

# **MARKETING BASICS: You're Invited!**



Meals on Wheels Webinar

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## **GOALS**

- ❖ Understand what marketing is and isn't.
- ❖ Learn what tools work best for different goals.
- ❖ Learn to love your database!
- ❖ Make offers your Supporters can't refuse.
- ❖ Evaluate results to become a learning machine.

## PART I: What is marketing?



Marketing isn't about promoting what you do.

## Two Fundamental Questions

*What do you do?*



*For whom?*

❖ **WHAT DO YOU DO?** Your mission is why you exist and what guides your work.

❖ **FOR WHOM?** You feed seniors and work to end senior hunger. Others tell stories onstage, help in crises, place orphans with families.



## What is Marketing?

To achieve the mission, we need to:

- ✓ Find people who care.
- ✓ Get these people to act.

That's marketing.



How does marketing work?



Buy it or  
else!

How does marketing work?



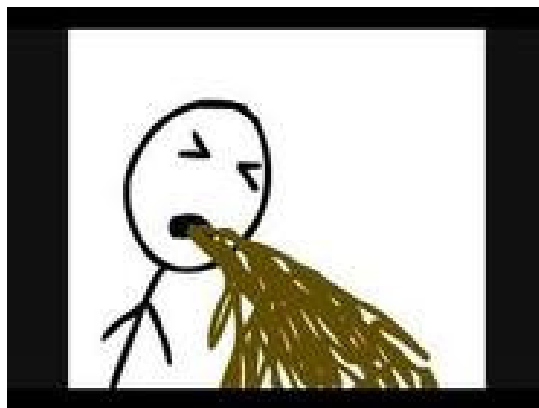
"You really need this!"  
(NO!)

How does marketing work?



"I want to suck your  
blood!"

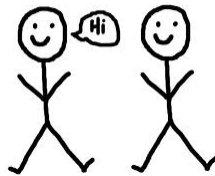
Bad Marketing



**YUCK!**

## PART II

### Marketing Builds Relationships



### Relationships Are...

- ❖ Long-term vs. short-term
- ❖ Two-way vs. one-way communication
- ❖ Mutually beneficial

## Building Relationships



Prospect /  
Current  
Supporter

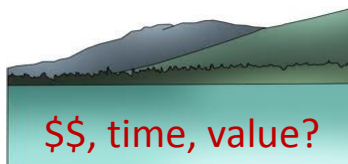


Your  
Organization

## Building Relationships



?



Your  
Organization

## Marketing Gets People to Act



Not this





But this!



## Marketing is an Invitation

- 1) Targeted
- 2) Personalized
- 3) Timely
- 4) Clear logistics
- 5) Clear way to RSVP



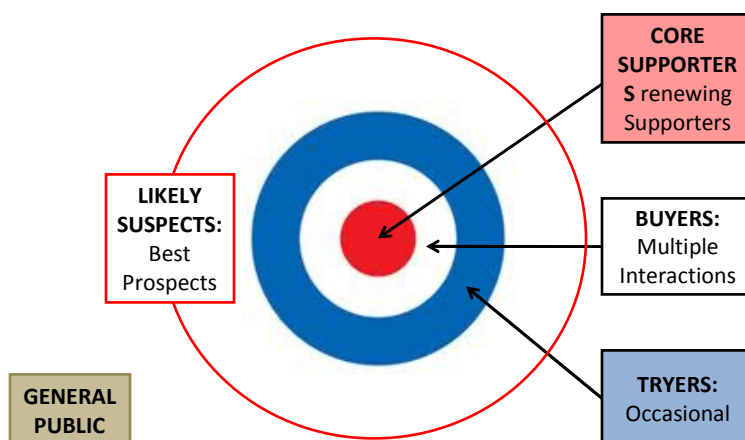
For people who care!

## Marketing is Targeted



- ❖ First find the people who care
- ❖ Contacting people who don't care = SPAM (and very expensive)

## Targeting in Your Organization



## Marketing is Personalized

- ❖ “Dear Friend” = dark ages
- ❖ If you don’t care who I am, why should I care who you are?
- ❖ Generic communication = generic response



## Marketing has Personality

- ❖ Brand is an organization’s personality – don’t be afraid to have one!
- ❖ You have nothing to lose but people’s attention.
- ❖ If you’re generic and bland, there’s no such danger!



