

The best practices are  
the ones that work for **you.**<sup>SM</sup>



EAB

Royall & Company

# **Tried, True, and New:**

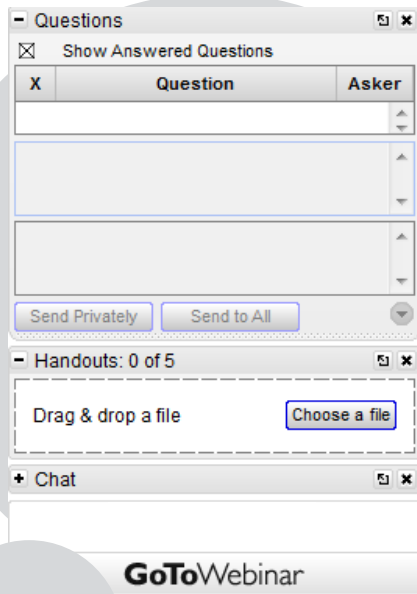
## *5 Steps to Increase Donors and Dollars*

October 24, 2017

# Before We Begin...

## A Few Housekeeping Items

- Phone lines are muted
- Submit questions during the presentation via chat on the GoToWebinar main screen



The screenshot shows the GoToWebinar interface with two main sections: Questions and Handouts. The Questions section is titled "Questions" and has a checkbox for "Show Answered Questions". Below this is a table with columns "X", "Question", and "Asker". There are two empty rows for questions. Below the table are buttons for "Send Privately" and "Send to All". The Handouts section is titled "Handouts: 0 of 5" and contains a dashed box with the text "Drag & drop a file" and a button labeled "Choose a file". Below the Handouts section is a "Chat" section with a plus icon and a text input area. The GoToWebinar logo is at the bottom.



## Today's speaker:



**Julie Solomon**

Practice Manager  
Advancement, Royall & Company

# Two Ways We Support Advancement Teams

## Finding and Forging Best Practice; Hardwiring It into Technology, Services

### Advancement Forum

Providing Thought Leadership and Best Practice for Advancement Executives



**Start with Our Members' Biggest Problems**



**Look for Breakthrough Practice**



**Give Actionable Advice**



**Support Best Practice Implementation**

#### What Makes the Cut?

Practices that are newsworthy, replicable, and demonstrate positive impact meet our criteria for best practice

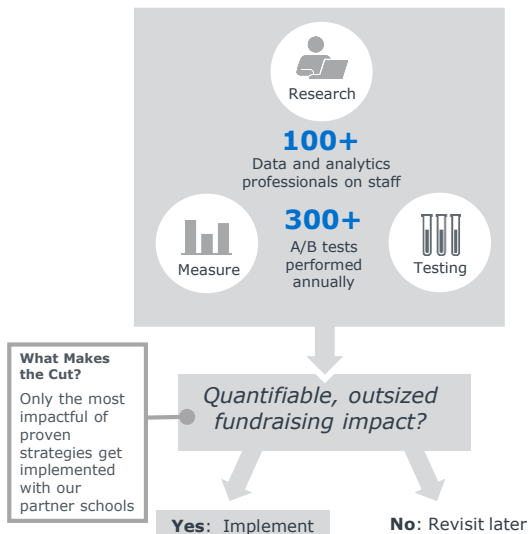
**190+**  
member institutions

**1,000+**  
Participants in annual research

**125+**  
studies, white papers, and other resources

### Royall & Company Advancement

Bringing a Data-Driven, Best Practice Engine for Alumni Engagement and Annual Giving to the Market



# Leveraging Data, Insights Across the Continuum

Serving Higher Education Since 1989

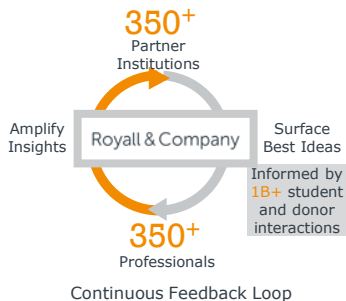
## ► Our Mission

*Utilize proven, data-driven strategies to help colleges and universities achieve their most important revenue goals*

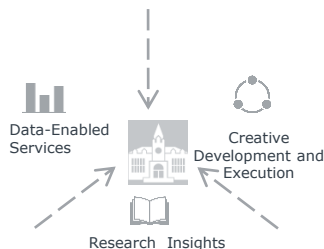


## ► Our Distinctive Approach

Gathering and Analyzing Data to Inform Best Practices...



