

Adventures in Multichannel Marketing

Written by

Liz Ertner &
Sarah DiJulio

About the Authors

Liz Ertner

Liz Ertner, Senior Strategist, joined M+R in January 2008, bringing her nonprofit public relations and communications experience to M+R's online team. Liz has driven the online crisis response to humanitarian disasters for clients like the U.S. Fund for UNICEF and Plan USA and helped lead the advocacy strategy for AARP during the health care reform campaign. Liz has provided strategic consulting to a number of M+R clients including Doctors Without Borders/Médecins Sans Frontières, the Union of Concerned Scientists, and the American Federal Government Employees Union. When she's not in the midst of a multichannel adventure, Liz can be found mixing gin-based cocktails and attending the Moth StorySLAMS in Brooklyn.

Sarah DiJulio

Sarah DiJulio, Principal, launched M+R's online advocacy and fundraising division in 2001, when a big chunk of her job consisted of explaining what she did since most people had never heard of either thing. In addition to leading M+R's online division and providing strategic direction on a number of accounts, she is a regular speaker at conferences and has served as an online fundraising expert for media outlets including the Chronicle of Philanthropy and the BBC. In 2006, Sarah led the creation of M+R's flagship report, the eNonprofit Benchmarks Study (www.e-benchmarksstudy.com) which is now published annually in collaboration with NTEN. Sarah has worked closely with dozens of nonprofits over the years, providing strategic guidance to Oxfam America, Mercy Corps, Easter Seals, Mayo Clinic, National Wildlife Federation, Smithsonian Institution, American Red Cross, and Sierra Club, among others. When Sarah's not at work, you can usually find her with her two small boys hiking the Billy Goat Trail, swimming at the pool, or exploring the Museum of Natural History.

Special Thanks

Without the Human Rights Campaign (HRC), Mercy Corps, Oceana, Smithsonian, and the U.S. Fund for UNICEF there would be no adventures in multichannel marketing to share. A huge thank you to these five splendid organizations for not only joining us in these experiments but also for being so willing to share what we've learned together to help others benefit from our successes and failures, alike.



Smithsonian
SERIOUSLY AMAZING.



We are also enormously grateful to the various individuals who contributed to this report: Michael Lott provided invaluable assistance with research, data collection and planning, Will Valverde, Marc Ruben, and Eve Fox offered keen-eyed, strategic editing and proofreading, and Charles Yesuwan gave the gift of graphic design and printing preparation.

The Adventure Begins...

Multichannel is the Chilean sea bass¹ of nonprofit fundraising. Those in the know have been familiar with it for a long time, even if we called it something different (“integrated campaigns,” for instance. Or “toothfish.”)

Then, seemingly overnight, it’s a major buzzword. It’s everywhere. It’s showing up on every vendor’s menu, and you can’t swing a lanyard at an industry conference without hitting someone who’s talking about the glories, the perils, the mysteries of multichannel.

Here at M+R, we’ve been running multichannel campaigns for clients for years. We use joint messaging, goals, and deadlines in both email and direct mail when it works for both channels. But with so many smart folks spending so much time on it, we wondered if there was more to this whole multichannel thing than the tried and true methods we were already using. Most importantly, we wanted data to back up which multichannel tactics provided a measurable and repeatable lift in results.

In pursuit of reliable data (and, of course, adventure), M+R embarked on a twelve-month journey with five major nonprofits to determine which complex multichannel approaches are working and which simply aren’t worth the investment in time or money.

When it’s easy and not cost-prohibitive, there’s no reason not to do multichannel marketing.

But before we jump down the rabbit hole, let’s make sure we’re all on the same page about what we mean when we say “multichannel.”

Multichannel marketing means integrating:

What:
Message

When:
Timing

Where:
Channel

Who:
Audience

Now that we’re clear on that, let us take you on our adventures with the Human Rights Campaign (HRC), Mercy Corps, Oceana, the Smithsonian, and the U.S. Fund for UNICEF!

¹ In case you remember the boycott on this tasty yet slow-growing, deep ocean dweller, Seafood Watch says it’s okay to eat most Chilean Sea Bass now, depending on where and how it’s caught: http://www.montereybayaquarium.org/cr/SeafoodWatch/web/sfw_factsheet.aspx?gid=11





Adventure #1: Converting new prospects to monthly donors

One successful and common strategy for nonprofits is to acquire new prospects with the goal of converting them to donors through email marketing. You can expect prospects from a good source to pay off within 12-24 months.