**SUBSCRIBE NOW!**



**RENEW AND PICK UP YOUR TREAT!**

Arts Club renewal deadline May 31

*Hedgehogs courtesy of*





Marketing is Time-Sensitive

BE A PART OF THEATER HISTORY –  
RENEW YOUR SUBSCRIPTION **TODAY!**



Deadline to renew your seats **MAY 15**

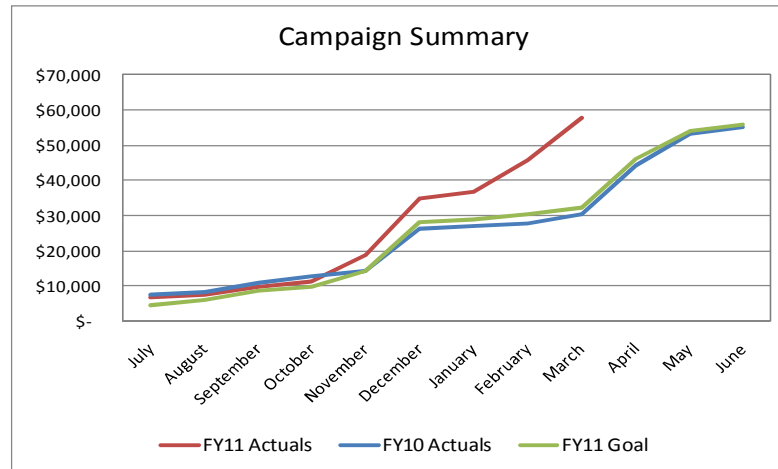
## Marketing Gives Clear Logistics

- ❖ PRICE: can I afford - is it in my budget?
- ❖ TIME: what time - do I have time?
- ❖ SOCIAL: will I fit in?
- ❖ INSECURITY: what if I don't understand it?  
What if I don't like it?

## Clear Ways to RSVP

- ❖ CALL: 402-289-9090
- ❖ ONLINE: [www.mealsonwheels.org](http://www.mealsonwheels.org)
- ❖ MAIL: 89 North Street, Burkville, MS 09090

## Marketing is Measurable



Track RSVPs!

## Marketing Builds Relationships

- ❖ Long-term vs. short-term
- ❖ Two-way vs. one-way communication
- ❖ Mutually beneficial

## Marketing is an Invitation

- 1) Targeted
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- 4) Clear logistics
- 5) Clear way to RSVP



## PART III

LOVING YOUR SUPPORTERS  
MEANS LOVING YOUR DATABASE!





## Your Supporters are not created equal

- ❖ **Renewing donor:** Til death do us part!
- ❖ **Several gifts:** I like you
- ❖ **New gift:** I'd like to know you better
- ❖ **Lapsed supporter:** You've got competition
- ❖ **Prospect:** The possibilities are infinite
- ❖ **General Public:** Who are you?

## Who's paying the bills?

*100 New Donors*

- Average gift: **\$25**
- Cost to acquire (COS): **75%**
- Renewal rate: **20%**

New Donors			
	Year 1	Year 2	TOTAL
Revenue	\$ 2,500	\$ 500	\$ 3,000
Cost of sale	\$ 1,875	\$ 375	\$ 2,250
<b>NET REVENUE</b>	<b>\$ 625</b>	<b>\$ 125</b>	<b>\$ 750</b>
	<i>Per Donor</i>		<b>\$ 8</b>

## Who's paying the bills?

### 100 Renewing Donors

- Average gift: \$100
- Cost to renew (COS): 5%
- Renewal rate: 70%

#### Renewing Annual Fund Donors

	Year 1	Year 2	TOTAL
Revenue	\$ 10,000	\$ 7,000	\$ 17,000
Cost of sale	\$ 500	\$ 210	\$ 710
<b>NET REVENUE</b>	<b>\$ 9,500</b>	<b>\$ 6,790</b>	<b>\$ 16,290</b>
		<i>Per Donor</i>	<b>\$ 163</b>

## Who's paying the bills?

### 100 Renewing Major Donors

- Average gift: \$1,200
- Cost to renew (COS): 5%
- Renewal rate: 70%

#### Renewing Major Gift Donors

	Year 1	Year 2	TOTAL
Revenue	\$ 120,000	\$ 96,000	\$ 216,000
Cost of sale	\$ 3,600	\$ 2,880	\$ 6,480
<b>NET REVENUE</b>	<b>\$ 116,400</b>	<b>\$ 93,120</b>	<b>\$ 209,520</b>
		<i>Per Donor</i>	<b>\$ 2,095</b>

## RETENTION:

### *Love the One You're With!*

- Most donors stop giving because of a lack of meaningful communication or they have no sense of impact
- 50% of donors do not renew their gifts and, by the fifth year, almost 90% have stopped giving
- It's much cheaper and easier to keep donors than acquire them.



