



# Making Multi-Channel Marketing Work: How to Successfully Integrate Online & Offline Communications and Appeals

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## A Tale of Two Alumni



### **Key Messages**

- Online relationship management needs to be a integral part of the overall advancement mix
  - Increasingly the giving channel of choice
  - Enhances direct mail and telephone efforts
  - Supports major gifts
- An integrated, multi-channel approach is required
- Segmentation of audience and personalization of content are critical to drive higher results



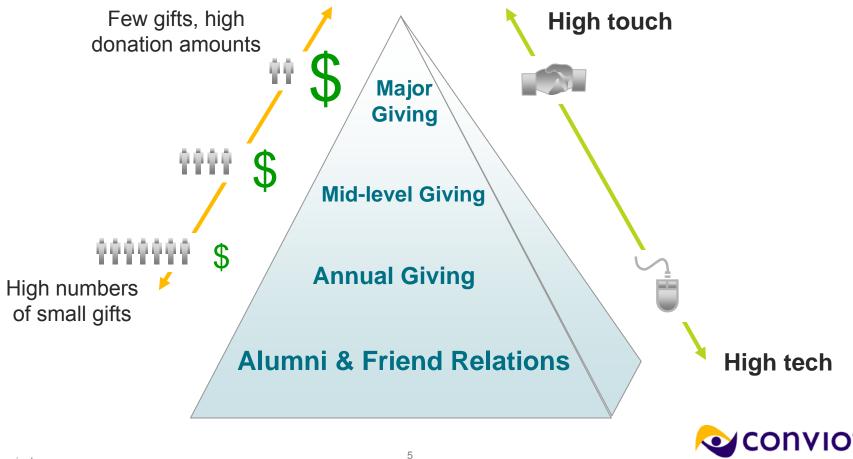
#### Challenges in Higher Education Fundraising

- Alumni participation continues to decline
  - ▶ 12.4% in 2006, declining since 2002\*
- Solicitation effectiveness also dropping
  - # of donors as a % of those receiving solicitation
  - ▶ 15.9% in 2006, down from 17% in 2002\*
- Non-alumni giving highly variable
  - Down 3.8% in 2005 after 21.5% rise in 2004\*
- Gifts from alumni and other individuals accounts for nearly ½ of all giving\*
  - Does not include gifts from family foundations, institutions, donor advised funds



### Online Marketing & Advancement

Online marketing provides a cost effective, scalable approach to build relationships and drive income



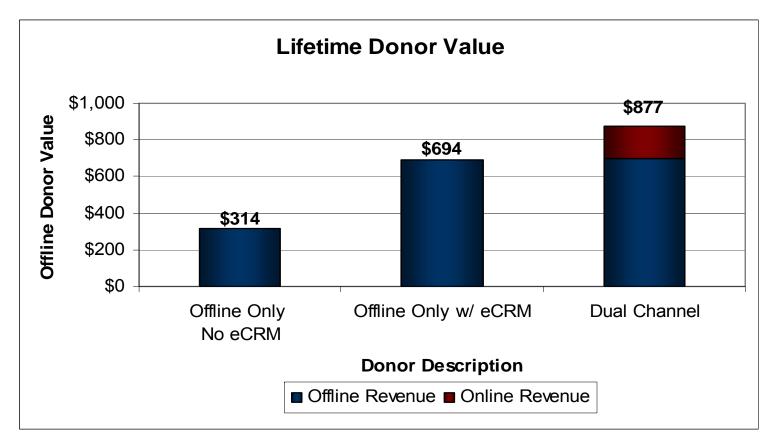
#### Online Fundraising Trends and Implications

- Online giving across nonprofits grew from \$250m in 2000 to \$10b in 2007
- 51% of online consumers say that despite the economic situation they plan to donate online during the 2008 holiday season, and nearly 7 out of 10 plan to donate the same amount or more online in 2008 than in 2007
- Over the past four decades, giving to higher education has grown persistently despite seven periods of stock decline
- Higher education online fundraising lags other sectors
- Demographics suggest a very high potential



