



Advancement Leaders Speak 2019

Annual Giving Multichannel Best Practices

Based on a survey of more than 257 advancement leaders nationwide serving higher education and charitable organizations, along with review of publicly available fundraising trend data



FUNDRAISING



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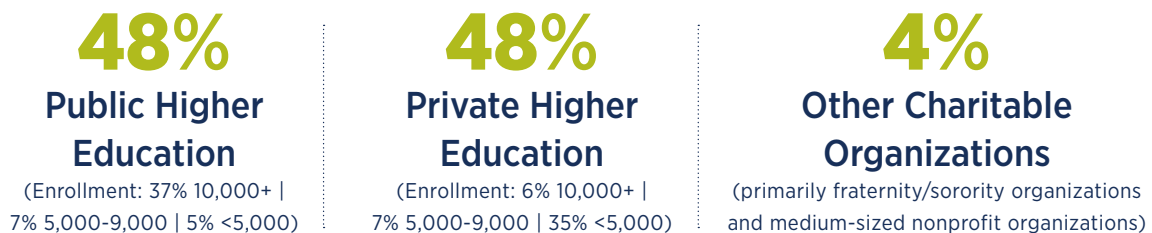
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ABOUT THE SURVEY

257 GIVING PROFESSIONALS SURVEYED ONLINE



PROFILE OF ORGANIZATIONS



AVERAGE ANNUAL GIVING TOTAL FOR RESPONDENTS: **\$17 MILLION**
 MEDIAN ANNUAL GIVING TOTAL FOR RESPONDENTS: **\$1.8 MILLION**
 RANGE: **\$2,000 TO \$2 BILLION**

AVERAGE NUMBER OF ANNUAL DONORS FOR RESPONDENTS: **9,627**
 MEDIAN NUMBER OF ANNUAL DONORS FOR RESPONDENTS: **4,000**
 RANGE: **55 TO 116,000**

See page 11 for methodology and titles of the survey participants, as well as additional data sources.

WHAT TRENDS ARE KEY IN ANNUAL GIVING TODAY?

Fundraisers are turning to technology and eyeing young alumni as programs experience flat dollars and decreasing donors.

This 2019 Advancement Leaders Speak report examines existing and emerging trends in fundraising and provides insight into best practices for annual giving programs. The report is based on a survey of more than 250 fundraising professionals across higher education, gathering actionable data on the state of the fundraising, challenges to institutional and individual efforts, and trends in giving results.

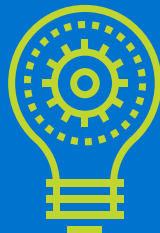
Our 2019 report also includes special focus sections on young alumni advancement and the future of fundraising.

Young alumni continue to be a challenging priority for fundraisers. Many of our survey participants expressed a desire to activate their Millennial audience in the face of diminishing returns from an aging and decreasing Baby Boomer generation. The expectations and driving force behind this younger audience is forcing programs to rethink their engagement strategy, sometimes from the ground up, to provide more opportunities for Millennial alumni to become donors.

The future of annual giving is also viewed as a double-edged sword by many. While fundraisers are excited about new innovations in advancement, including the early adoption of machine learning and artificial intelligence to further personalize communications at scale, others are concerned larger campaigns and greater pressure to deliver more money immediately are squeezing annual giving programs and staff beyond their capacity to deliver.

While each institution is different and each fundraiser's experiences are unique, the collective knowledge in this report provides an unparalleled insight into the state of our industry today and the potential change needed for success tomorrow.

Which innovations can help you engage more donors?