...Through Our Unique Collection of Capabilities...



...Across the Nation's Campuses

Abilene Christian Univ.	Millsaps College
Baylor University	Oregon State University
Boston University	Pepperdine University
Case Western Reserve	Swarthmore College
Central Washington Univ.	Univ. of Central Missouri
Fordham University	University of Denver
Iona College	University of Memphis
Jacksonville University	University of New Mexico
Kent State University	Wake Forest University
Longwood University	Wittenberg University

# 1 Trends Affecting Sustainability

2 Take Stock

3 Pivot With Purpose

4 Think Big For Spring

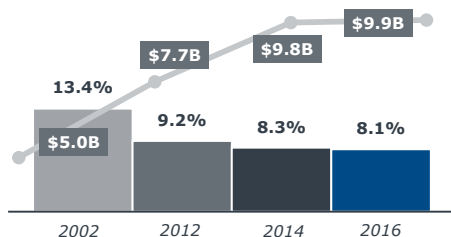
5 Lay the Groundwork

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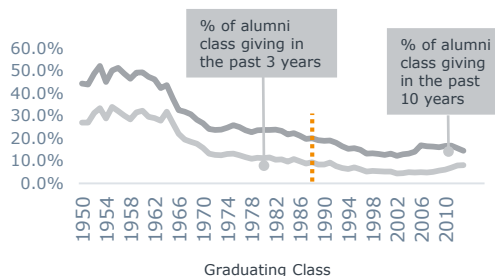
# Several Obstacles Impede Annual Giving Growth



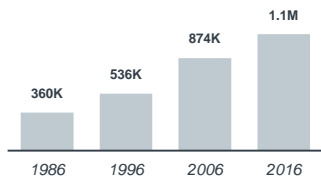
## Alumni Support in a 25+ Year Decline



## Over-Reliant on Older Donors



## Nonprofits Have Tripled in 30 Years, Overcrowding the Marketplace



Number of Public Charities, 1986-2016

## Attracting and Retaining Donors More Complex in an Attention Economy

Unpredictable



Predictable

**Impulse Givers (42%)**

**Habitual Supporters (6%)**

**Selective Givers (17%)**

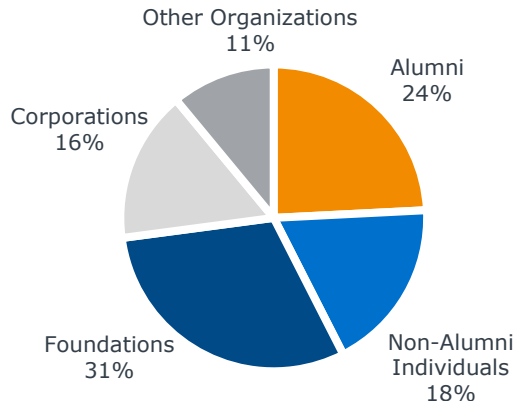
**Philanthropic Planners (16%)**

# Alumni Engagement with Alma Maters Fading



8

## Alumni Account for Less Than One-Quarter of \$41B Annual Support



## ... and Alumni Are Satisfied with Record Low Levels of Connectivity

**10%** of alumni *are* very connected to alma mater

**43%** of alumni *are not* connected to alma mater at all

**84%** of alumni *are satisfied* with their current level of connectivity



# Early Behavior Often Indicative of Future Gifts

Major Donors<sup>1</sup> Typically Make First Gift About 5 Years After Graduation

80%

Of alumni major gift donors made consistent gifts in first five years after graduation

40%

Of major gift donors started with a gift of under \$100

19.4

Average years for donor to reach highest level of giving

## Majority of Major Donor Alumni Begin Giving During Their First 10 Years Out Of School



Graduation



**1 year**  
after  
graduation



**3 years**  
after  
graduation



**10 years**  
after  
graduation

1) Major donors are typically defined as individuals who donate \$100K+

1

Trends Affecting Sustainability

2

**Take Stock**

3

Pivot With Purpose

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Think Big For Spring

5

Lay the Groundwork

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Are you on track to achieve

65–70%

of your fiscal year goals by December 31?

---

If not, you've got some  
ground to make up to reach  
your FYE goals this year.

