

# The Intelligent Fundraiser's Guide to **INTEGRATED FUNDRAISING**

*How to Break Through Barriers and Create  
a Truly Integrated Donor Experience*



# INTRODUCTION

---

The advance of technology in the Digital Age has changed the game for industry—and fundraising is no exception. Especially with the emergence of mobile technology, the online world has begun melding into the donor’s physical world and a plethora of donor communication channels has opened up to nonprofit organizations. Today’s donors expect to hear a congruent message that shares the same story in every interaction they have with an organization. But more than that, they want to be engaged in personal, relevant, and timely ways based on both their interest and affinity for the cause.

Most nonprofits recognize the importance of engaging donors through multiple channels, but many times these efforts either aren’t strategic or aren’t centered around the goal of driving donors toward deeper levels of engagement with the organization. To optimize the use of all communication channels and thereby increase donor engagement, nonprofits must move toward an integrated fundraising approach.

## Four Approaches to Donor Engagement: A Quick Glossary

Before we dive into creating an integrated donor experience, it’s important for us to define the marketing terms that are essential for the conversation and identify how they apply to our work as fundraisers:

**Cross-Channel Fundraising:** *The use of one communication channel to support or promote another, such as including a link to a campaign microsite in a direct mail piece, then using online behavior and interests to personalize a follow-up phone call.*

**Multi-channel Fundraising:** *The use of multiple communication channels—direct mail, email, websites, social media, TV, etc.—to disseminate information. While the branding used may be consistent in multichannel marketing, many nonprofits employ multiple channels without coordinating their efforts across those channels.*

**Omni-Channel Fundraising:** *Merging the online and offline worlds of the donor by encouraging offline donors to interact via online tools and vice versa.*

**Integrated Fundraising:** *Coordinating every aspect of your strategy to create an omni-channel experience for every donor based on where they are in relationship with the organization. In this approach each touch initiated by the nonprofit is defined as omni-channel and determined by the level of the relationship with the donor (i.e. non-donor, new donor, multi-year donor, major donor). Not only does integrated fundraising coordinate communication into a unified system, but it also works to move the donor to deeper levels of commitment based on where they are in the donor journey.*

## The Value of an Integrated Donor Experience

Why is it essential for nonprofits to integrate their efforts? When your organization employs an integrated strategy, you can:

- **Cultivate deeper, more relevant relationships with your donors.** Talking to donor segments in light of what you know about them will encourage their sense of connection to your organization. Continually refining this information will help increase your ability to personalize each message.
- **Reduce costs and minimize lost opportunities.** Precious resources are wasted while trying to gain or reactivate disinterested prospects and past donors. An integrated strategy increases fundraising effectiveness by allowing resources to be directed where they will have the greatest impact and provide maximum donor engagement through targeted messaging in thoughtfully chosen channels.
- **Reduce donor frustration.** Knowing when and how your donors prefer to be solicited can greatly improve their response rate to your requests. Creating an intuitive way for them to respond is also an important part of the process.
- **Increase the lifetime value of donors.** Successful integrated fundraising will provide the highest rate of return over the life cycle of most supporters. With a focus on measuring lifetime value, you seek to develop long-term relationships with donors while removing the temptation to use flashy tactics that may contribute only short-term value and detract from the overall strategy.
- **Build stronger internal relationships and team morale.** Integrated fundraising requires all departments to work together in sync. Done well, this approach helps you break down the silos that often keep an organization from succeeding.

## Break Through the Barriers that Prevent Integrated Fundraising

Many nonprofit leaders and fundraising professionals understand the benefits of an integrated approach, but it's difficult to implement. Our hope is that this resource would help you break down some of the barriers that prevent organizations from creating an integrated donor experience and take steps toward enjoying the opportunities it creates for your cause. With this guide, you'll be able to break through those barriers that prevent integrated fundraising and begin to make progress toward reaching more donors and raising more money.

## WHY IS INTEGRATED FUNDRAISING SO DIFFICULT?

---

For most nonprofits, Integrated Fundraising is extremely difficult to implement, but it doesn't have to be that way for your organization. Here are the common barriers we see to true integration and how you can overcome them.

### *Challenge #1: Leadership and Organizational Misalignment*

It's easy for teams within nonprofits to get out of alignment with their strategy and each other. Leadership must drive integration into the organization's structure, from personnel to communication calendars, before they can successfully integrate their marketing and fundraising strategies.

The lack of a unified effort among executive, development, marketing, and program teams toward shared goals results in wasted investment and missed opportunities.

