Targeting and Retaining Better, Longer-lasting Donors

Nonprofit Web Advisor Webinar
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Download the full audio presentation at
https://snwflk.me/2AH9Sb9

Presenter

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Who is Snowflake?

We are a Certified B Corporation® that helps organizations improve individuals' and communities' quality of life. Since 2014, we've teamed with non-profits, government agencies, and socially responsible businesses to do greater things, for the greater good.

STRATEGY ► ORGANIZATIONS ► PEOPLE ► MARKETING

www.snowflakellc.com   **@snowflakellc**

Layout

Let's find reliable, sustainable donors!

► **Traditional to trendy: The "current state"**

► **Organizations that get it right, and what "it" is**

► **Creating long-term, rewarding "friendships"**

- Personas: What to know, and how to use it
- Journeys: Understanding how relationships evolve
- Experiences: Making it easy for people to help
- Analytics: Refining prospect experiences

► **Wrap-up: Takeaways for a new perspective**

Background

Evolution

From 20th Century…

► **Non-profits send mailers**
  - Prospects throw them out
  - Opportunities are missed

… to Early 21st Century…

► **Non-profits send e-mails**
  - Relatively few engagements
  - Money left on the table

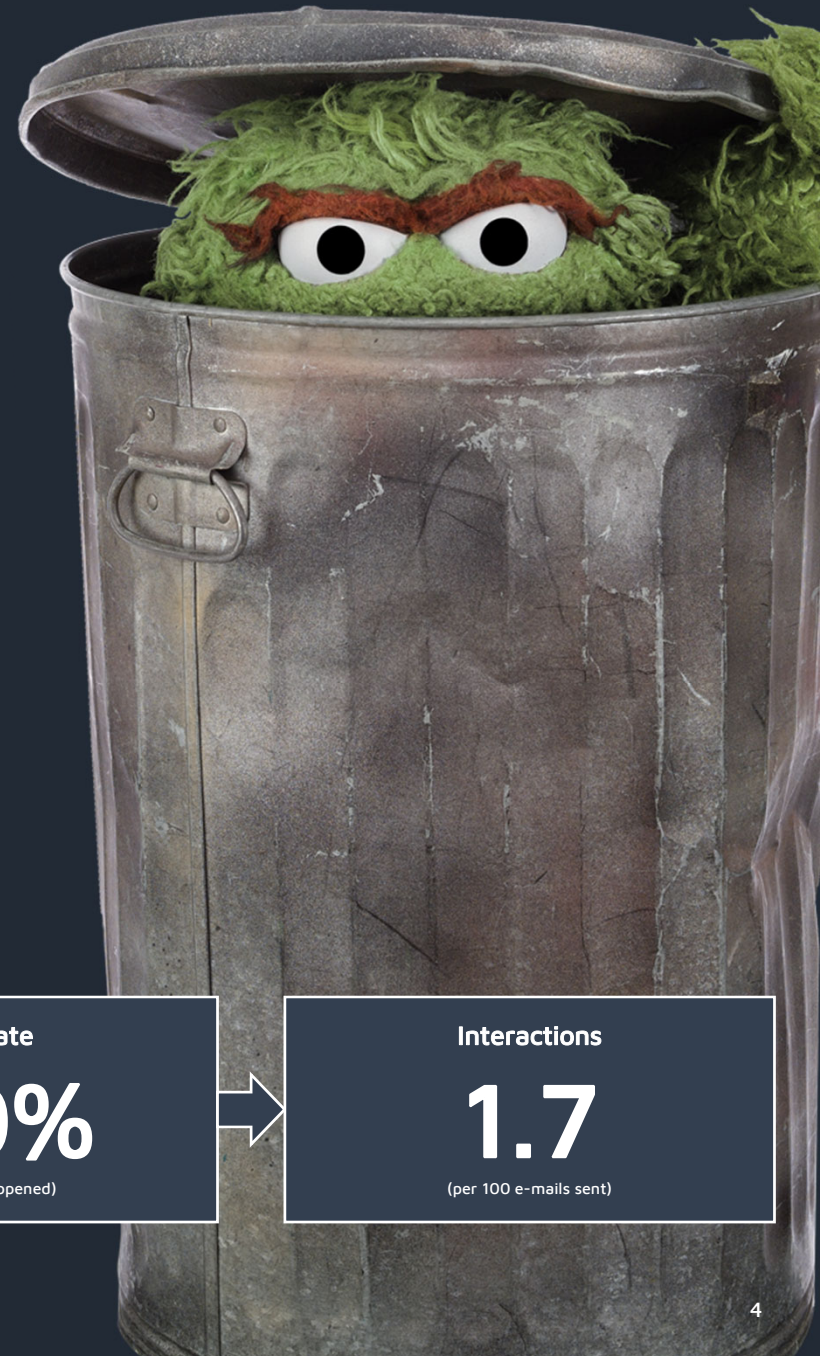| Open Rate	Click Rate	Interactions
21.8%	**8.0%**	**1.7**
(of all e-mails sent)	(of all e-mails opened)	(per 100 e-mails sent)

Data for Constant Contact users. Source: Constant Contact, April 2018.
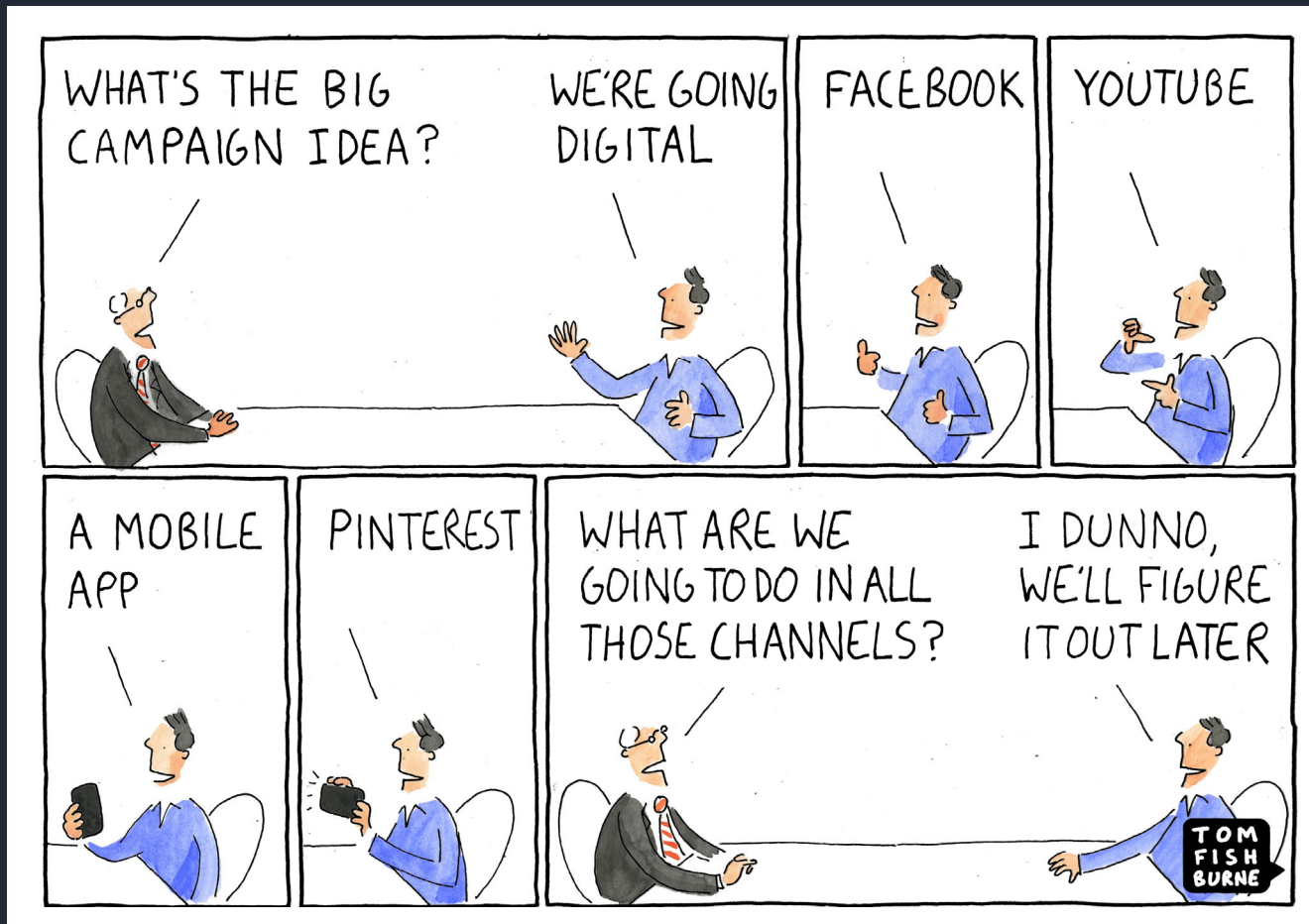
(R)evolution

... to Today = Cool Technology!

