



The Individualized and Discerning Constituents

Part III of Preparing for Advancement's Digital Future

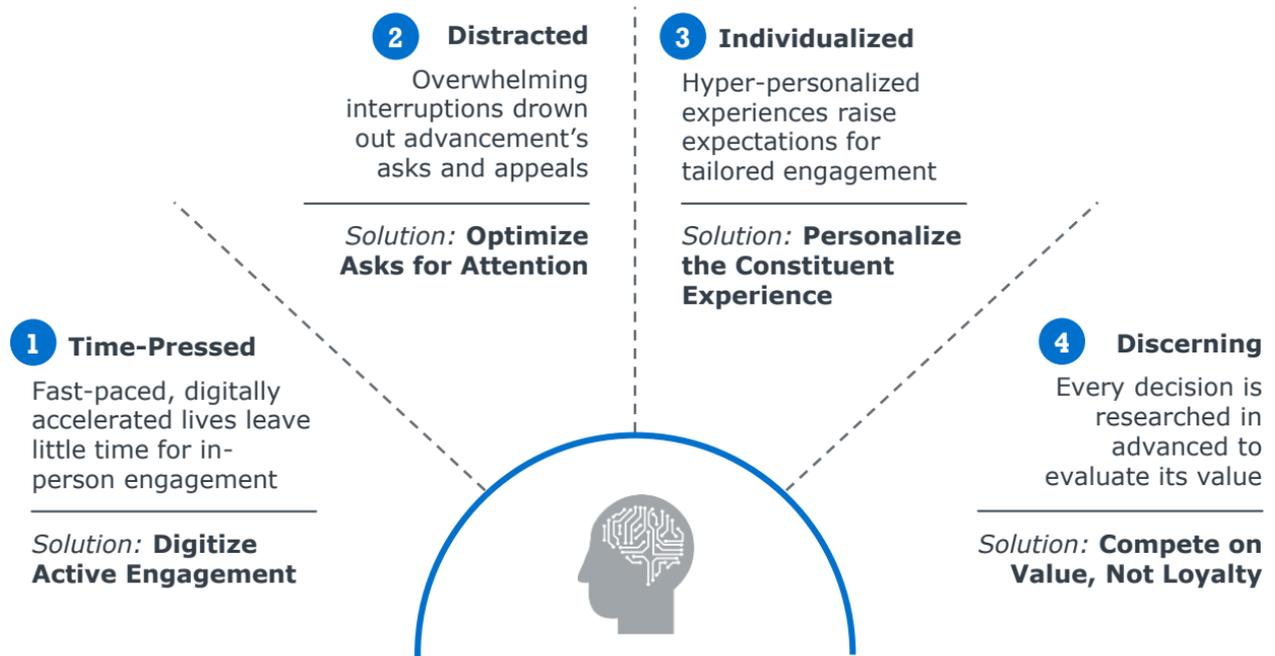
Advancement Forum



Preparing for Advancement's Digital Future

Lessons from the Leading Edge of Marketing and Engagement

Today's Constituents Are...





The Individualized Constituent

Personalizing the Constituent Experience

SECTION

1



The Personalization Imperative

Bespoke "Just-for-Me" Constituent Experience the Rule, Not the Exception

Constituents Seek Out Personalization

Normalized Google Search Ranking of "For Me"¹



-  What **running shoes** are best for me?
-  Which **dog** is right for me?
-  What is the best **haircut** for me?

Companies that Deliver See High Returns

16% Lift in sales from personalized web experiences

80% Of consumers are **more likely to buy** if their experience is personalized

94% Of marketers say personalization is important to **meeting their goals**

Sources: ["Marketers Disclose Personalization Opportunities and Challenges in New Study," Conversant, September 2, 2014;](#) Amy Gesenhues, "Stop Being rude: 22 Data-Backed Reasons to Personalize Your Marketing," HubSpot Blog, September 12, 2013.; [Google Trends, 2018.](#); "Meeting Consumer Expectations in a Personalized World – Think with Google," Google, July 2018.; "New Epsilon Research Indicates 80% of Consumers Are More Likely to Make a Purchase When Brands Offer Personalized Experiences," Press Room, January 9, 2018.; "Study: Personalized Emails Deliver 6X Higher Transaction Rates, But 70% Of Brands Fail To Use Them," Marketing Land, February 6, 2014.; Advancement Forum interviews and analysis.

1) Data snapshot taken from April of each reported year. Data represents "for me" as percentage of all Google searches, indexed to 100.

Higher Ed's Not Exempt from Personalization Pressures

“People now expect personalization from their alma mater. They expect us to **keep track of their interactions and preferences, and tailor our offerings** to meet their needs. It’s not just about changing how we talk to people. We have to create more customized offerings to begin with.”

