CONVERGING
CHANNELS

From Case Studies

To "Cross-Silo" Communications

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Converging Channels:

Our Evolving Multichannel Opportunity

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Account Supervisor
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MASKA
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Membership and Donor Development

1991 communications channels to supporters
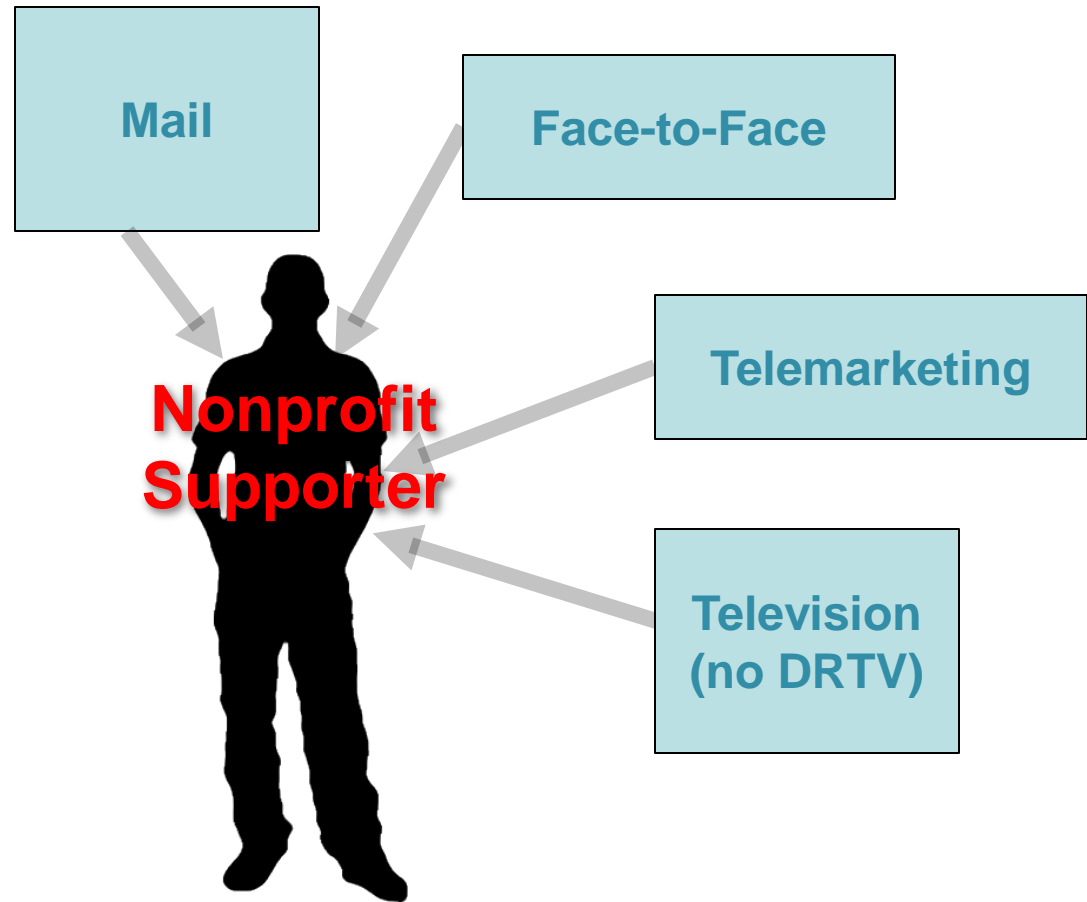
2011 communications channels to supporters
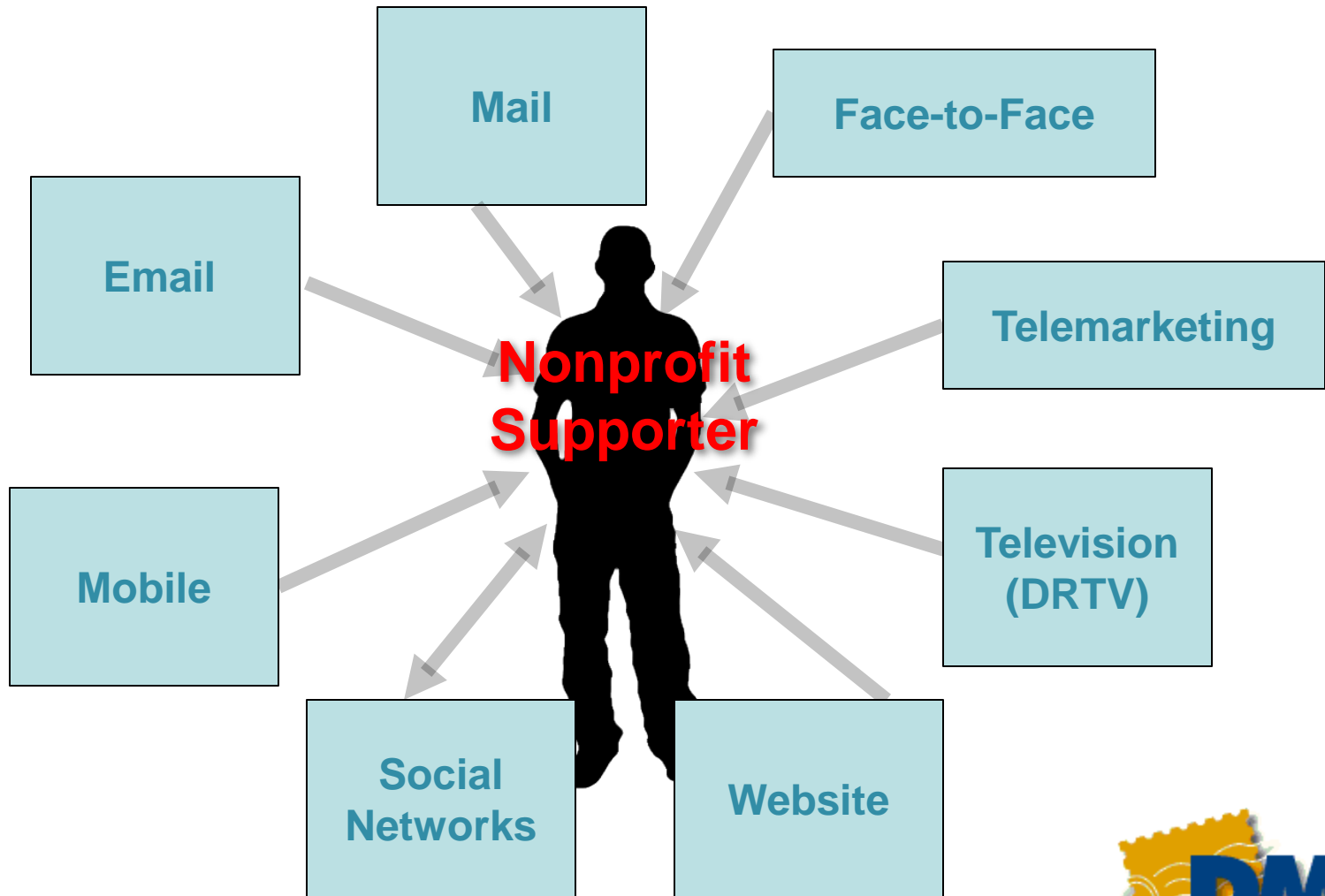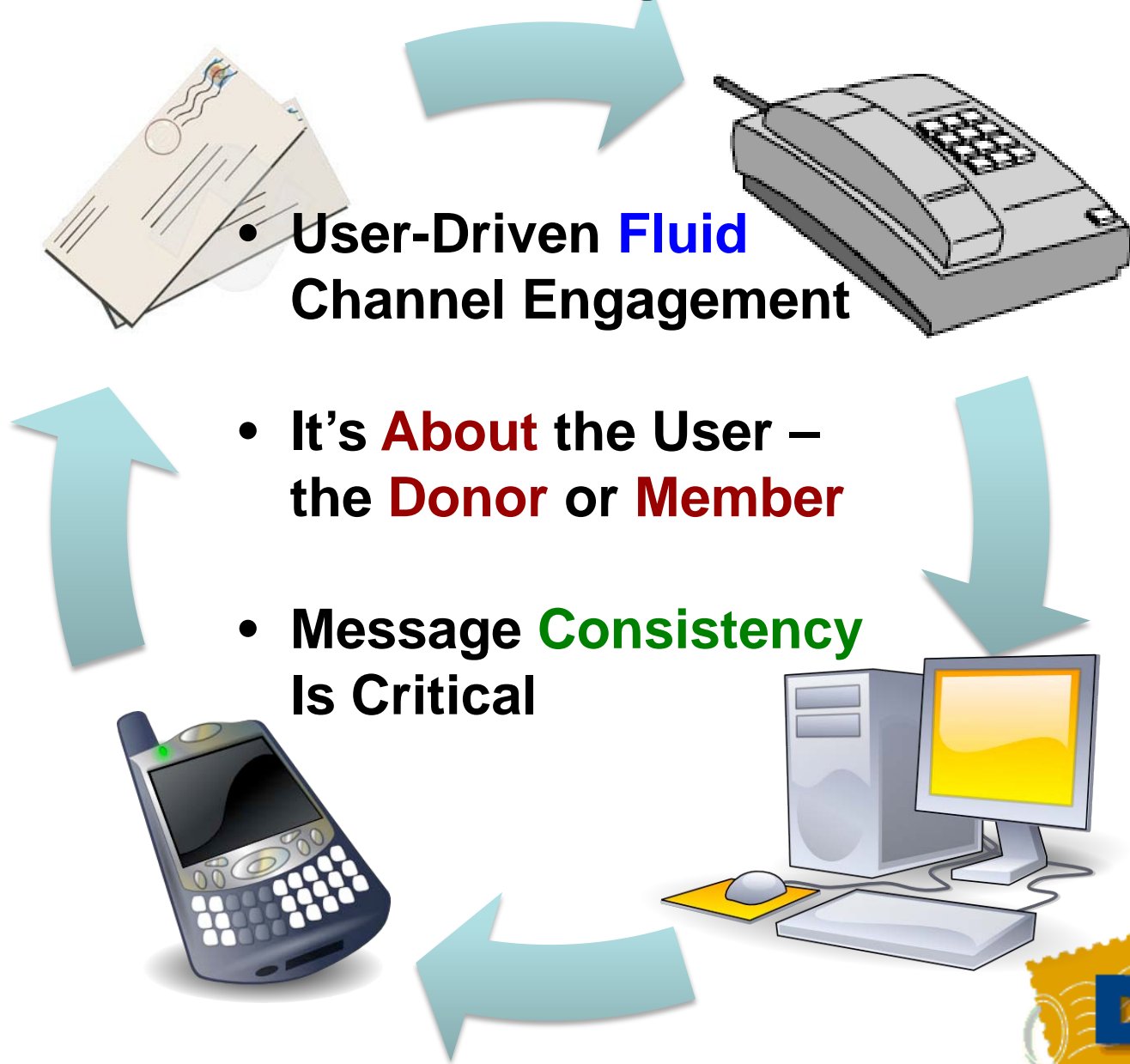
Channel Usage Is Fluid