But what if we could accelerate this process by converting more of these prospects to monthly donors at the outset, and converting more donors to multichannel donors? If it worked, we'd increase the lifetime value of these new prospects.


So we developed a “multichannel onboarding/welcome” series, which consisted of 1) a multi-message email series, which often included a survey or action and a monthly donation ask, followed by 2) a telemarketing call, followed by 3) a direct mail piece.

Here's what we found when we tested sending this new multichannel onboarding series to prospects for Oceana, Mercy Corps, and HRC:


- The email welcome series works for online acquired prospects: 
- Telemarketing was not very successful: 
- Direct mail piece did not perform well at all: 
- Note that clients tried both one-time and monthly giving asks in direct mail.
- Difficulty rating: 


This type of multichannel onboarding approach is extremely labor intensive. Although our clients didn't find the offline components to work, it may be worth testing this for your organization if you have cute puppies (kittens or seal pups would work, too), an emergency, or a huge brand name – and if you can get the process streamlined enough to cut down on staff time. If not, ditch the more complex telemarketing and direct mail components and send an email welcome series to your newly acquired online prospects. Keep in mind that the difficulty of setting this piece up really depends on your eCRM – it can take a lot of staff time and troubleshooting. It may make more sense to put the new names into your regular direct mail acquisition stream rather than setting up something special for them.

Key


 = Works!

 = Sort of works

 = Doesn't work

 = Easy

 = Medium

 = Hard

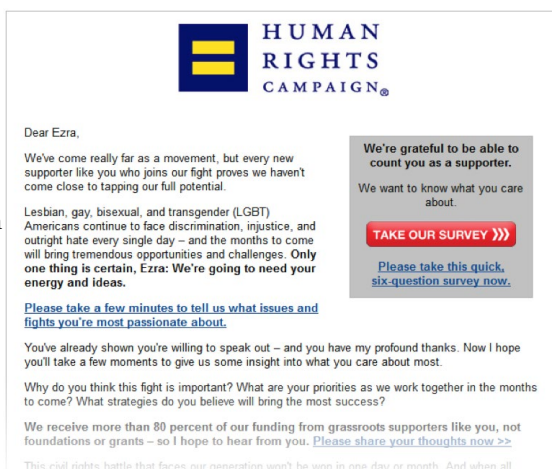
It's worth noting that we saw one bright spot in the telemarketing component for HRC. Read the case study to find out what it was.

Case Study: Human Rights Campaign

We ran a multichannel marketing campaign for HRC that targeted online prospects, people

acquired from face-to-face canvassing, people acquired from New York marriage postcards, and people acquired from Pride events and bus tours.

We rolled out a multichannel conversion stream for these new sign-ups leveraging online data offline and vice versa. First, the new prospects received a three-message email welcome series, including a survey, an action alert, and an invite to join the Partners program (HRC's monthly giving program).



We then used click-thru data from the emails to hone a telemarketing list and used offline giving history to ask people for the appropriate amount of money online or to target them with a monthly donation request. The campaign used the same theme, graphics, and timing across all channels.

HRC also tried a direct mail piece with a one-time ask to a different batch of recently acquired online prospects who had received email welcome messaging.

The results?

The email welcome series worked well to convert new monthly donors – HRC saw a .49% response rate, strong enough to warrant continuing with this tactic. Unfortunately, we found that telemarketing to new online prospects from paid ad sources mostly didn't work – the return on investment wasn't positive enough to continue. The one significant telemarketing bright spot was for face-to-face recruits from Pride events – so if you collect face-to-face names, you may want to test calling these people. HRC has also started adding new online prospects who take action or sign up for a free sticker to their telemarketing stream with some success.

HRC MULTICHANNEL CONVERSION PROCESS




Lastly, the direct mail conversion rate was terrible for all audiences. Does that mean you shouldn't mail online-acquired recruits? Not at all. In fact, we found that adding them into the regular direct mail acquisition stream worked well for HRC. It just wasn't worth it for HRC to go to the trouble and expense of setting up a custom direct mail piece for new online prospects.

As you'll see in our next adventure, a better time for multichannel solicitation is after a supporter has made their first online gift.


Adventure #2: Multichannel campaign with email and telemarketing to prior donors

We know that recent donors are the best candidates to convert to monthly donors. For many of our clients, we send online monthly giving requests to recent donors. So what would happen if we added a telemarketing element to those campaigns, coordinating topic and timing across the two channels?

