



**CONVERGING  
CHANNELS**

**From Case Studies**

**To “Cross-Silo” Communications**

Converging Channels:

Our Evolving Multichannel Opportunity

**John McArdle**  
**Account Supervisor**  
**Lautman Maska Neill & Company**



# Multichannel vs. Cross-Channel Marketing

**Multichannel marketing:** using multiple channels to send your fundraising or marketing message

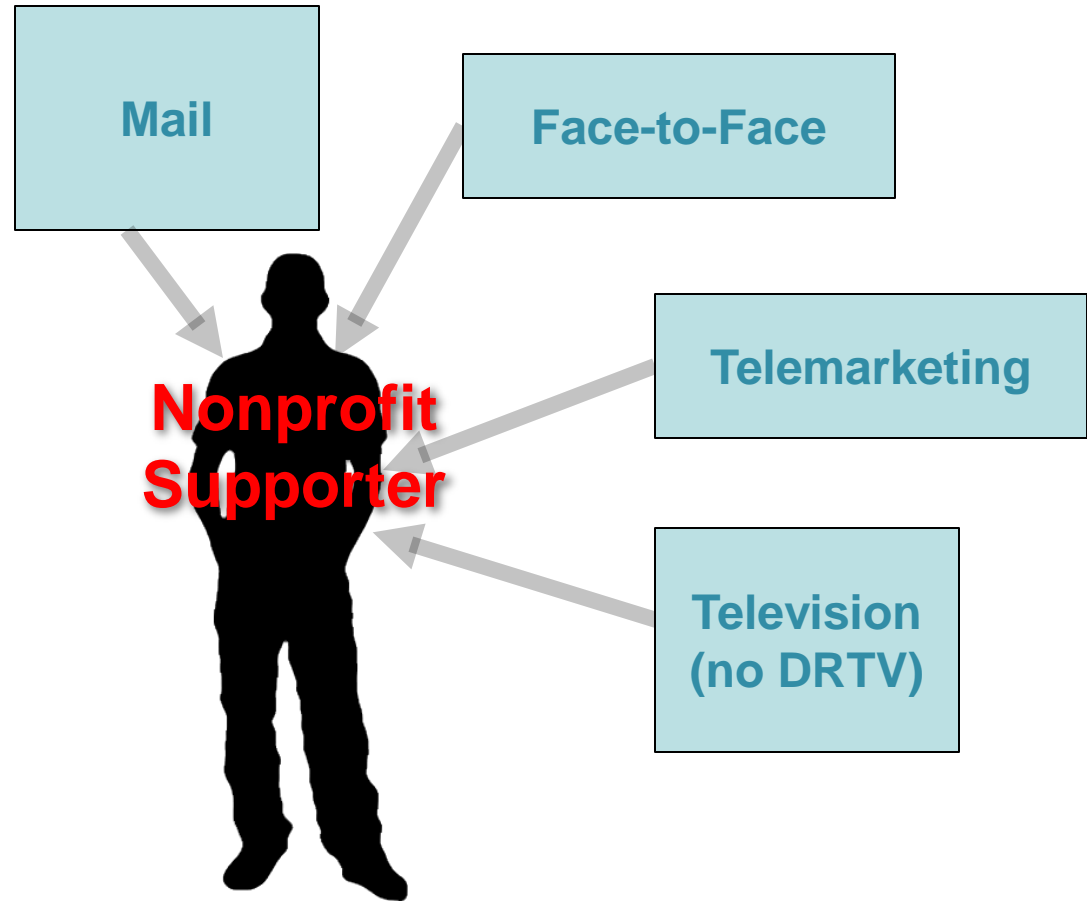
**Cross-channel marketing:** the messages being sent through multiple channels are consistent AND integrate the use of data from multiple channels to create and revise strategy accordingly



