Despite Cutting Phone Program, Revenue Increases More Than 25 Percent

Regional Public University

**About:** Flagship university in Midwest with a strong athletics affinity and loyal older alumni base.

**Challenge:** A donor participation decline of 8% over the last five years, combined with increasing cost of running the phonathon, was taxing the institution. Leaders decided to completely divest of the phone program for FY17 to get a true sense of what the impact would be if this declining channel was permanently removed.

**Solution:** The university partnered with our team to grow other channels outside of phonathon. A combination of deadline-driven messaging and targeting of never-givers and lapsed donors was key to driving revenue growth to offset revenue lost from phonathon and grow revenue in general.

**Impact:** In the first half of the first year of this partnership, revenue from gifts under $5,000 from mail donors grew 25%. This increase in mail revenue is even greater (33%) when removing FY16 phone donors from the analysis.

### Urgency Messaging and Strategic Targeting via Mail, Online Lift Revenue

**Revenue by Fiscal Year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$1.5M</td>
</tr>
<tr>
<td>2017</td>
<td>$1.9M</td>
</tr>
</tbody>
</table>

- 25% increase

**Revenue by Appeal Type (All Gifts < $5,000)**

<table>
<thead>
<tr>
<th>Appeal Type</th>
<th>FY16</th>
<th>FY17</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Mail</td>
<td>$289K</td>
<td>$431K</td>
<td>49%</td>
</tr>
<tr>
<td>Online</td>
<td>$144K</td>
<td>$150K</td>
<td>4%</td>
</tr>
<tr>
<td>Phonathon</td>
<td>$125K</td>
<td>$7.4K</td>
<td>94% decrease</td>
</tr>
</tbody>
</table>

- Increase in revenue for gifts under $5K: 25%
- Increase in revenue for gifts under $5K when removing FY16 Phone Donors from analysis: 33%
- Increase in donations via mail: 49%
Can You Cut Your Phonathon and Do Just Fine?

8 Out of 10 Donors Who Previously Gave via Phone Have Not Yet Engaged

Cutting Phonathon Has Implications

While this partner decided not to run a phone program for the entirety of FY17, results support the best practice of right-sizing the phonathon rather than divesting of it altogether. Our recommendations include:

- Smaller calling pools
- Modest phone investment
- Manageable in-house

Bringing Phone Back at a Reduced Investment

Targeted, Modeled Data

- Target data lists based on past behavior
- Meet past phone donors where they are

Online Communications Engage Donors of All Ages

Online Donors

Online messages sent to all donors and never-givers generate responses from across generations.

Perceptions that young alumni represent the largest group of online givers do not prove true.