- **User-Driven Fluid Channel Engagement**

- **It's About the User – the Donor or Member**

- **Message Consistency Is Critical**

Converging Channels:

Multichannel ROI Is Why

Jeff Regen
Senior Vice President of Integrated Services
M+R Strategic Services

M+R
STRATEGIC SERVICES
www.mrss.com

Other big trends are driving the need for more valuable donors

1. Nonprofit offline donors are aging

2. Donor files are shrinking

3. Retention is falling (and online low already)

4. Direct mail costs are increasing / fundraising margins are shrinking

$\rightarrow\rightarrow\rightarrow\rightarrow$ Nonprofits need more valuable donors

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Multichannel approach can lead to "golden multichannel donors"

- **Age falls between online and offline donors**

- **Income about the same as online**

How about revenue and retention?

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Multichannel donor revenue* looks great…
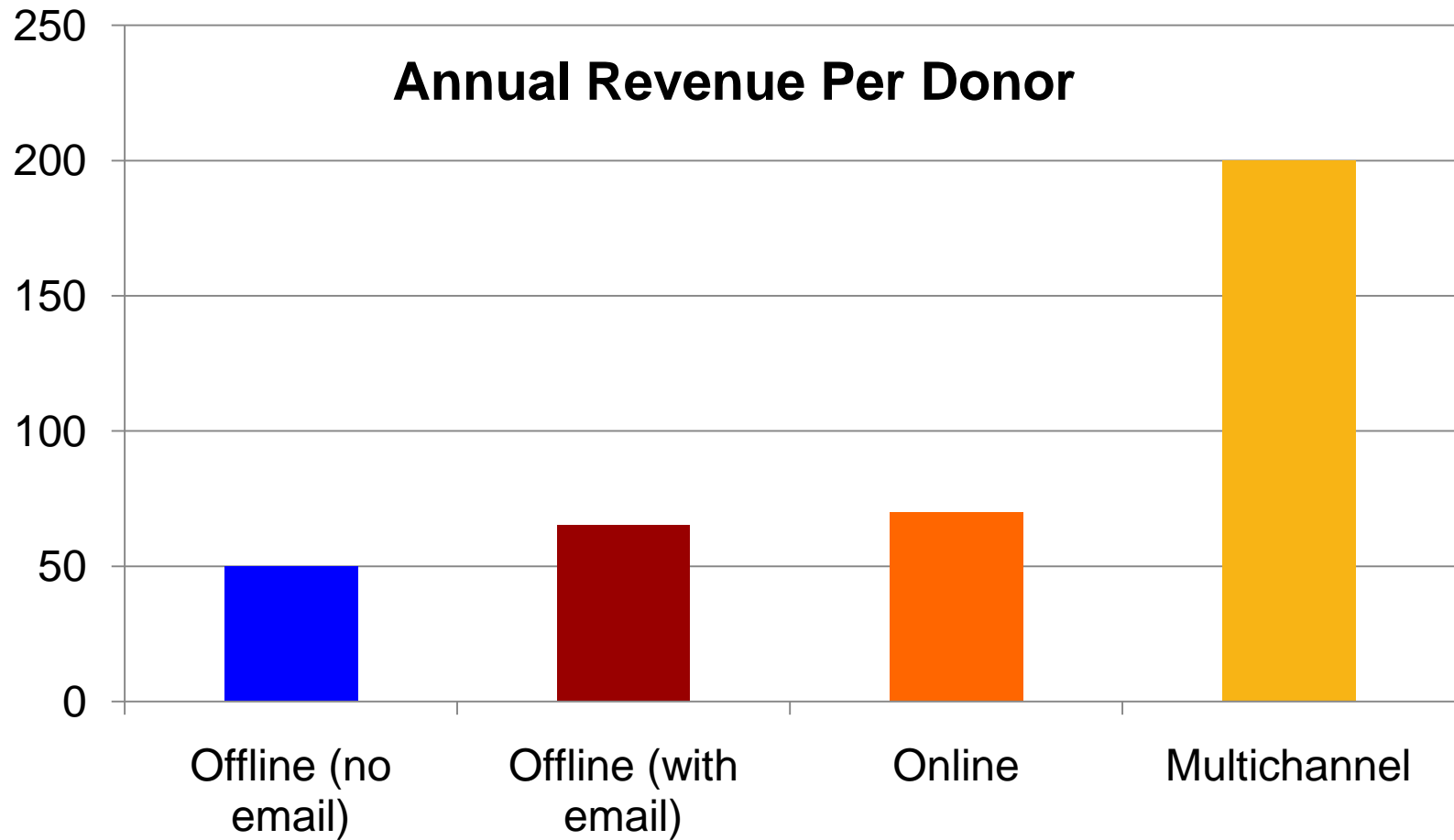
Annual Revenue Per Donor

