CHOOSING THE RIGHT CRM

REFERENCE TOOL

Rev. February 23, 2024

Certified B Corporation

BNP PHILANTHROPIC PERFORMANCE

CHOOSING THE RIGHT CRM

Choosing or changing a CRM can be a laborious, exhausting, and costly process. Therefore, we have developed a reference tool to help you choose the right CRM, based on the latest webinars, training, and promotional CRM tools we have. It is important to note that BNP Philanthropic Performance is not affiliated with any CRM and has provided this resource for information purposes only, without bias.

But what is a CRM?
A Customer Relationship Management (CRM) software system serves as a central tool in managing interactions with your donors. It functions as an internal database that not only stores your contacts, but also helps you improve your organization's relationships with current and potential donors. Depending on the software used, it can also help optimize various work processes such as mail merges, issuing tax receipts, marketing campaigns, ticket sales, etc.

WARNING SIGNS

If your team finds your current CRM difficult to use, hard to train new team members on, or complicated for segmentation (such as identifying potential donors for a major gift or those who may no longer support the cause), it may be time to consider switching to a new CRM. In addition, if you are only using a small percentage of the available features but paying for the entire package, or if you need to resort to spreadsheets, text documents, and other files to complete your database, or if creating accurate data reports is a challenging task, these signs may indicate that your current system is no longer suitable for your needs. Similarly, if your monthly or yearly bill exceeds your budget or if your software platform has not been updated in years, it may be wise to consider a change.

Changing your CRM is not like changing the color of the walls to follow trends. The decision must be made deliberately and take into account how it will impact your team, finances, and donors. Therefore, make sure to start by thoroughly evaluating your CRM to identify any issues that could be corrected or if any additional training could improve tool utilization.

WHY CHANGE CRM

It may be helpful to clarify what is driving your decision to change technology in the first place. What could you do with a more advanced CRM that you cannot currently do well? What are your fundraising goals and how could technology help you achieve them?

Your donor software is more than just a way to organize contact records and receipts for your organization.

While for-profit CRMs are designed for sales and focus on transactions, CRMs for charities should be designed to build deep and lasting relationships. The steps necessary to gain the trust of donors are incredibly personal. An excellent CRM should be hyper-focused on strengthening this personal connection beyond the first donation.

Your CRM is a proactive resource for developing generosity. It should eliminate unnecessary work hours to help your team do more with less. As a nonprofit organization, you cannot afford to waste time focusing on inefficient processes or redundant tasks that could be automated with the appropriate tool.

IDENTIFY YOUR GOALS

If you wish to make a change, it is important to document the “why”. This will help you stay on track and potentially develop a rationale to support your recommendation to the board of directors.

Need	Importance		Notes/Clarifications
	Low	High	
Facilitate internal data access and processing			
Strengthen donor relationships to foster loyalty			
Centralize a history of interactions and relationship-building with donors			
Standardize data entry and donor record management			
Streamline costs and increase return on investment			
Boost major donation revenue			
Increase direct solicitation revenue			
Enhance third-party event revenue			
Increase organizational event revenue			
Increase P-2-P revenue			
Increase productivity			
Reducing irritants for employees			
Reducing irritants for donors			

WHAT ARE **YOUR** NEEDS?

Each solution will highlight its features, but do they really reflect your needs? Have you taken the necessary time to reflect on this?

Elements	Importance		Notes/Clarifications
	Low	High	
System cost (monthly/annual)			
Data transfer and conversion fees			
Payment processing fees			

