

# Welcome to The Essentials of Individual Giving

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# We'll cover...

- General considerations for individual giving
- Building an outline individual giving marketing plan based on the SOSTAC ® model :
  - Situation analysis
  - Objectives
  - Strategy
  - Tactics
  - Actions
  - Controls

# Why do individuals become donors?

# Why do individuals become donors?

- Concern
- Duty
- Guilt
- Personal experience
- Personal Benefit
- Asked!
- Peer/family pressure
- Tax

Ultimately... few give without some kind of self based consideration

# Ways of Giving

- How do individuals give to you

# Ways of Giving

- One off anonymous
- One off traceable
- Regular donation DD
- Regular donation cheque/credit
- Membership
- Legacy

# Ways of Giving

- Giving Gift of services or products
- Purchasing product or services
- Fundraising event
- Lotteries & raffles
- Sponsorship
- Volunteer

# 7 basic rules...

1. Identify likely supporters
2. Create the right message
3. Get the message to the audience
4. Ask for their support
5. Enable them to easily make donation
6. Keep them informed
7. Maintain good public relations



# 7 steps to successful marketing

1. How much do you need to raise?
2. Express in human terms & connect
3. How much do you want?
4. Share successes
5. Repeat the message
6. Make it personal and relevant
7. Target carefully

# Developing an Individual Giving Marketing Plan

# Marketing is...

“...the management process responsible for identifying, anticipating and satisfying customer ‘needs’ profitably”

Chartered Institute of Marketing

# What are 'customers'?

# What are 'customers'?

- Donors
- Volunteers
- Beneficiaries
- Supporters



Self Actualization



Esteem Needs



Love and Belonging Needs



Safety Needs



Physiological Needs



# Why have a plan?



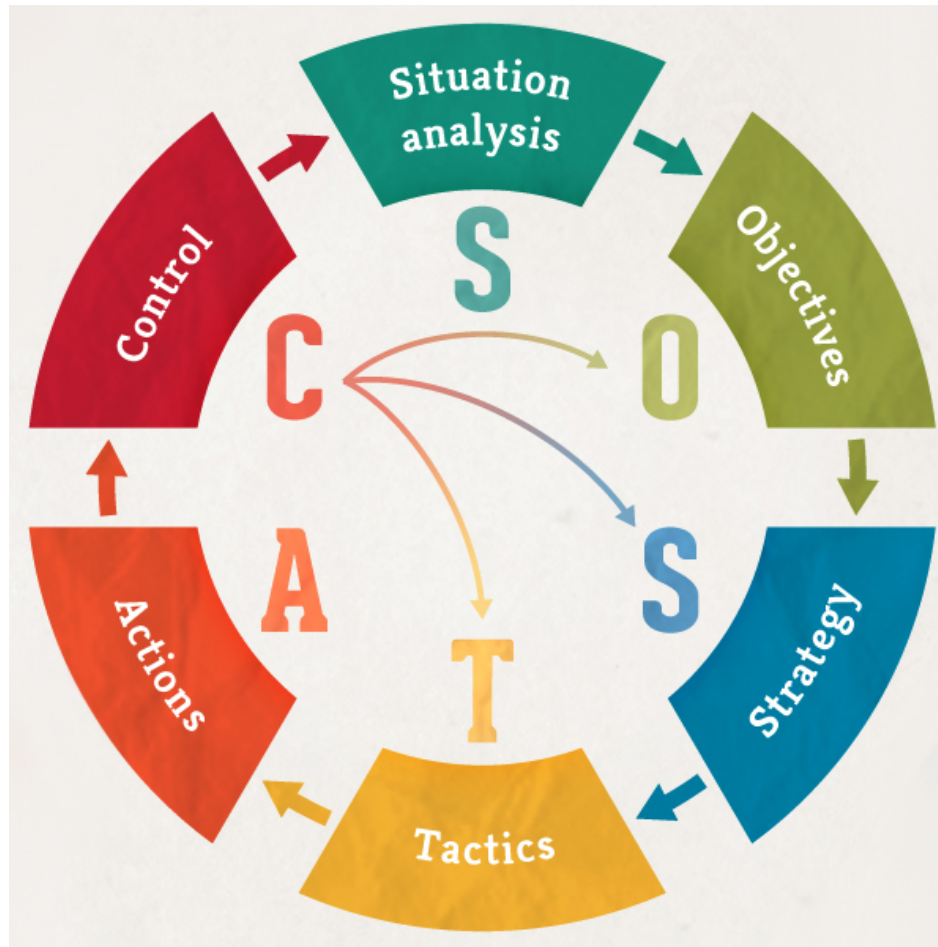


# Why have a plan?

- Adapt to change
- Allocate finite resources
- Consistency
- Activity Integration
- Communication & Motivation
- Control



# SOSTAC® Model





# Stage 1: Undertaking a marketing audit

*Considering the wider situation*

# Marketing Audit

## What are the inputs?

- **Internal environment:**
  - Structures, Processes, Internal politics, past successes etc.
- **External environment:**
  - **Micro:** day to day impactors specific to your organisation
  - **Macro:** long term, broad impactors affecting the whole sector and beyond

# Collecting the data

- Primary or Secondary?

