

Why Donors Are Hanging Up on Phonathons...

And What **To Do Next**

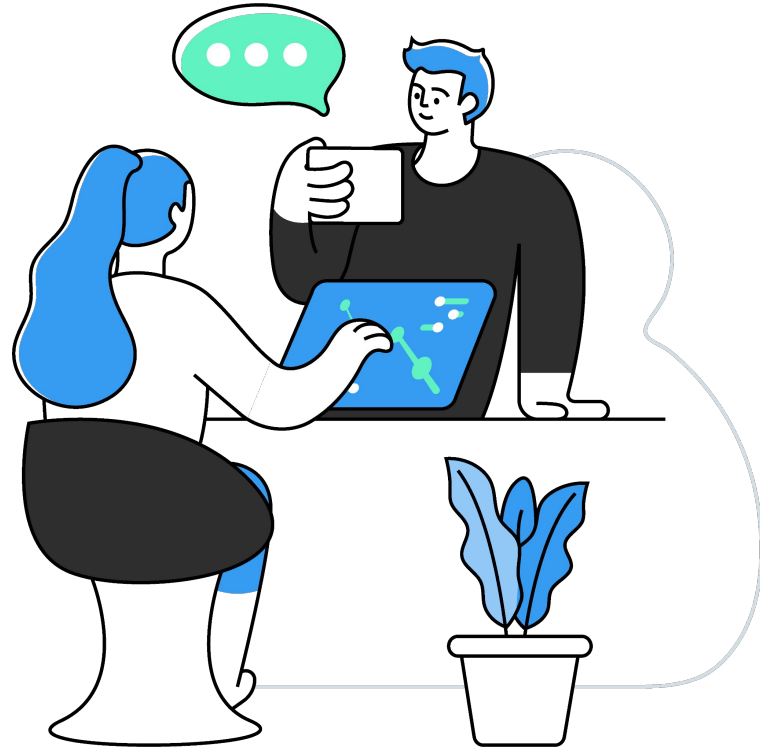
Josh Robertson | Global VP of Product

Frank Mumford, CFRE | Account Executive



How would you describe your organization's phonathon?

PLEASE USE THE CHAT

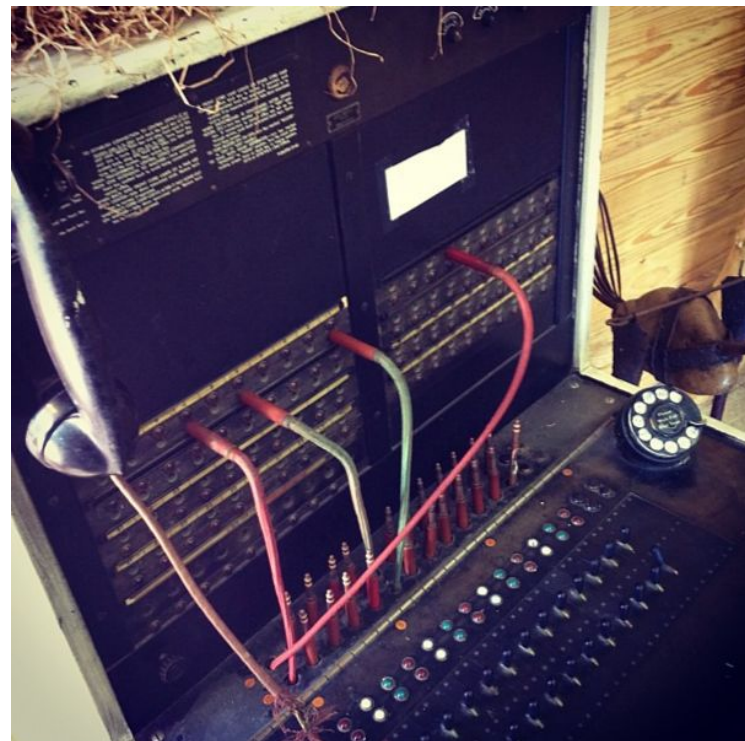


Agenda

- ✓ How'd we get here
- ✓ Identify Top Outreach Channels
- ✓ How to Narrow the Focus
- ✓ Best Practices for Hyper-personalization
- ✓ From Static Programs to Donor Journeys
- ✓ Reimagining your Student Ambassador Program
- ✓ Roadmap for Success



We need to confess?