Number of users/licenses			
Number of donor records			
Allows for multiple modes of contact and other important data			
Allows for assigning donor portfolios to team members			
Allows for the addition of specific fields and filters			
Enables the tagging of donors' interests			
Integrates the functionalities of Canada Post's National Change of Address Program (NCOA)			
Aligns each donation with its source, project, and interests			
Allows for the distribution of a donation across multiple projects			
Allows for managing long-term commitments			
Allows for tracking in-kind donations (such as vehicles, food, goods, services, etc.)			
Allows for keeping a record of all solicitations made (not just donations received)			
Allows for offering various payment options (e.g. credit card, direct debit, cryptocurrency, securities, etc.)			
Integration with other systems (e.g. APIs, newsletters, emails, etc.)			
Integration with your accounting software for deposits, reconciliations, and other needs.			
Social media management			
Management of other campaigns (e.g. peer-to-peer, third-party, etc.)			
Sales and event management (e.g. ticketing, online store, etc.)			
Online auction			
Management of planned giving (including more complex donations such as life insurance and annuities)			
Member management			
Volunteer management			
Management of beneficiaries/ graduates/ others			
Customized reports generation			
Generation of ROI indicators per fundraising campaign/strategy			

Real-time monitoring of collection efforts by project			
Website integration			
Customization of donation forms			
Integration of direct marketing activities			
AI features			
Data intelligence features (e.g. suggested amount to request based on history, financial score, etc.).			
Features in French			
Access anytime, anywhere (via application or online connection)			
Task automation			
Automatic reminders			
Management of donation receipts (and customization of receipts)			
Ease of search (by donor, by project, etc.)			
Training and support for current and future employees			
Continuous updates			
IT Security			
Confidentiality management			
Data hosting			
Missing features in your current CRM			

DIFFERENT PRICING MODELS

When exploring the range of CRM options available, you may find it difficult to compare the costs of one system to another because the pricing models vary. Some systems operate on a one-time acquisition cost (perpetual license) while others have a recurring cost (subscription license). Prices may also vary depending on the number of donors and access licenses.

Therefore, for each CRM of interest, we invite you to create a complete and detailed inventory of unique implementation costs and recurring fees. We have compiled a list of items typically charged by CRM providers. If you already have one, this could also be a good opportunity to compare not only alternative solutions with each other, but also with your current costs.

Installation	**CRM 1**	**CRM 2**	**CRM 3**	**CRM 4**
One-time acquisition fee (or perpetual license)				
CRM customization fees				
Installation and set-up fees				
Integration fees with existing systems				
Migration fees from a previous CRM				
Third-party account set-up fee (e.g. server, merchant)				
Training fees				
Acquisition discounts				
Other set-up fees				
Recurring costs	**CRM 1**	**CRM 2**	**CRM 3**	**CRM 4**
Maintenance fees (updates)				
Membership fees				
Basic technical support fees				
Advanced technical support fees				
Hosting/server fees				
Merchant account fees				
Online donation system fees				
Third-party donation system fees				
Event management fees				
Online store and/or auction module fees				
Newsletter and/or *marketing automation* system fees				
Training fees				
Fee for 1 license				
Fees for 2 to 10 licenses				
Fees for 11 to 20 licenses				
Other recurring costs				

REQUEST A DEMO

When visiting the websites of different CRM options, you should easily find the option to schedule a demo. This is an essential step that may take some time but will certainly answer several of your questions. You could even invite members of the board to engage them in the change. To maximize these demonstrations, make sure to:

Before and during the demo

- Conduct preliminary research on the manufacturer and CRM. How long have they been in business? What types of organizations use their services and products? Can you identify organizations that already use this CRM and obtain their feedback?
- Prepare a comparison grid for all the CRMs you wish to consider.
- Involve all members of your team who will use the system and create a list of questions and features they would like to see.
- Ask the provider to send you a complete service offer, including all costs, including migration. Does this fit your budget? Can you afford all the features you want? Is it possible to choose only certain options? Can the seller offer you an acquisition discount?
- Ask the seller about data conversion and cleaning. How easy is it to transfer data to a new system? What support does the provider offer to manage this process? How long will it take?
- Check credit card transaction fees/costs. Understand how these charges will affect your donors' experience and your budget.
- Inquire about the availability of the options and whether any customization or additional options are required.
- Do not hesitate to ask any questions you may have. Ideally, send them before the demo to make the process more efficient.
- Request to see your specific requirements in action, such as reports and transactions.
- Verify the integration of the website/online donation form and API.
- Inquire about data security and hosting.

