Audience Strategies to Maximize Revenue:

How to Make Your Database Work for You

NOVEMBER 10, 2021

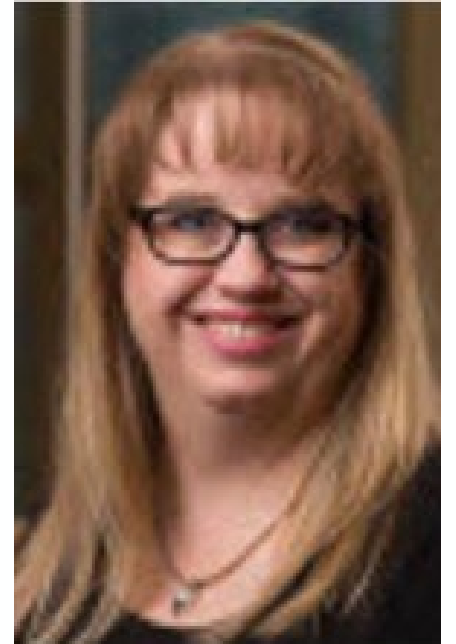# TODAY'S TEAM

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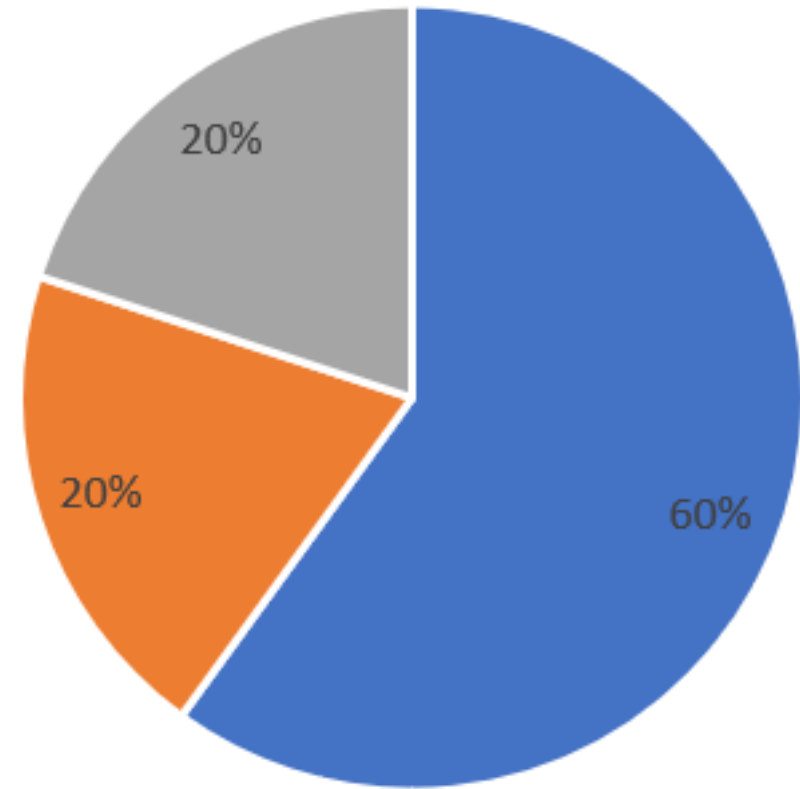Consultant
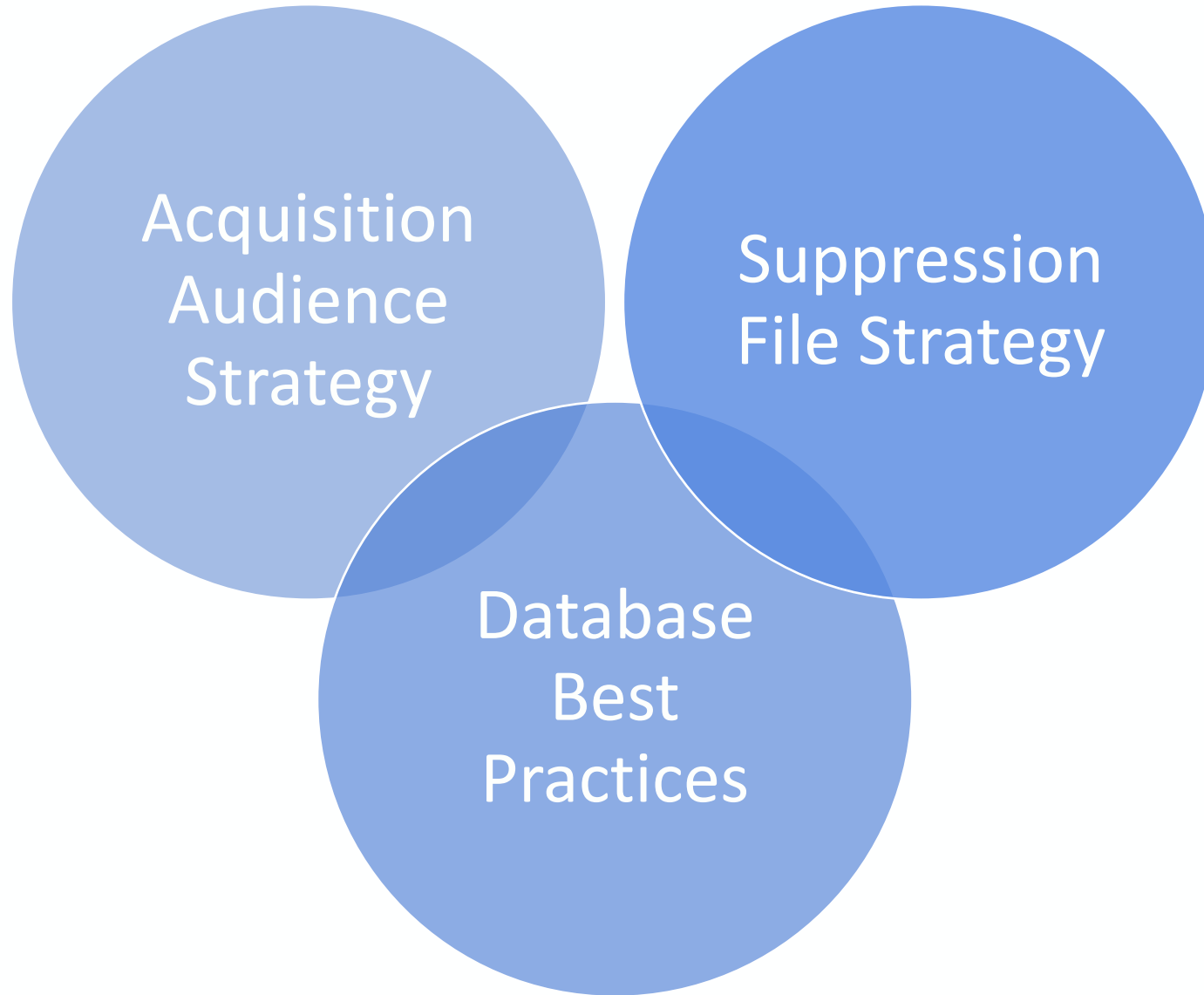
AUDIENCE STRATEGIES

AUDIENCE MATTERS

Audience represents 60% of the success (or failure) of your acquisition campaign.

20%

20%

60%

■ List ■ Creative ■ Offer

AUDIENCE STRATEGIES

With Audience being 60% of the success of any campaign we need to think about who we are contacting and why.

There are several donor audiences each deserving of targeted strategies. For this conversation, we will focus on three main audiences surrounding acquisition and file growth.

3 MAIN ACQUISITION AUDIENCES

Warm Prospects

- People who have voluntarily provided contact information

Cold Prospects

- People who have no known connection to your organization
  - Rented or exchanges lists

Lapsed Recapture

- Donors who have lapsed past the renewal cycle

Investing in acquisition for file growth leads to revenue growth.

Allowing these audiences to work together will support a successful acquisition program.

WARM PROSPECTS

People who have engaged with your organization and voluntarily provided their contact information.