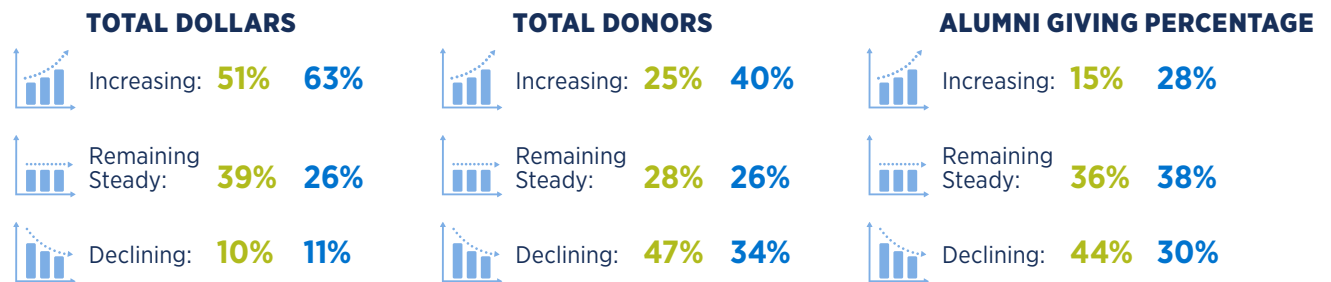
Artificial intelligence, machine learning, marketing automation, and hyper-personalization are just some of the advances helping institutions engage more donors and increase fundraising results.

Talk with RNL's experts to learn how you can use innovations like these to make more meaningful connections with your constituents.

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1 DOLLARS SLOWING WHILE DONORS CONTINUE TO DECLINE

WHAT ARE YOUR RECENT TRENDS WITH ANNUAL GIVING?



*2018 figures taken from *Advancement Leaders Speak 2018: Annual Giving Multichannel Best Practices*

As the Great Wealth Transfer takes place, institutions are seeing a slowing in overall giving as their final gifts from Baby Boomers are not being replaced by donations from their young alumni population. A slim majority of respondents (51 percent) shared that their giving has increased, down nearly 12 percentage points from our 2018 report and signaling a trend that could be detrimental to institutions if not reversed quickly.

As expected, survey respondents shared that attracting younger donors and establishing consistent contributions from middle-age donors remain a focus. Top fundraisers told us that existing efforts have a limited shelf life and feel their programs continually need to be reinvented to remain relevant. Mobile, peer-to-peer, and social giving technologies were cited as areas of potential growth for fundraisers.

Donor decline leaps in 2019



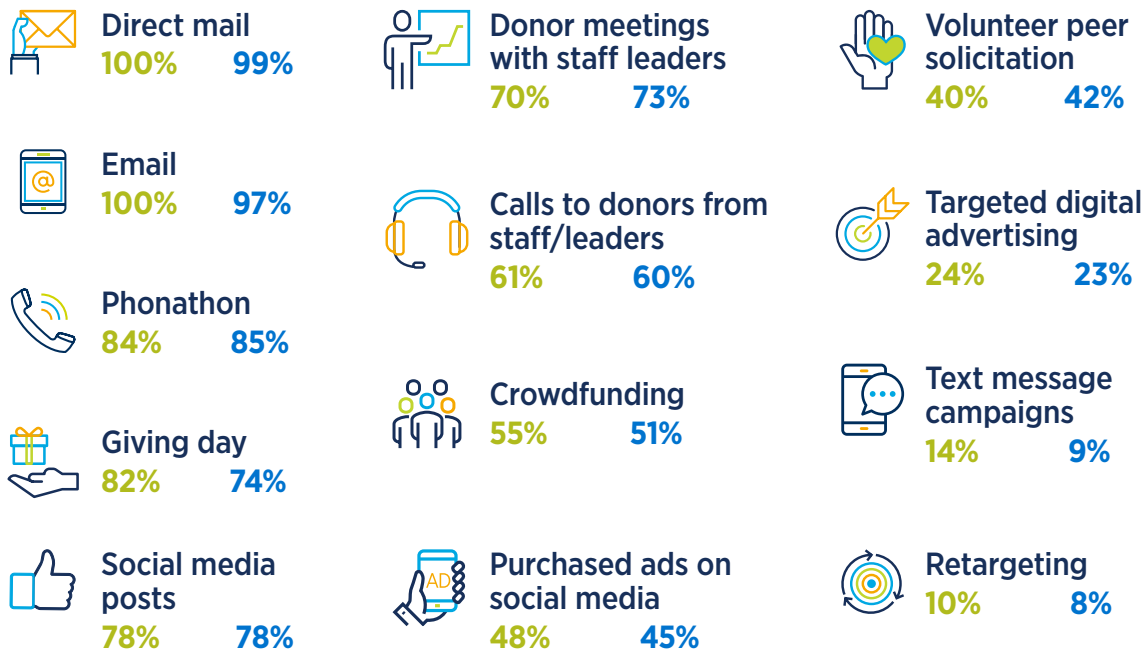
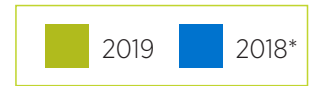
Nearly **half** of fundraisers report total donors have decreased

