



Relationship Marketing

Creating the "Donor Experience" for Conversion and Retention



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Presenter





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"After 15 years in the Big 4, I felt called to use my talents for a greater social impact. So I launched Snowflake, a Certified B Corporation®. We help organizations transform individuals' and communities' quality of life."

Strategy > Organizations > People > Marketing www.snowflakellc.com > Twitter: @snowflakellc

Objectives



By the end of this session, you'll learn to:

- > Define philosophies and key terms
- > Understand why to change
- Get to know your donor pool
- Map journeys to conversion and retention
- > Create experiences that deliver
- Measure and adjust to results



Relationship Marketing Creating the "Donor Experience" for Conversion and Retention

The Goal



What do non-profits seek from donor development?

Consistent revenue Increasing contributions Long-term, recurring donors

We want to maintain the baseline, increase amounts, expand the pool, and get people to keep giving.

Implications



What does this mean for our approach to donors?

Long-term relationships over "one-and-done" interactions



We need to stop looking at donors simply as <u>transactions</u>, and start seeing them as <u>people</u>.

Forming Bonds



What are the characteristics of a strong relationship?

Finding a connection

Meeting on each other's terms

Recognizing unique traits

Developing trust

Ensuring mutual benefits

Displaying gratitude

Continuously communicating

Rewarding relationships are developed over time, and require effort on the part of both parties.

Unique Personalities



Are all relationships the same?

Are your friends and acquaintances exactly alike?

Do you act differently depending on who you're with?

Is every relationship equally valuable?

Do you prioritize some people over others?

No, they're not!

Building and maintaining relationships requires a different approach for each person.

Little Moments



What are relationships built on?

Experiences!

"Events (or non-events) that affect people's thoughts and feelings about a relationship, and how they're inclined to act."



The quality of a relationship is driven by the impacts of experiences throughout the life cycle.

Takeaway



The same concepts that apply to individuals are also relevant to non-profits and their donors.

This is the foundation for

Relationship Marketing

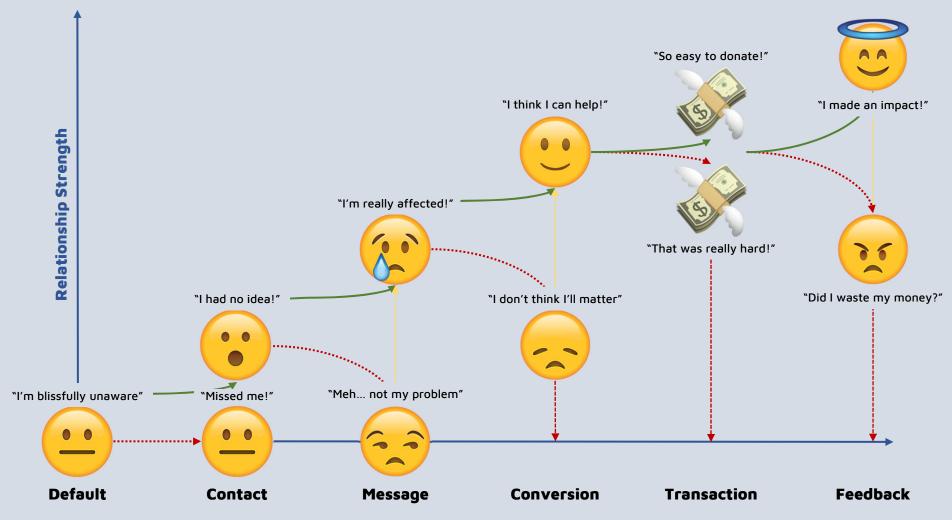
"Creating complete personal experiences that influence donors to engage and give in a long-term relationship."

Non-profits that embrace relationship marketing increase revenue and sustain it over time.

Illustration



Experiences directly affect how relationships unfold.





Why Bother? Rationale for Adopting Relationship Marketing

The Standards



Non-profits try many things to secure and retain donors.



What are the approaches your non-profit is taking?

Mail and E-mail



Many non-profits use mail and e-mail for regular appeals.