► **New ways to engage, e.g.:**
  – Web sites
  – Blogging
  – Social media
  – Mobile apps

► **Non-profits get involved**
  – Ad hoc approaches
  – Not sure why
  – More frequent outreach
  – Little visible impact
  – Potential unfulfilled
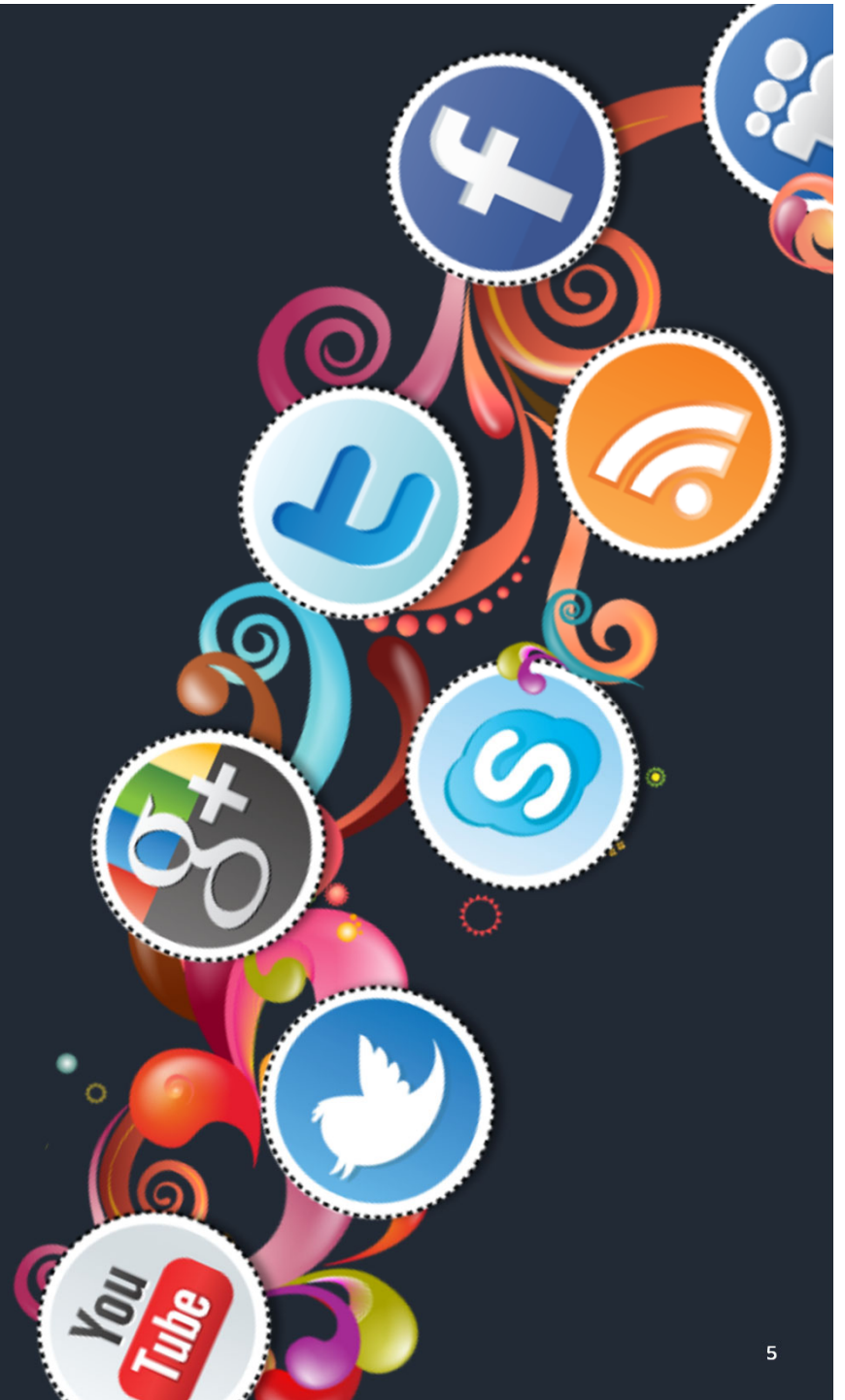
T(r)endencies

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Aggregate

The Modern Approach

► **Trying everything**

► **Flying blind**

- Don't know prospects
- Not measuring results
- Still relying on the past

► **Cost/Benefit**

- Monetary expenses
- Opportunity costs
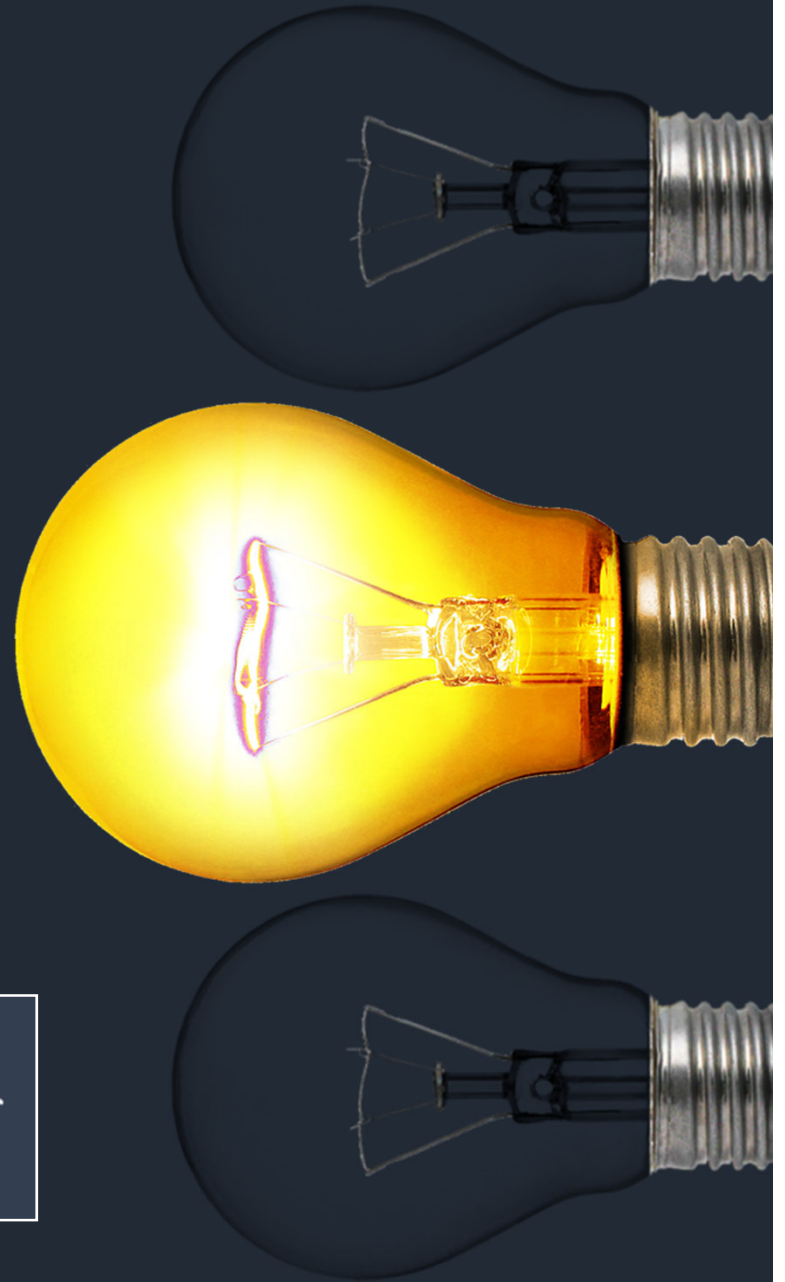- Stagnant returns

More pain, little gain.

