

The Significance of Channel Migration and Its Impact on Young Alumni and Annual Giving

Examining a Shift in Donor Behavior



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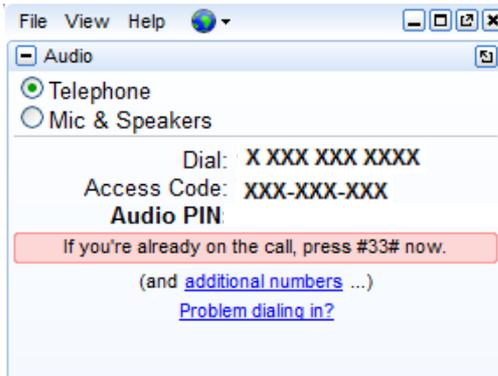


Richmond, VA

Thank you for joining us today. Before we get started ...

Use Telephone (Recommended)

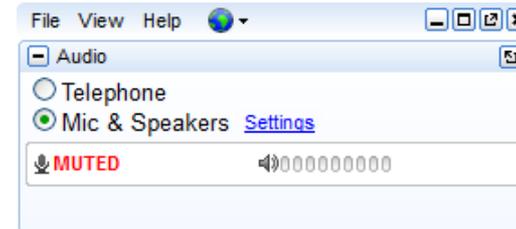
If you select the "Telephone" option, please use the dial-in phone number and access code provided on your GoTo panel.



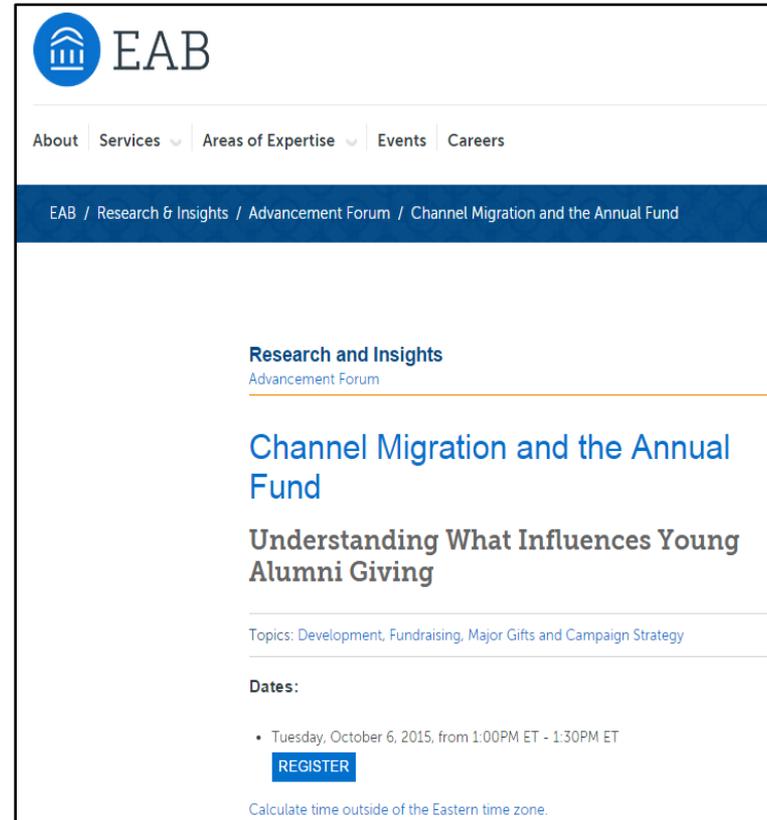
All attendees will be muted during the presentation.

Use Microphone and Speakers

If you select the "Mic & Speakers" option, please make sure that your speakers/headphones are connected.



Today's webinar will be recorded and will be accessible at eab.com in the Resources section.



The screenshot shows the EAB website interface. At the top left is the EAB logo, which consists of a blue circle containing a white building icon, followed by the text 'EAB'. To the right of the logo is a navigation menu with the following items: 'About', 'Services', 'Areas of Expertise', 'Events', and 'Careers'. Below the navigation menu is a blue breadcrumb trail that reads: 'EAB / Research & Insights / Advancement Forum / Channel Migration and the Annual Fund'. The main content area features a section titled 'Research and Insights' with a sub-header 'Advancement Forum'. Below this is the main title 'Channel Migration and the Annual Fund' in a large blue font, followed by the subtitle 'Understanding What Influences Young Alumni Giving'. Underneath the subtitle is a line of text: 'Topics: Development, Fundraising, Major Gifts and Campaign Strategy'. A 'Dates:' section follows, containing a bullet point: 'Tuesday, October 6, 2015, from 1:00PM ET - 1:30PM ET'. Below the date is a blue button labeled 'REGISTER'. At the bottom of the page, there is a link that says 'Calculate time outside of the Eastern time zone.'

**Please take a minute
to provide your
thoughts about
today's presentation.**

Thank you!



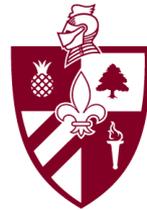
*Please note that the survey does not
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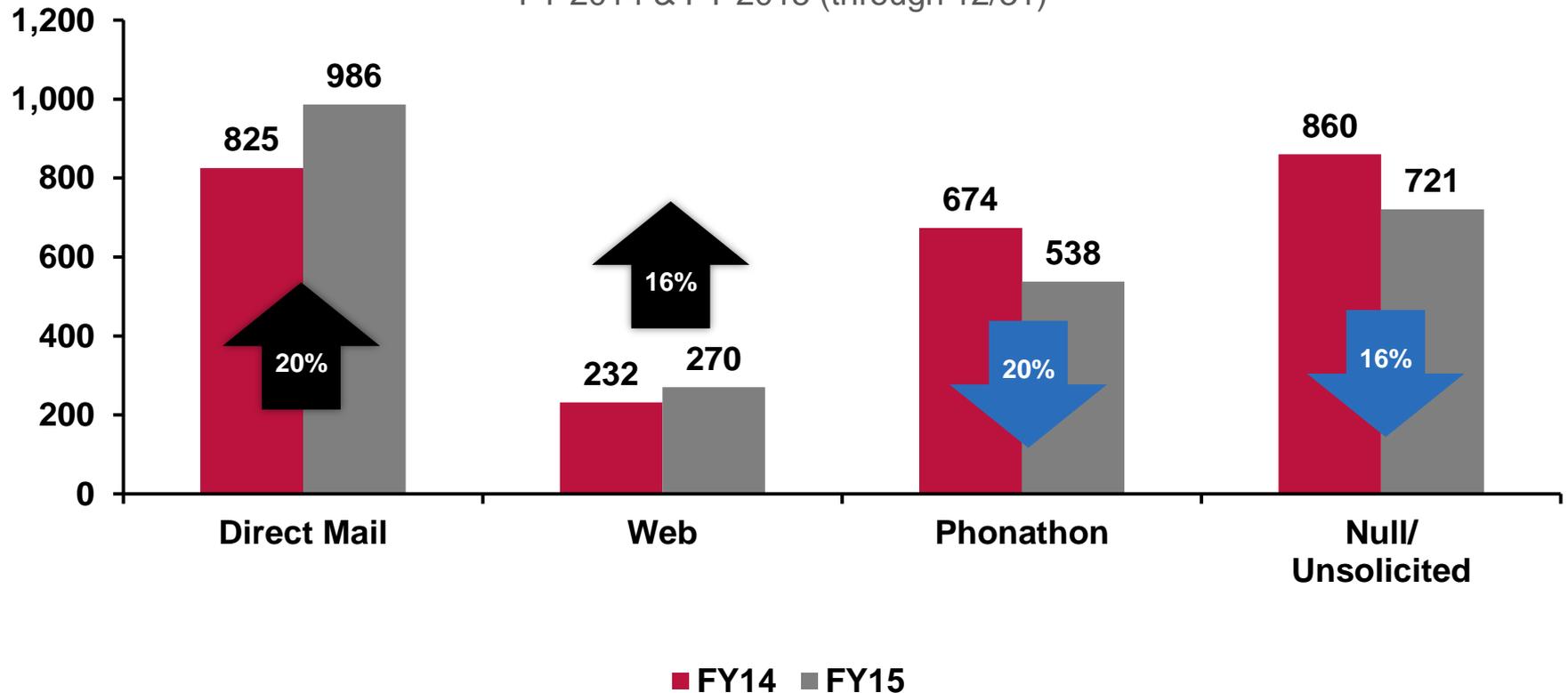
Some of our partners