- > Direct mail
 - Costs for mailing lists, production, distribution
 - Recipients often ignore correspondence

Average response rate

6%

Source: MobileCause (2019)

- > Electronic mail
 - Costs for lists, donor management applications
 - Most e-mails are unopened, fewer get responses

Average interaction rate 2%

Source: Constant Contact (2018)

New Tools



Web, blogs, and social media are increasingly being used.



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Bottom Line



What many non-profits are doing isn't working well.

- > They're trying old and new things
- > But, they're flying blind
 - Don't know targets
 - Unaware of their experiences
- > They're focusing on the wrong things
 - Aren't reaching the right people
 - Not compelling them to take action



Financial, time, and opportunity costs often exceed the value of conversions and recurrences.

Takeaway



There's potential in non-profit donor pools that standard approaches aren't reaching. Something needs to change.

What are successful non-profits doing right?

Creating personalized experiences

"Knowing your targets and developing interest, trust, and satisfaction are the keys to lasting, rewarding relationships."

The most successful non-profits are customizing their approaches to the people they want to capture.

Illustration



These organizations demonstrate how powerful strong donor relationships can be.





- > Significant increases in recurring revenue because they:
 - View donors as people, not transactions
 - Get to know their targets personally
 - Develop integrated, tailored strategies
 - Create multi-channel, end-to-end experiences
 - Keep donors engaged on their terms



Relationships: Journeys Designing Experiences that Influence Your Audience

Time and Effort



Developing relationships is a process.

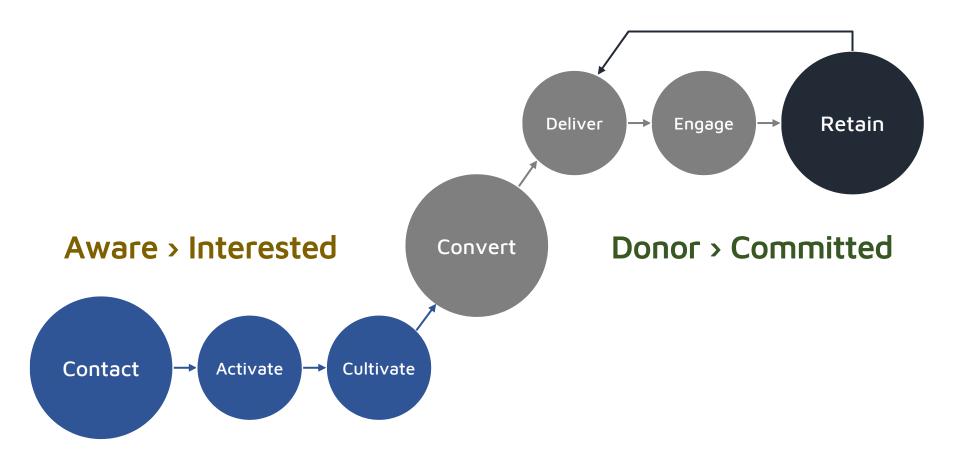


How are you forming relationships with your prospects and donors?

Relationship Cycle



The "relationship cycle" reflects key touchpoints at which non-profits must effectively engage the target audience.



Facilitating Action



Like any relationship, action is required on the parts of both the non-profit and the target audiences.

The goal is to make target donors want to make the effort.

It's a journey, and you are the guide

Non-profits need to provide targets everything they need along the way to becoming recurring donors.

Job Description



What makes for an effective guide?

Knowledge, understanding, customization, commitment.

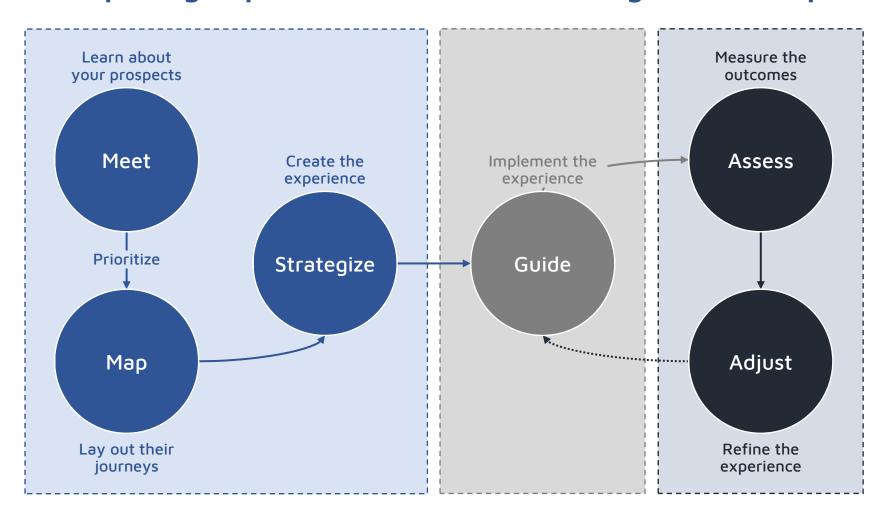
Give the audience an experience it won't forget