Standouts

There are some successes

► **Gaining traction**

– More "gateway" interest
– Greater curiosity

► **Converting and retaining**

– Increased donations
– People coming back!
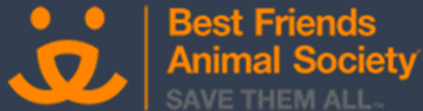
Exploration

What are they doing right?

▶ **Donor perspective**

  – More than money
  – Engagement on their terms
  – Lasting connections
  – Proactive development

▶ **Development approach**

  – Targeted strategies
  – Personalized interactions
  – Full life-cycle engagement
  – Everything on the table

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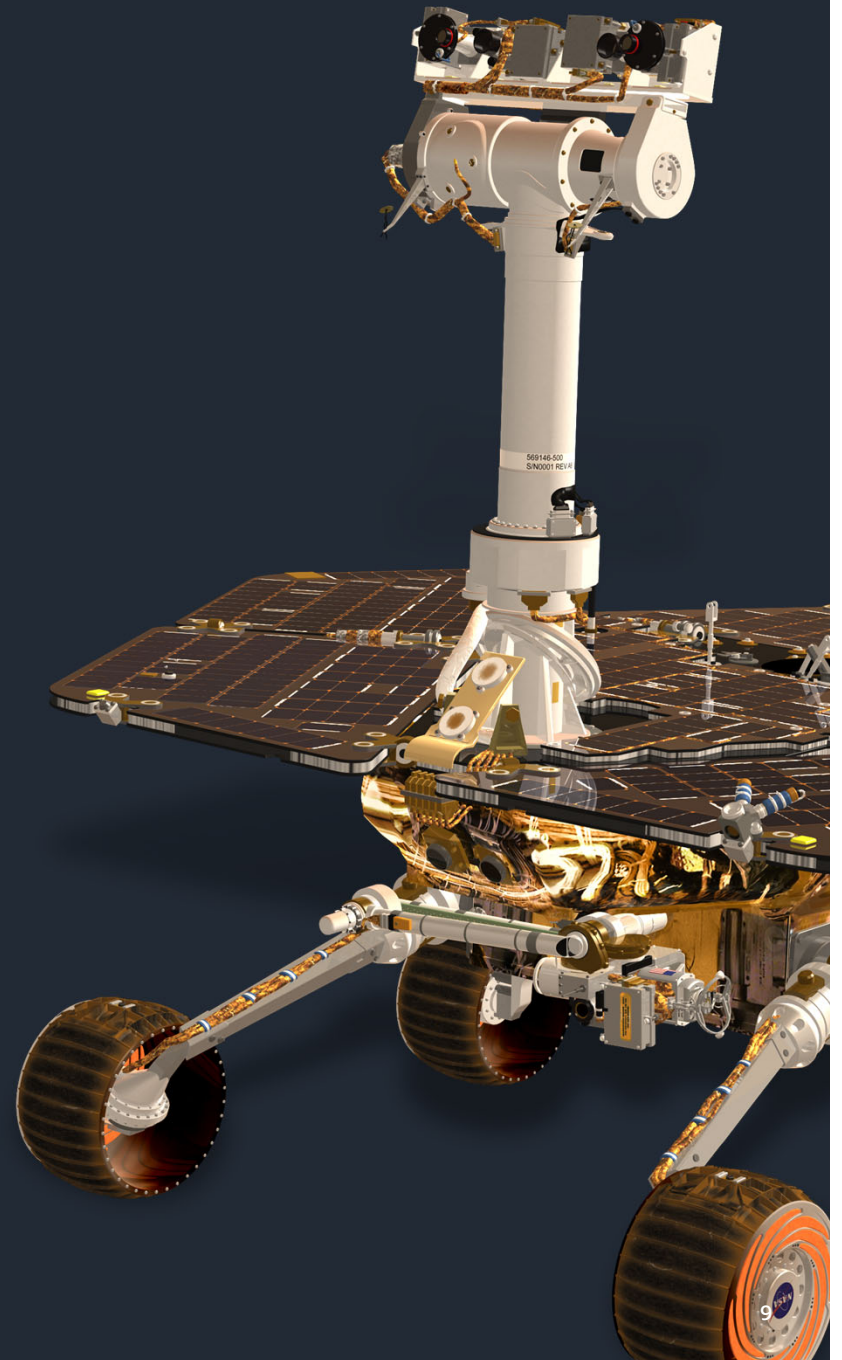
Lesson One

What should you be seeking?

Relationships!
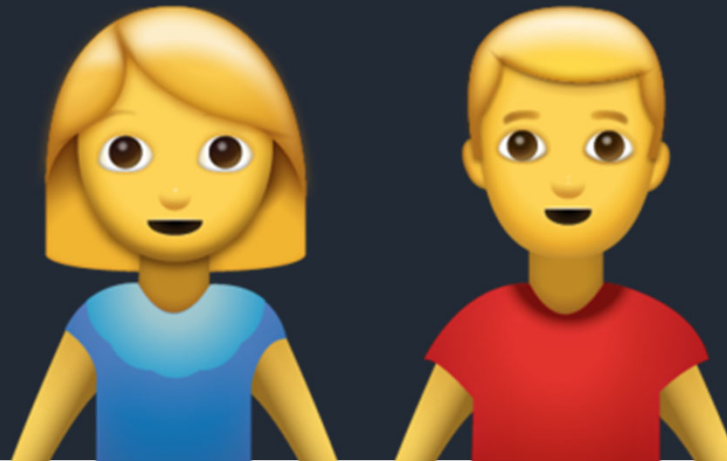
Build long-term interest and trust. People will give and give again.

Lesson Two

What approaches work best?

It depends!

**Get to know the people.
They'll tell you what to do.**

Foundation

Objectives

What do we want?

► **Consistent donations**

- First-time
- Long-term
- Predictable
- Growing

► **Productive friendships**

- Interest
- Engagement
- Conversion
- Retention

Mindset

Changing Channels

► **Shift in perspective**

- Objects to people
- Transactions to friendships
- Ad hoc to organization

► **Developing is guiding**

- Meet and greet
- Pick and choose
- Lead prospects home

Direction

What is the "journey" we're "guiding?"

