Project Deliverable

Table of **Contents**

Project delivery trajectory Habitat for Humanity Monterey Bay

Habitat for Humanity: Project Scope

Details of Project Dimensionality

Current Situation

Due to COVID-19 restrictions, Habitat for Humanity currently raises revenue through a limited number of income streams including individual donors and virtual fundraising events.

Problem

Habitat for Humanity is striving to increase revenue to expand the organization's resources.

Task

180 Degrees Consulting at UC Santa Cruz seeks to identify new opportunities for revenue growth to improve Habitat for Humanity's ability to function at a higher capacity.

Vision

Habitat for Humanity, Monterey Bay should focus on four key aspects: Donor Acquisition, Donor Retention, Fundraising, and Social Media Optimization. By implementing the specific suggestions outlined in this presentation, Habitat for Humanity will be able to successfully increase revenue.

Profile: Habitat for Humanity Monterey Bay

Habitat for Humanity Monterey Bay client profile

" No matter who we are or where we come from, we all deserve to have a safe and decent place to call home. "

32

Years of operation

30,000+

People served and counting

5,700

Volunteers and counting

Habitat for Humanity®

01

Donor Acquisition

Donor Acquisition: Why Emails?

Costs of personalized emails vs. other marketing platforms

$21.95

$19.50

$10.23

Social Media

In order to secure a single donation through social media, organizations on average, spend nearly $22 in AdWords and promoted content.

Search Engine

In order to solicit a donation from an individual on an online platform, an organization spends nearly $20.
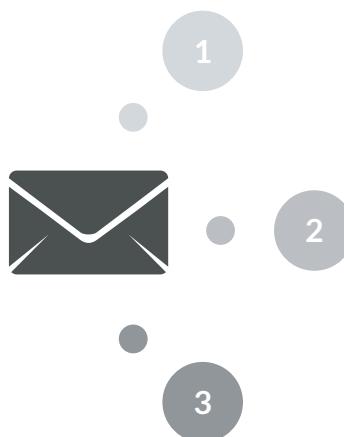
Email Marketing

Email Marketing has the best ROI when it comes to securing donations. An organization spends a little over $10 to get one individual to donate.

Source: campaignmonitor.com

Donor Acquisition: Email Marketing

Aspects of a successful email campaign

1

2

3

1

Personalization

Integrating different personalization techniques to make the donor feel important

2

Donor Segmentation

Specifically tailoring content and messages to different types of donors

3

Sign Up Forms

Utilizing social media platforms, websites, events, and newsletters to obtain more subscribers.

Email Marketing: Aspects of Personalization

Email personalization techniques
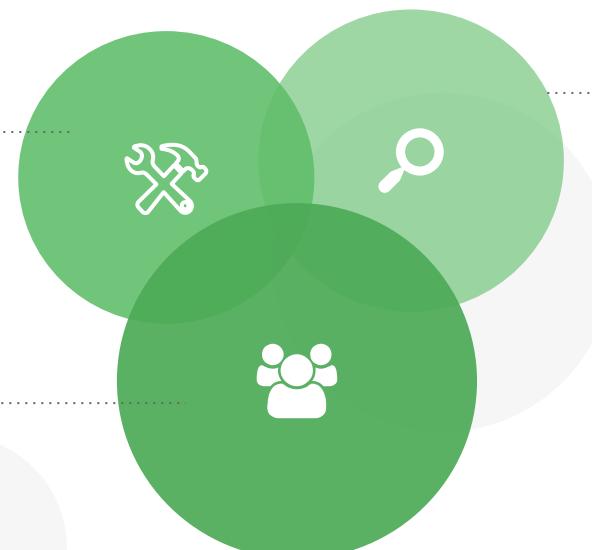
Name Usage

Utilizing the names of the donors makes them feel as if they are important to the organization. Furthermore, it catches the attention of the donor. It is also important to include the name of the individual who sent them email to have a contact reference.

Donation Recommendations

According to classy.org, donors are more likely to donate the same amount of money they have on previous occasions if they are reminded of the sum. Recommending similar amounts with a compelling call to action will generate more frequent donations to the organization.

VIP Loyalty

Certain donors will donate more frequently or give larger amounts than others. It is important to recognize these individuals and send them specialized content or emails to get them to donate again,

Donor Acquisition: Email Personalization

Donors are much more likely to donate to personalized emails

80%

Personalization

Campaignmonitor.org interviewed hundreds of current and former donors of many different non-profit organizations. The survey revealed that 80% of donors would be more likely to donate if an email was personalized.

These emails included the donors name, the last time that they volunteered or donated, their past donation amounts, what their past donations funded, and specific calls to action.

Source: campaignmonitor.org

Donor Acquisition: Key Performance Indicators (KPIs)

Key performance indicators help organizations identify issues in the acquisition process

Open Rates

An open rate is the number of people that open a given email over the total number of email subscribers. According to campaignmonitor.com, the average open rate hovers around 25%.

Click Through Rates

A click through rate is the percentage of people that open an email and open a link or other media. Forbes claims that the average click through rate for NPOs is 2.5%.

Conversion Rates

Conversion rates are arguably the most important KPI as they measure how many people take action upon a given email. Nonprofitpro.com states that the average conversion rate is 1%

Unsubscription Rates

Unsubscription rates are the number of individuals who opt out of an email subscription list. The NPO average of unsubscription rates is 0.5%.

