



# DON'T MISS THE BOAT

How to Get Your Board Onboard  
with 21<sup>st</sup> Century Fundraising



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What do savvy nonprofit leaders know about fundraising in the 21<sup>st</sup> century? That if you're not investing in online communications, your organization might not be around to see 2020.

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Are you viewed as a “strategic leader” by your staff and board members? Do donors and funders trust you to side-step obstacles and make progress, even when faced with crises or critical transitions?

If you already know that adding online communications to your toolkit can more than double donors' lifetime value<sup>1</sup>, plus acquire new donors, but you've not yet won the argument to invest, this guide is for you.

# EXECUTIVE SUMMARY

You're faced with an uncertain economy, rising costs of direct mail, a shrinking budget, and heightened competition for donor attention and charitable dollars. You're finding it harder to reach people than ever before, and you know they are increasingly going online for news, shopping, banking, travel, and communications. But with everything else on your plate, you've struggled to reach an agreement on a strategic plan and budget that will put your organization in a strong fundraising position in 2010 and beyond.



You are not alone. These discussions take place and decisions are made daily among nonprofit staff, board members, and major donors and funders. Many organizations that do invest in online marketing and fundraising say they could not successfully ramp-up without the support of their boards of directors. Summarized in this guide, you will find insights from experienced leaders regarding:

- » **The role of your board**, and what they need from you;
- » **Demographic and donor trends**, and what they mean for you; and
- » **Must-haves for online fundraising**, in terms of online capabilities and staffing.

Your organization's sustainability for years to come depends on your ability to make the case for 21<sup>st</sup> century fundraising today. The below recommendations have worked for others, and following a clear set of guidelines can help you be persuasive and set your organization up for success online.

**Start here:** Your board will need you to conduct a thorough analysis before recommending a course of action. You will want to summarize the status of your current online activities — if any. Included in the guide, you will find metrics that you can use to measure and report where your program stands today.

**Proof of concept:** It's recommended that you show the results of similar organizations to make your case to the board. So, included in the guide are brief case studies that illustrate the potential of online programs.

**Know your options:** When it comes time to recommend a solution, you should note that the example organizations cited here all selected the Convio Go!™ Program to get real results online. This program was designed to help organizations with little to no previous online communications become persuasive email marketers and reliable online fundraisers. Contact Convio anytime to get a fast quote, ready references, a clear project plan for your first year, and a custom ROI projection to ensure an efficient, productive board presentation.

**Focus on the benefits:** It's important that you focus on identifying the topmost goals of key stakeholders, and prepare an explanation of how a new online communication strategy will provide benefits in many critical areas; especially fundraising. This guide will help you get started.

# THE ROLE OF YOUR BOARD

Your board is responsible for overseeing strategic plans and investments that tie directly to the financial sustainability of your organization. Therefore, you should expect board members to be supportive of fundraising initiatives designed to further your mission and use donor dollars wisely. But first, members of the board and staff need to agree that 21<sup>st</sup> century methods must become core to your marketing and fundraising activities and part of your strategic planning and budgeting processes. Before your board supports the recommendation to ramp-up your online efforts, you will likely have to prepare a solid business case to show that investments in technology, strategy and training will pay off. To achieve buy-in quickly, address your board's key questions and concerns first. For example:

**Increased fundraising:** Share the trend data and nonprofit industry benchmark data included in this guide and its reference materials. Describe the risks of not investing versus the opportunities that await online fundraisers.

**New donor acquisition:** While staff may want to describe their plans in terms of upgraded “look and feel” of websites and emails, or simply as building awareness, board members may respond better to hearing how online communications yield list growth and convert prospects to donors.

**Decreased costs:** Staff may tend to emphasize how a new software purchase could enable more accurate management and reporting of donor and subscriber details, yet it may be more helpful to translate such benefits into time and money saved performing necessary donor service tasks.

**Diversified leadership:** If your board's talent pool is deep but narrow, with expertise concentrated around your mission, then they may relish the opportunity to reach out to community leaders from other fields like multimedia, technology and consumer marketing. Not only will your vision be informed by new ways to meet strategic goals, but you will likely reach untapped networks for potential supporters and sponsors.