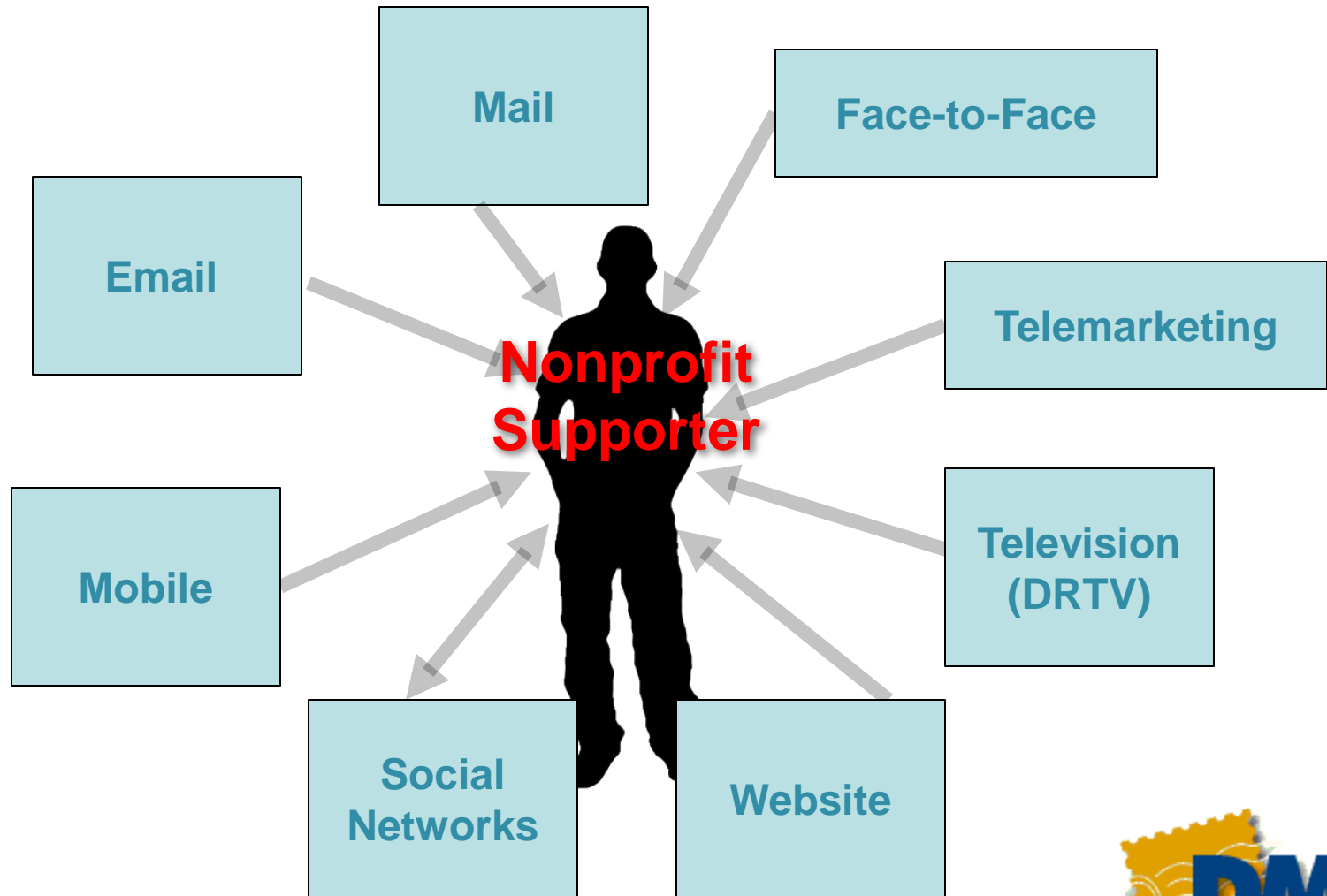
**TIP:** There is no magic bullet...so stop looking!