Why Phonathon-Original Purpose

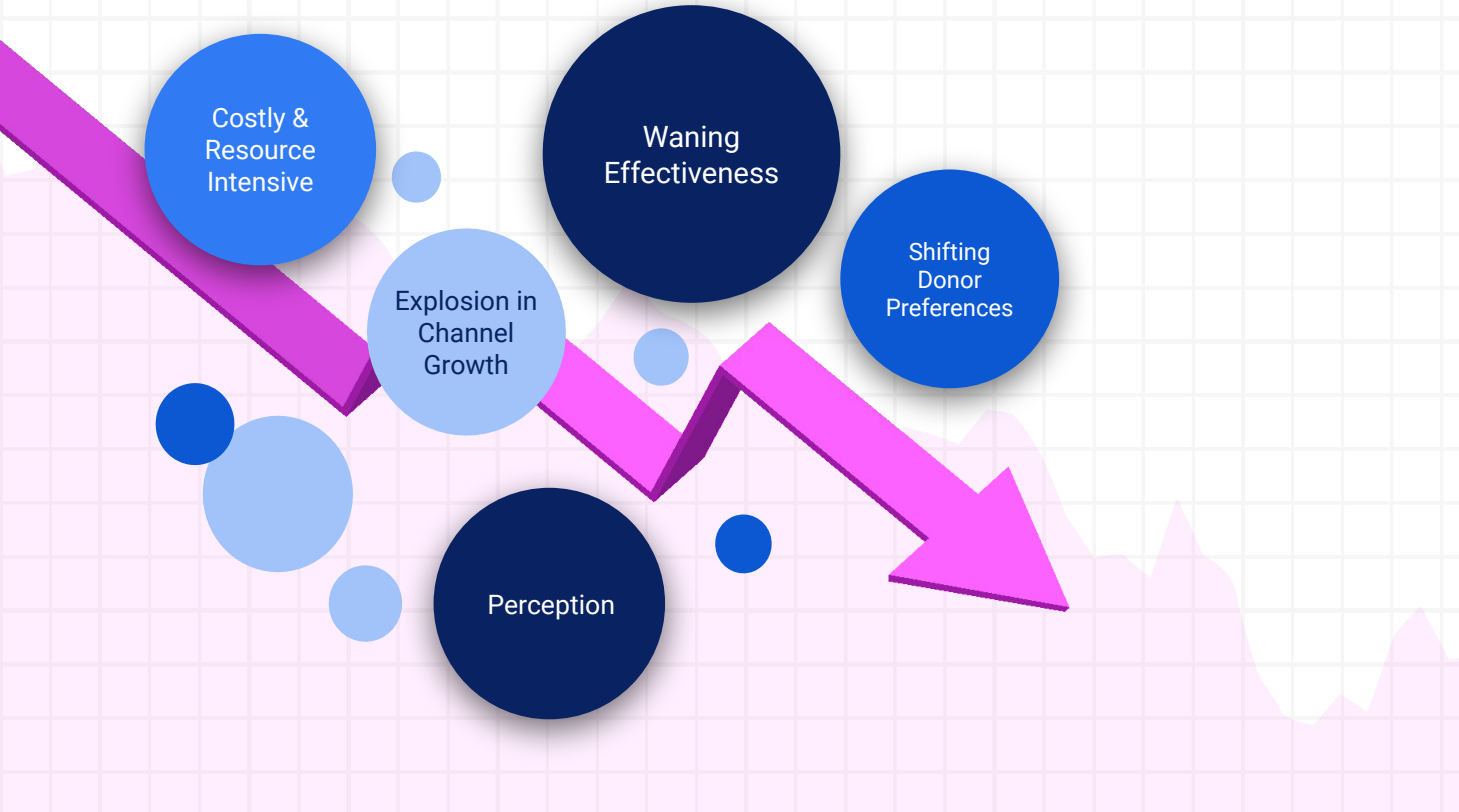
- Most personal outreach channel other than gift officer visit
- In higher ed, connected students with alumni to build engagement and rapport
- Best way to upgrade donors and help boost participation rates and raise unrestricted support
- Allowed institutions to contact/engage a large percent of the constituent base
- Acquisition cost and retention costs initially were low relative to the volume of donors.