### **Integrated Marketing Effect**

 Online communications/ engagement enhances donor value, even if donors continue to give solely offline



Note: Metrics exclude transactions \$10k+ and one time only donors Donors per segment:

Offline Only No eCRM: 55,042 Offline Only eCRM: 2,844 Dual Channel: 3,143



### **Major Donors**

- A survey of 3,000+ high value donors indicated:
  - 51% prefer online giving
  - ▶ 42% are somewhat more likely and 18% a lot more likely to give again if sent email with news of recent victories and accomplishments
  - 41% are somewhat more likely and 33% a lot more likely to give again if sent email about how donation was spent, and what happened as a result
  - ▶ 34% are somewhat more likely and 37% a lot more likely to give again if permitted to control information received
  - 71% would find an email EOY tax receipt valuable



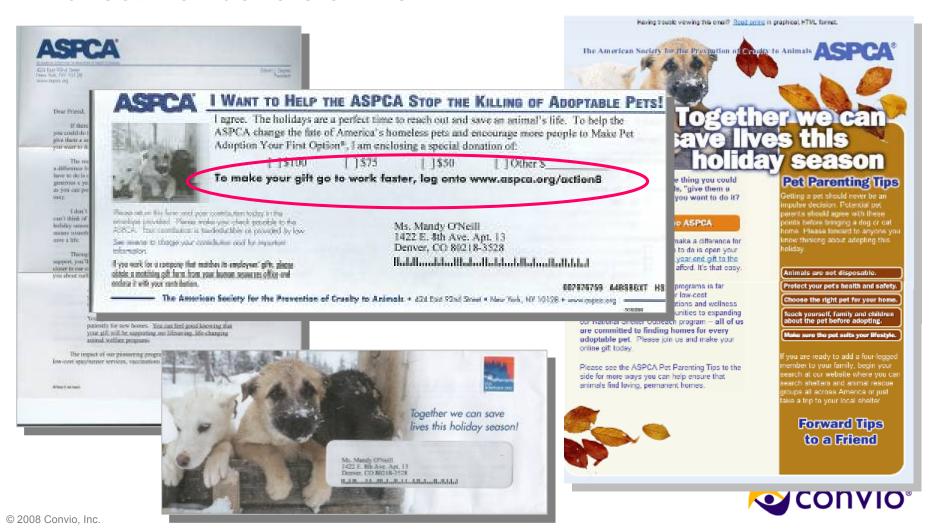
#### **Best Practices - Email Direct Response Appeals**

- Message testing (subject line, body)
- Personalizing the "ask" string
- Segment appeals using affinity information
- Send multiple emails in a sequence

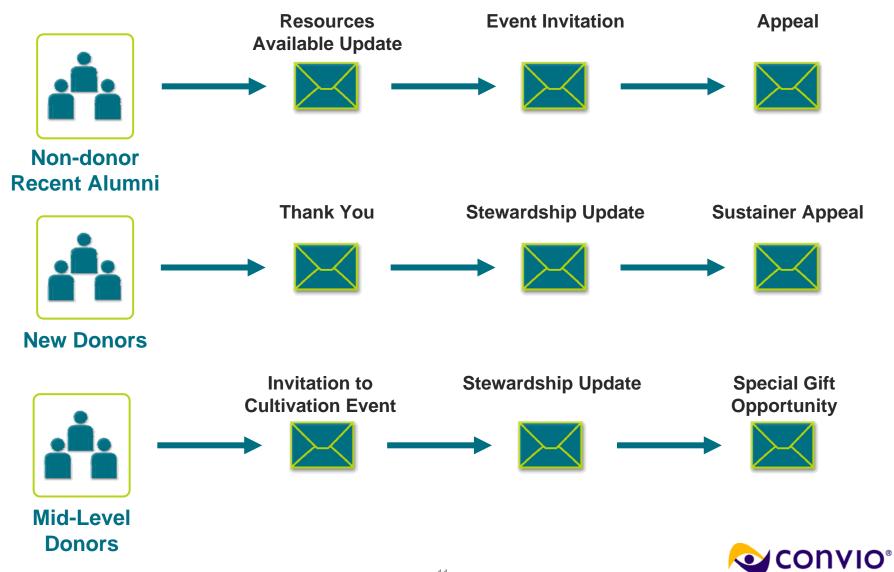


### **Integrated Marketing In Action**

 Coordinate direct mail and online appeals; actively drive direct mail donors online



