

Welcome to The Essentials of Individual Giving *Planning for Success*

Nick Day

Digital & Direct Marketing
Practitioner | Consultant | Trainer

Why have a plan?



We'll cover...

- Building an outline individual giving marketing plan based on the 6 step SOSTAC® model



Step 1

Situation Analysis

Where are we now?

Situation Analysis

Where are we now?

- Doing your research and analysis is the vital first step to successful planning. It can seem daunting, but essentially you need to work out answers to 4 key questions:
 - What are our internal strengths – the things we know we do well?
 - What are our internal weaknesses – the things that hold us back?
 - What are our external opportunities – the ways we can achieve growth?
 - What are our external threats – the things that might damage or limit our potential to grow?

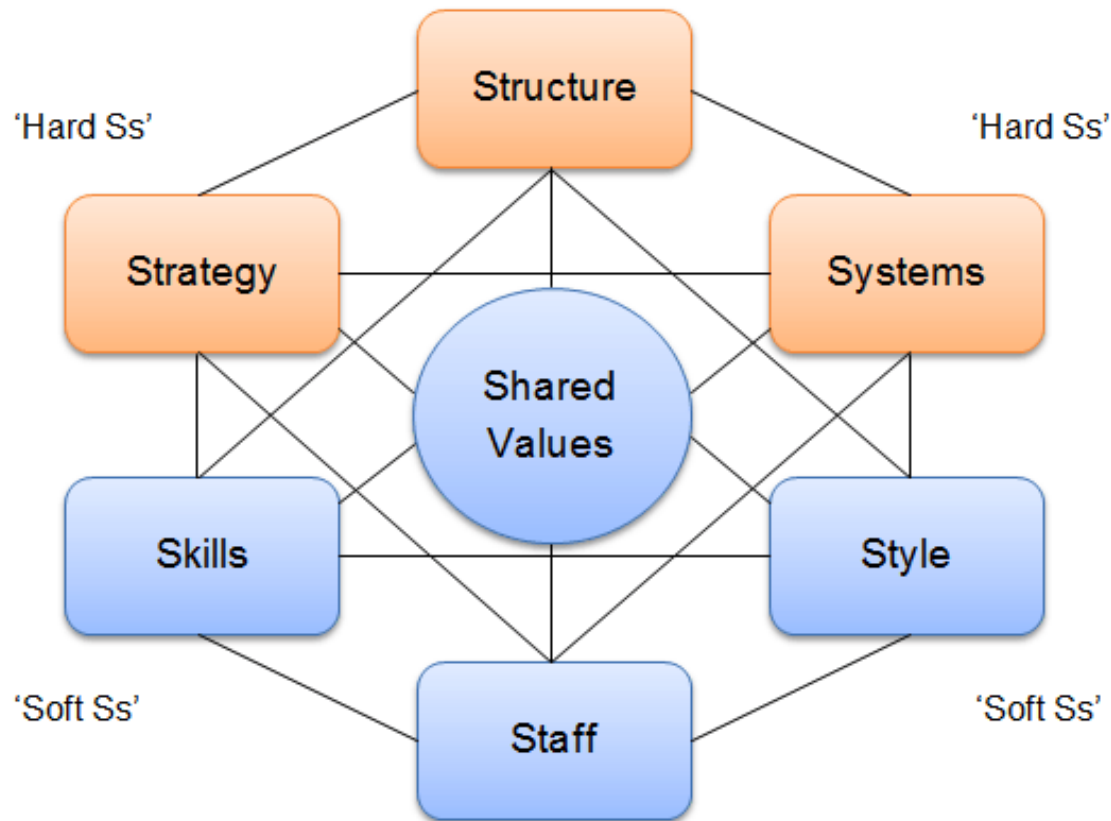
Situation Analysis

Where are we now?

