



# *Integrated Multi-Channel Marketing*

Where Nonprofit Organizations  
Are Today & Key Success Factors  
Moving Forward

EDGE RESEARCH + CONVIO

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## ABOUT THIS STUDY

Commissioned by Convio, Edge Research conducted an online survey for nine weeks gathering responses from 123 nonprofit practitioners and conducted 15 in-depth interviews resulting in the *Integrated Multi-Channel Marketing* study. The study explores key success factors for organizations already on their integrated multi-channel journey and identifies how they compare to their peers, and where to focus next to improve success.

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## INTRODUCTION

*The purpose of this study is not to try and convince you to engage in integrated multi-channel marketing. This study is directed at those groups and individuals who already believe in the potential of integrated multi-channel marketing and have likely started the journey. The study seeks to help interested groups understand how they compare to their peers, and where to focus next to improve their success.*

### Background to the Study

For several years now, the terms *multi-channel marketing* and *integrated marketing* have been “all the rage” at nonprofit marketing conferences. In January 2007, Convio and the analytics firm StrategicOne (recently acquired by Convio) presented a first-of-its-kind research paper at the Direct Marketing Association Nonprofit Federation DC Conference, which proved that an integrated multi-channel communications approach enhanced donor lifetime value. The principal finding was that **adding online communications to a direct mail-only treatment improved donor retention rates, increasing frequency and consequently lifetime value**. The boost in lifetime value occurred whether or not the donor actually elected to give online. Donors who actually gave online in addition to the mail were shown to be even more valuable.

To better understand the underlying donor behavioral trends, Convio and Edge Research published *The Next Generation of American Giving*<sup>1</sup> another first-of-its-kind study that explored the charitable habits and preferences across four generations: Matures (age 65+), Boomers (47-64), Gen X (31-46), Gen Y (20-30). The research illustrated that while Mature donors by and large prefer a more traditional engagement, i.e., direct mail, with the nonprofits they support, Boomers, Gen X and Gen Y are very multi-channel in their engagement with nonprofits. For those generations, no one particular engagement channel dominates the other, suggesting that nonprofits need to adopt a balanced multi-channel approach to capture the attention of younger donors.

Most nonprofit marketing professionals have embraced the belief that an integrated multi-channel approach is ideal. However, to this day, there are varying perspectives as to what integrated multi-channel marketing or integrated marketing (IM) actually means and what it takes to be successful. Consequently, there are levels of integrated marketing sophistication. In this study, we wanted to understand exactly where nonprofit direct marketers are today with respect to the practice of integrated, multi-channel marketing, i.e., how balanced were their revenue streams between online and offline channels; what integrated metrics they are tracking; what integrated marketing processes they are following; and to what extent social media and mobile channels have been embraced. We also wanted to explore the key success factors for integrated multi-channel marketing, exploring topics like staffing levels by channel, goal setting, agency coordination and organizational structure. Lastly, we wanted to understand where nonprofit marketers were planning to prioritize their efforts moving forward.

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<sup>1</sup> *The Next Generation of American Giving* is available at <http://convio.com/nextgeneration>

## The Research Process

Commissioned by Convio, Edge Research conducted an online survey for nine weeks gathering responses from 123 nonprofits. In addition to the online survey, Edge Research subsequently conducted 15 in-depth interviews with survey participants to paint a more detailed picture and add flavor and context to the online survey. The in-depth interviews explored what nonprofits are currently doing on the integrated marketing front, as well as what would help accelerate integrated marketing within their organization.

### **To participate in the online survey, participants had to meet the following criteria:**

- The nonprofit organization for which the participant worked had to have raised more than \$1 million per year via direct response channels.
- Had to be a manager/supervisor or above.
- Had to be the primary decision maker or involved in the decision-making process.

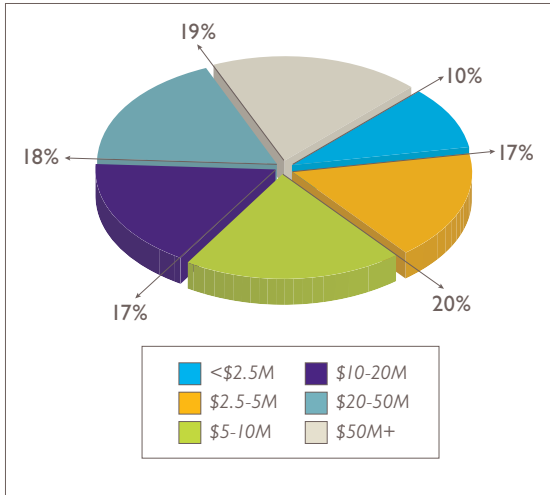


Fig. 1—Distribution of Online Survey Participants by Public Contributions

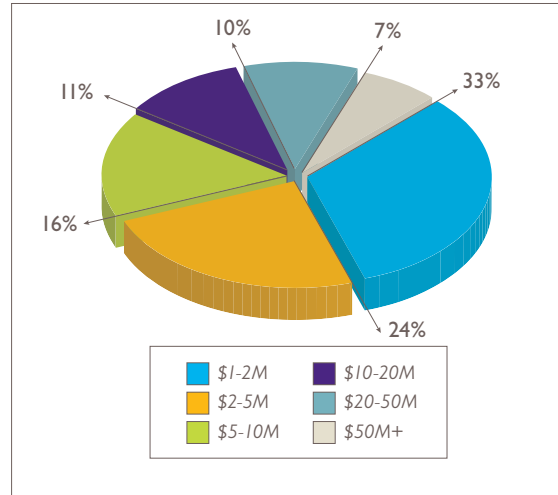


Fig. 2—Distribution of Online Survey Participants by Direct Response

Of the 123 online survey participants, Figure 1 represents the mix of participation by organization size as measured by direct public contributions from individuals, private foundations and corporations.

In addition, Figure 2 shows the mix of participants by funds raised via direct response channels, including direct mail, email/general web gifts, telemarketing, and direct response television, but excluding revenue from events, major gifts, bequests, foundations etc.

## Assessing Integrated Multi-Channel Marketing Sophistication

The research team collaborated with a committee of integrated marketing practitioners to create a point scale to gauge how sophisticated the survey participants were across a variety of integrated marketing disciplines. Each question in the survey was assigned a point value, and most questions were assigned one point. For example, if you tracked a specific metric or followed a specific best practice, each response would earn one point. There were a few questions around more advanced topics which yielded more points.

Points were tallied to categorize survey participants as follows: Novice, Junior, Intermediate or Advanced. The following point breakdown was used:

- Novice: <50 points
- Junior: 50-70 points
- Intermediate: 71-90 points
- Advanced: >90 points

As illustrated in Figure 3, the majority of the participants fell in the middle—in the “Junior” and “Intermediate” categories. This suggests that at least among survey participants, there is a reasonable amount of integrated marketing activity happening but plenty of room for improvement.

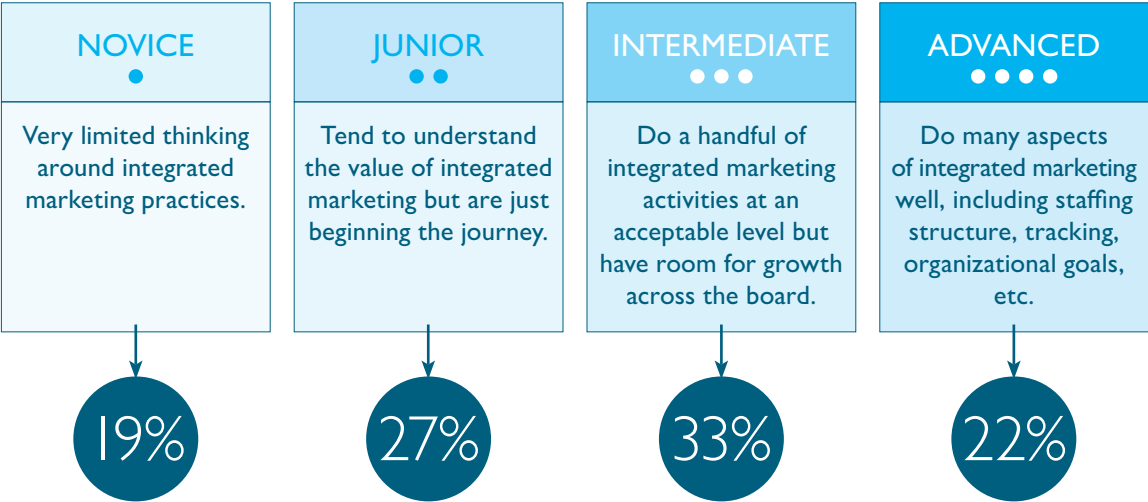


Fig. 3—Descriptions (and %) of Integrated Marketing Sophistication Categories

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# DEFINING INTEGRATED MULTI-CHANNEL MARKETING

## Definitions from the For-Profit Arena

To better understand why and how for-profits engage in integrated multi-channel marketing, below are several definitions with key points highlighted:

Integrated marketing communication is a way of looking at the whole marketing process **from the viewpoint of the customer**. (To paraphrase: Organizations need to align processes and engage customers based upon their expressed needs and wants garnered from the real data collected and analyzed and not based upon how they are internally structured.)

– Professor Philip Kotler  
S.C. Johnson & Son Distinguished Professor of International Marketing  
Kellogg School of Management, Northwestern University

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Integrated Marketing Communications is the coordination and integration of all marketing communication tools, avenues, functions and sources within a company into a seamless program that **maximizes the impact on consumers**.

– Wikipedia

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Integrated marketing communications (IMC) is a process for managing customer relationships that **drive brand value** primarily through communication efforts. Such efforts often include **cross-functional processes that create and nourish profitable relationships** with customers and other stakeholders by **strategically controlling or influencing all messages** sent to these groups and encouraging **data-driven, purposeful dialog** with them. IMC includes the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program in order to maximize the impact on end users at a minimal cost. This integration affects all firms' business-to-business, marketing channel, customer-focused, and internally directed communications.

– Wikipedia

Multi-channel marketing is marketing using many different marketing channels to reach a customer. In this sense, a channel might be a retail store, a website, a mail order catalogue, or direct personal communications by letter, email or text message. The objective of the company doing the marketing is to **make it easy for a consumer to buy from them in whatever way is most appropriate**. To be effective, multi-channel marketing needs to be supported by good supply chain management systems, so that the **details and prices of goods on offer are consistent across the different channels**. It might also be supported by **detailed analysis of the return on investment from each different channel**, measured in terms of customer response and conversion of sales. Some companies target certain channels at different demographic segments of the market or at different socio-economic groups of consumers. Multi-channel marketing allows the retail merchant to reach its prospective or current customer in a channel of his / her liking.

– Wikipedia

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## How Should Nonprofits Define Integrated Multi-Channel Marketing?

Drawing on the above and our own experience, we believe effective integrated multi-channel marketing for nonprofits can be summarized by seven key concepts:

### ► Seven Key Concepts of Multi-Channel Marketing

#### **1. Constituent Centricity**

Aligning processes and communication to respect constituent preferences, needs and interests and optimizing engagement based upon the data garnered from each constituent behavior. This encompasses tailoring channel mix, content, program participation and message frequency based upon constituent selections and behavior. It also encompasses moving away from a pure calendar based communication model to a communications stream that is more event driven, where an event is defined as a constituent interaction. For example, sending a message to encourage a donor to become a monthly (committed) donor, the second time they donate within six months.