KPIs: Analysis

Analysis of Habitat For Humanity's current KPIs

Activity	Date	# Sent To	Open Rate	Click Through Rate	Unsubscribed
Newsletter - 11/19	11/15/2019	6,170	24%	**8%**	0
CYE Email Appeal	12/9/2019	6,361	26%	2%	0
Newsletter - 12/19	12/31/2019	6,341	24%	0.8%	0
Newsletter - 1Q20	2/26/2020	6,246	**27%**	4%	12
Spring DM Appeal	4/20/2020	500	n/a	6%	n/a
Spring Email Appeal	4/13/2020	5,343	23%	2%	4
Newsletter - 2Q20	5/3/2020	6,371	20%	**16%**	13
Newsletter - 3Q20	7/23/2020	6,649	25%	1%	14
Newsletter - 4Q20	10/15/2020	6,475	22%	3%	6
Fall DM Appeal	11/6/2020	200	n/a	n/a	n/a
Fall Email Appeal	11/6/2020	3,516	**35%**	4%	14
Giving Tuesday Email	12/1/2020	4,301	16%	3%	8
Newsletter - 1Q21	2/24/2021	6,820	**28%**	2%	17

Email Marketing: Tracking Conversion Rates

Tracking conversion rates to analyze effectiveness of marketing
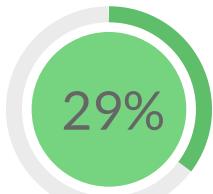
Tracking Conversion Rates
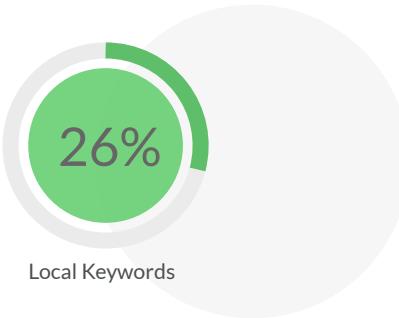
Tracking conversion rates is one of the critical aspects of running a successful donation campaign. Conversion rates let NPOs know if individuals are taking action on the emails that are sent to them. Netsuite currently offers integration packages to track conversion rates. If the organization chooses not to use Netsuite to track conversion rates then there are multiple companies that offer integration between Google Analytics and Netsuite.

Donor Acquisition: Benefits of Email Personalization

Personalized emails have been proven to be effective in online marketing

29%

Compelling Subject Lines

26%

Local Keywords

10%

Conversion Rates

14%

Click Through Rates

Personalization

Statistics on Personalization

Email personalization has immense benefit when it comes to boosting KPIs. Emails with personalized subject lines were 29% more likely to be opened when compared to those that did not. Furthermore, personalized emails that utilize local area keywords were 26% more likely to be opened.

Additionally, personalized emails boosted click through rates by 14% and conversion rates by 10%.

Source: campaignmonitor.com

Email Marketing: University of California, San Diego

UCSD's successful implementation of Donor Segmentation

Objective

UCSD wanted to better understand the donation habits of their donors. UCSD believed that through grouping their donors into different segments, they would be able to drastically improve their donations and donation process.

Method

UCSD was able to differentiate and identify their target market by developing 5 different segments. These segments included recent graduates, most loyal, 26 years old with advanced degrees, metropolitan graduates in the corporate world, and disenchanted graduates. UCSD specialized messages for these demographics.

Impact

UCSD was successful in securing more funding as they received over a 20% increase in donations. Furthermore, they were awarded 12 CASE (Council of Advancement and Support of Education) awards, as the donations went to fund campus research and other activities.

Application

Specifically tailoring content to different audiences is an effective method at increasing donations. We recommend that Habitat for Humanity Monterey Bay adopts similar techniques to see their donations rise. Some different donor segmentation groups include age, donation frequency, VIP donors, location specific demographics, and first time donors. These segmentations are likely to increase the effectiveness of email marketing.

Analysis: **Royal Children's Hospital**
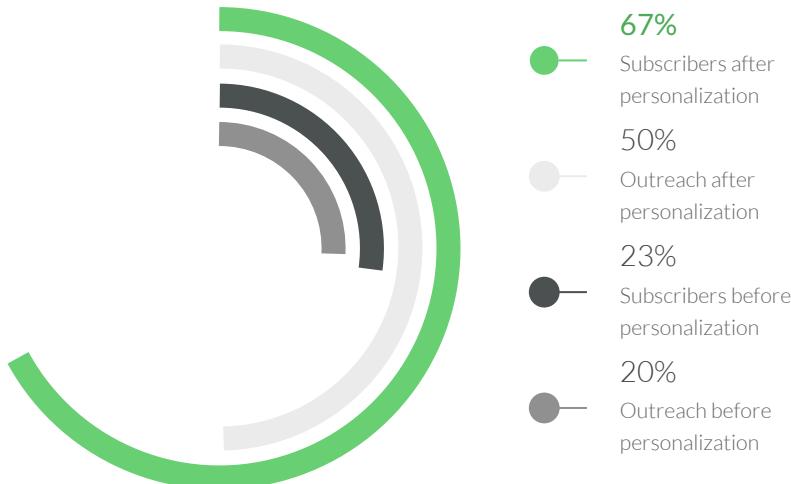
The Royal Children's Hospital was able to boost donations and outreach with email personalization

Royal Children's Hospital

Email personalization and increase in donations

The Royal Children's Hospital was interested in improving its online donation rate. The organization decided to focus on email personalization and email marketing campaigns in order to achieve this goal.