More than **4 in 10** say alumni giving is decreasing

2 DIGITAL STEADY AS TEXTING AND GIVING DAYS BOOM

WHICH OF THESE DONOR CONTACT CHANNELS DOES YOUR ANNUAL GIVING PROGRAM EMPLOY?















(Respondents indicated all they are currently using)



*2018 figures taken from *Advancement Leaders Speak 2018: Annual Giving Multichannel Best Practices*

The growth in giving days in one year is not surprising as survey respondents continue to focus on attracting gifts from young alumni and increasing recurring giving from their established donors, and giving days have shown an impact in these areas. With the average person checking their mobile device more than 80 times per day, fundraisers are shifting their strategies to incorporate more and more digital advertising, texting, and social media-based outreach to maximize the impact of this platform. Even with these advancements, many respondents cited mobile, peer-to-peer, and social giving technologies as areas of potential growth.

WHICH OF THESE CHANNELS DO YOU BELIEVE IS THE MOST EFFECTIVE FOR:

CHANNEL	ACQUISITION	RETENTION	UPGRADES
 Direct mail	10%	59%	19%
 Phonathon	28%	12%	24%
 Direct donor meetings with our staff/leaders	6%	6%	34%
 Giving day	28%	4%	4%
 Calls to donors from our staff/leaders	2%	8%	15%
 Crowdfunding	12%	0%	1%
 Email	2%	8%	2%
 Volunteer peer solicitation	5%	2%	1%
 Social media posts	2%	0%	1%
 Retargeting	1%	1%	0%
 Targeted digital advertising (across all your donors' mobile and web use)	1%	0%	1%
 Social media purchased ads	1%	0%	0%
 Text message campaigns	1%	0%	0%
 Other	1%	2%	1%












As institutions increase their channel mix, survey respondents still feel most confident in the big three traditional channels of direct mail, email, and phonathon. These three dominate fundraiser acceptance and are the top contenders for first and last contact with a donor in a fundraising campaign. This points not only to the impact of amplification channels, like digital advertising, but also to the need for integrated omnichannel outreach.

[See more insights on young alumni in section 4](#)

[See more about emerging technology in section 5](#)

3 DIGITAL STEADY AS TEXTING AND GIVING DAYS BOOM

HOW FUNDRAISERS FEEL THEY ARE SPENDING THEIR TIME/RESOURCES ON FUNDRAISING ACTIVITIES

ACTIVITY	TOO MUCH	ABOUT ENOUGH	NOT ENOUGH
 Seeking recurring/monthly gift commitments	1%	19%	80%
 Thanking donors	4%	55%	41%
 Analyzing/monitoring overall results for year	6%	65%	29%
 Analyzing/monitoring effectiveness of appeals	1%	44%	55%
 Appealing to younger/Millennial alumni	2%	24%	75%
 Crafting appeal messages	7%	77%	16%
 Crafting appeal messages for specific groups	6%	47%	47%
 Surveying donors	1%	17%	82%
 Segmentation	4%	51%	46%
 Data quality and data enrichment (such as finding valid phone numbers, addresses, and email addresses)	3%	37%	61%
 Crafting our fundraising plan	3%	57%	39%

As with our previous surveys, fundraisers don't feel like they are spending enough time with actionable data—analyzing the effectiveness of appeals, crafting omnichannel strategy, and surveying donors. Recurring giving is also growing in interest, as fundraisers seek to increase donor retention and ease of giving.