#### **2. Presence In Multiple Channels**

Multiple if not all channels are considered for every campaign (direct mail, phone, TV, email, social media, SMS, etc.) as a means of engaging constituents where and how they want to be engaged, and as a means of amplifying a message across different media.

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### **3. Thematic Integration**

Regardless of channel or program (fundraising or advocacy) there is a consistent theme, creative look and message that tells the same story and uses reinforcing images across multiple formats. It does not imply copy needs to be identical—e.g. you cannot write the same copy for Twitter as you would for direct mail—it just needs to be thematically consistent.

### **4. Integrated Processes**

Using the right combination or sequence of messages or touch points across channels to optimize response and long-term impact. For example, for a renewal, what is the right sequence of messages and channel touches for a given audience segment? Once a response is received does the message stream end or alter? Is a new message stream applied?

### **5. Integrated Measurement**

Establishing metrics that measure donor behavior and campaign performance across channels and which focus on long-term value versus a single response. Ideally, metrics should also focus on net return as opposed to gross revenue.

### **6. Business Intelligence**

Optimizing constituent engagement requires the collection and aggregation of constituent data with the ability to correlate and extract meaningful information that can be leveraged across channels for constituent centricity and integrated themes.

### **7. Organizational Alignment**

All teams work in coordination to ensure internal silos are broken down and constituent communications work together as a cohesive unit rather than individualized efforts within an organization.

In our interviews, we generally found that participants tended to focus on some but rarely all of these aspects. The primary emphasis was on thematic integration. Here are some representative quotes from our in-depth interviews:

We very much try to **look at things from the donor perspective.**

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In general, ***you take the umbrella***, whatever it is that you're trying to achieve, and you use every channel that is applicable, using the same theme, the same branding, and the same messaging platform throughout those channels. So in many cases, it may include mail, and email, and phone. And an overarching media campaign could include TV, print, radio.

***Your brand message, tone, and manner is consistent***, so if people were to see your communication in various channels, they know it's you and they very quickly can tell it's you and they can tell what your brand messaging is, your communication, your key messages; and they know how to respond to that.

## KEY RESEARCH FINDINGS

### There is broad consensus that an integrated approach makes sense.

Decision-makers agree that integrated marketing is a logical approach with many benefits. Key benefits cited include that the unification of messages across channels strengthens the brand, can cut through the clutter and increase response rates, engage new audiences, grow revenue, and maybe even save money. This logic is not new. What is new and driving urgency is that there are more organizations at the table and audiences are becoming increasingly multi-channel and more selective of who they choose to support; making it harder and more expensive to raise every dollar.

### Motivations for adopting an integrated marketing philosophy vary.

Organizations shared that there were various forces driving an integrated mindset. These include:

- **Need to save money:** Some feel that an integrated approach can minimize redundancies in message development and graphic design. Instead of supporting three mail pieces and a web campaign, all independently developed, you can share design elements and approach across the channels. It should be noted that not all feel this saves money—some say it costs more to engage multiple channels on an appeal.
- **Need to unify message to preserve / enhance the brand:** Some shared that their message and visual representation had become too fragmented, as a result of many initiatives being executed independent of a larger strategy, which they feel leads to a diluted brand.
- **Need to generate better response:** A few shared that their drive toward integration was a desire to see a better response on their appeals.
- **Byproduct of managing online:** A few indicated that their movement towards integration began with incorporating online marketing with a traditional direct mail strategy. Instead of cultivating online as its own channel, it was used to augment results of direct mail campaigns.

### Integrated marketing sophistication and size don't closely correlate.

How sophisticated an organization is in regards to integrated marketing does not closely correlate with the size of the nonprofit as measured by public contributions. We can see in Figure 4 that more than 50

		Integrated Marketing Sophistication Category			
		Novice	Junior	Intermediate	Advanced
Total Annual Direct Public Contributions	Base				
	<\$2.5M	9%	9%	10%	11%
	\$2.5-5M	17%	9%	23%	19%
	\$5-10M	30%	15%	13%	26%
	\$10-20M	22%	9%	18%	19%
	\$20-50M	17%	27%	23%	4%
\$50M+	4%	30%	15%	22%	

Fig. 4—Integrated Marketing Sophistication Level By Direct Response Revenue\*

\* Respondents were asked the following: "Approximately, what are your organization's total annual direct public contributions from individuals, private foundations and corporations within the last fiscal year? Please exclude government contributions and earned revenue."

percent of the \$20M+ organizations fall into the Junior category, while more than 50 percent of the <\$10M organizations fall in the Advanced category. There are some large organizations that have not yet embraced integrated marketing, while some smaller organizations are quite sophisticated on this front.

### Online marketing’s contribution varies greatly.

Per Figure 5, a large portion of groups—29 percent—are still raising less than five percent of direct marketing funds (i.e., excluding major gifts etc.) online. Conversely, there is also a good sized group of organizations—26 percent—that raise more than 25 percent of funds online.

Online marketing contribution to the fundraising mix is a leading indicator for integrated marketing effectiveness. In Figure 6, we see that there is a strong correlation between how much a nonprofit raises online and its integrated marketing sophistication score. Almost half of Novice respondents (48 percent) are raising less than five percent online, while the majority of Advanced respondents (63 percent) are raising more than 15 percent online.

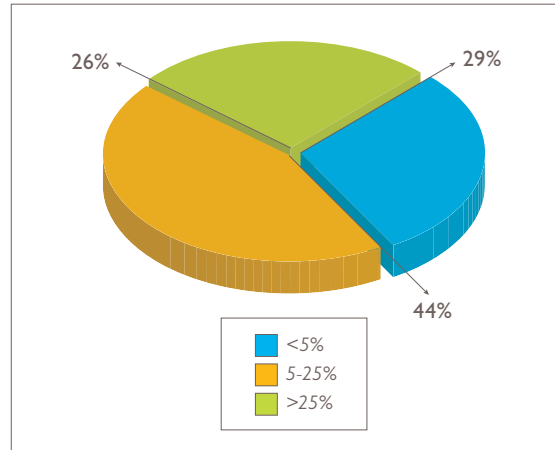


Fig. 5—Percentage of Mass Marketing Funds Raised Online

% Funds Raised Online	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
<5%	48%	33%	30%	7%
5-10%	22%	18%	8%	4%
10-15%	4%	15%	23%	26%
15-20%	–	9%	5%	19%
20-25%	4%	–	10%	11%
>25%	22%	24%	25%	33%

Fig. 6—Percentage of Funds Raised Online by IM Sophistication Category

The contribution of online marketing should not be measured by funds raised online alone, but also by the impact of online constituent engagement. A key component for measuring online engagement is the percentage of an organization’s active donor file that has email addresses, i.e., can be communicated to via email. Per Figure 7, 25 percent of organizations surveyed have email addresses for less than 20 percent of their donor file. Conversely, 30 percent have emails from more than 50 percent of their active file. This is great to see, as just five years ago, finding an organization with 50 percent or more email penetration of their active donor file (outside of educational institutions) was really rare.

Once again, we see a correlation between integrated marketing sophistication and email penetration of the active donor file, though not to the same degree as percentage of funds raised online. Per Figure 8,

89 percent of Advanced groups have emails for at least 30 percent of their file, compared to 52 percent of Novices and 57 percent of Juniors.

**While the concept of integrated multi-channel marketing is logical, moving toward an integrated approach is ANYTHING but trivial.**

The two factors that tend to have the greatest impact on advancing integrated marketing and communications are (a) an organization's / leadership's commitment to the philosophy and (b) investing in the mechanics (business processes, measurements and software) to make it happen. The absence of these becomes a real barrier to effective integration.

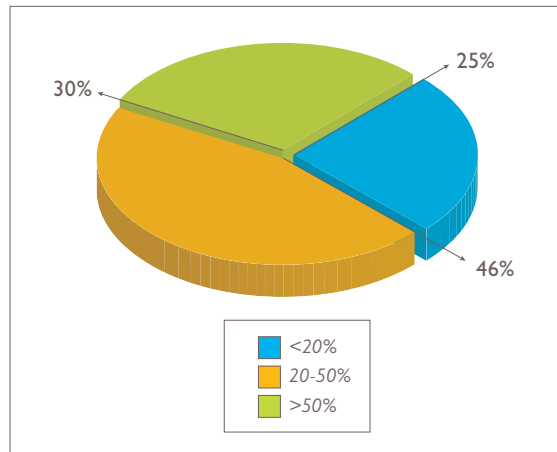


Fig. 7—Percentage of Active Donor File with Email Addresses

% of Active File with Current Email Address	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
<10%	17%	6%	10%	11%
10-20%	26%	24%	10%	-
20-30%	4%	12%	18%	-
30-40%	9%	9%	15%	33%
40-50%	13%	21%	23%	15%
>50%	30%	27%	25%	41%

Fig. 8—Email Penetration of Active Donor File by IM Sophistication

**A supportive culture fosters integrated marketing success.**

Many who say they are successful at integrated marketing attribute their success to their organization's culture. Advanced organizations have internal consensus that an integrated approach is the right direction, are willing to take the necessary steps to be successful, and are patient about seeing results. Less advanced organizations find difficulty convincing their leadership to change age-old processes and systems. Their strategy for gaining buy-in and driving change is to demonstrate small wins: for example, to conduct ad-hoc integrated campaigns such as sending a mail appeal with a URL included and then showing the returns by channel and the overall lift.

**Organizational structure makes a big difference.**

A common theme among Advanced organizations is direction of all communications under one leader. That person is ultimately responsible for overseeing all aspects of integrated marketing including the consistency of message, congruency across channels, and the establishment of goals. Additionally, the Advanced group said there was a movement or change within their organization to enable a structure that supported integrated marketing. In some cases, it was reorganization, for others it required hiring new talent.

### Integrated strategy and processes are essential—many seek outside help.

Many groups expressed a need for expertise and/or bandwidth for driving integration activities. Some shared that they outsourced the strategy and design work for integrated campaigns because they did not have the resources in-house.

### The systems and technology to support integration are an essential part of the process.

Some organizations report not having software products that would allow their online and direct mail databases to sync, making both execution and validation of an integrated approach difficult, if not impossible. Having systems that support integration has implications on the front end for campaign design and on the back end for measurement and analytics. This means that an organization can email direct mail donors and send direct mail to email donors, etc. while measuring the cross-channel success. Those who are more integrated say that this was a pain point for them, and in some instances, they had to buy or build “bridge” products to make it happen.

### The process of proving ROI is complex.

Part and parcel of a multi-channel approach is that the money comes in through various channels. This makes tracking cause and effect difficult. Some shared that they can directly show the improved results from a direct mail piece that was preceded or followed by an email. Many also shared that they often see an increase in contributions as a result of sending a mail piece / email with a unique URL. Capturing these results can be valuable for justifying future integrated marketing initiatives. While many organizations still struggle to prove cause and effect, given the correlation and that there are no other obvious reasons, they can at least loosely attribute activity to their integrated campaigns. The same is true for integrated advocacy efforts—i.e., integrating advocacy with fundraising—when the organization sees an increase in advocacy activity online, website hits or search engine activity. Nearly all groups indicated that proving success must evolve to be able to effectively evaluate the program. The brand benefit that comes from a more unified message is still an unknown, but as a few indicated “some things you can’t measure—you just have to trust your gut!”

### Critical to understanding success is tracking and mining engagement interactions.

For the most part, survey participants said they are tracking interactions—almost everything their software will allow. An organization might not use half of what it tracks, but it is captured and accessed if and when needed.