*Jennifer Campbell
Associate Vice President,
College Relations and Communications
Ithaca College*



From One-Size-Fits-All to One-on-One

Emerging Best Practices for Personalizing the Constituent Experience

Best-Practice Institutions...

1 Highlight Individuals, Not the Institution

- ▶ Person-Branded Email Outreach
- ▶ Engagement Portfolio Managers

2 Promote Topics that Align with Constituent Interests

- ▶ Constituent Listening Campaigns
- ▶ Hyper-Targeted Affinity Asks

Inspire Engagement



Increase Relevance



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Increase Relevance

Constituents Hungry for Personal Outreach

Spam's Rise and Personal Communications' Fall Prime the Pump

Lacking Personal Connection

The average American **receives a personal letter** once every...

1987



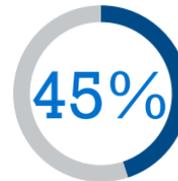
2 Weeks

2011



7 Weeks

Distrustful of Mass Marketing



Of all global email traffic is spam

“People are so inundated with spam nowadays, they often hesitate to open email from unfamiliar senders—and **they're more likely to trust a personalized sender name and email address** than a generic one.”

*Lindsay Kolowich
Senior Manager, Content Strategy
Hubspot*

Sources: Lindsay Kolowich, "19 Simple Email Marketing Tips to Improve Your Email Open and Clickthrough Rates," *HubSpot Blog*, June 21, 2016, <https://blog.hubspot.com/marketing/make-emails-more-clickable-list>; "Average US Households Receive a Personal Letter Just Once Every 7 Weeks," *Daily Mail Online*, October 03, 2011, <http://www.dailymail.co.uk/news/article-2044652/Average-US-households-receive-personal-letter-just-7-weeks.html>; "Spam Statistics and Facts," *Cyberbullying*, <https://www.spamlaws.com/spam-stats.html>; Advancement Forum interviews and analysis.



Putting a Name to a Campaign

University of Florida Recasts Mass Blasts as Personal Touches

From a Generic Institutional Email...

 **University of Florida** → **11.4%**
 <ufgiving@ufl.edu> open rate
Last chance to join us in 2014!

 **Warrington Alumni News** → **18.4%**
 <ufalumni@ufl.edu>
Warrington Wire: Specialized Success

 **University of Florida** → **13.8%**
 <ufgiving@ufl.edu>
UF is rising and shining

...To a Personalized Sender

 **Leslie Pendleton** → **38.3%**
 <ufgiving@ufl.edu> open rate
The next 10 years

 **Heather Greig** → **47.4%**
 <ufalumni@ufl.edu>
Following Up

 **Emily Behrens, c/o 2016** → **37.4%**
 <ufgiving@ufl.edu>
Be our partner in the Gator Good

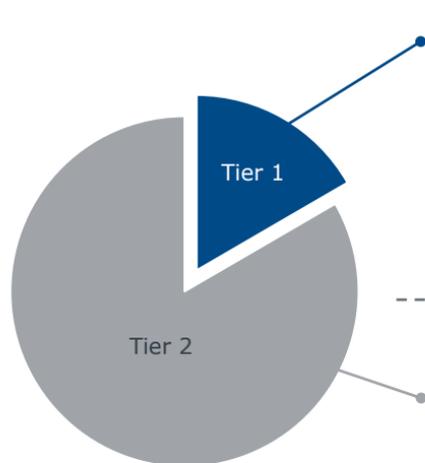
2.5x Higher open rates when using a person's name as the sender 



Relationship Managers Beyond Major Gifts

Elon's Engagement Officers Bring 'One-to-One' to Critical Young Alumni Years

Engagement Portfolios at Elon University



150

Top Priorities

- Family wealth
- Top volunteers
- Rapid upgrades

Tiered Engagement Strategy

Personalized, First-to-Know Marketing

- Prioritized for in-person visits
- Personalized messages via phone, text, email, and LinkedIn
- First to know about upcoming events and breaking news

1,000

Pipeline Prospects

- Developing capacity
- Gift potential unclear

High-Touch, Scalable Techniques

- Personalized outreach tactics (e.g., mail merge)
- Messages delivered primarily via phone and email

Measuring Engagement Outcomes

Officer Goals Focus on Priority Alumni and Track Key Behaviors

Outcomes Tracker for Assigned Alumni

1 Engagement type 2 Prospect priority

Engagement Officer Tracker		
Officer A	Tier 1	Tier 2
Events	77	466
Volunteerism	52	245
Giving	97	584

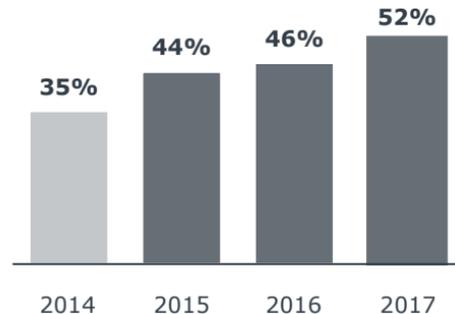
Officer B	Tier 1	Tier 2
Events	66	364
Volunteerism	65	231
Giving	77	498

Managed Prospects Advance through the Pipeline

41% Of managed alumni attend events

24% Of managed alumni volunteer (and 36% of Tier 1 alumni do so)

Assigned Prospect Giving Rate at Elon



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Inspire Engagement



Increase Relevance

'Who Made a Difference to You?'