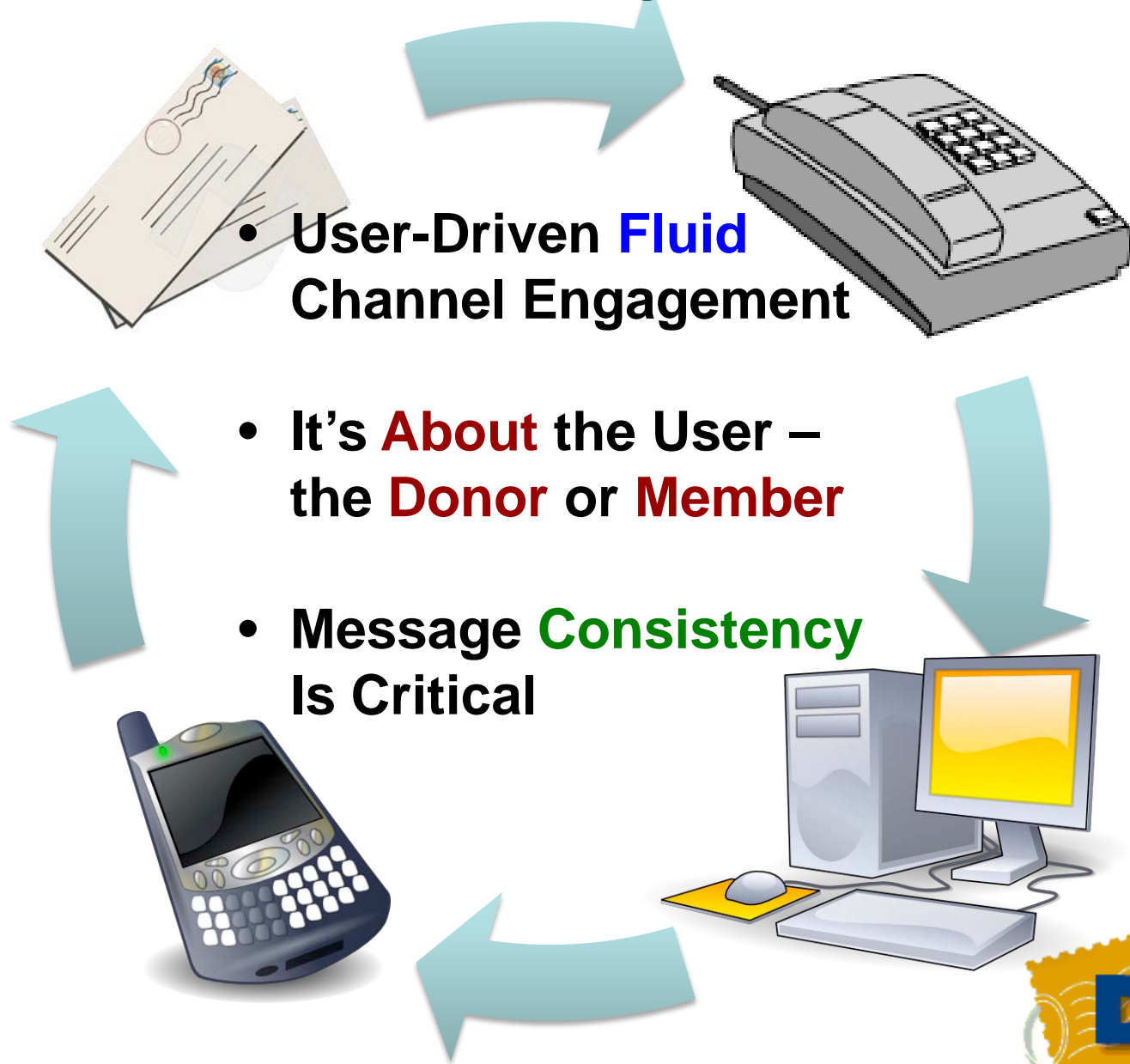
# 1991 communications channels to supporters



# 2011 communications channels to supporters



# Channel Usage Is Fluid



- User-Driven **Fluid** Channel Engagement

- It's **About** the User – the **Donor** or **Member**

- Message **Consistency** Is Critical



Converging Channels:



Multichannel ROI Is Why

**Jeff Regen**  
**Senior Vice President of Integrated Services**  
**M+R Strategic Services**



# Other big trends are driving the need for more valuable donors

1. Nonprofit offline donors are aging
2. Donor files are shrinking
3. Retention is falling (and online low already)
4. Direct mail costs are increasing / fundraising margins are shrinking