- o Signed up for a newsletter
- o Event Attendees
- o Volunteers
- o PBS Prospects and NPR One Prospects
- o Donation page abandoners

Don't underestimate these prospects. They have provided some form of contact information making them 'warm'. They know who you are and have raised their hand saying they have an interest.

Free Names - Worth Testing!

BALANCING ACT: LAPSED AND COLD PROSPECTS

To maximize the number of members brought onto the file while protecting your ROI, both lapsed and cold prospects need to work together – there needs to be balance.

- Lapsed Recapture campaigns are designed to be revenue generating.

- Cold Prospect Acquisition campaigns are an investment into the future of your donor file and therefore designed to run at a revenue loss.

The goal is to balance *Revenue* with the potential *New Donor* gain.

LAPSED RECAPTURE

- Goal for Lapsed is to recapture as many lapsed members as possible while generating positive revenue.

- If you mail too deep into the lapsed file, you are casting a broad net.

- A targeted approach to lapsed can be more effective and efficient.

- Allowing the deeper lapsed to be picked up as part of acquisition.

COLD PROSPECTS

- Goal is to invest in your member file to support future revenue growth.

- Maximize the number of new members acquired while controlling the cost to acquire them.

- Allow your lapsed members to support acquisition. By including some deeper lapsed, you can help identify lapsed members who are more likely to give.
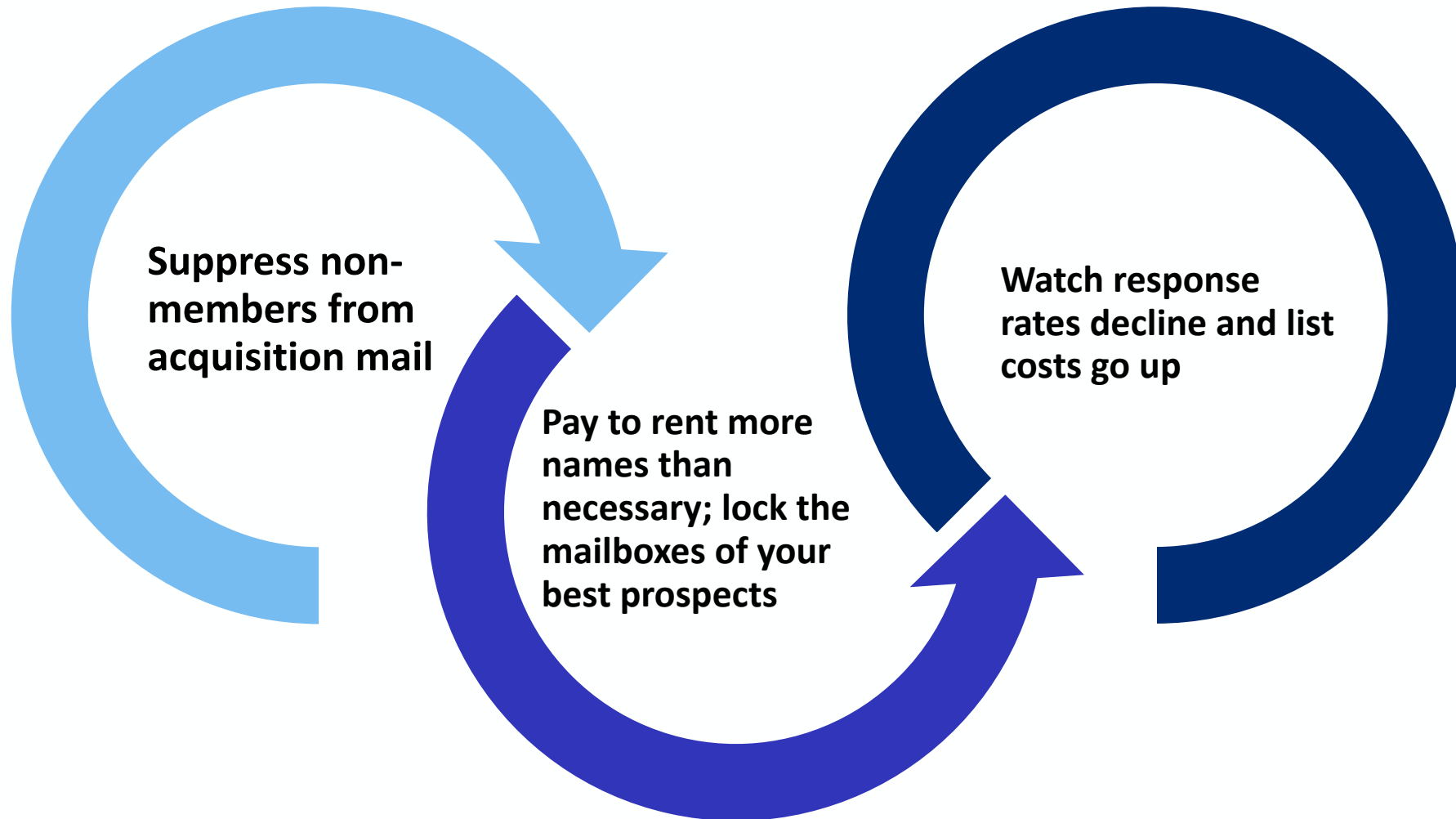