Notre Dame Stops Talking and Starts Listening

Request for Feedback Sent to 35,000 Alumni



- How do you feel about Notre Dame?
- How do you feel about giving back to the university?
- What activities, groups, parts of campus, do you care most about?
- Who at Notre Dame made a difference in your life?

An Outpouring of Enthusiasm

“Something interesting happens when you lower the barrier to providing feedback. You not only get more feedback, but the **feedback trends more positively**, too.”

*Patrick Richer, Chief Client Officer
HundredX*

46%

Response rate to emails

8.7K

Faculty and staff recognized as having made a difference

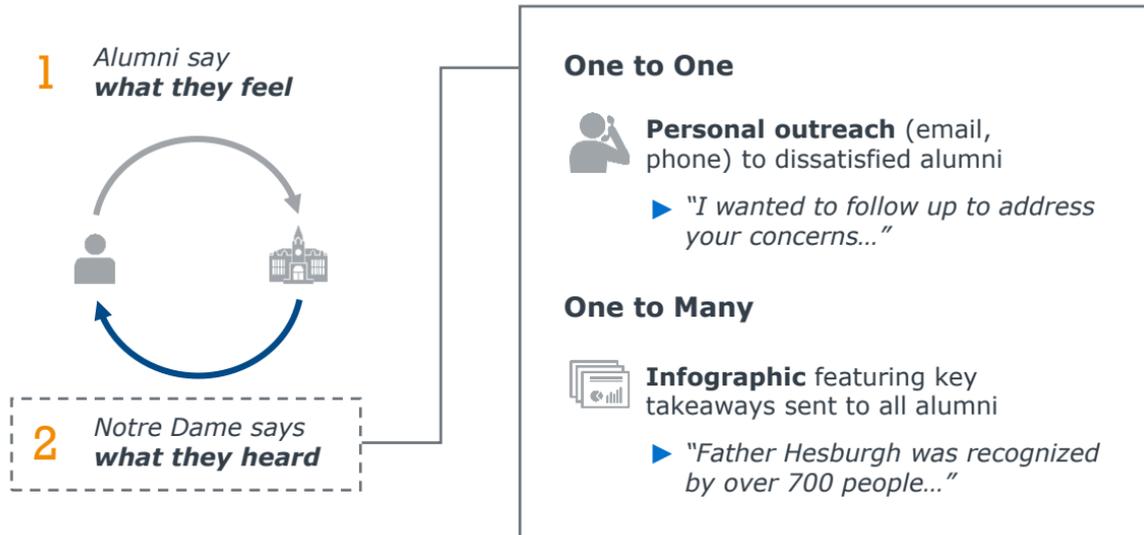
10K

Alumni interests identified

Closing the Feedback Loop

Infographic and Personal Outreach Signal to Alumni, 'We Hear You'

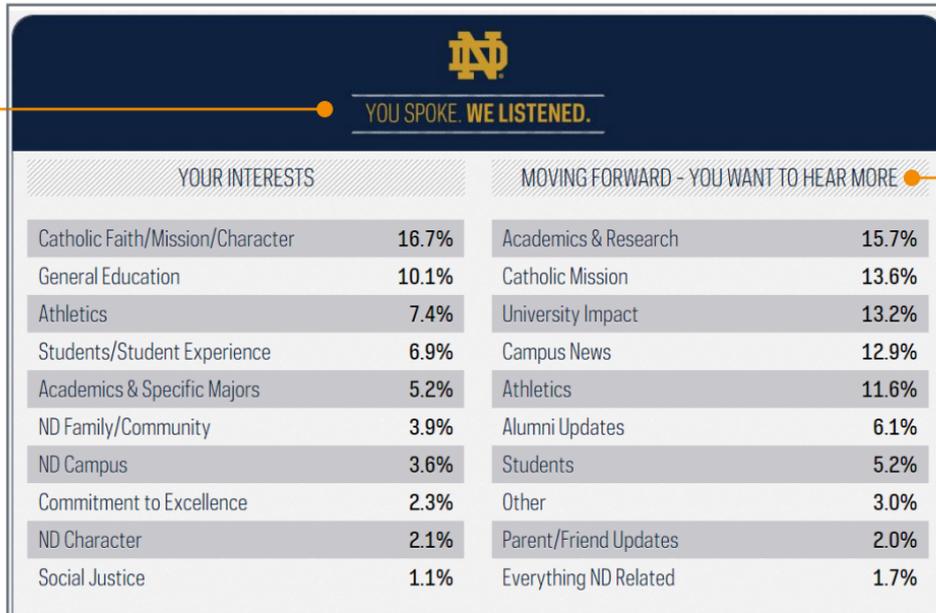
Follow-up Touches Demonstrate Notre Dame Was Listening