→→→→ Nonprofits need more valuable donors



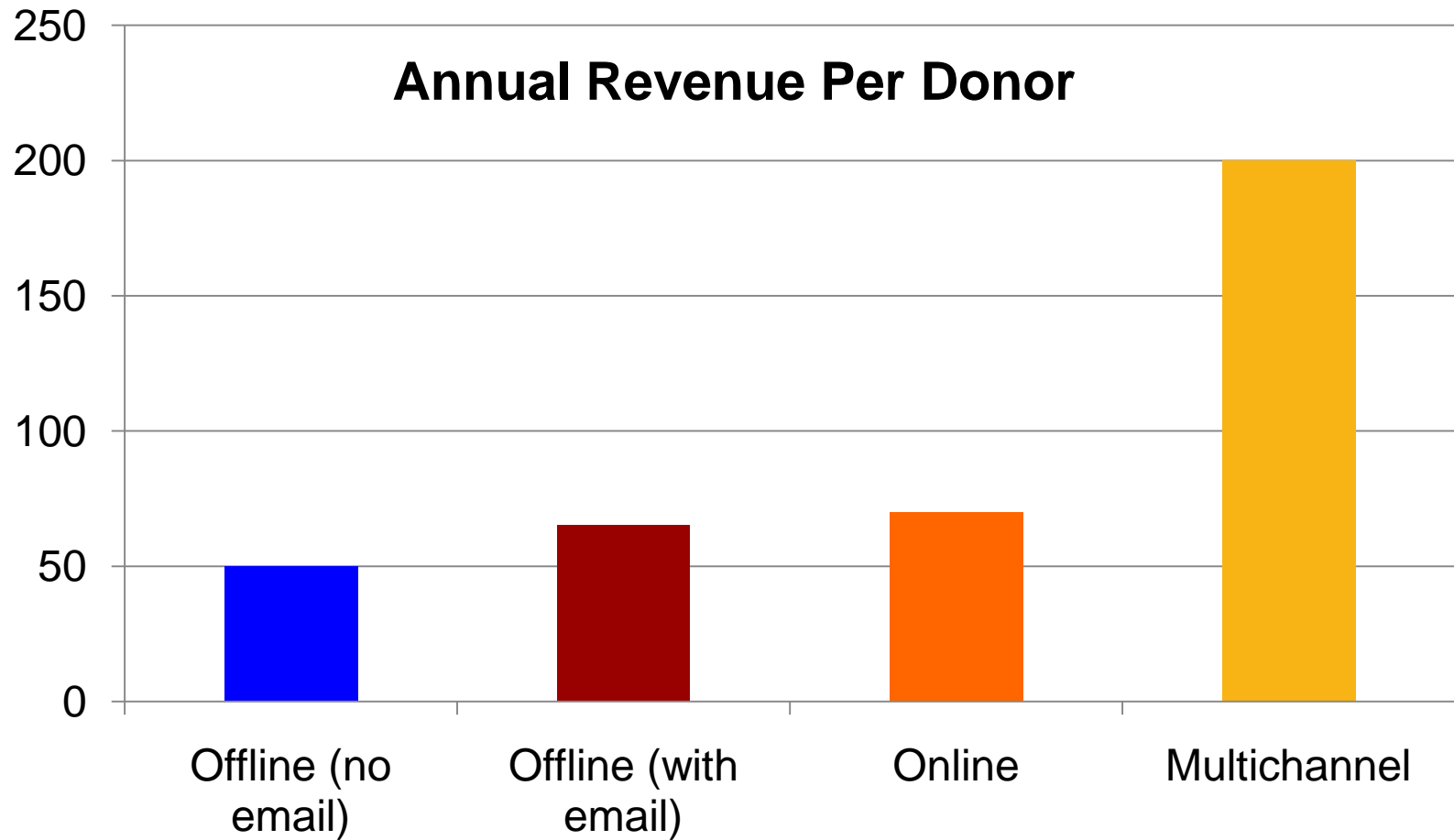
# Multichannel approach can lead to “golden multichannel donors”



- Age falls between online and offline donors
- Income about the same as online

How about revenue and retention?

