CASE STUDY

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.

Impact Highlights

25%
Increase in revenue for gifts under $5K

33%
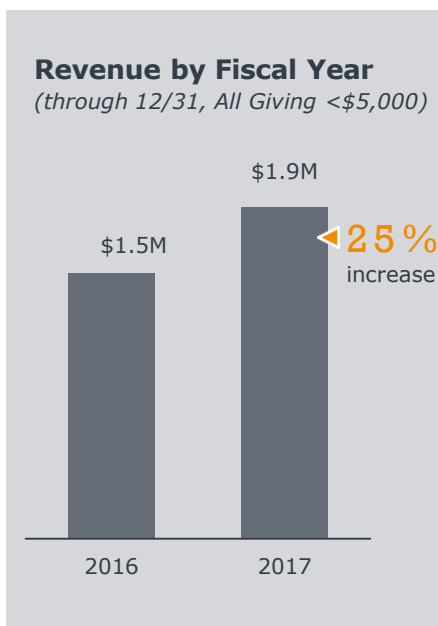Increase in revenue for gifts under $5K when removing FY16 Phone Donors from analysis

49%
Increase in donations via mail

Urgency Messaging and Strategic Targeting via Mail, Online Lift Revenue
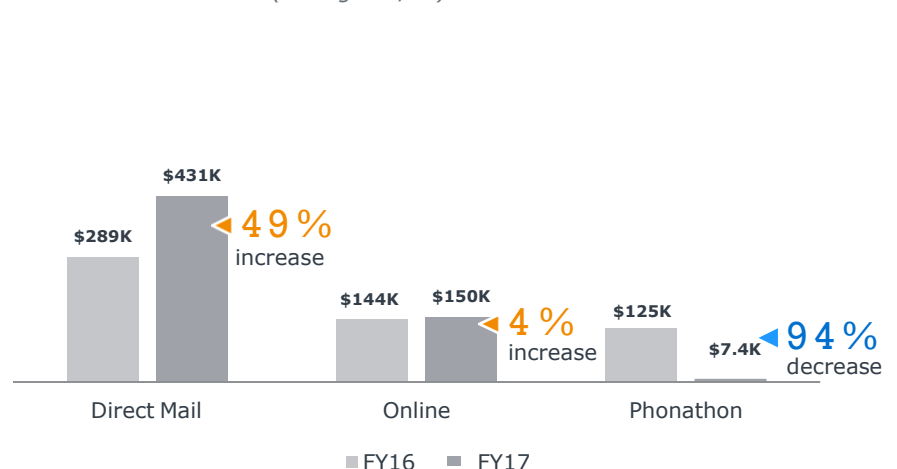
Revenue by Fiscal Year
*(through 12/31, All Giving <$5,000)*

$1.9M

$1.5M

◄**25%** increase

2016   2017

Revenue by Appeal Type (All Gifts < $5,000)
FY 2016 and FY 2017 (through 12/31)

$431K

$289K

◄**49%** increase

$144K $150K

◄**4%** increase

$125K

$7.4K ◄**94%** decrease

Direct Mail   Online   Phonathon

■ FY16 ■ FY17

Can You Cut Your Phonathon and Do Just Fine?

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

81%
No Gift
FY16 Phone Donors in FY17*

5%
Gave by Email/Online (1%)
Other Type of Gift

13%
Gave via Mail
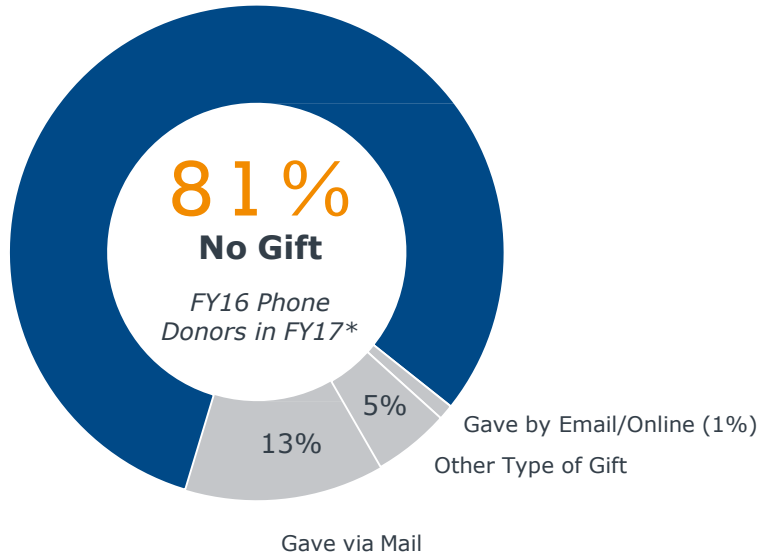
* 82% of FY16 Phone Donors were included in campaign

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:

Bringing Phone Back at a Reduced Investment

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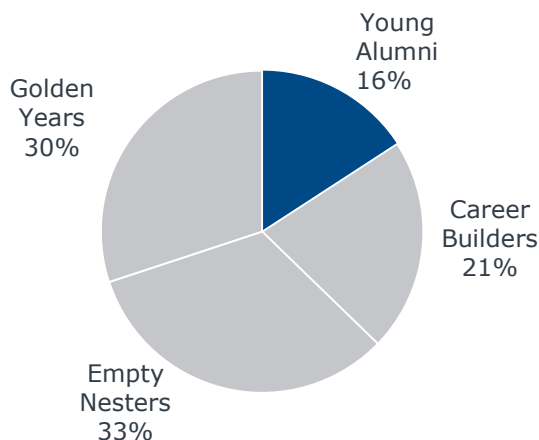- Modest phone investment
- Manageable in-house

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

Young Alumni 16%

Golden Years 30%

Career Builders 21%

Empty Nesters 33%

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.