After the demo

- Ask for references and consult trusted sources to obtain their opinions on the product.
- Determine if you need another demo. Another member of your team who did not attend the first demo may need to see the tool in action and visualize how it will integrate into their daily workflow. If the seller truly wants you as a customer, they will gladly offer an additional demo.
- Determine the additional information needed to make an informed decision.

COMPARATIVE GRID

By identifying your needs, you should be able to generate a list of items that can be used to create a comparative grid for objectively evaluating different potential CRMs for your organization. We have prepared a sample grid that will need to be adjusted according to your specific requirements.

Features	CRM 1	CRM 2	CRM 3	CRM 4
Prospect management				
Information centralization				
Transaction centralization				
Donor categorization (e.g. individual, company, foundation)				
Management of links between donors, their companies and/or spouses				
Categorization of opportunities (e.g. annual donation, event, etc.)				
Management of communication and solicitation preferences				
Donor segmentation				
Note-taking and follow-up				
Automated and programmable follow-up reminders				
Postal addresses validation				
Duplicate management				
Management of credit card expiration dates				
Document management (e.g. attaching a solicitation letter)				
Custom report creation				
Dashboards				
Automated report creation				
Access/user rights management				
Multilingual solution (for users)				
Multilingual solution (for donors)				
Web Forms management and customization				
Donation and transaction history				
Management of donation agreements				
Direct mail				
Newsletter management				
Web/mobile access				
Payment solutions				
Mobile donations				
Offline donation processing				
Creation of donation receipts				
Online store				
Online auction				
Peer-to-peer campaign				
Third-party campaigns				
Event management (tickets, tables, vendors, discounts, etc.)				
Management of planned giving (agreements)				
Monthly donation management				
Volunteer management				
Member management				
Management of beneficiaries/ graduates or others				

Integration with messaging/calendar				
Integration with accounting system				
Integration with other APIs				
Donation propensity algorithm (AI)				
Customizable fields				
Technical support				
Other features				

TOO GOOD TO BE TRUE?

If you have had a demonstration or an exchange that seemed too good to be true, be vigilant. Here are some red flags to keep in mind:

- The representative speaks more negatively about other CRMs than about the benefits of the one they have to offer.
- The representative pressures you to make a decision and is not aware that it is a significant expense for you.
- You receive evasive answers, and the demonstration does not cover the critical elements you want to validate.
- Several features are under development and will be available in the future but are not currently offered.
- You were promised that everything can be developed and customized to meet all your desires.
- You were not asked about your expectations or how you will use it.

DATA SECURITY

When it comes to IT, data security and integrity, as well as compliance with various legislative frameworks and cybersecurity, are essential. These are complex concepts that you may not have expertise in internally or on your board of directors. It is therefore vital that your potential CRM suppliers can reassure you and meet different criteria.

Safety features	CRM 1	CRM 2	CRM 3	CRM 4
PCI standard (payment cards)				
ISO 27001				
Data encryption (TLS)				
Data hosting location (and impact on Bill 25)				
Authentication				
SOC 2 (cybersecurity)				
FISMA (U.S. standards)				
CAN-SPAM (U.S. standards)				
GDPR (European Union standards)				
Network security against DDoS attacks				
OWASP best practices				
Anti-fraud payment mechanisms (reCAPTCHA, AVS, CVV)				
Automatic backups and data recovery				
Two-factor authentication				
Granular access management				
Detailed activity logs and anomaly detection				

Recurrent security tests and vulnerability assessments				
Safety training or resources for users				
Rapid incident response team				
Additional features				

READY TO CHOOSE?

If you have completed all your homework and consider yourself ready to choose your CRM, do not rush things. Ensure that the choice you make will be able to keep up with you for a long time, especially if your organization were to increase its pool of donors. Make sure that your eventual choice will be able to keep up with the pace of your organization, as well as technological advancements.

Also, it is recommended to not necessarily succumb to reduced or even free acquisition offers. Some vendors may be more 'aggressive' and offer you a free basic solution that could ultimately be disappointing or limited. Additionally, while new CRMs may seem interesting, it may be wise to opt for proven solutions that have adapted to technological changes.