# Primary Data

- Information collected by an organisation for a specific purpose such as:
  - Surveys
  - Interviews
  - Questionnaires
  - Focus Groups
- AKA Field Research

# Secondary Data

- Information collected and published by someone else but coincidentally potentially useful to your organisation such as:
  - Books
  - Published reports and stats
  - Internet
- AKA Desk research

# Marketing Audit

## What should it output?

### A **SWOT** Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats

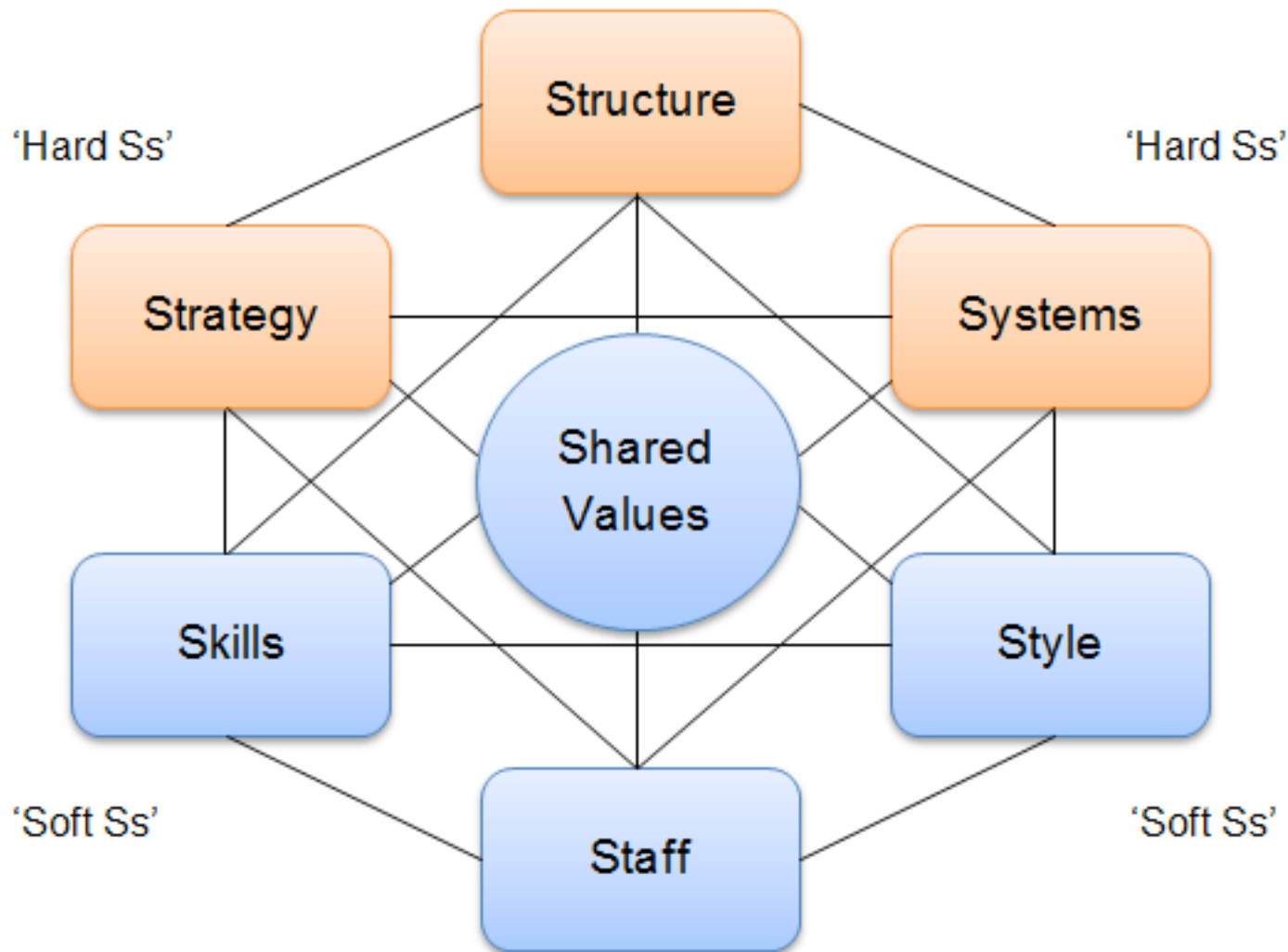
# Internal Environment



# Top level needs

- Just to survive and keep going?
- To expand to meet growing need?
- Future development