### *Challenge #2: Lack of Clarity on Campaign Objectives and Goals*

Too many organizations launch a fundraising campaign without first taking the time to clarify on what they're trying to accomplish through the campaign, who the target audience is, what tactics they'll use, and who's responsible for those tactics. Your ultimate objective should drive your goal and the metrics you use to report results.

### *Challenge #3: Limited Resources*

Fundraisers often point to limited resources—people, time, and money—as a key reason for limiting their efforts. Frequently, those resource allocations are as fragmented as the fundraising strategy itself.

### *Challenge #4: Disparate or Absent Data*

A lack of detailed, reliable data on constituents' interests and preferences will hinder an organization's ability to craft an informed strategy, in addition to not having an effective system to manage good data. We must validate assumptions and move past relying on intuition, because even "what worked before" may not be maximizing all of the opportunities available today.

### *Challenge #5: Risk Aversion*

The nonprofit industry is not designed to constantly innovate. Organizations aren't equipped with large research and development budgets. With limited resources, many nonprofit leaders are doing everything they can to either simply maintain or take small steps toward growth. As a result, many nonprofits may fear falling behind by taking the time to restructure their strategy. They may avoid taking a risk on a new strategy due to their lack of confidence that the risk will produce the expected income in the short term.

## *Challenge #6: Resistance to New Methods*

Let's face it... it's a lot easier to maintain the status quo than it is to try an idea that might produce breakthrough results. Sometimes, staff members poised to embrace new techniques are often held back by those in upper management who are unclear on the possibilities or who are unsure of how to parlay their years of experience into new strategies and technologies.

### **It Isn't Easy, but It's Worth It.**

While these common barriers to integration are indeed challenging, they are by no means insurmountable. The solutions we spell out in the next section have worked for nonprofits of various sizes, sectors, and constituencies. You'll need to implement each one with patience, although in our experience, it doesn't take long at all to see results.

## **LEADERSHIP & ORGANIZATIONAL PRINCIPLES: BREAK DOWN SILOS THAT PREVENT INTEGRATION**

---

The culture of your organization may need an overhaul to coordinate your efforts in a way that creates an integrated donor experience. You'll need to take an objective look at your organizational structure and processes, and seek change as you both evaluate and prepare your nonprofit for the shift toward integration.

### **Drive integration into your organization's structure.**

Perhaps the greatest leap you will ever make toward true integration is to eliminate the barriers that keep your people (and thus your campaigns and messages) operating independently of each other.

Nonprofits tend to be internally divided according to:

- Donor pyramid levels
- Program and service areas
- Offline and online channels

The lack of a unified effort toward shared goals results in wasted investment and missed opportunities. If the measurements of success are customized to each department or program unit and don't roll up into broader goals, then even well-meaning teams are unintentionally being given incentive to work against each other.

Make it a top priority to realign your internal structures and metrics before launching your next major campaign.

1. Give each team success metrics that tie into the one overarching goal.
2. Arrange planning meetings with key representatives from your executive, development, and program teams.
3. Set the strategy and allow individual stakeholders to execute their own portion accordingly. From the executive suite to "siloes" program departments, leadership must pull the organization together around common goals and objectives.

### **Measure What Matters: Experience Supersedes Channels**

Measuring the effectiveness of integrated programs is key to constant improvement. From the outset of any campaign, you should record all donor touches—what message is going out through which channel—rather than simply marking which channels a donor uses to respond. Knowing what messages were used to touch a donor will give you context for the analytics you'll produce later.

Taking time to test and monitor what works in regards to messaging and content will improve the rate of return on each campaign more so than tracking which marketing channel is working. For example: analytics may prove that donors engaged through both email and direct mail give at a higher frequency and/or amount than those who are only reached through a single channel.

## **Leverage Technology to Enhance Your Strategy**

As you align your internal departments to work toward shared goals, you must realize that technology also plays an important role. You cannot truly measure the worth of creating an integrated approach unless you can coordinate your donor engagement efforts and track it with data. The good news is that advances in technology have made it easier than ever to accomplish this effort.

*Automate: Let technology do the tedious routine work.*

If you haven't done so already, now is the time to automate manual routine practices, such as creating a welcome series for new names, segmenting your donor file based on interests and communication preferences, and monitoring engagement to help you follow up with donors who express the most interest.

*Integrate: Find a solution that coordinates with other technology.*

Having a donor engagement solution that can integrate with your fundraising, finance, and donor management systems is essential for success. As technology continues to evolve, solutions that were once reserved for the leading nonprofits are now available for every organization.