WHERE WOULD YOU LIKE TO SPEND MORE TIME/RESOURCES?

(Representative responses)

	“Developing online platforms that can engage our donors through different channels of giving”		“Young alumni engagement”
	“Serving donors, creating more value for their relationship”		“Prospect modeling”
	“Leadership or high-capacity donors”		“Analysis and segmentation”
			“Data quality”
			“Stewardship”



I would like to spend more time diving into the data and being more customized in our approach to donors’ giving habits and patterns.

—Survey Respondent

4 AN INCREASING FOCUS ON YOUNG ALUMNI

DO YOU HAVE A COORDINATED YOUNG ALUMNI COMMUNICATION STRATEGY?



65%

YES



34%

NO

IS YOUNG ALUMNI OR MILLENNIAL DONOR GIVING A PRIORITY FOR YOUR ORGANIZATION?

10%

It is a top priority

65%

It is a priority, but not the top priority

25%

It is not much of a priority

Seven out of ten respondents noted young alumni as a priority for their program, which aligns with fundraisers' focus to bring in more new donors soon to replace their thinning audience of older, loyal supporters. Many respondents mentioned seeing success from more engagement and event-based advancement, with giving days and crowdfunding campaigns often cited as key components of their programs. Many also expressed a desire to do more personalization in their communications, but saw data quality as a major roadblock to moving forward with increased personalization.

DO YOU FEATURE STORIES ABOUT YOUNGER DONORS AS PART OF YOUR GIVING MARKETING?

30%

Yes, we regularly feature stories of younger/Millennial donors

40%

Yes, but these features are pretty rare

30%

No, we do not regularly feature stories of younger/Millennial donors

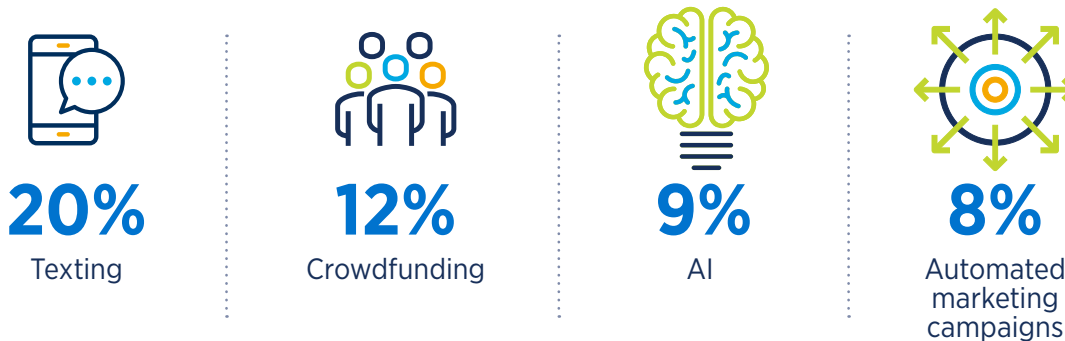
Only 30 percent of respondents shared that they frequently feature young alumni stories in their giving marketing. With more institutions seeking to secure this audience, additional stories of young alumni donor impact will help younger alumni see their opportunities to make a difference.