	Offline (no email)	Offline (with email)	Online	Multichannel
Value	50	65	70	200

* Target Analytics Internet donorCentrics data

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…and retention does, too!*

First-Year Retention by Donor Type
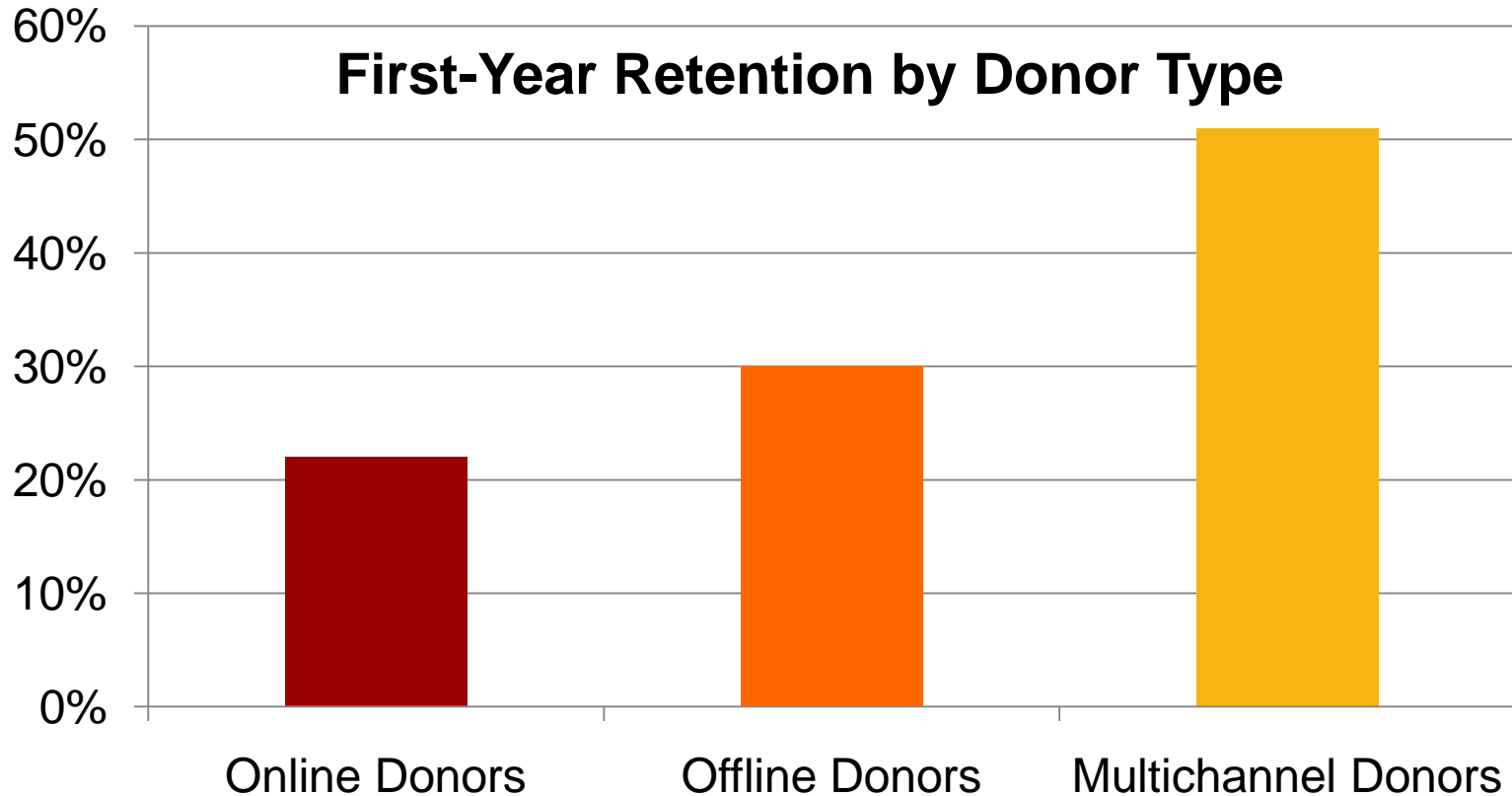
* Target Analytics Internet donorCentrics data