CASE STUDIES

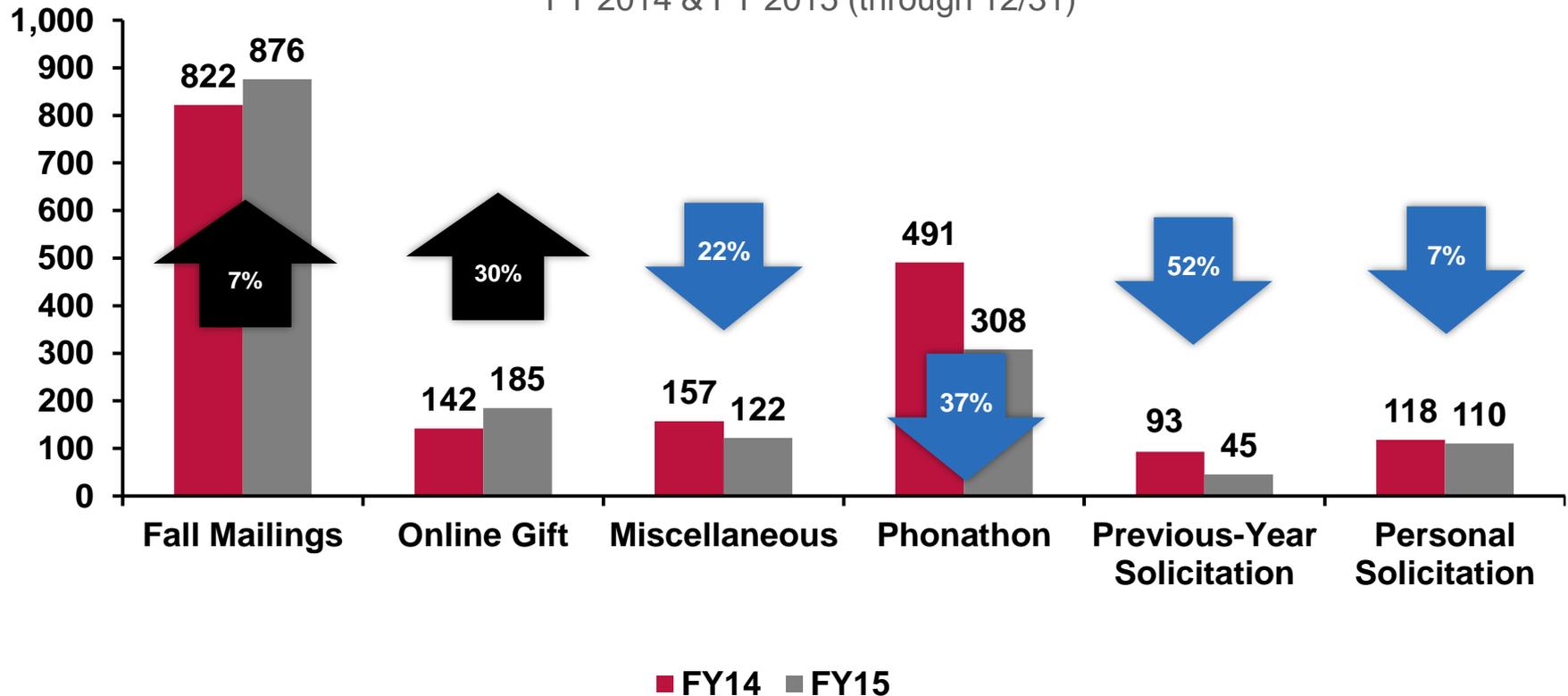
Case Study A: This large, private university is rapidly losing phone donors but more than compensating through mail

Donors by Appeal Group (from a Northeastern Private University)
FY 2014 & FY 2015 (through 12/31)



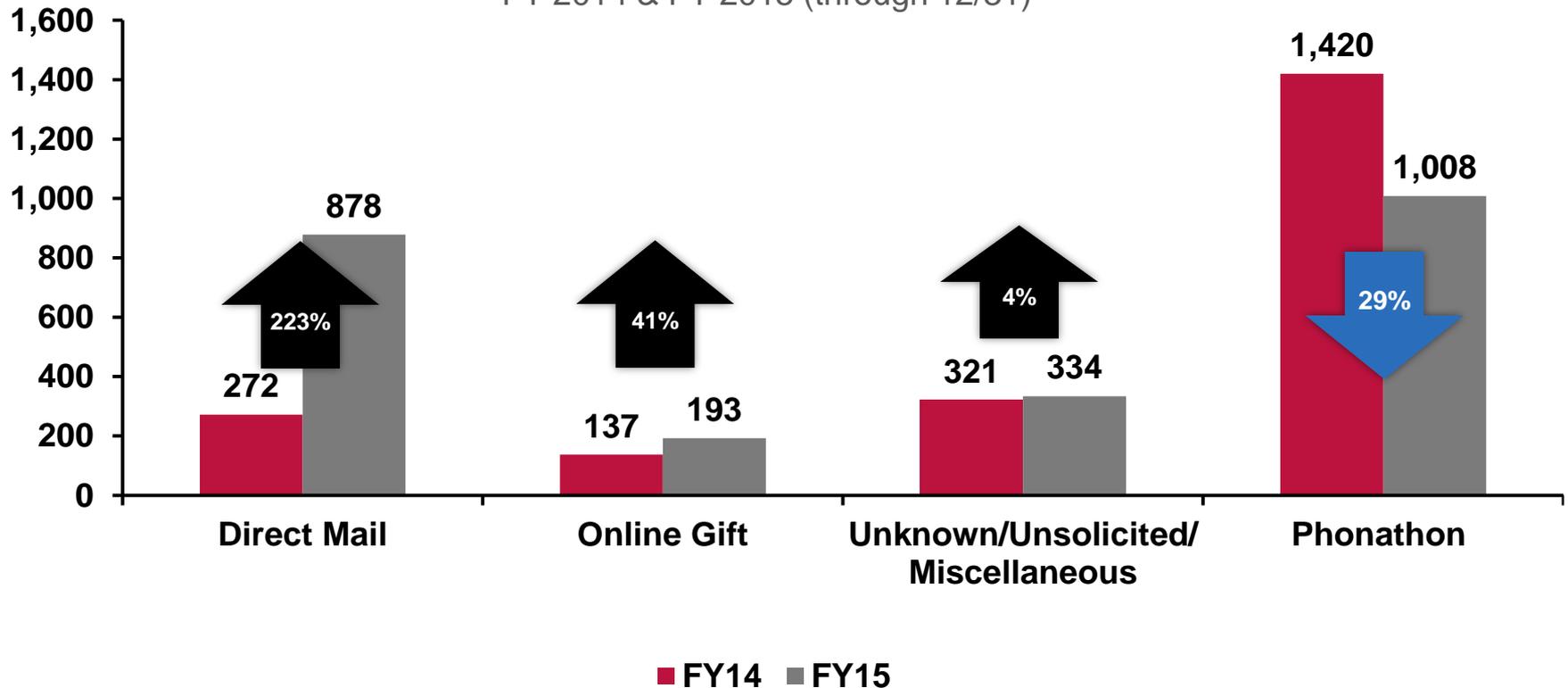
Case Study B: This midsize university is facing declines that are harder to fill with other channels