The Royal Children's Hospital implemented techniques such as personalization and specific appeals to emotion. With the same budget, the hospital saw a 50% increase in subscribers and twice as much outreach after they implemented personalized emails.

Source: campaignmonitor.com

67%
Subscribers after personalization

50%
Outreach after personalization

23%
Subscribers before personalization

20%
Outreach before personalization

Email Marketing: Increasing Click Through Rates

Techniques used to increase click through rates

Implementing Email List Segmentation

Email marketing segmentation allows an organization to send effective emails to different groups of donors. Segmentation groups may include age, donation frequency, and location.

Writing Compelling Subject Lines

Compelling subject lines increase the likelihood of capturing the attention of a potential reader/donor. Compelling subject lines should be brief and appeal to emotion.

Including a Clear Call-to-Action

Effective calls to action tell donors what they can do to help the organizations. These statements should be included at or near the top of the email to catch the attention of the reader.

Mobile Optimization

It is critical that any email an organization sends out can be viewable on mobile devices. Over half of all emails are open on cell phones or other mobile devices.

A/B Testing

A/B testing helps organizations find strategies with their constituents. Sending emails in different formats with similar content helps organizations find the best emails to solicit donations.

02
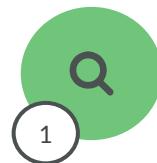
Donor Retention

Introduction: Donor Retention

Strategies to improve donor retention
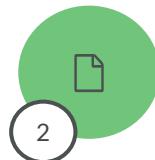
Donor Retention

Increasing donor retention can help increase fundraising and reduce the need for donor attrition.

1

Assessing Habitat for Humanity's Current Situation

Comparing Habitat for Humanity's current rates to average rates

2

Case Study of DonorsChoose.org

Utilizing Impact Letters

3
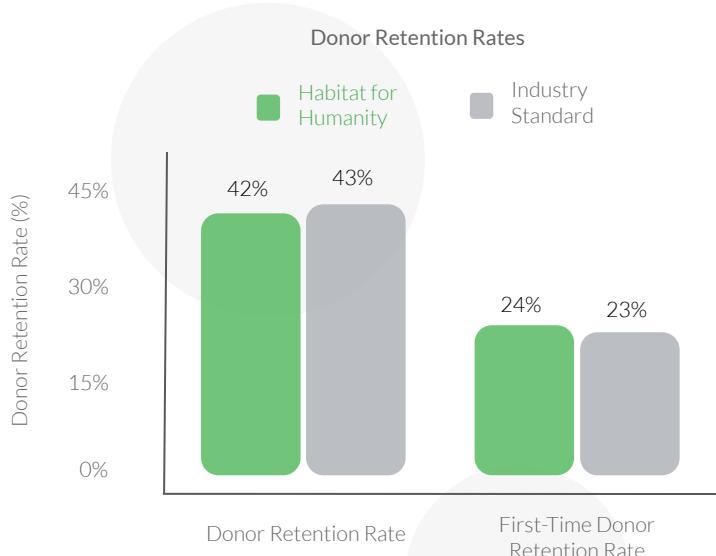
Case Study of Bloomerang

Analyzing the impact of calling first-time donors

Habitat for Humanity: Current Situation

A comparison of Habitat for Humanity's current retention statistics to the industry standard

Donor Retention Rates

■ Habitat for Humanity   ■ Industry Standard

Donor Retention Rate (%)

45% — 42%   43%

30%

24%   23%

15%

0%

Donor Retention Rate   First-Time Donor Retention Rate

Current Statistics

Analysis of Habitat for Humanity Monterey Bay

Compared to the industry standard, Habitat for Humanity Monterey Bay is doing moderately well.

Although Habitat for Humanity Monterey Bay's retention rates are around the industry average, our goal is to help them surpass the average with the hopes of them later becoming a leader in their industry for donor retention.

Source: Qgiv.com and CauseVox.com

Case Study: DonorsChoose.org

The effect of impact letters on donor retention rates at DonorsChoose.org

DonorsChoose.org

Donation website for teachers

Habitat for Humanity

Objective

This study looks at DonorsChoose.org to analyze different factors that might affect donor retention such as confirmation notes, impact letters, and thank you notes.

Method
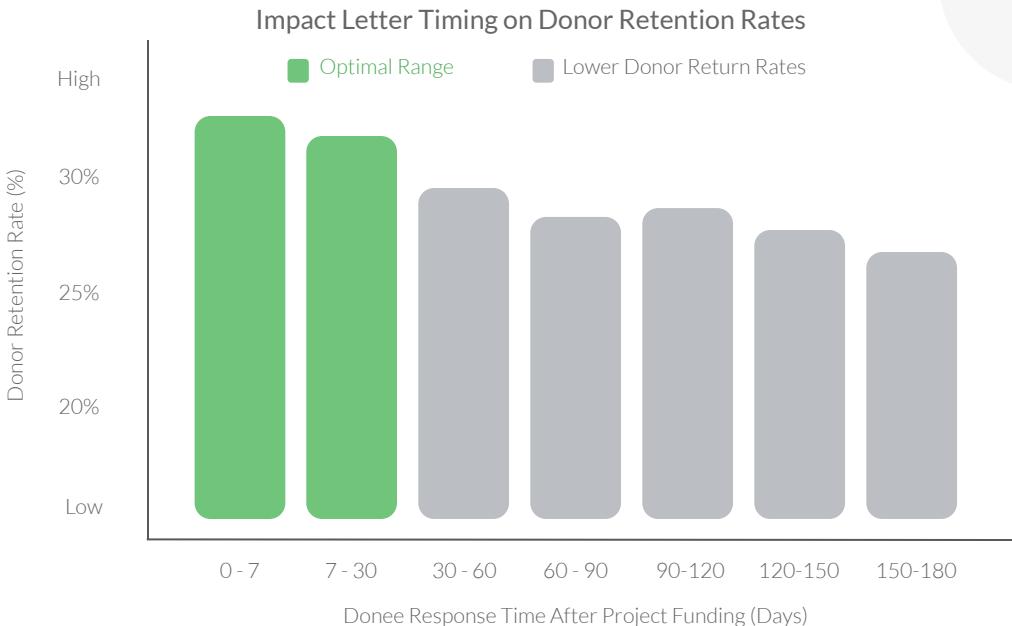
Rates of donor return was measured based on how quickly an impact letter was sent out to donors in days after a project was fully funded.