Maximizing value of new recruits…

Revenue Per New Online Supporter

Legend: Telemarketing, Direct Mail, Online

X-axis: Months on File (1–36)
Y-axis: 0 to 300
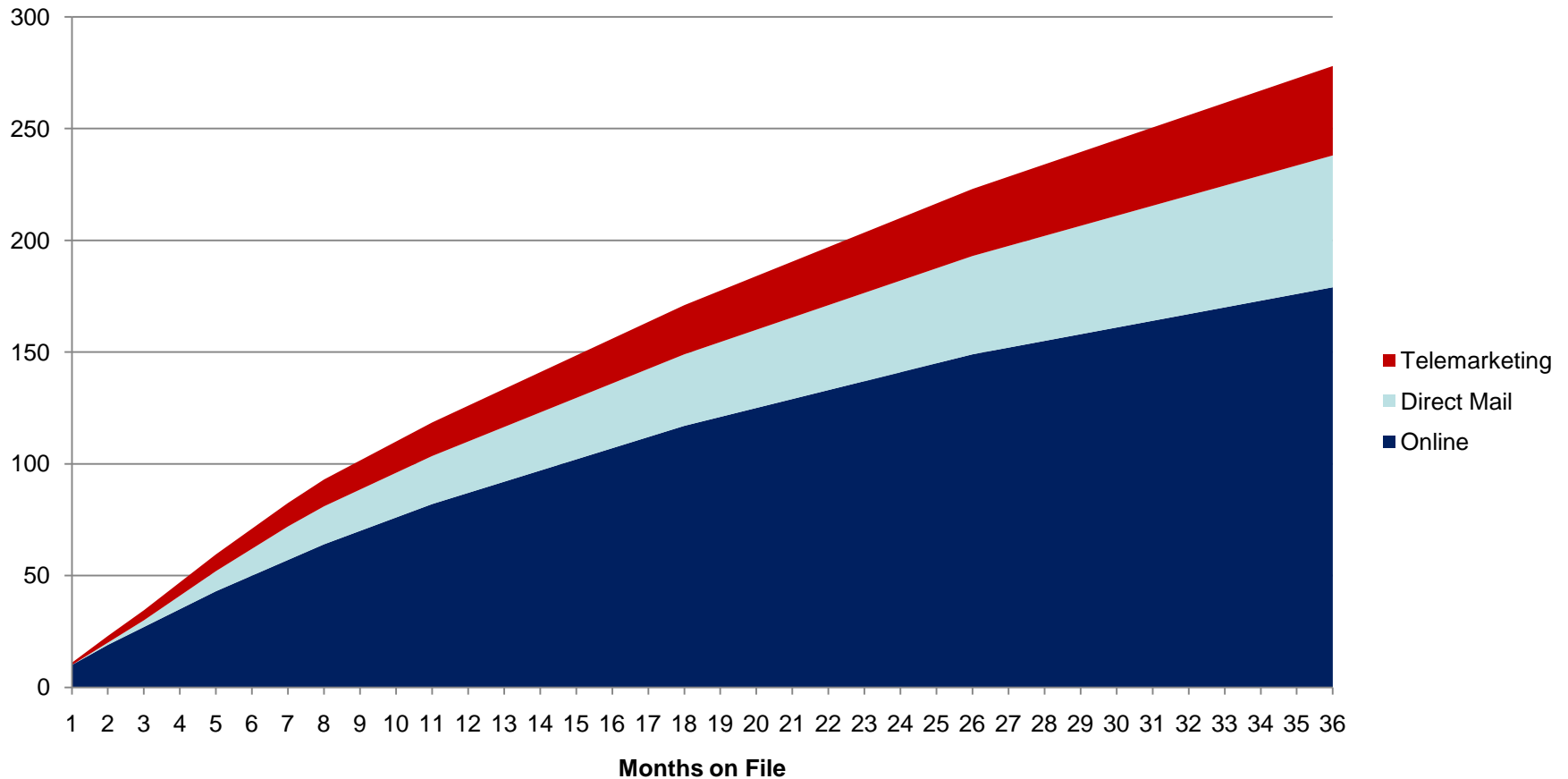
…and growing sustainer files

- DRTV to website / 800# / mail → Expensive / viable for a few with multichannel fulfillment

- Face-to-face → Viable for a few

- DM donors converted via telemarketing → Most common; broadly effective

- Online / telemarketing / (limited DM) → Viable for many, largely untapped

Converging Channels:

Nonprofit Case Studies

Tish Mokrzycki
Manager, Online Fundraising and Integration
American Red Cross

American Red Cross

American Red Cross: Integration Case Studies

- Yearend Campaigns '08, '09, '10

- Online Monthly Giving

- Direct Mail, Email

YE Campaign - Objectives

- **2008:** $100 million for depleted Disaster Relief Fund

- **2009:** Incremental $$ with YE fundraising and visibility campaign (increased ROI)

- **2010:** Increase previous year ROI

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Evolving Integration Improvements

Key Area	2008	2009	2010
Goals, Strategies	$100 MM	Increase ROI - all lines of business, org-wide	Increase ROI over prev yr - all lines of business, org-wide
Operational Structure	First-Time "Holistic" Task Force	Improved project plan, PM, all ops "at Table"	PM, all ops at Table, more Field engagement, earlier start
Use of Multi-Channel	Standard channels, more Social, Search	Organized use of channels, new media, paid ads	Tighter channel alignment, use of new media. More paid ads
Integration of Brand	Key Messaging, Brand standards;	Key Messaging, Brand standards; much earlier	Key Messaging, Brand standards; all earlier
Integration- Field and NHQ	Some Marketing Tools on intranet, ltd Comms	All Marketing Tools on intranet; Comm plan	Intranet tools; webinars, Brand Central; improved 2-way Comm
Metrics, Reporting	*Attempted* centralized dashboard tool	Centralized reporting tool, PM actively managing	Refined dashboard reporting tool, improved PM
Result	$110 MM	Met goal - Increased ROI %	TBD overall ROI - Online 26% higher!