# McKinsey 7 S Framework



# McKinsey 7 S Framework

## Hard Elements

- Strategy
- Structure
- Systems

## Soft Elements

- Shared Values
- Skills
- Style
- Staff

# Internal Resources

## The 5 M's

- Men
- Money
- Management
- Materials
- Machines

# Activity 1

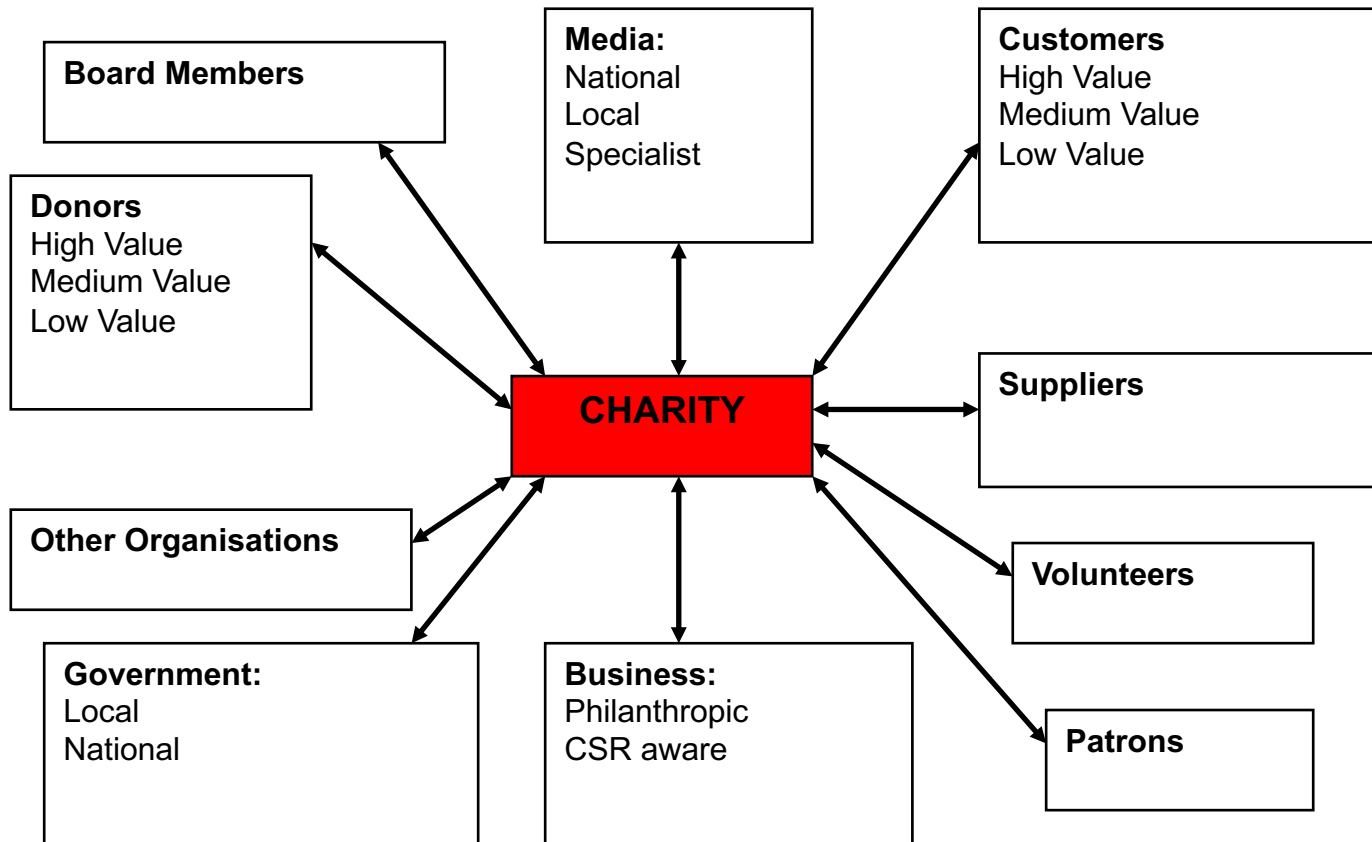
- Why do you exist?
- What separates you from others in the same or a similar field?
- How would you like to be perceived by those who matter?
- What are your strengths and weaknesses?