Impact

It was found that there were higher donor retention rates of ~30% when teachers contacted their donors during the first 30 days after being fully funded through an impact letter.

Application

We recommend that Habitat for Humanity contact their donors during the first 30 days after a project has been fully funded with an impact letter in order to increase their overall retention rate. The first 30 days after a project has been fully funded is the optimal range and will be explained in more detail on the next slide.

Source: National Institute of Health (NIH)

DonorsChoose.org: Impact Letters

The effect of impact letters on donor retention rates at DonorsChoose.org

Impact Letter Timing on Donor Retention Rates

Legend: Optimal Range | Lower Donor Return Rates

Y-axis: Donor Retention Rate (%) — High, 30%, 25%, 20%, Low

X-axis: 0 - 7, 7 - 30, 30 - 60, 60 - 90, 90-120, 120-150, 150-180

Donee Response Time After Project Funding (Days)

Impact Letters

Impact letters are used to inform donors about how their donation was spent and typically get sent after a project is fully funded.

The optimal range for sending out an impact letter is classified as the range prior to a large drop off in engagement, and this occurs within the first 0 to 30 days of the funding of a project.

By sending impact letters within this optimal time frame, Habitat for Humanity will be able to further increase donor retention rates.

Source: National Institute of Health (NIH)

Case Study: Bloomerang

The effect of calling first-time donors on donor retention rates

bloomerang

Donor database for nonprofits

Objective

Bloomerang wanted to test whether phone calls impacted their customer base.

Method

Bloomerang sampled almost four thousand nonprofit organizations and about two million donors from the US and Canada.

They examined first-time donations made between 2012-2018 and analyzed the effect that phone calls (within 90 days of donors' first gift) had on the nonprofits' retention rates and second gift timing.

Impact

When first-time donors were contacted within 90 days of their first gift, nonprofits' first-time donor retention rates increase by an average of 8.23% up to 25.2%. Nonprofits were also able to decrease the time between the first and second gift by 44 days down to 208 days.
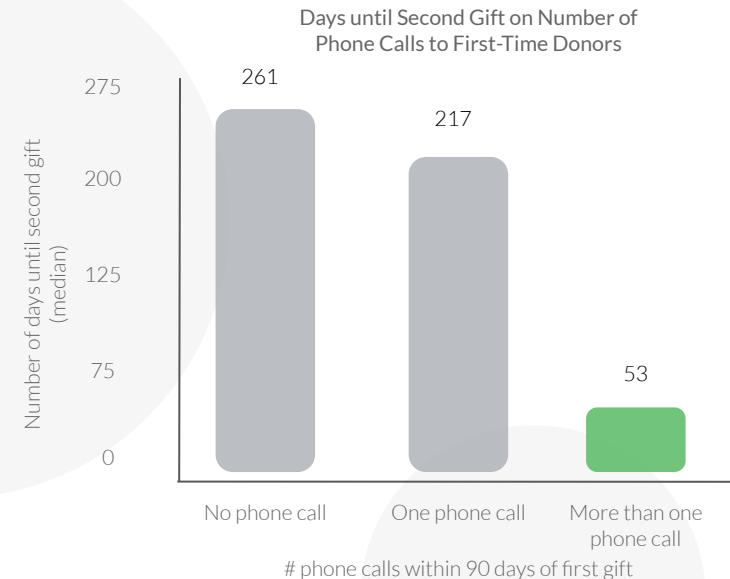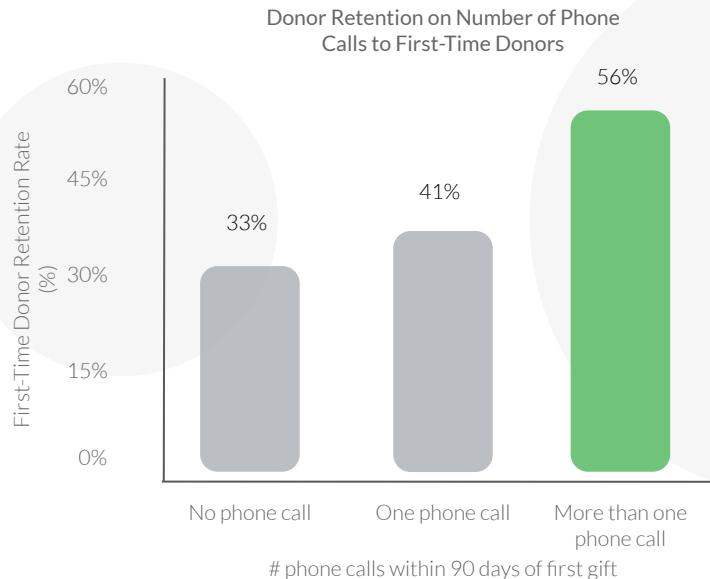
Application

Habitat for Humanity can use this information to allocate resources to reaching out to first-time donors in order to increase their first-time donor retention rates and decrease the time between donors' first and second gifts. We recommend that board members make phone calls to first-time donors using a call template we have provided in the appendix.