#### **Here are some of the types of interactions organizations viewed as most valuable:**

- Opens of each email appeal
- Responses / actions taken from appeals—both online and direct mail
- Website visits / website activity
- Duration from message to activity
- Cross-channel activity—to the extent they can track percentage of direct mail donors that made an online contribution via unique URL, online donors who mailed a check, etc.

One frustration for integrated marketing advocates is that much website and social media traffic is next to impossible to track from a true channel of origin. They have indirect clues from correlation between traffic and DRTV, direct mail, and email messaging, but it is impossible to prove beyond a loose correlation.

### **Social media is a newer channel for most, but an integrated part of the strategy for the more sophisticated groups.**

For most organizations participating in the in-depth interviews, a social media presence on Facebook, Twitter, YouTube, etc. is considered a relatively new frontier. These individuals indicated they are still exploring the space, learning how to best leverage it to advance their mission. They expect to see more value in the future, but are still working on maximizing its potential. A few doubted its relevance because of their older constituency or specific mission. At the opposite end of the spectrum were a few organizations that have aligned their social media activity to their organization's larger messages. These groups often have someone responsible for overseeing emerging media.

### **Mobile marketing is of real interest, but is uncharted territory.**

Nearly all indicated that mobile's application to their organization is still unclear. One or two had experimented with using it at an event, but otherwise usage—and therefore adoption—was low to nil. Although this requires further analysis, our belief is that most people were talking about SMS / text messaging and text to give, versus the support of viewing email and web content on mobile devices. Very few reported collecting mobile phone numbers of their supporters or donors, and few have any intentions of doing so in the near future. That said, mobile marketing is on the radar screen, but organizations need more case studies on how it can be relevant and effective.

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## INTEGRATED MARKETING METRICS

*Nonprofit marketing metrics have historically been channel specific. Organizations often set their internal goals based upon performance in a single channel. With the rise of more and more channels for communication and fundraising, measurement has become more difficult as promotion or engagement in one channel can often lead to response in another. Since it is often impossible and frequently sub-optimal to try and to control the channel through which a donor responds, you need to let them respond how they feel most comfortable. As a result, there's a need for nonprofits to develop a new set of "integrated" metrics that measure key phases of the donor lifecycle across channels.*

In this survey, we presented a list of integrated marketing metrics by phase of the donor lifecycle and asked survey participants to respond as to whether they tracked those metrics. While the data shows areas for improvement, overall, we were surprised by the degree to which people said that they were tracking metrics considered more advanced. We recognize that there is some sample bias in terms of who elected to respond to our survey, but felt in general this was positive news.

## NEW DONOR ACQUISITION

While the majority of new donor acquisition spend still occurs in the mail, it is increasingly a multi-channel process. Direct mail donors are responding online in higher numbers; nonprofits are increasing their use of online paid and free acquisition sources; and broadcast channels like Direct Response Television are increasingly directing prospective donors online.

Figure 9 shows us that, for the most part, nonprofits know how many new donors are acquired by channel, with 73 percent of organizations tracking that metric. And about half measure acquisition cost and annual value by giving channel. However, fewer organizations measure lifetime value-type metrics. In our survey, we intentionally made a distinction in asking about lifetime value by initial giving channel and channel of lead origination because of the cross-over effect we see. For example, many charities that use paid online acquisition sources like Care2 or Change.org send direct mail solicitations to online acquired prospects in addition to sending them email. Some organizations also choose to target them with telemarketing.

When comparing the rate that each metric is tracked by integrated marketing sophistication grouping (see Figure 10), we see that two-thirds or more of the Advanced group tracks each key acquisition metric we asked about. All segments are, for the most part, tracking the number of new donors acquired by channel (referring to channel of first gift). Where the Intermediate and Advanced organizations begin to

really stand apart is the measurement by channel of prospect origin (which may be different than first gift channel), and in tracking acquisition costs by annual value.

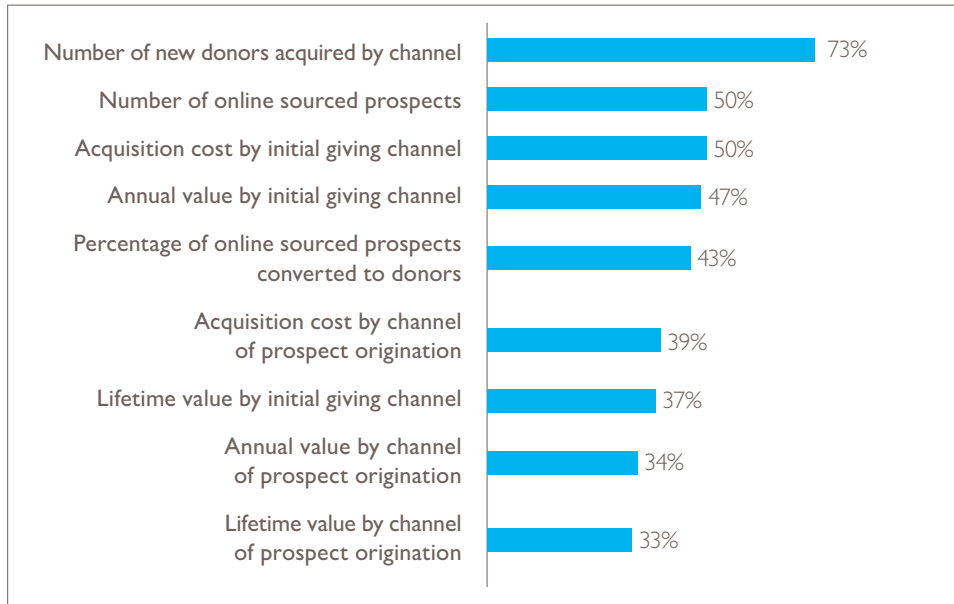


Fig. 9—Key Acquisition Metrics Currently Tracked

Currently Track:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Number of new donors acquired by channel	65%	61%	78%	89%
Number of online sourced prospects	30%	36%	60%	67%
Acquisition cost by initial giving channel	17%	30%	65%	81%
Annual value by initial giving channel	9%	36%	53%	85%
Percentage of online sourced prospects converted to donors	22%	36%	45%	67%
Acquisition cost by channel of prospect origination	—	24%	48%	78%
Lifetime value by initial giving channel	9%	36%	33%	67%
Annual value by channel of prospect origination	4%	27%	35%	67%
Lifetime value by channel of prospect origination	9%	24%	33%	63%

Fig. 10—Acquisition Metrics Tracking by IM Sophistication

## DONOR VALUE BY CHANNEL

We can see in Figure 11 that most organizations do a decent job when it comes to tracking the count of donors and average gift by channel. Just under half measure lifetime value by giving channel segment.

As per acquisition, a similar pattern emerges with the sophistication scores (see Figure 12). The Novice and Junior groups haven't reached the same levels of tracking performance around annual and lifetime value metrics, but still track the basics around average gift and donor count.

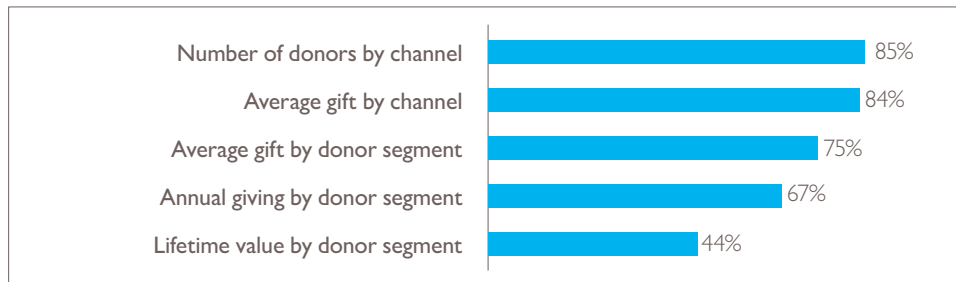


Fig. 11—Donor Value Metrics by Channel Currently Tracked  
Channels include online only donors, offline only donors, online-offline multi-channel donors.

Currently Track:	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Number of donors by channel	70%	85%	85%	96%
Average gift by channel	70%	82%	95%	81%
Average gift by donor segment	39%	79%	85%	85%
Annual giving by donor segment	35%	61%	73%	93%
Lifetime value by donor segment	26%	42%	40%	67%

Fig. 12—Donor Value Metrics Tracking by IM Sophistication  
Channels include online only donors, offline only donors, online-offline multi-channel donors.

## DONOR CHANNEL MIGRATION

In general, limited tracking is done around the migration of donors from one channel to another (see Figure 13). Measuring this metric closely gives a much clearer picture of the dynamics of an integrated program.

According to the sophistication levels, organizations in the Advanced group score higher on tracking all donor migration metrics; however, many still do not currently track aspects of donor migration (see Figure 14).

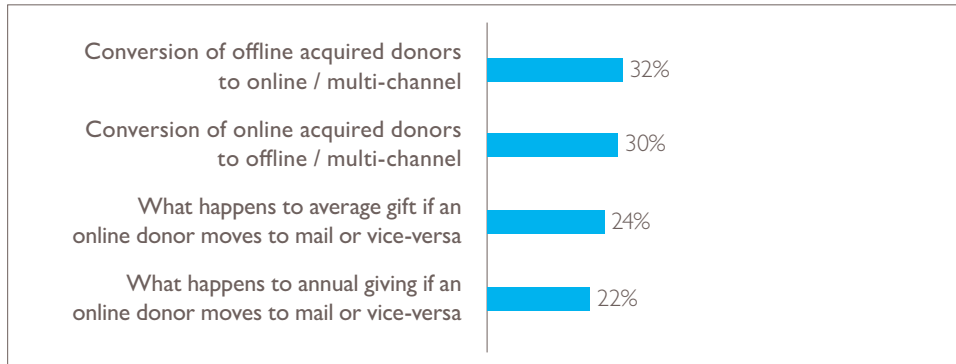


Fig. 13—Donor Channel Migration Currently Tracked

Currently Track:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Conversion of offline acquired donors to online/ multi-channel donors	13%	15%	38%	59%
Conversion of online acquired donors to offline/ multi-channel	17%	12%	35%	56%
What happens to average gift if an online donor moves to mail or vice-versa	13%	12%	20%	52%
What happens to annual giving if an online donor moves to mail or vic- versa	13%	9%	23%	44%

Fig. 14—Donor Channel Migration Metrics Tracking by IM Sophistication

## CROSS-CHANNEL CONTACT INFORMATION

Most organizations track how many email addresses they have for offline donors, but information on tracking social media connections and mobile phone numbers are still much more limited (see Figure 15).

Among Advanced organizations, about half are tracking social media connections to donors, and less than half are tracking mobile phone numbers (see Figure 16). This is clearly another area of opportunity as these channels mature and organizations begin to determine where they best fit into their organization’s fundraising and marketing mix.

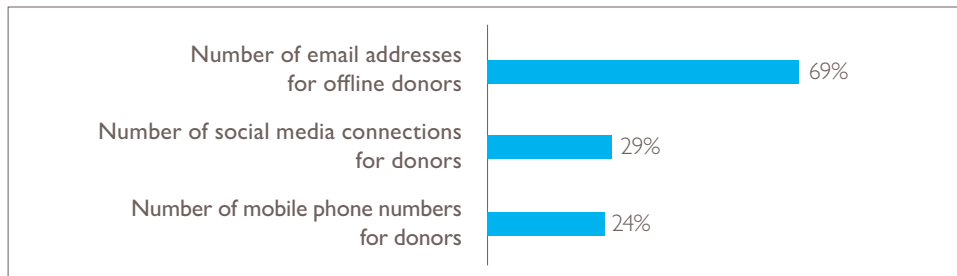


Fig. 15—Tracking Cross-Channel Contact Information

Currently Track:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Number of email addresses for offline donors	61%	58%	75%	81%
Number of social media connections for donors	26%	15%	28%	52%
Number of mobile phone numbers for donors	13%	21%	20%	44%

Fig. 16—Tracking Cross-Channel Contact Information by IM Sophistication

## DONOR RETENTION

Retention rates are a fundamental driver of donor lifetime value and the economics of any direct response marketing program. The data shows that most groups have a reasonable handle of their overall retention rates, yet there are opportunities to track on a more granular level: by channel of origination or by mix of engagement channels (see Figure 17), and by measuring the impact of adding a secondary or tertiary channel to retention.