Donors by Appeal Group (from a Mid-Atlantic Private University)
FY 2014 & FY 2015 (through 12/31)



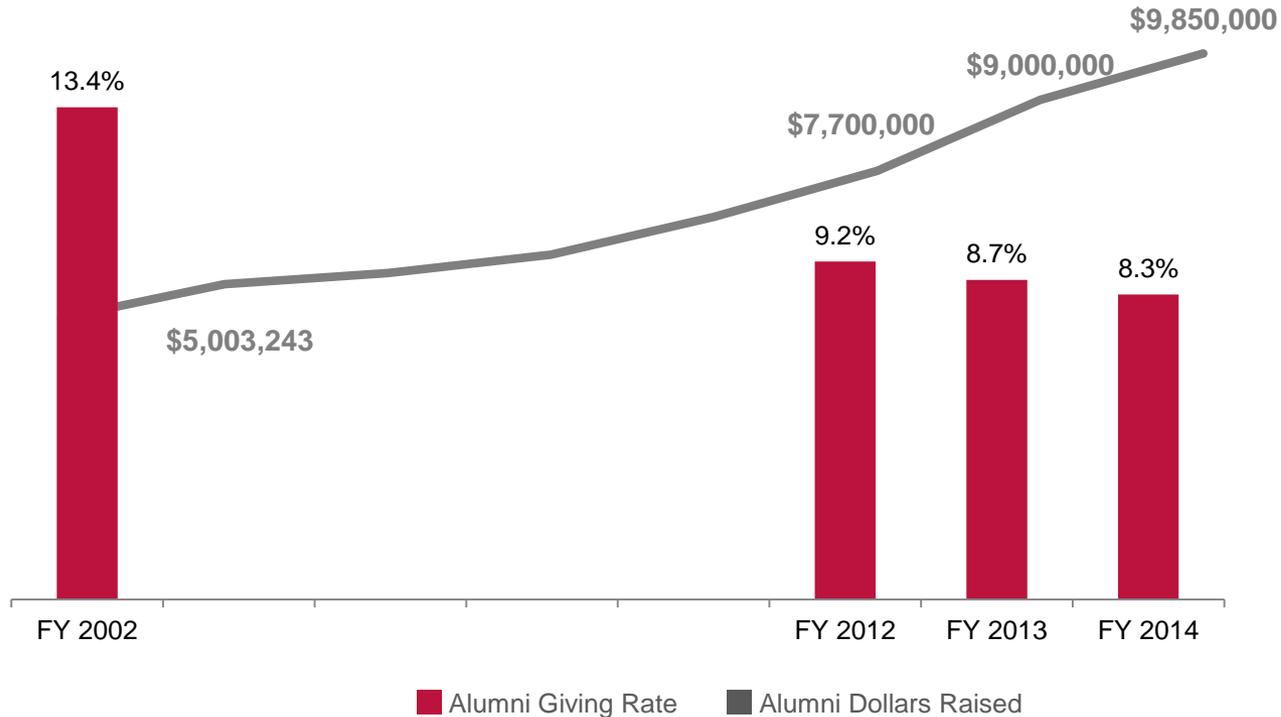
Case Study C: Public and private universities alike are struggling to reach donors by phone

Giving by Appeal Group (from a Southeastern Public University)
FY 2014 & FY 2015 (through 12/31)



Industry-wide decline in telemarketing returns is contributing to an overall drop in alumni support

Alumni Support of Higher Education
(in thousands of dollars)