Habitat for Humanity

Source: Bloomerang.com

Bloomerang: First-Time Donor Retention and Timing of Second Gift

Impact of calling first-time donors

Donor Retention on Number of Phone Calls to First-Time Donors

First-Time Donor Retention Rate (%)

- No phone call: 33%
- One phone call: 41%
- More than one phone call: 56%

phone calls within 90 days of first gift

Days until Second Gift on Number of Phone Calls to First-Time Donors

Number of days until second gift (median)

- No phone call: 261
- One phone call: 217
- More than one phone call: 53

phone calls within 90 days of first gift

We recommend that Habitat for Humanity call first-time donors at least once within 90 days of their first gift in order to increase their first-time donor retention rate and decrease the number of days between first-time donors' first and second gifts.

Source: Bloomerang.com

03

Fundraising Strategy

Peer-To-Peer Fundraising: Introduction

Peer-To-Peel (P2P) model definition and benefits

Definition

P2P fundraising is a strategy used to supplement existing revenue streams by boosting donor acquisition and retention on the basis that personal connections drives higher incentives to contribute to the common cause.

Social network multi-tier effect maximizes events/campaign's potential to generate revenue with additional high-level benefits.

High-Level Benefits

Diversification & Engagement

Diversify donor base with peer network and drive community engagement by providing opportunities for core supporters to contribute.

Awareness & recognition

Raise awareness to the cause and generate more recognition of the brand/mission both to a broader audience and to a greater effect.

Growth & Effectiveness

54% of participants raise funds online

P2P programs raised **$187** per participant on average in 2020 (35% increase from 2019)
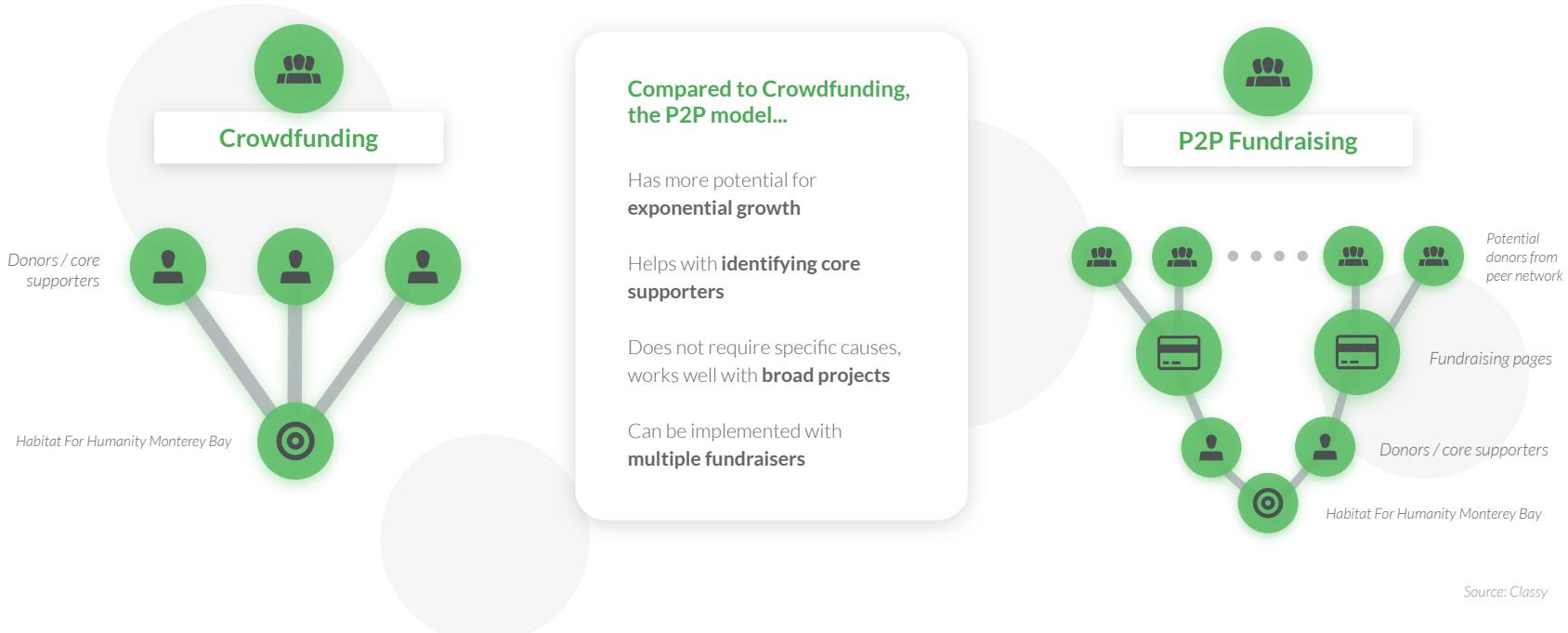
18% increase in amount raised each year by returning P2P participants on average

13% higher events revenue from P2P group

Source:, Fundly, Candid Learning

Peer-To-Peer Fundraising: Introduction

Peer-To-Peer fundraising vs crowdfunding

Crowdfunding

Donors / core supporters

Habitat For Humanity Monterey Bay

Compared to Crowdfunding, the P2P model...