Here, we see some interesting trends across the sophistication groupings (see Figure 18). If the metrics include an offline component, such as online acquired donors renewing in the mail, larger percentages of the Novice, Junior and Intermediate categories are currently tracking. The Advanced category has broad coverage of all of the metrics with the exception of tracking the impact of adding social media and mobile.

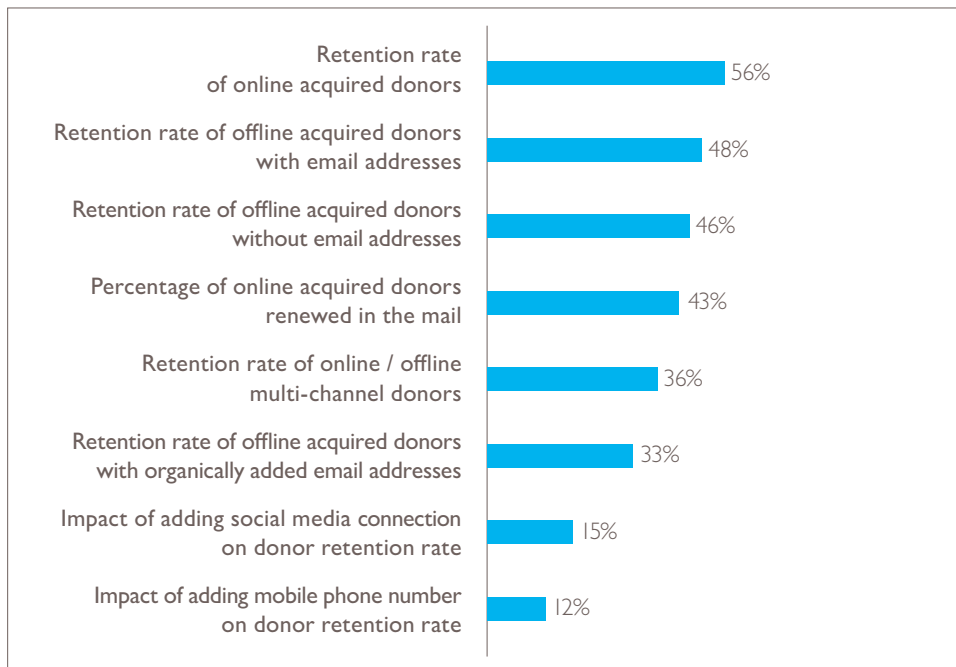


Fig. 17—Tracking of Retention Metrics

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Currently Track:	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Retention rate of online acquired donors	26%	39%	65%	89%
Retention rate of offline acquired donors with email addresses	17%	30%	55%	85%
Retention rate of offline acquired donors without email addresses	22%	24%	53%	81%
Percentage of online acquired donors renewed in the mail	30%	12%	50%	81%
Retention rate of online / offline multi-channel donors	13%	15%	35%	81%
Retention rate of offline acquired donors with organically added email addresses	9%	15%	38%	70%
Impact of adding social media connection on donor retention rate	13%	–	8%	44%
Impact of adding mobile phone number on donor retention rate	4%	3%	8%	37%

Fig. 18—Tracking of Retention Metrics by IM Sophistication

## INTEGRATED MARKETING BEST PRACTICES

Direct mail, telemarketing and DRTV best practices have been honed over several decades into a science. For example, direct mailers can predict the impact of re-arranging part of a reply device. Over the last 10 years, online marketing best practices have also emerged and become more systematic. Integrated multi-channel best practices have much less definition today. In this study, we asked about a number of disciplines that we know are best practices based upon our experience creating and analyzing multi-channel campaigns in the nonprofit sector, and insights from the for-profit sector.

### ONLINE PAID ACQUISITION

The nonprofit sector today is highly reliant on direct mail as an acquisition channel. Yet it seems like each year, mailing costs increase and direct mail-based acquisition gets more challenging. For-profit benchmarks would suggest that there is a strong business case to diversify sources of acquisition to encompass more online methods. The survey asked what percentage of paid acquisition budgets are directed to common paid online methods, including online ads, advocacy/community sites like Care2 and Change.org, and search engine marketing/pay per click. In all three cases, a majority of organizations surveyed reported spending zero in these areas (see Figure 19), though a small minority of groups indicated spending a large proportion on these methods.

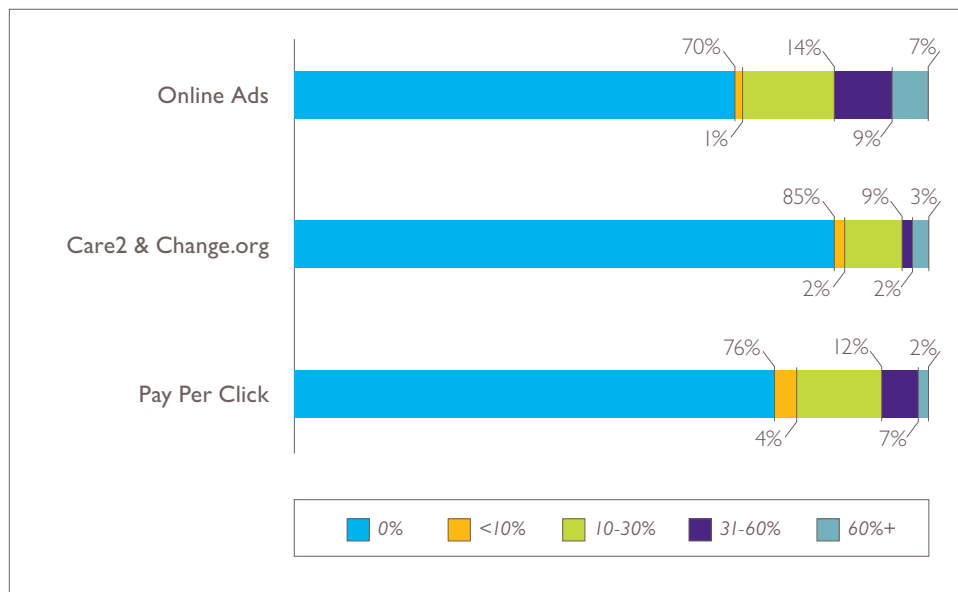


Fig. 19—Percentage of Acquisition Spend Directed Towards Online Methods

According to the sophistication scores, the Advanced group scores higher on the percentage spent in online acquisition methods. However, in all three cases, 10-30 percent seems to be the sweet spot if an organization does make the investment (see Figure 20).

	Base	Integrated Marketing Sophistication Category			
		Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Online Ads	0%	100%	73%	60%	56%
	<10%	–	–	–	4%
	10-30%	–	12%	18%	22%
	31-60%	–	6%	13%	15%
	60%+	–	9%	10%	4%
Care2 & Change.org	0%	91%	94%	83%	70%
	<10%	–	–	5%	–
	10-30%	–	6%	8%	22%
	31-60%	4%	–	3%	–
	60%+	4%	–	3%	7%
Pay Per Click	0%	100%	79%	68%	63%
	<10%	–	–	10%	4%
	10-30%	–	12%	15%	19%
	31-60%	–	3%	8%	15%
	60%+	–	6%	–	–

Fig. 20—Percentage of Acquisition Spend by IM Sophistication

## CROSS-CHANNEL MESSAGING

A key component of integrated multi-channel marketing is optimizing how to use different channels in coordination with each other for engagement and solicitation. A basic requirement for cross-channel communications is to collect cross-channel contact information. As we saw in Chapter 4, most groups are tracking how many email addresses they collect for offline donors. In Figure 21, we see that just over one half of survey participants collect physical mailing addresses for online acquired prospects (e.g. newsletter subscribers). A similar portion send direct mail appeals to online acquired names. In general, this is a good strategy to lift conversion rates beyond an email only appeal. A far smaller portion—11 percent—uses telemarketing to boost conversion of online acquired names, and this is an area of opportunity. Several Convio clients like Defenders of Wildlife and the Humane Society of the United States have embraced this strategy and are consequently seeing strong positive returns.

Surprisingly, less than one third of groups report coordinating the sending of mail solicitations with emails and phone calls. Just 25 percent of groups filter their online prospect file before they mail or call based on criteria like recency or value of online actions. Seven percent of groups leverage outside data, e.g. giving to other charities, to help prioritize direct mail and telemarketing spend on online prospects. These are both more advanced practices, so the low rates of adoption are not overly surprising. However as online prospecting efforts grow, they are important best practices to embrace to enhance the economics of conversion efforts.

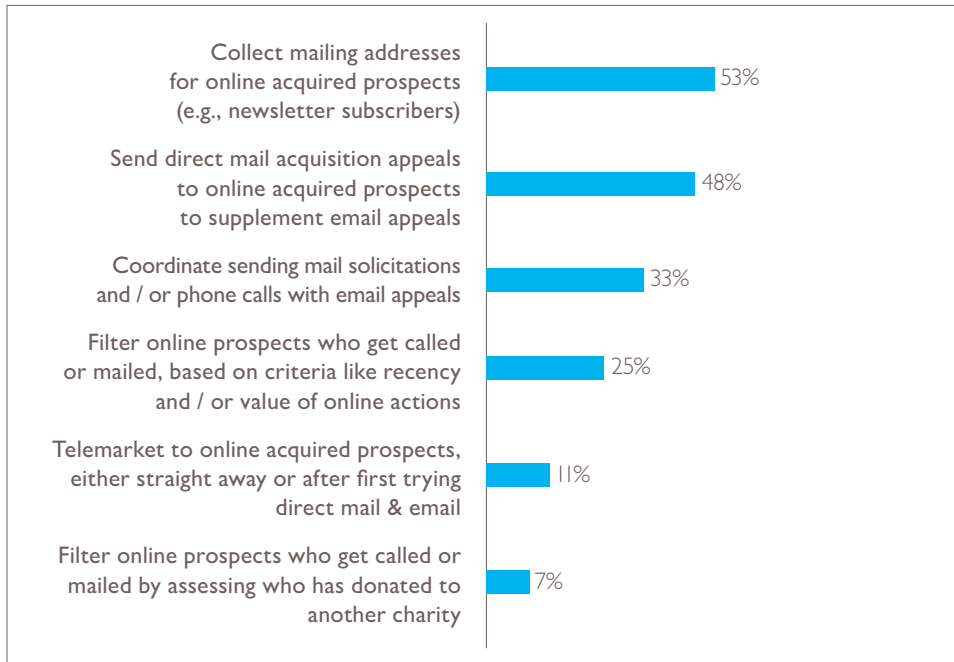


Fig. 21—Percentage Who Always Follow Cross-Channel Messaging Best Practices

Always:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Collect mailing addresses for online acquired prospects (e.g., newsletter subscribers)	35%	36%	60%	78%
Send direct mail acquisition appeals to online acquired prospects to supplement email appeals	30%	27%	60%	70%
Coordinate sending mail solicitations and / or phone calls with email appeals	13%	18%	43%	52%
Filter online prospects who get called or mailed, based on criteria like recency and / or value of online actions	4%	15%	30%	48%
Telemarket to your online acquired prospects, either straight away or after first trying direct mail & email	4%	9%	3%	30%
Filter online prospects who get called or mailed by assessing who has donated to another charity	—	3%	3%	26%

Fig. 22—Percentage Who Always Follow Cross-Channel Messaging Best Practices by IM Sophistication

As Figure 22 illustrates, Advanced organizations consistently follow cross-channel messaging best practices in substantially higher numbers.