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YE Campaigns – Key Wins

- **Effective execution**
- **Dedicated workgroup**
- **Chapter "channel"**
- **Cont'd improvement on platforms**
- **Flexible**
- **Centralized reporting**
- **Tie with employee performance**
- **Testing**

YE Campaigns

Challenges

- Un-aligned business groups
- Disparate field data
- Database integration W.I.P.

Outlook

- Campaign model
- Innovation
- Expand audience
- Better data mining
- Improve re-communication pathway

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Monthly Giving

Two Monthly programs: Operating in silos F2F

"Budding" project
- 3,000 universe, Ave Gift $18
- Donor age: 69% < 35 yrs old
- Separate data, calendar
- Staff/Support
- Impressive multi-channel

Regular Online
- 5 years
- Marketing managed (Direct Response)
- ~7,000 universe, Ave Gift $30
- Donor age: late 40s
- Modest e-program, growth

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Monthly Giving – Mission Integration

- **Understand partners' programs**
- **Platforms, People, Practice**
- **Share resources**
- **Sync calendars**
- **Leverage the positive strength of each**

Monthly Giving

Outlook

- **Deliberately silo-ed - viability**
- **Cont'd shared resources**
- **Joint growth**
- **Regular program leverage F2F "buzz"**
- **F2F leverage base engagement path (and resource) of regular program**

Mail / Email Integration

- ✓ **2009-2010 Pilot**
- ✓ **Complementary emails**
- ✓ **Result: Incremental $$$ BUT…**

  - • **Data, list issues**
  - • **Labor-intensive**
  - • **Best practice creative, hard to find**
  - • **Integration impacted every step**

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Mail / Email Integration

Outlook

- **Pilot continuation 2011**
- **Vendor-partner and workgroup**
- **Data assurances**
- **Data-driven results**
- **Informed roles/ownership**

You gotta start somewhere… keep moving forward.

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Converging Channels:

"Cross-Silo" Communications

Jeff Regen
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Levels of integration across channels for fundraising, marcomm, advocacy

	Siloed	Coordinated	Integrated
Org structure	**Siloed**	**"Coordinating group"**	**Integrated**
Goals / strategies	**Disparate (sometimes conflicting)**	**Sometimes coordinated; other times conflicting**	**Common + shared metrics**
Multichannel data	**Not available**	**Limited use**	**Fully incorporated**
Communications across types / channels	**Uncoordinated; one-way**	**Coordinated; multi-directional**	**Coordinated; multi-directional conversation**
Voices	**Inconsistent voices**	**Generally consistent voices**	**Consistent voices when desirable**
Supporter focus (and result)	**No customization; often org-centric** ☹ **$**	**Limited customization** 😐 **$$**	**Yes; based on constituent behavior** ☺ **$$$**

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Levels of integration: Welcome series example

Siloed	Coordinated	Integrated

DM donors receive DM asks, appeals

Offline donors—give emails; sent to url to donate

Offline donors—optimized to give emails; sent to customized urls

TM—Entered directly into online form

Online supporters receive online $$ asks, appeals OR advocacy / engagement

Online supporters receive advocacy / engagement + $$ asks, appeals

Online supporters receive integrated advocacy / engagement / $$ asks based on name source + behavior

Online donors put into DM / TM streams

Targeted online supporters rapidly put into customized TM and DM streams
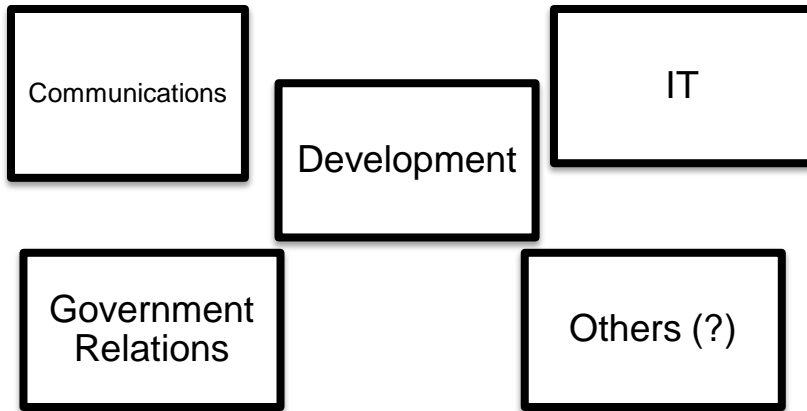
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Obstacles to multichannel integration