## Remember our Fearful Supporter?



Your  
Organization

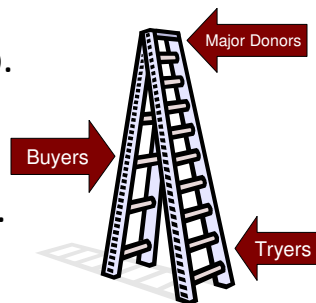
## Marketing Creates Expectations

- ❖ You'll acknowledge my step of faith
- ❖ You'll value my investment
- ❖ You'll deliver what you promise
- ❖ This is the start of a great thing!



## Move Supporters Up The Ladder

- ❖ To build relationships, you need a plan.
- ❖ Always think of the next step.
- ❖ The more supporters invest, the more loyal they become.



How do we do this?

LOVE  
YOUR DATABASE



Keep It Clean

- ❖ Complete Contact Information
- ❖ No invisible Supporters
- ❖ Hygiened



## How Big is Your Database? Size Matters

### Key Factors

- ❖ Recency
- ❖ Frequency
- ❖ Monetary Value

## Segment Your Database

- ❖ Current, renewing, lapsed, prospect
  - By Year
  - By Activity
- ❖ Track response to see who wants to be invited



## **PART IV:** Direct Marketing & Media

Get the right message to  
the right person at the  
right time.



### Key Elements of Direct Marketing

- ❖ TARGET / LIST – “who”
- ❖ OFFER – “what”
- ❖ DEADLINE – “when”
- ❖ CALL TO ACTION – “how”

## Direct Marketing: Media Tools

- ❖ Direct Mail & Email
- ❖ Telesales
- ❖ Live Media
- ❖ Website
- ❖ Social Media

## Mail Is Not Dead!



2009 DMA SURVEY	Response Rates	Total revenue generated
Mail	1% - 3%	\$446B
Email	2.4%	\$26B
Radio	1.4%	
Print ads	0.5%	



## Mail Linked To Web Use

❖ **33%** of people who respond to direct mail do it *online*

❖ When consumers get direct mail first:



- 16% more site visits
- 22% more page views
- 15% more time on site

❖ Consumers spend **30%** more when multiple media are used vs. single media



## Mail In Multi-Channel Marketing

❖ While most marketers use an average of 4 media channels, half launch campaigns with direct mail.



❖ Overall, marketers are adding new media rather than subtracting traditional media.



## Email Is Not Dead!

### Who uses email?

**92%** of all adults online  
(18 – 65+)

**61%** send or read on  
a typical day

Gender	%	%
Male	90	59
Female	93	64
Race/Ethnicity		
White	93	63
African American	87	48
Hispanic	88	53
Age		
18-29	94	64
30-49	91	63
50-64	91	61
65+	87	46
Education		
Some high school	90	39
High school	84	46
Some college	94	64
College graduate	96	77
Household income		
< \$30,000	86	47
\$30,000 - \$49,999	89	59
\$50,000 - \$74,999	94	67
\$75,000+	97	78

Source: The Pew Research Center's Internet & American Life Project, November 3-24, 2010 tracking survey. N=2,257 adults ages 18 and older. Interviews conducted in English and Spanish.

## Email

- ❖ Laser focus on building your list
- ❖ Track growth and attrition
- ❖ Watch key stats:
  - Open rates?
  - Click-throughs?
  - Opt-outs?

## Telefunding & telesales

- ❖ Some people just need to talk!
- ❖ Mail alone doesn't overcome all the objections
- ❖ Acquiring new supporters requires one-on-one



## Telesales

- ❖ Measure cost-of-sale by renew and new
- ❖ Upsell, cross-sell, upgrade!
- ❖ Works best supported by mail and email



## Your Website

*What research found about customers:*

- ❖ Depend on the Internet for research.
- ❖ Expect speedy, personalized service, easy and transparent information.
- ❖ Consistently rate online experience *low*.
  - Poor online experiences lead to lost revenue
  - Customers are less inclined to buy again or recommend.