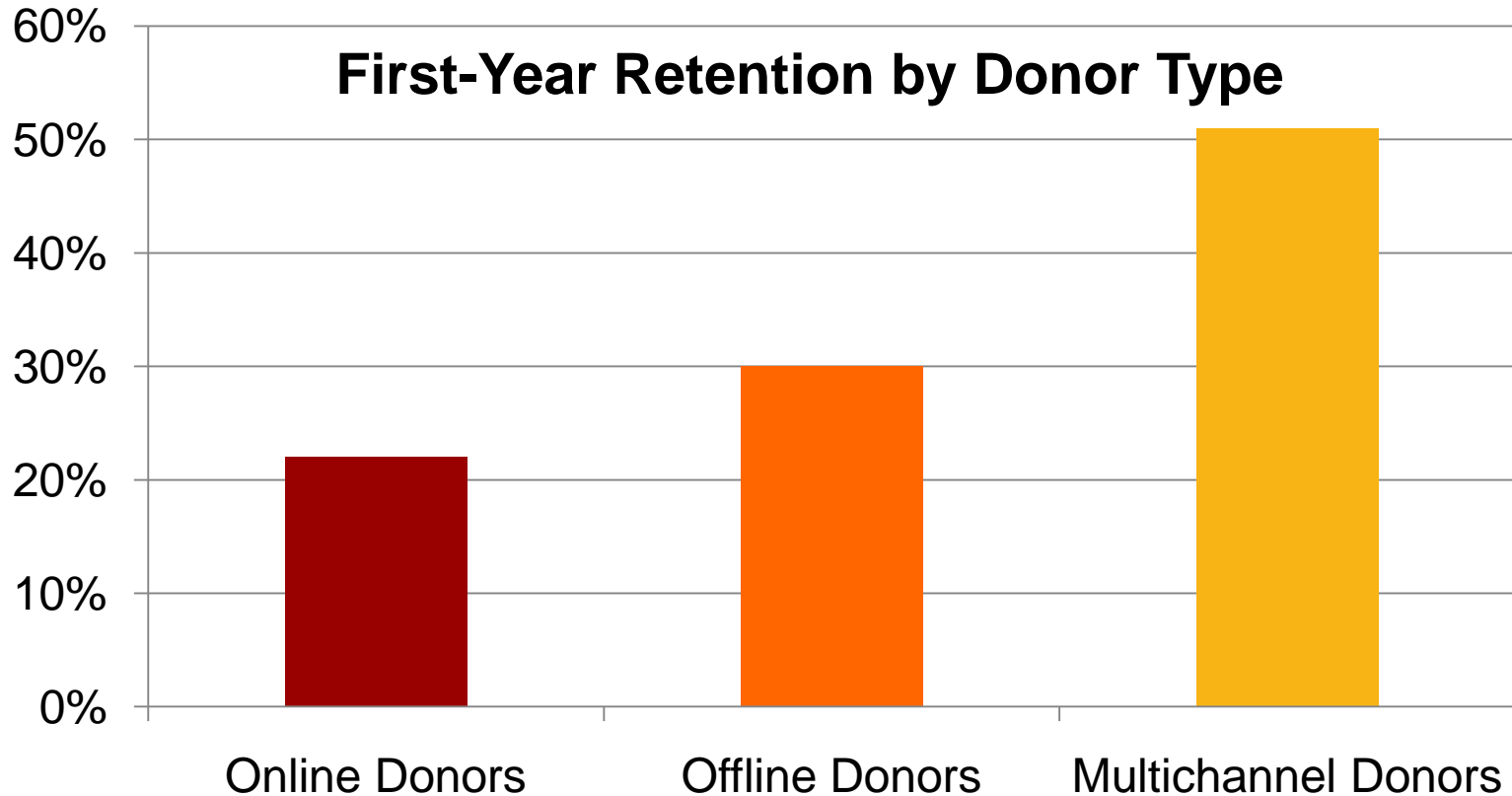
# Multichannel donor revenue\* looks great...