Finally, discuss the plan for moving forward. Inquire about the next steps, the process for transferring data, integration, training, and anything else you need to plan for to ensure a smooth transition for both you and your donors.

ADDRESS THE ISSUE WITH THE BOARD OF DIRECTORS

Changing CRM systems is not like changing stationery suppliers. The expense can be significant and may require the approval of the board of directors. Therefore, it is important (even essential) to obtain their agreement in the process as early as possible. To do so, it is important to clearly demonstrate the benefits and return on investment of such a technological change. To this end, we have prepared an example of an executive summary for your board that we invite you to adapt to your context.

Executive Summary: CRM change for [name of your organization].

Objective: Our organization aims to transition to a new CRM in order to modernize our donor management approach, improve our data analysis capabilities, optimize our communication efforts, meet the highest data security standards, and integrate our systems, including accounting. This change is essential to enable us to meet the evolving needs of our donors and maximize the impact of our mission more effectively. This CRM change project is more than just a system change; it is a strategic step towards achieving our long-term goals and ensuring sustainable growth.

Context: Our current CRM, which has been in use for [number of years] years, limits our ability to analyze data, segment donors, and automate communications. It requires parallel management of data on spreadsheets and custom dashboards, in addition to making the exporting of efficient reports complex. This situation negatively impacts our operational efficiency and our ability to increase our donor base.

Recommendation: We recommend that the Board of Directors authorize the [exploration of the adoption / purchase] of a new, more advanced CRM, offering better integration, sophisticated data analysis tools and increased personalization of communications. Due diligence will be carried out to select the options best suited to our needs, based on the technological solutions available on the market.

Anticipated Benefits:

Improved Data Management: Access to quality data, [percentage] % increase in report accuracy.
Operational Efficiency: [percentage] % reduction in time spent on administrative tasks through automation.
Donor Engagement: [percentage] % increase in engagement through personalized, data-driven communications.
Performance Measurement and Tracking: [percentage] % improvement in campaign tracking accuracy and real-time strategy adjustments.
Investment and ROI: The estimated cost of the CRM change is $[amount], with an expected ROI of [percentage] % over [number of years] years, based on increased donations and improved operational efficiency.
Other Anticipated Benefits :

- Integration of online forms with 100% self-adaptation
- Alignment with our accounting system
- Real-time access to donor information via a mobile application
- 24/7 telephone technical support and training available to all users
- [Other benefits].

Implementation Plan:

Phase 1: Audit and clean-up of current data - estimated duration of [duration] months.
Phase 2: Migration to new CRM, team training - duration of [duration] months.
Phase 3: Transition and adjustment period – duration of [duration] months.

Conclusion: Investment in a new CRM is essential to unlock our growth potential and improve our relationship with donors. With a clear implementation plan and measurable objectives, we are confident that this change will have a significant impact on our mission.

CHANGE MANAGEMENT

We have mentioned it several times, but beyond training, integrating a new CRM requires a rigorous and planned exercise in change management. Any IT change in organizations should not be taken lightly, and you must consider the following elements:

- Which teams/people will be impacted by this change (beyond the data entry person)?
- What are the major changes that this will create in our processes?
- What reference documentation will be made available to support people in the change and adoption of the new CRM?
- When (and over what period) will the change take place? Does it coincide with annual peak periods and the end of the fiscal year?
- Why are you making this change?
- How will training be provided for core users?

Remember to clean up first

If you already have a CRM in place, transferring poorly coded, duplicate, or non-value-added data is a bad idea. Ensure a thorough audit of your data, including compliance with Law 25, and standardize it if it is not already done. Also, remember to clean up before transferring. Several CRMs offer features for searching and eliminating duplicates. It's time to use them if you want to maximize your experience with your future CRM.