These are already areas of focus for your board, so to secure their support, make sure that you can anticipate and address their concerns with the proof points provided. Have on hand the numbers you need to demonstrate that in a troubled economy, effective fundraising methods are essential, and that you need to meet your donors where they spend their time — online.

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“Too many development professionals think of the board's relationship to fundraising in isolation. Realize that what you want from them — to support your development programs — is part and parcel of how they operate as a board. If they can't ask their friends to serve on a board committee with them, how do you expect them to be out there asking for money?” — *Dr. Linda Ford, Board Consultant*

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With the support of your board, and perhaps key funders or major donors, your organization can be well-positioned to embrace online communications in a way that engages donors more effectively over both the short and long terms. You will communicate with more confidence knowing you can deliver a high-level online communications and fundraising project plan — including key milestones and metrics — so that you can report progress to your board and funders along the way, proving the investment was a wise choice. But first, the team preparing your proposal should be familiar with many of the fundamentals described throughout this guide.



## DEMOGRAPHIC & DONOR TRENDS

When addressing your board about investing in 21<sup>st</sup> century communication and fundraising strategies, you need to have data on-hand that supports your case. You're up against an uncertain economy, yes, but also an underlying shift in overall behaviors and preferences that has been underway for some time. The list of new technologies and media channels grows every day. But with these challenges come great opportunities; you can and should embrace them to recruit and retain a new generation of supporters, and fulfill your organization's mission.

### Especially in the current economy

Revenue may be lower than expected and major donor pledges may be missing in action. You may be pressed to cut your budget and staff. But you know, and must communicate, that your organization can't hunker-down entirely in the face of today's immediate concerns. Many families with only limited discretionary income still prioritize saving for college, because this kind of investment will determine the future economic viability of the next generation. Similarly, you can observe and comment on the behavior of your major gift prospects. Long-term investors haven't put their cash under a mattress and stopped investing for their futures. Instead, they are regrouping and preparing for the future upturn. Consider what would happen if you diversified your funding sources just like these investors diversify their holdings while weathering the storm.

By investing in online communications initiatives, you will see the results you need in today's economy in two ways. First, this approach is a smart defensive move: communicating more frequently — in a relevant and cost-effective way — with existing donors will build loyalty and defend your fair share of their attention and charitable giving budgets in an increasingly competitive market. Because email is real-time, it can deliver actual

images of an increase in demand for your services. As signs of recovery gain daily news coverage, you'll be able to communicate that help is still needed, and put an authentic face on people and projects still in need of ongoing support. And second, if you're working with tighter staffing, bear in mind that you can efficiently repurpose the same compelling website and email content for strategic list growth campaigns that will help you reach new audiences and widen the support base you'll need in the years to come.

### You need to fish where the fish are

With more than 73 percent of Americans online<sup>2</sup>, it isn't surprising that online giving continues to grow strongly and that a large proportion of donors are now acquired via the Internet. In contrast, direct mail continues to decline, both in terms of dollars raised and the acquisition of new donors<sup>3</sup>. Driving this shift is the evolving channel preference of donors. Many Baby Boomers are multi-channel donors who are comfortable giving both online and in the mail. In addition, new online fundraising techniques, such as peer-to-peer fundraising, have attracted younger donors.

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“Using technology and learning the best practices that comes with being a part of the Go! program helped us to triple the funds raised online with our mini-golf pledge campaign, and we are able to communicate more frequently to members and supporters without the costs associated with direct mail. The Go! program has given us the opportunity to have more touch points with our supporters, and it has resulted in a huge win for our organization.”

— *Roberta Sladovnik, Fundraising and Marketing Associate, Colorado Children's Chorale*

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People of all ages and income levels are increasingly going online. From youth to Baby Boomers, individuals are turning to the Internet as their main form of communication with family, friends, and their favorite nonprofits. Statistics from *The Wired Wealthy: Using the Internet to Connect to Your Middle and Major Donors*<sup>7</sup> speak volumes:

- » 84 percent of the *Wired Wealthy* have household incomes of \$100K+
- » Mean age is 51
- » Spend 18 hours/week online
- » Are active online (90 percent make purchases; 78 percent bank and pay bills; 65 percent read the news)

According to a joint study by Convio and StrategicOne<sup>1</sup>, “the increased value of adding an online donation and solicitation channel for donors acquired offline is \$44.71 (a 39 percent increase) per donor over 12

months.” With this statistic in mind, the best way for organizations to ensure year-over-year fundraising growth is to develop and execute online strategies that reach target audiences through their preferred modes of communication. As an example, Gillette Children’s Hospital received mid-four-figure donations from some major donors by reconnecting with them via email after several had become unresponsive to postal mail and phone calls. The organization also increased the number of gifts from major donors by 7.5 percent by reaching those supporters online.