# Annual Giving Data

## Leverage Data for Effective and Efficient Fundraising Performance



# Overall Donor Communication Strategy

## 5 Areas of Variability Improve Donor Experience, Engagement and Giving

### Channels

- Direct Mail
- Email
- Social Media
- Mobile
- Phone
- Personal Visit



### Messaging

- Strong need/cause
- Storytelling
- Peer-to-peer
- Legacy appeal
- Tangible results of giving
- “What’s in it for me”



### Call to Action

- Drive online
- Hard copy reply forms
- “Restricted” giving option
- Small ask/recurring monthly billing



### Creative

- Bold, colorful highly graphic
- Sophisticated, subtle, formal
- Long vs. short form
- Institutional vs. Conversational
- Video



### Frequency

- Number of contacts before responding to an ask
- Frequency of cultivation communication



# Common Annual Giving Performance Metrics

## Replacing Your Gut with Something More Solid, Reportable



### CRD

- Cost to Raise a Dollar
- Cost to Raise a Donor/Net Cost to Acquire
- Dollars Raised/Dollars Spent
- Donors/Dollars Spent



### RFM

- Recency
- Frequency
- Monetary Value



### LTV

- Long Term Value
- Sum Total of Giving/# of Gifts

### ROI

- Return on Investment
- Dollars Spent/Dollars Raised
- Develop Resource Strategies
- Rightsizing Investments in Channels and Programs



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# Dollar Focus

Segmentation, solicitation and monitoring to help achieve programmatic goals

## Planning

Identify underperformers

Prepare staffing and marketing

Adjust prior plan as necessary



## Analysis

Analysis of Donors and Dollars to find pockets of opportunity

Map out how you will achieve your goal



## Solicitation

Multichannel marketing support for messaging and solicitation

Staff Outreach and Follow Up



## Performance Tracking

Monitoring pools and progress

Actionable reporting to focus outreach and follow up to those most likely to give





# How Are Your Donors Behaving?

## By Monitoring Gift Band Migration

		Total Prior-Year Giving: 2015 Gift Level														
		\$50,000+	\$25,000-49,999	\$10,000-24,999	\$5,000-9,999	\$2,500-4,999	\$1,500-2,499	\$1,000-1,499	\$500-999	\$250-499	\$100-249	\$50-99	\$25-49	\$1-24	Total	
Current Year: 2016 Gift Level	\$50,000+	3 75%		1 25%											4	
	\$25,000-49,999		1 20%	2 40%							2 40%				5	
	\$10,000-24,999	1 11%		4 44%		1 11%	1 11%	1 11%	1 11%						9	
	\$5,000-9,999		1 3%	1 3%	13 45%	9 31%	2 7%	2 7%	1 3%						29	
	\$2,500-4,999				2 5%	28 64%	6 14%	4 9%	1 2%	1 2%	2 5%				44	
	\$1,500-2,499				1 2%	4 8%	27 54%	6 12%	7 14%	3 6%	2 4%				50	
	\$1,000-1,499		1 1%	1 1%	2 3%	2 3%	5 7%	36 53%	8 12%	5 7%	7 10%				68	
	\$500-999					4 5%	5 7%	4 5%	35 48%	10 14%	14 19%	1 <1%			73	
	\$250-499							3 3%	12 10%	54 47%	35 30%	9 8%	1 1%	1 1%	115	
	\$100-249					1 <1%	1 <1%	6 1%	11 3%	37 9%	285 69%	56 14%	14 3%	3 1%	414	
	\$50-99					1 <1%					6 2%	78 26%	167 55%	45 15%	6 2%	303
	\$25-49								2 1%	3 1%	10 4%	62 27%	145 63%	9 4%	231	
	\$1-24							1 2%			6 9%	3 5%	24 37%	31 48%	65	
	Total	4	3	9	18	50	47	63	78	119	441	298	230	50	1,410	