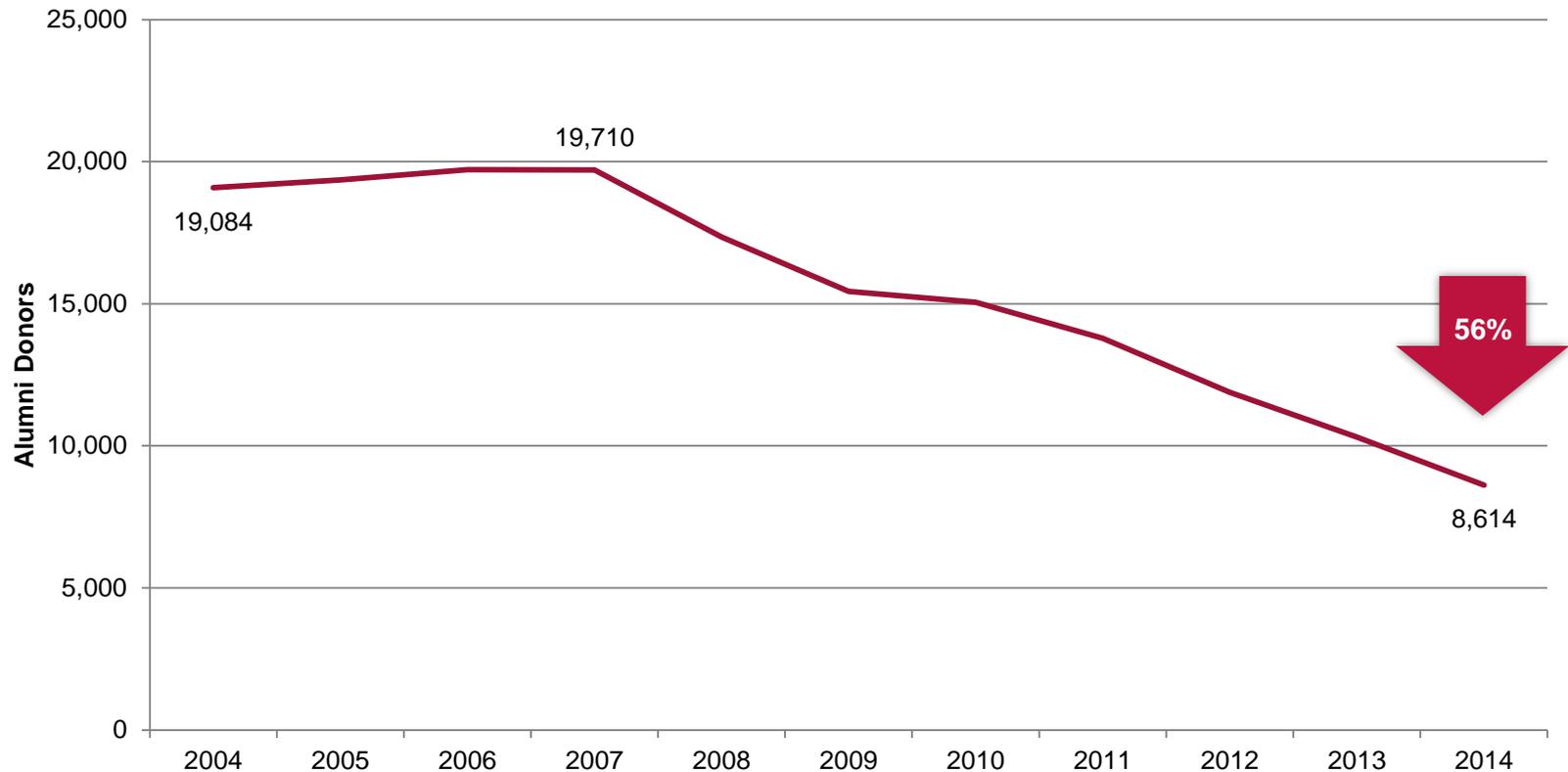
Royall study: Background

- Audience
 - 40K+ alumni who made a gift via phonathon over the past 10 years

- Source
 - Data from 7 colleges and universities of various sizes and types

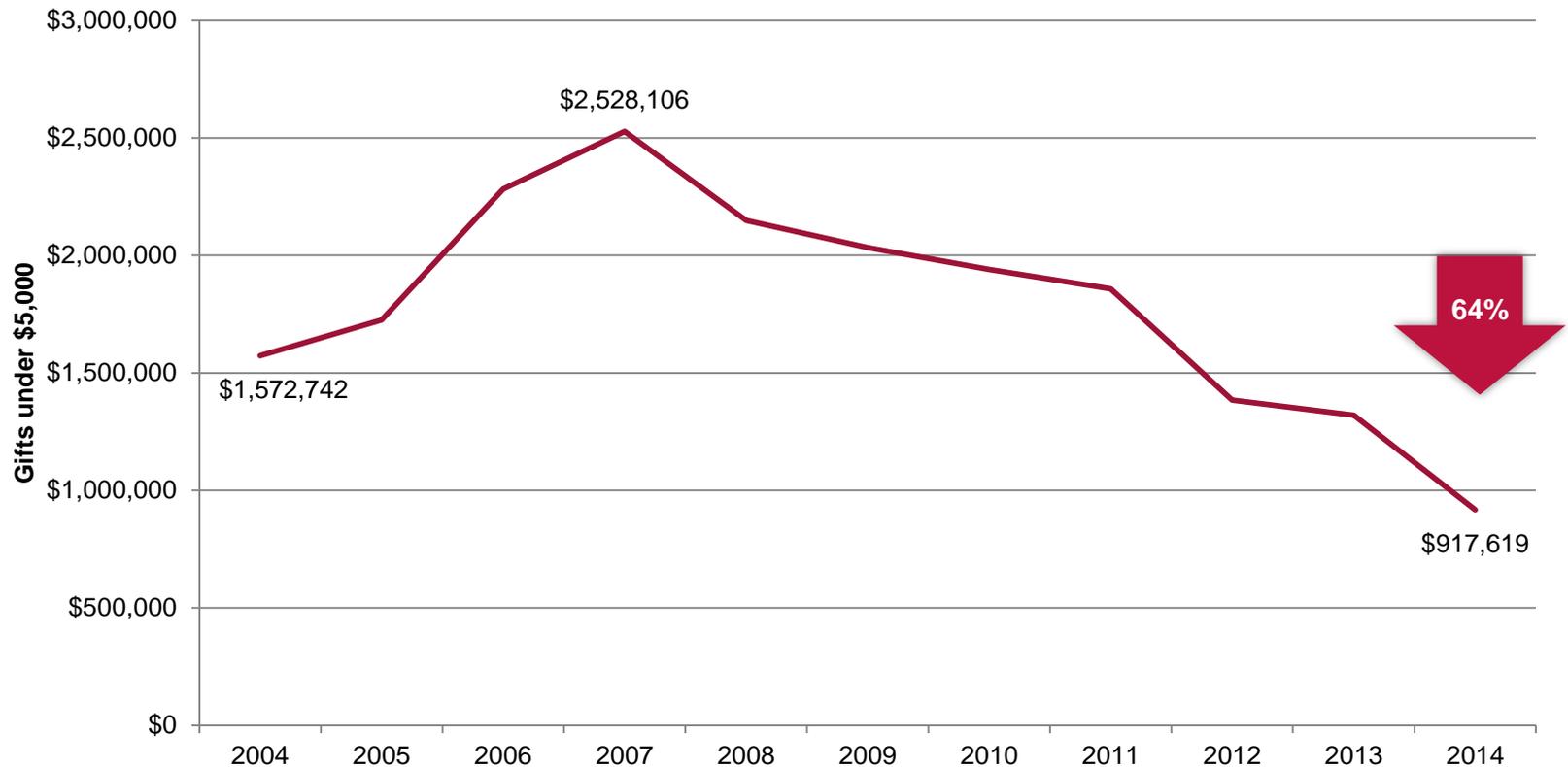
Even as the alumni population has grown, giving via phonathon has plummeted since 2007