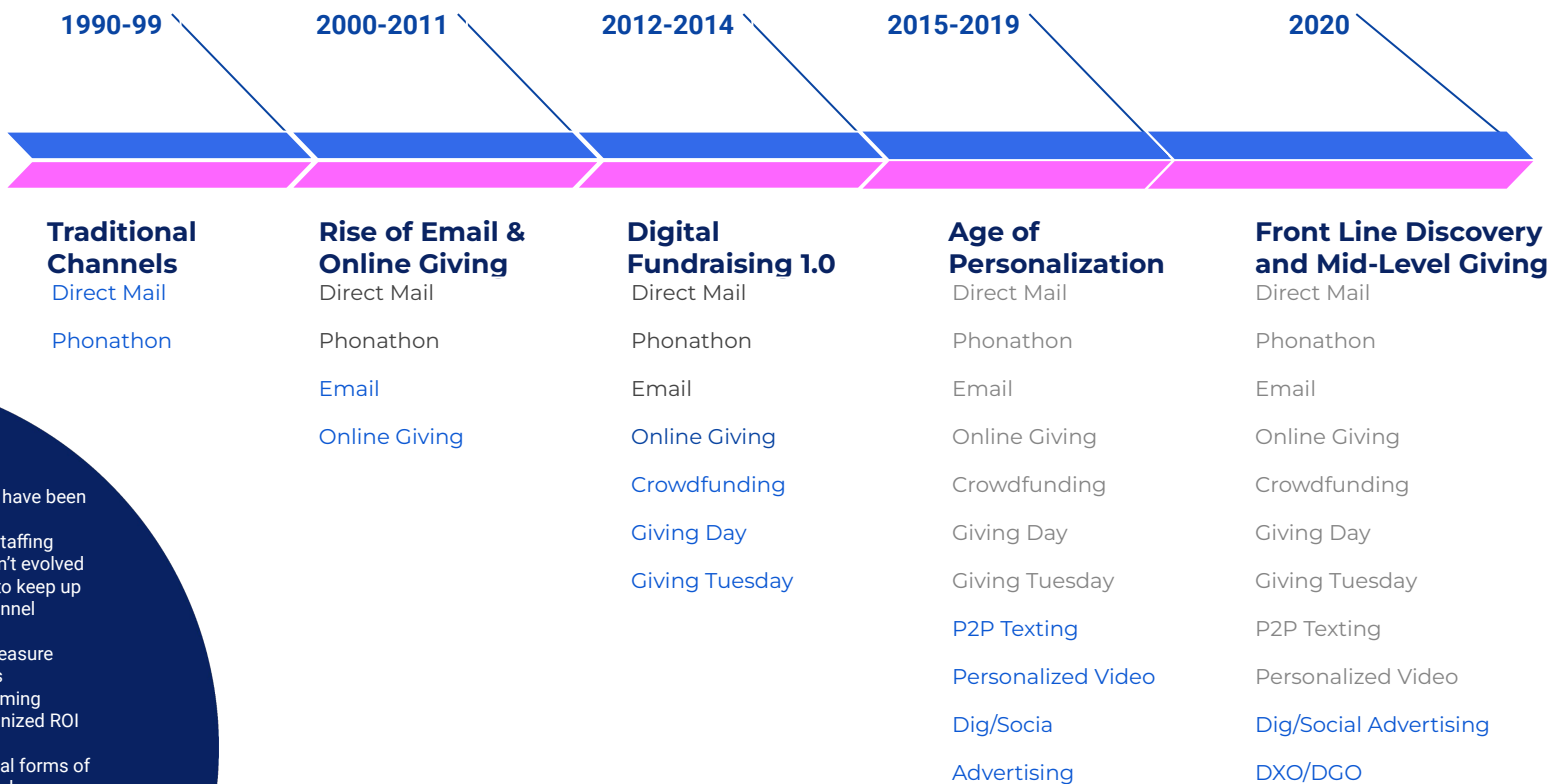
Why are donors & organizations hanging up on phone

Demise of Phonathon

5 Key Drivers



Growing Channel Mix Dilutes Phonathon Effectiveness



- No Channels have been sunset
- Budget and staffing models haven't evolved fast enough to keep up with new channel adoption
- Difficult to measure effectiveness
- Changes in timing impact recognized ROI impact
- Non-traditional forms of philanthropy also contributing

Waning Effectiveness as Channel Strategy Shifts



Phonathon Results		
	Phonathon First Strategy	Direct Mail & Email First
Number of Constituents	80,000	78,150
Number of Contacts	17,613	17,611
Fulfilled Dollars	\$274,959	\$229,987
Student Labor Cost	\$84,114	\$85,663
Student Supe/Training Cost	\$12,617	\$12,849
Software Cost	\$25,000	\$25,000
Assistant Director Cost	\$50,000	\$50,000
Total Cost	\$171,731	\$173,512
ROI	\$103,228	\$56,475



- Move to lead with cost effective channels
- “Losing donors” to another channel impacts fundraising potential
- Achieving same number of solicitations has massive impact on ROI

Opportunity cost for advancement leaders is what **the \$173K in budget could be leveraged** for to help them achieve their goals. Hiring students to make calls is hard. “A new LGO can raise the same for less.”