\* Target Analytics Internet donorCentrics data



# ...and retention does, too!\*

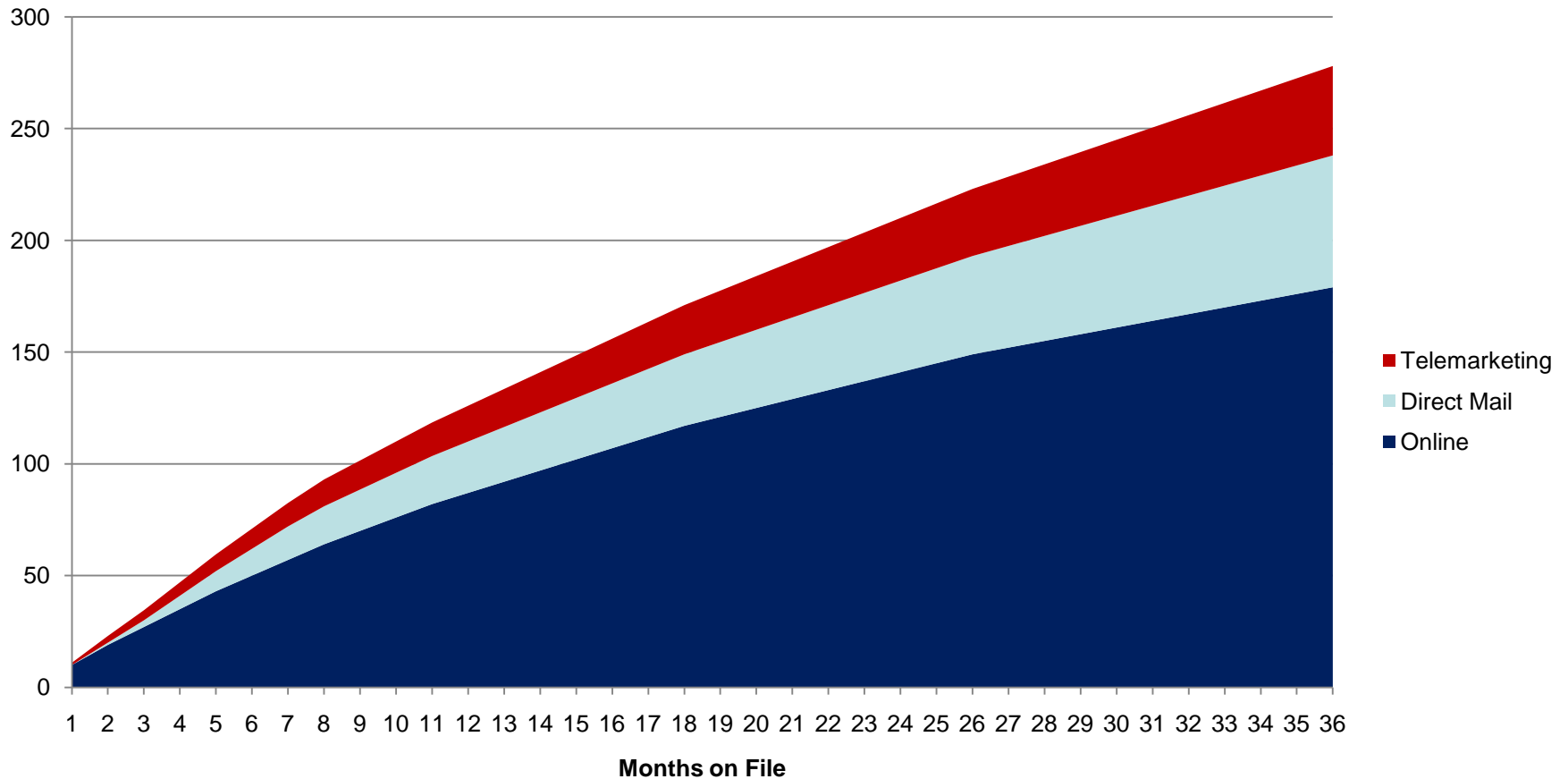


\* Target Analytics Internet donorCentrics data



# Maximizing value of new recruits...

## Revenue Per New Online Supporter



# ...and growing sustainer files

- DRTV to website / 800# / mail → Expensive / viable for a few with multichannel fulfillment
- Face-to-face → Viable for a few
- DM donors converted via telemarketing → Most common; broadly effective
- Online / telemarketing / (limited DM) → Viable for many, largely untapped



Converging Channels:

Nonprofit Case Studies

**Tish Mokrzycki**  
**Manager, Online Fundraising and Integration**  
**American Red Cross**



# American Red Cross: Integration Case Studies

- Yearend Campaigns '08, '09, '10
- Online Monthly Giving
- Direct Mail, Email



# YE Campaign - Objectives

- **2008:** \$100 million for depleted Disaster Relief Fund
- **2009:** Incremental \$\$ with YE fundraising and visibility campaign (increased ROI)
- **2010:** Increase previous year ROI



# Evolving Integration Improvements

Key Area	2008	2009	2010
Goals, Strategies	\$100 MM	Increase ROI - all lines of business, org-wide	Increase ROI over prev yr - all lines of business, org-wide
Operational Structure	First-Time “Holistic” Task Force	Improved project plan, PM, all ops “at Table”	PM, all ops at Table, more Field engagement, earlier start
Use of Multi-Channel	Standard channels, more Social, Search	Organized use of channels, new media, paid ads	Tighter channel alignment, use of new media. More paid ads
Integration of Brand	Key Messaging, Brand standards;	Key Messaging, Brand standards; much earlier	Key Messaging, Brand standards; all earlier
Integration- Field and NHQ	Some Marketing Tools on intranet, ltd Comms	All Marketing Tools on intranet; Comm plan	Intranet tools; webinars, Brand Central; improved 2-way Comm
Metrics, Reporting	<i>Attempted</i> centralized dashboard tool	Centralized reporting tool, PM actively managing	Refined dashboard reporting tool, improved PM
Result	\$110 MM	Met goal - Increased ROI %	TBD overall ROI - Online 26% higher!