# Looking externally...

# Micro Environment

*Considering the needs and expectations of Stakeholders and behaviour of Competitors*

# Mind Map Your Stakeholders





# Competitors

- Competitors may not be stakeholders but they may have a major impact on you and your activities
- Who are they?
- Where are they?
- What are they doing well?
- What can you learn from them?

# Macro Environment

*All the big things that you have little or no control over. They affect you and all your competitors*

# MACRO Environment

**S** = Social

**T** = Technical/technological

**E** = Economic

**E** = Environmental (natural)

**P** = Political

**L** = Legal

**E** = Ethical

# Activity 2

- Identify some of your key stakeholders. What opportunities or threats do they present?
- Who are your competitors? What opportunities or threats do they present?
- What other significant factors might present threats or opportunities?

# Stage 2: Having Clear Objectives

***“If you don't know where you are going, any road will get you there.” Louis Carroll***

# Clear Objectives & Purpose

## Creating SMART Objectives that make it clear what you want to achieve

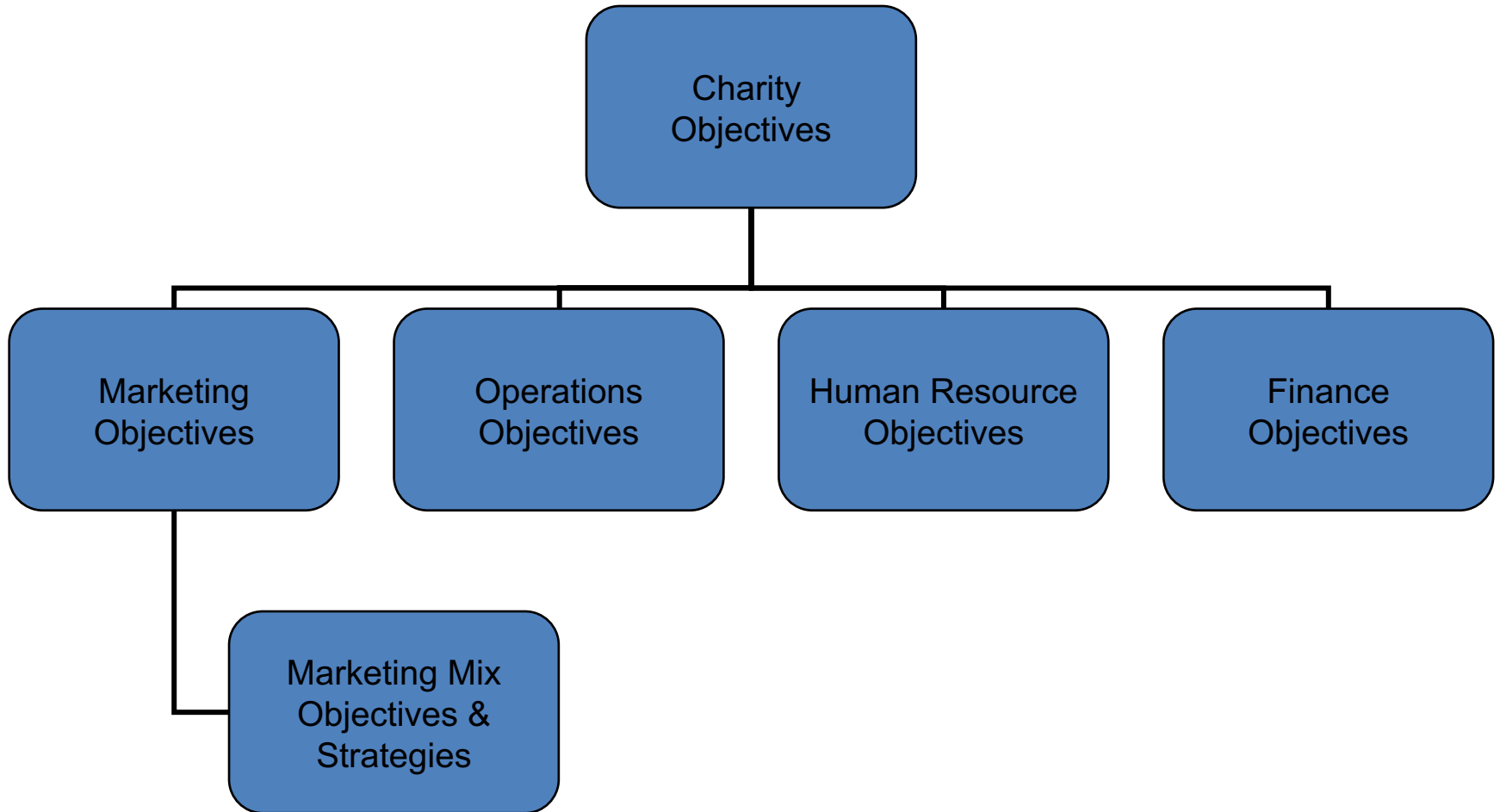
- **Specific** - what do you want achieve?
- **Measurable** - how will you measure success
- **Achievable** - can it be done?
- **Realistic** - should it be done?
- **Timescales** - when will it be done?