Getting to know prospects, prioritizing them, mapping their journeys, and catering to them are the keys.

Approach



Compelling experiences create rewarding relationships.





Introductions Getting to Know the People in Your Donor Pool

Who Are They?



Knowing who you're after is key to rewarding relationships.



How well do you know your audience?

Donor Pool



Prospective donors in the "market" can be segmented into groups of people with similar characteristics.

Attributes Potential Probability

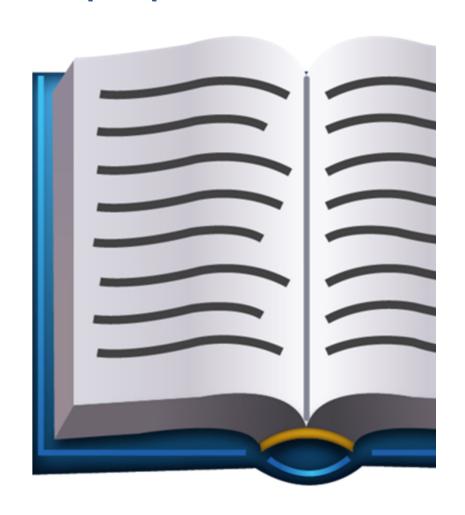


So Much Information!



What can we find out about prospects?

- > Personal attributes
 - Demographics
 - Economics
 - Psychographics
 - Behaviors
- > Connection factors
 - Issue knowledge
 - Resonance of cause
 - Brand recognition
 - Giving thresholds



Investigation



How do we get to know them?

- > Current and past donors
 - Data exploration
 - Direct to the people
- > General population
 - Individual surveys
 - Group discussions
- Internal data points
 - Data analytics
 - General observations



Data Analysis



The information helps define and assess the donor pool.

- > Descriptors
 - Core characteristics
 - Willingness and capacity
- > Correlations
 - Problem recognition
 - Involvement factors
 - Knowledge of non-profit
 - Related interests
 - Engagement preferences
 - Behavioral influences
 - Needs and wants
 - Barriers to participation



Ideal Prospect Groups



The results of analysis enable identification of target donors.

Group A

Annual giving threshold = \$50 - \$100 Probability of donating = 75% Size of pool = > 500

Demographics

Age range: 30 – 39
Gender: Male
Geography: Timonium

Employment: Full-time, white collar Income level: \$100,000 - \$149,999 Family status: Married, 0 - 2 children

Awareness

Issue knowledge: Aware, but not of details Brand recognition: Know name but little else

Basis for Involvement

- Desired to get involved in community
- Care for specific issue when presented

Group B

Annual giving threshold = \$100 - \$500 Probability of donating = 75% Size of pool = > 500

Demographics

Age range: 65+

Gender: Male or Female Geography: Owings Mills

Employment: Semi-retired, retired Income level: \$50,000 - \$74,999 Family status: Married, 3 - 4 children

Awareness

Issue knowledge: Generally unaware Brand recognition: Never heard of us

Basis for Involvement

- Want to give money to a good cause
- Prefer local to national charities

Donor Personas



Information puts a "face and a name" to key donor groups.