- **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

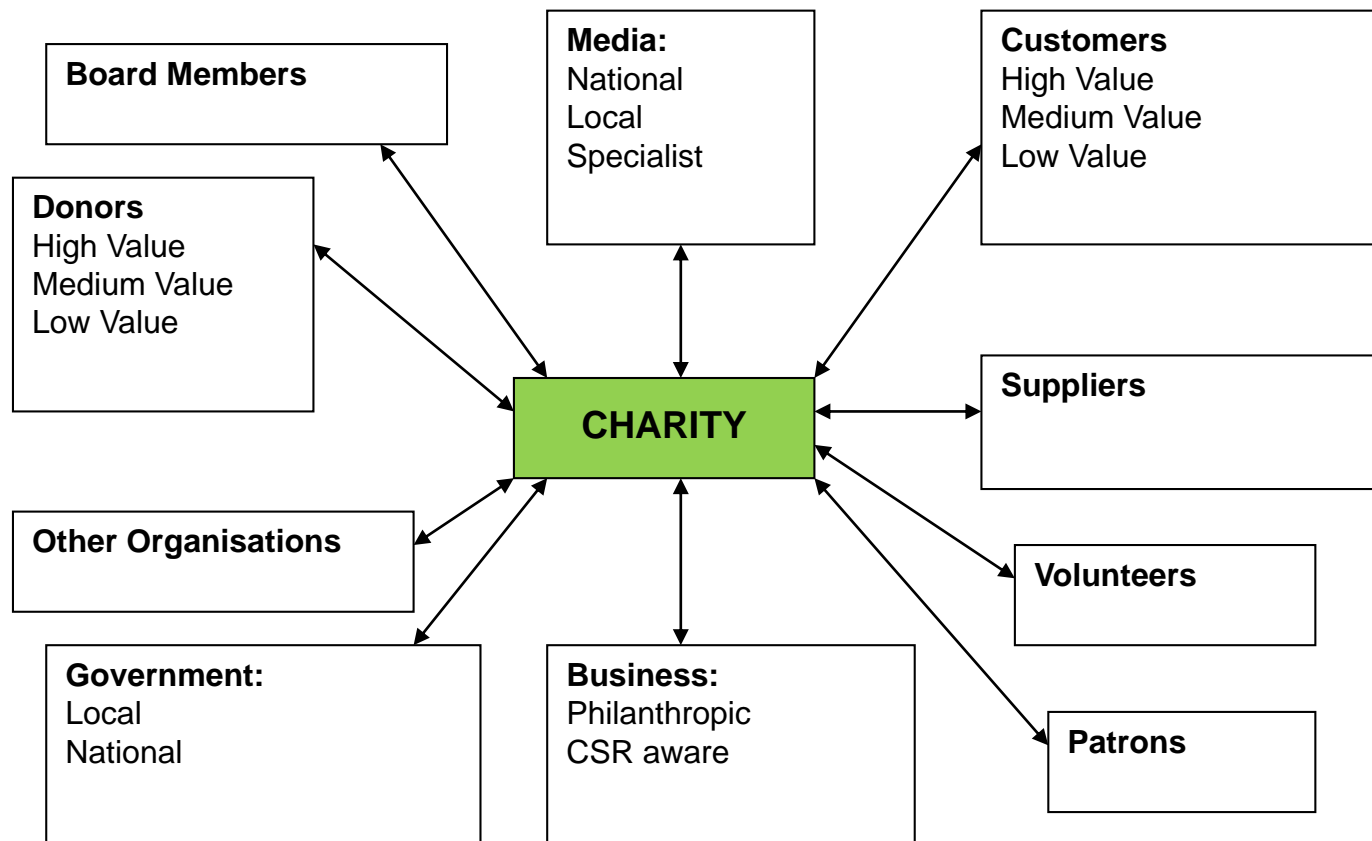
Internal Analysis

- McKinsey 7S Framework



External Micro Analysis

- Who are your key stakeholders?



External Micro Analysis

- Competitors may not be considered 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?

External Macro Analysis

S = Social

T = Technical/technological

E = Economic

E = Environmental (natural)

P = Political

L = Legal

E = Ethical

Creating a SWOT Analysis



Step 2

Objectives

Where do we want to be?

Objectives

Where do we want to be?

Create 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 by?

Objectives

Where do we want to be?