# Donor Focus

Overall, Traditional Degreed Undergraduate or Special Constituencies

## Planning

Identify resources available for retention and acquisition streams

Identify underperforming constituencies

Adjust as necessary



## Analysis

From your data, pinpoint those with highest likelihood to respond

Segment and schedule strategic outreach



## Solicitation

Multichannel marketing support for messaging and solicitation

Staff Outreach and Follow Up



## Performance Tracking

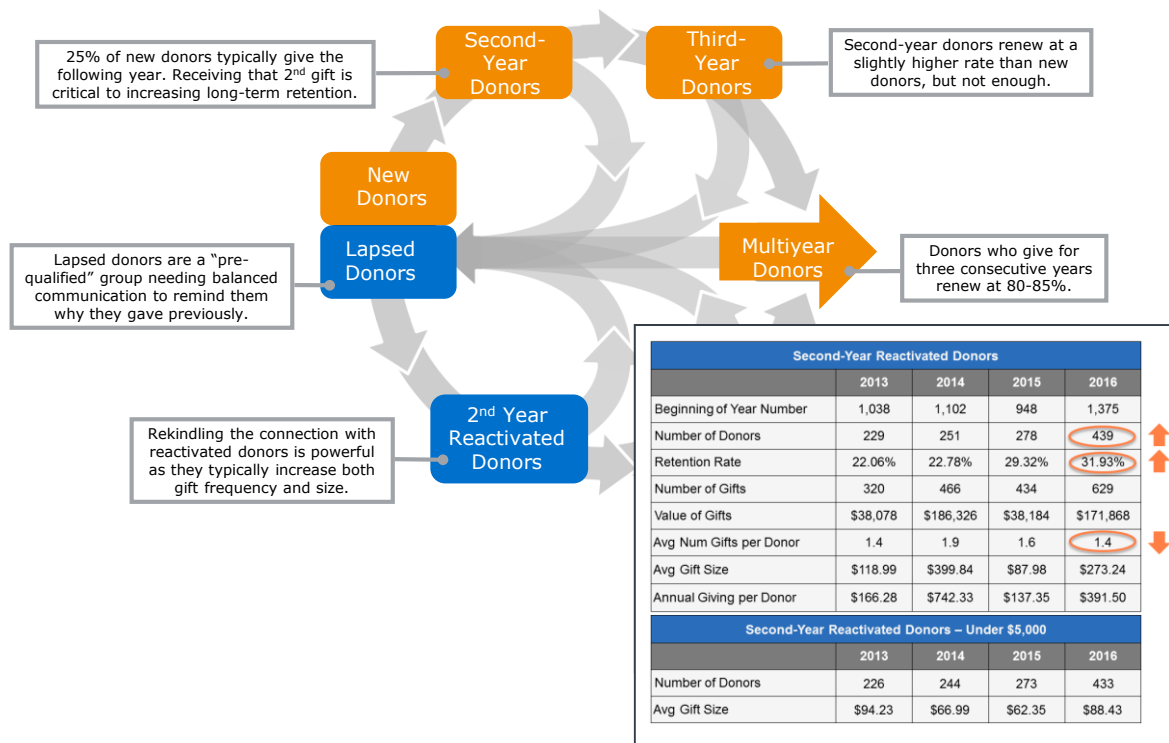
Monitoring pools and progress

Actionable reporting to focus outreach and follow up to those most likely to give



# Segment Donors by Giving History

Single, Biggest Indicator of Future Giving Is an Individual's Past Actions



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---

# Revisit and Adjust your Annual Plan

## Utilize Alternate Outreach Strategies

### From Fall and Calendar Year End...



### ...To Spring and Fiscal Year End



#### **Predictable outreach schedule**

Solicitation predicated by milestones at highest performing times of year



#### **Segments based on giving history**

All alumni who give similarly get same appeals



#### **Single-channel or lightly multi-channel outreach**

Channels operate independently of one another



#### **Separation of engagement and gift appeals**

Engagement content planned without reference to gift asks



#### **More Freedom to Experiment**

Days of Giving, Crowdfunding Initiatives, Social Media Campaigns



#### **More nuanced segments**

Alumni grouped based on passions, interests, and behaviors



#### **Omni-channel campaigns**

All channels, including full range of digital, used to deliver appeal



#### **Integrated content marketing and appeals**

Engagement serves to “warm” prospect pool and surface leads

# Measure Progress Toward Goal



FY18 Annual Plan							
	July	August	September	October	November	December	
Planning/ Development	Annual Planning	Fall Renewal Planning	Calendar Year End and High End Campaign Planning		Year-End Deadline Planning		
Deployment			Fall Renewal		Calendar Year-End and High End Package		
Contacts			Mail: Mid-Late September Qty: 2,200	Email 2: week of 10/9	Mail 1: Week of 11/13 Qty: 2,000 Never-giver: 5,000	High-End Mailing: Week of 12/4	Email 5: 12/29
			Email 1: week of 9/25		Email 1: week of 11/13	Mail 2: Week of 12/18 Qty: 1,800	Email 6: 12/31
					Email 2: week of 11/20		
						Email 3: 11/28	Email 4: week of 12/18