### **Relationship Pathways**



### Case Study: University of Texas Athletics

#### **Starting Point:**

Issue: Cost pressures forcing UT Athletic
Department to think beyond their
traditional primarily paper-based approach

#### **Contributing Factors:**

- Complex organization made planning and priority setting difficult
- Limited outbound email experience

#### Goals:

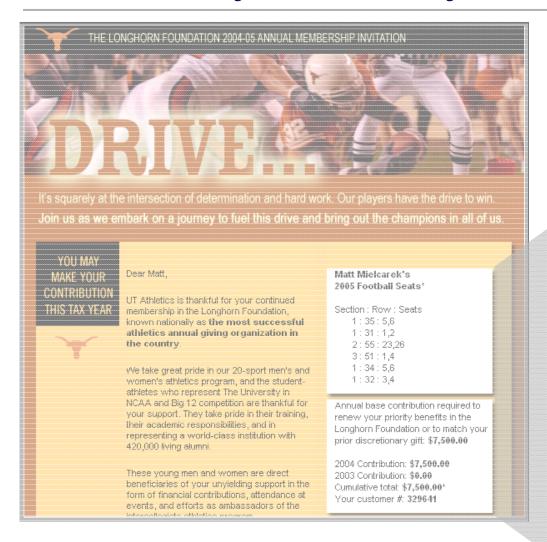
- Present personalized summary of lifetime giving history
- Display current football seat assignments (if any). Challenging because constituents could have multiple groups of seats.

#### Solutions and Outcomes:

- Developed integrated *retention* program with series of online appeals
  - Revenue up 17%
  - 9% more donors on the file
  - 46% of gifts given online versus <5% previous year
  - Estimated savings = \$49,000
- Developed acquisition program for building file and converting prospects to members
  - 11% more newly acquired donors than previous year
  - 74% of acquired donors gave online
- Converted 2 paper publications to online distribution-only
- Total estimated annual savings = \$125,000



### Case Study: University of Texas Athletics



#### Matt Mielcarek's 2005 Football Seats\*

Section: Row: Seats

1:35:5,6

1:31:1,2

2:55:23,26

3:51:1,4

1:34:5,6

1:32:3,4

Annual base contribution required to renew your priority benefits in the Longhorn Foundation or to match your prior discretionary gift: \$7,500.00

2004 Contribution: **\$7,500.00** 2003 Contribution: **\$0.00** Cumulative total: **\$7,500.00\*** Your customer #: **329641** 

#### Case Study – Iowa State University Foundation



www.withprideandpurpose.org

- July 2007 New Site Launched
- October 2007 Kick off Comprehensive Campaign lowa State
- Increase overall fundraising and highlight campaign communications
- Successful integration of online and offline marketing strategies



#### Case Study – Integrated Offline & Online Appeals





### Case Study – Targeted E-mail Appeals



Make a Gift

Dear Rosa and Ozer.

**ISU Records** 

Campaign Iowa State

College of Agriculture and Life Sciences Campaign Priorities

College of Agriculture and Life Sciences

View and Update Your The College of Agriculture and Life Sciences provides a top-notch edu experience to today's students, who will become tomorrow's leaders solvers. Charitable support from alumni like you enables the college t more opportunities for our faculty, students and staff.

Many exciting things are happening at the College of Agriculture and

- This year, undergraduate enrollment is up 5.5 percent and life sciences students. This fall's class marks the fourtly enrollment on record at ISU, and the second-largest freshm
- The College of Agriculture and Life Sciences awarded more million in scholarships last year. These scholarships pro many deserving students. However, in today's environment education costs and growing student need, we were only al percent of the college's scholarship needs.
- · Many alumni are choosing to support the Future of Agricu Scholarship Fund, which provides scholarships to incomir students. As high school seniors make their choice about v to attend, this scholarship gives ISU an advantage over othe With a gift of \$500 or more, you can provide a scholarship in support a student in need and help bring more students to I
- Through Campaign Iowa State: With Pride and Purpose, the Agriculture and Life Sciences will transform revolutionary ide realities. With support from alumni like you, the college will future leaders to meet some of our world's greatest challe world-class teachers and researchers, and generate ne based discoveries to address pressing needs.