# Marketing Objectives Base

'Products'

	Existing	New
Existing	Market Penetration	Product Development
Donors		
New	Market Development	Diversify

# Objectives Hierarchy





# Activity 3

- What are your goals for the next 12 months?
- Can you turn these into SMART Objectives for Individual Giving?

## Stage 3:

Strategy: Identifying key audiences and considering their needs and expectations

Segmentation | Targeting | Positioning

# Segmentation | Targeting | Positioning



# Segmentation

- Dividing a market into distinct groups of buyers on the basis of needs, characteristics or behaviour



# Segmentation benefits

- Retain and acquire profitable/desirable customers
- Increase profit or surplus
- Develop focused communications that are more efficient and effective

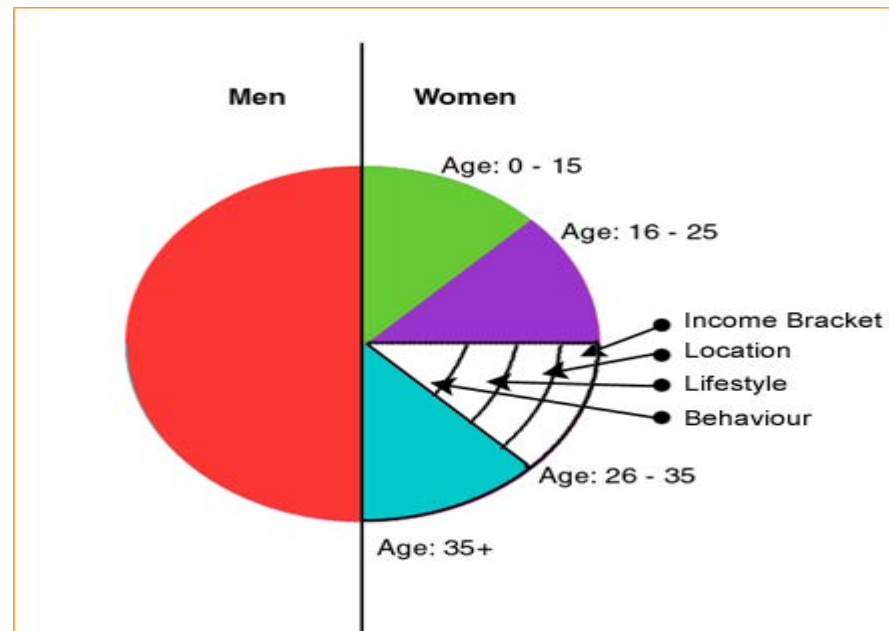


# Profile Characteristics

- **Geographic**
  - location
- **Demographic**
  - Age, gender, ethnicity
- **Behaviour**
  - Past actions
- **Psychographic**



# Market Segmentation





# Targeting

- “The process of evaluating each market segment’s attractiveness and selecting one or more segments to enter.”

Kotler *et al* (1997)





# Targeting

Applying some structure to your approach:

- Ability to reach
- Cost of reach
- Speed of decision
- Value

# Positioning

- “Arranging for a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers.”

Kotler *et al* (1997)



# Differentiation Criteria

- What is most importance and relevant to a target segment?
- What is distinctive?
- What is superior and meets expectations?
- What can be communicated in ways the can be understood?



# Positioning Prompts

- Feature driven
- Problem solution
- Emotional
- Benefit driven
- Aspirational
- Value