# Channel Preference for Evolving Donor Behavior

## More Devices and Media in Our Daily Lives



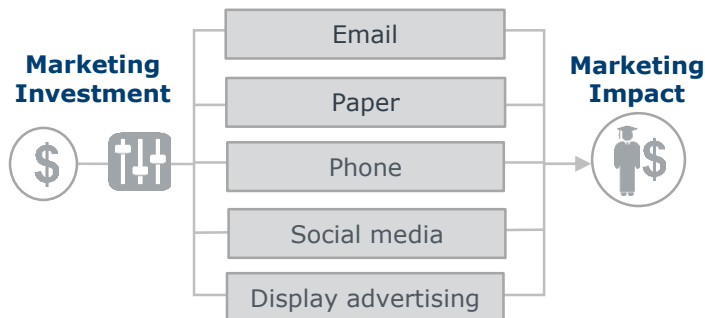
# A Multichannel Perspective for Fundraising



## "One Size Fits All" Efficacy Fades

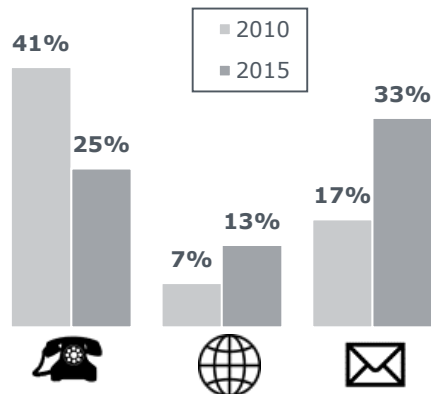
### Right Question:

*Which combination of marketing investments will maximize your ROI?*



### Right Question:

*How do your donors prefer to give?*



### Actionable Data and Analytics Deliver More

#### Shifting Donor Channel Preferences

Using a decade of transactional gift data provides a comprehensive view of how donors are shifting between giving channels over time.

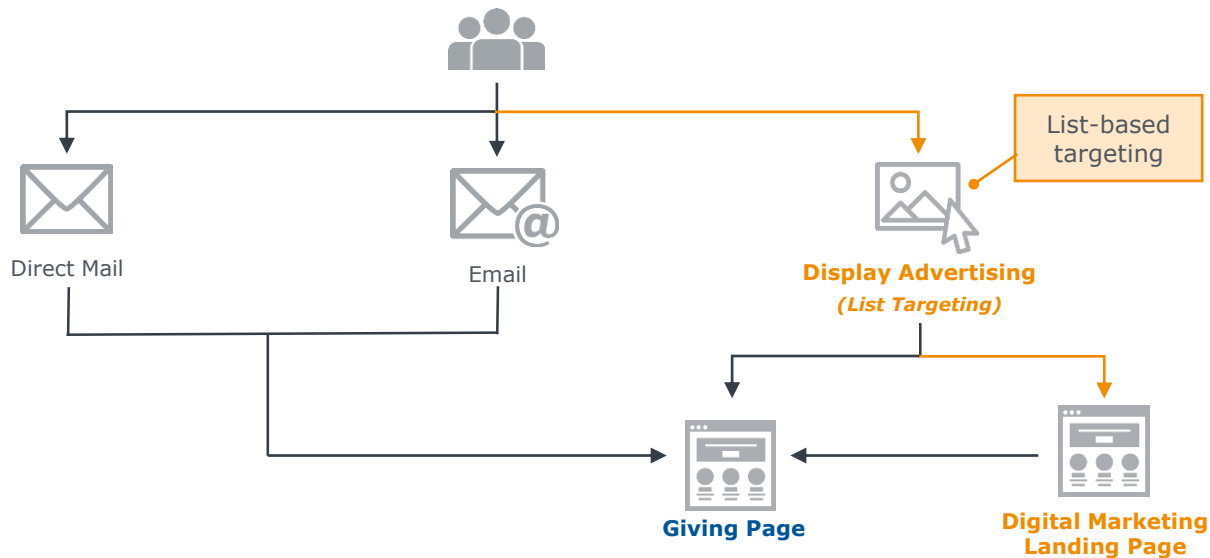
#### Engagement Data = Smarter Channels

Alumni who read and click on solicitation emails are primed to give. Capitalize on this by feeding these names immediately into Phonathon or giving priority in the next mailing.