As you consider your charitable giving options this fall, please remen State University College of Agriculture and Life Sciences and the imp made on you as a student alumnus and contributing member of to



Make a Gift

**ISU Records** 

Campaign Iowa State

College of Liberal Arts and Sciences Campaign Priorities

College of Liberal Arts and Sciences

**Hach Hall** 

Dear Rosa and Ozer.

View and Update Your The College of Liberal Arts & Sciences provides a top-notch educational experience to today's students, who will become tomorrow's leaders and problem-solvers. Charitable support from alumni like you enables the college to provide more opportunities for our faculty, students and staff.

Many exciting things are happening at the College of Liberal Arts and Sciences:

- On Sept. 6, the college celebrated a groundbreaking ceremony for Hach Hall, a new facility for the department of chemistry. More than 200 donors and chemistry alums made generous gifts and commitments toward this project, which is scheduled for completion in August 2010.
- . The College of Liberal Arts and Sciences will celebrate its 50th birthday in 2009. Founded as the Division of Science and Philosophy in 1898, it became the College of Science and Humanities in 1959. During a name change in 1990, the college acquired its current name.
- . LAS continues to rank as ISU's largest college in terms of undergraduate students, graduate students, faculty and alumni. With 22 academic departments ranging from anthropology to statistics, the college is ISU's most diverse in terms of areas of study.
- . Through Campaign Iowa State: With Pride and Purpose, the College of Liberal Arts and Sciences is focusing on people. With student scholarships, the college will prepare students to become dynamic leaders and decision-makers in the global environment, including opportunities to study or work abroad. Through faculty support, the college will recruit and retain the very best scholars and researchers: those who are well established in their fields and who represent diversity of people and



#### **Case Study – Donor Segmentation Strategies**

#### Remember your Graduation from Iowa State





Dear Rosa and Ozer.

This weekend, 3,100 lowa State students will receive their diplomas and become ISU alumni. They'll join more than 200,000 people like you who attended and graduated from lowa State.

As you reflect on your time as a Cyclone and your commencement, what is your favorite memory? We invite you to <a href="complete a short survey">complete a short survey</a> about your graduation memories. (Or, <a href="click to view">click to view</a> memories from other lowa Staters.) We also encourage you to <a href="share your favorite graduation">share your favorite graduation</a> memory, which will be posted on our Web site.

As an ISU alumnus, you play an important role in the success of lowa State University. Charitable gifts from alumni provide the "little extras" that help our university offer a world-class education and provide that unique experience that makes lowa State so special to all of us.

Please <u>make a gift today</u> to support your alma mater. You may direct your gift to your college, your department, or any area that is close to your heart.

Spend some time today remembering your graduation from lowa State!

Thank you for your continuing support of lowa State University, Your Friends at the ISU Foundation

PS: You may now view and update your ISU records on our secure Web site.