Group A

Annual giving threshold = \$100 - \$500 Probability of donating = 75% Size of pool = < 500

Demographics

Age range: 30 – 39
Gender: Male
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Employment: Full-time, white collar Income level: \$100,000 - \$149,999 Family status: Married, 0 - 2 children

Awareness

Issue knowledge: Aware, but not of details Brand recognition: Know name but little else

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Working Name

- > Knowledge of the problem
- > Level of interest in addressing the issue
- > Awareness of non-profit
- > Facility with and use of technology
- > Shopping and buying habits
- > Employment commitments
- Use of personal free time
- Involvement in community groups
- > Interest and participation in social causes
- Cause-based donation behaviors
- Post-donation needs and wants
- Follow-up engagement preferences

Development



What's important to remember when developing personas?

- > Data-driven
 - Uses what we've learned
 - Completes the image
- > Creativity
 - "Art" as much as "science"
 - Involves different people
- > Iteration
 - Tested with representatives
 - Refined through feedback



Takeaway



Understanding the donor pool is essential to meeting target audiences, and is the basis for creating tailored experiences.

What does data about the donor pool enable?

Prioritizing and personifying

"Getting to intimately know the people most likely to donate is essential to developing relationships that endure."

Deep, personal knowledge of "ideal donors" allows non-profits to map and guide relationship journeys.

Illustration (a)



What does a donor persona look like in practice?

Group A

Annual giving threshold = \$100 - \$500 Probability of donating = 75% Size of pool = < 500

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Rod Marshall

- General idea there is local homelessness
- Became interested when informed of extent
- Heard of us, but doesn't know what we do
- Big social media user, always on computer
- Shops on-line, avoids brick-and-mortar
- Dedicated to job, works >60 hours per week
- Not religious, does not go to church
- Not actively involved in community activities
- Interested in social causes, but has no time
- Donates impulsively, attaches to recipients
- · Cares about what happens to his money
- Wants to be told, doesn't seek information

Illustration (b)



What does a donor persona look like in practice?

Group B

Annual giving threshold = \$100 - \$500 Probability of donating = 75% Size of pool = > 500

Demographics

Age range: 65+ Gender: Male

Geography: Owings Mills

Employment: Semi-retired, retired Income level: \$50,000 - \$74,999 Family status: Married, 3 - 4 children

Awareness

Issue knowledge: Generally unaware Brand recognition: Never heard of us

Basis for Involvement

- Want to give money to a good cause
- Prefer local to national charities



Don Scherer

- Surprised to learn homelessness is an issue
- Thinks more should be done, now that he knows
- Knows national charities, never heard of us
- Uncomfortable around computers, but tries
- Comparative shopper, coupon-clipper
- Semi-retired, works for spending money
- Active church-goer, involved in church groups
- Plays a lot of golf in his free time
- Donates at end of year to national organizations
- Doesn't research recipients, goes by "feel"
- Doesn't pay much attention to recipients' results
- Interested in current events, learns from TV



Donor Journeys How People Go from Contact to Conversion to Retention

Getting "There"



You need to know how people get from Point A to Point B.



Do you understand why your donors commit to your non-profit?

Progressions



Journeys = Prospects movements towards the goal by engaging at "key moments."

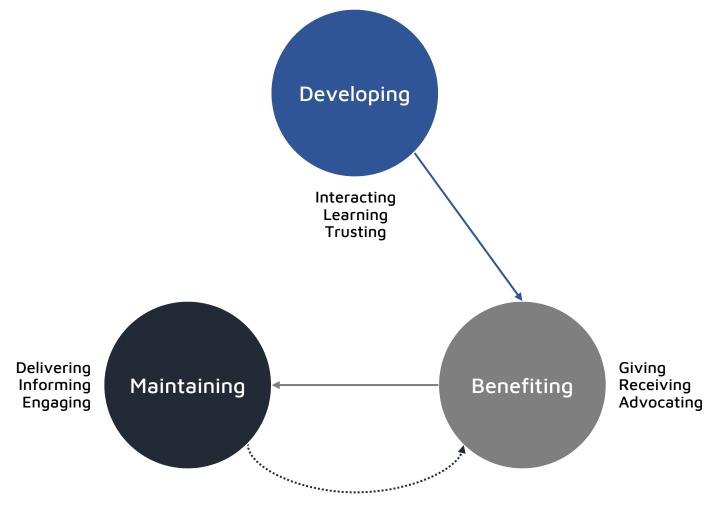
Stages and Status Thinking and Feeling Opportunities



