on the organization's webpage, a personal thank you is more important. One respondent commented that she likes when an organization makes a thank you feel personal by featuring pictures of and/or thank you message from those who benefit from the organization. Another participant commented that he likes receiving gifts from his nonprofit organization.

One participant commented that she feels valued as a donor when organization offers to publish her name in a newsletter as a donor. Even if she chooses to remain anonymous, she likes that the organization offers this.

When asked if they would like it if a website explained why donors matter, one participant reported that he already knows that the organization needs his donation in order to function. However, another participant reported that specific details of how donors help the nonprofit organization would be useful.

Reporting and Responsibility

When asked if it's better for a website to have information about the positive impact donations are making or explain why more donations are needed, most participants responded that they think a website should contain the positive impact. One participant said, "I like to know that my donations are a success."

However, another participants stated, "I think it helps to have both." Another participant responded to her comment by stating that he would still like the information in a "positive light like thank you so much, we've gotten to this point, but just a little bit more can get us to here."

Participants agreed that an organization's website should specifically state how the organization uses donations including how much of the money goes toward administrative costs. One participant stated that she feels pressured to give more when she sees something such as, "five dollars donates one pound of food but ten dollars donates three pounds of food." Several participants commented that if a website were to have a section about where donations are being applied, they would like to see pictures of the actual people they are helping. However, one participant commented that she would rather have this type of information sent to her in an email.

Relationship Nurturing: Communicating with Donors

When asked if they would be more likely to communicate with an organization if the website had blogs and/or encouraged feedback, most participants responded, "no." One stated, "I'm only giving them money if I think they're doing a good job." He continued to say that if he feels an organization is not doing a good job, he would find another nonprofit with the same philanthropy and donate to that organization instead.

Another participant said it would not hurt for an organization to have a donor's blog, but she felt many people would not have an interest in it. One participant said it might be beneficial to have an organization blog about the different things it is doing and the steps it is taking to achieve its mission.

One participant commented that she signed up on a webpage to receive emails from an organization. Another participant expresses his frustration about an organization who sent him emails too often. One participant said that an organization sent her information but did not use her correct name. The donor felt like the organization did not really view her as a person. Several participants also recalled several nonprofits that would send the donors requests for help with a specific task after they made a donation; however, the donors never gave the organization permission to send them these requests.

Relationship Nurturing

Participants felt that it is very important for an organization to have information on its website about how donors can receive a tax deduction. One participant stated that she feels this is important not only for monetary reasons, but that is also legitimizes the organizations. However, participants do not feel more valued by an organizations if its website contains a donor's bill of rights. One participant responded that he does not explore a website enough to find that type of information.

Participants do not feel more connected to an organization when it uses words like team or family.

Reporting: News

When the moderator asks participants if they ever read new articles about nonprofit organizations they donate to, several say they might glance at it if they saw an article; however, they do not seek out these types of articles. One respondent says she likely to take a closer look at articles about schools such as new buildings under constructions or new programs they offer.

If participants see an article or story in the news about an organization they donate to, they would not check the organization's website for more information about the story. One respondent said that she might do this if the story somehow directly impacted her life.

What Donors Need

When the moderator asked participants what an organization needs to do to keep them as donors, participants said that they need a personal thank you, some type of proof or description of how the donor's money is being spent, a reminder that the organization is still around, a description of positive things the organization has done and making the organization seem legitimate by publicizing the organization.

Participants were given four choices of communication strategies used by nonprofit organization and asked to select the one that would have the greatest impact on their decision to continue donating to the organization. The four choices were:

- An organization acting responsibly such as spending money on what it says its raising money for and being a good citizen and environmentally friendly.
- An organization reporting news and being open and honest with its donors and the public.

• An organization thanking donors for their support.

• An organization showing that it values donors and sees them as more than just a donation.

Most participants responded that they feel an organization acting responsibly is most important because the want their money actually going to where they intend it to go. One participant said that it is most important to be thanked by the organization because it reminds the donor about the organization without asking them for money. Another participant said that she is most likely to continue giving to an organization that has meaning to her such as a medical organization or a local organization.

Summary

H1 is supported because certain public relations strategies and tactics make donors view an organization more favorably. The results suggest that organizations thanking donors, demonstrating that they use donations responsibly and showing how they apply donations would cause beneficial donor relationships. However, the results also suggest that these elements are either not present on nonprofit organizations websites or do not have salience on nonprofit organizations websites. The results also suggest that nonprofit organizations do not use effective channels to communicate this information to donors. Focus group participants reported that they are unlikely to spend a lot of time searching nonprofit organizations websites looking for information.