- Organizational structure (and culture and processes)

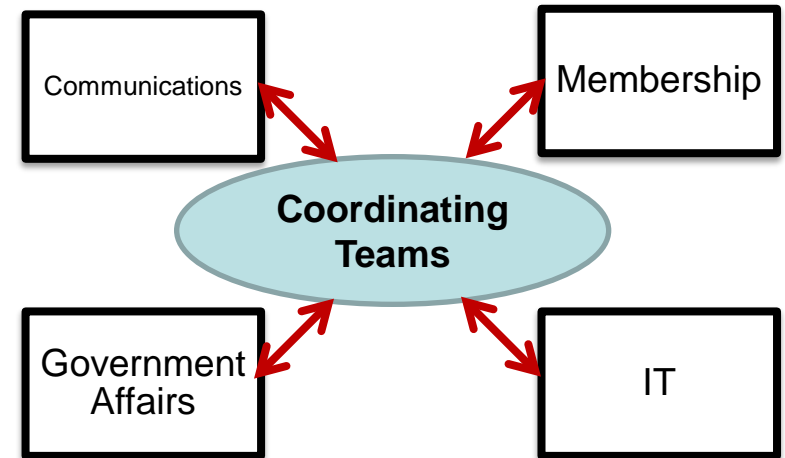- Data integration

- Know-how / human resources

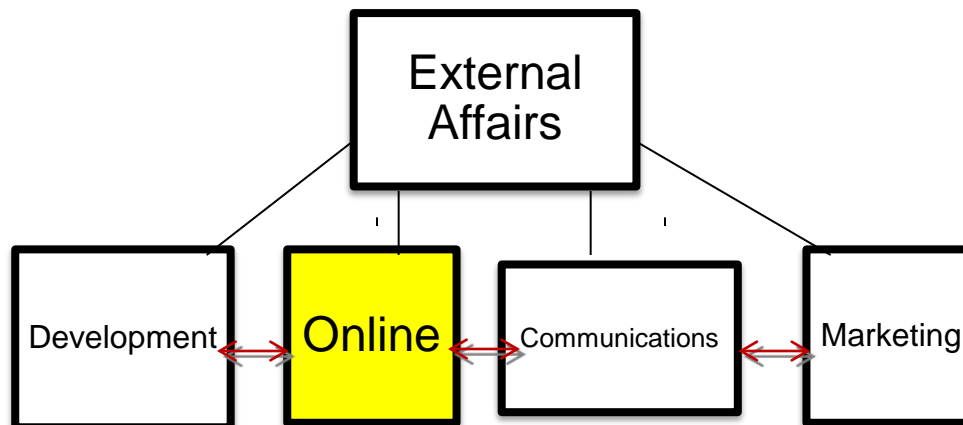- Time and $$

Organizational structures

1. **Siloed**

Communications

Development

IT

Government Relations

Others (?)

2. **Online, other coordinating teams**

Communications

Membership

Coordinating Teams

Government Affairs

IT

3. **Centralized, integrated**

External Affairs

Development

Online

Communications

Marketing

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Processes and culture: Fostering integration

- **Goals and strategies:**
  - Align goals and strategies (grow list; all channels conduct advocacy; etc.)
  - Common metrics, where possible

- **Communication—Examples:**
  - Weekly Dev / Comms / Program meetings
  - Regular fundraising integration meetings
  - Sitting in on other teams meetings

- **Budgets:**
  - Collaborate on building them
  - Common goal of overall bottom line

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Processes and culture continued

- Incentives:
  - Share costs (e.g., database, ad campaigns, etc.)

- Leadership and culture:
  - "What's best for our organization" / highest ROI
  - Share credit!

- Trust-building measures:
  - Start small, easy wins
  - E.g., DM drives people online; online shares credit for website revenue with DM

Data: Collect, share and pull

Know-how and time / $$

- Get the right people

- Start with baby steps

- Time / $$ (usually) come with success

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What works for your org?

- **Org structure, processes and culture**
  - Goals and strategies
  - Communication
  - Budgets
  - Incentives
  - Leadership and culture
  - Trust-building measures

- **Data integration**

- **Know-how / human resources**

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For more information on converging your multichannel Direct Response efforts, CONTACT:

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