Aware > Interested

Buyer > Committed
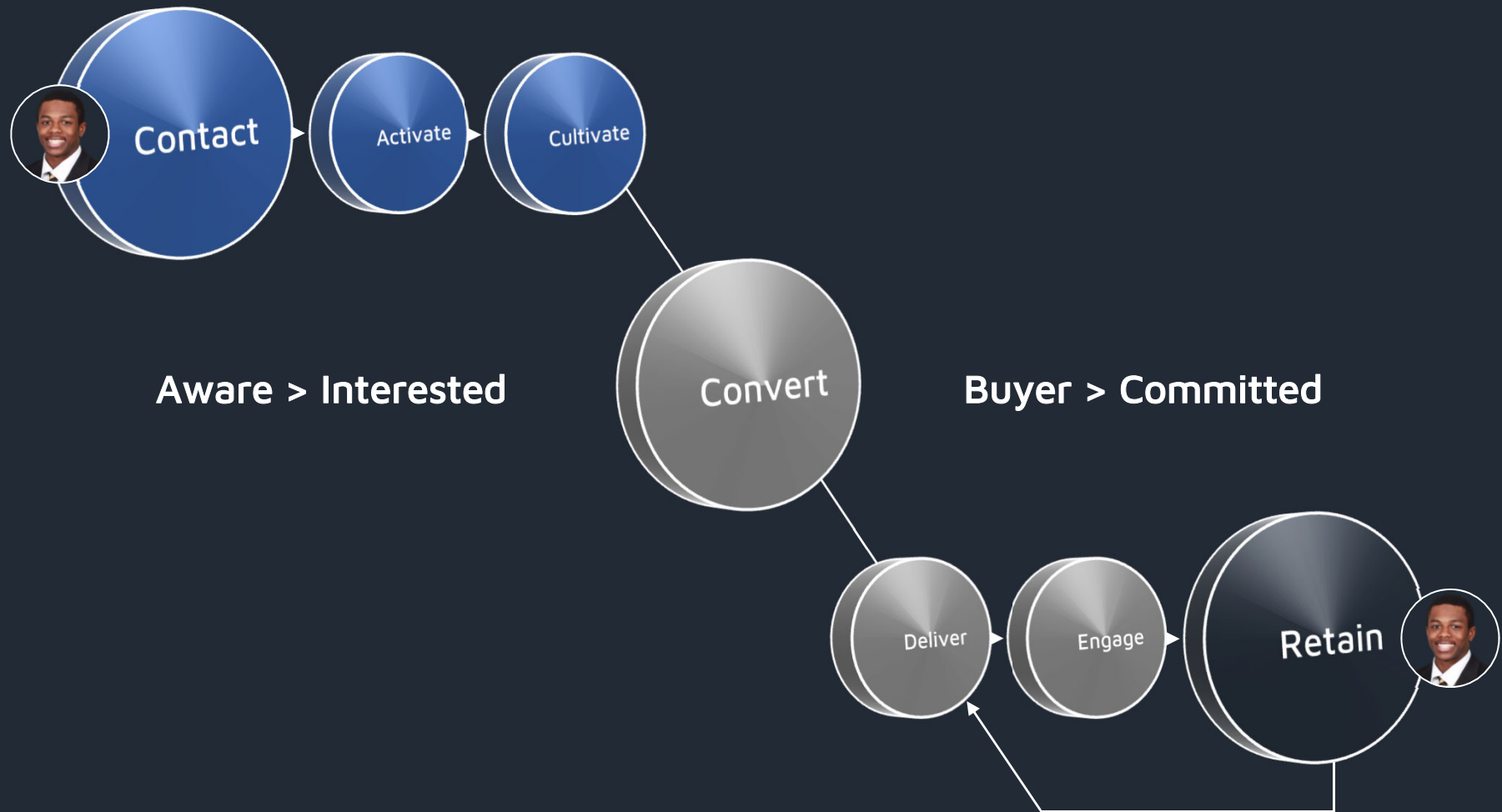
Responsibilities

Being a "Good Guide"

Know your audiences

Personalize engagement

Resonate with them

Make decisions easy

Facilitate action

Demonstrate results

Keep them involved

Approach

How do we draw the map?
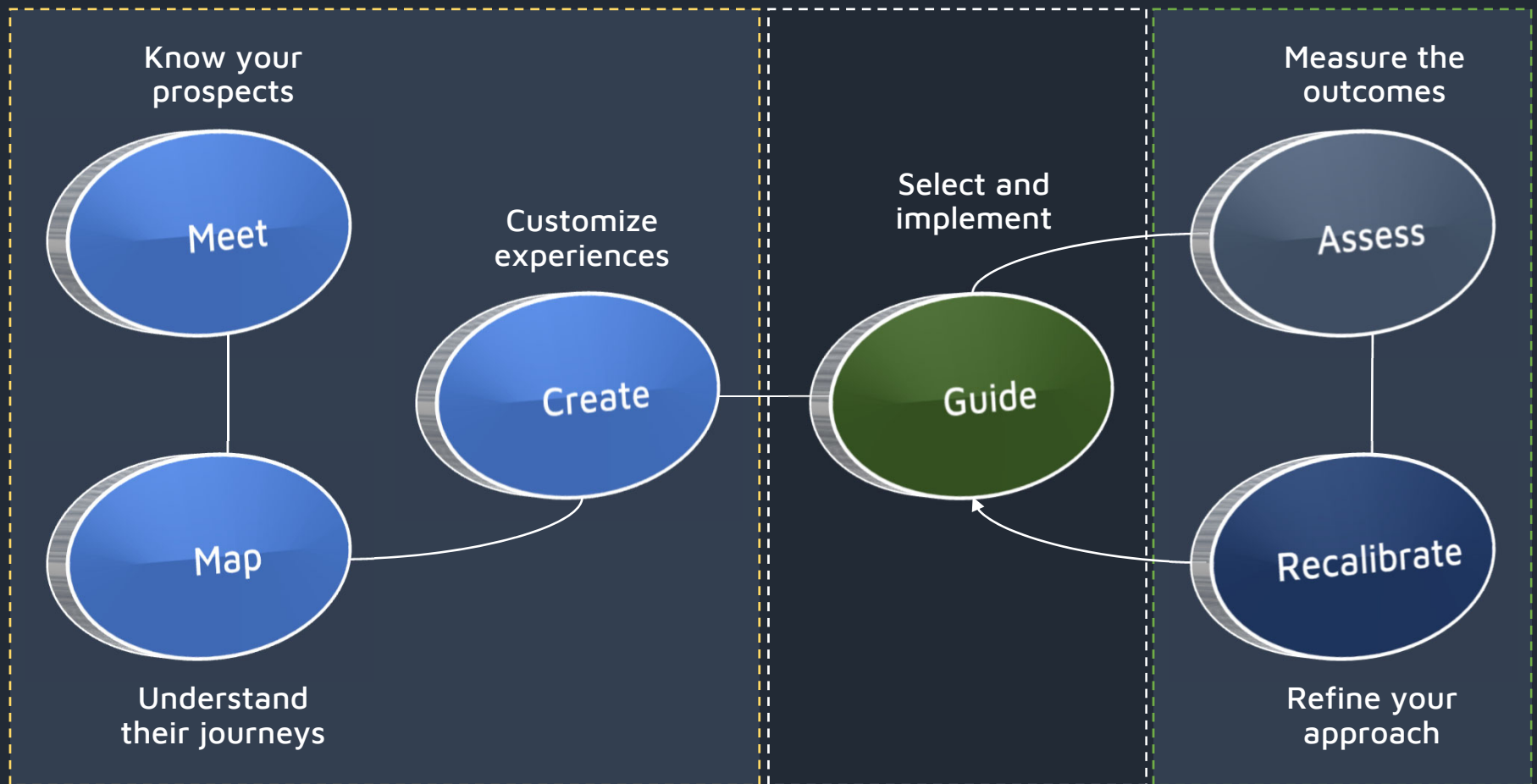
Meeting Our
Donor Prospects

Market

Segments = Groupings of like prospects

Attributes
Potential
Probability

Listening

People are talking...

► **Current and past donors**

 – Data exploration
 – Direct to the people

► **General population**

 – Individual surveys
 – Group discussions

► **Internal data points**

 – Performance metrics
 – General observations

Investigating

What can we find out?

► **Personal attributes**

- Demographics
- Economics
- Pscyhographics
- Behaviors

► **Market factors**

- Knowledge of issue
- Resonance of cause
- Brand awareness
- Giving thresholds

Analyzing

What does the data tell us?

► **Descriptors**

– Core characteristics
– Capacity and willingness

► **Correlations**

– Familiarity with issue
– Brand awareness
– Other interests
– Engagement preferences
– Behavioral influences
– Needs and wants
– Decision factors

Donors aren't created equal… be selective.