*Optimize: Enhance your strategies along the way.*

Another benefit donor communication technology provides is that it allows you to track your progress and gather a significant amount of valuable information you can use to improve your strategy along the way.

To know for sure if you should invest more into centralizing your systems, analyze a small group of donors and document everything they are receiving from the organization through every channel. This will show you if your system is decentralized and highlight the need for one that is integrated.

*Allocate resources where data reveals opportunity.*

Use data analytics that show you donors' preferences to determine where you should be spending your budget dollars. It's a poor strategy to budget resources arbitrarily by channel instead of actual results. When you see a positive trend in your analytics—even if it deviates from your original budget—divert resources to it.

When your strategy is reinforced by data, you will know where best to spend your money. Pull resources currently allocated to specific channels (e.g. telemarketing, direct mail, etc.) and then redistribute those resources based on available opportunities.

If you'd be more comfortable starting small, design a test or pilot. Focus on a mini-campaign and measure the results, then tweak and expand using past success as leverage to garner future resources that create scalability.

**Taking the time to tackle the hard issues internally before launching major campaigns is worth the effort.**

Organizational development is tied to financial and donor development. These changes will prepare you for success as you pull your marketing and fundraising strategies together into one, integrated plan.



# IMPLEMENTATION & EXECUTION BEST PRACTICES: CREATING AN INTEGRATED DONOR EXPERIENCE

---

Now it's time to dive into the strategy and tactics to create an integrated donor experience. Once organizational structure and culture are aligned, integration can be brought directly into your fundraising systems.

## **Start with a clear understanding of campaign objectives.**

Do you want to raise awareness of your cause or your organization and its work? Do you need to acquire new donors to offset your donor attrition rate? Are you looking to improve your donor retention rate?

Choose the objectives for each campaign and micro-campaign you deploy, and keep them top of mind throughout the entire process.

### *What are the goals for each channel?*

Create goals for each campaign that align with your objectives. If your objective is to drive awareness of your organization, you may have goals for social sharing and likes on social media channels. If the objective is acquisition, your goals may include the number or percentage of new donors acquired to your donor base.

Being clear about your goals and objectives will avoid confusion and disappointment when you report on the progress of your campaigns. Even a decisive victory will look grim if you bring social sharing analytics to your upper management when they're looking for newly acquired donors.

## **Develop a data-driven strategy.**

To craft a centralized strategy, you'll need to assess your donor data. Extensive, reliable donor data that tells you who your donors are, their propensity and capacity to give, and their specific interests and preferences will be highly informative in your decisions.

Determine what data will be required to make decisions and how it will be captured and updated in an ongoing fashion. You don't have to have a complicated plan, just a thorough one.

Capture key behavioral data during your campaigns, such as how your donors interact with your emails and website, so you can engage donors according to their preferences and motivations.

Avoid relying too heavily on giving history. A donor's giving history is a reflection of past fundraising strategy, not necessarily his or her current motivations or preferences.

## **Plan your campaigns based on donor preferences, motivations, and relationship with your organization.**

Nonprofits often build fundraising programs based on what is most convenient for them, rather than what works best for the donor. For example, you may space out several direct mail sends with a few emails in between according to timing that's manageable for you and your team. But that might not be the sequence or combination that will drive donors to give.

*Your fundraising approach should come from a donor-centric perspective.*

Use your donor data to establish donors' preferred methods and timing. Interactions should speak to specific donors, and giving options should be intuitive.

Personalization is key. How well do you know your donors? How much updated, relevant data do you have for each constituent? Gone are the days of general mass mailings; if communications aren't highly personalized, you risk losing the attention of your prospects and donors.

It's important that nonprofits exceed the expectations of their constituents at every interaction. To do this right, you can't rely on analysts from the database alone, you must get primary research directly from your donors. Talk with them, survey them, visit them. Use primary research to better interpret the analytics you're pulling.

*Segment your donors based on their relationship with the organization.*

Understanding your donor goes well beyond recording how they respond to your messaging. You need to discover how your whole donor base feels about your brand at every level of engagement. This will enable your organization to craft appropriate channel and message strategies aligned with the interests of each donor type.

## **Consider how each channel plays into your overall strategy.**

Just because you can do something in every channel doesn't mean you should. By evaluating data and segmenting donors, you can identify the right channels for the right audiences and coordinate those channels to work together.