Alumni Donors to Phonathon
FY 2004 – FY 2014



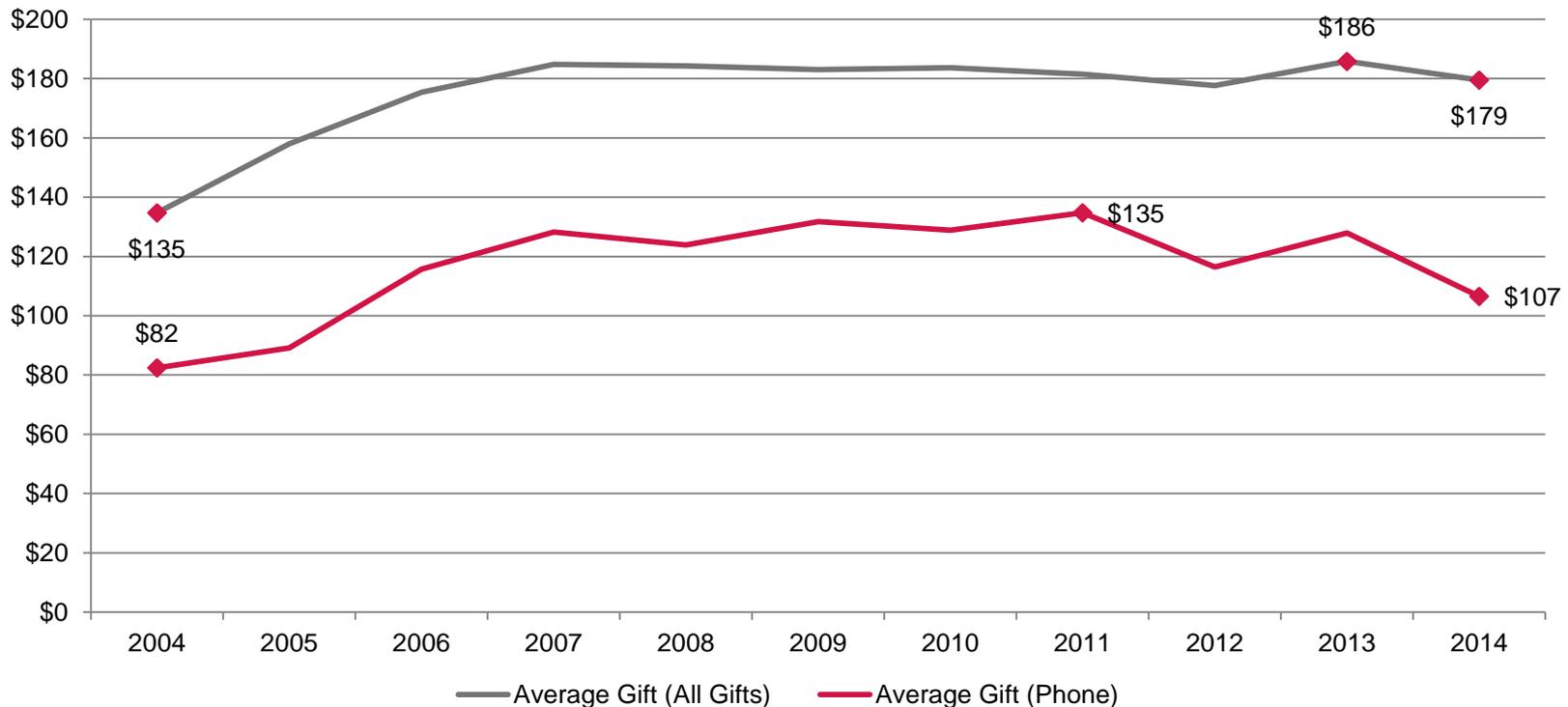
The dollars associated with phonathon have taken a harder hit

Giving under \$5,000 to Phonathon
FY 2004 – FY 2014



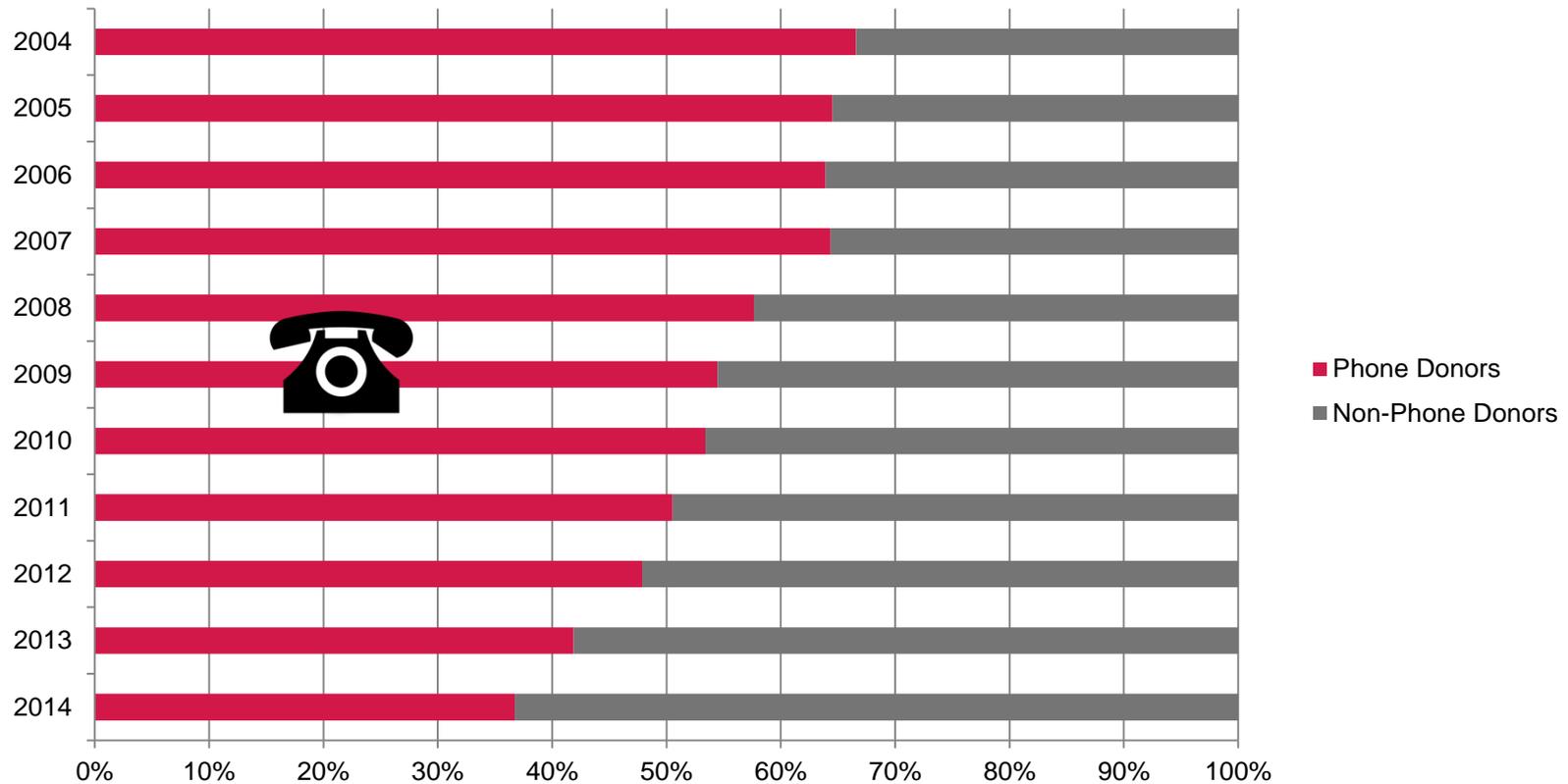
The average phone gift trails the overall average gift considerably