## RENEWALS

In the area of renewals, Figure 23 shows the majority of groups do include a web URL in direct mail pieces to make it easier for donors to respond online. Historically, there was concern that giving donors a choice in response channel would suppress response rates, but in reality, donors who wanted to donate online would go visit the nonprofits home page or look them up in a search engine anyway. However, just half the groups surveyed track those responding online as a result of direct mail solicitation, making it difficult to evaluate the economics associated with a direct mail campaign. Even more surprising, just over a third of organizations supplement renewal mailings with email. Convio clients such as the World Wildlife Fund, Carnegie Museums of Pittsburgh, and Chicago Public Radio have seen a tangible lift in renewal response rates through an integrated approach.

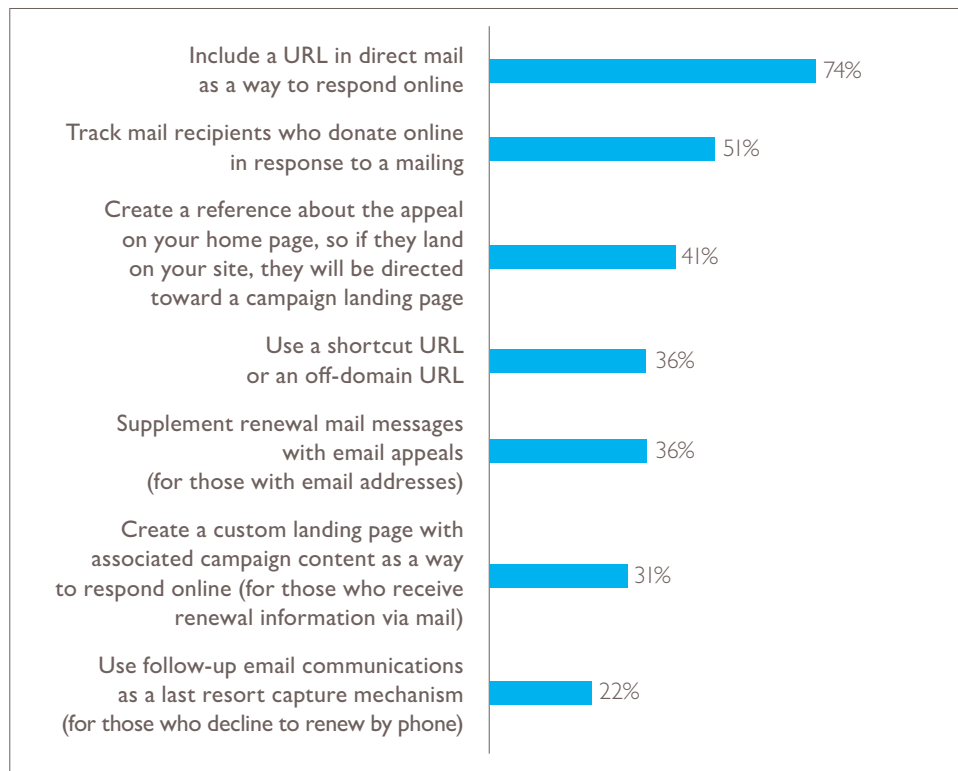


Fig. 23—Percentage Who Always Follow Renewals Best Practices

As seen in Figure 24, over half of Advanced groups are following each best practice. This indicates that the other best practices represent a potential roadmap for others to follow.

[MORE >](#)

	<i>Integrated Marketing Sophistication Category</i>			
<b>Always:</b>	<b>Novice</b> ●	<b>Junior</b> ●●	<b>Intermediate</b> ●●●	<b>Advanced</b> ●●●●
Include a URL in direct mail as a way to respond online	61%	67%	83%	81%
Track mail recipients who donate online in response to a mailing	26%	27%	58%	93%
Create a reference about the appeal on your home page, so if they land on your site, they will be directed toward a campaign landing page	30%	42%	33%	59%
Use a shortcut URL or an off-domain URL	13%	30%	38%	59%
Supplement renewal mail messages with email appeals (for those with email addresses)	4%	21%	43%	70%
Create a custom landing page with associated campaign content as a way to respond online (for those who receive renewal information via mail)	9%	21%	35%	56%
Use follow-up email communications as a last resort capture mechanism (for those who decline to renew by phone)	–	3%	28%	56%

Fig. 24—Percentage Who Always Follow Renewals Best Practices by IM Sophistication

## MATCHING MAIL AND EMAIL

One of the practices that came through in our interviews as synonymous with integrated marketing was “thematic integration”—matching message and visuals to drive consistency and drive higher brand impact across channels. However, fewer than half the organizations surveyed said that they creatively match email and mail renewal appeals (see Figure 25). Effectively marrying mail and email goes well beyond message and visual integration. A slight majority of groups surveyed reported that they do match ask amounts presented in email and on landing pages with direct mail pieces. Yet, a very small portion of groups—14 percent—attempt to optimize channel mix based upon analytics. This is clearly an advanced tactic, but for larger groups with a significant portion of email addresses for active donors (remember 30 percent report > 50%); there’s a compelling opportunity to optimize message frequency by channel to better suit donor’s preferences and reduce mailing expense.

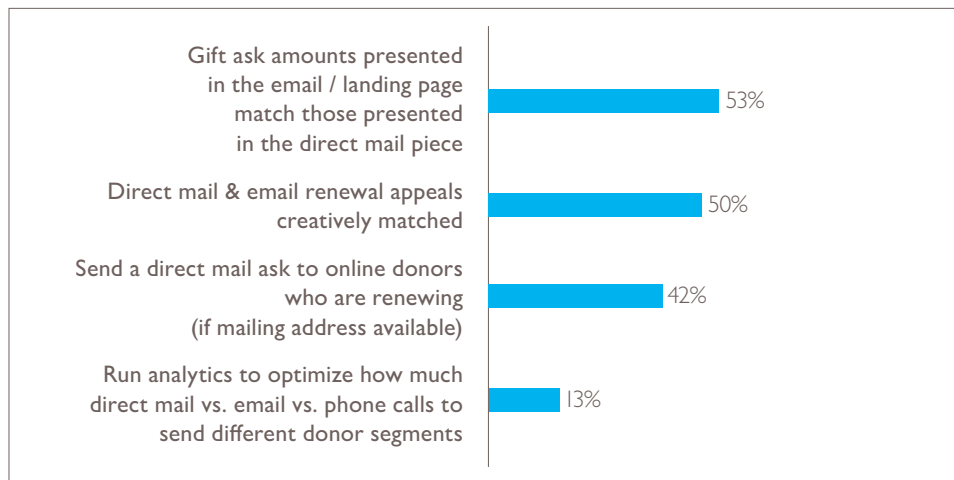


Fig. 25—Percentage Who Always Follow Matching Mail and Email Best Practices

Always:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Gift ask amounts presented in the email / landing page match those presented in the direct mail piece	33%	47%	51%	73%
Direct mail & email renewal appeals creatively matched	20%	38%	59%	69%
Send a direct mail ask to online donors who are renewing (if mailing address available)	13%	27%	58%	63%
Run analytics to optimize how much direct mail vs. email vs. phone calls to send different donor segments	—	9%	5%	38%

Fig. 26—Percentage Who Always Follow Matching Mail and Email Best Practices by IM Sophistication

As per previous comparisons of best practices by sophistication, Advanced groups track better across all tactics. To note is the relatively high proportion—38 percent—that report doing analytics to optimize how much mail versus email to send.

We are hypersensitive to the amount of communication that we may be doing with individual segments within our membership, and I think **we very much try to look at things from the donor perspective.**

## MESSAGING FREQUENCY MANAGEMENT

One of the most common risks or issues we get asked about when discussing multi-channel strategy is communication fatigue. For many, adopting a multi-channel approach has simply meant “stuffing more stuff through more channels”. The barriers and costs to communicate via email and social media are a lot lower than traditional offline channels, so the temptation to over-communicate is understandable. Per Figure 27, our survey indicated that message frequency tracking and adjustment is not commonplace. Just 40 percent of groups track the frequency of messaging by channel overall. Per Figure 28, three-quarters (74 percent) of organizations do so in the Advanced category. A smaller proportion—26 percent—reviews the aggregate frequency across channels. An even smaller proportion adjusts messaging frequency based upon that analysis.

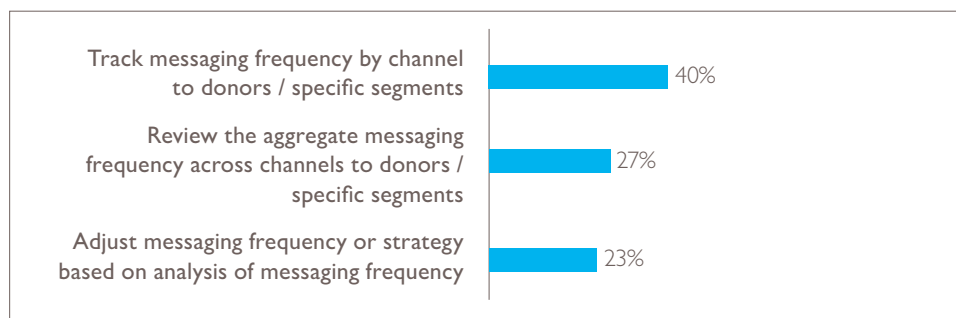


Fig. 27—Percentage Who Always Follow Messaging Frequency Best Practices

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Always:	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Track messaging frequency by channel to donors / specific segments	4%	21%	53%	74%
Review the aggregate messaging frequency across channels to donors / specific segments	—	15%	35%	52%
Adjust messaging frequency or strategy based on analysis of messaging frequency	9%	12%	28%	41%

Fig. 28—Percentage Who Always Follow Messaging Frequency Best Practices by IM Sophistication

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## ACTIVITY LEVELS IN NEW MEDIA CHANNELS

*The last five years have seen the introduction of new media channels—namely social media and mobile. Social media consists of multiple venues ranging from Facebook to YouTube. Mobile is typically thought of as inbound text to give, most notably used in response to the Haiti disaster by the American Red Cross, but also encompassing outbound text messaging, mobile apps, and mobile-ready email, web content and forms.*

### SOCIAL MEDIA

Per Figure 29, our survey indicated that most nonprofits have a presence on social media sites such as Facebook and Twitter, etc. A majority are also encouraging visitors to “like” them and share content with friends. A majority also have some investment in monitoring conversations and messaging through social media pages to apply to emails and other content. In our experience, a majority use free or inexpensive tools like Hootsuite. More advanced organizations are using paid applications.

As seen in Figure 30, social media has a strong showing in each sophistication category. Novice and Advanced organizations alike are embracing the channel. With a low cost of entry and significant benefits for listening, content sharing, viral capabilities, etc. it’s encouraging that respondents report wide adoption.