We suggest that organizations map the ideal experience—based on data—that they feel each level of donor should follow and then use that information to craft the multi-channel plan. For example, a non-donor will have a different path than a new donor which would differ from the multi-year donor, the major donor, and so on.

## *Optimize your efforts with automation.*

The time spent in mapping out donor experiences based on data and primary research pays off if you begin to automate your fundraising communication. For example, mapping out an automated follow up sequence that is triggered by a single action can not only help you increase your consistency of messaging in each level of engagement but also provide an immediate, personalized connection with your donor.

We've seen nonprofits [increase their year end giving](#) by up to 98 percent by using 2Dialog™, Pursuant's fundraising automation technology.

## MEASURING INTEGRATED DONOR EXPERIENCE FUNDRAISING EFFECTIVENESS

---

As with any initiative, it's critical that you decide up front which success metrics are important and how you will capture the data and report on the results. This is especially true if your organization is accustomed to uncoordinated tactics in fundraising.

Measuring the effectiveness of your integrated fundraising strategy is important, but it looks slightly different than some of the traditional ROI metrics you might be measuring. The more relational experience created by integrated fundraising produces long-term ROI and higher lifetime value from your donors.

Here are some common metrics your organization can use to measure your efforts to create an integrated donor experience:

### Engagement

Tracking engagement is essential for understanding if your efforts are moving donors toward a deeper relationship with your organization. Here are a few engagement metrics to monitor:

- Email opens and click-through rates by individuals
- Length of time a constituent watches a video you share
- Rate of response both online and through direct mail
- Length of time between message sends and recipient responses
- Website traffic and other online interaction
- Cross-channel movement, such as direct mail recipients who go online to an enclosed URL or email recipients who give through a custom landing page

### Average Gift

Be sure to watch for the average gift of your donor base to rise over time. This is the metric that will help you see past any short-term slump in ROI in the first forays into integrated fundraising.

### Multi-channel Givers

Look for donors who respond to multiple channels in response to your integrated strategy. According to [recent studies by Kimbia](#), donors who use more than one channel have twice the retention rate in the first year over single-channel givers.

It's important to note that shifting your current efforts to an integrated approach might impact some short-term gains. When an organization changes its strategy to create a more relational experience for donors, the short-term ROI might suffer compared to previous campaigns. However, the approach ultimately creates a far better long-term value (and lifetime value of the donors) than the "churn and burn" strategies most organizations are currently applying.

## CONCLUSION: IT'S TIME TO TAKE THE FIRST STEP

---

We know that breaking down the silos and adopting a more integrated strategy isn't easy. We encourage every nonprofit we work with to focus on *progress* rather than *perfection*.

The new challenges we face require us to adopt a new way of thinking. Organizations must innovate, even when it seems impossible due to limited budget, little time, and a less than desirable culture.

Start internally by fostering a culture of collaboration among your teams and departments. Extend that culture into your external relationships with outside vendors by encouraging them to collaborate more closely with your team and other external partners you may have.

Organizations must also push their vendors to do more. To enable your vendors to do more for you, show them how they fit into your integrated strategy and their role on the team. Introduce them to other external partners you may be engaged with and expect them to work together within their areas of expertise towards your overall objectives. If they are nervous or threatened by working with another external partner, steer clear. You need team players who see the big picture and are pulling in the same direction with you.

The overall return will prove that the whole is truly greater than the sum of its parts. The benefits to having an integrated approach far outweigh the obstacles. An integrated fundraising strategy will reduce your dependence on individual channels and will help you invest wisely where you see the best returns. It will help you build stronger relationships with your constituents and increase the lifetime value of your donors.

Coordinating your efforts to create an integrated donor experience is not only important, it's essential. Our hope is that this resource would help you define some of the gaps that are preventing you from achieving this goal and take the first step toward solving the issue within your organization.

## CONNECT WITH PURSUANT

---

- ✓ Learn more about our [technology-driven solutions](#) that can enhance your fundraising efforts.
- ✓ Check out our [entire list of fundraising resources](#) for more content papers, fundraising tools, and webinars.
- ✓ Connect with us on [Twitter](#), [LinkedIn](#), and [Facebook](#).
- ✓ [Subscribe](#) to The Digital Drip, our daily blog featuring valuable insights and best practices around today's most important fundraising topics.
- ✓ Call us at 214.866.7700.
- ✓ [Contact us](#) to discuss your organization's fundraising needs.

What is the next step for your organization?

**Call us today!**

 **214.866.7700**

**PURSUANT**<sup>®</sup> 