Relationship Phases



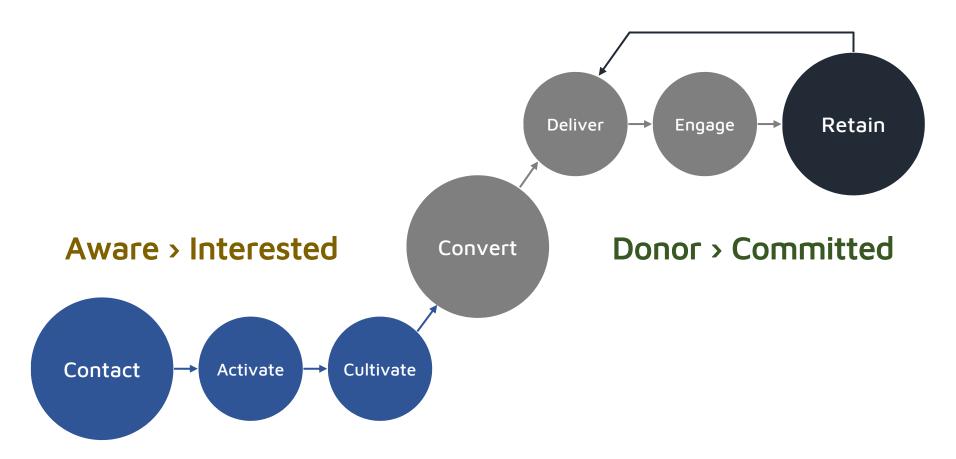
There are three basic "action groups" in relationship journeys.



Steps on the Way



Remember the "relationship cycle?" These are the key touchpoints on the target donor's journey.

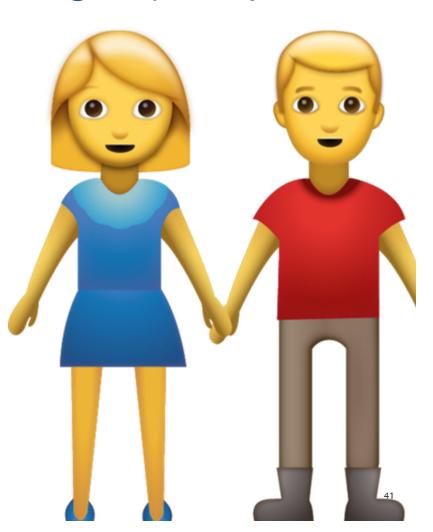


Evolution



The donor experience has to guide the audience through a "transformation" along the journey.

- > Aware of the problem
- > Educated on the issue
- > <u>Invested</u> in solving it
- Convinced in the non-profit
- Aligned with the "ask"
- > Acting to contribute
- > <u>Satisfied</u> with delivery
- > <u>Engaged</u> over the long term
- > Committed to the cause
- Advocating for the non-profit



Key Elements



What do we see at each stage of the journey?

- > Status
 - Overall impressions
- > Attributes
 - Where they're at
- > Thoughts
 - What's on their minds
- > Emotions
 - Peaks and valleys
- > Options
 - Ways to move forward



Journey Maps



	CONTACT -	► ACTIVATE →	CULTIVATE →	➤ CONVERT →	DELIVER →	► ENGAGE →	RETAIN 😈
STATUS	Aware but hasn't really been that concerned.	Concerned. Doesn't know about MD Homes.	Really cares now. Sees MD Homes as one of many.	Has confidence in MD Homes and, wants to help.	Converted, now needs to see it's mattered.	Happy, but little time to follow MD Homes' progress.	Likes what he sees, will keep helping if useful.
ATTRIBUTES	Cares about the community, and mostly learns about what's going on through social media.	Getting educated, but assumes that public programs are doing the work to address homelessness.	Emotionally invested, meets MD Homes for the first time, but doesn't know how effective it is.	Sees MD Homes is accomplishments, wants to help but doesn't have much time. Might donate instead.	Donated. Wants to show others what he's done. Also wants to see where his money is going.	Stays connected via social media. Homelessness is "his issue," wants to know how efforts are going.	Willing to give more, but will evaluate MD Homes' impacts each and every time he's asked.
ттноинстѕ	I'm see the issue, but how bad is it?	I didn't know the extent of the problem!	I care. Who's helping solve the issue?	I want to help, but how can I best be of use?	Will my money really make a difference?	It did! I'm proud of my involvement!	These guys are doing great, with my help.
EMOTIONS							
	Curiosity	Interest	Empathy	Uncertainty	Conditional	Satisfaction	Commitment
OPTIONS	Educate through community social media groups.	Push digestible, basic information about MD Homes.	Show how MD Homes works better than most.	Be specific about the need and illustrate results.	Give him tangible items, show his specific impacts.	Push out success stories, key statistics, etc.	Remind him of need and effects, ask for more.