Some examples:

- Acquire 500 new donors in 2020
- Improve donor retention rate from 70% to 75% by end of 2020
- Increase regular givers average annual donation from £60 to £70 by end of 2020

Step 3

Strategy

How do we get there?

Strategy

Propositions

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

Strategy

How do we get there?



Segmentation

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



Segmentation benefits

- Retain and acquire profitable/desirable supporters
- Increase income
- Develop focused communications that are more efficient and effective

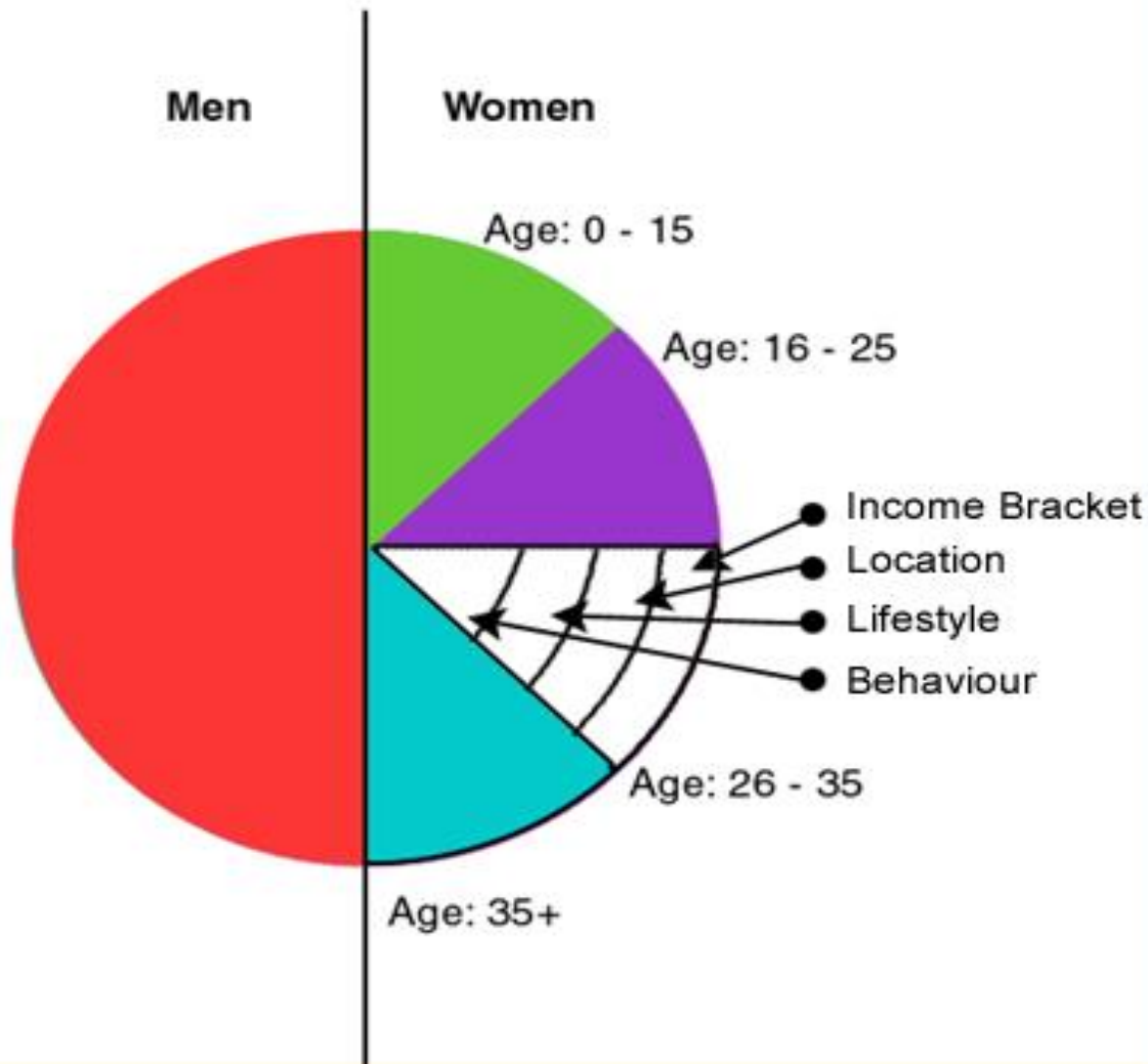


Profile Characteristics

- 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
- Monetary value



Positioning

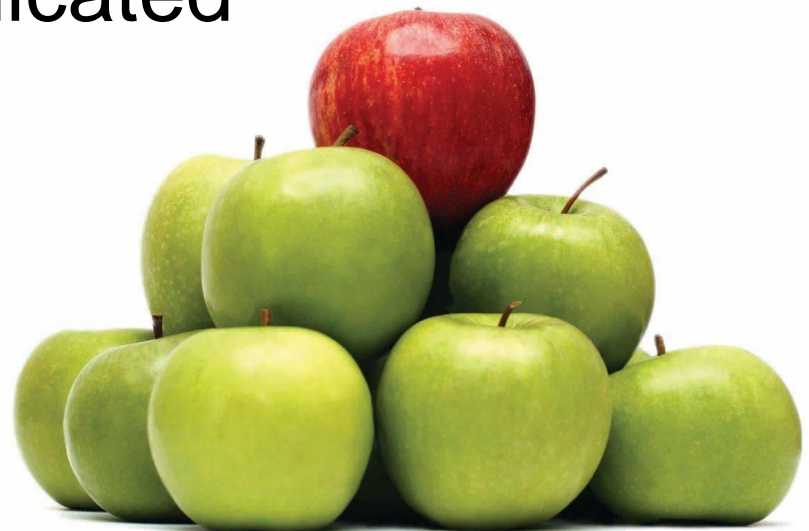
“Arranging for a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers.”

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 that can be understood?



Positioning Prompts

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



Step 4

Tactics

*How specifically
do we get there?*

Tactics

How specifically do we get there?



Making a connection

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

Getting the message across

- **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



Getting the message across

Using the DRIP effect:

- **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?



Step 5

Actions

Who does what & when?

Actions

Who does what & when?

↓

		Budget	Comments	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Website Design	Action 1	XXX													
	Action 2	XXX													
Search Engine Optimization	Action 1	XXX													
	Action 2	XXX													
Blog	Action 1	XXX													
	Action 2	XXX													