This is where the suppression file come in.

THE PROBLEM

- Suppression is part of your audience selection.
  - Who you don't mail is just as important as who you do mail.
- Suppression file pulling is often an afterthought and considered a production-related item.
- Incorrect or over-suppression has multiple negative consequences.

THE PROBLEM

Suppress non-members from acquisition mail

Pay to rent more names than necessary; lock the mailboxes of your best prospects

Watch response rates decline and list costs go up

WHO SHOULD BE SUPPRESSED?

- Active members/donors who already get mail from you
- Lapsed members/donors who you are still actively attempting to require
- Current and accurate do not mail requests
- **Do not lock mailboxes!**

1 CURRENT DONORS

Anyone in your active donor mail stream

2 RECENTLY LAPSED

Only those you are actively attempting to re-capture through the mail.

3 DO NOT MAIL REQUESTS

Only if they expressly said they did not want acquisition mail from you and did so relatively recently.

4 PROSPECTS

Only if you're mailing them separately.

Tip #1:

Beware of do not mail request codes. Monitor and update regularly. Do not mark a donor do-not-mail and leave it that way forever. Give your once mail-averse donor a chance to hear from you again.

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Tip #2:

Beware of donors who are not actually donors. Does your database capture information from people who abandoned the donation page?

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CASE STUDY

- Major market public television station did the work to correct their over-suppression problem
  - Scrutinized legacy database queries
  - Evaluated all date parameters
  - Reviewed their lapsed mail strategy
- Corrections to the suppress criteria cut their suppress file in **half**.

THE RESULTS!!

Implementing appropriate suppression file pull techniques yielded <u>spectacular results</u>.

+48%

INCREASE IN NET RATE

(paid for 48% fewer unnecessary names!)

+51%

INCREASE IN RESPONSE RATE

+200%

INCREASE IN REVENUE/ 1,000 PIECES MAILED

-38%

REDUCTION IN LIST COSTS

DATABASE DETAILS

- The most important tool in your audience strategy is **YOUR DATABASE**

- **But many databases are *over-suppressed***
  - As mentioned earlier, don't suppress a donor from a specific kind of mail only to never examine that suppression again.
    - Consider removing the suppression 6 months, a year, or 18 months later and trying that donor again.

TRAIN YOUR CUSTOMER/DONOR SERVICE REPS

- Not to have a mentality of "donor is angry, suppress them from everything"

- Do know when to suspend an account vs. suppress them for a short time

  o Deceased or moved out of area = suppress

  o Angry = code them for a limited time

ACCOUNTS IN ERROR STATUS

- Monitor these monthly and fix them!

- If they can't be recognized as an active donor, a prospective donor, or even a lapsed donor then they can't be solicited.

DONATION FORM ABANDONERS

- They went to your donation form
- They filled out their name and contact info
  - But payment didn't go through
- Don't let these folks get away!
  - They're more than warm, they were hot for a minute.
  - Get them into the database and include them in acquisition solicitations.

THANK YOU

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