A Snapshot of Constituent Sentiment

Listening Campaign Infographic Broadcasts Results for All

Thoughtful branding



Preview of upcoming content offers reason to tune in

Granular data on constituents' interests

A Sea Change in Communications Strategy

Advancement Leaders Look to Engineer the Right Ask

“

Moving Toward Interest Segmentation

“We need to get to a point where, across campus, if someone has said they’re not interested in athletics for example, we don’t email them about athletics. We need to be sensitive to what people tell us they care about. **The more we treat individuals as individuals, the better.**”

*Brad Goff
Senior Director, Organizational Effectiveness
University of Notre Dame*

”

Old Model



One-size-fits-all strategy
yields low returns



New Model



Interest-based segments
meet personalization need

Seeding Hyper-Targeted Campaigns

BU and UConn Mine Social Media Data to Identify Affinity Prospects

Three Steps for Getting the Right Appeal to the Right Constituent



Post content to social media about campaign theme

Track who engages with content (like, comment, share)

Send targeted solicitations to those who engage



Human Rights Institute Campaign
University of Connecticut

16% vs. **26%**
Typical appeal open rate Open rate for social engagers

1.6x Increase in open rate



New Theater Building Campaign
Boston University

\$57 vs. **\$175**
Average gift for theater alumni Average gift for social engagers

3x Larger average gift



Personalizing the Constituent Experience

From One-Size-Fits-All to One-on-One

1 Focus on Individuals, Not Institutions

Short Term

- ▶ Replace generic institution email with a real name as the sender
- ▶ Automate a high-volume personalized prospect touch

Long Term

- ▶ Implement personalized engagement strategies for priority populations
- ▶ Assign engagement managers to non-major-gift constituents

2 Highlight Topics that Align with Constituent Interests

Short Term

- ▶ Mine digital engagement data to identify topics that elicit reactions
- ▶ Conduct an email listening campaign to surface feedback

Long Term

- ▶ Seed giving campaigns by posting and tracking non-ask social media content
- ▶ Apply interest-based segmentation to communications across the institution



Engaging Your Team in Strategy Formation

A Conversation Guide for Advancement Leaders

Discussion Questions

Notes and Ideas

<p>1 What communications or experiences can we personalize at scale?</p>	
<p>2 What technology can we use to give the appearance of personalization?</p>	
<p>3 In what ways can we use content we're already posting or sending to surface constituents' affinities?</p>	
<p>4 What steps would we have to take to code or tag communications by interest?</p>	
<p>5 What information do we already have collected that we can analyze for actionable insights on affinity?</p>	



The Discerning Constituent

Competing on Value, Not Loyalty

SECTION

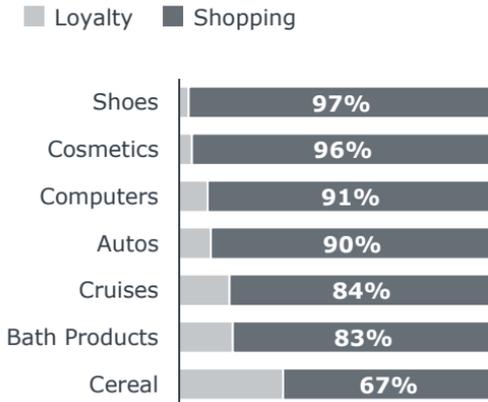
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The Death of Loyalty

Today's Constituents Reexamine Their Allegiances Every Time They Spend

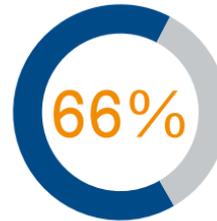
Shopping Around Now the Default...

Purchase Driver by Industry, McKinsey 2017



90% Of industries in McKinsey study were **driven primarily by shopping**

...Which Creates Acute Attrition Risk



Of consumers who shop around **switch brands** as a result

Triggering a New Purchase Path

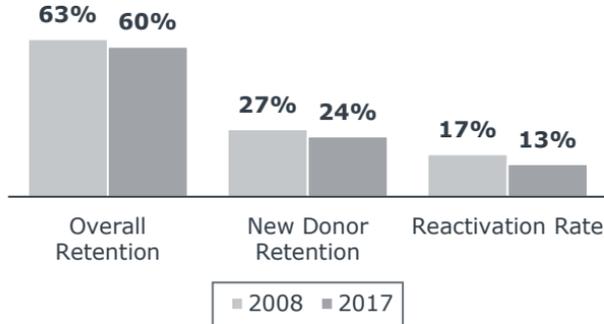
“What surprised us was not only how ephemeral loyalty is, but also how often consumers **switched brands once they decided to shop.**”

*McKinsey & Company
"The New Battleground for
Marketing-Led Growth"*

Higher Ed Feels the Heat from Loyalty's Decline

Pipeline KPIs Entering Red-Alert Territory

Harder than Ever to Hold Onto Donors...