lowa State University Foundation

Make a Gift | Privacy Policy | Unsubscribe

#### What do you and 3,100 ISU students have in common?

If you are unable to view the message below, please go to <a href="http://www.foundation.iastate.">http://www.foundation.iastate.</a>
<a href="http://www.foundation.iastate.">http://www.foundation.iastate.</a>
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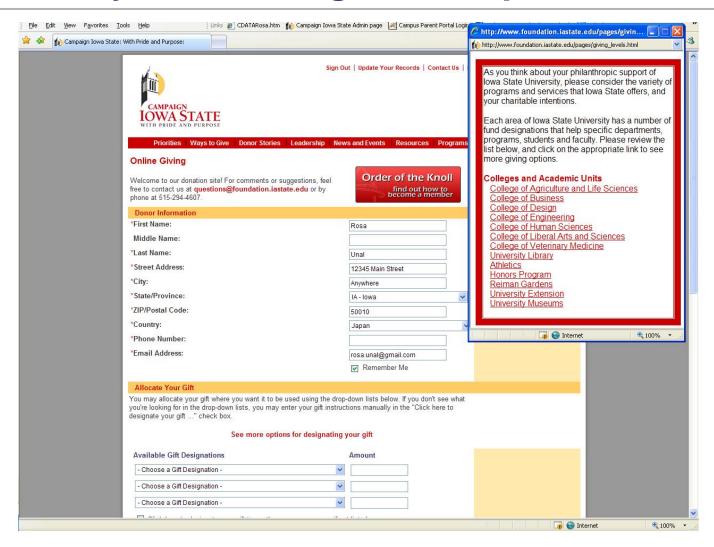
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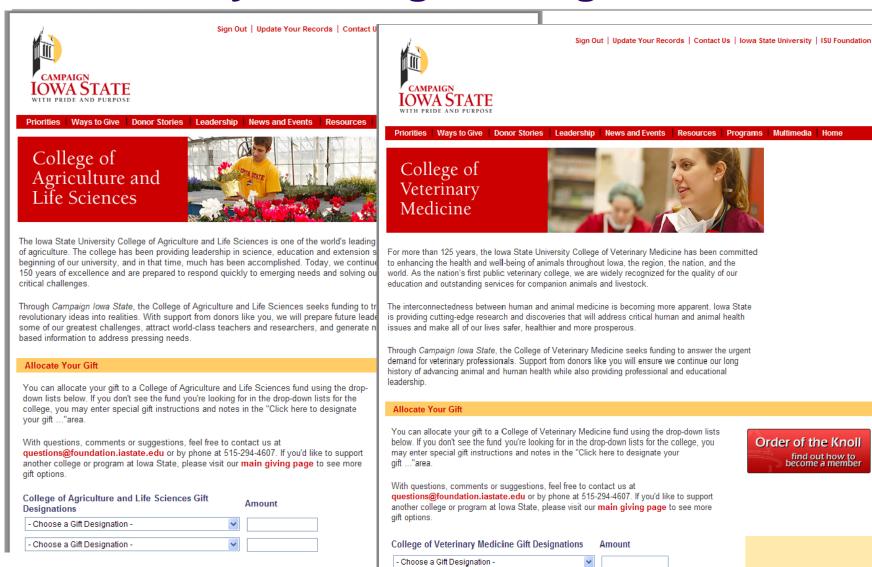