Grouping

Defining Segments
What are some common characteristics?

Group A	Group B
Annual giving threshold = $50 – $100 Probability of donating = 75% Size of pool = > 500	Annual giving threshold = $100 – $500 Probability of donating = 75% Size of pool = > 500

Group A

Annual giving threshold = $50 – $100
Probability of donating = 75%
Size of pool = > 500

Demographics

Age range:	30 – 39
Gender:	Male
Geography:	Eastern Saratoga City
Employment:	Full-time, white collar
Income level:	$100,000 – $149,999
Family status:	Married, 0 – 2 children

Awareness

Issue knowledge:	Aware, but not of details
Brand recognition:	Know name but little else

Basis for Involvement

- Desired to get involved in community
- Care for specific issue when presented

Group B

Annual giving threshold = $100 – $500
Probability of donating = 75%
Size of pool = > 500

Demographics

Age range:	65+
Gender:	Male or Female
Geography:	Saratoga City, Clifton Park
Employment:	Semi-retired, retired
Income level:	$50,000 – $74,999
Family status:	Married, 3 – 4 children

Awareness

Issue knowledge:	Generally unaware
Brand recognition:	Never heard of us

Basis for Involvement

- Want to give money to a good cause
- Prefer local to national charities

Packaging

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Personas

Meeting the Prospects, Face-to-Face

Group A

Annual giving threshold = $100 – $500
Probability of donating = 75%
Size of pool = < 500

Demographics

Age range:	30 – 39
Gender:	Male
Geography:	Eastern Saratoga Springs
Employment:	Full-time, white collar
Income level:	$100,000 – $149,999
Family status:	Married, 0 – 2 children

Awareness

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Basis for Involvement

- Desired to get involved in community
- Care for specific issue when presented

Rod Marshall

- Has a general idea there is local homelessness
- Became interested when informed of extent
- Heard of us, but doesn't know what we do
- Big social media user, always on computer
- Shops on-line, avoids brick-and-mortar
- Dedicated to job, works >60 hours per week
- Not religious, does not go to church
- Not actively involved in community activities
- Interested in social causes, but has no time
- Donates impulsively, attaches to recipients
- Cares about what happens to his money
- Wants to be told, doesn't seek information

Personas

Meeting the Prospects, Face-to-Face

Group B

Annual giving threshold = $100 – $500
Probability of donating = 75%
Size of pool = > 500

Demographics

Age range:	65+
Gender:	Male
Geography:	Saratoga County
Employment:	Semi-retired, retired
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Awareness

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Basis for Involvement

- Want to give money to a good cause
- Prefer local to national charities

Don Scherer

- Surprised to learn homelessness is an issue
- Thinks more should be done, now that he knows
- Knows national charities, never heard of us
- Uncomfortable around computers, but tries
- Comparative shopper, coupon-clipper
- Semi-retired, works for spending money
- Active church-goer, involved in church groups
- Plays a lot of golf in his free time
- Donates at end of year to national organizations
- Doesn't research recipients, goes by "feel"
- Doesn't pay much attention to recipients' results
- Interested in current events, learns from TV

Rationale

Why use prospect personas?

► **Visualization**
  - See them face-to-face

► **Understanding**
  - Learn what drives them

► **Engagement**
  - Know their preferences

► **Connection**
  - Find out how to relate

Key Points

What to Consider

▶ **Data-driven**

   – Uses what we've learned

   – Completes the image

▶ **Creativity**

   – "Art" as much as "science"

   – Involves different people

▶ **Iteration**

   – Tested with representatives

   – Refined through feedback

Understanding the "Walk"

Progression

Journeys = Prospects' movements toward the goal

Stages & Status
Thinking & Feeling
Opportunities

Transforming

People are walking...

► **Developing relationships**

- – Interacting
- – Learning
- – Trusting

► **Converting interest**

- – Purchasing
- – Assessing
- – Buying again

► **Drawing in others**

Development

Journey from Contact to Coming Back

Aware > Interested

Buyer > Committed
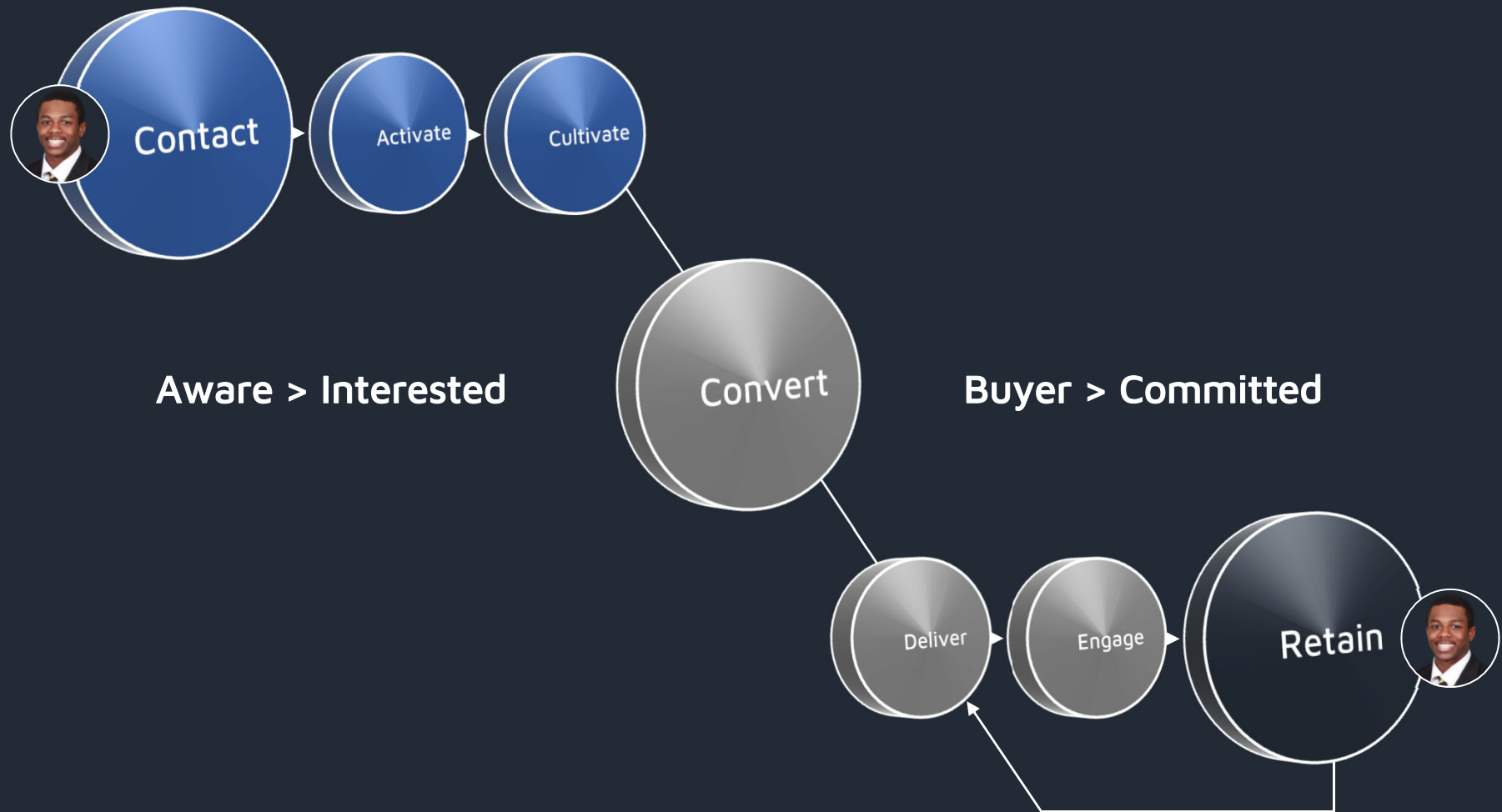
Information

What do we see at each stage?