Alumni Giving – Average Gift (under \$5,000)
FY 2004 – FY 2014



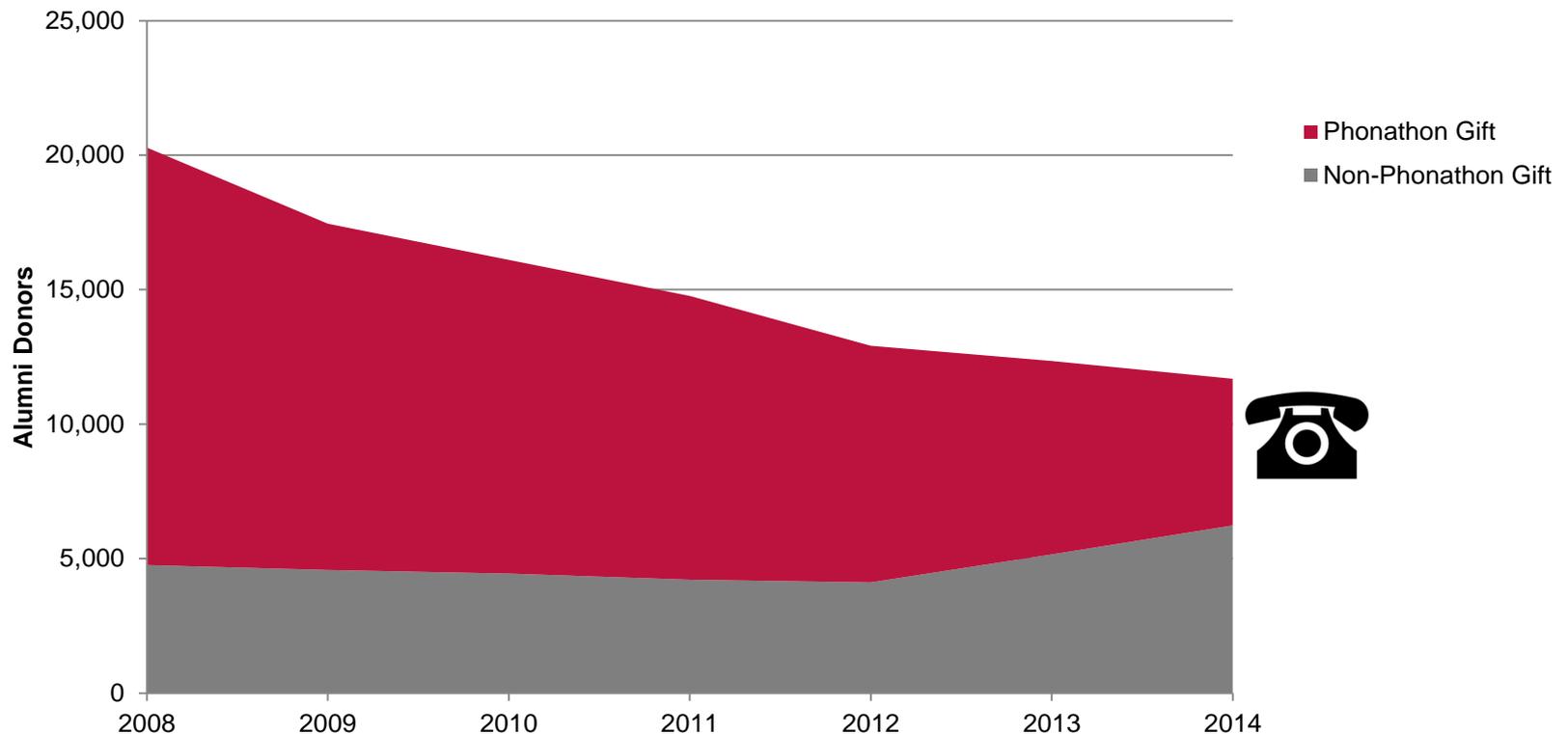
Phone is making up a smaller and smaller portion of the alumni donor pool

% of Alumni Donors Making a Phone Gift by Fiscal Year
FY 2004 – FY 2014



Where are phone donors going?

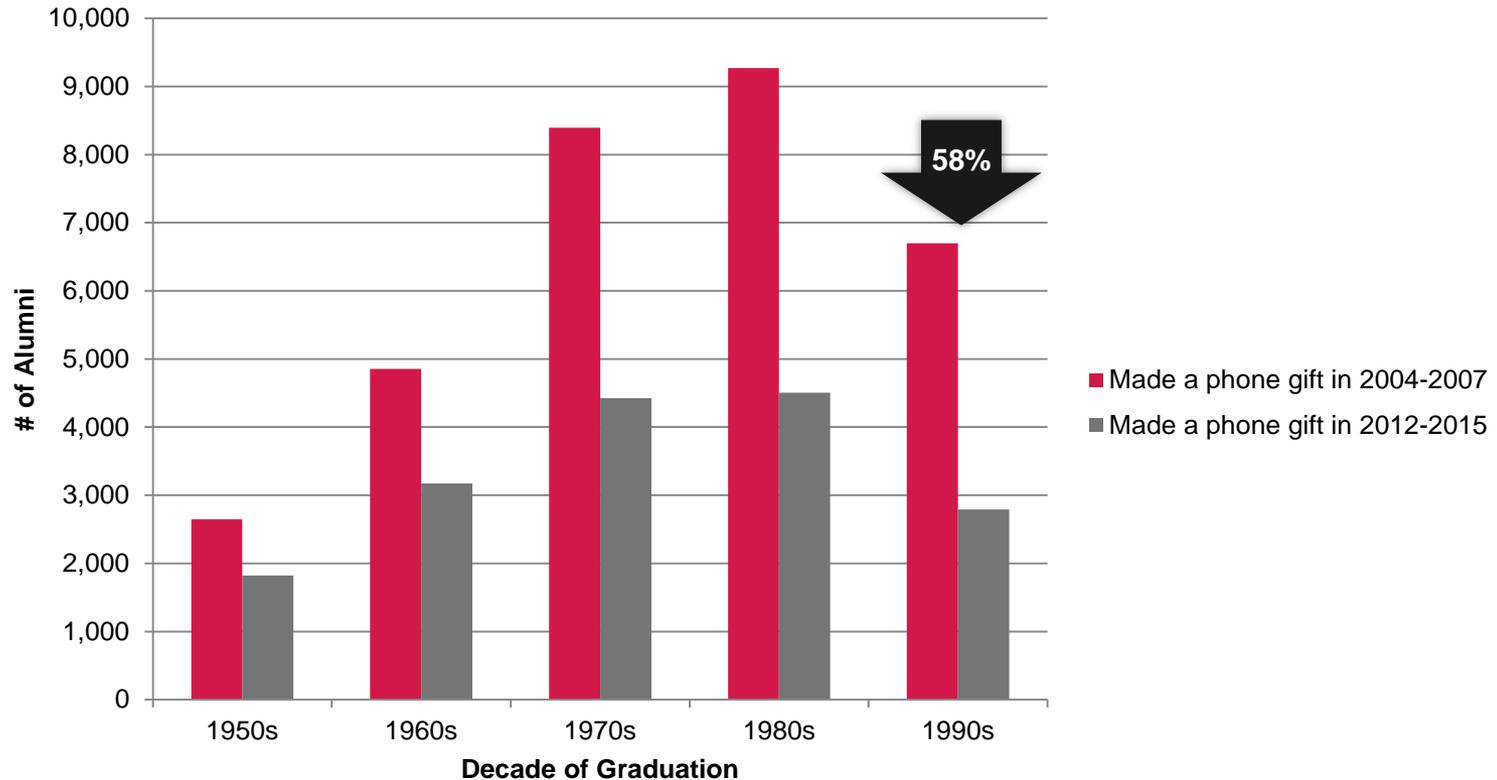
- 39,663 alumni across 7 schools made a gift to phonathon between FY04 and FY07
- Tracking those donors through FY14, their movement from phone to other channels has intensified



Alumni from which era are most affected?