#### Case Study – Gift Designation Options





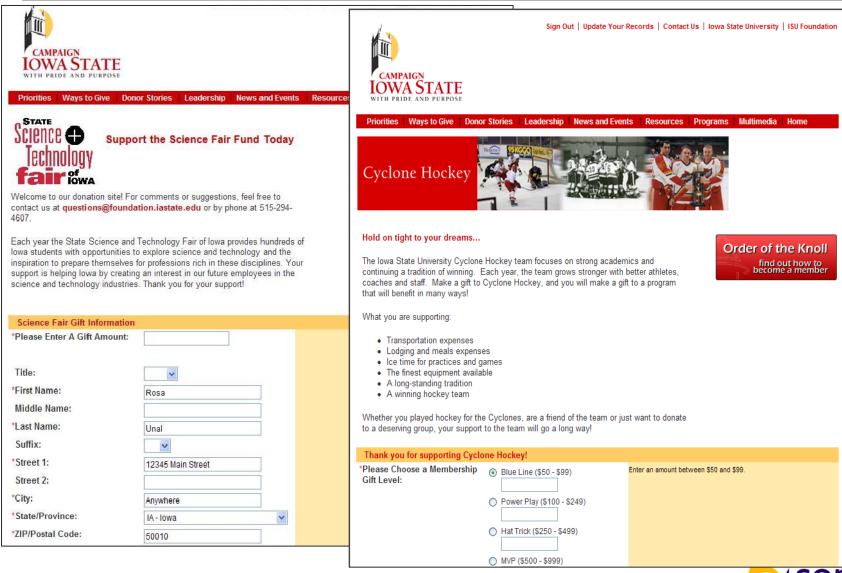
### Case Study – College Giving Forms





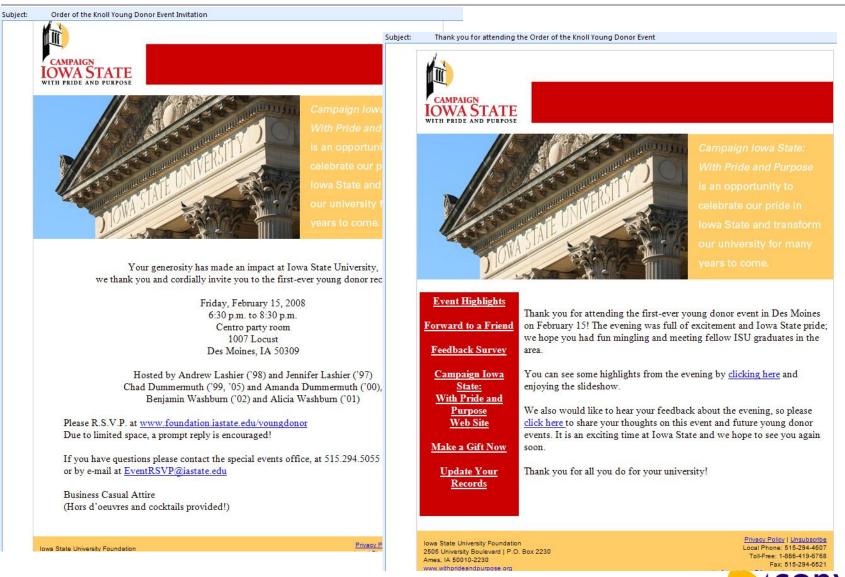
find out how to become a member

#### Case Study – Special Projects Giving Forms





#### Case Study – Online Event Registration



#### **Case Study – Electronic Newsletters**

warming. She serves as the education coordinate

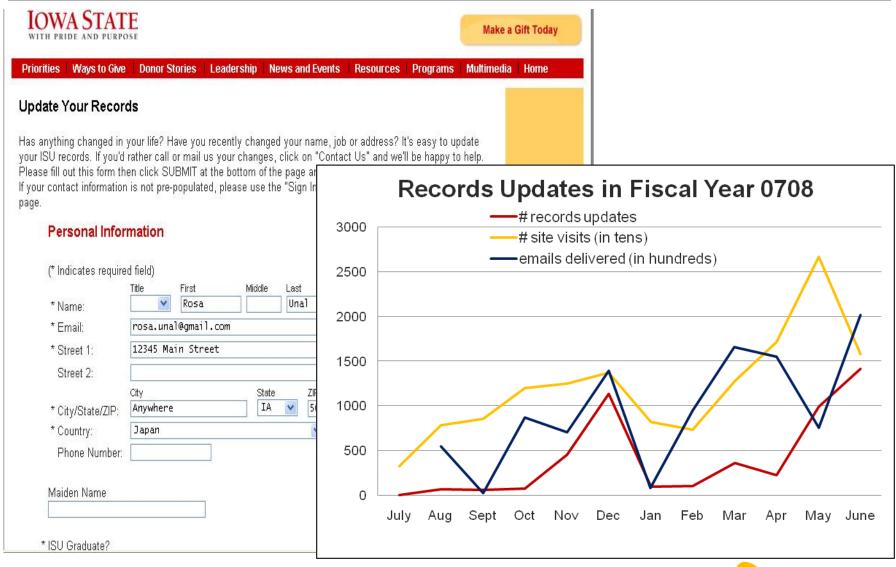


**New Chemistry Building** 

"We are excited to see philanthropy to lowa State reach this new level," said ISU Foundation
President Dan Saftia, "And the impact is being felt throughout the university with nearly every