Many organizations recognize the potential of online marketing and fundraising, but don’t know how or where to begin. In the case of Gillette, the organization did not use any online communications for fundraising, constituent outreach or awareness prior to the Go! Program, and now they’ve opened doors with new and lapsed donors. Read the full Go! Program case study online at [www.convio.com/go-gillette](http://www.convio.com/go-gillette).

## IN THE NEWS

- Can you describe a recent story of your organization’s impact, including:
  - Who?
  - What?
  - Where?
  - When?
  - Why?
  - How?
- Could a major donor do the same?
- How about a new donor?

Expectations have changed as people have grown accustomed to a 24-hour news cycle, email alerts, and streams of updates on social media sites like Facebook. To stay on the radar of your supporters, you need to communicate with them regularly, too. In today’s wired world, out of sight is out of mind; your presence needs to be felt if you want people to care and contribute. Direct mail doesn’t enable you to be very nimble, and sending out email newsletters on an ad hoc basis — maybe a couple of times per year — will not be enough to keep supporters engaged. You need the ability to send online communications quickly and easily, so that the timeliness of your message isn’t lost, and so that you can interpret for your supporters how current events they’re discussing at home and at work relate to the impact you’re making every day.

In the face of these changes, you can continue to do what worked for your organization in the 20<sup>th</sup> century, but this would be a huge missed opportunity. Redoubling efforts on methods that used to work, like direct mail

and telemarketing, will likely just get more expensive over time, with diminishing returns. Passionate staff asked to work harder using old techniques with less budget may become disillusioned and go where they can be more creative and relevant. You must transition to an integrated approach that combines both offline and online communications, and learn your donor’s preferences regarding new media such as mobile and social networks.

# MUST-HAVES FOR ONLINE FUNDRAISING

If you've moved only hesitantly online, and seen unremarkable results so far, you'll need to reset your board's expectations and express that to date you've not incorporated one or more of the required components of a successful online fundraising initiative. But, if this is new territory for your staff, your research time is limited, and trial-and-error is not an option, it can be time-consuming to summarize a comprehensive list of what's needed. Here are the components you need to get started, as described by organizations like yours.

“You can have the best website in the world, but that doesn't mean anyone is going to visit it. Our board wanted us to do more fundraising online. But, we didn't have any mechanisms driving traffic to our website, so we didn't raise much there. Now with Convio Go! our traffic and fundraising are way up.” — *Christine Ganas Weinheimer, Director of Communications, Yellowstone Park Foundation*

## Realize that a website is necessary but not enough

First, dispel any misconceptions that by having a website you've already done the online thing. Sure, having a website is a cost of doing business these days; you've likely seen the data indicating that 66 percent of middle and major donors visit a nonprofit's website before donating for the first time. This statistic from *The Wired Wealthy*<sup>7</sup> study indicates that not only do you need to have a website with content that articulates your mission, but you also need to make it inspire a prospective donor to give. And, it goes without saying that you must have convenient, secure donation processing available at all times.

However, investing more money in website content may be fruitless if traffic to your website is minimal. According to *The Convio Online Marketing Nonprofit Benchmark Index™ Study*<sup>5</sup>, which examines the online results of almost 600 nonprofit organizations, the average number of monthly unique website visitors is 9,830, and is growing approximately 20 percent annually. Additionally, the average online gift is \$67.47, which equates to an average of \$13.96 in online revenue per usable email address. These numbers highlight the need to focus more time and effort on driving traffic to your website, where you can give them compelling reasons to provide their email addresses. The most economical and effective way to achieve this goal is through outbound email communications.

## DONATION FORMS

- Does your branding stand out? Is it diluted with a payment processor's call to action?
- Is all the language clear and specific to your organization?
- Is navigation minimized once in the donation flow?
- Does your form bear a VeriSign® secured payment seal?