Development



What are the key points in developing journey maps?

- > Rely on personas
 - Built on personal traits
 - Describe "typical" progress
- > Highly interactive
 - Visual, dynamic construction
 - May be software-enabled
- Always evolving
 - Baseline assumptions
 - Reality-based adaptation



Takeaway



Understanding the journey enables creation of tailored experiences based on "where they're at."

What do journey maps allow?

Recognizing and influencing

"When you know where your prospect is likely to be, it's easier to control the experience she has."

Journey maps show progression in relationship development, and highlight opportunities to engage.

Illustration



	CONTACT -	► ACTIVATE -	CULTIVATE -	CONVERT -	DELIVER -	► ENGAGE -	RETAIN
STATUS	Aware of issue, must be sold on importance and made aware of MD Homes as a major player addressing it.	Appreciates the issue, knows MD Homes and sees it as "one of many," not sure of its specific role.	Has an idea of what MD Homes does and how programs help to address homelessness in the local area.	Has confidence in MD Homes. Now wants to get more involved with the organization, but can't find time.	Donated, now expects some "delivery" or tangible return for his personal contribution to Excelsior.	Comfortable that MD Homes used his cash responsibly. Wants to stay connected, still can't commit time.	Happy with progress on issue, and feels good about being part of successes, even if not physically.
ATTRIBUTES	 Part of community groups on social media, as a way to keep current Doesn't typically go to public forums where physical ads can be seen Primary reads the news online, often using social media for perspectives 	 Likely to give some money over time, but needs to be led to organization Sees the county and city's programs as most effective for local issues Doesn't actively do research to learn more about service providers in area 	 Seeks opportunities to be involved in solutions to the extent time allows Unsure MD Homes' programs work and still sees it as one of many providers Doesn't know one single thing about Excelsior's budget, size, and capacity 	Not actively trying to make donation, but will consider if asked directly Very concerned at how money will be used, in concrete terms, on issue Frequently shops from home, prefers on-line payments if they are secure	 Wants to show support for cause and MD Homes so others are aware Would like to know that his money was used as promised when asked Needs to have a physical item that he can "hold" in return for donation 	Keeps a personal connection to the cause, wants to see progress made Still directed to news and events via social media vs. specific outlets Homelessness now "his issues," but other interests still compete for time	 Does not care nor keep track of when he has donated, just that he did Likely to donate again if he sees the needs, initiatives, and progress Not a big "habitual donor," but willing to consider again if asked directly
ттноинстѕ	I know the problem exists, but don't the have time to research and it or find out who addresses it. I'll read about it my Facebook feed, though.	Hmmwell, maybe I should check this out, I keep seeing tweets and postings I see on Facebook about this MD Homes, and they are here in the area.	I'd like to help those in need, and maybe I can with MD Homes. Where can I get more information? How do I best get involved, with limited time?	It seems the best way to contribute is to make a donation. I'm open to that, but I am not exactly sure what they are going to do with the money.	Wow, I just gave a donation. Is that it? What do I get out of this contribution? Will it really help? What are my friends going to think about this?	Cool. I'm seeing that I'm making an impact. I love seeing success stories on Facebook and the blog. They really show how my money is working.	They're asking for money again. I can see the great work MD Homes is doing and I want to keep on helping. I think I am making a difference.
FEELINGS	I'm curious. I didn't know the extent of the problem, but it looks like there are people helping.	I'm interested to know more about this group I keep seeing. They seem to be doing good work.	I'm very sympathetic, and I feel determined to help. I just need to see exactly what that looks like in practice.	They say my money will help, but I am hesitant. I've got the means, but I want to know it will be used.	I feel good, but still a little "empty." I don't want to be let down. I'd like to show my support to others.	I feel proud. I am part of this effort to make a difference locally, and I can see that it is very successful.	I feel good, but I know there's more to do. If homelessness exists and MD Homes is still effective, I'm in.
OPTIONS	Educate on the issue, and ensure he sees the MD Homes name attached to solutions in the local area.	Push information to introduce MD Homes and its key programs. He's willing to read if given digestible info.	Show how MD Homes works, that it gets results, and it's best equipped to address the problem.	Ask for a specific donation, show the impacts, and give him an easy, secure way to make payment.	Give tangible item(s) that allow him to visibly show support. Clearly identify his specific impact.	Tell success stories, and make them easy to find and read, as he may not actively seek them out.	Remind him and show why money is still needed. He will not be a good candidate for automatic donations.