► **Status**
 – Overall impressions

► **Attributes**
 – What they're at

► **Thoughts**
 – What's on their minds

► **Emotions**
 – Peaks and valleys

► **Options**
 – Ways to respond

Mapping

	CONTACT →	ACTIVATE →	CULTIVATE →	CONVERT →	DELIVER →	ENGAGE →	RETAIN
STATUS	Aware of issue, must be sold on importance and made aware of Excelsior as a major player addressing it.	Appreciates the issue, knows who Excelsior is, and sees it as "one of many," not sure of its specific role.	Has an idea of what Excelsior does and how programs help to address homelessness in the local area.	Has confidence in Excelsior. Now wants to get more involved with the organization, but can't find time.	Donated, now expects some "delivery" or tangible return for his personal contribution to Excelsior.	Comfortable Excelsior used his donation responsibly. Wants to stay connected, still can't commit time.	Happy with progress on issue, and feels good about being part of successes, even if not physically.
ATTRIBUTES	• Part of community groups on social media, as a way to keep current • Doesn't typically go to public forums where physical ads can be seen • Primary reads the news online, often using social media for perspectives	• Likely to give some money over time, but needs to be led to organization • Sees the county and city's programs as most effective for local issues • Doesn't actively do research to learn more about service providers in area	• Seeks opportunities to be involved in solutions to the extent time allows • Not sure Excelsior's programs work and still sees it as one of many providers • Doesn't know one single thing about Excelsior's budget, size, and capacity	• Not actively trying to make donation, but will consider if asked directly • Very concerned at how money will be used, in concrete terms, on issue • Frequently shops from home, prefers on-line payments if they are secure	• Wants to show support for cause and Excelsior so others are aware • Would like to know that his money was used as promised when asked • Needs to have a physical item that he can "hold" in return for donation	• Keeps a personal connection to the cause, wants to see progress made • Still directed to news and events via social media vs. specific outlets • Homelessness now "his issues," but other interests still compete for time	• Does not care nor keep track of when he has donated, just that he did • Likely to donate again if he sees the needs, initiatives, and progress • Not a big "habitual donor," but willing to consider again if asked directly
THOUGHTS	I know the problem exists, but don't have time to research and it or find out who addresses it. I'll read about it my Facebook feed, though.	Hmm…well, maybe I should check this out, I keep seeing Tweets and postings I see on Facebook about this Excelsior, and they are here in the area.	I'd like to help those in need, and maybe I can with Excelsior. Where can I get more information? How do I best get involved, with limited time?	It seems the best way to contribute is to make a donation. I'm open to that, but I am not exactly sure what they are going to do with the money.	Wow, I just gave a donation. Is that it? What do I get out of this contribution? Will it really help? What are my friends going to think about this?	Cool. I'm seeing that I'm making an impact. I love seeing success stories on Facebook and the blog. They really show how my money is working.	They're asking for money again. I can see the great work Excelsior is doing and I want to keep on helping. I think I am making a difference.
FEELINGS	I'm curious. I didn't know the extent of the problem, but it looks like there are people helping.	I'm interested to know more about this group I keep seeing. They seem to be doing good work.	I'm very sympathetic, and I feel determined to help. I just need to see exactly what that looks like in practice.	They say my money will help, but I am hesitant. I've got the means, but I want to know it will be used.	I feel good, but still a little "empty." I don't want to be let down. I'd like to show my support to others.	I feel proud. I am part of this effort to make a difference locally, and I can see that it is very successful.	I feel good, but I know there's more to do. If homelessness exists and Excelsior is still effective, I'm in.
OPTIONS	Educate on the issue, and ensure he sees the Excelsior name attached to solutions in the local area.	Push information to introduce Excelsior and its key programs. He's willing to read if given digestible info.	Show how Excelsior works, that it gets results, and it's best equipped to address the problem.	Ask for a specific donation, show the impacts, and give him an easy, secure way to make payment.	Give tangible item(s) that allow him to visibly show support. Clearly identify his specific impact.	Tell success stories, and make them easy to find and read, as he may not actively seek them out.	Remind him and show why money is still needed. He will not be a good candidate for automatic donations.

Rationale

Why map prospect journeys?

► **Moments**
- Recognize when to engage

► **Messaging**
- Learn what you need to say

► **Interaction**
- Find out how to reach them

► **Adjustment**
- Track and refine experiences

Key Points

What to Consider

► **Personas**
  - Built on personal traits
  - Describe "typical" progress

► **Interactivity**
  - Visual, dynamic construction
  - May be software-enabled

► **Evolution**
  - Baseline assumptions
  - Reality-based adaptation

Designing Custom Experiences

Relationships

Experiences = How prospects interact with non-profits

Touchpoints
Content
Platforms

Essentials

Elements of an Experience
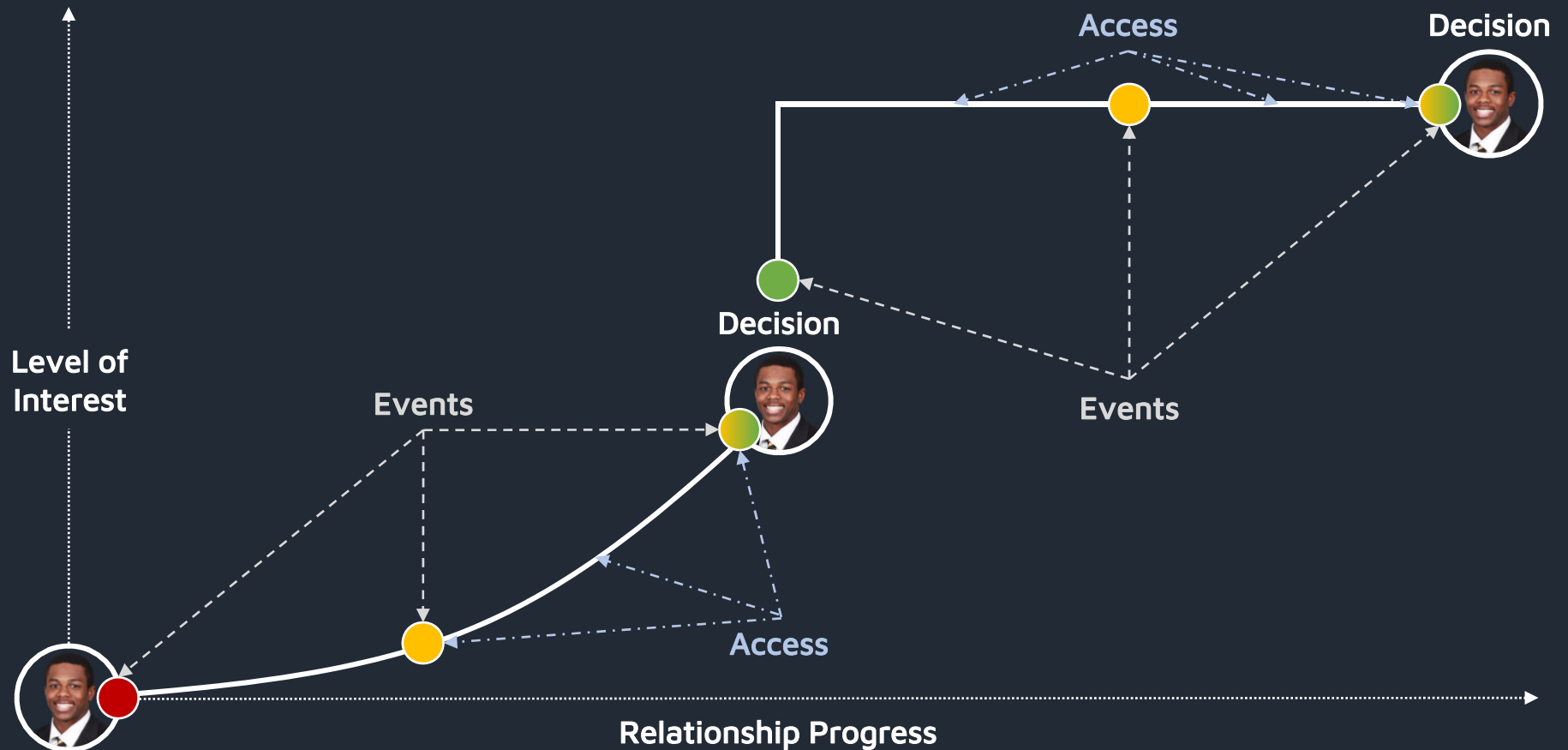
Elements

What can we affect?