Chapter Five will evaluate and interpret the results of this research. The researcher will also discuss conclusions, contributions to the field and suggestions for future research based on this research.

Chapter Five

Conclusion and Interpretation

General Findings

All of the nonprofit websites that were coded contained some tactics that might help achieve beneficial organization-donor relationships. On the coded websites, the researcher found 60 percent achieved “relationship nurturing,” 45 percent achieved “reporting,” 20 percent achieved “responsibility” and 7 percent achieved “reciprocity.”

Webpages are a good channel for organizations to post information; however, participants in the focus group reported that they do not spend a lot of time exploring nonprofit organizations websites. Focus group participants responded most positively to tactics that achieve responsibility and reciprocity. They also cited theses strategies as the most crucial aspects of why they continue to donate to an organization. However, these are the least represented strategies on nonprofit organizations’ websites.

Hypothesis 1: Evaluation and Interpretation

The results from the content analysis and focus group support hypothesis 1. The researcher concludes that nonprofit organizations should use certain public relations strategies and tactics to build beneficial relationships with their donors.

Most tactics found on nonprofit organization’s websites achieve the strategies of relationship nurturing and reporting. These tactics included:

- Stories about the organization
- Press releases about the organization
- Newsletters
- Annual report

- Financial statements
- Reporting how the organization spends donations (administrative or applied):
    - Reports and statistics
    - Text explanation
- Reporting how the organization applies donations (directly put toward cause)
    - Charts and graphics
    - Photos
- Offering donors a choice on how much and when to donate
- Contact information

However, participants in the focus group reported that most of these tactics do not have a major impact on their relationship with nonprofit organizations.

Participants in the focus group responded that an organization thanking its donors and reporting how it uses donations are most important to them. Particularly, donors want to see how their donations make a positive impact. This supports Nathan and Hallam (2009) who state, “Donors are motivated by evidence that their gifts make a difference,” (p. 329). O’Neil (2008) found that when an organization informs donors about how their donations are helping, donors are more likely to trust, be committed to and be satisfied with an organization. Sargeant and Jay (2004b) state that organizations should provide feedback to donors about how their previous donations are making an impact because it will prevent lapsing.

Donors said it is also important for nonprofits to demonstrate that they apply donations to their intended cause and do not misuse donations. According to Metrick (2005) there is an increasing number of donors who demand that nonprofit organizations act in ethical ways. Donors need to ensure that their investments are used in the best possible way and not spent frivolously. They also need to know that the organization is using the donations to provide valuable services.

Several tactics that would allow an organization to thank its donors or report how the organization uses donations appear on half or fewer than half of websites. These tactics include:

- Thank you message to donors on the website
- Text explaining how organization applies donations (directly put toward cause)
- Videos showing how organizations applies donations (directly put toward cause)
- “Where your donation goes” section of the website
- This size donation = ______ (x lbs of pounds, provides x mamograms, etc.)

Many of the donors also reported that it is very important for organizational websites to provide tax deduction information for donors. One respondent reported that it’s not only for the monetary reason, but it provides additional confidence that the nonprofit is a legitimate organization. While this having this information is important to donors, only 17 percent of coded websites had this information.

Overall, most participants in the focus group reported that they do not spend a lot of time exploring nonprofit websites. However, they did report that they would be likely to read information about the organization if it were sent directly to them, especially via email. It is important to note that one participant reported his frustration over an organization sending him emails too frequently and deletes emails without reading them because the organization emails him too often.

The content analysis revealed that many nonprofit organizations do not encourage feedback from donors and do not provide ways for donors to give feedback. Ingenhoff and Koelling (2009) found that while nonprofit organizations' websites fulfill the information needs of donors, the websites do not feature enough options for donors to provide feedback and to communicate with the organization in order to cultivate the nonprofit organization - donor relationship. However, participants in this researcher's focus group reported that even if an organization provided ways for donors to give feedback and encouraged feedback, they would still not give feedback. Participants reported that dissatisfaction with an organization would lead to lapsing instead of a desire to tell the organization what it is doing wrong.

Conclusions

Nonprofit websites have the ability to provide valuable information that improves relationships with their donors. According to Ingenhoff and Koelling (2009), most nonprofit organizations do not use the web to its fullest potential. This research supports their findings.

Organizations provide a lot of information on their website. While this is good, organizations need to make sure that their websites clearly and easily present the information that fulfills donors' needs. This research suggests that most of the information present on nonprofit organizations' websites does not fulfill donor needs.

Some of the information that donors need is not present on the websites at all. Other information that they need is lost in a multitude of information. Based on this research, donors will not spend time looking through a nonprofit organization's website to find information they desire such as a thank you message or a report on how the organization applies its donations.