## Your Website: The Essentials

- ❖ Make it a **compelling expression** of what you are all about--*not* your mission statement
- ❖ Grab **emotionally** with one powerful image
- ❖ **Make it easy** to navigate
- ❖ Less is more – **no clutter!**
- ❖ **Guide them** to the outcome you want
- ❖ Put your **contact info** on every page



## Advertising

"Half the money I spend on advertising is wasted;  
the trouble is, I don't know which half."

- ❖ Only use mass media for things with mass appeal
- ❖ Print Ads
  - Consolidate in fewer publications
    - Don't spread thin
  - Small is ok
  - Banner ads don't work

## Advertising

### ❖ Radio/TV

- Demographics help
- Impulse buy
- When spots are cheap, it's because no one's listening!
- Use the medium – music, drama!
- Media buyers often get better rates and added value
- Get added value

## Social Media

- ❖ Engagement
- ❖ Two-way dialogue
- ❖ Fresh content
- ❖ Support other efforts
- ❖ Personality!

## PART V

### Campaign in a Box



### Campaign Components

- ❖ Revenue & Expense Budgets
- ❖ Timeline & Media Plan
- ❖ The Offer & The Call to Action
- ❖ The Target Audience
- ❖ Results Tracking

## Choose Your Campaign

### EXAMPLES

- ❖ End of year: time-sensitive
- ❖ Annual membership drive: recurring
- ❖ Campaign to end hunger: endowment
- ❖ Spring Gala: event
- ❖ Christmas in July Sale: one-day offer
- ❖ Others!

## Revenue & Expense Budgets

- ❖ How much money do we need to make?
  - Revenue
  - Units
  - Average order size
- ❖ How much money do we have to spend?
- ❖ What is our expected cost of sale?



## Timeline

### SPECIFY:

- ❖ End date
- ❖ Length of campaign (# of weeks)
- ❖ Drop dates for materials
  - Material due dates for designer, mailhouse, post office
- ❖ When each media is deployed
- ❖ Meeting dates: planning, sales tracking, post-mortem

## Media Plan

- Direct Mail
- Email
- Print ads
- Radio/TV
- Billboards
- Facebook, Twitter, Google AdWords, QR Codes
- Other

## The Offer: Make it Clear

- What is your offer?
- When does it take place?
- What does it cost?
- What are the benefits?
- How can we make it more attractive?
- Will it change over time?

## Call to Action

- Make it easy to act
- Provide as many options as possible to respond
- Make the call to action the DOMINANT element – don't be subtle
- Include a user-friendly order form
- Use action verbs: Call, Complete, Choose

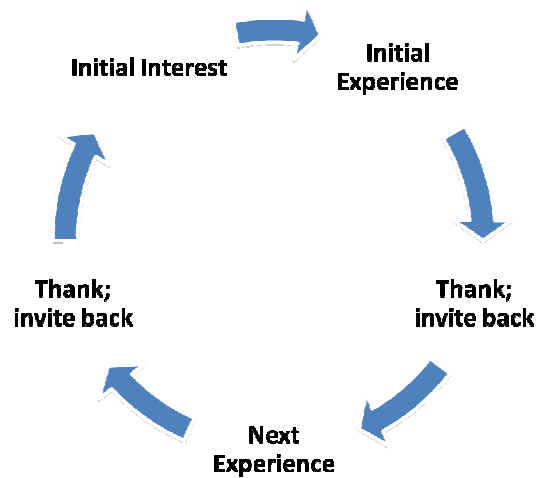
## Target Audience

- Database segmented by recency, frequency, monetary value (RFM)
- Choose best prospects
- Estimate response rate, average order size

## Results Tracking

- ❖ Who reviews which reports when?
- ❖ Weekly sales pacing reports
  - Supports on-the-fly decisions
  - Based on historical actuals if possible
  - Are we pacing to expectation?
- ❖ Regular response reports
  - Who's responding?
  - What are they buying?
  - How much are they spending?

## Know Your Supporter Cycle



## OUR PLAN

Part I: What is Marketing?

Part II: Marketing Builds Relationships

Part III: Love your Supporters = Love Your  
Database

Part IV: Media Tools

Part V: Campaign in a Box

## GOALS

- ❖ Understand what marketing is and isn't.
- ❖ Learn what tools work best for different goals.
- ❖ Learn to love your database!
- ❖ Make offers your Supporters can't refuse.
- ❖ Evaluate results to become a learning machine.

Build a campaign using all the above.



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