# The New Donor Experience

## Multiple Paths to Giving Maximizes Donor Response



# Overview of Generations

## Reaching Donors Where They Are

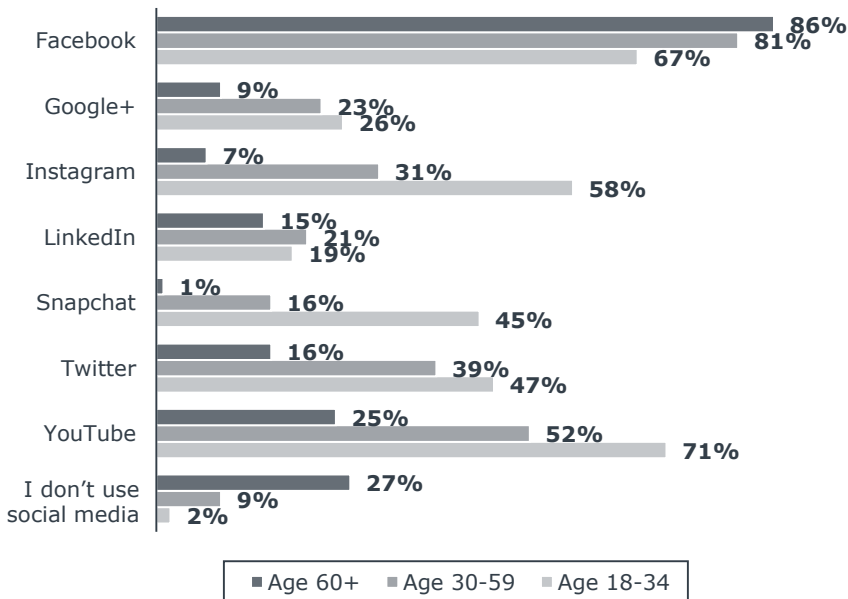
<b>The Realists</b>  <i>Millennials</i> <i>(Born 1981-1997)</i>	<b>The Skeptics</b>  <i>Gen X</i> <i>(Born 1965-1980)</i>	<b>The Leaders</b>  <i>Baby Boomers</i> <i>(Born 1946-1964)</i>	<b>The Loyalists</b>  <i>Matures</i> <i>(Born 1945 - Before)</i>
<b>5% of total giving</b>	<b>16% of total giving</b>	<b>42% of total giving</b>	<b>37% of total giving</b>
% of Millennials that give = 60%	% of Gen Xers that give = 59%	% of Boomers that give = 72%	% of Matures that give = 88%
% that give to alma mater = 2.5%	% that give to alma mater = 12.3%	% that give to alma mater = 21.5%	% that give to alma mater = 15.9%
<b>Average annual donation to alma mater = \$61</b>	<b>Average annual donation to alma mater = \$288</b>	<b>Average annual donation to alma mater = \$636</b>	<b>Average annual donation to alma mater = \$1,244</b>
Cause-oriented, strong need, digital-centric, motivated by peers, prefers to specify gift usage, volunteering is path to giving	Self-sufficient, convenience-oriented, distrustful of institutions, give more frequently, want tangible results, cause-oriented	Leaders, methodical & premeditative, will donate time, competitive, strong fundraisers, attracted to recurring gifts	Hardworking, reluctance to change, strong faith in institutions, regimented givers, legacy-motivated

# Generational Usage of Digital & Social Media

All Generations Are Major Media Consumers...Not Just Millennials

## Reach of Selected Social Media in U.S.

*As of February 2017, by age group*



# Social Media in Annual Giving Today



## Most Popular Uses of Social Media

- Day of Giving
- Recruitment of social-media ambassadors
- Student philanthropy
- Crowdfunding



## Most Effective Social Media Platform

FACEBOOK

\* Institutions that post regularly will have the largest likelihood of success with social-media fundraising