Go! program clients learn online marketing and fundraising best practices, including donation form design, email marketing etiquette, list growth campaign strategies, and yearly campaign planning.

### Use email communications to drive website traffic

People who are informed of your organization's recent stories of impact are more likely to give and recruit others to support you. Board members know this; they feel more emboldened to seek gifts when they are more informed and up to date, and they feel disconnected and uncomfortable when they have no new stories to relate. But, most supporters don't get the ongoing face time your board does. Most of them get infrequent contact because each additional touch point carries a cost. And because of the costs associated with telephone calls and direct mail, you will likely include an "ask" or fundraising appeal in each direct mail piece or phone script. As a result, supporters can't help but think that they only hear from you when you want money. This strategy is not the best way to nurture relationships and increase loyalty within your base of supporters.

Email is a cost-effective way to stay in touch regularly with your prospective and existing donors, and is also an efficient way to bring in donations. But, keep in mind that people are receiving email from competing organizations who are equally as interested in capturing the attention and generosity of these individuals. To differentiate your organization from the competition, you need visually appealing communications that elicit the desired actions like read more about a topic, make a donation, provide feedback, etc.



## WEBSITE

- How many unique visitors came to your website during the last three months?
- What percent of those visitors "subscribe" by providing an email address for ongoing updates?
- How much did you raise online in the previous fiscal year?

## EMAIL

- Do you send a regular email newsletter?
- If yes, how often is it sent?
- How many people receive it?

Many organizations struggle with bolstering email lists. Yet, registering for a free email newsletter, which people can sign up for on your website homepage, is a simple but compelling reason for a website visitor to provide you with an email address, essentially converting from just a visitor to a subscriber. After adding a new email address to your housefile, new subscribers should receive a series of 'welcome' emails which are sent according to a pre-determined schedule after a person opts in to your list. This automated series of messages will help establish your brand and voice, reinforce your mission, and invite additional actions. After the new supporter has 'graduated' from the welcome series, their name can be added to your organization's regular communications, including newsletters, fundraising campaigns, and events. And over time, with appropriate nurturing, many subscribers convert into donors.





Convio's Go! program provides a proven year-long project plan that delivers results fast.

### Incorporate online communications into your overall marketing calendar

You already have a marketing calendar for your organization, but does it include your online communications too? Coordination is key when it comes to an integrated communication strategy, so make sure that you have a plan in place to keep all departments within your organization aligned both online and offline.

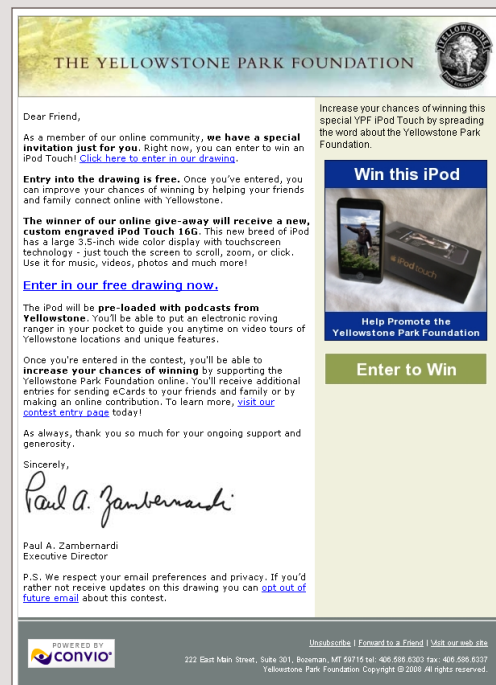
Your annual calendar should highlight your fundraising campaigns, special events, seasonal communications (e.g., Mother's Day) and your end-of-year campaign. After all, you don't want to inadvertently send an email solicitation to your list the day before an important gala!

You should also make room for housefile-building campaigns; because email list growth is tied directly to fundraising growth. Set a benchmark for annual list growth, and identify ways to meet or exceed this number through creative list building efforts.

If you have board members who are shy about asking for money, they can still impact your bottom line by contributing to your list-building efforts instead. Perhaps they can work with their contacts at local businesses to send out "chaperoned emails" to those lists. Gillette Children's Hospital used this approach to reach beyond their email list when they gave away two tickets to their annual benefit event, which included seats at the hit Broadway show *Wicked, The Untold Story of the Witches of Oz*. The show sold out and Gillette ended up with a list growth of over 400 percent.