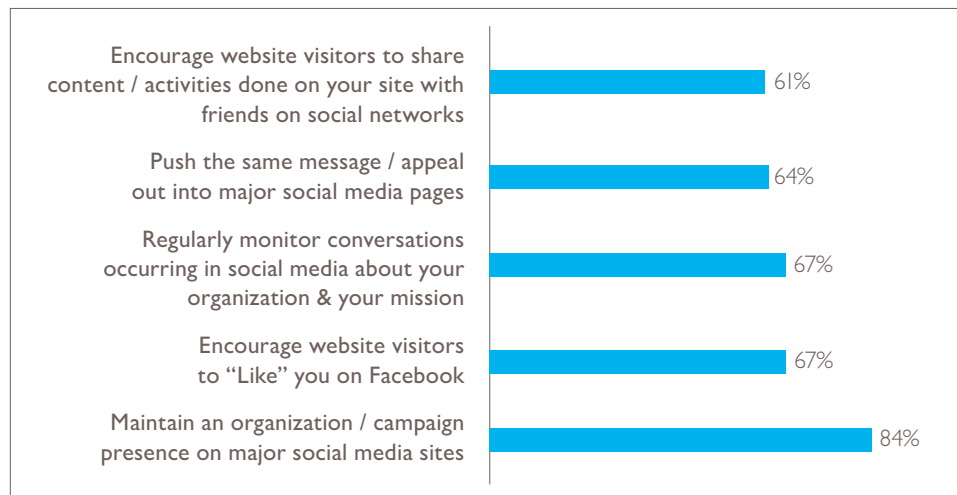


Fig. 29—Percentage Who Currently Use Social Media Best Practices

Currently:	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Encourage website visitors to share content / activities done on your site with friends on social networks	35%	45%	73%	85%
Push the same message / appeal out into major social media pages	57%	52%	65%	85%
Regularly monitor conversations occurring in social media about your organization & your mission	57%	52%	78%	78%
Encourage website visitors to “Like” you on Facebook	61%	55%	73%	81%
Maintain an organization / campaign presence on major social media sites	83%	82%	83%	89%

Fig. 30—Percentage Who Currently Use Social Media Best Practices by IM Sophistication

## MOBILE

Although mobile marketing is a hot topic for conversation, the data shows it is much less common in the integrated marketing mix. One proxy for mobile activity is how many groups are actively collecting mobile numbers, and as shown in Figure 31, just one third of organizations surveyed are actively collecting this data.

As seen in Figure 32, Advanced organizations are either actively gathering mobile phone numbers or have plans to in the future, whereas Novice organizations are most likely to say they have no plans to adopt mobile at all.

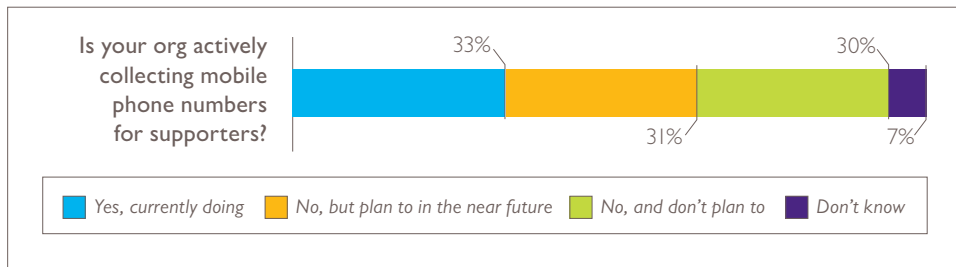


Fig. 31—Collection Rates of Mobile Phone Numbers for Supporters

Is your org actively collecting mobile phone numbers for supporters?	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Yes, currently doing	13%	24%	40%	48%
No, but plan to do in the near future	17%	39%	25%	41%
No, and don't plan to	52%	30%	30%	11%
Don't know	17%	6%	5%	—

Fig. 32—Collection Rates of Mobile Phone Numbers for Supporters by IM Sophistication

## SUMMARY

Similar to where online was five years ago, the rapid adoption of social media and mobile creates new and compelling ways to maximize every constituent relationship for an organization, but we've only scraped the surface of the true potential of these new channels.

## ORGANIZATIONAL STRATEGY

You say, as a group, **we're going to raise our goal**, but we're going to do it together, and we're going to have a strategy.

## RESOURCES BY CHANNEL

In general, we have seen a large increase in the number of staff for online marketing within the last few years. However, per Figure 33, staffing associated with online still lags offline direct response fundraising, and for more than one third, it's a part time only role. Social media and mobile are more often than not staffed part time, though a large proportion—42 percent—of groups reported 1-2 staff in social media roles, and a surprising 24 percent reported 1-2 staff in dedicated mobile marketing roles.

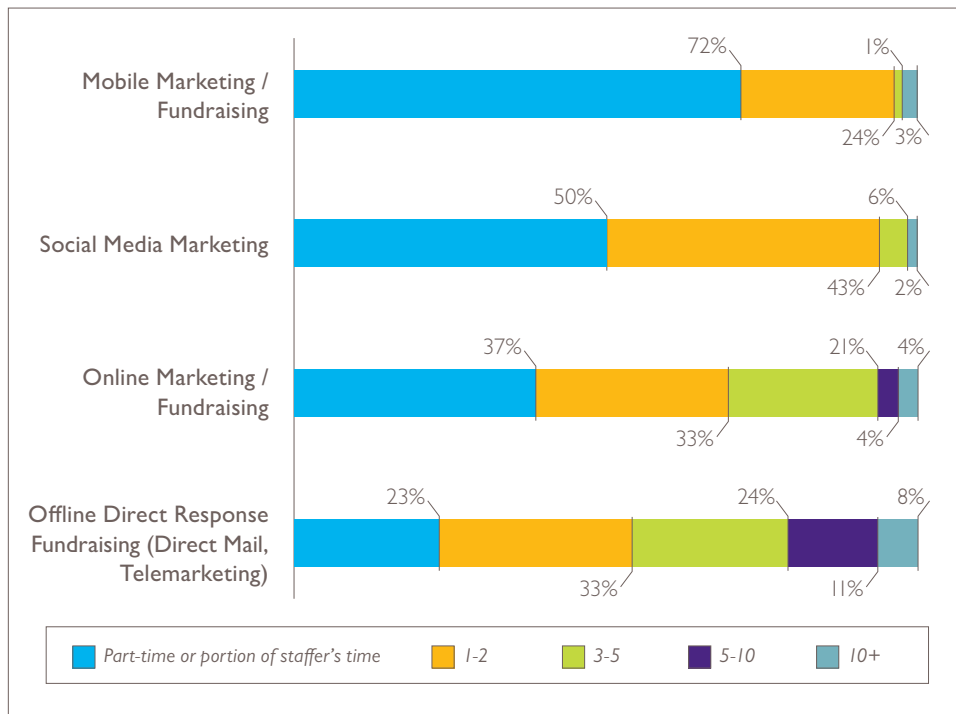


Fig. 33—Staffing by Channel

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According to sophistication scores in Figure 34, Advanced and Intermediate groups are more likely to have full-time staff allocated in all areas where Novice and Junior organizations likely have part time headcount or it has become a portion of another staffer’s job responsibilities. Offline direct response has the most staff allocated across all sophistication levels.

Staff Allocated to the Following:		Integrated Marketing Sophistication Category			
		Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Mobile Marketing / Fundraising	Part-Time	91%	70%	83%	44%
	1-2	9%	24%	18%	44%
	3-5	–	6%	–	7%
	5-10	–	–	–	–
	10+	–	–	–	4%
Social Media Marketing	Part-Time	70%	48%	48%	37%
	1-2	30%	48%	45%	44%
	3-5	–	3%	8%	11%
	5-10	–	–	–	–
	10+	–	–	–	7%
Online Marketing / Fundraising	Part-Time	65%	39%	33%	19%
	1-2	17%	27%	35%	52%
	3-5	17%	24%	25%	15%
	5-10	–	6%	3%	7%
	10+	–	3%	5%	7%
Offline Direct Response Fundraising (Direct Mail, Telemarketing)	Part-Time	39%	27%	15%	15%
	1-2	30%	27%	40%	33%
	3-5	13%	30%	25%	26%
	5-10	17%	9%	13%	7%
	10+	–	6%	8%	19%

Fig. 34—Staffing by Channel by IM Sophistication

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In addition, there is a high correlation between the size of the organization and the headcount allocated to each channel per Figure 35.

Staff Allocated to the Following:		Organization Size					
		<\$2.5M	\$2.5-5M	\$5-10M	\$10-20M	\$20-50M	\$50M+
Mobile Marketing / Fundraising	Part-Time	67%	71%	75%	85%	74%	61%
	1-2	8%	24%	25%	15%	26%	35%
	3-5	17%	5%	—	—	—	4%
	5-10	—	—	—	—	—	—
	10+	8%	—	—	—	—	—
Social Media Marketing	Part-Time	67%	52%	67%	45%	35%	39%
	1-2	8%	43%	33%	50%	61%	48%
	3-5	17%	5%	—	5%	4%	9%
	5-10	—	—	—	—	—	—
	10+	8%	—	—	—	—	4%
Online Marketing / Fundraising	Part-Time	50%	48%	42%	25%	35%	30%
	1-2	17%	38%	46%	55%	26%	13%
	3-5	25%	14%	8%	20%	35%	26%
	5-10	—	—	4%	—	—	17%
	10+	8%	—	—	—	4%	13%
Offline Direct Response Fundraising (Direct Mail, Telemarketing)	Part-Time	50%	33%	29%	15%	13%	9%
	1-2	17%	38%	46%	45%	35%	13%
	3-5	17%	24%	25%	15%	22%	39%
	5-10	8%	5%	—	20%	26%	9%
	10+	8%	—	—	5%	4%	30%

Fig. 35—Staffing by Channel by Organization Size (Public Contributions)

## WHERE IS ONLINE MANAGED?

Historically online teams were built as new groups within the communications or IT functions. Over the last five years, many (at least in North America) have transitioned to be part of an integrated marketing/direct response fundraising function. Per Figure 36, 75 percent of respondents indicated that the online team reports to an overall head of direct response fundraising.

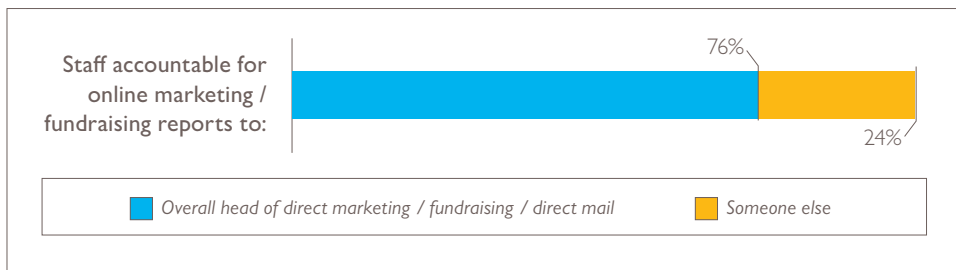


Fig. 36—Where Does Online Marketing Report?

## INTEGRATED PLANNING

A key success factor in any integrated marketing effort is having a coordinated plan. Per Figure 37, survey participants indicated in a vast majority of cases that they did have someone in their organizations accountable for making communication trade-off decisions, and most of the time that they did have an integrated communications calendar.