Social Media	Action 1	XXX													
	Action 2	XXX													
E-Mail/News Letter	Action 1	XXX													
	Action 2	XXX													
Analytics	Action 1	XXX													
	Action 2	XXX													
Total		XXX													

Step 6

Controls

How do we measure success?

Controls

How do we measure success?

- **Net income raised:** The amount you actually raise less all the costs
- **Average donation:** The average amount given by individuals
- **Response rate:** The percentage of people who actually respond to your fundraising activities
- **Cost per response:** What has it cost you to get a response from a communication?
- **Cost per communication:** What has each communication cost you?
- **Cost per donor acquired:** How much has it cost you to acquire a new donor?

Controls

How do we measure success?

Response Rate

$$\frac{\text{Number of responses}}{\text{Number of communications}} = \frac{500}{10,000}$$

$$\text{Response Rate} = 5\%$$

Controls

How do we measure success?

Cost per response

$$\frac{\text{Total Campaign Cost}}{\text{Responses received}} = \frac{\text{£5,000}}{500}$$

$$\text{Cost per response} = \text{£10}$$

Controls

How do we measure success?

Cost per communication

$$\frac{\text{Total Campaign Cost}}{\text{No. of communications}} = \frac{\text{£5,000}}{10,000}$$

Cost per communication = 50p

Controls

How do we measure success?

Cost per donor acquired

$$\frac{\text{Total Campaign Cost}}{\text{Number of Donors}} = \frac{\text{£5,000}}{250}$$

$$\text{Cost per donor} = \text{£20}$$

We've covered...

- Building an outline individual giving marketing plan based on the 6 step SOSTAC® model



Thank You

Nick Day

Digital & Direct Marketing
Practitioner | Consultant | Trainer