Philanthropic ISU

#### Case Study – View and Update Your Records

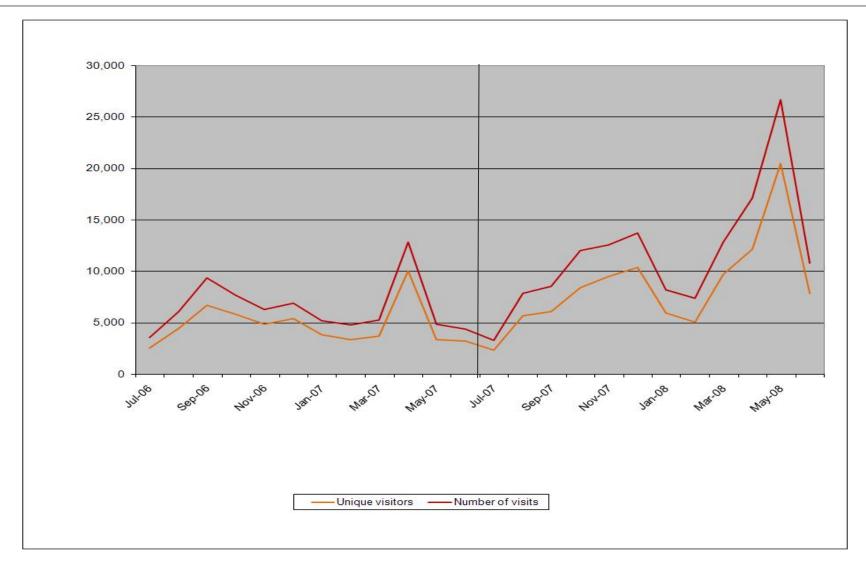




#### Case Study – Fun Stuff



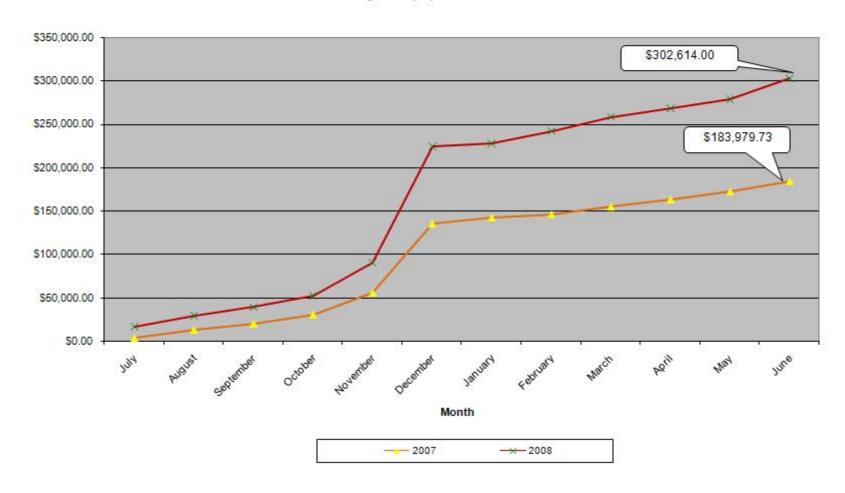
#### **Case Study – Site Visits Results**





### **Case Study – Online Giving Results**

#### Online Giving History by Fiscal Year





#### **Case Study – Other Metrics**

- Over 100 e-mail messages sent to 1,285,189 addresses:
  - ► Average Open Rate: 20.9%
  - Average Clickthrough Rate: 3.0%
  - ► Average Action Rate: 0.5%
- Created 15 online event registration sites:
  - ▶ Total Online Ticket Purchases and RSVPs: 680
- Over 50 online donation forms created:
  - Number of Gifting Designations available: 194
  - ▶ Number of Gifts Received through Web site: 984
  - Average Gift Amount: \$295



<sup>\*</sup> All figures for FY0708

### Summary

- Online giving in general is growing rapidly and your demographic is online in large numbers
- The power of developing e-relationships extends far beyond gifts made online, and requires coordination across alumni relations, development and schools/units
- To realize success you need a strategic online relationship plan, appropriate staffing and the right technology infrastructure