▶ **Events**
- – Contacts with prospects
- – What, where, when, how

▶ **Decisions**
- – Key progression points
- – Requests, incentives

▶ **Access**
- – Interactions and payments
- – Channels, applications

Subparts

Levers of Interaction

Events	Decisions	Access
Provide information Ask for action	Find out more Proceed to next phase	Inbound contacts Donation platforms
"Visit our web site" "Click to donate now"	"I'm interested in this" "I'm ready to contribute"	"I have some questions" "I want to write a check"
► Message ► Format ► Media ► Placement ► Timing	► Incentives ► Call to Action	► Destination ► Results

The best experiences are personalized for the audience.

Demonstration

CONTACT → ACTIVATE → CULTIVATE → CONVERT → DELIVER → ENGAGE → RETAIN

STATUS

Aware of issue, must be sold on importance and made aware of Excelsior as a major player addressing it.

ATTRIBUTES

- Part of community groups on social media, as a way to keep current
- Doesn't typically go to public forums where physical ads can be seen
- Primary reads the news online, often using social media for perspectives

THOUHGTS

I know the problem exists, but don't the have time to research and it or find out who addresses it. I'll read about it my Facebook feed, though.

FEELINGS

I'm curious. I didn't know the extent of the problem, but it looks like there are people helping.

OPTIONS

Educate on the issue, and ensure he sees the Excelsior name attached to solutions in the local area.

Message
Issue education – Information about the problem of homelessness in the region
Familiarity with organization as advocate – Prominent logo, compelling tagline, basic information

Format
Short, impactful informational blurbs or infographics with statistics, stories, and branding
Targeted advertisements with "fast facts," with "we address the issue" and logo, tagline

Media
Static electronic (web-based) posts
Brief on-line informational videos (e.g., Flash movies providing information)

Placement
Facebook (local community group pages – e.g., Saratoga Connect, Capital District Community)
Sponsored content on Facebook, LinkedIn targeted demographically and geographically

Timing
Daily, continuously for 30 days (monitor and adjust to statistics) – free content can run longer
Entire process will take at least six months before for first conversions

Incentives
Additional information about the extent of the problem, and the organization and its programs
Opportunities to participate in addressing the issue of homelessness in the region

Call to Action
Click to learn more about the problem and the organization
"Contact us" for additional information

Destination
Link to landing page or blog on web site from social media postings and advertisements
E-mail box to collect requests from interested prospects

Results
Landing page has additional details on the problem and how the organization approaches it
Personalized response to e-mail requests within one business day with similar information

Rationale

Why build custom experiences?

► **Contributions**
  – Maximize value of interest

► **Longevity**
  – Create lasting relationships

► **Predictability**
  – Build consistency and growth

► **Advocacy**
  – Develop future ambassadors

Key Points

How do we use what we know?

► **Leadership**

   – Guide prospects' journeys

   – Be patient, it's a process

► **Specificity**

   – Ask for what you want

   – Show how you'll use it

► **Engagement**

   – Make it easy to help

   – Deliver and demonstrate

Using Your Budget Cost-effectively

Deciding

Translating Plans into Action

Budgeting
Evaluating
Prioritizing

Analysis

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Balance

Budget Realities

► **Everything has costs...**
  - Actual expenses
  - Opportunity costs

► **... and benefits**
  - Real contributions
  - "Follow-on" effect

► **Choose wisely**
  - Potential long-term ROI
  - Tolerance for uncertainty

Costs

What are some potential costs?

► **Actual expenses**

- Staffing (e.g., extra resources)
- Advertising and promoting
- Web design and development
- External services (e.g., consultants)
- Production and distribution
- Third-party applications

► **Missed opportunities**

- Higher potential segments
- Lower risk audiences

Some approaches can share execution costs

Prioritizing

How do we decide where to focus?
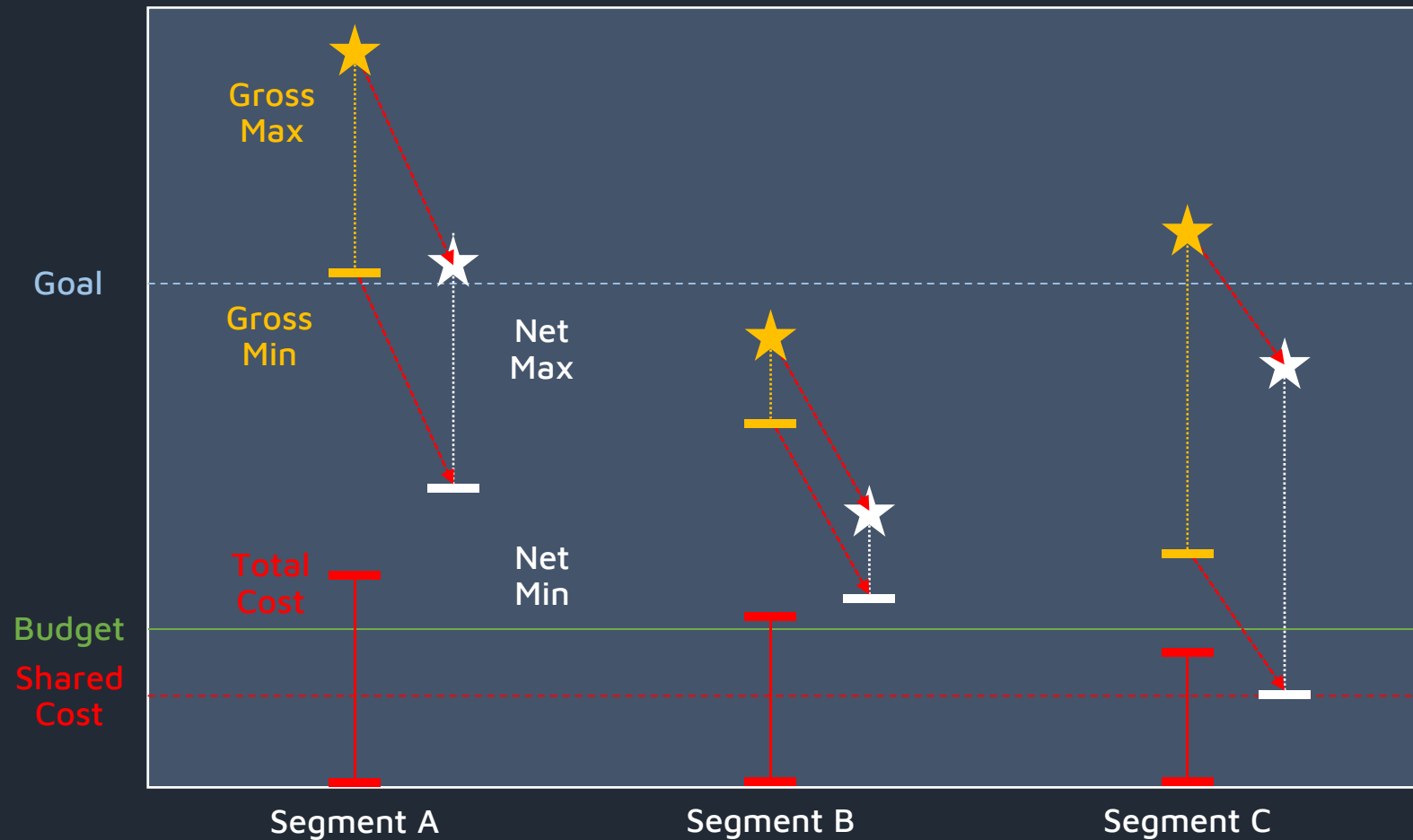
Pursuits

Are we bound to just one segment?