Here's what we found in testing this strategy for Mercy Corps and the U.S. Fund for UNICEF:

- It works! The campaigns were net positive within a year: 
- Difficulty rating: 

This is much easier to pull off than multichannel onboarding, so that net positive means it's worthwhile. You just need a sufficient donor pool to call - we'd recommend 10,000 donors in the last 12 months. This strategy works especially well right after a big emergency, when you have a big influx of recent one-time donors.

If you have telemarketing experience and are already running telemarketing campaigns, this shouldn't be too difficult, but you should change the difficulty rating to  if you'll be launching a telemarketing program from scratch.

Case Study: U.S. Fund for UNICEF

Through the end of July 2011, the U.S. Fund for UNICEF (USF) ran an incredibly successful online campaign to support relief efforts for the drought, starvation, and refugee crisis in the Horn of Africa. Email fundraising response rates reached levels that had not been seen since the Haiti earthquake.

Combining online and telemarketing monthly donation requests to recent donors worked well, especially right after a big emergency or event that creates a big influx of recent donors.

Although the response to the crisis email appeals was impressive, our challenge was to convert these emergency donors to unrestricted donors.

M+R and USF decided to try a new strategy to leverage the crisis for unrestricted fundraising by running an unrestricted multichannel monthly giving campaign while the crisis was ongoing.

First, the full email file, including all recent donors, received a three-message email series that emphasized the ongoing crisis in the Horn of Africa and offered to match the recipient's first monthly donation.

To convert more new monthly donors, we developed a telemarketing campaign around the same theme as the email portion of the campaign: the urgent need for sustained support of all of USF's programs in the face of the crisis in the Horn of Africa.

While USF already had an established and successful pledge model for telemarketing, we hoped that the timing for this crisis-themed monthly giving telemarketing would further boost performance.

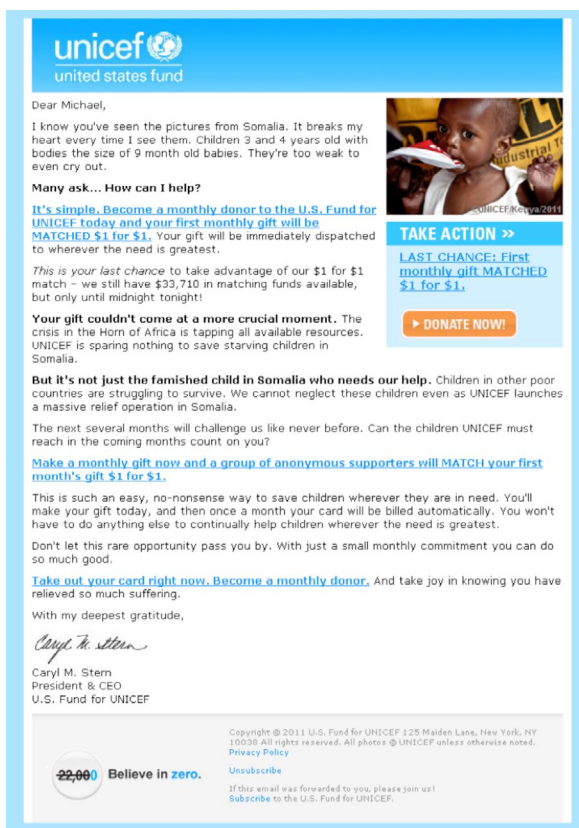
The calls were made to anyone who had made a crisis donation to the Horn of Africa through any channel, plus any non-donors who opened and clicked on a message in the monthly donor email series but didn't convert.

The results?

The response was unprecedented. This campaign, which was extremely successful in converting monthly donors, now serves as USF's blueprint for future unrestricted fundraising during emergencies.

A few highlights include:

- The response rate for the email campaign was 0.17%, one of the highest USF has seen for a monthly donor campaign.
- Conversion to monthly donor from calls was 3.9%.
- Telemarketing was net positive within 1-3 months.



Adventure #3: Sending a direct mail “chaser” or “leader”

Over the years, we’ve experimented with sending “chasers” – emails that follow the arrival of a direct mail piece – as well as “leaders,” emails that precede the arrival of a direct mail piece.

