Agenda

• The problem
• 2011 and the multichannel opportunity
• How to get there
  – Org structure
  – Goals
  – Culture
  – Processes
• Wrap-up / Joining org structure study?
The problem Part 1: Anyone seen this before?

It’s my name

It’s my list
+ silos cause of a lot of nonprofit problems

Efficiency

Capabilities

Job satisfaction and retention

...others?
The Problem Part 2

What year is your nonprofit structured for?
1991?

- Mail
- Face-to-Face
- Telemarketing
- Television (no DRTV)
- Nonprofit Supporter
Or 2011?
The Problem Part 3: Other big trends

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
The multichannel opportunity: 
“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
Human Rights Campaign test: Text boosted donation rate by 25%

HRC DEADLINE ALERT: Get your stylish metal water bottle by joining HRC by midnight tonight. Last chance! Go to http://bit.ly/8IyKKn
Basic principles of multichannel engagement

More fundraising $\rightarrow$ More advocacy

More advocacy $\rightarrow$ More fundraising

Integrated, multichannel $\rightarrow$ More money, more engagement, more volunteering...

[except when they ask you not to!]

“NO ROOM FOR SILOS HERE”
## How to get there: Moving toward integration

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

• New media team:
  Online email/web action alerts,
  Facebook & twitter actions and updates
  Multiple blog posts

• Development teams:
  Donation form as landing page after actions
  Online fundraising e-appeal (to full list)
  Direct mail urgentgram appeal (to full list)
  Telephone appeal (direct response and major gifts)
  Conversion alls to online non-donor action taker
“Doc Fix” Medicare Campaign

• Two month campaign in November and December 2010
• Lame duck session of Congress
• State and federal components and tactics
• Message research, constituent research and action analysis
• New campaign approach for AARP
• Combined Email, Social Networking, Online Content, Direct Mail, Teleservices (Outbound, Inbound, Teletownhalls, Advertising, Text Messaging
• Focus was on advocacy-centric direct responses
Metrics and challenges

Multichannel metrics
- Multi-channel campaigns are more complex to measure
- Requires rigor and discipline
- Planning is key
- Coordination among many business units required

Multichannel challenges
- Flexibility and nimbleness harder to come by
- Much more communication required between business units
- Harder to keep message consistency
- Real-time analysis and data transfers to facilitate optimal experience for constituents
- Organizational culture still re-orienting for multi-channel campaigns
Organizational structures

1. Siloed
   - Communications
   - Development
   - IT
   - Government Affairs
   - Others (?)

2. Online, other coordinating teams
   - Communications
   - Development
   - Government Affairs
   - IT

3. Centralized, integrated
   - External Affairs
   - Online
   - Development
   - Communications
   - Marketing
AARP Organizational Structure

- Policy
- Member Data
- Government Relations
- Media Relations/Communications
- Board/Leadership Team
- Campaign Plan
- States

Campaign Execution

- Media
- DM
- Outbound TM
- Digital Content
- Inbound TM
- States
- Mobile
- Email
Aligned goals and strategies

Organizational goals
  • E.g., Grow list

Campaign goals / strategies:
  • Devo; Comms; Website/email; Gov’t Affairs; etc.

Budgets:
  • Collaborate on building them
  • Common goal of overall bottom line
  • Incentives (e.g., share costs for database, ad campaigns)
  • Single acquisition / investment budget?

Metrics:
  • Shared ROI, other metrics
Aligning Goals

Inside External Affairs:
- Annual budget
- Joint operational & 5-year fundraising plans
  - Example: Channel Strategy

Inside AIUSA: Cross-functional teams
- Priority Campaigns
- Crisis Response Teams
- Strategic Planning / Priority setting

International Movement:
- “One Amnesty”
- International Fundraising Management Team
- Art for Amnesty
AARP

• Ability to track by source and evaluate ROI has helped to reduce strategies by anecdote
• Messaging across platforms is appropriate to medium while adhering to core messaging content
• Aligning goals and strategies results in clarified roles and responsibilities
• Able to adjust strategies across channels as circumstances warranted
Culture

Leadership and culture
- “What’s best for our organization” / highest ROI
- Share credit!
- Integration / collaboration as key to excellence
- Flexibility and innovation

Trust-building measures
- Start small, easy wins
- E.g., DM drives people online; online shares credit for website revenue with DM
Culture

External Affairs: Strong ethic of teamwork, focus on department goals above individual unit goals.

**DR and New Media:** share audience, coordinate messaging.

**DR and PG:** share audience, marketing efforts target DR donors

**DR and MG:** Gift officers cultivate high$$ DR prospects.

**PG and MG:** gift officers identify PG prospects

**Entertainment Relations:** credited for messaging from celebs, supports PG and MG cultivation events
AARP Learnings

Leadership and culture
• Clarity and transparency of process
• Buy-in and agreement on goals by leadership
• Roles and lines of responsibility and authority clear

Trust-building measures
• Involve stakeholders early in process
• Cross-channel success involves cross-channel input
• Communicating updates in real-time
Processes and systems

Communication

• Weekly Dev / Comms / Program meetings
• Regular fundraising integration meetings
• Actively participating in other teams meetings

Data integration

Information sharing

Pooled resources?

• Success story to press release, website, enewsletter, magazine, major donor newsletter...
Processes and Systems

Communication:

- Development units meet monthly
- External Affairs unit managers meet weekly
- Campaign & crisis teams meet weekly or daily
- Leadership Team meets every 6-8 weeks

Data Integration: (PIDI / Sphere)

- Financial data integrated daily
- Other data updated weekly
- Plan to transfer non-$ activity from Sphere to PIDI
AARP comments

Data Integration
  • Dealing with information overload. What information do you need to capture?
  • What is the perfect state? What is the state of reality that allows you to get your job done?

Analysis
  • Business intelligence and modelling are key to efficiently engaging segments and maximizing resources

Identifying and closing gaps
  • Challenging integrations between legacy systems and vendors
  • Bridging gaps between mediums (tele-engagement to direct mail)
What works for your organization?

[Interested in participating in a study looking at organizational structures?]