### GO! SUCCESS STORY

The Yellowstone Park Foundation grew its email list by 20 percent and increased the number of monthly website visits by 26 percent by sending regular email communications and conducting an email-based giveaway contest.



View campaign details at [www.convio.com/yfp-housefile](http://www.convio.com/yfp-housefile).

See more Go! client success stories in the Convio Portfolio at [www.convio.com/portfolio\\_goclients](http://www.convio.com/portfolio_goclients).

## Get a tactical advantage with technology

There are many providers out there offering websites, email solutions and payment processing, but only a few have designed tools with nonprofits in mind. When you go to your board with a proposal, you may want to outline how many of the following functions often cited by others would serve the needs your own organization.

**Easy email composition:** Anybody in your organization, regardless of their technical ability or office location, should be able to create attractive HTML email newsletters, invitations, appeals, etc. with custom calls-to-action (e.g., “click to give” or “sign a virtual card”).

**Simple webpage publishing:** Any staff member should be able to post compelling HTML content online, especially because email newsletters should be “excerpt-style” with links to read full articles on the website.

**Branded templates:** Email messages and donation pages need to have the same look and feel as your website and other branded marketing materials.

**List management:** In addition to having the ability to segment and target your list easily based on different parameters (e.g., geography, interests, past interactions), you should expect full automation of “unsubscribe” handling as well as new mailing list sign-ups.

**Welcome series:** New subscribers should be able to receive automated messages that have a warm, educational tone which encourages long-term involvement; email appeals should be suppressed for a specified period of time.

**Superior email deliverability<sup>4</sup>:** Choose a provider who works collaboratively with Internet Service Providers to maintain “white-list” status, so that your emails reach the intended recipients. You can run into problems by sending too many emails from an employee’s account causing the domain to be shut down or black-listed. And, be sure to choose a reputable email vendor, some commercial services lump nonprofit messages with those of for-profit companies and spammers.

**Secure online transactions:** Donors want assurance that any information they provide online (e.g., credit card number and expiration date) will be protected. By having a secure way to accept and process donations online, you will continue to foster trust in your donor relationships.

**Flexible giving:** Because different donors respond to different giving opportunities at different times, select a flexible system that can accommodate donations with premiums, recurring monthly gifts, tribute/memorial gifts, installment gifts, and more.

**Robust reporting:** You will want to track overall metrics such as open and “click-through” rates as well as be able to see which links generated the most interest.

**Donor profiling:** You should have the ability to track and tag specific donors who click on specific content, so you can understand individuals’ specific motivations over time. This will help nurture long-term relationships and secure larger gifts from dedicated supporters who may become key contacts for major gifts, foundations, planned giving, or sponsorships.

## TECHNOLOGY

- What donor database is used?
- What tool (if any) powers our email?
- How do we process online donations?
- What is our email deliverability rate?
- What is our email open rate?
- How do emails look on mobile devices, like an iPhone?
- Do our supporters have incentives to tell others about our organization?

**Conditional content:** The ability to tailor website and email content (e.g., a paragraph or an image) based on a supporter's interests, past actions, or preferences will improve click-through and giving rates.

**Forward-to-friend/'viral' functionality:** It should be easy for email recipients to forward a particularly compelling email message to any friend or colleague. This gets your message from one inbox to many.

**Reward points for actions:** Automate a point system reward for supporters who take the actions you desire. Whether ongoing or tied to specific campaigns and

timeframes, the ability to earn points and redeem them for prizes, gifts, or your organization's eCards can be the motivator needed to make a measurable impact.

**Self-service data import/export:** Don't waste your time and money by relying on a vendor every time that you need to import or export contacts or gift data.

**Ability to scale with growth:** Make sure your email and donation processing can scale when it counts. In this age of rapid information flow, you don't want to be constrained if a disaster or even a tremendous publicity opportunity arrives with little notice.

## GO! SUCCESS STORY

After recognizing the importance of the Internet to engage their supporters, the leadership at America's Second Harvest of Wisconsin led a strategic initiative to invest in online communications. The pay off was huge — with its first online appeal, the organization recouped more than the cost of the Convio Go! Program, and not only can the organization communicate more frequently with supporters about their cause, but they now have a new revenue stream from online donations that they've never had before.