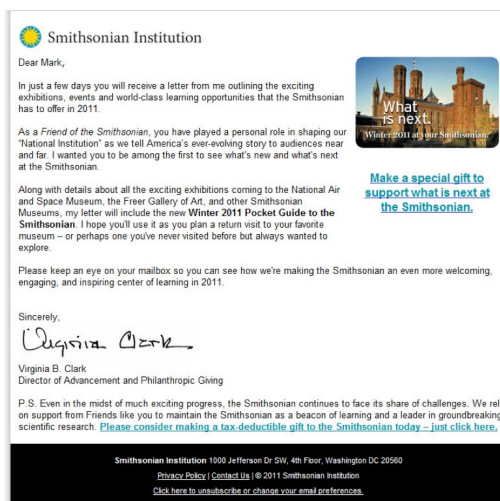
This isn’t a new adventure for most organizations – more like a nostalgic sequel. Many an email program got its start as a series of one-off emails, tied to direct mail, without any big online campaign. But nowadays, leaders and chasers have to fit within a crowded email messaging schedule. Are they worth it?

Here’s what we found for Mercy Corps and the Smithsonian:

- The email performed poorly: 📉
- There was a significant boost (12-29%!) in direct mail performance for those who received the email: 👍
- Difficulty rating: ●

Though the difficulty rating for sending the email is easy, tracking and getting results from the mail can be tricky. It’s also hard to measure impact of one-off emails tied to direct mail on long-term email list performance.

And, of course, there’s an opportunity cost here. Would you raise more by sending an urgent, direct online appeal instead of a leader or chaser? The relative performance of your direct mail and email programs may be the deciding factor – if you have a gangbusters email program, this might not be worthwhile.



Case Study: The Smithsonian

M+R worked with the Smithsonian to test sending a leader email a few days before people were expected to receive their snail mail.

The results?

The email, itself, performed poorly. However, supporters that received the leader email had a 29% greater response rate to the direct mail piece! Because of the strong results in the mail, the Smithsonian now sends a leader email before major direct mail campaigns.

Adventure #4: Sending an email follow-up to those pledgers, hedgers, and refusals

When your organization calls supporters with a monthly giving ask, the best case scenario is that they say “yes” and give their credit card information right then and there. But many “hedge,” saying they’ll consider it. Some pledge to write a check or give online. Others flat out refuse.

Wouldn’t it be nice to follow up with everyone who was called with a custom email based on what the supporter said on the phone?

M+R worked with clients to draft and send these emails, and see if we could convert additional donors with these follow-up emails. Here’s what we found:


- These emails work – if your telemarketing vendor can send them easily: 👍 🟢
- These emails aren’t necessarily worth the return if you need to pass manual data files back and forth or set up manual sends: 🗑️ ⬛

Case Study: Mercy Corps

Twice a year, Mercy Corps runs a telefundraising campaign to recruit monthly donors. We worked with them to test sending emails to those who pledged, hedged, and refused to give over the phone.

Below are sample emails, custom for each audience:

Version for Pledgers



Dear Liz,

Thank you so much for taking the time to speak with us on the phone, and for pledging a generous monthly gift [desq_gift](#).

Please fulfill your pledge here using our secure website.

Mercy Corps depends on the generous support of our special Partners in Mercy to provide lifesaving assistance to children and their families around the world – including rushing help to Haiti following the devastating earthquake, and providing emergency food and water to families facing drought in the Sahel.

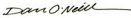
Thanks to supporters like you, we’ve already helped millions of families recover from disaster and begin to rebuild their lives. But hundreds of thousands of Syrian refugee families are in desperate need of clean water and shelter. Children in South Sudan are forced to go to school in fields – without even books or other school supplies.

Around the world, children are most vulnerable when disaster strikes. Please, help provide hope and help to children and their families in the world’s most desperate places by fulfilling your pledge joining our special group of Partners in Mercy.

In addition to speeding help to families in crisis, your monthly gift will also help families end the cycle of poverty. With your support, we can open the doors to a new school, teach a young mother how to provide good nutrition for her children, and plant a community garden that will feed a village. **Please help deliver hope for a brighter future to families around the world.**

Again, thank you so much for your support during this critical time.

Sincerely,



Dan O'Neill
Founder
Mercy Corps




Photo: Cassandra Nelson/Mercy Corps

Version for Hedgers & Refusals



Dear Liz,

Thank you for taking the time to speak with us on the phone. We deeply appreciate your support and commitment to helping children and families in need around the world.