...And Few New Donors to Fill Gap

-15% Decline in new donors, 2008-17

“Every year we get fewer new donors giving to us. **Our pipeline to the future is shrinking.**”

*Associate Vice President
of Alumni Relations and Annual Giving
Private Master's University*

What's Driving Away Our Loyal Donors?



Digital platforms give every nonprofit global fundraising reach



24/7 news cycle inspires impulse gifts, draws attention to causes



Loyalty-based **case for support** hits dull note with new generation

Loyalty Societies: Everyone's Favorite Band-Aid



Retention Programs Popular Across Sectors, Despite Questionable Impact



Commercial Sector



Loyalty Programs Proliferate...

46%

Increase in **loyalty program memberships** between 2013 and 2015 (to 3.8 billion)

...But Results Underwhelm

54%

Of loyalty program memberships (2.4 billion) **are inactive**



Higher Ed Advancement



69%

Of colleges and universities have **consecutive giving societies**

83%

Of gift society donors said it had **no influence on their giving**

Competing on Value, Not Loyalty

Cultivating Today's Discerning Constituents

Communications Strategy



Sequence Communications to Build the Case

- Initial Consideration Marketing
- Adaptive Nurture Campaigns

Engagement Planning



Realign Programming Around Constituents' Needs

- Program Value Analysis
- Life-Context Personas

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Priming the Pump

Marketing Research Hints at the Importance of Early Cultivation

Marketers Intervene Long Before the Moment of Purchase

“ Marketers need to place more emphasis on **the moments when consumers are initially considering which products or services to buy**. They’ll need a fine-tuned understanding of who those increasingly fickle consumers are, what triggers them to shop, and how best to enter what’s known as the initial consideration set.”

McKinsey & Company
"The New Battleground for Marketing-Led Growth"



High Returns from a Spot in the “Initial Consideration Set”

2x

Higher purchase rate for brands that first come to consumers’ minds

69%

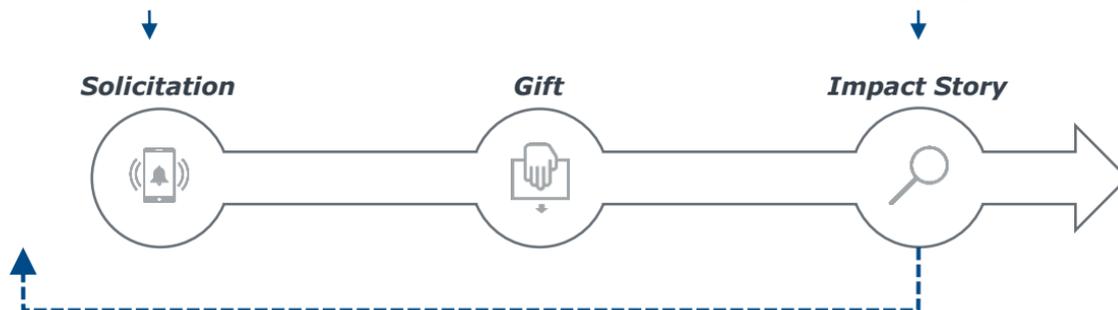
Of brands consumers switched to **were in the initial consideration set**

Winning a Spot in the Initial Consideration Set

McGill Repurposes Impact Stewardship to Prime the Pump

Most universities **start with the ask...**

...and **tell donors** what their gifts do **later**



A New Approach

McGill repurposed a “gifts in action” donor email for **non-donor cultivation**

6% Growth in **new donor counts**, FY17-18

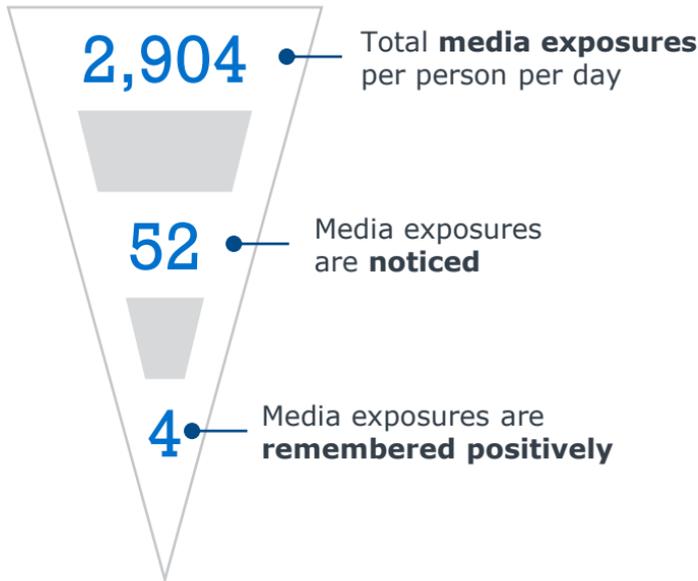
\$1.25M **Raised** from new donors, FY18