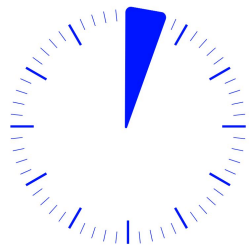
Shift in Donor Preferences

50%

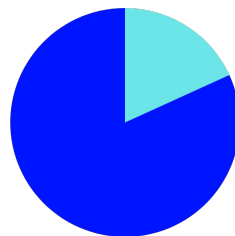
Click through
rate of 1 to 1
videos

75%

Of Gen Z &
Millennials would
rather text than talk
on the phone



90% of text messages
are read within three
minutes of being
delivered



Recipients are 4.5
times more likely to
respond to a text than
an email



Combining text
messaging with email
increases revenue by
25 - 50%

Perception

*“We don’t have cell numbers for most of our alumni.
Even if we did they wouldn’t answer the phone on their cell.”*

*I talked to a major donor just last week that said he never answers
his cell from people he doesn’t know.”*

**Source: Anonymous SVP of
Large Public Institution**



A child wearing a white space helmet with a clear visor is lying on a white, fluffy surface. The child is holding a blue and white toy rocket in their right hand. The rocket has the number '60' on it. The entire image is overlaid with a semi-transparent blue filter.

So now what...

Phonathon Audit



Next Steps



1. You complete a short survey & send over a summary of your results
2. Gravyty will analyze & design a playbook for your institution
3. 30 Minute working session to review recommendations and answer questions

Step 1 | Identify the Core Problem You Need to Solve

Select One

- Build Pipeline
- Optimize Retention Rates
- Improve Reacquisition
- Acquire New Donors
- Increase Unrestricted Support
- Improve ROI & Reduce Cost
- Other



Remember

You must engage enough of the right people in a relevant and relatable way to achieve your goal.

Understand how you will measure impact and ROI

Step 2 | Select the Right Channels

- Start with data & industry insights
- Build a hypothesis for ideal state
- Document how envision using each channel and why
- Align on what success will look like & how you will measure.

*Your opinion
while
interesting...is
irrelevant*

Hypothesis: By strategically reinvesting our budget on text and video while reducing our calling hours and associated spend by 75%, we will engage 15% more donors and build pipeline, identifying 500 donors for gift officers, an 50% increase over last year.

Channel	Strategy	Measure of Success
Video	With the highest click (engagement rate) of any channel, we will use video first to engage our donors 1 to 1, making them feel connected to our students and driving conversion rates no matter what the CTA. This sets the stage for additional outreach.	<p>Measure giving rate for those that watched videos (regardless of how they gave)</p> <ul style="list-style-type: none"> 10% higher by donor type than those that did not watch video
Text	With mobile phone numbers available for 60% of our base, we will use texting as a follow up medium, focused on reaching populations of young alumni that show signs of propensity and capacity. We will also use as a follow up medium post engagement for events or giving to learn more about them and deepen the level of engagement.	<p>Measure giving rate for those that responded to a text (regardless of how they gave)</p> <ul style="list-style-type: none"> 10% higher by donor type than those that did not respond to text
Calling	With the reduced scope of calling and the scalability of new channels will only need 10 student ambassadors vs 35-40 in previous years. Will reserve phone as a last chance channel to engage renewal and lapsed donors that were phone responsive in the past.	<p>Reduce cost by 75%</p> <p>Hire one new LGO out of our student ambassador team</p>
Crowdfunding	Use CF campaigns to generate new donors outside of our existing base. Will use robust post gift stewardship strategy with view and text to learn more about why these donors gave and identify new discovery prospects.	<p>1,200 new donors.</p> <p>100 prospects qualified for discovery portfolio</p>

Tip | Deploy an omnichannel approach to goal setting

Sample Business Case

Opportunity Cost of Status Quo	
75% of the hours are spent on segments raising less than 25% of the fulfilled dollars	5,000
Underperforming Student labor Cost	\$60,000
Estimated Dollars Raised from Underperforming Segments	\$56,381
ROI	-\$3,620
Alternative	
1. Leverage Text & Video	\$39,999
Platform Cost	\$33,999
Labor Cost	\$6,000
Forecasted Dollars Raised	\$64,260
ROI	\$24,261



4 Tips

Keep it Simple

Document your Assumptions

Communicate the Plan

Quarterly Updates

Narrow Your Focus



Data Quality Audit

Use a data quality audit to understand your potential reach by donor type.