Has more potential for **exponential growth**

Helps with **identifying core supporters**

Does not require specific causes, works well with **broad projects**

Can be implemented with **multiple fundraisers**

P2P Fundraising

Potential donors from peer network

Fundraising pages

Donors / core supporters

Habitat For Humanity Monterey Bay

Source: Classy

Peer-To-Peer Fundraising: Statistics & Metrics

Understanding Peer-To-Peer model metrics

Network Effect

Non-Fundraiser: Received no online donations

Poor Fundraiser: 1 donation per participant

Good Fundraiser: 2 - 4 donations per participant

Great Fundraiser: 5+ donations per participant

Key Performance Indicators (KPI)

Leading KPIs
Average donation growth
Return On Investment (ROI)
Conversion Rate

Lagging KPIs
Average # of participants in fundraisers within set time period
Average donations in fundraiser within set time period
Donor/participant feedback (rating) (guardrail metrics)
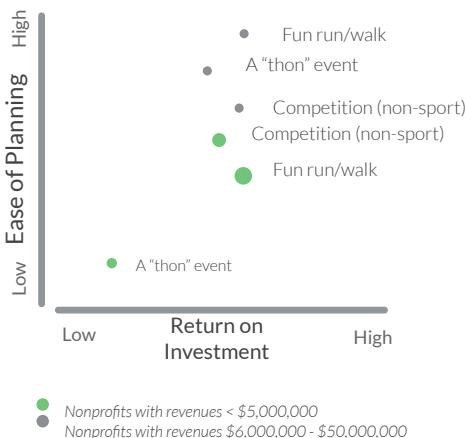
*Source: YouGov, PeerToPeerForum, NonPorofitPro, Blackbaud, DonorSearch*
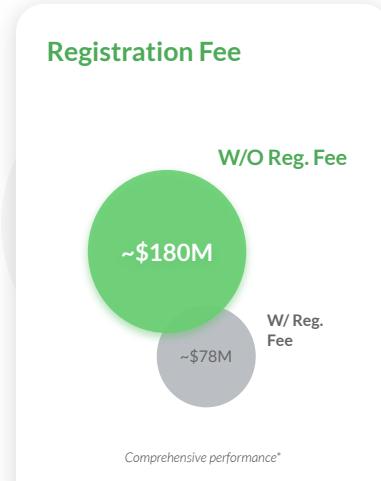
Peer-To-Peer Fundraising: Events Recommendations

Peer-To-Peer events, timeline, and registration fee recommendation

Event types

Ease of Planning (High / Low) vs Return on Investment (Low / High)

- Fun run/walk
- A "thon" event
- Competition (non-sport)
- Competition (non-sport)
- Fun run/walk
- A "thon" event

- ● Nonprofits with revenues < $5,000,000
- ● Nonprofits with revenues $6,000,000 - $50,000,000

Registration Fee

W/O Reg. Fee

~$180M

W/ Reg. Fee

~$78M

Comprehensive performance*

Sample Timeline

3-4 Months Prior To Event

Event planning
Put up information on website/platform
Create marketing materials for Promotion

1-2 Weeks Prior To Event

Confirm volunteer tasks
Continue event promotion

4-6 Weeks Prior To Even

Promote event
Gather resources and supplies necessary for event
Arrange photographers /videographers to document event

Day of Event

Host event

Source: Classy, Blackbaud

Peer-To-Peer Fundraising: Strategy & Implementation

Understanding Peer-To-Peer strategy and implementation

P2P Strategy

Donor Base Evaluation
Evaluate existing donor base to identify "super supporters". Understand differentiators between distinct groups

Technology / Accessibility
Explore P2P model network potential with user-friendly and efficient interface

Measurable Cause
Fundraisers are less effective without a meaningful cause/theme (i.e. leveraging the current circumstances)

Performance Analysis
Prior fundraising performance should be analyzed to gain insight into future improvements

P2P Implementation

Target & Educate
Target high-value donors to improve engagement and educate about P2P processes

Platform & Sample Materials
Achieve high degrees of accessibility for the essential supporters (peers) by using third-party virtual platform(s)

Fundraising Thermometer
Increase giving received by up to 35% with identified fundraising thermometer

Tracking & Modification
Performance Tracking   Process Modification
Donor Feedback   Technology Improvement

Source: qGiv, Forbes

Corporate Philanthropy: Matching Gifts

Corporate philanthropy - matching gifts

Corporate Philanthropy (Matching Gifts)

Matching Gifts: Explore corporate philanthropy opportunities through existing donors
Content, process, and methods strategic recommendations

Matching Gifts: Overview

Matching gifts revenue potential and general information

Revenue Potential

84% of donors say they're more likely to donate if a match is offered

1/3 of donors say that they would provide larger gifts if a match is offered

51% increase in giving when nonprofits educate donors about matching gifts

65% of fortune 500 companies have gift matching

Unexplored Potential Due To...