- Alumni from the 1990s had the biggest drop (58%) in phonathon participation between 2004-2007 and the past 3 fiscal years

Alumni Phonathon Donors by Era

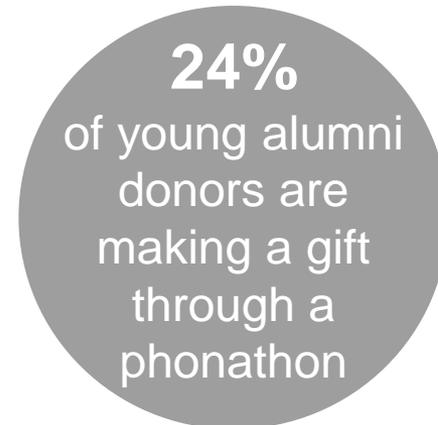


Getting young alumni involved in philanthropy early is critical, but their behavior is changing

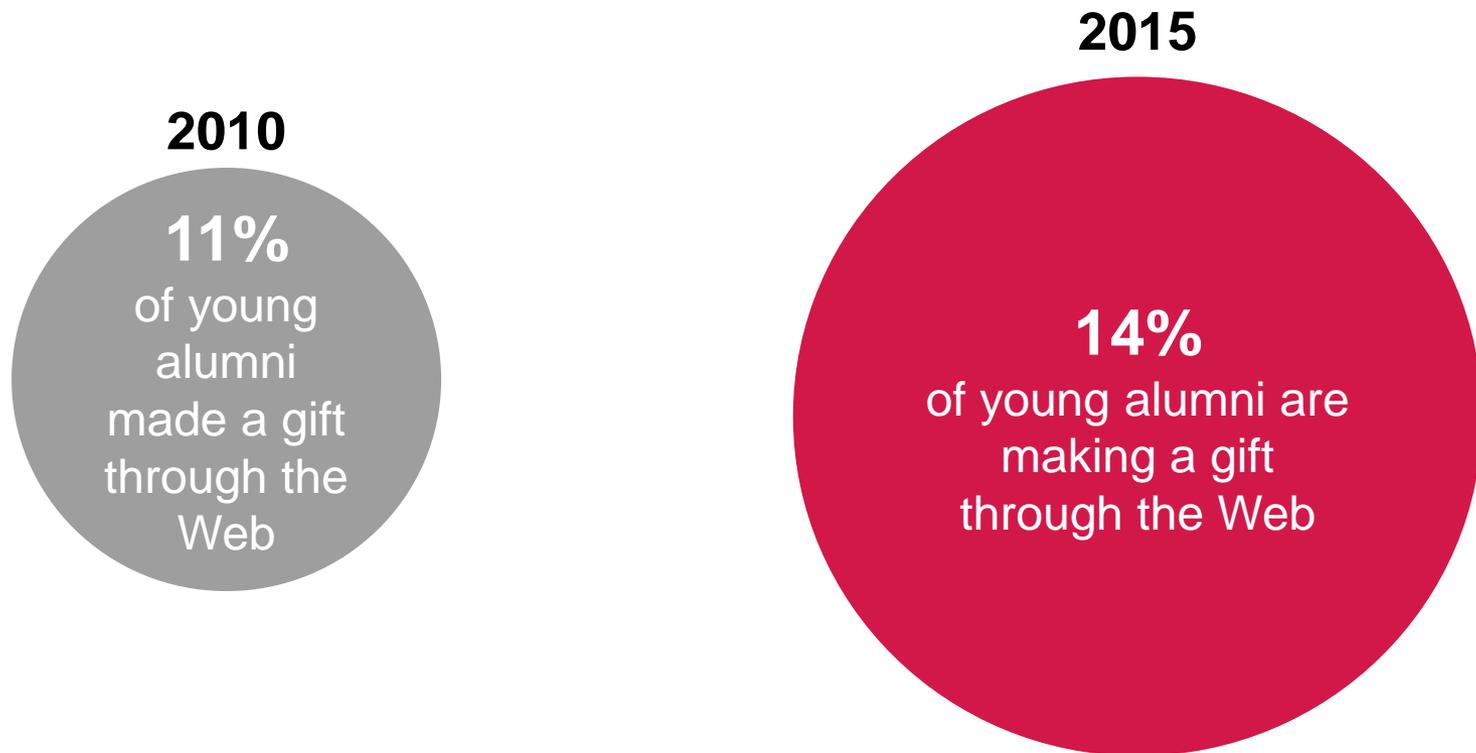
2010



2015



Young alumni are increasingly giving online when solicited with compelling digital campaigns