Engagement Screen

Remove those that repeatedly show signs of disengagement or disillusionment with your institution.



Predictive Modeling

Create and predictive model trained on relevant data with your goals in mind.

Narrow Your Focus

Solicitable

Valid Mobile & Email

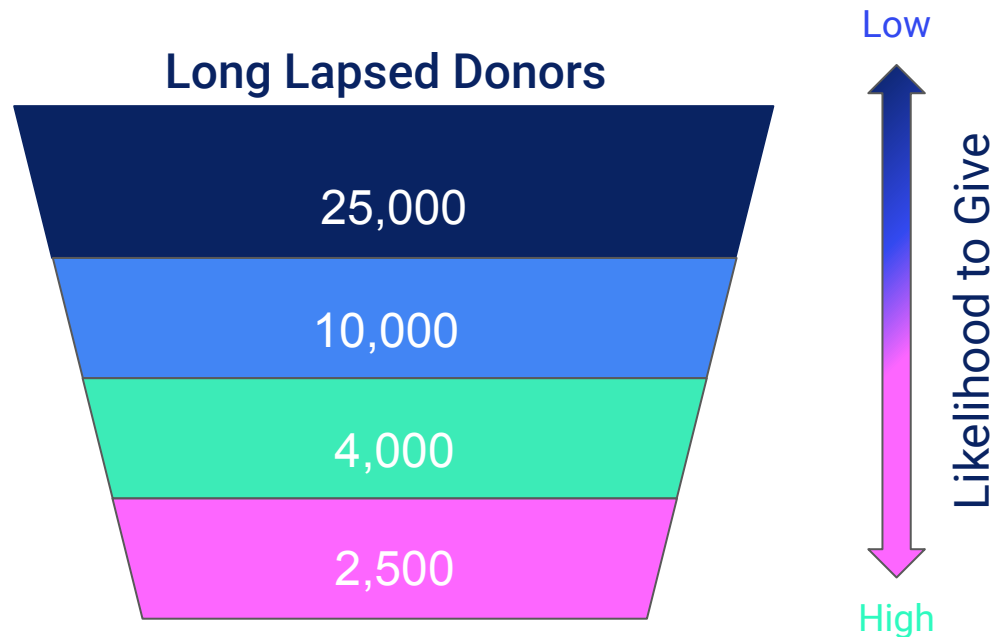
(use CRM+ phonathon data to determine)

Engagement Screen

(remove non-responders, ill feelings, multi-year refusals)

Predictive Modeling

(train on the target audience data and toward goal)



Tip | Use engagement screen and predictive modeling

Make Hyper-Person alization your Superpower

- Be “Relatable and Relevant”
- Incorporate meaningful engagement into your plan
- Worry about the problem you have today not the one you don’t



Top 6 Hyper-Personalization Campaigns



Happy Gift Anniversary

Congratulating donors on making a gift this time last year and asking them to support again.



Mentoring/Community Opportunities

Depending on the audience, showcase mentor or mentee opportunities within your alumni community.



Happy Birthday

Unexpected but always welcomed, these are great touches that can run sequentially to other campaigns.



Enrollment Ask

Share relevant regional updates on enrollment and provide them links to resources to share with prospective students.



Special Event Invite/Post Event Outreach

A great way to boost engagement by keeping donors informed, even if they could not participate.



Surveys

Lapsed donor and gift inspiration surveys can provide powerful insights into the motivations of your donors and many times can lead to additional engagement and gift opportunities.