One Impression Not Enough

Noisy Ecosystem Extends Path to Purchase, Necessitates Journey Mapping

One-Off Communications Easy to Overlook

A Day in the Life of John Q. Alumnus



Many Touch Points Before Action

“We need more data to understand the typical Quinnipiac alumnus’s journey. It’s like the path to purchase idea in the commercial world—there are many touch points leading up to action. **We need to figure out what that path looks like for us.**”

*John Arcangelo
Director of Alumni and
Parent Relations
Quinnipiac University*

Content Marketing at the Heart of Annual Giving

UCLA Plans Calendar Around Building a Case, Capitalizes at Year End

Annual Giving Calendar Leans Toward Content Marketing



"Learn more" button in email leads to campaign **landing page**

UCLA ranks number one for upward mobility.

The New York Times ranked UCLA number one out of 64 top-tier colleges for creating upward mobility for alumni. This recent report placed UCLA highly in a number of categories.

When college graduates gain greater economic status, their communities, the economy, and all of us prosper.

[READ THE FULL REPORT](#) [MAKE A GIFT TO UCLA](#)

Third-party resources build credibility

The New York Times

How U.C.L.A. students fare later in life

■ Among the lowest □ About typical ■ Among the highest

		IN THE PAC-12	IN CALIFORNIA
Median individual income at age 34	\$65,800	<input type="checkbox"/>	<input checked="" type="checkbox"/>
...for men	\$75,700	<input type="checkbox"/>	<input checked="" type="checkbox"/>
...for women	\$60,200	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Average income percentile	72nd	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Share who end up in the top 1%	8.2%	<input type="checkbox"/>	<input checked="" type="checkbox"/>
...in the top 5%	27%	<input type="checkbox"/>	<input checked="" type="checkbox"/>
...in the top 10%	41%	<input type="checkbox"/>	<input checked="" type="checkbox"/>
...in the top 20%	59%	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Next step (besides donation) prevents drop-off

The Rewards of Content Marketing

Alumni Donor Growth Signals Annual Giving Cultivation Paying Off



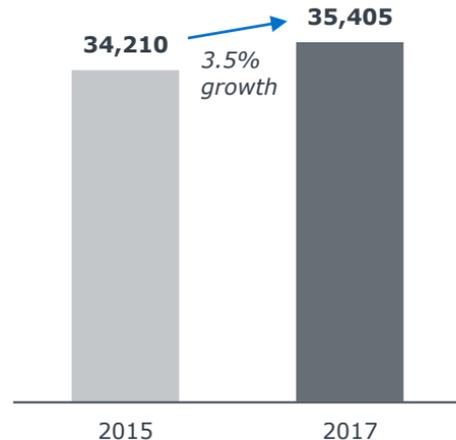
Cultivating to a Crescendo

“When you do a lighter call to action— ‘learn more,’ ‘read this story,’ ‘discover’—you get more people clicking through but fewer giving. That’s alright. We focus on the lead-up through most of the year and we build to a crescendo at year end. If we’ve done it right, **donors will feel it’s time to take action.**”

*Mike Gyulai
Executive Director, Annual Giving
UCLA*

Developing a Bigger Base of Support

UCLA Alumni Donor Counts, 2015-2017



Toward the Adaptive Journey

Advancement Leaders Seek Responsive, Automated Cultivation

Dreaming of the Day Donor-Driven Automation Comes to Advancement

“

“I would love to plot out the journey that prospects need to take before they make a gift. We’d send a ‘learn more’ email, and if they clicked but didn’t donate, we would follow up with a hard-sell. Or, if they opened but didn’t click, we’d opt for a softer, engagement-focused path. That’s really what I want—**predetermined donor journeys** with more or less pressure to transact a gift **based on actions the user takes.**”

*Mike Gyulai
Executive Director,
Annual Giving
UCLA*

”

“

“We want to leverage the data we have to **provide content alumni want to see and communicate to them on the schedule that works for them.** And ultimately I want to ask for a gift at the right time. I want to know that an alum attended an event on January 3, clicked on an email on January 6, and signed up to be a peer mentor on January 20. Ideally we’d automatically ask for a gift five days later.”

