

MARKETING GUIDE

# Your Annual Report is a Fundraising Tool

## 6 Key Steps to Creating Your Best One Yet

## INTRODUCTION



San Francisco AIDS Foundation.  
"AIDS Ends Here"

Your nonprofit's annual report is more than just a legal document; it's a fundraising tool. Creating one that captivates your donors can be one of the most important fundraising moves you make all year.

An effective annual report powerfully illustrates the critical value of your mission and the tangible impact of donor support. The best annual reports take considerable planning and preparation, so we've laid the groundwork for you: within the following pages you'll find six key strategies to creating your nonprofit's most successful annual report yet.

# 1 Determine Your Schedule and Budget

## Timing

**When do you want your annual report to be published?** Once you've chosen a date, use this chart to help you determine a project start date. Be realistic with your timing; take busy schedules into account, as well as the time you may need to search for and hire a professional designer.

## Budget

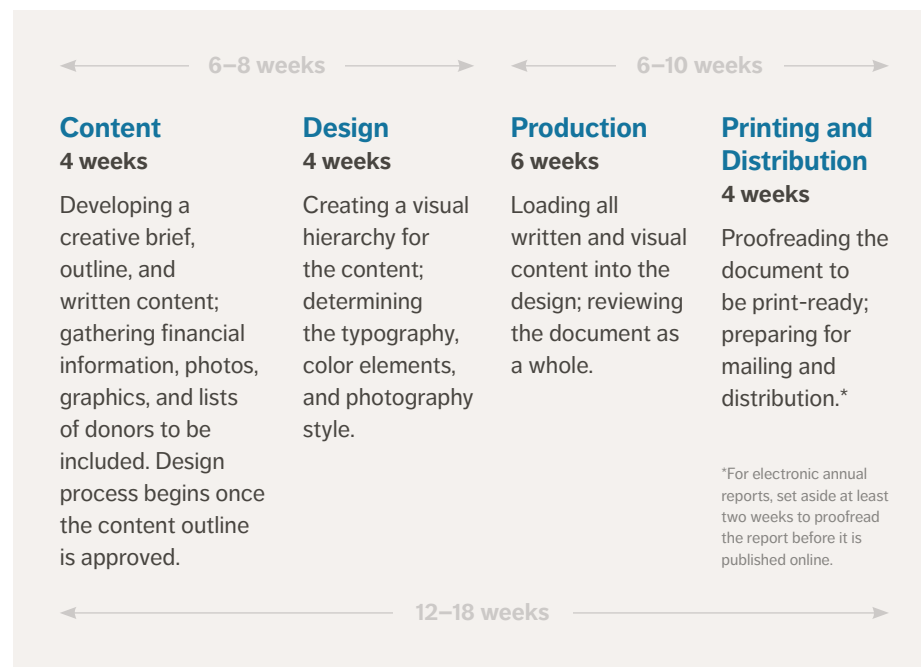
**Hire a professional.** Yes, there's an upfront cost to bringing in the experts, but an experienced designer can put together a beautiful document in a fraction of the time it takes to teach staff to do it, thereby using fewer resources. Depending on the length of your report and the design team's level of expertise, the budget for designing an annual report can range from \$2,500–\$50,000. Determine your project needs and then shop around to find a firm that's right for you. Creating an RFP—a formal document requesting a written proposal—is the best way to receive proposals that you can easily compare.

**Determine your distribution rate.** Are you a large, national nonprofit with many donors? Or are you a smaller organization reliant on volunteers? Do you distribute the report to all donors—or just those you would consider major donors? The more printed annual reports you distribute, the more you'll spend.

# 2 Write a Creative Brief

A **creative brief** is your guide for the creative process. It answers the questions that will ensure your report is a success:

**What are the goals for the report?** What conclusions do you want your readers to draw? What actions do you want them to take? These goals will help you figure out how to lead your readers through the report.



**Who's your audience?** Create representative character bios. Imagine your current and potential donors; try to determine their common traits, tastes, styles, and, most importantly, what it is about your work that inspires them to invest in it. Your answers will inform the voice and style of the report's content.

**What "look and feel" of the report will help reflect your organization's personality?** If your organization was a person, how would you characterize them? Warm and friendly? Or innovative and fun-loving? Determine the traits that you want the annual report to demonstrate. This will help your writers and designers tremendously in the early rounds of the creative process.

## 3 Pick Your Format: Printed or Electronic?

**Remember your audience.** What is more appropriate for them? Would your supporters prefer receiving a hard copy of the report in their mailbox, or an email announcement with a link to an online electronic report?

## 4 Gather the Pieces

What should your annual report include? Here are the **basics**:

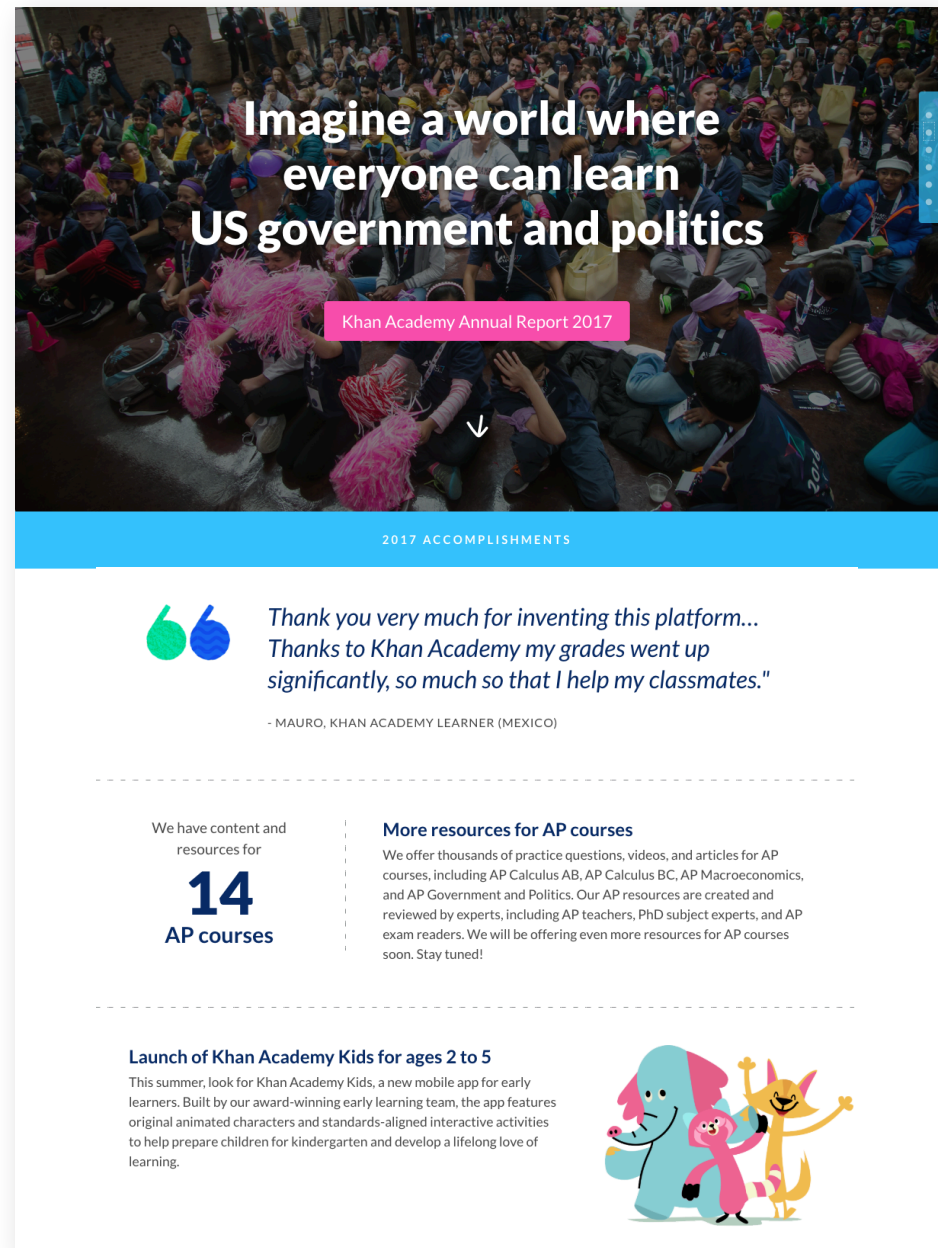
- Your logo
- One letter from the Executive Director, CEO, or Board Chair
- A brief overview of why you do the work you do and what differentiates your organization
- Stories that showcase the impact your organization made in the past year
- Irresistible photos
- Challenges you'll be addressing in the near future
- List of donors
- Financial report
- Contact information
- Remit device to encourage new or additional donations

## 5 Write and Develop Content

**Tell your organization's story.** Though they may be familiar with your mission statement, your donors may lack a deeper understanding of the unique problems your organization exists to solve. Remind them of your critical value to the community. Speak to their minds *and* hearts.

**Report on your impact, not your process.** Talk about the specific individuals who were positively affected by your programs. Show your donors that your work is making a tangible difference.

**Choose powerful photos.** Your annual report should be filled with up-close, colorful photos that depict your mission in action. What's more compelling: a picture of your smiling constituents benefiting from your services or a group photo at a fundraising function?



Khan Academy. "Imagine a world where everyone can learn..."

# 6 Use Principles of Good Design

**White space is key.** Having enough “white space,” or open space, is a simple design strategy to avoid overloading your readers. Effective use of white space will help draw the readers' eyes to the most important written and visual information.

**Limit your typeface selection.** We know—there are thousands of beautiful fonts out there. But choose carefully. Too many typefaces result in a loud, busy aesthetic that makes reading difficult, and could make your readers' attention drift.

**Make your report visually consistent with other marketing materials.** Though each annual report should be a stand-alone piece, its color, type, and imagery should instantly communicate the look and feel of your organization's brand. Is the annual report in sync with your logo, letterhead, newsletters, and website?

**Pass the I'm-too-busy-to-read-test.** A passing grade means that even if your readers take only 15 seconds to leaf through the annual report, they will get a general understanding of the work you do and a positive impression of your organization as a whole.

## Next Steps

You've set your schedule, written your creative brief, gathered your materials, written the content, and started the design process. Believe us, all the planning and attention to detail are worth it. When you distribute your annual report to your donors and volunteers, you'll be handing them a chapter of your organization's story—one that will rekindle their commitment to your mission and their excitement at being engaged with your work.



The Sierra Club Foundation. "Change"

## Learn More

Mission Minded is a branding firm that works exclusively with nonprofit organizations.

We believe that a brand that sets you apart is essential to a nonprofit's success. Every day we guide nonprofits to uncover the big, bold idea that will attract more people to their work. Because in today's world, a worthy mission is not enough. You've got to communicate what makes you unique at every opportunity.

Our clients successfully raise more money and attract the support they need to achieve their goals. To find out how Mission Minded can help your organization, call us today at 415-990-9360.