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Donor Experiences Creating Pathways that Generate Lasting Results

Connect and Convert



Experiences dictate the strength of relationships.



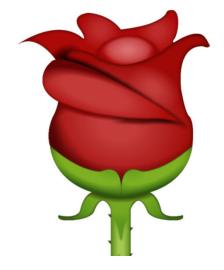
What kind of experiences do your donors have engaging with you?

Experiences



Non-profits can influence how people interact with them. Make them feel special, and make it easy to engage.

Touchpoints Content Platforms



Major Factors



Where should non-profits focus when creating experiences?

- > Key Events
 - Frequency and type of contact
 - What, where, when, how
- > Decision Points
 - Progression milestones
 - Requests, incentives, promises
- > Ease of Access
 - Interactions and payments
 - Channels, applications



A Closer Look



Facilitating progression, decisions, and actions is critical.

Key Events	Decision Points	Ease of Access
Make the introductionProvide informationAsk for action	> Find out more> Proceed to next phase> Make a donation	Inbound contactsDonation platforms"Push" communications
"Visit our web site" "Click to donate now"	"I'm interested in this" "I'm ready to contribute"	"I have some questions" "I want to write a check"
 Message Format Media Placement Timing 	IncentivesCalls to Action	DestinationsResults

Remember, the best experiences are customized to the donor segment's knowledge, preferences, etc.

Levers of Influence



Lever	Definition	Examples
Message	What the audience is told	Issue detailsAccomplishments and goals
Format	How information is conveyed	Infographics (timelines, stats, etc.)Personal stories
Media	Presentation method(s)	Written updatesInformational videos
Placement	Channels selected for delivery	Specific social media groupsPaid radio advertisements
Timing	Schedule for message placement	Daily for a set durationEvery Sunday between 8 – 10am
Incentives	What the next stage offers	Non-profit collateralSpecific impact on the problem
Call to Action	What the audience needs to do	Click to learn moreMake a certain level of donation
Destination	Where the Call to Action leads	Landing page on web siteSecure, fast e-payment site
Results	What happens after the action	Join our mailing list optionPersonal "thank you" from ED

Takeaway



There are many components of donor interactions, and they must be tightly integrated to create a complete experience.

What is the key thing non-profits want to accomplish?