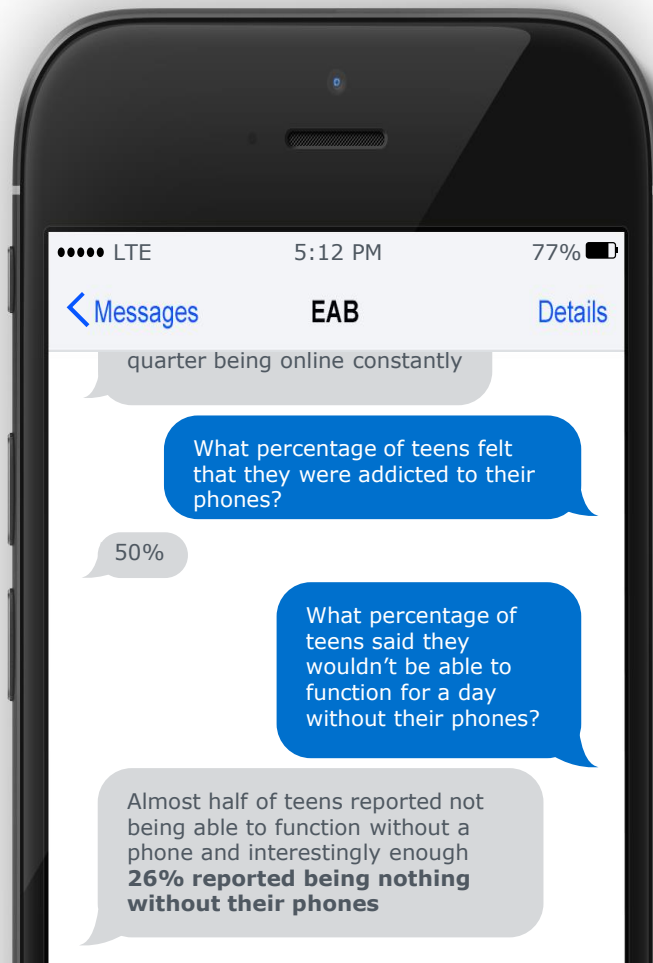


## Top Forms of Social Media Measurement

- Followers, friends, connections, comments
- Click-throughs
- Facebook insights

*Most Recent Student  
Preferences Survey  
Reveals ...*

- ... 50% **"can't function"**
- ... 26% are **"nothing"**
- ... without their phones



# FY18: Expanded Digital Engagement



30



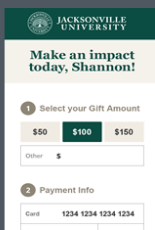
## Social Digital Display Marketing

- Email list-based display, retargeting and in-stream social media ads, included in all CYE, FYE, and Day of Giving campaigns\*
- Multiple creatives, execution and optimization, reporting for all campaigns
- \* Includes marginal pass through charge (similar to postage)



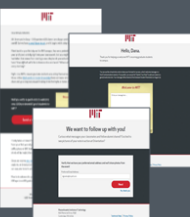
## Digital Ambassador Platform

- Peer-to-peer engagement enabling event and deadline messaging via social connections
- Gamification for ambassadors, rewarding alumni engagement
- Email streams support alumni and ambassadors before, during and after events



## Optimized Giving Pages

- "1-click" giving user-experience powered by Stripe payment technology
- Customized "Thank You" and fulfillment page for additional data gathering and messaging
- Fully-compliant and integrated with donor management system through easy API



## Summer Engagement

- Establish and cultivate alumni connections with a non-financial request in the summer (e.g. complete virtual post it note, update profile, answer a poll, etc.)
- Utilize program engagement data to inform upcoming campaigns as a more predictive indicator of future giving.

1

Trends Affecting Sustainability

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Lay the Groundwork

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# A New Playbook for Annual Giving Leadership

## Pursue Strategies to Address Fundraising Sustainability

### From Old-School Fundraising...



### ...To Current Best Practices



#### **Development Begins at Graduation**

First solicitations typically senior year or after



#### **Decentralized alumni "services" model**

Each operational area functioned separately, non-integrated outreach to alumni



#### **Data in various locations on campus**

In academic department records, in Athletics or Fine Arts ticketing system



#### **Annual Giving Did It All**

Research, mailings, solicitations, reporting



#### **Establish Engagement Expectations Early in Lifecycle**

Pave the way for the dialogue to begin much earlier



#### **Intentionally link development, alumni relations and career services**

Embrace integrated approach and more comprehensive view of student/alumni journey