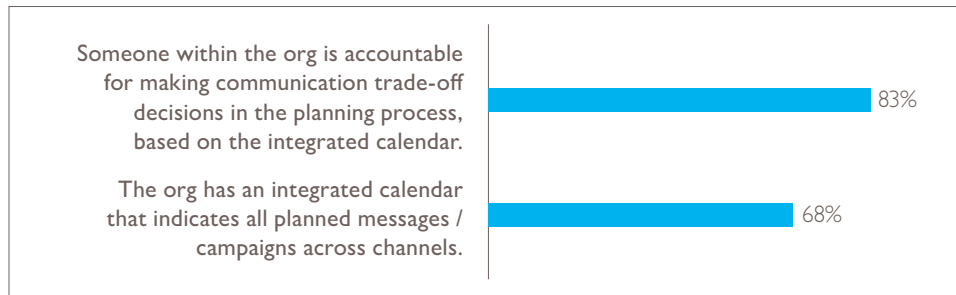


Fig. 37—Integrated Marketing Calendar Usage

## INTERNAL MEETING FREQUENCY

Most online and offline marketing teams are still separate groups, even if they report to the same leader. As such, we wanted to understand if those teams met to collaborate. Per Figure 38, we saw a very wide variance.

Per Figure 39, in general, groups that score higher on integrated multi-channel marketing sophistication met more often.

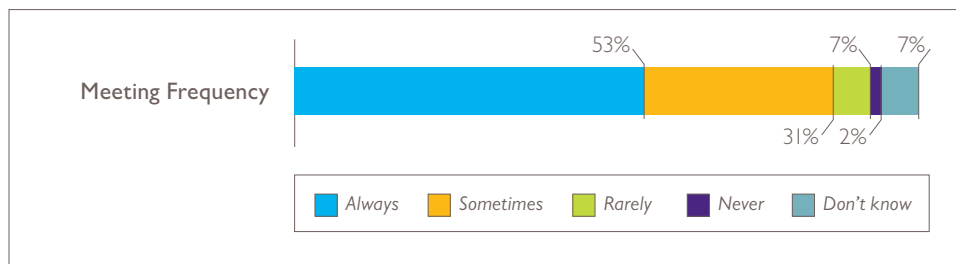


Fig. 38—Internal Meeting Frequency

Frequency of online / offline marketing & fundraising teams meeting to drive integration:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Always	30%	52%	63%	59%

Fig. 39—Internal Meeting Standards by IM Sophistication

## COORDINATION MEETINGS WITH AGENCIES

While there is a trend towards agencies becoming more and more integrated, in our experience it is more common than not for a larger nonprofit to engage separate agencies for online and for direct mail, and often a different one for telemarketing, DRTV. To this end, we wanted to understand if those efforts are run in silos, or are agencies coordinating, or being coordinated by nonprofits? Per Figure 40, our survey indicated that there was a wide range in the meeting frequency of agencies by channel, with 23 percent meeting weekly or more, yet 23 percent meeting less frequently than once per year. Two thirds of groups meet the threshold of having a quarterly coordination meeting to drive integrated campaign efforts.

In general, the more sophisticated an organization’s integrated multi-channel marketing is, the more frequently the distinct channel agencies meet. Per Figure 41, 52 percent of Advanced groups have coordination meetings more than once per month, compared to just 17 percent of Novice organizations.

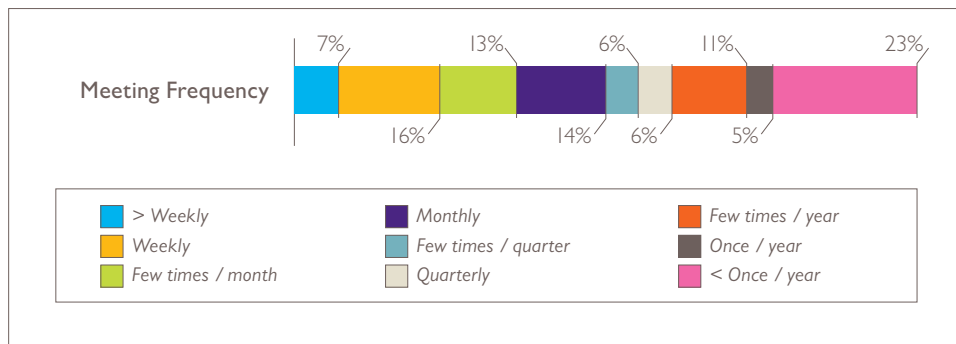


Fig. 40—Coordination Meetings Between Online and Offline Agencies

Frequency of meetings held to drive coordination between efforts:	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
> Weekly	–	6%	8%	11%
Weekly	–	12%	28%	19%
Few times / month	17%	6%	10%	22%
Monthly	9%	15%	15%	15%
Few times / quarter	–	6%	5%	11%
Quarterly	9%	3%	5%	7%
Few times / year	17%	12%	13%	4%
Once / year	4%	9%	5%	–
< Once / year	43%	30%	13%	11%

Fig. 41—Coordination Meetings Between Online and Offline Agencies by IM Sophistication

## GOAL SETTING

In addition to establishing the right level of resources and coordination, setting the right goals is critical to drive the right behavior. Historically, goals were set by channel, frequently leading to internal conflict, and a sub-optimal experience for donors. Per Figure 42, the good news is that the majority of survey participants shared that they do set shared and aggregate revenue goals.

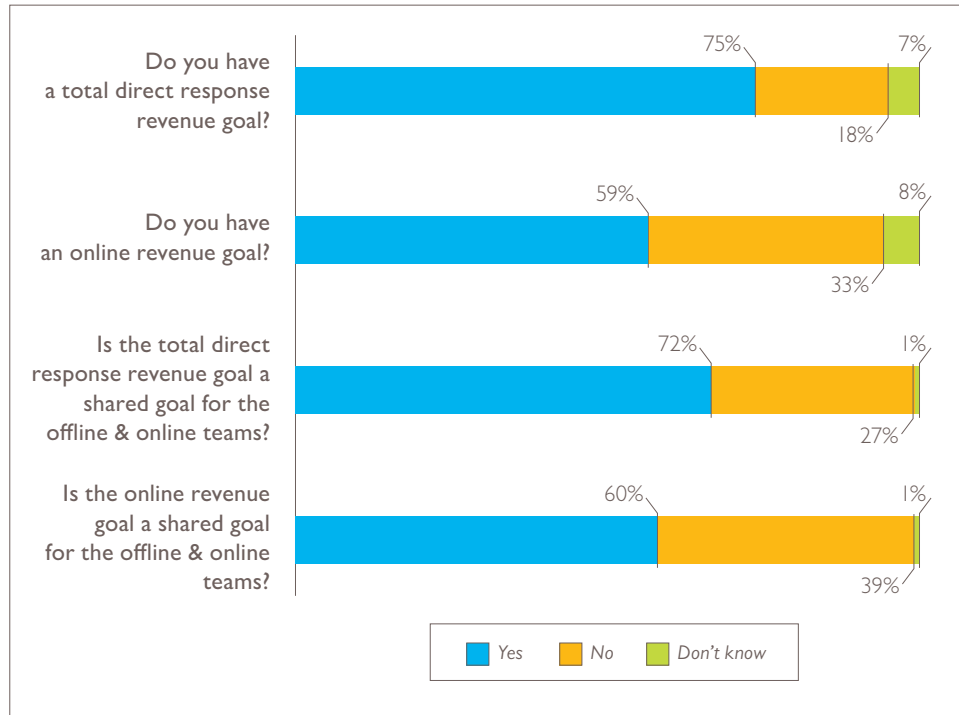


Fig. 42—Shared Goal Setting Around Revenue

Per Figure 43, shared revenue goal setting was represented well across the sophistication categories. One notable item is that Novice groups were much less likely to make Online revenue a shared goal.

Yes	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Do you have a total direct response revenue goal?	61%	70%	85%	78%
Do you have an online revenue goal?	30%	64%	73%	56%
Is the total direct response revenue goal a shared goal for the offline & online teams?	79%	57%	71%	86%
Is the online revenue goal a shared goal for the offline & online teams?	43%	62%	52%	80%

Fig. 43—Shared Revenue Goal Setting by IM Sophistication

Per Figure 44, most organizations report that the key metrics of donor retention and acquisition are shared goals for the online and offline direct response teams, which we feel is a very positive shift. We should recall, however, that few organizations say that they track retention by channels of engagement.

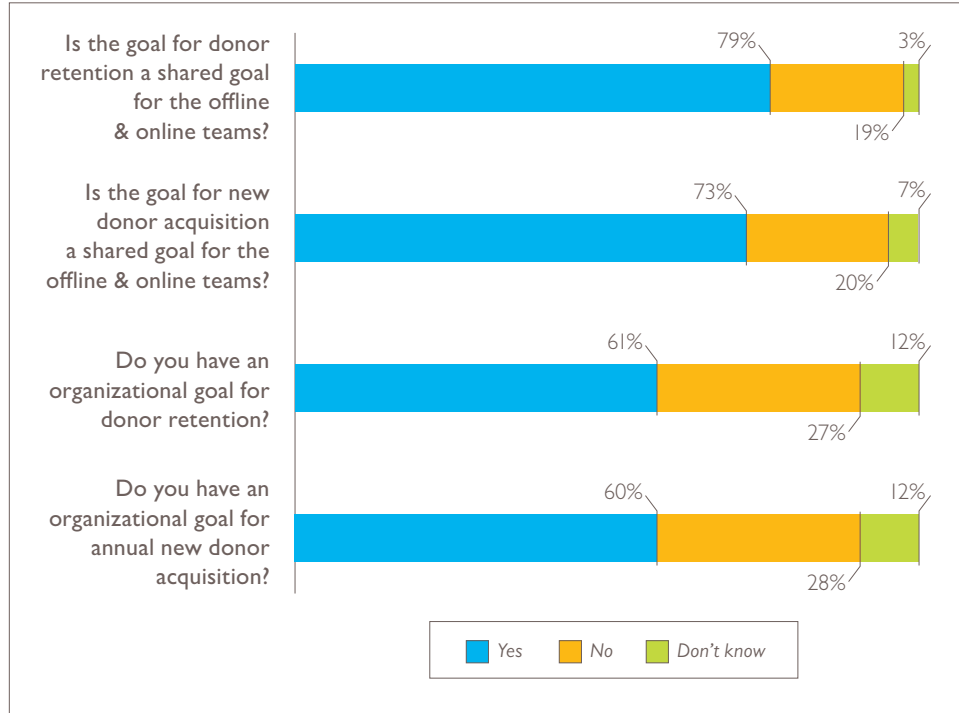


Fig. 44—Shared Goal Setting by Phase of Donor Life Cycle

When assessing retention and acquisition goal setting by sophistication, we generally see that if an organization establishes an organization goal for these metrics, it becomes a shared metric across online and offline teams (see Figure 45).

Yes	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
Is the goal for donor retention a shared goal for the offline & online teams?	86%	59%	79%	91%
Is the goal for new donor acquisition a shared goal for the offline & online teams?	43%	56%	79%	87%
Do you have an organizational goal for donor retention?	30%	52%	73%	81%
Do you have an organizational goal for annual new donor acquisition?	30%	48%	70%	85%

Fig. 45—Shared Goal Setting by Phase of Donor Life Cycle by IM Sophistication

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## INTEGRATED MARKETING PRIORITIES

***The more integrated we get, the more successful we'll be***, and that is really where I'm taking what we're doing.

Our research validated that many nonprofit organizations reliant on direct response marketing are keen to embrace integrated multi-channel marketing. The research also highlighted key areas where improvement is required. The top four items are described further below:

### ► Four Key Areas for Improvement

---

#### **1. Engagement Strategy**

Establishing an engagement strategy that defined the acceptable number of touch points with a constituent in a given period was the most popular item. Those touch points include outreach by different programmatic areas, as well as across different channels.