*Sean Devendorf
Senior Director of Annual Giving,
University Advancement
Tufts University*

”

The Future Has Arrived at Boston College

Adaptive Email Journey Automates Next-Steps Based on Prospect Behavior

Adaptive Email Journey Doubles Down on Prospect Interest

- 1 Leadership annual giving prospects **receive email profiles** of financial aid students



- 2 Clicking on a student  drives the prospect to a rich, first-person account of student's story

- 3 System sends **automated follow-up emails to engaged prospects**, making the case for financial aid and asking for support

Unengaged prospects continue to receive student stories until engagement

The Journey Ends With A Gift

Email Campaign Yields Positive Results

Leadership Annual Giving Gains...



\$994K

Total revenue during campaign period



263

Households made gifts of \$1000+

...and Pipeline Development Wins



3

Major gift conversations started



31

Households upgraded their donation



Success Comes from Responsive Communications

“Our approach **leverages automation to engage and accelerate our highest-probability prospects to close**, while continuously gleaning insights on the content and stories we need to curate to bring our lowest-probability donors into the mix.”

*Chris Graham, Senior Associate Director, Marketing Campaign Management
Boston College*

Competing on Value, Not Loyalty

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A Crisis of Value

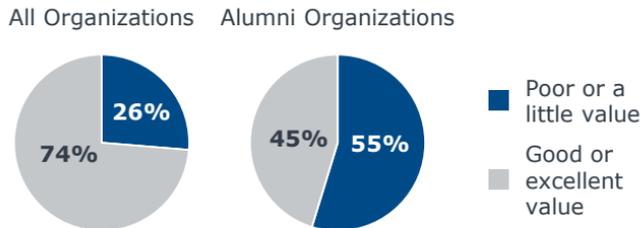
Engagement Teams Dubious that Programming Meets Constituent Needs

Little Understanding, Even Less Value

"From 1 to 10, how well does your organization **understand the needs** of its members?"



"How would your constituents rate the **value of the benefits** you offer?"¹



“

The **digital age has stripped many [alumni] organizations of their value proposition**, as they are no longer the exclusive providers of content, communication, and connectivity...

"Despite having little to offer alumni in the way of valuable benefits, many institutions seem to have overlooked the fact that alumni expect more than a one-sided relationship."

*Access Development
"Bridging the Leadership/
Membership Gap"*

”

Source: "Bridging the Leadership/Membership Gap," Access Development, 2018, <https://cdn2.hubspot.net/hubfs/263750/Access%20Development%20Member%20Leader%20Gap%20eBook%20ALU%20v1.pdf>; Advancement Forum interviews and analysis.

1) Benefits defined broadly to include career/professional benefits, social/cause-related benefits, philanthropic/altruistic benefits, monetary/economic benefits, and other benefits.

Revamping Programs to Meet a Need

University of San Francisco Asks, 'What Do Mentorships Do for Mentors?'

Diving Deep on Mentor Motivations

“ We were having difficulty retaining mentors. We needed to understand **what need mentorships filled** for the mentors themselves.”

*Dr. Jay Le Roux Dillon
Director of Alumni Engagement
University of San Francisco*

An Unexpected “Job to Be Done”

What They Thought

*Mentorships Are About **Career***

- Resume reviews
- Interview coaching
- Job placements

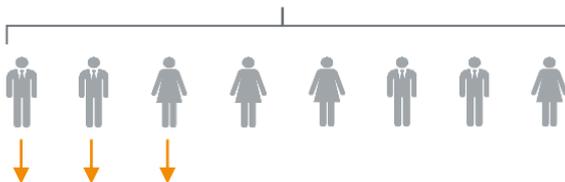


What They Learned

*Mentorships Are About **Connection***

- Life advice
- Navigating interpersonal conflict
- Educating the whole person

1 Survey mentors about their experience



2 Follow up for **deep dive** with those who had a positive experience

Redesigned Program Supercharges Participation

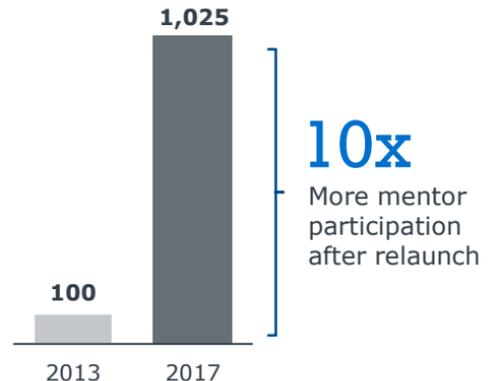
Putting the Needs of Mentors First Elicits Increased Volunteering

Program Rebuilt to Meet Mentor Needs



Acquisition and Retention Grows

Number of Mentor/Mentee Matches, 2013-2017



A Tale of Two Boomers

Demographic Segmentation Misses Some Important Details

What Do a Rock Musician and a Prince Have in Common?



Ozzy Osbourne

- Born in 1948
- From Great Britain
- Successful, wealthy, celebrity
- Loves dogs and the Alps



Charles, Prince of Wales

- Born in 1948
- From Great Britain
- Successful, wealthy, celebrity
- Loves dogs and the Alps



“They must basically be the same.
Let’s put them in the same segment.””