5 WHAT'S NEXT IN FUNDRAISING

Fundraisers facing growing goals, declining participation, and greater pressure to do much more with the same resources are incorporating more technology and data into their programs than ever before. Wealth ratings, once the sole possession of major gifts, are playing a larger role in annual giving with a greater focus on leadership-level donors. At the same time, predictive modeling's presence continues to grow, while artificial intelligence (AI)—which has become heavily relied upon in the marketing industry—is gaining a foothold in the nonprofit world and fundraisers' desire to engage and personalize more with their prospects.

ADVANCED FUNDRAISING TECHNIQUES	USING	NOT USING	WANT TO START	DON'T KNOW WHAT IT IS
Predictive ratings/analysis	43%	39%	15%	2%
Wealth ratings/analysis	73%	19%	8%	0%
Third-party/contracted analysis of results	39%	55%	5%	2%
Artificial intelligence	3%	77%	10%	10%

WHAT IS THE MOST EXCITING NEW DEVELOPMENT IN THE FUNDRAISING WORLD? (Top Responses)



We need to invest in technologies to amplify what we are currently doing. Regardless, prospects will not invest if there isn't a clear-cut consistent vision at the institution.

—Survey Respondent

KEY TAKEAWAYS

Throughout the survey responses, we noticed the institutions that were seeing success in their programs had invested in building a robust multichannel program with multiple opportunities for engagement and giving through personalized messaging and content. Delivering the right content to the right prospects is a crucial step in better engaging all audiences, especially young alumni.

Based on the results of our survey, RNL recommends all fundraisers follow these key strategies:

- **Giving days are integral to any annual giving program.** The lead-up to, day of, and follow-up to giving days are a multichannel jackpot, providing all of your prospects with numerous engagement opportunities, time-sensitive giving, and a strengthened sense of community. They also provide content for future communications and can be used to build a strong case for support even during your quietest fundraising season.
- **Do a deep dive on your audience.** Not all prospects are created equal. Some have deep ties to your institution and a philanthropic tradition, while others may have no connection beyond a degree and little interest in giving. Analyzing your audience through prospect modeling and using that to develop communications streams for your best prospects will optimize your efforts and allow you to shift resources.
- **Invest in young alumni.** Your long-term donors were not created out of the blue; they are the product of a relationship built over years of interaction. It is imperative to capture your next generation of donors through their preferred channels and in support of their desired causes now, before your stalwart donors pass away. This may mean a change to your annual giving program, but it is an investment that will pay dividends for years to come with your largest alumni population.
- **Incorporate more technology into your multichannel efforts.** From amplification opportunities like targeted digital advertising to audience-preferred communication channels like texting to personalized messaging via marketing automation, technology is key to elevating your cause among your target audience.

ABOUT THE SURVEY

This report is based on survey responses from 257 advancement professionals in April 2019. Multiple choice, ranking, and open-response questions were included. Respondents had an average of nine years of experience in the advancement profession and had served in annual giving leadership roles for an average of seven years. Common titles included director of annual giving, annual giving officer, and chief advancement officer. Respondents were offered a small gift card for their participation.

Research also included responses to our previously published 2018 annual giving survey, as well as *Voluntary Support of Education Survey* data from 2007 to 2018, from the Council for Aid to Education.

How can you reverse declining trends with donors and dollars? Talk with an RNL expert.

RNL has been a leader in higher education fundraising for nearly 30 years. We have raised **more than \$1 billion dollars** for our campus partners. We can help you find the ideal approach for identifying your best donor prospects, engaging them on a personal level, and increasing their propensity to give.

Ask for a free consultation today.

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About RNL

RNL is the leading provider of higher education enrollment, student success, and fundraising solutions. The firm serves more than 1,900 colleges and universities through data-driven solutions focused on the entire lifecycle of enrollment and fundraising, assuring students find the right program, graduate on time, secure their first job in their chosen field, and give back to support the next generation. With a deep knowledge of the industry, RNL provides institutions the ability to scale their efforts by tapping into a community of support and resources.

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