#### **Data centralized and/or available to fundraising operation**

Utilize shared resources for all key stakeholders



#### **Assess and invest in programs and resources to support evolving expectations**

Increase internal capabilities; leverage outside resources and expertise



# End of Calendar Year Checklist



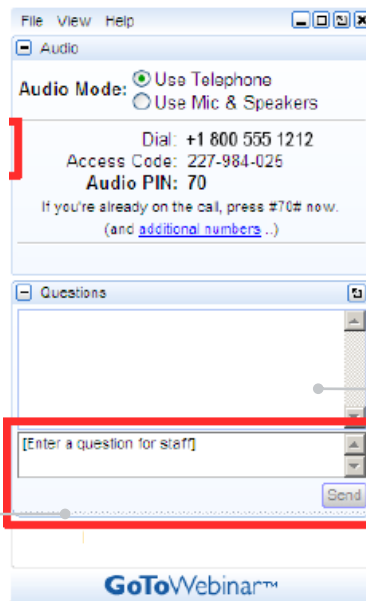
- 1 Take Stock of Progress to Date
- 2 Pivot with Purpose and Flexibility
- 3 Think Big for Impact and Outcomes
- 4 Refocus your Marketing and Communications
- 5 Continue to Lay the Groundwork

▶ **Bonus**  
**Complete survey at  
end of webinar to  
request our newest  
resource:**

**More Dollars and  
Donors With This  
One Change to Your  
Campaign**

# How to Submit Questions to Our Panelists

## Enter a Question in the Question Panel



The screenshot shows the GoToWebinar interface. At the top is a menu bar with 'File', 'View', and 'Help'. Below it are two main panels. The 'Audio' panel contains the following text: 'Audio Mode:' followed by two radio buttons, 'Use Telephone' (which is selected) and 'Use Mic & Speakers'. Below this, it says 'Dial: +1 800 555 1212', 'Access Code: 227-984-025', and 'Audio PIN: 70'. A note at the bottom of the Audio panel says 'If you're already on the call, press #70# now. (and [additional numbers](#) ..)'. The 'Questions' panel is below the Audio panel. It has a large text input area with a placeholder text '[Enter a question for staff]'. A red rectangular box highlights this input area and the 'Send' button located to its right. A vertical scrollbar is visible on the right side of the Questions panel. At the bottom of the window is the 'GoToWebinar™' logo.

Type your question  
and hit Send

The presenter  
may answer the  
question here or  
respond verbally

# Run Annual Campaigns That Keep Giving Back



Deploy strategy  
with **data  
analytics**

- Culling and analyzing your data
- Modeling and segmentation
- Strategic direction



Optimize  
**campaign  
design**

- Customized creative
- Full online and print production



Drive **campaign  
performance**

- Messaging implementation
- Performance monitoring  
and reporting

## ▶ The EAB | Royall Difference



Targeting and  
Timing Expertise



Rigorous  
Analytics



Creativity

## For More Information



**Julie Solomon**

[jsolomon@royall.com](mailto:jsolomon@royall.com)

(800) 899-7227



The best practices are  
the ones that work for **you**.<sup>SM</sup>

## ▶ Start with best practices research

- › Research Forums for presidents, provosts, chief business officers, and key academic and administrative leaders
- › At the core of all we do
- › Peer-tested best practices research
- › Answers to the most pressing issues

## ▶ Then hardwire those insights into your organization using our technology & services

### Enrollment Management

Our **Royall & Company** division provides data-driven undergraduate and graduate solutions that target qualified prospective students; build relationships throughout the search, application, and yield process; and optimize financial aid resources.

### Student Success

Members, including four- and two-year institutions, use the **Student Success Collaborative** combination of analytics, interaction and workflow technology, and consulting to support, retain, and graduate more students.

### Growth and Academic Operations

Our **Academic Performance Solutions** group partners with university academic and business leaders to help make smart resource trade-offs, improve academic efficiency, and grow academic program revenues.

1,100<sup>+</sup>

College and university members

10,000<sup>+</sup>

Research interviews per year

475M<sup>+</sup>

Course records in our student success analytic platform

1.2B<sup>+</sup>

Student interactions annually