From Static Programs to Donor Journeys

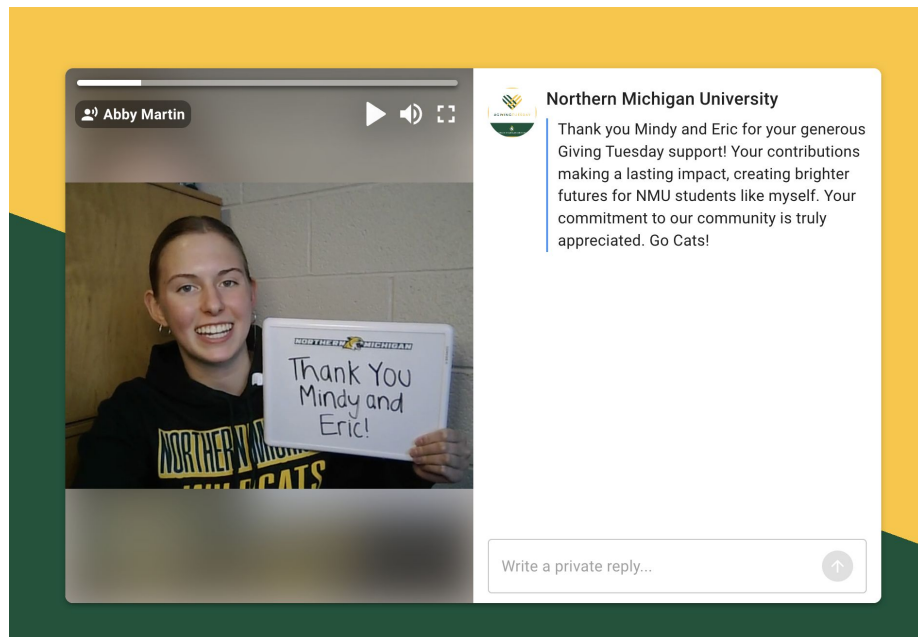
Start building campaigns around the donor, not just your annual giving calendar