# Activity 4

Consider your key segments

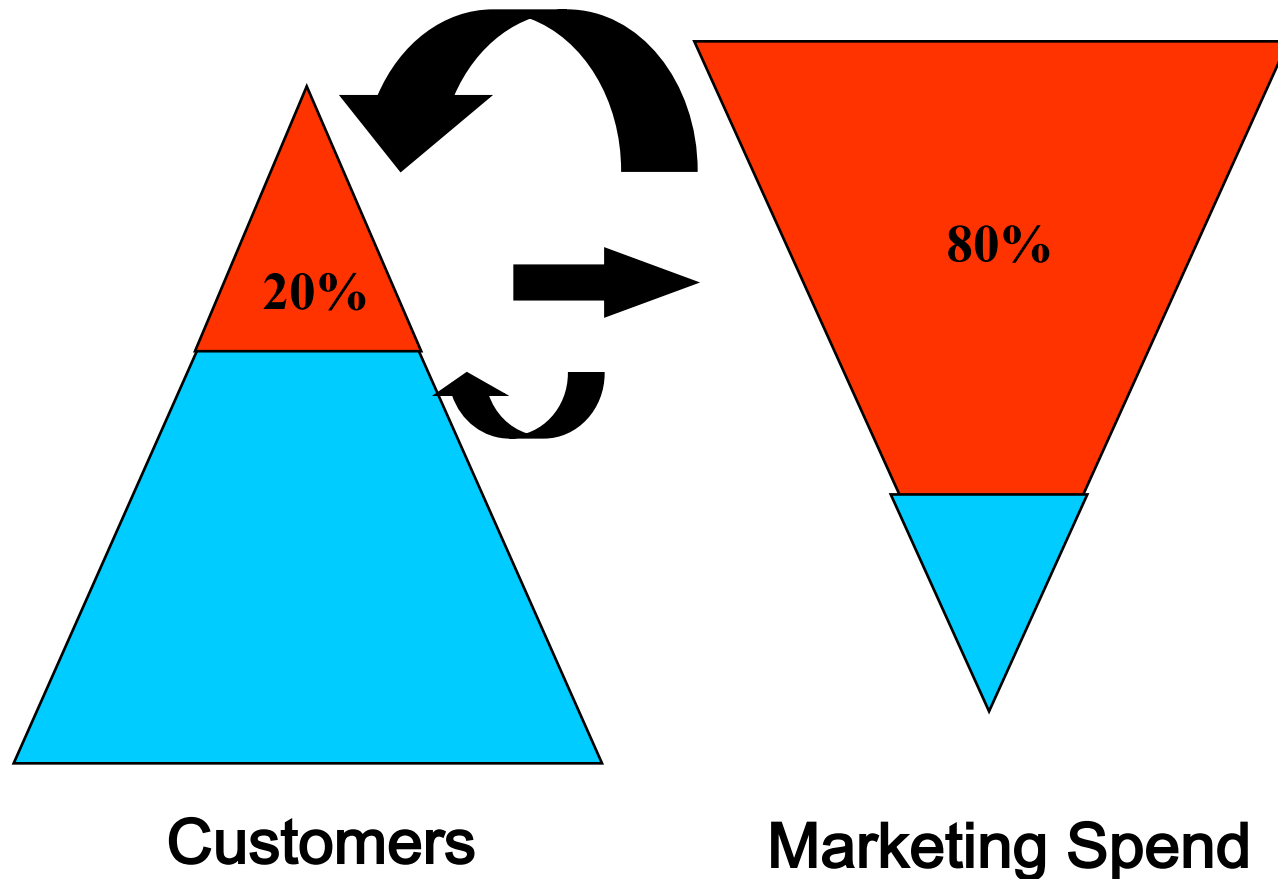
- What significant profile characteristics do they share?
- How easily are they targeted?
- What features, benefits and advantages are most relevant to them?

# Reaching the people that matter

# Key Decision

- The split of activity and effort between **Acquisition** of new customers and the **Retention & Development** of existing ones