Beyond functionality, set yourself targets

To make the change worthwhile (and cost-effective), think ahead about what you want to achieve with the significant technological change you are about to make. Consider which priorities you wish to achieve among the following examples, knowing that your CRM alone cannot accomplish all these goals:

- Increase monthly donations
- Increase first-time donations
- Increase donor retention
- Increase average donation per donor
- Increase targeted donors' progression towards major donations
- Facilitate the segmentation of fundraising strategy tests

Prepare to communicate the change internally

When presenting the process to those involved, remember that technological change can be intimidating regardless of the level of technological comfort. Therefore, you must communicate clearly and address the following points from the outset:

- Why are we making this change?
- Who will be the responsible/main person in charge of the file?
- What problem do we want to solve?
- What vision do we want to achieve with this change?

Manage your risks

Any major decision should come with an evaluation of potential risks and their mitigation. Below are some examples of potential risks to initiate your reflection and search for strategies.

Risks	Probability	Impact	Mitigation
Data loss	Average	High	Complete backup before migration
Inaccessible online donation forms	Average	High	Perform migration during off-peak hours and have a business continuity plan in place
Budget overruns	High	Medium	Establish a contractual budget with the provider and plan for cost overruns
User resistance to change	High	Medium	Involve key users from the outset of the project
Incompatibility with existing systems	Average	High	Conduct a compatibility analysis before selecting the new CRM
Non-conformity to security and confidentiality standards	Average	High	Check that the new CRM complies with current regulations before migration
Delays in implementation	High	Medium	Establish a realistic timetable with clear milestones and defined responsibilities
Data quality issues	High	Medium	Clean up data before migration to eliminate duplicates and inaccuracies
Under-utilization of the new system	High	Medium	Provide in-depth training and obtain/create user guides to encourage adoption
Security vulnerabilities in the new system	Low	High	Conduct regular security audits and ensure that the CRM provider commits to ongoing security updates

SOME POSSIBLE SOLUTIONS

Below are several CRM solutions available on the market. Please note that we are not affiliated with any of the companies offering these tools and some may not be available in Canada or in French. This list is intended as a starting point for your research rather than a set of recommendations.

CRM	Website
Blackbaud Raiser's Edge NXT	blackbaud.ca/products/blackbaud-raisers-edge-nxt
Bloomerang	bloomerang.co
Bonterra Fundraising (formerly EveryAction / Network for Good / Salsa)	bonterratech.com/products/donor-engagement/fundraising
CiviCRM	civicrm.org/fr
Classy	classy.org
DonorPerfect	donorperfect.com/canada
Donor Tool	donortools.com
Givebutter	givebutter.com
GiveSmart	givesmart.com
Fundraise Up	fundraiseup.com
Fünraise	funraise.org
iMIS	imis.com
Keela	keela.co
Little Green Light	littlegreenlight.com
Neon One	neonone.com
Prodon	logilys.com/prodon
Salesforce	salesforce.com/ca/solutions/industries/nonprofit
Sumac CRM	societ.com/solutions/sumac-crm/
Tessitura	tessitura.com
Virtuous	virtuous.org
Yapla	yapla.ca/fr

There are also other options on the market that are not strictly CRM, but could meet some or several of your transactional needs. We have listed some solutions.

Other non-CRM options

Other options	Website
CanaDon	canadahelps.org/en
Donorbox	donorbox.org/en
OneCause	onecause.com
PayPal	paypal.com/ca/non-profit/campaign/charities
Zeffy	en.zeffy.com

IN CONCLUSION

In conclusion, adopting a new CRM system is a crucial step for any organization that wishes to improve its relationship with its donors and optimize its internal processes.

This guide aims to assist you in this transition by providing you with the necessary tools and knowledge to make an informed choice and successfully implement your new CRM. We hope to have achieved this objective.

By following the recommendations and steps described, you will be able to minimize risks, fully utilize the features of your new system, and achieve a smooth transition for your teams. Remember that the success of this process depends on rigorous planning, adequate user training, and continuous monitoring.

By adopting a rigorous approach to risk and change management, you can make the most of this experience and transition to mobilize your team and board of directors and achieve your philanthropic goals.

NOTES

BNP PHILANTHROPIC PERFORMANCE

Certified B Corporation