► No, not at all!

- Pursuing several at the same time
- Putting gains into other segments
- Shifting gears based on results

► Budget and risk matter

- Available funds start fixed
- May generate revenue
- Always risk minimum returns

Rationale

Why prioritize segments?

► **Efficiency**
- Maximize limited time

► **Cost-effectiveness**
- Use your money wisely

► **Maximization**
- Focus on prospect potential

► **Decision-making**
- Know the risks involved

Key Points

What to Consider

► **Cost-effectiveness**
- Potential range of returns...
- ... vs. cost and budget

► **Roll-out options**
- Single vs. multiple segments
- Iterative strategies

► **Risk tolerance**
- Evaluating uncertainty
- Executive decision-making

Measuring and Adjusting

Outcomes

On-going Monitoring and Adaptation

Metrics
Effectiveness
Progress

Analytics

What can we measure?

► **Prospect reach**
  – Are we "meeting" prospects?

► **Issue resonance**
  – Do they "get it," and care?

► **Brand recognition**
  – Do they know and trust us?

► **Level of interaction**
  – Are they taking action?

► **Donor revenue**
  – How much, and from where?

Adaptation

What can we do to improve?

► **Learn and respond**

- Refine journey maps
- Identify "missed moments"

► **Alter the approach**

- Revise messaging
- Communicate differently
- Modify distribution channels

► **Make it easier**

- Align donation methods
- Eliminate barriers

Sources

Data is Everywhere

► Current donor information

► Web dashboards

► Media-specific providers

► Social platforms

► Third-party applications

► Prospect populations
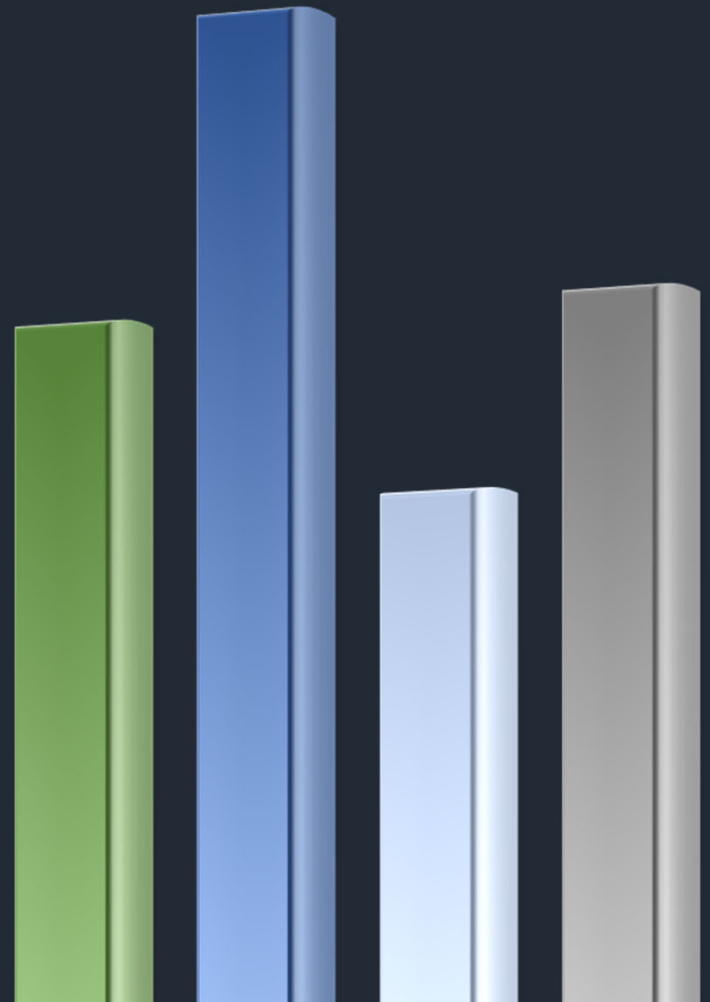
Every source tells us something different. If we're going to make adjustments, we need to put it all together.

Rationale

Why measure performance?

► **Monitoring**
- Know where you stand

► **Reporting**
- Keep leaders informed

► **Learning**
- Find out what is/isn't working

► **Adjustment**
- Adapt to improve outcomes

Key Points

What to Consider

► **Metrics**
- Informative measures
- Key financial milestones

► **Measurement**
- Tools to collect data
- Continuous monitoring

► **Evaluation**
- Actual vs. planned journey
- Explanatory factors
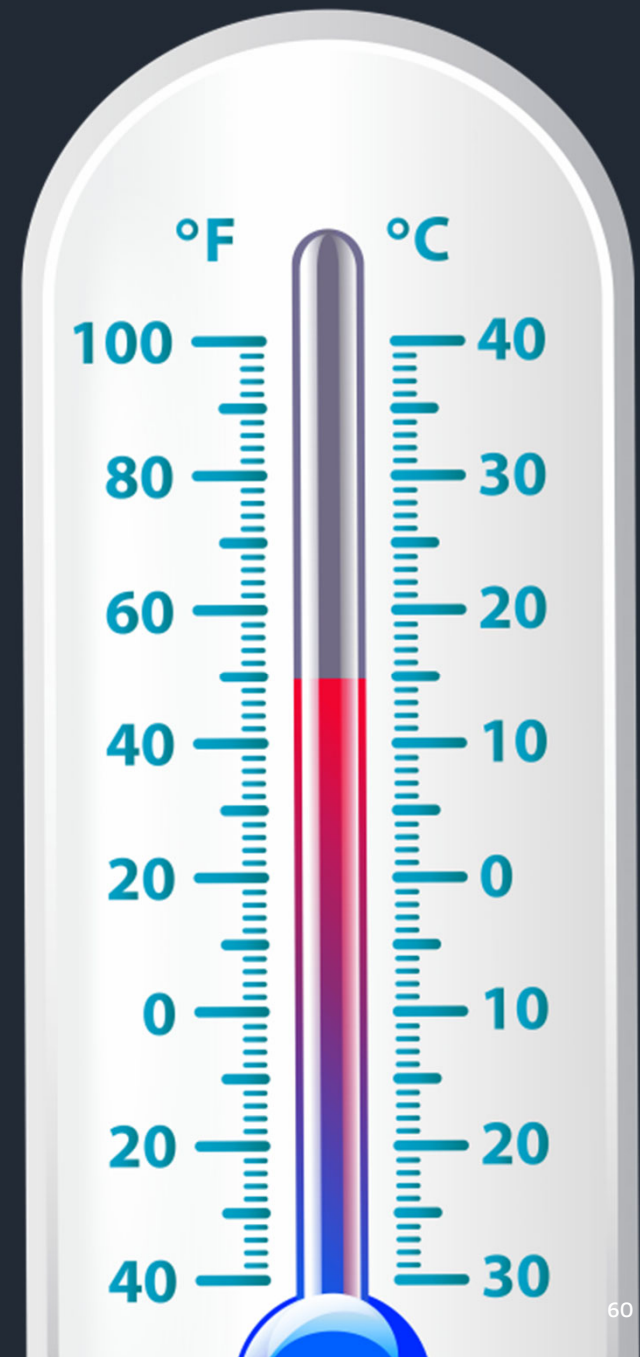
Wrap-up

Takeaways

Things to Remember

► **Don't objectify… personify**

► **Focus on lasting relationships**

► **Go where the people are**

► **Speak your prospects' language**

► **Make decisions and actions easy**

► **Be selective about who to pursue**

► **Measure, adjust, measure again**

Snowflake LLC
Collaborative Consulting for the Greater Good

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