"With only one devoted staff person spending an average of 10 hours a week on the Go! program, and two others overseeing the strategy, we're very pleased with how far we've progressed with a relatively small time commitment," said Susan Baran, America's Second Harvest of Wisconsin.

See more Go! client success stories in the Convio Portfolio at [www.convio.com/portfolio\\_goclients](http://www.convio.com/portfolio_goclients).

### Staff deliberately for online success

Often, the online programs of many nonprofits have evolved organically, with little or no thought put into how staff should be structured, or what skills are required to be successful online. With this in mind, it's not surprising to hear that the study *The Secret of Online Success: Why Structure Matters*<sup>6</sup> cites 'insufficient staff resources' as the most frequent barrier to success online — and this statement holds true for nonprofits of all sizes. And it's not just about having more people; it really needs to be the right people.

What can you do now to ensure that you are staffed for online success in the future? First and foremost, assess the diversity and quality of your in-house skills and be honest with yourself in the process. After identifying key gaps that you need to fill, consider outsourcing these pieces until the team you have can learn the tasks themselves and apply their passion through a new channel.

## STAFFING

- Who's in charge of your website?
- Are Development and Marketing collaborating on online communications?
- Do you have specific skill sets in-house:
  - Photo/audio/video?
  - Graphic design?
  - HTML?

## CONCLUSION

The 21<sup>st</sup> century marks an unprecedented shift in donor behavior which means that the old offline methods alone will no longer suffice. And, remember that other key stakeholders — your donors, funders, and those who benefit from your programs — are all relying on leaders like you to select the forward-thinking course. And to be persuasive about it.

Your board members are proud of the work you do, and they want it to continue; they may even have grand plans they expect you to deliver. You can expect them to support your business case for an investment that will have both short and long-term returns, making your future together more possible. The opportunity online is clear, as is the risk of not investing online. And, with knowledge of the components required for success, your job — proposing a plan, obtaining the needed resources, and managing to meet your goals — can become maximizing your results.

Contact Convio today for more information about the Go! Program or to talk with a program participant from an organization like yours. You can have a clear action plan and proof that it works before your next board meeting. Then it will be time to go make your mark on the 21<sup>st</sup> century.



## RESEARCH CITED

1. *Integrating Online Marketing (eCRM) with Direct Mail Fundraising: Adding a New Communication and Donation Channel Increases Donations* is available at <http://www.convio.com/doc-intmktgpaper>
2. *The Pew Charitable Trusts 73 Percent of Americans Go Online* is available at [http://www.pewtrusts.org/news\\_room\\_detail.aspx?id=23772](http://www.pewtrusts.org/news_room_detail.aspx?id=23772)
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6. *The Secret of Online Success: Why Structure Matters* is available at <http://www.convio.com/structuringreport>
7. *The Wired Wealthy: Using the Internet to Connect Your Middle and Major Donors* is available at <http://www.convio.com/wiredwealthyreport>

# ABOUT CONVIO GO!

The Convio Go! guided fundraising program reduces the risk of introducing new technology into your organization by giving you access not only to Convio's online marketing and fundraising tools, but also to a team of experts to guide you through your first online initiatives.

Convio Go! helps you with:

**Email marketing and campaign management.** Learn how to grow your email list, nurture new subscribers, produce quarterly campaigns, and maximize year-end fundraising.

**Consulting and training.** Convio experts will serve as your virtual marketing production team and help you deliver your message. They will ensure that your team gets a solid online communications and fundraising skill set in order to become self-sufficient after completing the year-long Convio Go! Program [www.convio.com/go](http://www.convio.com/go).

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## ABOUT CONVIO

Convio is the leading provider of on-demand constituent relationship management (CRM) software and services that give nonprofit organizations a better way to inspire and mobilize people to support their organization. Convio Online Marketing, the company's online marketing suite, offers integrated software for fundraising, advocacy, events, email marketing and web content management, and its Convio Common Ground™ CRM system helps organizations efficiently track and manage all interactions with supporters. All Convio products are delivered through the Software-as-a-Service (SaaS) model and are backed by a portfolio of best-in-class consulting and support services and a network of partners who provide value added services and applications focused on the unique needs of nonprofit organizations. For more information, please visit [www.convio.com](http://www.convio.com).

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