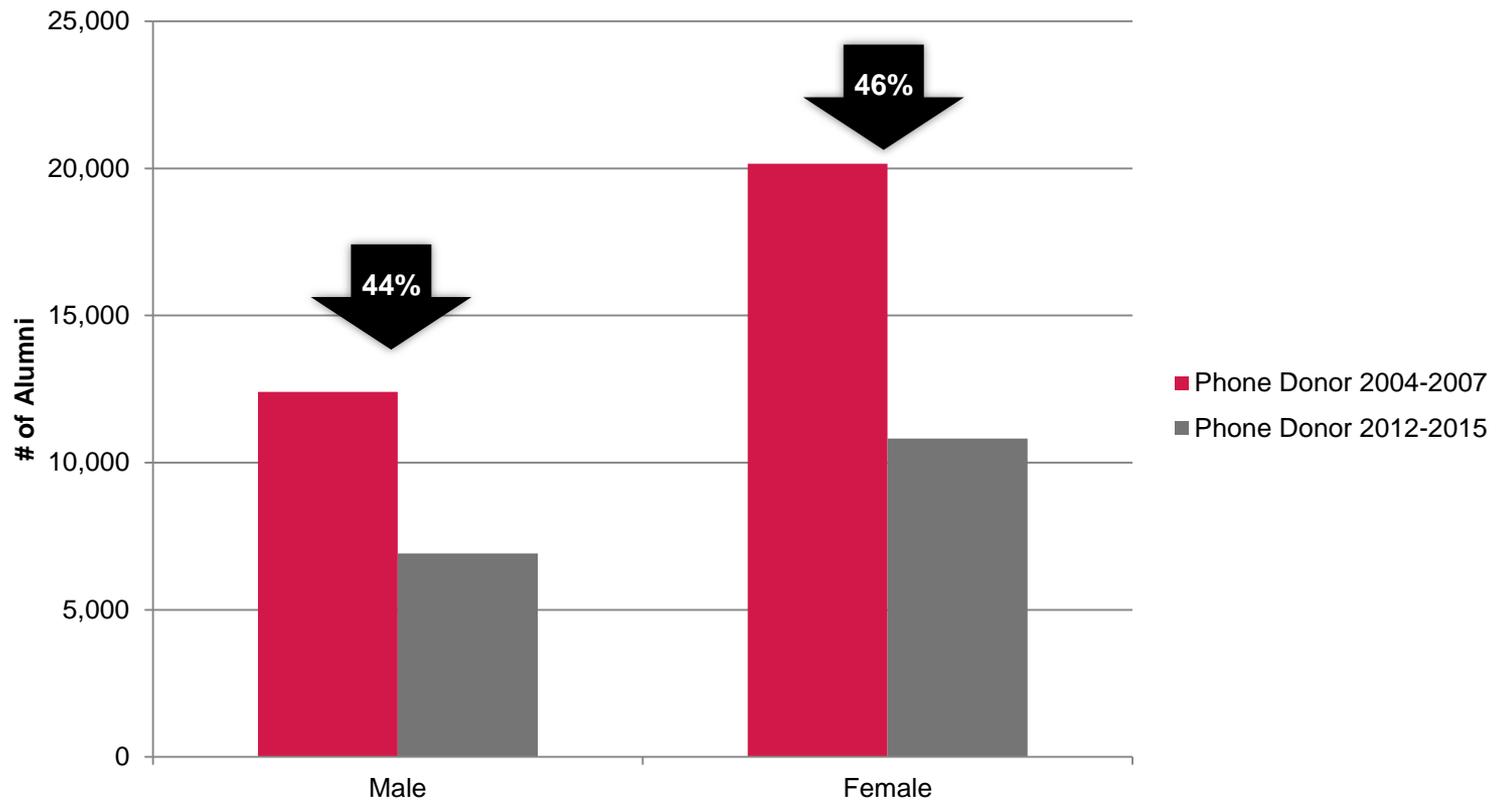
Mail remains an effective channel for generating young alumni support



Are men and women behaving differently?

- Female donors, once the most phone-responsive, are dropping off at higher rates

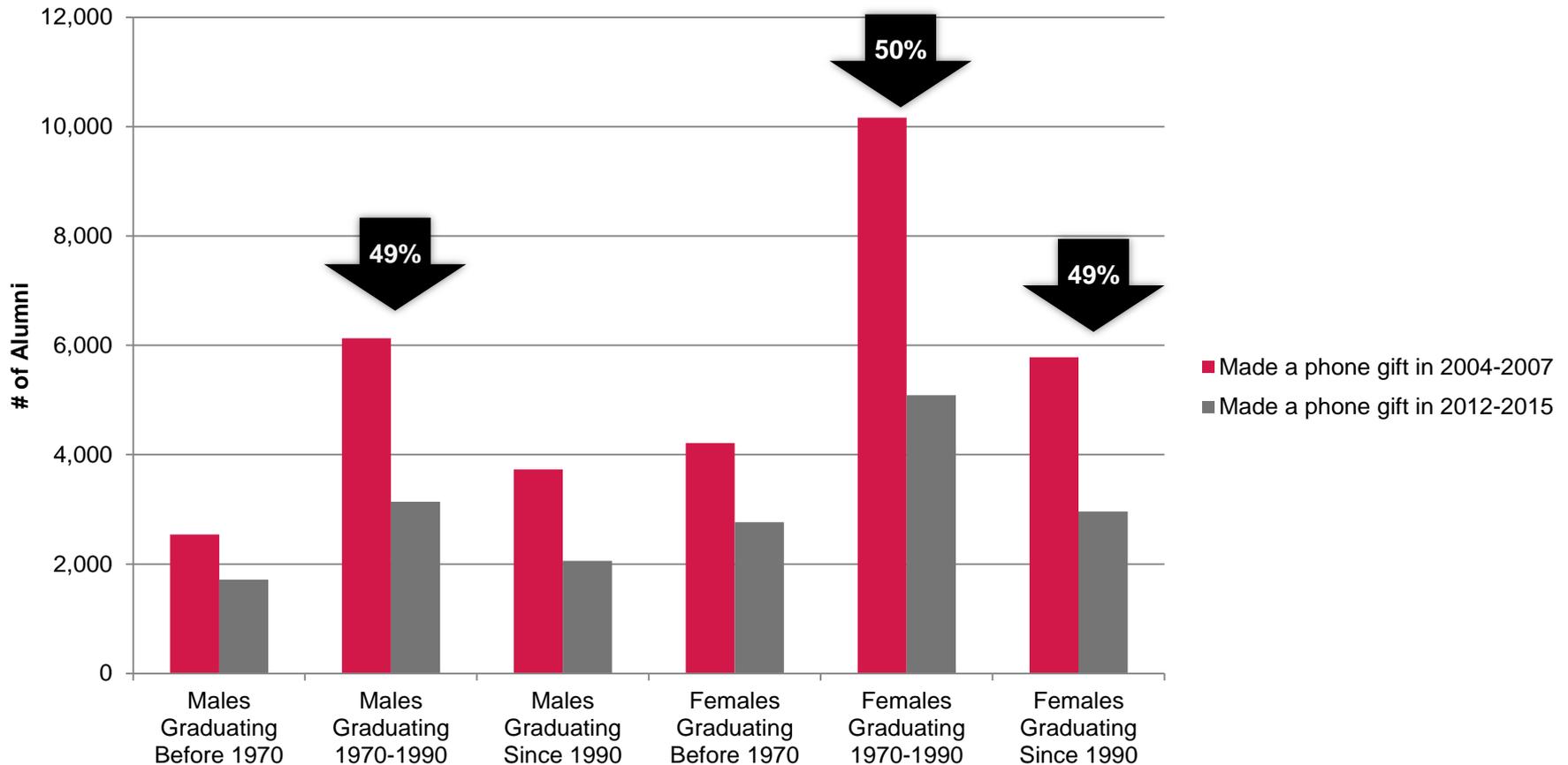
Alumni Phonathon Donors by Gender



Pinpointing the decline in telemarketing

- Women graduating since 1970, once the most reliable phonathon donors, have dropped at the steepest rate

Alumni Phonathon Donors by Gender and Era



Key takeaways

- Phonathon giving is down across every metric for all types of schools. There are fewer donors giving, and they are giving less.
 - **Action:** Consider adjusting investment level in phonathon to account for industry-wide trend
- Younger alumni are particularly unresponsive to phone, and this has serious implications for the future pipeline of donors.
 - **Action:** Examine telemarketing audience selection with age in mind
- Other channels – mail, online, event-based – are growing for schools that use them effectively. These channels are picking up donors who have stopped giving by phone.
 - **Action:** Analyze which groups of your phone donors are giving through other channels

Questions?

Thank you for participating today.

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