Mercy Corps depends on our supporters to deliver lifesaving assistance to children and their families in desperate circumstances – including rushing help to Haiti following the devastating earthquake, and providing emergency food and water to families facing drought in the Sahel.

Supporters like you help are also helping to provide emergency water and food to thousands of children and families in the Sahel and Syrian refugee camps, and support programs that help children cope with trauma following disasters like the earthquake in Haiti.

We’ve already helped millions of families around the world recover from disaster and begin to rebuild their lives. But hundreds of thousands of Syrian refugee families are in still in desperate need of clean water and shelter. Children in South Sudan are forced to go to school in fields – without even books or other school supplies. We will continue to keep you updated on the situation as it progresses, and as we continue to rush aid to the people who need it most.

Again, thank you so much for your support during this critical time.

Sincerely,



Dan O'Neill
Founder
Mercy Corps

PS – If your situation has changed and you’d like to make a gift in the future, you can help children in the Sahel, Haiti and other desperate places around the world by making your monthly gift on our secure website.

This email was sent by DSO on behalf of Mercy Corps as a one-time follow-up to our phone call. If you



Photo: Cassandra Nelson/Mercy Corps

Last fall, Mercy Corps found that sending the hedger, pledger and refusal emails after speaking with the donor produced a 5.4% lift in the number of new monthly donors from the campaign and a 3.8% lift for credit card monthly donor revenue. Because their telefundraising vendor is able to launch the emails easily from their system, it requires only a small additional effort to create a substantial increase in response rate. Mercy Corps continues to send these emails during all calling campaigns.

Adventure #5: Modeling telemarketing-responsive online prospects

Here at M+R we are addicted to data, so we were really excited about this final adventure, which involved digging into a wealth of information about online prospects who respond to telemarketing. Since telemarketing is expensive, our goal was to identify segments that perform at higher rates to allow our client to focus on smaller, but better-performing audiences.

We worked with the U.S. Fund for UNICEF to take the names they called and overlay data like age, gender, mail order donation status, credit card usage, and online behavior, to see if there were any patterns that would tell us who would be responsive.

What we found:

- This didn't work well enough to make it worth the effort: 🙅
- Difficulty rating: ◆

Yes, the data is interesting, but even with large groups, sample sizes are often small and we didn't see a big enough difference across segments to make the results truly actionable. We found a few segments that performed 2-3 times better, but that wasn't enough of a difference to actually impact our telemarketing strategy.

If you're running a one-off conversion series or pilot program, it's probably not worth it to do this type of analysis. But, if you've got the capacity to do complex modeling already, it might be worth trying — if you're also calling regularly, with enough volume, and have the data process already in place.

On to the next adventure

So what was the big takeaway at the end of this sometimes intimidating, occasionally confusing, but always exciting adventure? When it's easy and not cost-prohibitive, there's no reason not to do multichannel marketing. Nonprofits should always be on the lookout for opportunities to share the visual, message, and the timing of campaigns across channels.

But just because something is “multichannel” doesn't mean you should do it – you have to evaluate the potential return on investment. If it's hard, or is going to be very expensive, do the math before you start. You don't want to spend \$5,000 in staff time to implement a strategy that nets only an additional \$3,000 in revenue.

Just because something is “multichannel” doesn't mean you should do it – you have to evaluate the potential return on investment.

Here's how we're following our own advice at M+R:

- We're continuing to integrate shared campaigns with goal, message, and visuals across channels whenever it makes sense;
- We're taking the new strategies that we've found to work consistently and successfully for clients, and implementing those strategies for other clients as well; and
- We're continuing to brainstorm and test new ways to convert even more donors.

Stay tuned for our next big adventure!

About M+R Strategic Services

M+R is dedicated to helping our clients change the world through smart strategies and compelling messages that mobilize members, build grassroots support, raise money, and communicate effectively with the media, the public, and decision-makers, both online and off.

Please visit www.mrсс.com for more information or visit our blog (labs.mrсс.com) to find more data-driven research and strategy recommendations.

You can also connect with us at:

[Facebook.com/MRCampaigns](https://www.facebook.com/MRCampaigns) 

[Twitter.com/MRCampaigns](https://twitter.com/MRCampaigns) 

You can download this whitepaper online for free at: <http://labs.mrсс.com/multichannel>

For more information, please contact:

Liz Ertner, M+R Strategic Services, lertner@mrсс.com, (917) 438-4618

Sarah DiJulio, M+R Strategic Services, sdijulio@mrсс.com, (202) 478-6170



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