Hardwiring Alumni's Needs into Segmentation Strategy

“I have a spouse and a son who’s in college, while a former college suitemate married later in life and has children that are not yet school-aged. **Our needs are very different.** What we think about on a daily basis, what we’re concerned about, is very different.

“We as an institution have to look at how we can **provide services to alumni based on what their needs are,** not just on their age.”

Tim Snyder

*Associate Vice President, Alumni and Donor Services
Wake Forest University*

The Psychographics of Segmentation

Wake Forest Asks a Fundamental Question: 'What Does This Alum Need?'

Segmenting Alumni into Need-Based "Life Context" Personas



Years Married



Age of Children



Age of Alum

1 Singles
Unmarried, no children,
young

2 New Couple
Married, no children,
likely young

3 Young Family
Married, young
children, young or
middle-age

4 Full Nesters
Married, teenage
children, middle-age

5 Empty Nesters
Married, older children,
middle-age or older

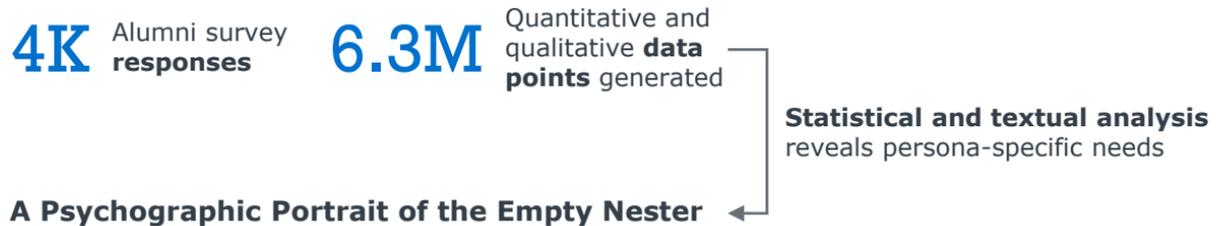
6 Seniors
Married or widowed,
adult children, older

7 Perennial
Unmarried, divorced,
or same-sex older
couples

A Magnifying Glass for Alumni Motivations

Deep Dive Surfaces Persona-Specific Needs at Wake Forest

Alumni Survey Yields Deep Insight into Needs and Wants



Life Context

Children launched, considering retirement



Motivations

Making a difference and support valued causes



Values

Trust, civility, kindness, faith, and fairness



Personal Need

Looking for new sense of purpose post-career



Media Consumption

Developing mobile and social media fluency



Pain Points

Helping children pay off college debt

Building Programs Around Personas

'Camp Third Act' Designed to Meet Empty Nesters' Needs

"Just for Me" Programming Aimed at Empty Nesters



*"...designed to help you define your calling and build a **roadmap for what's next.**"*



Targeted Marketing

- Invitations went only to empty nesters
- Scripting developed to appeal to empty nesters



Highly Relevant Agenda

- Focus on reinventing yourself, career changes, and more
- Participants created accountability groups for personal and career goals

Effusive Praise from Participants Focused on Their Distinct Needs



This was the right event at the **right time in my life**"



I was able to validate my focus and direction **as I initiate my 3rd act**"



I thought the program was very **valuable for the targeted age group**"



Competing on Value, Not Loyalty

Cultivating Today's Discerning Constituents

1 Sequence Communications to Build a Case for Support

Short Term

- ▶ Use light, frequent touches across multiple channels build momentum
- ▶ Share impact stories upfront to capture non-donor mindshare
- ▶ Pre-empt the ask with an engagement communication campaign

Long Term

- ▶ Create adaptive email journeys that react to digital behaviors
- ▶ Build segment-specific communication plans based on depth of engagement

2 Realign Programming Around Constituents' Needs

Short Term

- ▶ Conduct program value analysis to determine constituent motivations
- ▶ Assess programming to identify potential what needs it may currently fill
- ▶ Collect data on non-demographic alumni characteristics, such as anniversaries

Long Term

- ▶ Develop psychographic or "life context" personas for segmentation
- ▶ Redesign programming to align with results of program value analysis



Engaging Your Team in Strategy Formation

A Conversation Guide for Advancement Leaders

Discussion Questions

Notes and Ideas

<p>1 Are we communicating often and effectively enough (beyond solicitations) to stay top of mind?</p>	
<p>2 In what ways could we use our current technology to create an adaptive email campaign?</p>	
<p>3 Where might our understanding of constituents' needs fall short? How might we fill those information gaps?</p>	
<p>4 How do we currently segment alumni? What characteristics could we incorporate into a future model?</p>	
<p>5 What steps can we take to assess which programs need to be revamped to meet constituent needs?</p>	



The Individualized and Discerning Constituents

Part III of Preparing for Advancement's Digital Future

Advancement Forum