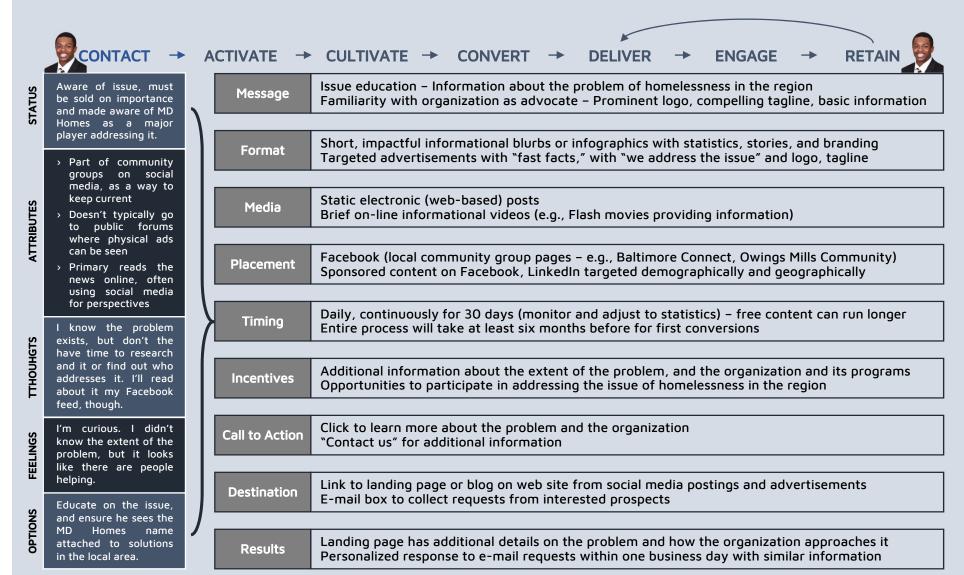
Make everything easy

"Making it simple requires meeting prospects on their terms their 'positions,' preferences, behaviors, concerns, etc."

A positive experience is a personal one, leading a prospect end-to-end to become a recurring donor.

Illustration





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Measuring and Adapting Evaluating Outcomes and Refining Experiences

Knowing Results



Understanding outcomes is essential to relationship-building.



What are you doing to measure the effectiveness of your efforts?

The Outcomes



Strong relationships are dynamic in nature, changing as each party learns more. It's important to observe and respond!

Metrics Progress Effectiveness



Data Analytics



Data tells a lot about the effectiveness of the experience.

- > Prospect reach
 - Are we "meeting" target prospects?
- > Issue resonance
 - Do they "get it," and care?
- > Brand recognition
 - Do they know and trust us?
- > Level of interaction
 - Do they take action? If not, why not?
- > Donor revenue
 - How much, and from where?



Feedback Sources



The data non-profits need is widely available, if they're willing to find and know how to interpret it.

- > Current donor information
- > Web dashboards
- Media-specific providers
- > Social platforms
- > Third-party applications
- > The audiences themselves





Refinement



Issue recognition enables responsive adaptation.

- > Learn and respond
 - Refine journey maps
 - Identify "missed moments"
- > Alter the approach
 - Revise messaging
 - Communicate differently
 - Modify distribution channels
- Make it easier
 - Align donation methods
 - Eliminate barriers



Considerations



What's important to remember about monitoring results?

- > Metrics
 - Informative measures
 - Key financial milestones
- > Measurement
 - Tools to collect data
 - Continuous monitoring
- > Evaluation
 - Actual vs. planned journey
 - Explanatory factors



Takeaway



Monitoring the situation and responding to problems are key to building and maintaining lasting relationships.

Experiences are perfected over time, so:

Be attentive and flexible

"We can learn so much as people engage with the experience, and use that knowledge to continuously improve it."

Who doesn't measure results? If you don't, how can you ensure your strategy is working?

Illustration



Social media campaign to inform the target audience about the extent and impacts of homelessness in Maryland



Placement: Baltimore Connect Facebook Page

Two-week period – 1,500 views, 182 clicks, 3% requested more information. The demographics of the viewers are consistent with our persona.

Initial Interpretation

The message is reaching the right people, but it's not compelling them to action. Is it the message itself, the way it's presented, or both?

Extended Analysis

We have a one-minute video on the landing page, but people aren't watching it. Of the 182 clicks, only 28 people clicked on the video link.

Responsive Action Plan

Consider changing the format to eliminate the extra action (video click) and provide visual information immediately upon landing on our page.



Wrap-up Summary, Questions and Answers, and More Information

End of the Tour



This concludes this afternoon's discussion!



What are the key things you'll remember from this session?

Key Points



Things to keep in mind about Relationship Marketing

- > Don't objectify... personify
- Focus on lasting relationships
- > Get to know your target audience
- > Be a great guide
- > Go where the people are
- > Speak your prospects' language
- Make decisions and actions easy
- Measure, adjust, measure again



Ask Away!



Relationship Marketing
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for Conversion and Retention

What questions do you have? Did you learn what you hoped?

More Information



Interested in finding out more?

tom.morley@snowflakellc.com www.snowflakellc.com/contact



Thank You



Thank you to Maryland Nonprofits for the opportunity to present at this year's conference.

I'm especially grateful to you for attending this session!

Please Tweet your thoughts!

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