# YE Campaigns – Key Wins

- **Effective execution**
- **Dedicated workgroup**
- **Chapter “channel”**
- **Cont’ d improvement on platforms**
- **Flexible**
- **Centralized reporting**
- **Tie with employee performance**
- **Testing**



# YE Campaigns

## Challenges

- Un-aligned business groups
- Disparate field data
- Database integration W.I.P.

## Outlook

- Campaign model
- Innovation
- Expand audience
- Better data mining
- Improve re-communication pathway



# Monthly Giving

## Two Monthly programs: Operating in silos F2F

### **“Budding” project**

- 3,000 universe, Ave Gift \$18
- Donor age: 69% < 35 yrs old
- Separate data, calendar
- Staff/Support
- Impressive multi-channel

### **Regular Online**

- 5 years
- Marketing managed (Direct Response)
- ~7,000 universe, Ave Gift \$30
- Donor age: late 40s
- Modest e-program, growth



# Monthly Giving – Mission Integration

- **Understand partners' programs**
- **Platforms, People, Practice**
- **Share resources**
- **Sync calendars**
- **Leverage the positive strength of each**



# Monthly Giving

## Outlook

- **Deliberately silo-ed - viability**
- **Cont' d shared resources**
- **Joint growth**
- **Regular program leverage F2F “buzz”**
- **F2F leverage base engagement path (and resource) of regular program**



# Mail / Email Integration

- ✓ **2009-2010 Pilot**
- ✓ **Complementary emails**
- ✓ **Result: Incremental \$\$\$ BUT...**
  - **Data, list issues**
  - **Labor-intensive**
  - **Best practice creative, hard to find**
  - **Integration impacted every step**



# Mail / Email Integration

## Outlook

- Pilot continuation 2011
- Vendor-partner and workgroup
- Data assurances
- Data-driven results
- Informed roles/ownership



*You gotta start somewhere... keep moving forward.*





Converging Channels:



“Cross-Silo” Communications

**Jeff Regen**  
**Senior Vice President of Integrated Services**  
**M+R Strategic Services**



# Levels of integration across channels for fundraising, marcomm, advocacy



	<b>Siloed</b>	<b>“Coordinating group”</b>	<b>Integrated</b>
<b>Org structure</b>	Siloed	“Coordinating group”	Integrated
<b>Goals / strategies</b>	Disparate (sometimes conflicting)	Sometimes coordinated; other times conflicting	Common + shared metrics
<b>Multichannel data</b>	Not available	Limited use	Fully incorporated
<b>Communications across types / channels</b>	Uncoordinated; one-way	Coordinated; multi-directional	Coordinated; multi-directional conversation
<b>Voices</b>	Inconsistent voices	Generally consistent voices	Consistent voices when desirable
<b>Supporter focus (and result)</b>	No customization; often org-centric ☹️ \$	Limited customization 😊 \$\$	Yes; based on constituent behavior 😊 \$\$\$



# Levels of integration: Welcome series example



**DM donors receive DM asks, appeals**

**Online supporters receive online \$\$ asks, appeals OR advocacy / engagement**

**Offline donors—give emails; sent to url to donate**

**Online supporters receive advocacy / engagement + \$\$ asks, appeals**

**Online donors put into DM / TM streams**

**Offline donors—optimized to give emails; sent to customized urls**

**TM—Entered directly into online form**

**Online supporters receive integrated advocacy / engagement / \$\$ asks based on name source + behavior**

**Targeted online supporters rapidly put into customized TM and DM streams**



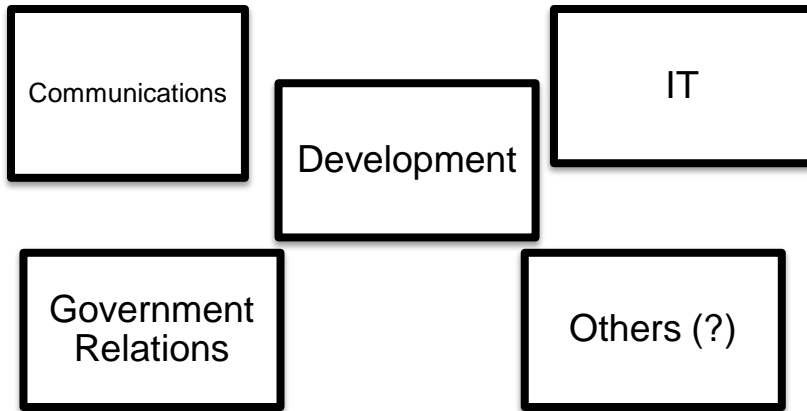
# Obstacles to multichannel integration

- Organizational structure (and culture and processes)
- Data integration
- Know-how / human resources
- Time and \$\$