Contributions to the Field

Nonprofit organizations need to closely examine the needs of their donors and align their communication with donors to meet these needs. Based on this research, nonprofit organizations are not using their websites to meet the needs of donors. Therefore, nonprofit organizations should re-evaluate their online public relations efforts.

According to the content analysis, organizations post information on their websites that shows where donations are spent and the positive impact they make. However, participants in the focus group report that they do not spend time searching an organization's website for this information. Therefore, organizations should consider providing this information to donors in another way.

Nonprofit organization should consider reorganizing their websites so that important information is salient. Nonprofit organizations' websites should clearly thank donors and tell donors how the organization applies donations.

Donors also report wanting to see how organizations use donations to make a positive impact. While this information might be included in newsletters and press releases, this research shows that donors do not spend time reading this information on nonprofit organizations' websites. Therefore, organizations need to either present this information in preferred channels or find a way to entice donors to read these.

Nonprofit organizations should also consider investing more time and money into making communication with donors more personal. Several times, participants in the focus groups report that they would appreciate personal communication. Donors say they would like thank you messages from an organization sent directly to them. They also report that they would like the organization to make its communication more personal by using messages from and pictures of those who benefit from donations.

Based on this research, the researcher recommends that nonprofit organizations evaluate how much time they spend updating and adding information to their websites. Many websites contain information that does not benefit the organization-donor relationship. Organizations might be wasting valuable time and resources placing information on their websites that does not meet the needs of its audiences.

Organizations should also examine their use of email as a communication tool with donors. While donors report being more likely to read information if it is sent directly to them, donors strongly disliked receiving too many emails from an organization.

Donors report not spending a lot of time looking at nonprofits' websites and not giving organizations feedback. This could be due to a poor relationship with donors. Donors may be more interested in examining organizations' websites and providing organizations if they feel a stronger relationship with the organization. While websites might help an organization maintain good donor relationships, organizations cannot solely rely on them to establish and maintain donor relationship.

Further research

Based on this research, the researcher recommends expanding these studies to investigate more communication efforts by nonprofit organizations. A researcher could examine nonprofits print communications to see what strategies and tactics they contain.

It would be particularly interesting and informative to perform a content analysis of print and electronic communication that nonprofit organizations send to donors.

The results from this research show that organizations' websites do not ask their donors to provide feedback to the organization, which supports Ingenhoff and Koelling (2009). According to Gruning (1992), two-way symmetrical communication is the best of the four models of communications for organizations striving to achieve excellent public relations and develop long-term relationships with their publics. However, participants in this study report that even if organizations' websites encourage feedback and offer a channel to do so, they would be unlikely to give feedback. Therefore, this researcher suggests research investigating how nonprofit organizations can increase feedback from donors.

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Appendix A Content Analysis Code Sheet

Protocol
1.) Date

2.) Time started

3.) Organization name

4.) Website url

5.) Strength of relationship building	Effective or Ineffective
6.) News and events reported on website	Yes or No
A.) Organization	Yes or No
i.) Stories	Yes or No
ii.) Press Releases	Yes or No
iii.) Event coverage (internally)	Yes or No
iv.) Media coverage	Yes or No
v.) Other	Yes or No
B.) Outside organization	Yes or No
i.) Reports	Yes or No
ii.) New findings	Yes or No
iii.) Events	Yes or No
iv.) Media Coverage	Yes or No
v.) Other	Yes or No
7.) Frequently asked question section	Yes or No
8.) Publications (accessible on website)	Yes or No
A.) Newsletter	Yes or No
B.) Annual report	Yes or No
C.) Organization tax forms	Yes or No
D.) Strategic plans	Yes or No
E.) Financial statements	Yes or No
F.) Other	Yes or No
9.) Reporting of how the organization is spending donations	Yes or No
A.) Reports/statistics	Yes or No
i.) In organization (admin, research, etc)	Yes or No
a.) Charts/graphics	Yes or No
b.) Text explanations	Yes or No
c.) Photos	Yes or No
d.) Videos	Yes or No

ii.) Applied (Other than personal testimonies) Yes or No
a.) Charts/graphics Yes or No
b.) This size donations = ____ Yes or No
C.) Text Yes or No
D.) Photos Yes or No
E.) Videos Yes or No
B.) Where your donation goes section of website Yes or No
C.) Personal testimonies Yes or No
i.) Stories (text) Yes or No
ii.) Photos Yes or No
iii.) Video Yes or No
D.) Sections for different programs, projects, etc. Yes or No
E.) Local impact Yes or No
F.) Positive Impact Yes or No
i.) Number of times website mentions _______
F.) Why more donations are needed Yes or No
i.) Number of times website mentions ________