Lack of awareness and marketing

78% of match eligible donors are unaware of matching gifts programs from their employers

Eligibilities

Nonprofit Eligibility

Most companies that offer matching gifts programs approve matching requests from nonprofits with 501(c)(3) status.

Common Employee Ineligibilities

Part-time employees
Retirees
Spouses of employees and retirees
Board members

Common Minimum Match Requirement

$25 - $50

General Process

Individual Donation

Matching Gift Request

Eligibility Check & Approval

Receive Matched Gift

Source: CoupleTheDoation

Matching Gifts: Strategy & Implementation

Understanding matching gifts strategies

Content Strategy

Website / Information Page

General explainer/request
Collection of resources

Communication Content

Process explanation Awareness raiser
Relevant resources i.e. forms
Deadline/submission reminders
Acknowledgement/thank you message

Multi-Channel Distribution

Employing multiple approaches to identifying match-eligible donors results in **77%** more identified match-eligible donations.

Mentioning matching gifts in fundraising appeals results in a **71%** increase in response rate and a **51%** increase in average donation amount.

Donation process
Email
Social media
Website
Other fundraising efforts

Distribution Timing

Sending matching gift reminder emails within 24 hours after the donation results in a **53%** open rate, This is two to three times higher than the average nonprofit email open rate

Deadline/submission reminders (common corporate deadlines)

Source: Huck et al, theDonorVoice

Matching Gifts: "Lead Donor" Consideration

Effective use of anchoring for gift matching

Lead Donor Impact

The use of "anchoring" to counter "crowding out" effect in giving

Control: No Lead Donor, no match

Lead Donor: A significant donation (€60k)

50% match: €1 : €0.5

100% match: €1 : €1

Non-Linear: Match any amount over €50

Fixed match: Fixed €20 match

Groups	Average gift (€)	Revenue per piece (€)
Control	74.3	2.79
Lead donor	**132**	**4.62**
50% match	101	4.19
100% match	92.3	3.84
Non-linear match	97.9	4.18
Fixed gift match	69.2	3.27
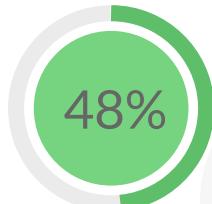
Source: Grants.Gov

04

Social Media Optimization

Social Media: Opening Data
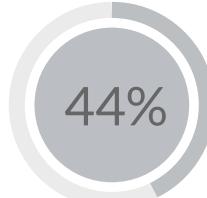
Key data points on nonprofit social media utilization

48%

of nonprofits believe social media is very valuable.

38%
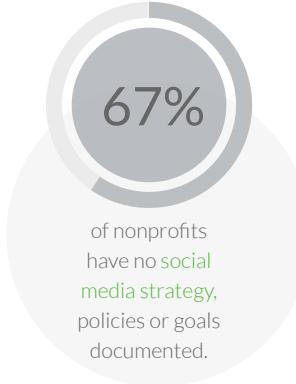
of nonprofits believe spend between 1-2 hours a week on social media.

44%

of nonprofits have only one person monitoring its social media.

53%

of nonprofits are not measuring their social media.

67%

of nonprofits have no social media strategy, policies or goals documented.

Source: Hubspot

Social Media: Overview

Problem breakdown and main areas of concern

Administrative and Organizational Obstacles

Habitat for Humanity, Monterey Bay has seen the value in leveraging the power of social media. However, there are a few key problems that are holding back the full utilization of social media's potential. Overall, the majority of work falls on a single person's shoulders, and there are limited resources, policies, and schedules when it comes to creating, and publishing content.

Content and Stylistic Obstacles
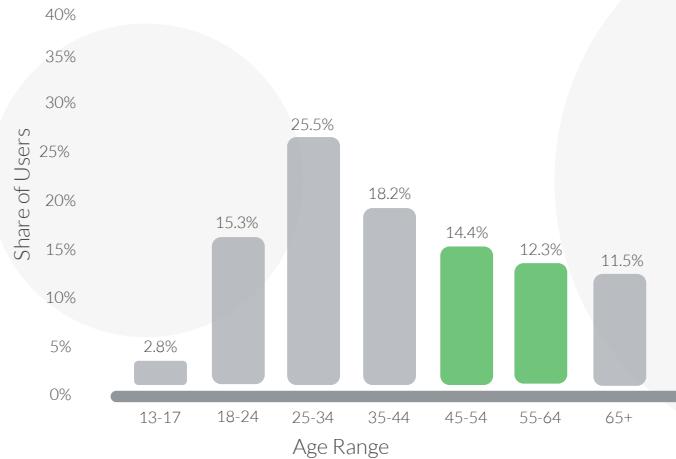
Habitat for Humanity, Monterey Bay's content currently lacks consistency in terms of design language. The current content is not wholly in line with Habitat for Humanity's global branding guidelines. All of these factors attribute to a lack of presence, and credibility.
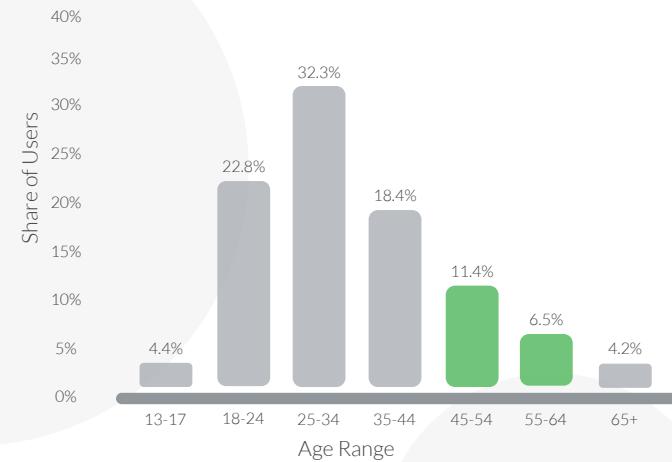
Administrative Obstacles: Reassessing Platforms