Become more data driven

Don't obsess about individual channel performance

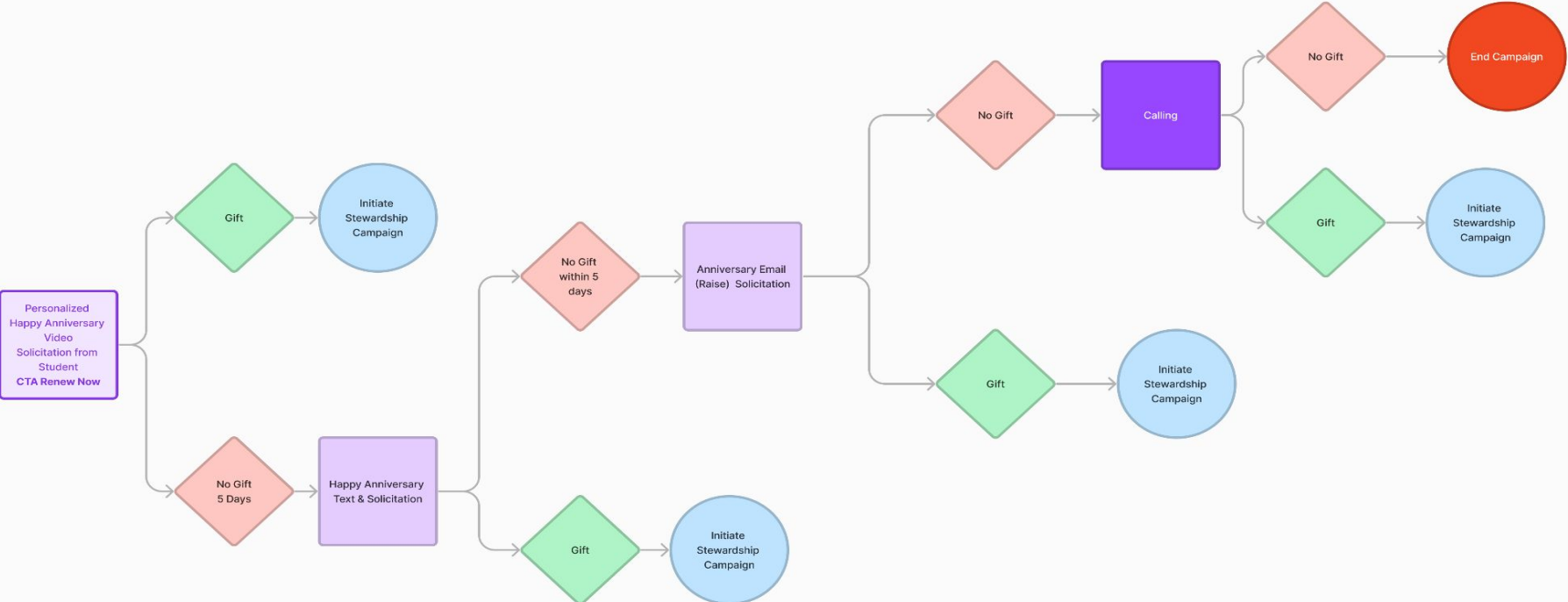
Experiment with personalization level

Be mindful of the landing page experience



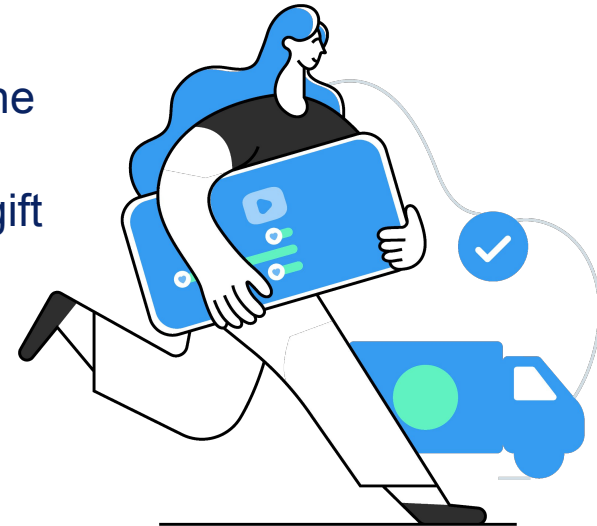
Tip | Expected speed of response and ROI matters

Donor Journey



Student Ambassadors | An Opportunity to Evolve

- Do you really still need a calling center?
- How many student ambassadors do you really need?
- Do you change the students you are hiring and the attributes you are looking for to better engage your constituents?
- Should they own a portfolio?
- How do I best integrate our Student Ambassadors with the LGO/DGO team?
- Does this new approach provide us a pipeline of strong gift officer candidates?



Achieving Success with Student Ambassadors

- ✓ Hire a small team of involved, capable student workers
- ✓ Assign each student a dedicated annual giving portfolio of 1,000 - 1,500 donors and prospects
- ✓ Communicate with donors where they want to be met (email, text, video, phone)
- ✓ Send 100% personalized outreach to all donors leveraging AI tools and message templates
- ✓ Set follow up tasks to ensure a seamless donor experience
- ✓ Elevate qualified prospects to yourself or other frontline fundraisers who manage their own portfolio in Raise



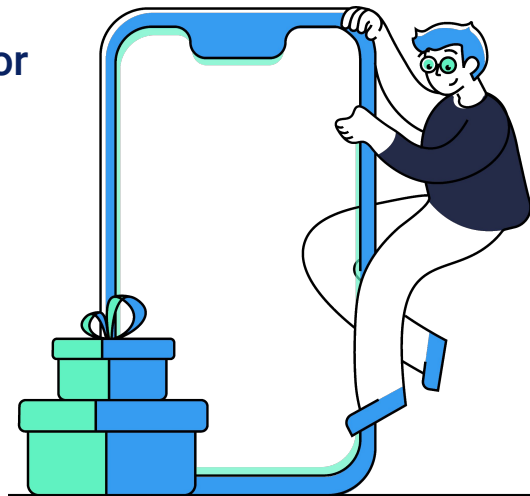
What happens to phonathon

Calling becomes a channel, but used far more strategically and less frequently

- Still use to phone to optimize retention and reacquisition at the end of the journey
- Move acquisition to digital channels like CrowdFunding and Giving Day
- Think deep about gift arrays to optimize upgrades

Ask yourself whether or not you really need a separate platform for phone

Driving down the cost of this channel while increasing engagement and outcomes should be top of mind



Roadmap for Success



- ✓ **Take Action** | Aggressively integrate the channels your donors use every day.
- ✓ **Engage & Solicit** | Don't negate channel effectiveness by oversoliciting
- ✓ **Hyper-personalize pays Dividends** | Look for opportunities to wow your donors at scale
- ✓ **Let go of the Past** | Unneeded complexity and schedule bound outreach doesn't fit with new platforms and tools.
- ✓ **Omnichannel is King** | It doesn't have to be perfect and it won't be, experiment and test to optimize your approach.
- ✓ **Streamline your technology.** Select platforms that can help you shrink the number of partners you work with now, not in the future.

Q&A