10.) Thanking donors
A.) Gifts for first donation Yes or No
B.) Donor benefits Yes or No
i.) Organization updates Yes or No
ii.) Publications Yes or No
iii.) Gifts for continued support Yes or No
C.) Message Yes or No
i.) Thank you Yes or No
ii.) Why donors matter Yes or No

11.) Relationship nurturing Yes or No
A.) Offer way to ask questions/submit feedback Yes or No
i.) Direct submission on website Yes or No
ii.) Contact information found on website Yes or No
a.) Phone Yes or No
b.) Fax Yes or No
c.) Address Yes or No
d.) Email Yes or No
iii.) Blogs Yes or No
B.) Ask for/encourage feedback Yes or No
i.) How to improve organization Yes or No
ii.) Personal stories of donors Yes or No
iii.) Other Yes or No
C.) Creating a community Yes or No
i.) Key word use (team, family, movement etc.) Yes or No
ii.) Repeated symbol use Yes or No
ii.) Events Yes or No
iii.) Member forums Yes or No

iv.) Social Media	Yes or No
v.) Photos	Yes or No
vi.) Videos	Yes or No
D.) Offer choices on how to communicate	Yes or No
i.) Receive emails	Yes or No
ii.) Receive direct mailing	Yes or No
iii.) Receive publications	Yes or No
iv.) Receive calls	Yes or No
v.) Other	Yes or No
E.) Offer choices on how to donate	Yes or No
i.) Amount	Yes or No
ii.) Direct donation to specific program/area Ex: local, disaster relief	Yes or No
iii.) One time	Yes or No
iv.) Scheduled	Yes or No
v.) Online	Yes or No
vi.) Via text message	Yes or No
vii.) Call to donate	Yes or No
viii.) Send in via mail	Yes or No
F.) Offer alternative participation (not donations)	Yes or No
i.) Volunteer at events	Yes or No
ii.) Political action	Yes or No
iii.)Fundraising	Yes or No
iv.) Other	Yes or No
G.) Section for donors on website	Yes or No
i.) Separate section for large donations	Yes or No
H.) Donor's bill of rights	Yes or No
I.) Tax deduction information	Yes or No

12.) Tone

A.) Positive Section(s)	Yes or No
B.) Negative Section(s)	Yes or No
C.) Overall Tone	Positive or Negative

13.) Time finished

Appendix B Focus Group Protocol

Good evening everyone,
Thank you for your participation in tonight's focus panel. I would like to remind you that your participation is voluntary. You are not required to answer questions, and you may leave at any time. However, your responses will provide valuable insight into the needs of nonprofit donors.

Tonight, I will be asking questions based on my previous research into strategies and tactics used by nonprofits to build relationships with their donors. When responding to questions, please consider the organizations you donate to and your relationships with them. The session is being recorded electronically and in written form. However, you will remain anonymous.

Does anyone have any questions?

1.) When you visit a nonprofit organization's website what information are you looking for?

2.) Do you visit an organization's website looking for newsletters or other publications?
  -If the organization mailed/emailed them to you would be more likely to read them?

3.) Would you like it if a website explained why donors matter?

4.) How important is it that an organization thank its donors?
  -Should organizations say thank you on the website?
  -What are other things could an organization do on its website that would make you feel valued as a donor?

5.) Do you think its better for the website to have information about the positive impact donations are making or explain why more donation are needed?

6.)Would you be more likely to communicate with an organization if its website had blogs for donors and/or encouraged feedback on how to improve the organization?

7.) Should an organization's website specifically state how the organization uses donation such as "this size donation equals" and other text explanations such as administrative costs and types of research/programs?
  -Would it be beneficial to have a where your donation goes section of the website?

8.) Do you feel more connected to an organization if it uses words like team or family?

9.) How important is it for an organization to have tax deduction information on its website?

10.) Would including a donor's bill of rights make you feel like a valued by the organization?

11.) What does a nonprofit organization need to do in order to keep you as a donor?
   -If you have ever stopped giving to an organization, why did you?

12.) Do you ever read news articles about your organization?
   -Do you look for them on the website or if you see a story in the news, do you check the website for more information?

13.) As a donor, which of the following would have the greatest impact on your decision to continue donating:
   -An organization acting responsibly (spending money on what it says it will, being a good environmental neighbor, etc.)
   -An organization reporting news and being open and honest with its donors and the public at large
   -An organization thanking donors for their support.
   -An organization showing that it values you and sees you as more than just a donation.