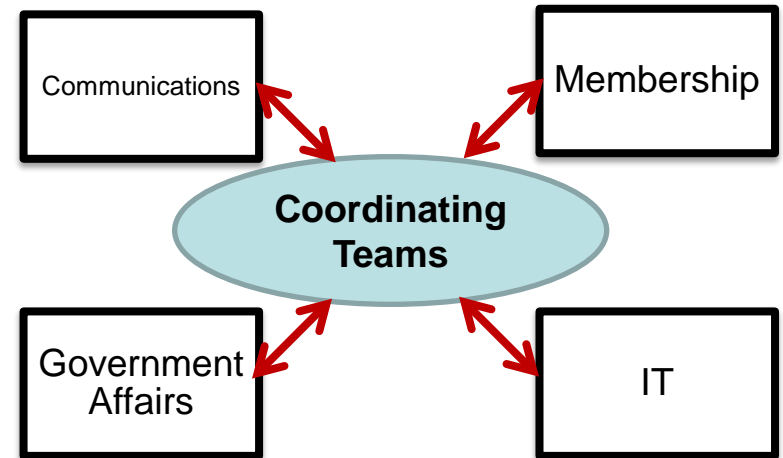


# Organizational structures

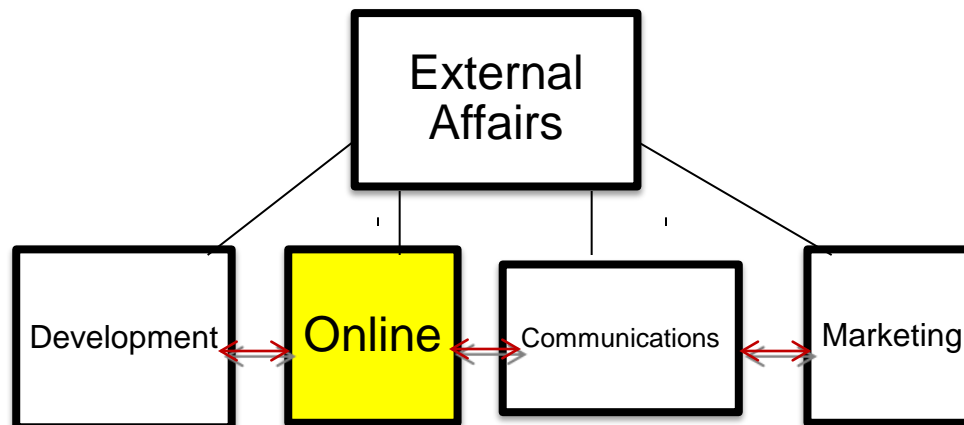
## 1. Siloed



## 2. Online, other coordinating teams



## 3. Centralized, integrated



# Processes and culture: Fostering integration

- **Goals and strategies:**
  - Align goals and strategies (grow list; all channels conduct advocacy; etc.)
  - Common metrics, where possible
- **Communication—Examples:**
  - Weekly Dev / Comms / Program meetings
  - Regular fundraising integration meetings
  - Sitting in on other teams meetings
- **Budgets:**
  - Collaborate on building them
  - Common goal of overall bottom line



# Processes and culture continued

- **Incentives:**
  - Share costs (e.g., database, ad campaigns, etc.)
- **Leadership and culture:**
  - “What’s best for our organization” / highest ROI
  - Share credit!
- **Trust-building measures:**
  - Start small, easy wins
  - E.g., DM drives people online; online shares credit for website revenue with DM



# Data: Collect, share and pull



# Know-how and time / \$\$

- Get the right people
- Start with baby steps
- Time / \$\$ (usually) come with success



# What works for your org?

- **Org structure, processes and culture**
  - Goals and strategies
  - Communication
  - Budgets
  - Incentives
  - Leadership and culture
  - Trust-building measures
- **Data integration**
- **Know-how / human resources**



**For more information on converging your multichannel Direct Response efforts, CONTACT:**



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