# Concentrate Marketing Spend on High Value Donors





- Current Best Customers
- Acquisition Route

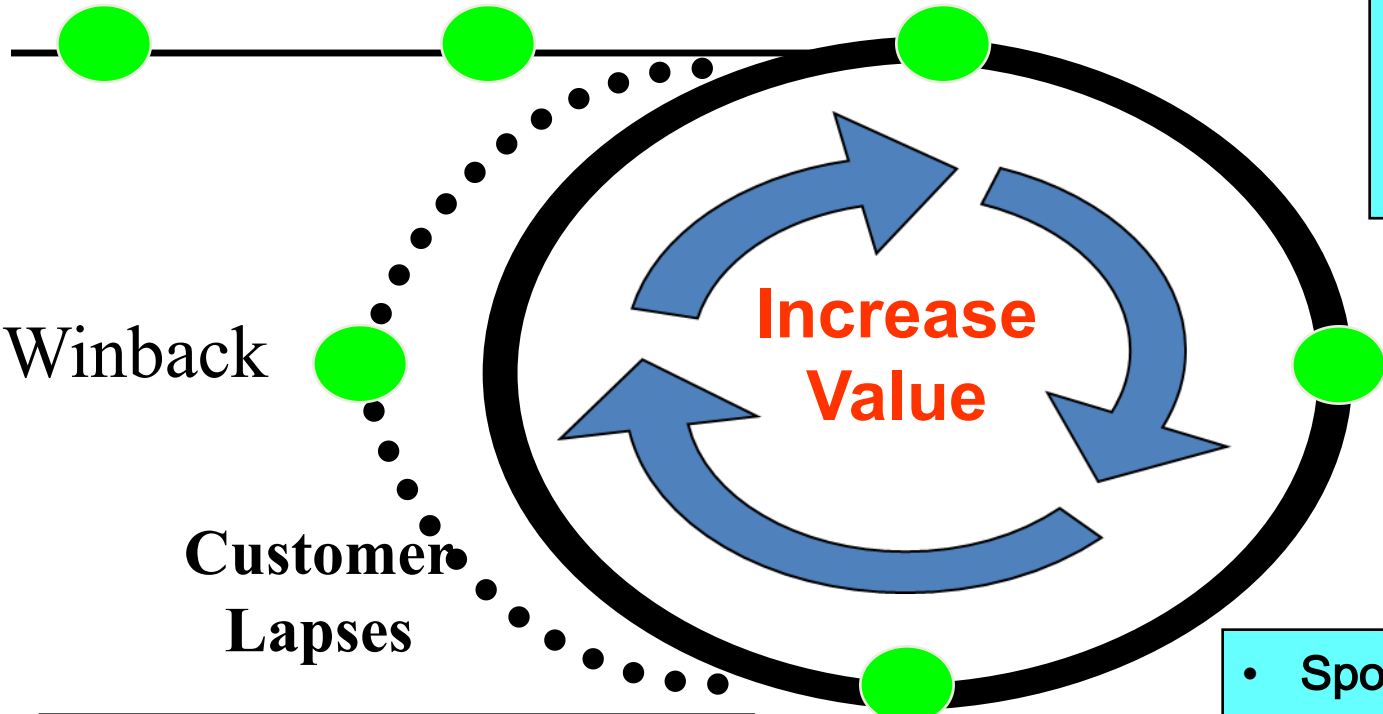
- Targeting
- Enquiry Management

- Welcoming
- Getting to Know

Analysis

Acquisition

Consolidation



- Additional Information Capture

Winback

Development

Customer Lapses

Increase Value

- Spot Opportunities
- Develop relationship

- Regular Communication
- Problem Management

Retention

# Stage 4:

## Tactics: Using the Marketing Mix

Product | Price | Place | Promotion  
People | Processes | Physicals

# The Marketing Mix...

- Product and/or Service
  - Place (Distribution)
  - Price
  - Promotion
  - People
  - Processes
  - Physicals
- 
- The 7 P's



# Product

- The **BENEFITS** your service or product delivers to customers
- Any added value you provide:
  - Customer service
  - Extended warranties
  - Free delivery



# Price

- The amount you **CHARGE** for the benefits you deliver
- Can be a menu of choices to provide flexibility, or 'all inclusive'
- The easiest thing to copy



# Place

- All the **PLACES** through which people can purchase:
  - Shop
  - Online
  - Telephone
  - Mail order



# Promotion

- All the ways the you can **COMMUNICATE** your messages and the vehicles you can use
- Called the ‘promotional’ or ‘marketing communications’ mix
- More on this later!





# People

- The way **PEOPLE** in the organisation interact with customers
- Knowledge of campaigns, direction, projects etc





# Processes

- Efficiency, consistency and appropriateness of your **PROCESSES** including:
  - Taking payments
  - Complaint handling



# Physical Evidence

- All the other **TANGIBLE** elements



# Creating effective **promotional** messages

# Making a connection

- **Rational:** credibility based on past achievements
- **Emotional:** engage with stories and case studies
- **Aesthetic:** visual imagery and identity