Lining up platforms and target demographics

Distribution of Age for Facebook Users

Share of Users

- 13-17: 2.8%
- 18-24: 15.3%
- 25-34: 25.5%
- 35-44: 18.2%
- 45-54: 14.4%
- 55-64: 12.3%
- 65+: 11.5%

Age Range

Distribution of Age for Instagram Users

Share of Users

- 13-17: 4.4%
- 18-24: 22.8%
- 25-34: 32.3%
- 35-44: 18.4%
- 45-54: 11.4%
- 55-64: 6.5%
- 65+: 4.2%

Age Range

Habitat for Humanity, Monterey Bay currently has not outlined any target demographics that are to be reached on social media, now or in the future. Habitat for Humanity, Monterey Bay has already observed that the largest percentage of Facebook followers falls under the 45-60 age range. Depending on how and where Habitat for Humanity, Monterey Bay wants to grow for the future, it would be best to focus on specific platforms to reduce the workload on content creators and maximize payoff.

Source: Statista

Administrative Obstacles: Scheduling Posts

Scheduling and optimizing post times

Currently

Habitat for Humanity, Monterey Bay is using Later.com to schedule, and plan out posts.

Timing

One simple step that could be employed right away is to start optimizing post times. These can vary drastically by platform and industry.
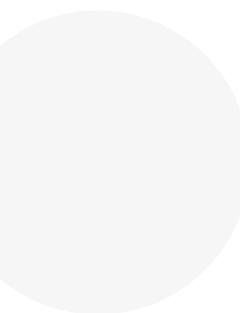
Outlining

Once post timing can be optimized consistently, establishing a content schedule can help build consistency.

Next Steps

From here, Habitat for Humanity, Monterey Bay should take note of and start monitoring basic analytics to best connect with their supporter base.
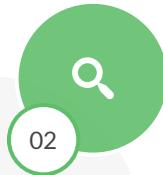
Content and Stylistic Obstacles: Considerations

Key factors in the creation of visual style

01
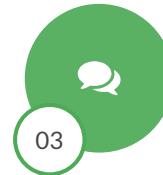
Adherence to the Global Branding Guide

While some may think having strict guidelines can stifle creativity, there is still plenty of room for Habitat for Humanity, Monterey Bay to have a distinct visual style. These global standards also act as a jumpstart to building authority and credibility.

02

Simplifying Content Creation

Currently, only one person is responsible for creating content for all of Habitat for Humanity, Monterey Bay's digital content. Easing the load and making content creation as seamless as possible is a core component of the new social media strategy.

03
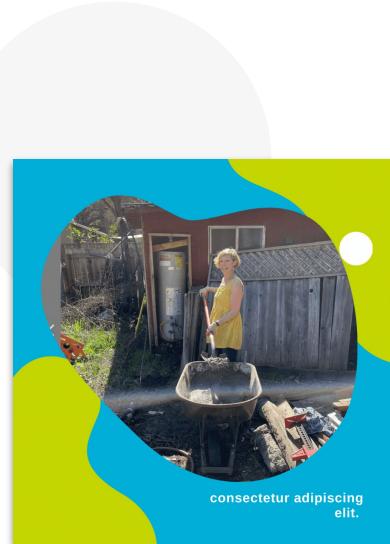
Native Platform Optimization

Native Platform Optimization is making sure the content you make is best suited to the platforms you are posting them on. This is an easy way to make sure that posted content delivers as much return as possible.

Source: Nightwatch

Sample Templates: Rounded Style

Sample Instagram posts with a rounded style

Lorem ipsum dolor sit amet, consectetur adipiscing elit.

Lorem ipsum dolor sit amet

Cras ut blandit felis, id efficitur erat. Donec velit felis, aliquet eu suscipit sed, placerat et metus. Cras ut blandit felis, id efficitur erat. Donec velit felis, aliquet eu suscipit sed, placerat et metus.

consectetur adipiscing elit.

Sample Templates: Angular Style

Sample Instagram posts with a boxy style

Lorem ipsum dolor sit amet, consectetur adipiscing elit.

Lorem ipsum dolor sit amet
consectetur adipiscing elit.

LOREM IPSUM

dolor sit amet, consectetur adipiscing elit.

05

Project Summary

Project Summary: Habitat for Humanity, Monterey Bay

An overview of our recommendations

Project Summary

Donor Acquisition
Tracking KPIs and leveraging powerful email marketing techniques such as email segmentation and personalization

Fundraising Strategies
Implementing a peer to peer fundraising strategy as well as pushing the idea of corporate gift matching to applicable donors

Donor Retention
Utilizing proper timing strategies for impact letters and first time retention calls can increase the already existing revenue stream of donors

Social media
Strategies such as assessing target demographic and workload, scheduling posts for optimal times and rebranding content through the global brand guide and platform optimization can increase the current social media presence

Questions?