#### **2. Staff Alignment / Structure**

Aligning staff and structure to better support integrated/multi-channel efforts. To be successful, alignment would not only encompass reporting relationships, but also goal setting and collaboration meetings.

#### **3. Integrated Calendar**

Another popular priority was developing an integrated fundraising/communications calendar. This was almost a universal statement for the 32 percent of organizations which don't currently have an integrated calendar in place.

#### **4. Integrating Online / Offline Tools**

As marketing programs become more integrated, it has become more and more important to integrate online and offline software solutions. Not only does data integration need to become easier, it needs to be supported by systems that share all data required to make informed strategic decisions about contact/marketing strategy. Databases that are closed, or do not facilitate easy integration, or are not designed to support contact through new media channels, will hinder success.

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We closed our survey by asking where groups will be focusing their efforts moving forward. The responses were as depicted in Figure 46.

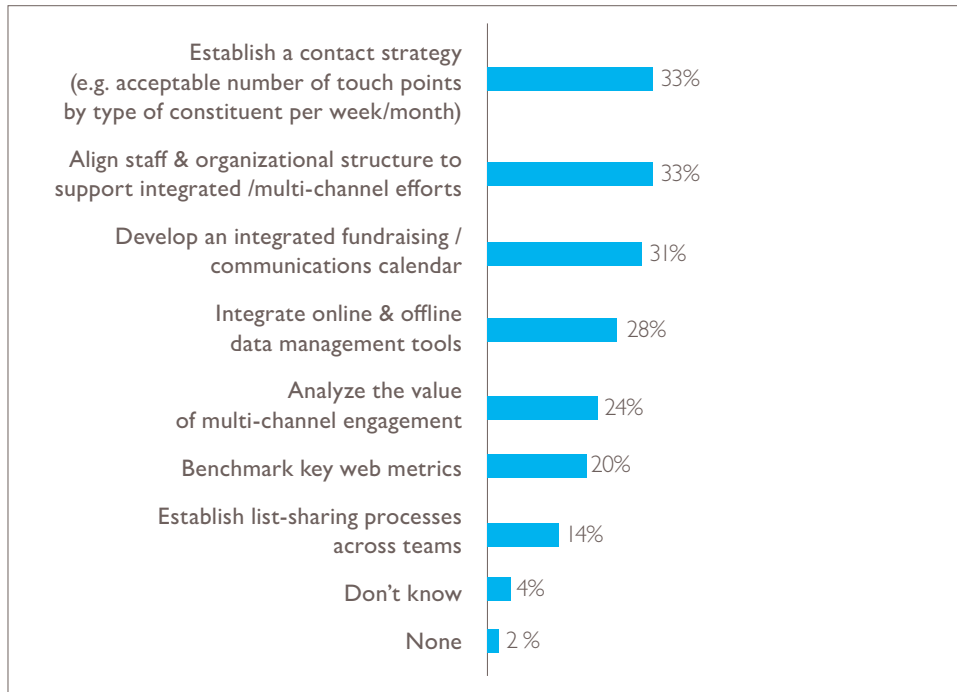


Fig. 46—Integrated Multi-Channel Marketing Priorities

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Figure 47 illustrates that despite their sophistication score, organizations across the board are focused on similar things. It does highlight that Intermediate and Advanced groups are less concerned about tactical actions such as developing an integrated calendar (likely because they already have one implemented), and are more focused on strategic changes such as analyzing the value of multi-channel engagement or integrating online and offline data that would take them to even higher levels of integrated multi-channel marketing sophistication.

Identify two practices that you believe your organization should focus more attention on in coming years.	Integrated Marketing Sophistication Category			
	Novice ●	Junior ●●	Intermediate ●●●	Advanced ●●●●
Establish a contact strategy (e.g. acceptable number of touch points by type of constituent per week/month)	30%	33%	38%	30%
Align staff & organizational structure to support integrated / multi-channel efforts	30%	42%	35%	22%
Develop an integrated fundraising / communications calendar	48%	36%	18%	30%
Integrate online & offline data management tools	17%	18%	43%	26%
Analyze the value of multi-channel engagement	9%	24%	28%	33%
Benchmark key web metrics	13%	12%	28%	22%
Establish list-sharing processes across teams	4%	21%	8%	22%
Don't know	9%	6%	–	4%
None	13%	–	–	–

Fig. 47—Integrated Multi-Channel Marketing Priorities by IM Sophistication

## RECOMMENDATIONS

I feel depressed. We are not doing any of these things.

### Don't be intimidated.

This research was designed to be comprehensive. To some, the depth of discussion around metrics and best practices may seem intimidating. While resources obviously vary by organization size, **our research clearly shows that large and small organizations alike can succeed** at integrated marketing. A common denominator among Advanced organizations is the understanding that an integrated approach is the right direction and they are willing to take the necessary steps and to be patient about seeing results. Those less Advanced find difficulty convincing their leadership to change age-old systems for communications and fundraising.

### Do more online and become pros at basic online-offline integration, before you invest heavily in new media channels.

Social media and mobile represent exciting new channels for engagement. Well-resourced organizations absolutely should be investing some level of resources on a presence and experimentation in these channels. However, we've seen too many organizations, perhaps directed by their boards or the desire to pursue the next new "bright and shiny object," over-invest in these areas before they have mastered the basics of online and integrated marketing.

Previously mentioned, 26 percent of groups surveyed said that they raise less than five percent of their mass marketing revenue online. **There is significant room for improvement in core online marketing techniques**, and secondly core integration practices between online, mail and telemarketing. Again, Figure 48 suggests that if your organization is raising more funds online, this may be the tipping point or better yet a forcing function to be more thoughtful around integrated marketing strategies.

% of funds raised online	Integrated Marketing Sophistication Category			
	Novice	Junior	Intermediate	Advanced
<5%	48%	33%	30%	7%
5-10%	22%	18%	8%	4%
10-15%	4%	15%	23%	26%
15-20%	–	9%	5%	19%
20-25%	4%	–	10%	11%
>25%	22%	24%	25%	33%

Fig. 48—Percentage of Funds Raised Online by IM Sophistication

One area that really stood out was the lack of investment in paid online acquisition. The vast majority of groups are still almost entirely reliant on traditional direct mail list rentals to acquire new donors. This strategy, while established, is proving more difficult each year, and successful groups are finding ways to diversify acquisition sources. Another area which really stood out is the lack of use of telemarketing to augment the conversion of online acquired prospects.

### Establish the right key metrics.

Far too often, organizations track an array of metrics associated with a single channel but are much weaker at tracking cross-channel metrics. It was surprising to us, the degree that organizations stated that they did track integrated metrics, though upon further probing, we learned that many did not actively use the information (either because of lack of bandwidth or analytical expertise). Larger organizations should be tracking a majority if not most of those metrics and analyzing trends. Smaller organizations should be more selective, picking the metrics that really define the progress of the organization towards an integrated marketing approach. More focus is needed across the board on migration of constituents from one channel to another, as well as more granularity around retention rate by channels of engagement.

### Align your organization.

**Organizations successfully instituting integrated marketing have embraced it as a key philosophy,** from top leaders on down. They have established a culture of being constituent-centric; they have established goals that not only measure success across channels and programs but also incent people to work together to drive a better result for the organization as a whole. Many have also taken the additional step to align online and offline functions under one leader with accountability for all marketing channels. One organization that was interviewed had gone a stage further to actually organize teams by stage of the constituent life cycle, i.e., an acquisition team and a retention team, where each team had accountability and control across marketing channels. If your organization is reluctant to change, focus on driving some demonstrable wins to start to build your business case to change.

### Ensure your systems enable your strategy.

**Your systems should enable you to be successful in each channel, but also allow you to engage constituents coherently across channels** and programs such as direct response, communications, advocacy, and events. Those capabilities either have to be delivered as part of one integrated solution or enabled through an open architecture, where data flows freely between different system components. In either scenario, it is important that your systems enable you to see and mine a single view of all constituent transactions and interactions. Those interactions need to include online touch points like email opens, website visits and advocacy actions as well as financial transactions.

Not only do integrated marketing systems need to support a single view of a constituent—across programs and channels—they also need to provide the analytical capabilities to make sense of all the data to drive sound marketing decisions. A traditional donor database / CRM system can be easily overwhelmed when organizations begin incorporating web data like email click-throughs and website visits. Likewise, system failure becomes highly probable when large organizations try to run complex queries or data visualizations on the same platform in which an organization is running operational processes like gift entry. We recommend that large organizations consider environments that run on technology optimized for large scale analytics, but that integrate tightly into your transactional database or CRM.

### Test, test, test.

While this paper articulates several integrated marketing best practices, it is important to test which practices work best for you. ***Regardless of where an organization is in its integrated marketing evolution, there is always room for improvement.***

Your organization may be new at using integrated online and offline marketing to engage constituents with your mission. Or, you may need to boost the effectiveness of your existing fundraising programs. Either way, Convio can help you plan and execute a winning strategy for acquiring and engaging individuals and converting them into lasting supporters. From defining priorities and setting goals to measuring success, we help you develop a multi-channel strategy that supports your objectives and integrates with your existing marketing and fundraising initiatives. Visit us at [Convio.com](http://Convio.com). We have the right tools and services to guide you on the path to integration.

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## ADDITIONAL RESOURCES

### Convio Research

- **The Next Generation of American Giving**, <http://convio.com/nextgeneration>
- **The Convio Online Nonprofit Benchmark™ Study**, <http://www.convio.com/benchmark>
- **The Wired Wealthy: Using the Internet to Connect with Your Middle and Major Donors**, <http://convio.com/wiredwealthy>

### Convio Best Practice Guides

- **Using the Internet to Raise Funds and Build Donor Relationships**, <http://www.convio.com/fundraising>
- **Nonprofit Website Fundamentals**, <http://www.convio.com/websiteguide>
- **Basics of Email Marketing for Nonprofits**, <http://www.convio.com/emailguide>
- **Toolbox for the Modern Nonprofit: Donor Management Made Easy**, <http://convio.com/donormgmtguide>
- **Going Social: Tapping into Social Media for Nonprofit Success**, <http://www.coonvio.com/socialmedia>
- **Holiday Giving Guide**, <http://www.convio.com/endofyeargiving>

### More Convio Resources

- **On-Demand Webinars**, <http://www.convio.com/webinars>
- **Quick Tour Videos**, <http://www.convio.com/quicktour>
- **Sign up for our newsletter**: *Convio Connection*, a free bimonthly newsletter for nonprofits on how to attract constituents, drive action, and build loyalty through online relationship management. <http://www.convio.com/newsletter>

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## ABOUT CONVIO

Convio is a leading provider of on-demand constituent engagement solutions that enable nonprofit organizations to maximize the value of every relationship. With Convio constituent engagement solutions, nonprofits can more effectively raise funds, advocate for change and cultivate relationships with donors, activists, volunteers, event participants, alumni and other constituents. Convio offers two open, cloud-based constituent engagement solutions: Convio Common Ground CRM™ for small- and mid-sized nonprofits and Convio Luminare™ for enterprise nonprofits. Headquartered in Austin, Texas with offices across the United States and United Kingdom, Convio serves more than 1,450 nonprofit organizations globally. Convio is listed on the NASDAQ Global Market under the symbol CNVO.

For more information, visit [www.convio.com](http://www.convio.com).

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