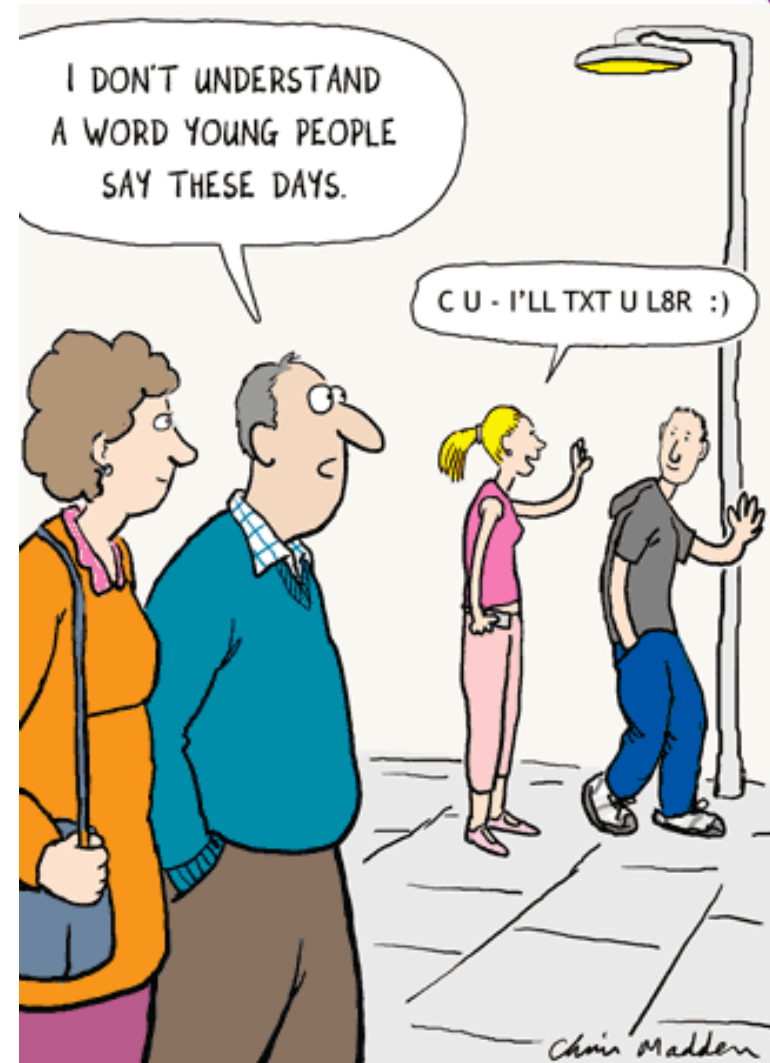
# Developing your toolkit

- Understand the style guide on:
  - how to use the logo
  - specific colours
  - typefaces
  - photographs
  - copywriting style
- Short, medium and long messages
- Case studies
- Key facts and statistics

# General tips on copy writing

- State clear benefits and advantages
- Don't try to be too clever!
- Clarity and brevity
- Clear focus
- Clear course of action

# Getting your message across





# Getting the message across

## AIDA





# AIDA

- **Attention** – the right media, good visuals and thought provoking headline
- **Interest** – applying your positioning to focus on the features, benefits and advantages you've identified as important to your audience and make it relevant to them – they don't need to know everything!
- **Desire** – make them want to act
- **Action** – make it clear what you want them to and how they do it

# Activity 5

- AIDA in action...consider a range of sample communications and critically evaluate them
- Record any key do's and don'ts

# Getting the message across

## DRIP



# Just one DRIP

- **Differentiate** - what makes you or the proposition different from what has gone before or what others may offer?
- **Remind/Reinforce** - what might your audience have forgotten about you that you need to tell them about again?
- **Inform** - What do you need to tell them about?
- **Persuade** - What are you trying to get them to do?

# Design

Good design gives  
communications character and  
makes them more compelling

# Design & Layout

- **Headlines and sub headlines**  
act as signposts and enable to reader to focus on the areas of greatest importance or relevance to them
- **Reverse block**  
can be good for making headlines stand out but using for descriptive text can make it more difficult to read

# Design & Layout

- **Images and Photos**  
can reduce the number of words and support or tell the story more effectively... but they must be of suitable quality and appropriate and show people doing interesting things!
- **Captions**  
make photos and images more effective and get read

# Design & Layout

- **Diagrams and graphs**  
give statistics more credibility and make them more digestible
- **Brand guidelines**  
should be followed to ensure consistency of message



# Stage 5:

## Actions: Creating effective marketing communications

Advertising | PR | Sales Promotion  
Personal Selling | Direct Marketing

# The Marketing Communications Mix



# Advertising

## Why advertise?

- Increase Sales
- Create an Image
- Support Sales
- Competitive pressure
- Remind and reassure customers



# Sales Promotion

- Price reduction
- Coupon
- Gift with purchase
- Competitions and prizes
- Refunds
- 'Loyalty' programmes
- Point of sale



Which ones have won you over?

# Personal Selling

- The most direct and best established means of promotion!



# The roles of personal selling

- Prospecting
- Communicating
- Selling
- Servicing
- Information gathering
- Allocating (in times of shortage)
- Customer prioritisation



# Stages

1. Open
2. Need/Problem identification
3. Presentation/Demonstration
4. Objections handling
5. Negotiation
6. Close

# Using SPIN

- **S**ituation
- **P**roblem identification/agreement
- **I**mplication
- **N**eed



# Direct Marketing

- Direct Mail
- Email
- Text/SMS
- Telemarketing



# The essential ingredients?

- Proposition
- Offer
- Call to Action
- Easy to use/understand response mechanisms

# Public Relations

- Press releases
- Social Media
- Broadcast media

# We've covered...

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# What media would you like to focus on tomorrow?

## Personalised Media:

- Direct mail
- Email
- Telemarketing
- Text/sms

## Non-personalised:

- Digital
  - SEO and SEM
  - Social networking
  - website design & development
- Press